

**EMPLOYEES' RETIREMENT SYSTEM OF
THE STATE OF RHODE ISLAND**

**Municipal Employees' Retirement System
Multiple-Employer Defined Benefit Agent Plan**

GASB STATEMENT No. 68 REPORTS

FISCAL YEAR ENDED JUNE 30, 2022

(For Fiscal 2023 Employer Reporting)



David A. Bergantino, CPA, CFE Auditor General

Office of the Auditor General

General Assembly

State of Rhode Island



Office of the Auditor General

State of Rhode Island - General Assembly
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June 28, 2023

JOINT COMMITTEE ON LEGISLATIVE SERVICES:

SPEAKER K. Joseph Shekarchi, Chairman

Senator Dominick J. Ruggerio
Senator Jessica de la Cruz
Representative Christopher R. Blazejewski
Representative Michael W. Chippendale

We have completed our audit of the Schedule of Changes in Fiduciary Net Position by Employer - Municipal Employees' Retirement System (MERS) plan for the fiscal year ended June 30, 2022. The Schedules are required for employers participating in the MERS multiple-employer defined benefit agent plan to meet their financial reporting responsibilities under generally accepted accounting principles – specifically the requirements of Governmental Accounting Standards Board Statement No. 68 – *Accounting and Financial Reporting for Pensions*.

We have also included our report on the MERS plan census data as of June 30, 2021, which was used as the basis for the actuarial valuation of the plan at that date rolled forward to June 30, 2022 – **the plan measurement date for fiscal 2023 financial reporting by participating employers in the MERS plan.**

Our report is contained herein as outlined in the Table of Contents.

Sincerely,

David A. Bergantino, CPA, CFE
Auditor General

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Municipal Employees' Retirement System

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Municipal Employees' Retirement System

Multiple-Employer Defined Benefit Agent Plan

GASB STATEMENT No. 68 REPORTS

INTRODUCTION

The Municipal Employees' Retirement System (MERS) Plan covers certain employees of municipalities, fire districts, housing authorities, water and sewer districts, and municipal police and fire units that have elected to participate. MERS is an agent plan and accordingly separate actuarial valuations are performed for each employer unit.

We have previously audited the financial statements of the Employees' Retirement System of the State of Rhode Island for the year ended June 30, 2022 which includes the MERS plan financial statements. ERSRI has prepared and we have audited the Schedule of Changes in Fiduciary Net Position by Employer (the Schedule) for the fiscal year ended June 30, 2022. The amounts included in the Schedule are used by the actuary to determine the net pension liability or asset for each MERS participating employer at the June 30, 2022 measurement date.

The net pension liability and other measures for each MERS employer unit have been developed consistent with the requirements of GASB 68 – *Accounting and Financial Reporting for Pensions*. Such amounts are intended for accounting and financial reporting by governments which prepare their financial statements in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board. These amounts may and will likely differ from amounts reported in actuarial valuations used to measure actuarially determined contribution amounts consistent with the plan's adopted funding policies.

We have also issued our report on the reliability of the MERS census data at June 30, 2021 used by the actuary to measure the total pension liability for each MERS participating employer. The June 30, 2021 actuarial data, rolled forward to June 30, 2022, was used as the basis for determining the total pension liability at the measurement date (June 30, 2022). **Our report on the census data is intended to be used by each participating employer and their auditors in meeting the employer's fiscal 2023 financial reporting requirements.**

The System's actuary has provided separately issued actuarial valuation reports to each MERS participating employer which contains the beginning net pension liability (asset), ending net pension liability (asset), pension expense and related deferred inflows and outflows. The employer specific actuarial reports also detail actuarial methods and assumptions used by the actuary in measuring the net pension liability (asset) in accordance with the requirements of GASB Statement No. 68.

This audit report and the actuarial valuation reports provided by the actuary will allow employers participating in the MERS agent plan to meet their financial reporting responsibilities pursuant to GASB Statement No. 68.



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INDEPENDENT ACCOUNTANT'S REPORT

JOINT COMMITTEE ON LEGISLATIVE SERVICES, GENERAL ASSEMBLY
RETIREMENT BOARD OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND:

We have examined the Employees' Retirement System of Rhode Island's (the System's) management assertions related to the census data it maintained for the Municipal Employees' Retirement System (MERS) which was used by the System's actuary to prepare the actuarial valuations as of June 30, 2021 for the employers participating in MERS. The data in the 2021 valuations were rolled-forward to June 30, 2022 and used to prepare the GASB Statement No. 68 Accounting Valuation Reports as of June 30, 2022 for the employers participating in MERS. Those assertions are presented in accordance with the laws governing MERS (Rhode Island General Law Title 45). The System's management is responsible for its assertions. Our responsibility is to express an opinion on management's assertions based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertions are fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertions. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertions, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Management's assertions are:

1. The key census data elements as of June 30, 2021 provided by the System to its actuary are complete and accurate based on the accumulation of census data reported by the participating employers for the period July 1, 2020 through June 30, 2021. Key census data elements include: employer code, member name, gender, date of birth, date of hire, years of service, eligible compensation, date of termination, employment status (active, inactive or retired) and employee class (such as general employee, police, fire) and annual benefit payments for retirees as outlined in Title 45 of the General Laws of the State of Rhode Island.
2. The census data provided to the actuary as of June 30, 2021 properly reflects benefit provisions in effect through the measurement date of June 30, 2022 as outlined in Rhode Island General Law Title 45.
3. The census data provided to the actuary as of June 30, 2021 properly excludes deceased members based on the System's validation of the existence of plan members by cross matching social security numbers of plan members with the Social Security death file maintained by a private vendor (Pension Benefit Information) on a monthly basis for the period July 1, 2020 through June 30, 2021.

Joint Committee on Legislative Services, General Assembly
Retirement Board of the Employees' Retirement System of Rhode Island

In our opinion, management's assertions referred to above are fairly stated, in all material respects, based on the law governing MERS (Rhode Island General Law Title 45).

Our report is intended solely for the information and use of the Employees' Retirement System of the State of Rhode Island's management, the Retirement Board of the Employees' Retirement System of the State of Rhode Island, the Municipal Employees' Retirement System participating employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.



David A, Bergantino, CPA, CFE
Auditor General

June 23, 2023



Office of the Auditor General

State of Rhode Island - General Assembly

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INDEPENDENT AUDITOR'S REPORT

JOINT COMMITTEE ON LEGISLATIVE SERVICES, GENERAL ASSEMBLY, STATE OF RHODE ISLAND:
RETIREMENT BOARD OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND:

Report on the Audit of the Schedule

Opinion

We have audited the fiduciary net position as of June 30, 2022, and the changes in fiduciary net position for the year then ended, included in the accompanying Schedule of Changes in Fiduciary Net Position by Employer ("Schedule") of the Municipal Employees' Retirement System (MERS), and the related notes. We have also audited the fiduciary net position of each individual employer as of June 30, 2022, and the changes in fiduciary net position of each individual employer for the year then ended, included in the accompanying Schedule and the related notes.

In our opinion, the accompanying Schedule referred to above presents fairly, in all material respects, the fiduciary net position of the Municipal Employees' Retirement System as of June 30, 2022 and the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Also, in our opinion, the accompanying Schedule referred to above presents fairly, in all material respects, the fiduciary net position of each individual employer as of June 30, 2022, and the changes in fiduciary net position of each individual employer for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of the Municipal Employees' Retirement System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the date of the Schedule, including any currently known information that may raise substantial doubt shortly thereafter.

Joint Committee on Legislative Services, General Assembly
Retirement Board of the Employees' Retirement System of Rhode Island

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the fiduciary net position and the changes in fiduciary net position included in the Schedule is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the fiduciary net position and the changes in fiduciary net position included in the Schedule.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the fiduciary net position and changes in fiduciary net position included in the Schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipal Employees' Retirement System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the fiduciary net position and changes in fiduciary net position included in the Schedule.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

The fair values of certain investments (hedge funds, private equity, real estate, infrastructure, crisis protection class - trend following investments and emerging markets debt – collective unit trust) representing 43.1% of assets within the pooled investment trust, have been estimated by management in the absence of readily determinable fair values. Management's estimates are based on information provided by the fund managers or general partners.

Our opinion is not modified with respect to these matters.

Joint Committee on Legislative Services, General Assembly
Retirement Board of the Employees' Retirement System of Rhode Island

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Municipal Employees' Retirement System Plan within the Employees' Retirement System of Rhode Island as of and for the year ended June 30, 2022, and our report thereon, dated December 28, 2022, expressed an unmodified opinion on those financial statements.

Restriction on Use

Our report is intended solely for the information and use of the Employees' Retirement System of the State of Rhode Island's management, the Retirement Board of the Employees' Retirement System of the State of Rhode Island, the Municipal Employees' Retirement System participating employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.



David A. Bergantino, CPA, CFE
Auditor General

June 23, 2023

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Barrington (COLA)	Barrington	Barrington	Barrington	Bristol	Bristol	Bristol
<i>General Employees</i>	•				•		
<i>Police</i>		•				•	
<i>Fire</i>			•	•			•
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1002 1003 1007 1009	1004	1005	1008	1012 1019	1014	1015
<i>Legacy Employer Unit Number</i>	3078	4060	4061	4059	3002	4096	4094

Additions							
Contributions							
Member contributions	\$ 224,162	\$ 192,579	\$ -	\$ 198,564	\$ 157,638	\$ 313,683	\$ 18,539
Employer contributions	1,043,400	647,993	318,439	214,449	801,615	280,119	28,035
Other	-	-	-	-	14	-	-
Service credit transfers	6,716	3,176	-	-	162,002	-	-
Net investment income (loss)	(1,172,273)	(380,006)	(160,425)	(168,750)	(619,248)	(394,599)	(21,984)
Total Additions	102,005	463,742	158,014	244,263	502,021	199,203	24,590
Deductions							
Retirement benefits and refunds	\$ 2,523,068	\$ 908,829	\$ 801,016	\$ 103,655	\$ 1,542,660	\$ 39,634	\$ 29,247
Administrative expense	39,963	12,954	5,469	5,753	21,110	13,452	749
Service credit transfers	1,316	-	-	28,830	197,217	-	-
Total Deductions	2,564,347	921,783	806,485	138,238	1,760,987	53,086	29,996
Net Increase (Decrease)	(2,462,342)	(458,042)	(648,471)	106,026	(1,258,966)	146,117	(5,406)
Net position held in trust for pension benefits							
Beginning of year	44,327,620	14,029,165	6,377,727	5,920,526	23,374,107	13,946,170	790,507
End of year	\$ 41,865,278	\$ 13,571,123	\$ 5,729,256	\$ 6,026,552	\$ 22,115,141	\$ 14,092,287	\$ 785,101

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Bristol Housing	Bristol/Warren Regional School	Burrillville	Burrillville	Burrillville Housing	Central Coventry Fire District	Central Falls
<i>General Employees</i>	•	•	•		•		•
<i>Police</i>				•			
<i>Fire</i>						•	
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1016	1023	1032 1033	1034	1036	1045 1235 1525 1585	1052
Legacy Employer Unit Number	3059	3100	3003	4090	3065	4102	3004

Additions							
Contributions							
Member contributions	\$ 13,268	\$ 105,220	\$ 171,449	\$ 190,876	\$ 4,802	\$ 188,298	\$ 35,076
Employer contributions	6,727	780,514	526,877	412,862	29,559	619,119	357,899
Other	-	-	3	-	-	-	-
Service credit transfers	-	-	-	-	-	-	3,836
Net investment income (loss)	(70,183)	(548,024)	(956,312)	(397,158)	(27,786)	(343,438)	(176,820)
Total Additions	(50,188)	337,710	(257,983)	206,580	6,575	463,979	219,991
Deductions							
Retirement benefits and refunds	\$ 140,246	\$ 1,693,209	\$ 2,079,806	\$ 745,860	\$ 91,205	\$ 841,932	\$ 523,722
Administrative expense	2,393	18,682	32,601	13,539	947	11,708	6,028
Service credit transfers	78,811	35,049	7,014	-	-	-	3,943
Total Deductions	221,450	1,746,940	2,119,421	759,399	92,152	853,640	533,693
Net Increase (Decrease)	(271,638)	(1,409,230)	(2,377,404)	(552,819)	(85,578)	(389,660)	(313,702)
Net position held in trust for pension benefits							
Beginning of year	2,778,083	20,980,753	36,530,093	14,736,486	1,077,910	12,654,815	6,628,472
End of year	\$ 2,506,445	\$ 19,571,523	\$ 34,152,689	\$ 14,183,667	\$ 992,332	\$ 12,265,155	\$ 6,314,770

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Central Falls Police and Fire (new)	Central Falls Police and Fire (legacy)	Central Falls School District	Central Falls Housing	Chariho School District	Charlestown	Charlestown
<i>General Employees</i>			•	•	•	•	
<i>Police</i>							•
<i>Fire</i>							
<i>Police and Fire</i>	•	•					
Current Employer Unit Number(s)	1054	1055	1063	1056	1073	1082	1084
Legacy Employer Unit Number	1054	1055	3099	3096	3040	3005	4086

Additions							
Contributions							
Member contributions	\$ 82,291	\$ 535,097	\$ 119,285	\$ 29,286	\$ 144,300	\$ 100,367	\$ 166,862
Employer contributions	87,723	2,961,184	443,744	169,822	614,872	225,086	801,500
Other	-	-	-	-	-	-	-
Service credit transfers	36,028	-	4,040	-	17,118	-	-
Net investment income (loss)	(11,117)	(514,884)	(532,675)	(87,666)	(701,635)	(305,012)	(397,017)
Total Additions	194,925	2,981,397	34,394	111,442	74,655	20,441	571,345
Deductions							
Retirement benefits and refunds	\$ -	\$ 2,726,766	\$ 1,051,776	\$ 192,459	\$ 1,407,155	\$ 300,333	\$ 789,647
Administrative expense	379	17,552	18,159	2,989	23,919	10,398	13,534
Service credit transfers	-	57,873	38,292	-	14,067	-	-
Total Deductions	379	2,802,191	1,108,227	195,448	1,445,141	310,731	803,181
Net Increase (Decrease)	194,546	179,205	(1,073,833)	(84,006)	(1,370,486)	(290,290)	(231,836)
Net position held in trust for pension benefits							
Beginning of year	202,466	18,208,803	20,097,177	3,214,822	26,427,918	11,183,161	14,410,474
End of year	\$ 397,012	\$ 18,388,008	\$ 19,023,344	\$ 3,130,816	\$ 25,057,432	\$ 10,892,871	\$ 14,178,638

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Coventry Fire District	Coventry Housing	Coventry Lighting District	Cranston	Cranston	Cranston	Cranston Housing
<i>General Employees</i>		•	•	•			•
<i>Police</i>					•		
<i>Fire</i>	•					•	
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1095	1096	1098	1112 1113	1114	1115	1116
Legacy Employer Unit Number	4098	3079	3045	3007	4104	4105	3051

Additions							
Contributions							
Member contributions	\$ 61,105	\$ 7,181	\$ 1,054	\$ 714,318	\$ 1,328,333	\$ 1,668,254	\$ 27,335
Employer contributions	194,680	45,813	-	2,672,435	2,057,555	1,438,506	73,084
Other	-	-	-	-	18,642	604	-
Service credit transfers	13,644	-	-	126,073	94,694	222,522	84,904
Net investment income (loss)	(107,774)	(53,210)	(38,421)	(4,446,914)	(1,877,094)	(2,884,318)	(178,827)
Total Additions	161,655	(216)	(37,367)	(934,088)	1,622,130	445,568	6,496
Deductions							
Retirement benefits and refunds	\$ 365,451	\$ 36,830	\$ 64,671	\$ 10,196,432	\$ 1,720,848	\$ 2,303,849	\$ 470,029
Administrative expense	3,674	1,814	1,310	151,595	63,990	98,326	6,096
Service credit transfers	-	-	-	366,748	-	-	10,728
Total Deductions	369,125	38,644	65,981	10,714,775	1,784,838	2,402,175	486,853
Net Increase (Decrease)	(207,470)	(38,860)	(103,348)	(11,648,863)	(162,708)	(1,956,608)	(480,357)
Net position held in trust for pension benefits							
Beginning of year	4,056,395	1,939,148	1,475,484	170,461,097	67,199,206	104,964,012	6,866,796
End of year	\$ 3,848,925	\$ 1,900,288	\$ 1,372,136	\$ 158,812,234	\$ 67,036,498	\$ 103,007,404	\$ 6,386,439

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Cumberland	Cumberland Fire District	Cumberland Housing	Cumberland Rescue	East Greenwich	East Greenwich	East Greenwich
<i>General Employees</i>	•		•		•		
<i>Police</i>						•	
<i>Fire</i>		•		•			•
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1122 1123	1125 1135 1365	1126	1148	1152 1153	1154	1155
<i>Legacy Employer Unit Number</i>	3008	4106	3056	4091	3009	4054	4050

Additions														
Contributions														
Member contributions	\$	174,061	\$	288,596	\$	12,790	\$	109,380	\$	42,241	\$	240,275	\$	282,557
Employer contributions		1,214,017		781,511		32,487		143,584		98,446		757,344		955,900
Other		-		-		15		-		-		-		-
Service credit transfers		756,342		-		-		-		251,728		16,944		-
Net investment income (loss)		(980,364)		(550,658)		(52,132)		(263,006)		(235,903)		(562,824)		(537,800)
Total Additions		1,164,056		519,449		(6,840)		(10,042)		156,512		451,739		700,657
Deductions														
Retirement benefits and refunds	\$	2,152,657	\$	1,051,177	\$	52,154	\$	361,723	\$	445,671	\$	1,322,716	\$	1,161,953
Administrative expense		33,421		18,772		1,777		8,966		8,042		19,187		18,334
Service credit transfers		228,337		-		-		-		813,570		-		13,644
Total Deductions		2,414,415		1,069,949		53,931		370,689		1,267,283		1,341,903		1,193,931
Net Increase (Decrease)		(1,250,359)		(550,500)		(60,771)		(380,731)		(1,110,771)		(890,164)		(493,273)
Net position held in trust for pension benefits														
Beginning of year		36,261,990		20,216,089		1,922,540		9,773,431		9,535,553		20,990,258		19,699,667
End of year	\$	35,011,631	\$	19,665,589	\$	1,861,769	\$	9,392,700	\$	8,424,782	\$	20,100,094	\$	19,206,394

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	East Greenwich Housing	East Greenwich (COLA)	East Greenwich (Fire)	East Providence	East Providence Housing	East Smithfield Water	Exeter/West Greenwich School District
<i>General Employees</i>	•	•	•	•	•	•	•
<i>Police</i>							
<i>Fire</i>							
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1156	1157 1158	1159	1162 1163	1166	1177	1183
<i>Legacy Employer Unit Number</i>	3050	3101	3150	3010	3052	3067	3011

Additions							
Contributions							
Member contributions	\$ 9,551	\$ 164,331	\$ 855	\$ 507,208	\$ 16,460	\$ -	\$ 74,280
Employer contributions	55,729	334,339	8,877	4,606,959	96,794	4,902	399,924
Other	-	-	-	203	-	-	-
Service credit transfers	-	172,707	-	226,885	78,811	-	-
Net investment income (loss)	(53,007)	(788,317)	(4,157)	(2,133,340)	(100,567)	(20,090)	(366,831)
Total Additions	12,273	(116,940)	5,575	3,207,915	91,498	(15,188)	107,373
Deductions							
Retirement benefits and refunds	\$ 71,701	\$ 1,341,580	\$ 21,636	\$ 7,820,806	\$ 253,723	\$ 51,987	\$ 689,223
Administrative expense	1,807	26,874	142	72,726	3,428	685	12,505
Service credit transfers	-	112,507	-	226,535	-	-	1,429
Total Deductions	73,508	1,480,961	21,778	8,120,067	257,151	52,672	703,157
Net Increase (Decrease)	(61,236)	(1,597,901)	(16,203)	(4,912,152)	(165,654)	(67,860)	(595,784)
Net position held in trust for pension benefits							
Beginning of year	1,954,288	29,750,986	164,655	81,099,933	3,757,205	785,320	13,696,387
End of year	\$ 1,893,052	\$ 28,153,085	\$ 148,452	\$ 76,187,781	\$ 3,591,551	\$ 717,460	\$ 13,100,603

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Foster	Foster	Foster/Glocester Regional School District	Glocester	Glocester	Greenville Water	Hope Valley - Wyoming Fire District
<i>General Employees</i>	•		•	•		•	•
<i>Police</i>		•			•		
<i>Fire</i>							
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1192 1193	1194	1203	1212 1213	1214	1227	1242
Legacy Employer Unit Number	3012	4082	3041	3013	4088	3068	3046

Additions														
Contributions														
Member contributions	\$	27,703	\$	44,832	\$	51,869	\$	87,856	\$	128,487	\$	7,313	\$	3,483
Employer contributions		170,128		136,646		248,457		339,234		323,143		10,860		-
Other		-		-		2		-		-		-		-
Service credit transfers		10,200		395		34,725		11,538		-		-		-
Net investment income (loss)		(132,004)		(101,938)		(246,247)		(320,802)		(260,131)		(48,225)		(15,718)
Total Additions		76,027		79,935		88,806		117,826		191,499		(30,052)		(12,235)
Deductions														
Retirement benefits and refunds	\$	283,358	\$	294,053	\$	583,660	\$	613,754	\$	491,546	\$	54,316	\$	22,264
Administrative expense		4,500		3,475		8,395		10,936		8,868		1,644		536
Service credit transfers		-		7,231		245,964		-		-		-		-
Total Deductions		287,858		304,759		838,019		624,690		500,414		55,960		22,800
Net Increase (Decrease)		(211,832)		(224,824)		(749,212)		(506,864)		(308,915)		(86,012)		(35,035)
Net position held in trust for pension benefits														
Beginning of year		4,926,095		3,865,313		9,543,399		11,963,625		9,598,954		1,808,251		596,362
End of year	\$	4,714,263	\$	3,640,489	\$	8,794,187	\$	11,456,761	\$	9,290,039	\$	1,722,239	\$	561,327

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Hopkins Hill Fire District	Hopkinton	Hopkinton	Jamestown	Johnston	Johnston	Johnston
<i>General Employees</i>		•		•	•		
<i>Police</i>			•			•	
<i>Fire</i>	•						•
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1255	1262	1264	1272 1273	1282 1283	1284	1285
<i>Legacy Employer Unit Number</i>	4103	3014	4087	3015	3016	1284	4016

Additions														
Contributions														
Member contributions	\$	92,353	\$	37,745	\$	109,765	\$	124,618	\$	184,023	\$	137,013	\$	483,867
Employer contributions		145,364		56,110		358,053		473,065		1,305,625		139,753		671,503
Other		-		-		-		-		-		-		-
Service credit transfers		-		-		-		-		133,473		-		62,161
Net investment income (loss)		(135,432)		(194,429)		(204,846)		(512,072)		(1,002,862)		(63,535)		(450,811)
Total Additions		102,285		(100,574)		262,972		85,611		620,259		213,231		766,720
Deductions														
Retirement benefits and refunds	\$	122,963	\$	330,661	\$	478,914	\$	959,283	\$	3,493,173	\$	17,154	\$	330,460
Administrative expense		4,617		6,628		6,983		17,457		34,188		2,166		15,368
Service credit transfers		-		37,377		-		38,787		20,370		54,839		-
Total Deductions		127,580		374,666		485,897		1,015,527		3,547,731		74,159		345,828
Net Increase (Decrease)		(25,295)		(475,240)		(222,926)		(929,916)		(2,927,471)		139,072		420,891
Net position held in trust for pension benefits														
Beginning of year		4,861,956		7,418,867		7,538,582		19,217,503		38,742,586		2,129,954		15,678,891
End of year	\$	4,836,661	\$	6,943,627	\$	7,315,656	\$	18,287,587	\$	35,815,115	\$	2,269,026	\$	16,099,782

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Johnston Housing	Lime Rock Fire District (Administrative)	Lime Rock Fire	Lincoln	Lincoln Rescue	Lincoln Housing	Middletown
<i>General Employees</i>	•	•		•		•	•
<i>Police</i>							
<i>Fire</i>			•		•		
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1286	1293	1295	1302 1303	1305	1306	1322 1323
<i>Legacy Employer Unit Number</i>	3072	3098	1295	3017	4107	3057	3019

Additions														
Contributions														
Member contributions	\$	4,627	\$	5,231	\$	72,427	\$	8,947	\$	88,725	\$	12,944	\$	147,208
Employer contributions		62,794		16,497		967,776		102,157		263,513		63,230		580,636
Other		-		-		-		-		-		-		-
Service credit transfers		-		-		-		-		-		2,896		-
Net investment income (loss)		(39,739)		(14,101)		(28,307)		(93,676)		(145,958)		(53,864)		(670,432)
Total Additions		27,682		7,627		1,011,896		17,428		206,280		25,206		57,412
Deductions														
Retirement benefits and refunds	\$	121,261	\$	14,541	\$	-	\$	142,197	\$	334,127	\$	142,332	\$	1,268,402
Administrative expense		1,355		481		965		3,193		4,976		1,836		22,855
Service credit transfers		-		-		-		-		31,071		20,451		2,552
Total Deductions		122,616		15,022		965		145,390		370,174		164,619		1,293,809
Net Increase (Decrease)		(94,933)		(7,395)		1,010,931		(127,963)		(163,894)		(139,413)		(1,236,397)
Net position held in trust for pension benefits														
Beginning of year		1,514,122		511,000		-		3,473,423		5,376,492		2,063,058		25,179,470
End of year	\$	1,419,189	\$	503,605	\$	1,010,931	\$	3,345,460	\$	5,212,598	\$	1,923,645	\$	23,943,073

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Middletown	Narragansett Housing	New Shoreham	New Shoreham	Newport	Newport Housing	Newport Police Department
<i>General Employees</i>		•	•		•	•	
<i>Police</i>				•			•
<i>Fire</i>							
<i>Police and Fire</i>	•						
<i>Current Employer Unit Number(s)</i>	1324	1336	1342 1343	1344	1352 1353 1354	1356	1364
<i>Legacy Employer Unit Number</i>	4109	3043	3022	4108	3021	3069	1364

Additions							
Contributions							
Member contributions	\$ 510,349	\$ 4,295	\$ 59,716	\$ 42,250	\$ 403,366	\$ 36,489	\$ 147,045
Employer contributions	488,493	6,013	197,586	89,444	3,176,475	307,568	138,711
Other	468	-	-	-	-	-	-
Service credit transfers	-	-	-	-	4,120	-	20,192
Net investment income (loss)	(430,601)	(26,933)	(272,511)	(59,943)	(1,675,999)	(211,770)	(51,416)
Total Additions	568,709	(16,625)	(15,209)	71,751	1,907,962	132,287	254,532
Deductions							
Retirement benefits and refunds	\$ 60,938	\$ -	\$ 557,214	\$ 113,087	\$ 5,335,787	\$ 749,991	\$ -
Administrative expense	14,679	918	9,290	2,043	57,135	7,219	1,753
Service credit transfers	-	-	-	-	33,978	-	75,033
Total Deductions	75,617	918	566,504	115,130	5,426,900	757,210	76,786
Net Increase (Decrease)	493,092	(17,544)	(581,713)	(43,379)	(3,518,938)	(624,923)	177,746
Net position held in trust for pension benefits							
Beginning of year	14,884,913	979,416	10,313,883	2,184,106	63,373,776	8,187,839	1,658,479
End of year	\$ 15,378,005	\$ 961,872	\$ 9,732,170	\$ 2,140,727	\$ 59,854,838	\$ 7,562,916	\$ 1,836,225

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

Employer Unit Type	North Kingstown	North Kingstown	North Kingstown	North Providence	North Providence	North Providence Housing	North Smithfield
General Employees	•			•		•	•
Police		•					
Fire			•		•		
Police and Fire							
Current Employer Unit Number(s)	1372 1373	1374	1375	1382 1383	1385	1386	1392 1393
Legacy Employer Unit Number	3023	4056	4055	3024	4058	3066	3025

Additions							
Contributions							
Member contributions	\$ 297,970	\$ 430,360	\$ 537,067	\$ 134,802	\$ 616,857	\$ 5,865	\$ 95,858
Employer contributions	2,182,099	1,267,409	1,602,607	577,879	1,928,714	99,139	259,718
Other	-	-	-	-	-	-	-
Service credit transfers	227,977	-	69,280	147,244	1,730	-	387,850
Net investment income (loss)	(1,619,981)	(862,533)	(1,202,126)	(961,824)	(1,223,190)	(25,505)	(515,086)
Total Additions	1,088,065	835,236	1,006,828	(101,899)	1,324,111	79,499	228,340
Deductions							
Retirement benefits and refunds	\$ 4,704,021	\$ 1,833,400	\$ 2,538,960	\$ 2,187,701	\$ 3,388,977	\$ 138,288	\$ 984,333
Administrative expense	55,225	29,404	40,981	32,789	41,699	869	17,559
Service credit transfers	259,252	-	37,101	11,126	-	88,944	87,584
Total Deductions	5,018,498	1,862,804	2,617,042	2,231,616	3,430,676	228,101	1,089,476
Net Increase (Decrease)	(3,930,433)	(1,027,568)	(1,610,214)	(2,333,514)	(2,106,565)	(148,603)	(861,136)
Net position held in trust for pension benefits							
Beginning of year	61,784,669	31,831,140	44,541,634	36,683,043	45,790,252	1,059,480	19,256,346
End of year	\$ 57,854,236	\$ 30,803,572	\$ 42,931,420	\$ 34,349,529	\$ 43,683,687	\$ 910,877	\$ 18,395,210

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	North Smithfield	North Smithfield Fire and Rescue	Northern RI Collaborative	Pawtucket	Pawtucket Housing	Portsmouth	Portsmouth
<i>General Employees</i>			•	•	•		
<i>Police</i>	•					•	
<i>Fire</i>		•					•
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1394	1395 1435	1403	1412 1413	1416	1424	1425
<i>Legacy Employer Unit Number</i>	4076	4047	3081	3026	3053	1424	1425

Additions														
Contributions														
Member contributions	\$	208,581	\$	153,962	\$	22,728	\$	635,491	\$	91,561	\$	168,721	\$	150,312
Employer contributions		487,870		266,547		108,353		3,182,051		-		143,581		150,763
Other		-		-		-		186		-		-		-
Service credit transfers		-		-		-		14,497		10,807		-		-
Net investment income (loss)		(363,130)		(295,303)		(97,145)		(3,095,783)		(514,994)		(60,797)		(52,228)
Total Additions		333,321		125,206		33,936		736,442		(412,626)		251,505		248,847
Deductions														
Retirement benefits and refunds	\$	773,120	\$	545,079	\$	206,030	\$	7,625,377	\$	752,020	\$	-	\$	-
Administrative expense		12,379		10,067		3,312		105,535		17,556		2,073		1,780
Service credit transfers		-		32,921		402		847,814		-		-		-
Total Deductions		785,499		588,067		209,744		8,578,726		769,576		2,073		1,780
Net Increase (Decrease)		(452,178)		(462,861)		(175,808)		(7,842,285)		(1,182,202)		249,433		247,067
Net position held in trust for pension benefits														
Beginning of year		13,420,598		11,008,991		3,645,139		118,401,722		19,574,139		1,921,793		1,618,150
End of year	\$	12,968,420	\$	10,546,130	\$	3,469,331	\$	110,559,437	\$	18,391,937	\$	2,171,226	\$	1,865,217

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Richmond	Richmond	Scituate	Scituate	Smithfield	Smithfield	Smithfield
<i>General Employees</i>	•		•			•	
<i>Police</i>		•		•			•
<i>Fire</i>					•		
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1452	1454	1462 1463	1464	1465	1472 1473	1474
<i>Legacy Employer Unit Number</i>	3029	4029	3030	4073	1465	3031	4031

Additions								
Contributions								
Member contributions	\$ 21,773	\$ 84,866	\$ 105,813	\$ -	\$ 224,155	\$ 90,275	\$ 363,203	
Employer contributions	124,501	98,067	598,239	-	200,614	392,343	455,455	
Other	-	-	-	-	-	-	-	
Service credit transfers	3,834	-	29,613	-	27,066	18,870	-	
Net investment income (loss)	(94,553)	(98,402)	(372,774)	(8,403)	(101,603)	(416,376)	(676,603)	
Total Additions	55,555	84,531	360,891	(8,403)	350,232	85,112	142,055	
Deductions								
Retirement benefits and refunds	\$ 207,729	\$ 26,393	\$ 894,196	\$ 3,609	\$ 28,583	\$ 907,881	\$ 523,580	
Administrative expense	3,223	3,355	12,708	286	3,464	14,194	23,065	
Service credit transfers	-	-	38,823	-	63,331	-	-	
Total Deductions	210,952	29,748	945,727	3,895	95,378	922,075	546,645	
Net Increase (Decrease)	(155,398)	54,783	(584,836)	(12,299)	254,854	(836,963)	(404,591)	
Net position held in trust for pension benefits								
Beginning of year	3,532,169	3,459,451	13,897,685	312,395	3,373,685	15,706,951	24,568,067	
End of year	\$ 3,376,771	\$ 3,514,234	\$ 13,312,849	\$ 300,096	\$ 3,628,539	\$ 14,869,988	\$ 24,163,476	

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Smithfield Housing	Smithfield (COLA)	Scituate	South Kingstown	South Kingstown	South Kingstown Housing	South Kingstown (EMT)
<i>General Employees</i>	•	•		•		•	
<i>Police</i>			•		•		
<i>Fire</i>							•
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1476	1478	1484	1492 1493	1494	1496	1505
Legacy Employer Unit Number	3084	3094	1484	3032	4063	3080	4099

Additions														
Contributions														
Member contributions	\$	7,414	\$	140,561	\$	68,085	\$	336,589	\$	426,854	\$	4,365	\$	105,942
Employer contributions		3,220		464,909		59,233		1,588,324		1,112,644		-		42,482
Other		-		8		-		-		2,120		-		-
Service credit transfers		-		82,295		28,732		67,970		77,756		-		-
Net investment income (loss)		(22,798)		(559,285)		(16,751)		(1,880,471)		(867,692)		(18,384)		(167,260)
Total Additions		(12,164)		128,488		139,299		112,412		751,682		(14,019)		(18,836)
Deductions														
Retirement benefits and refunds	\$	-	\$	995,245	\$	-	\$	4,587,821	\$	1,998,876	\$	21,573	\$	171,239
Administrative expense		777		19,066		571		64,105		29,580		627		5,702
Service credit transfers		-		-		-		315,223		60,047		-		-
Total Deductions		777		1,014,311		571		4,967,149		2,088,503		22,200		176,941
Net Increase (Decrease)		(12,941)		(885,823)		138,728		(4,854,737)		(1,336,821)		(36,218)		(195,777)
Net position held in trust for pension benefits														
Beginning of year		827,116		20,859,500		459,492		72,011,820		32,324,624		692,757		6,169,111
End of year	\$	814,175	\$	19,973,677	\$	598,220	\$	67,157,083	\$	30,987,803	\$	656,539	\$	5,973,334

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Union Fire District	Tiogue Lighting and Fire District	Tiverton	Tiverton	Tiverton (Local 2670A)	Valley Falls Fire District	Warren
<i>General Employees</i>	•	•	•		•		•
<i>Police</i>							
<i>Fire</i>				•		•	
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1515	1528	1532 1533	1534	1538	1555	1562
Legacy Employer Unit Number	3027	3042	3033	4077	3077	4042	3034

Additions							
Contributions							
Member contributions	\$ 3,888	\$ -	\$ 91,016	\$ 211,874	\$ 24,787	\$ 63,193	\$ 73,107
Employer contributions	26,869	-	127,713	522,677	87,124	198,216	288,582
Other	-	-	-	95	-	-	-
Service credit transfers	-	-	-	73,479	-	-	-
Net investment income (loss)	(31,347)	(1,613)	(464,678)	(386,826)	(132,727)	(131,564)	(217,802)
Total Additions	(590)	(1,613)	(245,949)	421,299	(20,816)	129,845	143,887
Deductions							
Retirement benefits and refunds	\$ 70,996	\$ 2,126	\$ 861,436	\$ 830,185	\$ 311,258	\$ 282,445	\$ 391,676
Administrative expense	1,069	55	15,841	13,187	4,525	4,485	7,425
Service credit transfers	-	-	35,290	32,722	-	-	-
Total Deductions	72,065	2,181	912,567	876,094	315,783	286,930	399,101
Net Increase (Decrease)	(72,655)	(3,794)	(1,158,516)	(454,795)	(336,599)	(157,085)	(255,214)
Net position held in trust for pension benefits							
Beginning of year	1,192,158	61,384	17,753,512	14,269,473	5,076,676	4,855,602	8,033,574
End of year	\$ 1,119,503	\$ 57,590	\$ 16,594,996	\$ 13,814,678	\$ 4,740,077	\$ 4,698,517	\$ 7,778,360

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Warren	Warren Housing	West Greenwich	West Greenwich	West Warwick (legacy)	West Warwick School District (legacy)	West Warwick (new)
<i>General Employees</i>		•	•		•	•	•
<i>Police</i>							
<i>Fire</i>							
<i>Police and Fire</i>	•			•			
Current Employer Unit Number(s)	1564 1565	1566	1602	1604	1609	1610	1612
Legacy Employer Unit Number	4062	3071	3037	4089	1609	1610	1612

Additions							
Contributions							
Member contributions	\$ 195,811	\$ 9,284	\$ 32,160	\$ 120,026	\$ -	\$ -	\$ 3,843
Employer contributions	531,674	25,439	197,466	278,700	9,448,880	11,442,403	12,489
Other	-	-	-	-	-	-	-
Service credit transfers	-	-	-	75,033	-	-	60,216
Net investment income (loss)	(417,786)	(34,179)	(118,600)	(191,595)	(272,083)	(328,163)	(2,083)
Total Additions	309,699	544	111,026	282,164	9,176,797	11,114,240	74,465
Deductions							
Retirement benefits and refunds	\$ 896,599	\$ 115,144	\$ 208,800	\$ 354,950	\$ -	\$ -	\$ -
Administrative expense	14,242	1,165	4,043	6,531	26,627	32,110	71
Service credit transfers	-	-	10,200	-	-	-	-
Total Deductions	910,841	116,309	223,043	361,481	26,627	32,110	71
Net Increase (Decrease)	(601,142)	(115,765)	(112,017)	(79,317)	9,150,170	11,082,130	74,394
Net position held in trust for pension benefits							
Beginning of year	15,521,502	1,336,380	4,347,555	6,921,720	-	-	-
End of year	\$ 14,920,360	\$ 1,220,615	\$ 4,235,538	\$ 6,842,403	\$ 9,150,170	\$ 11,082,130	\$ 74,394

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	West Warwick School District (new)	West Warwick (new)	West Warwick (new)	West Warwick Housing	West Warwick (legacy)	West Warwick (legacy)	West Warwick Library (legacy)
<i>General Employees</i>	•			•			•
<i>Police</i>		•			•		
<i>Fire</i>			•			•	
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1613	1614	1615	1616	1617	1618	1619
Legacy Employer Unit Number	1613	1614	1615	3083	1617	1618	1619

Additions

Contributions

Member contributions	\$ 12,244	\$ 17,952	\$ 50,705	\$ 25,882	\$ -	\$ -	\$ -
Employer contributions	39,796	18,849	951,739	65,654	12,528,652	15,622,709	907,657
Other	-	-	-	260	-	-	-
Service credit transfers	2,144	-	4,315	-	-	-	-
Net investment income (loss)	(1,475)	(1,001)	(27,397)	(52,486)	(360,766)	(475,732)	(26,136)
Total Additions	52,709	35,800	979,362	39,310	12,167,886	15,146,977	881,521

Deductions

Retirement benefits and refunds	\$ -	\$ -	\$ -	\$ 150,283	\$ -	\$ -	\$ -
Administrative expense	50	34	934	1,789	35,302	46,554	2,562
Service credit transfers	-	-	-	-	-	-	-
Total Deductions	50	34	934	152,072	35,302	46,554	2,562

Net Increase (Decrease)	52,659	35,765	978,428	(112,763)	12,132,584	15,100,423	878,959
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Net position held in trust for pension benefits

Beginning of year	-	-	-	1,987,221	-	-	-
End of year	\$ 52,659	\$ 35,765	\$ 978,428	\$ 1,874,458	\$ 12,132,584	\$ 15,100,423	\$ 878,959

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Westerly	Woonsocket	Woonsocket	Woonsocket	Albion Fire District	Albion Fire District	Harrisville Fire District
<i>General Employees</i>	•	•			•		•
<i>Police</i>			•				
<i>Fire</i>				•		•	
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1622 1623	1632 1633	1634	1635	1702	1705 1815	1712
<i>Legacy Employer Unit Number</i>	3036	3039	4085	4093	3103	4111	3102

Additions							
Contributions							
Member contributions	\$ -	\$ 347,496	\$ 668,465	\$ 777,497	\$ -	\$ 51,541	\$ 11,855
Employer contributions	-	1,635,989	2,024,551	1,161,207	-	74,849	14,409
Other	-	-	3	4,000	-	-	-
Service credit transfers	-	808,518	-	-	-	90,869	-
Net investment income (loss)	(20,768)	(1,949,343)	(1,499,831)	(1,854,687)	(4,251)	(47,477)	(38,038)
Total Additions	(20,768)	842,660	1,193,188	88,017	(4,251)	169,782	(11,774)
Deductions							
Retirement benefits and refunds	\$ 124,425	\$ 5,264,989	\$ 3,017,182	\$ 2,619,433	\$ 9,474	\$ 85,641	\$ 3,867
Administrative expense	708	66,453	51,129	63,226	145	1,619	1,297
Service credit transfers	-	968,484	123,432	190,236	-	90,869	-
Total Deductions	125,133	6,299,926	3,191,743	2,872,895	9,619	178,129	5,164
Net Increase (Decrease)	(145,901)	(5,457,266)	(1,998,555)	(2,784,879)	(13,870)	(8,347)	(16,938)
Net position held in trust for pension benefits							
Beginning of year	887,595	75,074,018	55,561,912	69,021,201	165,701	1,703,905	1,375,393
End of year	\$ 741,694	\$ 69,616,752	\$ 53,563,357	\$ 66,236,322	\$ 151,831	\$ 1,695,558	\$ 1,358,455

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2022

<i>Employer Unit Type</i>	Harrisville Fire District	Pascoag Fire District (Administrative)	Pascoag Fire District	Total
<i>General Employees</i>		•		
<i>Police</i>				
<i>Fire</i>	•		•	
<i>Police and Fire</i>				
Current Employer Unit Number(s)	1715	1802	1805	
Legacy Employer Unit Number	4110	1802	1805	
Additions				
Contributions				
Member contributions	\$ 55,609	\$ -	\$ 25,548	\$ 20,190,121
Employer contributions	40,539	56,655	128,454	114,039,957
Other	-	-	-	26,623
Service credit transfers	14,324	-	-	4,882,290
Net investment income (loss)	(78,408)	(2,962)	(25,082)	(57,074,740)
Total Additions	32,064	53,693	128,920	82,064,251
Deductions				
Retirement benefits and refunds	\$ -	\$ -	\$ 23,529	\$ 119,072,893
Administrative expense	2,673	101	855	2,038,965
Service credit transfers	-	-	-	6,097,364
Total Deductions	2,673	101	24,384	127,209,222
Net Increase (Decrease)	29,391	53,592	104,536	(45,144,971)
Net position held in trust for pension benefits				
Beginning of year	2,770,795	52,175	791,231	2,079,550,597
End of year	\$ 2,800,186	\$ 105,767	\$ 895,767	\$ 2,034,405,626

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2022

1. Plan Description and Governance

The Employees' Retirement System of the State of Rhode Island (the System) acts as a common investment and administrative agent for pension benefits to be provided through various defined benefit and defined contribution retirement plans. The System is administered by the State of Rhode Island Retirement Board which was authorized, created and established as an independent retirement board to hold and administer, in trust, the funds of the retirement system.

Each plan's assets are accounted for separately and may be used only for the payment of benefits to the members of that plan, in accordance with the terms of that plan.

The Municipal Employees' Retirement System (MERS) was established by Rhode Island General Law and placed under the management of the Retirement Board to provide retirement allowances to employees of municipalities, housing authorities, water and sewer districts, and municipal police and fire persons that have elected to participate. MERS is a multiple-employer defined benefit agent plan.

2. Plan Membership and Benefit Provisions

Participating employers are summarized below:

Municipalities, housing authorities, water and sewer districts	69
Municipal police and fire departments	<u>53</u>
Total participating units as of the actuarial valuation at June 30, 2021	<u>122</u>

Plan members (as of the June 30, 2021 valuation date):

	<i>Retirees and beneficiaries</i>	<i>Terminated plan members entitled to but not yet receiving benefits</i>	<i>Active Vested</i>	<i>Active Non-vested</i>	<i>Total by Plan</i>
MERS					
General Employees	5,003	3,467	3,876	1,910	14,256
Public Safety	1,046	260	1,275	498	3,079
Total by type	6,049	3,727	5,151	2,408	17,335

Plan vesting provisions – after five years of service.

Retirement eligibility and plan benefits – For general employees prior to June 30, 2012 the plan provided retirement benefits equal to 2% of a member's final average salary multiplied by the number of years of total service up to a maximum of 75%. Such benefits are available to members at least age 58 with 10 years of service or after 30 years of service at any age. Benefits accrued at June 30, 2012 are protected under the Rhode Island Retirement Security Act until it is exceeded by the member's full years of service credit, including service after June 30, 2012, multiplied by the average of five consecutive years of compensation. Effective July 1, 2012 the retirement age mirrors the Social Security Normal Retirement Age not to exceed age 67. Members will receive a benefit accrual of 1.0% per year based on the five-year average compensation.

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2022

2. Plan Membership and Benefit Provisions (continued)

Effective July 1, 2015 general employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rates to 8.25% (9.25% for units with a cost of living adjustment provision) and will participate solely in the defined benefit plan. Members will receive a benefit accrual of 2% per year based on the three or five-year average compensation.

Effective July 1, 2015 general employees are eligible to retire upon the attainment of: age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.

Joint and survivor options are available. For members with 10 years of service as of July 1, 2005, the Service Retirement Allowance (SRA) Plus option provides for the payment of a larger benefit before the attainment of age sixty-two (62) and a reduced amount thereafter. The reduced amount is equal to the benefit before age sixty-two (62), including cost-of-living increases, minus the member's estimated social security benefit payable at age sixty-two (62).

Prior to June 30, 2012, police and fire personnel may retire at age 55 if they have 10 years of service or after 25 years of service at any age. An option may be elected to provide a 20-year service pension with a benefit equal to 2.5% for each year of service up to a maximum of 75% for police and fire personnel. Benefits are based on the average of the highest three consecutive years' earnings, exclusive of overtime.

From June 30, 2012 to June 30, 2015, retirement age for police and fire personnel is 55 years old with 25 years of total service or for members with five years of service but less than 25 years of service the new retirement age will mirror the Social Security Normal Retirement Age not to exceed 67. Police officers or firefighters, that are at least 45 years old, have 10 or more years of contributing service and are eligible to retire prior to age 52 under the law in effect on June 30, 2012, may retire at age 52. Effective July 1, 2015, police and fire personnel may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS police and fire personnel will contribute 9.00% (10.00% for units with a cost of living adjustment).

As of June 30, 2012, members will continue to have a frozen benefit accrual of 2.0% per year for a standard 25 year with any age and out plan; 2.5% for a standard 20 year with any age and out plan. Effective July 1, 2012 the optional 20 and 25 year with retirement at any age plans have been eliminated. The benefit accrual for all plans will be 2.0% per year based on the five-year average compensation, exclusive of overtime. Police and fire employees may retire with a reduced pension benefit if they have 20 years of service and are within five years of their retirement eligibility. The actuarially reduced benefit will be calculated based on how close the member is to the eligibility date that is prescribed in the Rhode Island Retirement Security Act.

The plan also provides survivor's benefits; and certain lump sum death benefits.

Cost of Living Adjustments – An optional cost-of-living provision may be elected for police and fire personnel and general employees. The Cost of Living Adjustment (COLA) has been suspended for any unit whose funding level is less than 80%. The COLA provision will be reviewed in a four-year interval while the plans are less than 80% funded. When the funding level of a plan exceeds 80% funded eligible retirees may receive a COLA annually effective on the date of their retirement plus one month.

The COLA calculation is represented by the following formula: 50% of the COLA is calculated by taking the previous 5-year average investment return, less 5% (5-year return – 5.0%, with a max of 4%) and 50% calculated using the increase in the CPI-U from the prior September 30 (max of 3%) for a total maximum COLA of 3.5%.

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2022

2. Plan Membership and Benefit Provisions (continued)

The benefit adjustments are provided to all retirees entitled to receive a benefit adjustment as of June 30, 2012 under the law then in effect, and for all other retirees the benefit adjustments shall commence upon the third anniversary of the date of retirement or the date on which the retiree reaches his or her Social Security retirement age, whichever is later. For police and fire employees that retired under the provisions of § 45-21.2-5(b)(1)(A), the benefit adjustment provided shall commence on the later of the third anniversary of the date of retirement or the date on which the retiree reaches age fifty-five (55); or for police and fire employees retiring under the provisions of §45-21.2-5(b)(1)(B), the benefit adjustment shall commence on the later of the third anniversary of the date of retirement or the date on which the retiree reaches age fifty (50). For all present and former employees, active and retired members, and beneficiaries receiving any retirement, disability or death allowance or benefit of any kind, the annual benefit adjustment provided in any calendar year is equal to the lesser of either the member's retirement allowance or the first \$27,901 (indexed as of January 1, 2022) of retirement allowance, multiplied by the percentage resulting from the COLA calculation as outlined in the preceding paragraph. The retirement amount subject to the COLA calculation is indexed annually in the same percentage as the COLA determination and is run annually regardless of the collective funding status.

For members and/or beneficiaries of members who retired on or before June 30, 2015, the current indexed amount of \$27,901 is replaced with \$33,481 (indexed as of January 1, 2022) until the municipal plan's funded ratio, calculated by the system's actuary, exceeds eighty percent (80%). At such time, the benefit adjustments will then be provided on the lower amount (currently indexed at \$27,901).

The actual COLA paid to retirees effective January 1, 2022 within MERS units that had achieved an 80% funding status was 3.50%. Retirees within 64 MERS units received the COLA.

Disability retirement provisions - The plan also provides nonservice-connected disability benefits after 5 years of service and service-connected disability pensions with no minimum service requirement.

New Plan Membership – During fiscal 2022, one new unit, the Lime Rock Fire District, was established within the MERS plan. Upon joining MERS, that unit made an initial contribution of \$882,458 which is reflected on the accompanying Schedule as employer contributions. Additionally, several West Warwick units were established within the MERS plan during fiscal 2022. Those units made an initial contribution of \$50,848,800 which is also reflected as employer contributions on the accompanying Schedule. These units are not reflected in the plan membership tables on page 26, as those amounts reflect plan membership as of the June 30, 2021 valuation date.

3. Relationship to the Plan Financial Statements

Contributions, benefits and net position are maintained for each MERS employer unit. Certain costs which are common to the administration of the overall pension system are allocated first to each plan and then to each MERS employer unit.

This report was prepared to provide participating employers with additional information needed to comply with the financial reporting requirements of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. Additional financial information for the Employees' Retirement System of Rhode Island (including the MERS plan) is available in the System's audited financial statements for the fiscal year ended June 30, 2022 at www.ersri.org.

Certain additions and deductions are presented differently on the Schedule of Changes in Fiduciary Net Position by Employer from the presentation in the System's audited financial statements for the fiscal year ended June 30, 2022.

Rounding results in minor differences between the Schedule of Changes in Fiduciary Net Position by Employer and the System's audited financial statements for the fiscal year ended June 30, 2022.

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2022

4. Summary of Significant Accounting Policies

These financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing generally accepted accounting principles for defined benefit and defined contribution plans established and administered by governmental entities.

Basis of Accounting –The financial statements of the System are prepared on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when incurred.

Cash and Cash Equivalents - Cash represents cash held in trust in a financial institution. Cash equivalents are highly liquid investments with a maturity of three months or less at the time of purchase.

Investments - Investment transactions are recorded on a trade date basis. Gains or losses on foreign currency exchange contracts are included in income consistent with changes in the underlying exchange rates. Dividend income is recorded on the ex-dividend date. MERS holds units in the System's Pooled Investment Trust. The number of units held by each plan within the System is a function of each plans' respective contribution to, or withdrawals from, the trust. Investment expense is allocated to each plan based on the plan's units in the Pooled Trust at the end of each month.

Method Used to Value Investments - Investments are recorded in the financial statements at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Short-term investments are generally carried at cost or amortized cost, which approximates fair value.

The fair value of fixed income securities and domestic and international equity securities is generally based on published market prices and quotations from national security exchanges and securities pricing services.

Commingled funds and collective unit trusts include institutional international equity index funds and an emerging markets debt fund. The fair value of these funds is based on the reported net asset value (NAV) based upon the fair value of the underlying securities or assets held in the fund.

Derivative investments (e.g., futures contracts and credit default and total return swaps) are valued at the settlement price established each day by the board of trade or exchange on which they are traded.

The System also trades in foreign exchange contracts to manage exposure to foreign currency risks. Such contracts are used to purchase and sell foreign currency at a guaranteed future price. The change in the estimated fair value of these contracts, which reflects current foreign exchange rates, is included in the determination of the fair value of the System's investments.

Other investments that are not traded on a national security exchange (primarily private equity, real estate, hedge funds, infrastructure investments, Crisis Protection Class – trend following, and emerging markets debt) are valued based on the reported Net Asset Value (NAV) by the fund manager or general partner. Publicly traded investments held by the funds or partnerships are valued based on quoted market prices. If not publicly traded, the fair value is determined by the general partner following U.S. generally accepted accounting principles. Financial Accounting Standards Board ASC Topic 820, Fair Value Measurements and Disclosures, requires the limited partnership general partners for these investment types to value non-publicly traded assets at current fair value, taking into consideration the financial performance of the issuer, cash flow analysis, recent sales prices, market comparable transactions, a new round of financing, a change in economic conditions, and other pertinent information.

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2022

4. Summary of Significant Accounting Policies (continued)

Hedge funds, private equity, real estate, infrastructure, crisis protection class – trend following investments, and emerging markets debt represented 7.2%, 19.7%, 6.3%, 3.2%, 4.7%, and 1.9% respectively of the total reported fair value of all pooled trust investments at June 30, 2022.

Investment expenses – Investment expenses include investment consultant fees, custodial fees, direct investment expenses paid to managers, and certain indirect expenses allocated by managers to fund or partnership investors. Certain Office of the General Treasurer expenses associated with oversight of the pooled investment trust are also allocated and included as investment expenses. When indirect investment expenses for certain types of investments (e.g., hedge funds, private equity, real estate, infrastructure, emerging markets debt, and crisis protection class), are not reported separately to System management and the investment custodian, additional information is obtained to allow reporting of the System's share of such indirect investment expenses on a gross fee basis.

Contributions - Plan member contributions for the defined benefit plans are recognized in the period in which the wages, subject to required contributions, are earned for the performance of duties for covered employment. Employer contributions to each defined benefit plan are recognized when due and the employer has made a formal commitment to provide the contributions.

Benefits - Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Prepaid Assets – These assets represent the amounts paid to a vendor pursuant to a contract to design, transition, and implement new line-of-business, general ledger accounting system, and payroll administration systems. Under a system development and operations contract, the vendor supplies and operates the system for the contract period. Consequently, no capital asset related to the new system is recognized or depreciated. Amounts paid before the system became operational have been accounted for as prepaid assets. The prepaid amounts are amortized ratably over the remaining contract period.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies. These estimates are subject to a certain amount of uncertainty in the near term, which could result in changes in the values reported for those assets in the statements of fiduciary net position. Because of the inherent uncertainty in the valuation of privately held securities, the fair value may differ from the values that would have been used if a ready market for such securities existed, and the difference can be material. Estimates also affect the reported amounts of income/additions and expenses/deductions during the reporting period. Actual results could differ from these estimates.

5. Contributions

Contribution requirements for plan members and employers are established pursuant to Rhode Island General Laws. Employers are required to contribute at an actuarially determined rate for the defined benefit plans. Plan member contributions for the defined benefit plan are fixed by statute. Member and employer contribution rates are subject to amendment by the General Assembly.

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2022

5. Contributions (continued)

(a). Funding Policy

The funding policies, as set forth in Rhode Island General Law, Section 36-10-2 and 45-21-42 provide for actuarially determined periodic contributions to the plans. The actuarial valuation uses the Entry Age Normal actuarial cost method. Under this method, the employer contribution rate is the sum of (i) the employer normal cost rate, and (ii) a rate that will amortize the unfunded actuarial liability. The valuation is prepared on the projected benefit basis, under which the present value, at the assumed rate of return (currently 7.0 percent), of each participant's expected benefit payable at retirement or death is determined, based on age, service, gender and compensation.

The employer contributions required to support the benefits of the Plan are determined following a level funding approach, and consist of a normal contribution and an accrued liability contribution. The normal contribution is determined using the "entry age normal" method. Under this method, a calculation is made to determine the rate of contribution which, if applied to the compensation of each individual member during the entire period of anticipated covered service, would be required to meet the cost of all benefits payable on his behalf. This method is commonly referred to as the Individual Entry Age Actuarial Cost Method.

The unfunded actuarial accrued liability (UAAL) is amortized as a level percent of payroll over a closed period. For underfunded plans, the period is 25 years as measured from June 30, 2010, or 21 years as of the current valuation date for any existing UAAL. Beginning with the June 30, 2014 actuarial valuation, new experience gains and losses for underfunded plans are amortized over individual closed periods of 20 years using the process of "laddering". Overfunded plans will have an amortization rate calculated using a single base amortized over an open period of 20 years.

(b). Contribution rates

Employer contribution rates for fiscal 2022 for MERS employers were developed based on actuarial valuations performed as of June 30, 2019. Employee contribution rates are statutorily determined. The table below displays the contribution rates for the year ended June 30, 2022:

Plan	Employee	Employer
General Employees	1.00% (additional 1% with a cost-of-living adjustment) Effective July 1, 2015, members with 20 or more years of service at June 30, 2012 contribute an additional 7.25%	69 Municipalities, housing authorities, water and sewer districts contributed various actuarially determined rates.
Public Safety	9.00% (additional 1% with a cost-of-living adjustment)	53 Municipal police and fire departments contributed various actuarially determined rates.

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2022

6. Administrative Expenses

Pursuant to General Law section 36-8-10.1, administrative costs of the System are financed through investment earnings up to a maximum of 0.175% of the average total investments before lending activities as reported in the annual report of the Auditor General for the next preceding five (5) fiscal years. Such amounts are transferred to a restricted receipt account within the State's general fund. Any unencumbered funds on June 30 of any fiscal year are credited to the plans in the same proportion as their contributions to the restricted receipt account.

Administrative expenses of the System, financed as described in the preceding paragraph, include expenses within the Office of General Treasurer related to oversight of the System's investment portfolio. Consistent with generally accepted accounting principles, these expenses have been included with net investment income (loss) on the Schedule of Changes in Fiduciary Net Position by Employer.

7. Commitments

The State Investment Commission has committed to fund certain private equity, real estate, and infrastructure investment managers at a predetermined subscription amount. Outstanding unfunded investment commitments at June 30, 2022 totaled \$1.5 billion for the pooled investment trust. These commitments will be funded through cash available within the pooled investment trust generated through investment income and/or liquidation of other investments.

The system's investments in hedge funds are generally subject to "lock-up" provisions that limit (subject to certain exceptions) the ability to withdraw amounts previously invested for a period of one to three years after the initial investment. The System's investments in hedge fund assets are available for redemption either on a monthly, quarterly, semi-annual or annual basis, and are subject to notice periods which vary by fund and range from 30 days to 75 days. Some funds limit redemptions to 25% of invested capital on any one redemption date. At June 30, 2022, \$1,945,896 was in liquidation.

The System is committed under a ten-year development and operating agreement to design, transition, and implement new line-of-business, general ledger accounting system, and payroll administration systems. The contract requires monthly payments through fiscal 2025. Total payments over the contract period are estimated at \$22 million.