

**Study Commission
February 13, 2012
Minutes of the Meeting**

A Study Commission meeting was held in Room 313 of the State House, 82 Smith Street, Providence, Rhode Island on Monday, February 13, 2012.

At 1:08 pm, Rosemary Booth Gallogly, Director of Revenue and Chairperson of the Commission called the meeting to order.

Commission members present included Rosemary Booth Gallogly, Jean Bouchard, Paul Doughty, Allan Fung, Dennis Hoyle, J. Michael Lenihan, Richard Licht, Antonio Pires, Joseph Polisena, Steven St. Pierre, Mark Dingley representing Gina Raimondo, John Simmons and Angel Taveras.

Members absent: Bruce Keiser

Others present included Susanne Greschner from the Division of Municipal Finance and members of the public.

Agenda Item # 1 – Approval of Minutes from January 25, 2012

Chairperson Booth Gallogly referred to the agenda for the meeting and, as such, stated that the first order of business was approval of the minutes from the Study Commission meeting held on January 25, 2012. She asked if the members had any additions or corrections to the draft minutes. Mayor Polisena asked that his comment be clarified. A motion was made by Mayor Fung to approve the meeting minutes as amended and was seconded by Antonio Pires. The motion passed all in favor. Discussion - Mayor Polisena stated that the mayors, managers and town administrators have been pleading to get rid of some of the state mandates or at least make them enabling which would also, hopefully, boost the cities and towns economic survival.

Agenda Item # 2 – Responsibilities of Study Commission

Chairperson Booth Gallogly stated that this agenda item was an important part of the meeting and expressed her desire to reach a consensus as to what the Commission's role is so that the Commission knows what its goals are and can set upcoming agendas accordingly. Chairperson Booth Gallogly read Attachment B (see addendum) which is a summary of the current law as to the Commission's responsibilities. John Simmons, executive director for the Rhode Island Public Expenditure Council, stated that OPEB liability for cities and towns is greater than pension liability and should be explored. Chairperson Booth Gallogly stated that she believes that the overriding goal of the Study Commission is to make sure the plans are maintainable.

Mayor Joseph Polisena from the City of Johnston asked if it was the will of the Commission to develop legislation or ideas and to submit them to the House and Senate by the end of this legislative session? Chairperson Booth Gallogly responded that she believes the first task of the Commission is to make sure that cities and towns are working on their Experience Study and Valuation which are due April 1,

2012. She continued that the law states that cities and towns must present their Experience Study, Annual Valuation and the improvement plan to the Study Commission, however, the law is silent if the Study Commission approves the city and town's plans or if they are simply submitted to the Study Commission. Chairperson Booth Gallogly followed up her comments by asking the Commission, what is the role of the Study Commission if a city or town does not comply or not submit a plan? She wondered what the Commission thought was in the best interest of the state – to give the Commission more of a role or to just evaluate what is submitted and present that to state leadership? Mayor Polisena inquired if a change could be made to the legislation. Chairperson Booth Gallogly believes the Commission could recommend changes but first wanted to hear from more members of the Commission as to whether or not they wanted the legislation to grant them more authority. Mayor Angel Taveras from the City of Providence believes that the Commission's role is as listed in bullet number two of Attachment B which states "make recommendations for the improved security and funding of locally-administered plans and OPEB" and all other responsibilities that relate to that point. Mayor Allan Fung from the City of Cranston echoed Mayor Taveras' comment and added that he believes that the Commission's true value would be to compile the data that comes in and use that as a basis to provide recommendations. He suggested that the Commission be cautious about assuming any fiduciary responsibility over the plans. Mr. Simmons commented that he agreed with the two mayors and believes the Commission should focus on timing, surface questions and public disclosure. Mr. Pires noted that there are a number of nexuses with the Commission's responsibilities and that it was important to remember that there is a mission and a mechanism. Director of Administration, Richard Licht agreed with both Mayor Taveras' and Mr. Pires' points and added that the Commission had no statutory authority to change the plans, however if the plans are being submitted to the Commission he believes it is reasonable for the Commission to comment on them. Mayor Fung replied that he is not sure the Commission should take any actions implying fiduciary control over these plans as that could lead to legal responsibilities that the Commission might not want.

Most Commission members believe that the Commission's main charge is to make recommendations for the improved security and funding of locally-administered plans and OPEB. In addition, Chairperson Booth Gallogly suggested that perhaps the Commission could identify the key decision points that elected officials may have to deal with from a legislative perspective or identify reporting requirements that could be implemented to make sure the plans are being administered in a sound fiduciary manner. Furthermore, once all of the studies have been received and reviewed the Commission might want to consider providing recommendations for a menu of options such as a pathway to the Municipal Employee Retirement System (MERS) or a pathway to remediation of a locally-administered plan or closed plans, etc. Mr. Hoyle agreed with Director Licht and Chairperson Booth Gallogly that a menu of options would be a good solution. Mayor Fung stated that he would be happy to use Cranston as a case study. Mayor Polisena inquired if the Commission would be looking at every city and town on a case by case basis. Director Booth Gallogly replied that it may be too burdensome given the number of plans. However, maybe the Commission could bring in 3 or 4 communities who represent different common threads with their actuaries.

Steven St. Pierre mentioned that he was concerned about the Commission making generalized assumptions about all communities. Therefore, he thought that the Commission should be look at the communities individually so that important details of the plans are not missed. Chairperson Booth Gallogly stated that this could be time consuming so perhaps this could be done after the experience study has been submitted. Mayor Polisena suggested bringing in 3 to 4 communities at a time and give them a time limit. Director Licht suggested the possibility of bringing cities and towns in by group based on their situation, i.e. investment performance, benefits, funding, etc. Jean Bouchard agreed

with bringing in all communities to let them have their say and describe their plans. Mayor Polisena agreed with Ms. Bouchard since every community is different. Mayor Fung indicated that he did not think there was enough time for the Commission to go through the nuances of every plan. He believes one of the biggest cost drivers for many pension plans are COLAs which should be focused on. Paul Doughty feels that it is important for the Commission to get uniform data in order to be sure it's comparing apples to apples. He also recommends having all communities come before the Commission because he believes it is important to know what happened historically in each community to cause the pension issues and to know who acted responsibly. Mr. Pires responded that the causes for the unfunded liability are many and numerous, i.e. past administrations who did not fund the pensions as well as they should have, very successful negotiating teams, high investment return assumed but not materialized, people are living longer, etc. The main responsibility of the Commission should be to gather information, test the actuarial assumptions and provide the legislature with a list of possible solutions to consider. Mayor Taveras echoed Mr. Pires comments and added that the Commission may want to speak to an actuary who could summarize the findings for the Commission. He expects that the Commission will find that cities and towns are more similar than we think.

Chairperson Booth Gallogly inquired as to what expertise the Commission members thought might be needed to assist the Commission. Perhaps the Commission should consider putting out a Request For Proposal through the Department of Revenue for a local actuary so the Commission has some in-house expertise. She would like to discuss this matter further at a future Commission meeting. Director Licht thought it would be a good idea to have an actuary on call but also thought it would be helpful to first decide what data the Commission needs.

Agenda item # 3 – Actuarial Valuation and Experience Study

Chairperson Booth Gallogly referred to the Attachment C timeline put together by the Auditor General's office (see addendum). She asked Dennis Hoyle to review the timeline with Commission members so they could see how the April 1st deadline would affect cities and towns and so the Division of Municipal Finance can get some guidance out to the municipalities.

Mayor Fung thanked Dennis Hoyle, for putting the timeline together because it exemplifies the challenges that many cities and towns face. Mayor Fung asked the Rhode Island League of Cities and Towns to send a letter to cities and towns that are part of the League to see if this timeline was workable, 19 responded and of those 3-4 said they would be cutting it close and one community said it was going to have a challenge meeting the April 1st deadline because it has to go out for an RFP for an actuary because their RFP with their actuary had expired. Chairperson Booth Gallogly stated that it was important to survey the cities and towns or to get a copy of the League's survey. However, she does not have the authority to change the April 1st deadline which has been set in statute.

In addition, Chairperson Booth Gallogly noted that she put a call into one of the rating agencies, Moody's Financial Services, to make sure the rating agencies understand what municipal governments are going to be doing and that there will be new data out there and increased transparency. She intends to maintain communication between the Department of Revenue, the Office of the Auditor General and the rating agencies so that, hopefully, the rating agencies understand what the municipalities are going through and that there are no municipal downgrades because of this. Mayor Fung was really glad to hear that Chairperson Booth Gallogly has been talking to the rating agencies as he said Moody's has heavily focused on the pension and OPEB issues.

Chairperson Booth Gallogly stated that when the state did their reform there was a Nov. 14th letter that highlighted what the key changes were and the impact they had on the unfunded liability and annual required contribution (ARC) payment. She believes that municipalities can use that letter as a guide. A letter could be viewed as acceptable in lieu of a full valuation report. Mark Dingley of the General Treasurer's office concurred.

A motion was made by Mayor Polisenia to support the timeline example provided in Attachment C. The motion was seconded by Mayor Fung. The motion passed all in favor.

Mayor Fung inquired of the Chairperson which valuation the state is going to pay for - the valuation due December 1st or April 1st? The Chairperson responded that the state will pay for the valuation which was just completed providing a community completes its experience study and receives the letter which summarizes the data from re-running the data with the new assumptions. It is Mayor Fung's understanding that an updated letter will only cost a few hundred dollars but the experience study will cost thousands of dollars. Chairperson Booth Gallogly stated that it cost the state much more for the summarizing "letter". She requested that Mayor Fung confirm what the cost of a letter would be. If, in fact, it is only a few hundred dollars then the Commission could request that the legislation be amended to pay for the Experience Study.

Next, Chairperson Booth Gallogly asked the Commission members if they would like to consider getting the legislation (RIGL 45-10-15) changed. Her suggested legislative amendment is underlined on Attachment D of the addendum. Due to the deadline for introduction of new legislation it was decided that Chairperson Booth Gallogly would submit the proposed amended legislation on behalf of the Department of Revenue and the Study Commission could vote if they wanted to support it at a later date.

Agenda Item # 4 – Critical Status Determination – Unique Local Circumstances

The Chairperson asked the Acting Auditor General, Dennis Hoyle, to discuss unique local circumstances, specifically, closed pension plans. The questions on Attachment E (see addendum) were reviewed. In addition, Mr. Hoyle distributed two handouts to the Commission. One provided information regarding locally-administered pension plans. The other handout showed the difference between the annual required contribution and pay-as-you-go pension payments for an open pension plan from Providence and a closed pension plan from Cranston. (See addendum.) The goal to get to a 60% funded ratio for closed plans could be very difficult. Chairperson Booth Gallogly mentioned that if the Commission is going to provide guidance to communities who want to close their locally-administered plans and use the pathway to MERS that the Commission should make sure that whatever it does for the currently closed plans applies equitably to any plans that close in the future. How does the Commission make sure a closed plan has financial security? Director Licht thought there may be some additional questions that the Commission should consider so as to not look at the closed plans in a vacuum as there are different types of employees - active and retired. In addition, there are MERS and locally-administered plans. If a community funds their MERS plan because they are required by law, but does not fund their locally-administered plan that raises a fairness issue from a public policy perspective as the community is treating its employees differently.

Regarding the issue of fairness, Mark Dingley, representing General Treasurer Raimondo, added that the funded level is the funding that has been done for past services rendered so if a community

switches to pay-as-you-go you are saying that past taxpayers had no responsibility to fund these benefits and the burden of all of these benefits will fall on future taxpayers, future generations. That fairness issue should be explored. Mr. Simmons was concerned that pay-as-you-go goes on for a much longer pay period. Mr. Hoyle mentioned that he was not an advocate of paying all plans as pay-as-you-go but wondered if a 60% funded ratio for closed plans was a realistic target to shoot for. Mayor Fung followed by saying he was not sure if 60% is the right target but, whatever happens, reforms need to be made to help cities and towns.

Agenda item # 5 – Information Needed by Study Commission

A list of possible information to request from municipalities with locally-administered plans was distributed to Commission members and discussed (see addendum). The main goal for this data request would be for the Commission to figure out how plans are being administered and if there is any ordinance that could prevent a locally-administered plan from going into MERS.

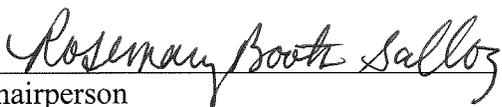
Mayor Fung mentioned that the Commission should be careful about what it asks for because the Commission could get overwhelmed with paperwork. Director Licht stated that it would be important to have a summary description of the benefits. In addition, the Commission should ask if all of the plan documents are located in one place and readily accessible, etc. Chairperson Booth Gallogly indicated that the office of Municipal Finance had prepared a report in the fall showing the benefit structure of each plan, and Commission members received that in their packages at the first meeting. Mr. Simmons suggested simply asking what form the documentation is in, i.e. resolutions, ordinances, collective bargaining agreements, hand written notes, etc. rather than asking for copies. Mayor Fung suggested that perhaps the Commission should ask broader questions about the general process since cities and towns handle this differently. Mayor Polisena inquired if the Commission would want to know if local pension boards are elected or appointed. Chairperson Booth Gallogly responded that she feels that the board members' training is more important than whether or not they are elected or appointed. Chairperson Booth Gallogly stated that she would like to send cities and towns a list of survey questions within the next week and requested if anyone had additional questions that they would like to ask to please let her know.

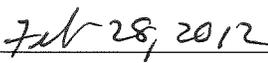
Agenda Item # 6 – Public Comments

There were no public comments.

Chairperson Booth Gallogly stated that the next Study Commission meeting would be held on February 26, 2012 and asked the Commission members to contact Susanne Greschner, Chief of the Division of Municipal Finance with suggested agenda items. Director Licht recommended that a small group of the Commission members have a conference call with the state's actuary, Joe Newton from Gabriel Roeder Smith and Company in order to put together a list of questions that the whole Commission could approve.

Mayor Polisena made a motion to adjourn that was seconded by Mr. Hoyle. The meeting adjourned at 3:05 PM.


Chairperson


Date

Addendum to
February 13, 2012
Study Commission
Meeting Minutes

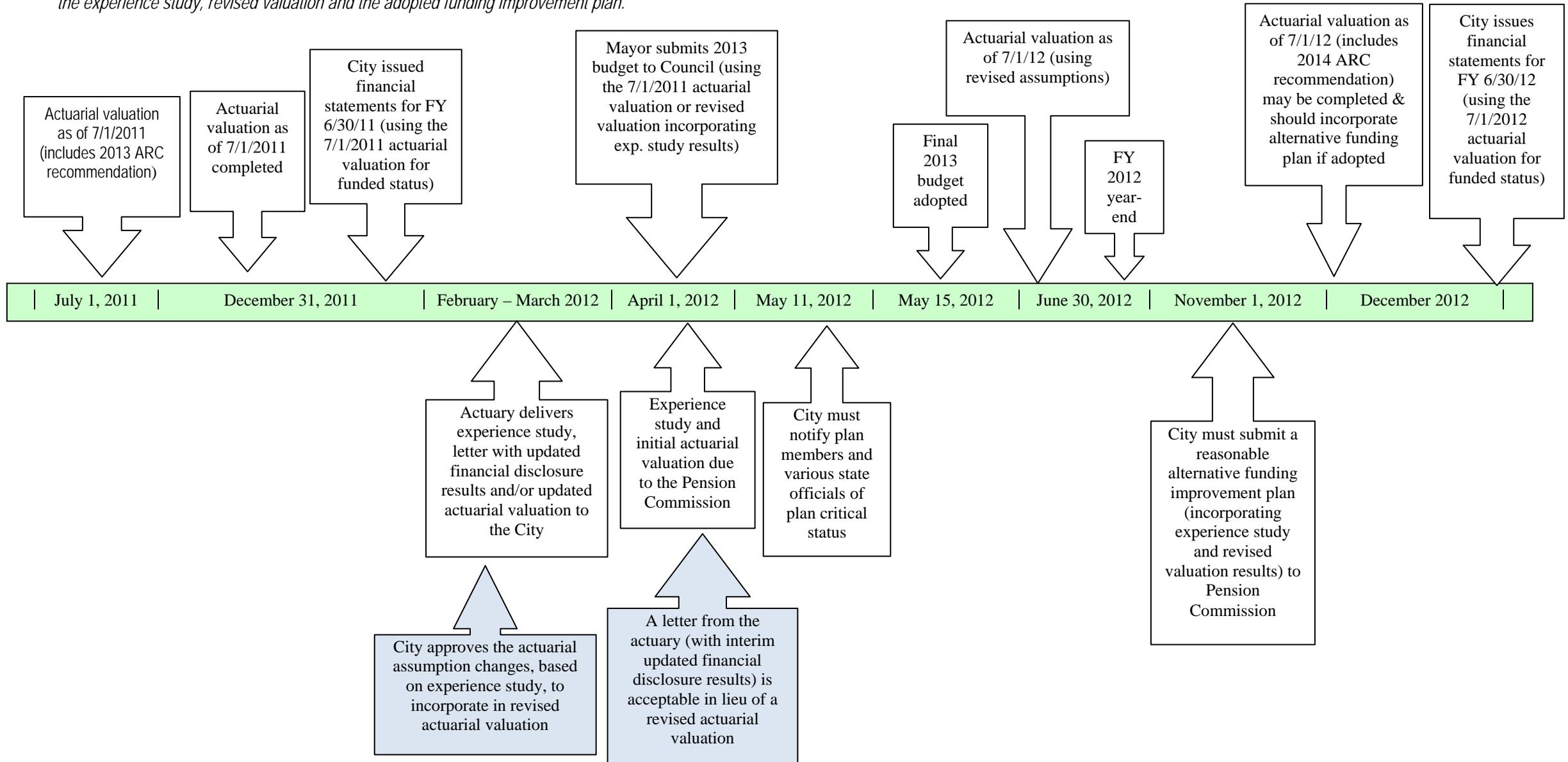
Attachment B

Study Commission - Responsibilities -

- Review existing legislation and pension plan administrative practices (R.I. Gen. Laws §45-64-8)
- Make recommendations for the improved security and funding of locally-administered plans and OPEB (R.I. Gen. Laws §45-64-8)
- Begin the process of ensuring the sustainability of locally administered pension plans (R.I. Gen. Laws §45-64-3)
- Advance and maintain the long-term stability of such plans (R.I. Gen. Laws §45-64-3)
- Maintain a viable and sustainable municipal public pension plan (§45-64-3)
 - preserving a level of pension benefits that is, over the long term, reasonable for current and retired municipal employees and affordable for taxpayers
 - avoiding significant and unanticipated retirement benefit reductions
 - maintaining investments in infrastructure and education on the state and local levels in lieu of diverting critical resources to satisfy pension obligations
 - preventing the financial downgrade of municipalities by rating agencies as a result of unfunded pension obligations
 - encouraging rating agencies, in recognition of the state's proactive approach toward financial discipline, to take positive credit actions on Rhode Island municipal bonds
 - creating a more stable and well-managed environment in Rhode Island to attract new businesses and maintain and expand existing businesses
- The first step in ensuring the viability and sustainability of local pension plans is to get an accurate analysis of the current condition and fiscal health of the individual plan (R.I. Gen. Laws §45-65-3)

Attachment C - Timeline Example

City has the option of using the existing valuation or revised valuation results based on the experience study for determining the ARC for inclusion in the 2013 budget; however, the revised valuation information (reflecting the changes, if any resulting from the experience study) would be disclosed in bond offering official statements and used for financial reporting purposes. The ARC included in the 2014 budget should reflect the impact of the experience study, revised valuation and the adopted funding improvement plan.



Attachment D

Change in Statute - Suggested Language

R.I. Gen. Laws §45-10-15 may be amended with the following language:

“Compliance with requirements of "governmental accounting standards board (GASB)" pension funding. - For any audit year in which a municipality contributes materially less than 100% of the annual required contribution to its pension plan(s) as reported in accordance with GASB statement 27 or any successor statement, the municipality shall submit to the Auditor General and the Director of Revenue, within three (3) months of completion of the financial statement, the municipality's most recent actuarial study of the plan(s) and management's recommendations for assuring future payments equal to the annual pension cost (APC),” except that for FY 2012 and FY 2013 the municipality shall submit no later than November 1, 2012 management's recommendations for assuring future payments equal to the annual pension cost (APC).

Attachment E Unique Local Circumstances

Should there be a different approach for closed plans?

1. Is assessing funded status and striving to achieve a 60% or better funded ratio appropriate and achievable for closed plans?
2. If there are to be separate rules, should they apply to preexisting “closed plans?”
3. What is the appropriate determination of a “closed plan” (e.g., no new members and what percentage of active members?, must be less than a certain percentage)?
4. What criteria should be used to determine when it is appropriate to fund a “closed plan” on a pay-go basis?
5. Should funding for a “closed plan” require that the annual contribution amount at least equal the annual benefits paid?
6. Should the expected benefit period (based on expected mortality) be less than a certain number of years (e.g., 30 years?)
7. Should there be a minimum accumulation of assets in a pension trust to provide some security for members of a closed plan (e.g., 3 year of expected benefit payments when opting to fund the plan on a pay-go basis)?
8. How do we avoid municipalities opting to close a plan to avoid funding the ARC that is determined actuarially?

RI Locally-administered Pension Plans

Municipality	Pension Plan	Per 6/30/2011 audit report			
		Active & Inactive Members	Retirees & Beneficiaries	Funded Ratio	Date of Valuation

Closed plans (For purposes of this analysis, closed plans are defined as pension plans that are not accepting new members):

Bristol	Police Pension Plan (prior to 3/22/98)	7	44	58.0%	7/1/2010
Central Falls ⁽¹⁾	Police & Fire 1% (prior to 7/1/72)	-	57	8.8%	7/1/2010
Cranston	Police & Fire EE's Pension Plan (prior to 7/1/95)	57	426	17.8%	7/1/2011
Johnston	Fire (prior to 7/1/99)	39	75	26.8%	7/1/2009
Middletown	Town Plan	42	135	78.0%	7/1/2010
Narragansett	Police Plan (prior to 7/1/78)	-	12	0.0%	7/1/2010
Pawtucket ⁽⁴⁾	Pre 1974 Policemen & Firemen (pay-as-you-go)	-	60	0.0%	7/1/2010
Smithfield	Police (prior to 7/1/99)	-	44	20.1%	7/1/2011
Warwick ⁽¹⁾	Police Pension I & Fire Pension Plan	88	367	26.6%	7/1/2009
Woonsocket ⁽⁴⁾	Police (pre 7/1/80) & Firemen's (pre 7/1/85) Plan	6	252	60.7%	7/1/2011

Open plans:

Central Falls ⁽¹⁾	Police & Fire John Hancock (after 7/1/72)	76	79	16.2%	7/1/2010
Coventry ^{(1), (5)}	Town's Municipal EE Retirement Plan	152	59	29.3%	7/1/2009
Coventry ^{(1), (5)}	Police Pension Plan	62	66	16.5%	7/1/2009
Coventry ^{(1), (5)}	School EE's Pension Plan	239	121	36.9%	9/1/2008
Cumberland	Town of Cumberland's Pension Plan	46	56	38.9%	7/1/2010
East Providence ⁽²⁾	Firemen's & Policemen's Pension Plan	202	232	47.8%	10/31/2010
Jamestown ⁽⁴⁾	Police Pension Plan	13	12	109.6%	7/1/2011
Johnston	Police	70	90	27.6%	7/1/2009
Lincoln	Town Retirement Plan	127	84	73.4%	1/1/2011
Little Compton	Town Employees Other than Certified Teachers	55	30	74.5%	7/1/2010
Narragansett	Town Plan	274	167	69.9%	7/1/2010
Newport	Firemen's Pension Plan	83	116	39.6%	7/1/2011
Newport	Policemen's Pension Plan	77	118	57.1%	7/1/2011
North Providence ⁽⁴⁾	Police Pension Plan	66	68	45.3%	7/1/2010
Pawtucket	Post 1974 Policemen & Firemen	292	336	30.3%	7/1/2010
Portsmouth	Employees of the Town of Portsmouth	203	109	61.5%	7/1/2011
Providence ⁽⁵⁾	ERS of the City of Providence	2,987	2,998	31.9%	6/30/2011
Scituate	Police Pension Plan	17	16	27.5%	4/1/2011
Smithfield	Fire Pension Plan	55	27	71.5%	7/1/2011
Tiverton	Policemen's Pension Plan	27	27	47.4%	7/1/2011
Warwick ⁽³⁾	City Employees Pension Plan	441	324	70.9%	7/1/2010
Warwick ⁽¹⁾	Police Pension II Plan	177	116	98.3%	7/1/2009
Warwick ⁽¹⁾	Fire Pension Plan II	131	3	88.3%	7/1/2009
Warwick ⁽³⁾	Warwick Public Schools Employee Pension Plan	438	92	84.5%	7/1/2011
West Warwick	Town Plan	382	268	26.3%	7/1/2010
Westerly	Police Pension Plan	46	45	55.2%	7/1/2010

Notes:

- (1) The municipality was granted an audit extension; therefore, information was obtained from fiscal 2010 audit report.
- (2) Audit report is not due because municipality has a fiscal year end date of 10/31/2010. Information was obtained from fiscal 2010 audit report.
- (3) The municipality was granted an audit extension; therefore, information was obtained from noted actuarial valuation.
- (4) Member information was obtained from noted actuarial valuation.
- (5) Funded ratio was obtained from the noted actuarial valuation.

OPEN PENSION PLAN - PROVIDENCE (Source: June 30, 2011 Actuarial Valuation)

Plan Net Assets at 6/30/2011 per audit report	\$ 362,604,000	Active & inactive members	2,987
Actuarial Value of Assets at 6/30/2011	422,839,000	Retirees & beneficiaries	2,998
Funded ratio	31.94%	Assumed Rate of Return	8.25%

Fiscal Year Ending	Annual Required Contribution				Pay-As-You-Go	Difference
	Normal Cost	Past Service Amortization	Deferral Amortization	Total		
6/30/2012	\$ 9,489,420	\$ 48,946,899	\$ 492,606	\$ 58,928,925	\$ 85,709,864	\$ (26,780,939)
6/30/2013	11,511,985	52,799,469	471,667	64,783,121	89,521,287	(24,738,166)
6/30/2014	11,972,464	55,439,442	471,667	67,883,573	93,348,131	(25,464,558)
6/30/2015	12,451,363	58,211,414	471,667	71,134,444	97,216,663	(26,082,219)
6/30/2016	12,949,418	61,121,985	471,667	74,543,070	101,060,817	(26,517,747)
6/30/2017	13,467,395	64,178,084	471,667	78,117,146	104,937,769	(26,820,623)
6/30/2018	14,006,091	67,386,988	471,667	81,864,746	108,893,725	(27,028,979)
6/30/2019	14,566,335	70,756,337	471,667	85,794,339	112,785,910	(26,991,571)
6/30/2020	15,148,988	74,294,154	471,667	89,914,809	116,573,313	(26,658,504)
6/30/2021	15,754,948	78,008,862	471,667	94,235,477	120,431,249	(26,195,772)
6/30/2022	16,385,146	81,909,305	471,667	98,766,118	124,345,142	(25,579,024)
6/30/2023	17,040,552	86,004,770	471,667	103,516,989	128,281,383	(24,764,394)
6/30/2024	17,722,174	90,305,009	471,667	108,498,850	131,998,649	(23,499,799)
6/30/2025	18,431,061	94,820,259	471,667	113,722,987	135,559,442	(21,836,455)
6/30/2026	19,168,303	99,561,272	471,667	119,201,242	138,883,912	(19,682,670)
6/30/2027	19,935,035	104,539,336	471,667	124,946,038	141,985,686	(17,039,648)
6/30/2028	20,732,436	109,766,303	471,667	130,970,406	144,876,230	(13,905,824)
6/30/2029	21,561,733	115,254,618	471,667	137,288,018	147,575,835	(10,287,817)
6/30/2030	22,424,202	121,017,349	471,667	143,913,218	149,957,538	(6,044,320)
6/30/2031	23,321,170	127,068,216	471,667	150,861,053	152,012,659	(1,151,606)
6/30/2032	24,254,017	133,421,627	-	157,675,644	153,688,111	3,987,533
6/30/2033	25,224,178	140,092,708	-	165,316,886	155,003,325	10,313,561
6/30/2034	26,233,145	147,097,343	-	173,330,488	155,825,620	17,504,868
6/30/2035	27,282,471	154,452,210	-	181,734,681	156,210,653	25,524,028
6/30/2036	28,373,770	162,174,821	-	190,548,591	156,118,982	34,429,609
6/30/2037	29,508,721	170,283,562	-	199,792,283	155,566,042	44,226,241
6/30/2038	30,689,070	178,797,740	-	209,486,810	154,577,275	54,909,535
6/30/2039	31,916,633	187,737,627	-	219,654,260	153,125,399	66,528,861
6/30/2040	33,193,298	-	-	33,193,298	151,269,326	(118,076,028)
6/30/2041	34,521,030	-	-	34,521,030	148,973,637	(114,452,607)
6/30/2042	35,901,871	-	-	35,901,871	146,305,744	(110,403,873)
6/30/2043						
6/30/2044						
6/30/2045						
6/30/2046						
6/30/2047						
6/30/2048						
6/30/2049						
6/30/2050						
6/30/2051						

CLOSED PENSION PLAN - CRANSTON (Source: July 1, 2011 Actuarial Valuation)

Plan Net Assets at 6/30/2011 per audit report	\$ 55,358,843	Active & inactive members	57
Actuarial Value of Assets at 6/30/2011	55,357,000	Retirees & beneficiaries	426
Funded ratio	17.80%	Assumed Rate of Return	8%

Fiscal Year Ending	Annual Required Contribution				Pay-As-You-Go	Difference
	Normal Cost	Past Service Amortization	Total			
6/30/2012	\$ 905,777	\$ 19,463,679	\$ 20,369,456	\$ 22,473,577	\$ (2,104,121)	
6/30/2013	1,074,984	24,630,126	25,705,110	23,150,850	2,554,260	
6/30/2014	967,186	24,630,126	25,597,312	23,947,011	1,650,301	
6/30/2015	818,390	24,630,126	25,448,516	24,689,643	758,873	
6/30/2016	729,759	24,630,126	25,359,885	25,347,110	12,775	
6/30/2017	633,252	24,630,126	25,263,378	25,996,918	(733,540)	
6/30/2018	545,877	24,630,126	25,176,003	26,573,813	(1,397,810)	
6/30/2019	451,313	24,630,126	25,081,439	27,158,199	(2,076,760)	
6/30/2020	347,362	24,630,126	24,977,488	27,648,493	(2,671,005)	
6/30/2021	294,615	24,630,126	24,924,741	28,034,926	(3,110,185)	
6/30/2022	237,103	24,630,126	24,867,229	28,395,680	(3,528,451)	
6/30/2023	181,534	24,630,126	24,811,660	28,707,966	(3,896,306)	
6/30/2024	129,991	24,630,126	24,760,117	28,976,163	(4,216,046)	
6/30/2025	86,318	24,630,126	24,716,444	29,148,564	(4,432,120)	
6/30/2026	62,807	24,630,126	24,692,933	29,256,632	(4,563,699)	
6/30/2027	43,120	24,630,126	24,673,246	29,302,308	(4,629,062)	
6/30/2028	27,242	24,630,126	24,657,368	29,291,027	(4,633,659)	
6/30/2029	15,969	24,630,126	24,646,095	29,214,484	(4,568,389)	
6/30/2030	6,634	24,630,126	24,636,760	29,059,700	(4,422,940)	
6/30/2031	3,933	24,630,126	24,634,059	28,832,593	(4,198,534)	
6/30/2032	3,430	24,630,126	24,633,556	28,539,442	(3,905,886)	
6/30/2033	1,034	24,630,126	24,631,160	28,169,102	(3,537,942)	
6/30/2034	-	24,630,126	24,630,126	27,717,204	(3,087,078)	
6/30/2035	-	-	-	27,183,552	(27,183,552)	
6/30/2036	-	-	-	26,566,777	(26,566,777)	
6/30/2037	-	-	-	25,864,962	(25,864,962)	
6/30/2038	-	-	-	25,079,093	(25,079,093)	
6/30/2039	-	-	-	24,211,833	(24,211,833)	
6/30/2040	-	-	-	23,266,075	(23,266,075)	
6/30/2041	-	-	-	22,246,921	(22,246,921)	
6/30/2042	-	-	-	21,160,799	(21,160,799)	
6/30/2043	-	-	-	20,014,241	(20,014,241)	
6/30/2044	-	-	-	18,816,181	(18,816,181)	
6/30/2045	-	-	-	17,577,600	(17,577,600)	
6/30/2046	-	-	-	16,309,091	(16,309,091)	
6/30/2047	-	-	-	15,022,008	(15,022,008)	
6/30/2048	-	-	-	13,729,747	(13,729,747)	
6/30/2049	-	-	-	12,446,439	(12,446,439)	
6/30/2050	-	-	-	11,185,840	(11,185,840)	
6/30/2051	-	-	-	9,961,509	(9,961,509)	