

STATE OF RHODE ISLAND
OFFICE OF THE GENERAL TREASURER



ANNUAL TRANSACTION REPORT
FISCAL YEAR 2018

THE HONORABLE SETH MAGAZINER
GENERAL TREASURER



State of Rhode Island and Providence Plantations
General Treasurer
State House – 102
Providence, Rhode Island 02903

Seth Magaziner
General Treasurer

To the Honorable General Assembly:

I am pleased to submit a report summarizing the state's revenues and expenditures, cash investments, debt issues and payments, and activity involving state-administered retirement plans for fiscal year ending June 30, 2018, as required pursuant to Section 42-10-17 of the Rhode Island General Laws.

The information contained in this report of the state's financial position was prepared by Treasury and Retirement System staff. In addition, members of both the State Investment Commission and State Retirement Boards have provided countless volunteer hours to improve accountability and disclosure for all the programs they oversee. Together, we are proud to devote ourselves to efficiently managing the state's finances on behalf of all Rhode Islanders.

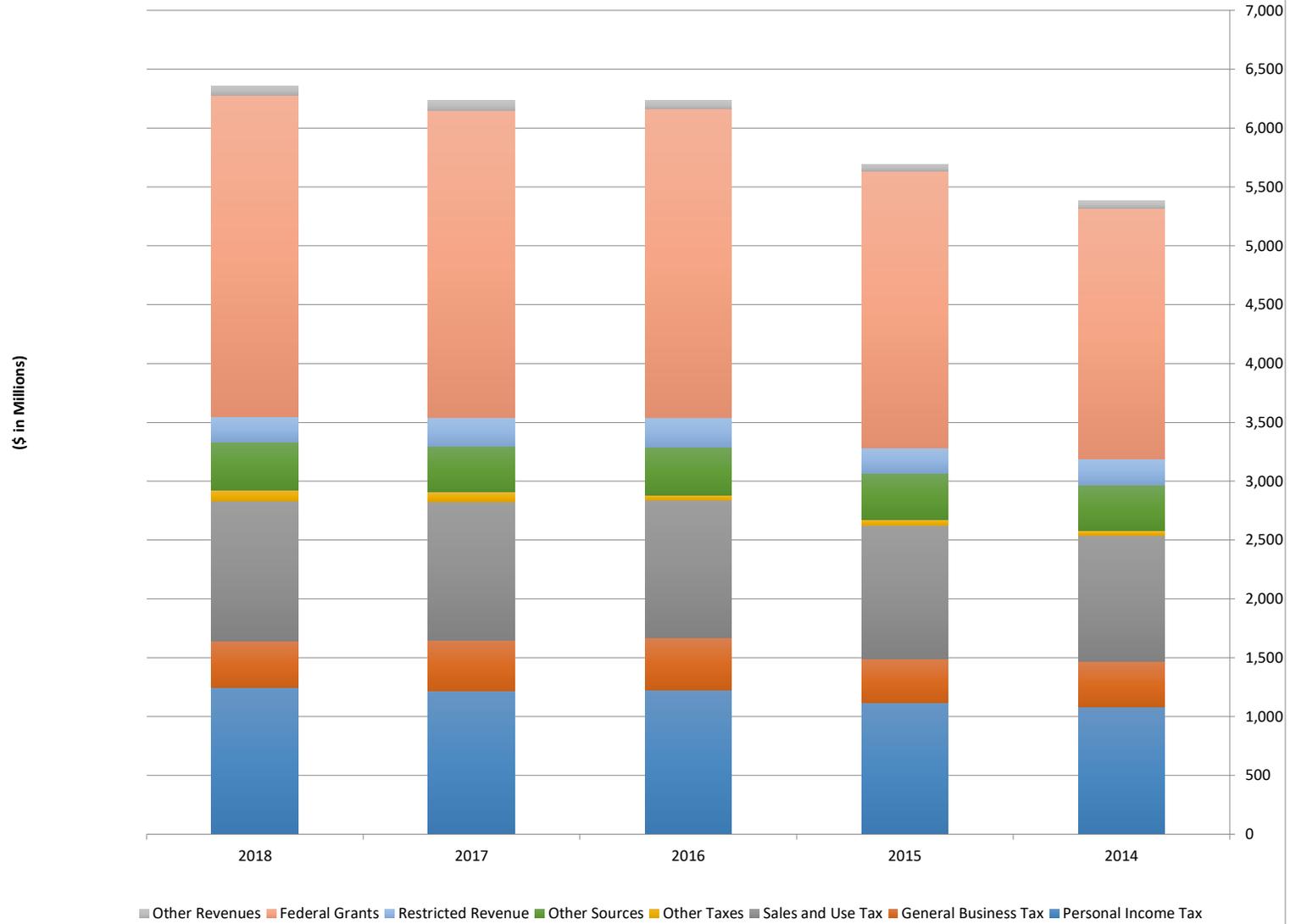
Sincerely,

A handwritten signature in black ink, appearing to read 'Jeffrey Thurston'.

Jeffrey Thurston
Cash Manager

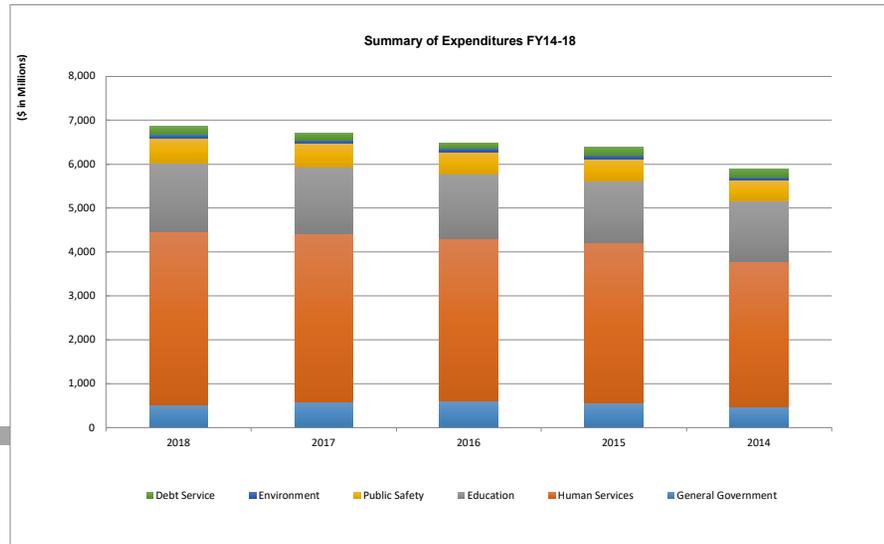
REVENUES AND EXPENDITURES

Summary of Revenues FY 14 - FY 18



State of Rhode Island
 Summary of Expenditures
 June 30, 2018

	2018	2017	2016	2015	2014
General Government	\$ 522,972,000	\$ 575,943,000	\$ 611,011,000	\$ 556,456,000	\$ 468,696,000
Human Services	\$ 3,928,845,000	\$ 3,831,634,000	\$ 3,694,123,000	\$ 3,661,964,000	\$ 3,325,539,000
Education	\$ 1,579,578,000	\$ 1,525,626,000	\$ 1,467,236,000	\$ 1,403,496,000	\$ 1,357,630,000
Public Safety	\$ 555,393,000	\$ 534,584,000	\$ 504,217,000	\$ 493,361,000	\$ 479,997,000
Environment	\$ 80,820,000	\$ 77,556,000	\$ 78,270,000	\$ 79,897,000	\$ 76,118,000
Debt Service	\$ 191,312,000	\$ 164,384,000	\$ 134,410,000	\$ 184,905,000	\$ 188,013,000
Total Expenditures	\$ 6,858,920,000	\$ 6,709,727,000	\$ 6,489,267,000	\$ 6,380,081,000	\$ 5,895,993,000



Source Data: This data is sourced from the Comprehensive Annual Financial Report prepared by the Office of Accounts and Controls published at <http://controller.admin.ri.gov/Financial Reports/index.php>

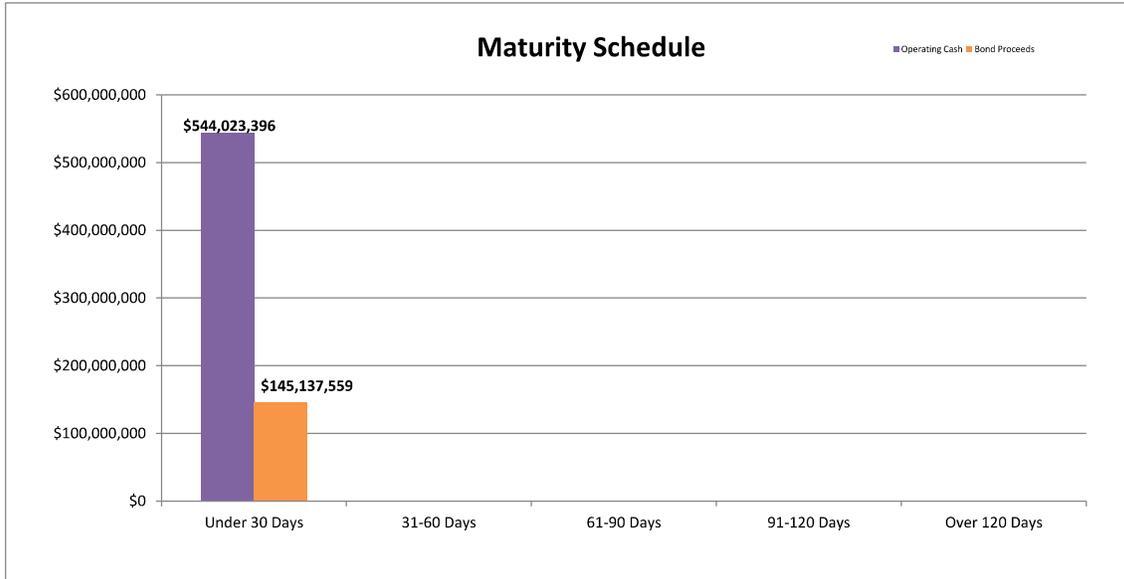
SHORT TERM CASH AND INVESTMENTS

**State of Rhode Island
Office of the General Treasurer
Schedule of Interest Earned
FY 2018**

Fund	Beginning Balance	Ending Balance	Average Daily Balance	Earnings	Yield (Annual)
GENERAL FUND	\$392,124,493.55	\$232,547,778.91	\$195,129,447.44	\$2,179,277.02	1.12%
H.A.V.A	\$298.49	\$301.26	\$298.48	\$3.14	1.05%
GENERAL FUND (HIST PRES)	\$544,478.73	\$551,532.18	\$544,461.32	\$7,948.20	1.46%
HISTORIC TAX CREDITS	\$6,939,439.57	\$10,727,666.92	\$7,020,716.99	\$101,693.98	1.45%
HIGHWAY FUND	\$89,751,342.20	\$97,010,762.52	\$60,579,261.97	\$809,755.03	1.34%
T.D.I. RESERVE (DET)	\$104,614,330.82	\$103,758,547.79	\$108,922,915.11	\$1,073,470.43	0.99%
RICAP GL FUND 21	\$60,160,469.28	\$916,110.41	\$20,901,860.81	\$191,304.56	0.92%
BOND CAPITAL FUND	\$330,173.62	\$49,546.09	\$2,349,582.70	\$23,020.09	0.98%
R.I. CLEAN WATER ACT	\$3,220,395.69	\$3,258,882.17	\$3,220,300.34	\$43,425.35	1.35%
STATE LOTTERY FUND	\$21,123,357.20	\$19,113,510.79	\$41,081,336.42	\$542,968.93	1.32%
ASSESSED FRINGE BEN ADM	\$4,417,984.44	\$514,514.41	\$1,750,040.93	\$17,325.54	0.99%
AUTO EQUIPMENT SERVICE	\$1,258.82	\$1,001,270.54	\$6,738.02	\$95.48	1.42%
HEALTH INSURANCE FUND	\$20,882,500.26	\$28,336,462.98	\$21,701,303.06	\$301,851.76	1.39%
FLEET REVOLVING LOAN FUND	\$2,272,188.81	\$1,292,463.07	\$2,102,513.90	\$22,638.51	1.08%
EMPLOYEES RETIREMENT	\$11,637,048.61	\$649,709.48	\$11,234,665.07	\$117,570.77	1.05%
MUNICIPAL EMPLOYEES RET.	\$447,051.46	\$352,559.26	\$2,586,009.07	\$27,059.45	1.05%
RETIREE HEALTH FUND	\$2,905,986.09	\$2,726,138.94	\$2,235,869.71	\$23,320.24	1.04%
BOG RETIREE FUND	\$955.86	\$501,395.02	\$54,926.78	\$482.88	0.88%
RIPTA HEALTH FUND	\$1,039,418.41	\$2,558,119.89	\$1,937,975.79	\$22,023.33	1.14%
PERMANENT SCHOOL FUND	\$1,959,351.99	\$1,984,732.26	\$1,959,287.19	\$28,600.59	1.46%
TEACHER RETIREE HEALTH FUND	\$582,483.17	\$2,655,365.10	\$2,355,632.07	\$26,385.73	1.12%
RI ST POL RETIREE HEALTH	\$124,435.54	\$726,362.65	\$228,264.75	\$2,020.99	0.89%
RI LEG RETIREE HEALTH	\$832.06	\$839.82	\$832.04	\$8.80	1.06%
RI JUDICIAL RETIREE HEALTH	\$40,643.07	\$41,021.18	\$40,642.12	\$428.68	1.05%
UNIVERSITY COLLEGE	\$8,518,460.25	\$1,509,001.04	\$6,413,439.09	\$80,415.33	1.25%
INDUS. BLDG. & MTG. INS.	\$1,226,712.07	\$738,800.64	\$946,411.40	\$13,287.14	1.40%
Total Short Term Investments	734,866,090	513,523,395	495,304,733	5,656,382	1.14%

Source: Data acquired from the State's Investment Management Software, APS2

Short-Term Investment Maturity Schedule & SIC Compliance Report at June 30, 2018



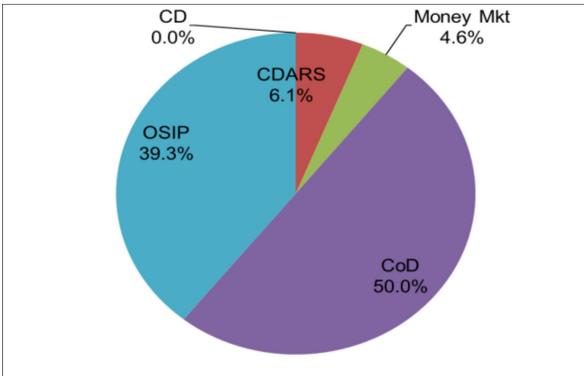
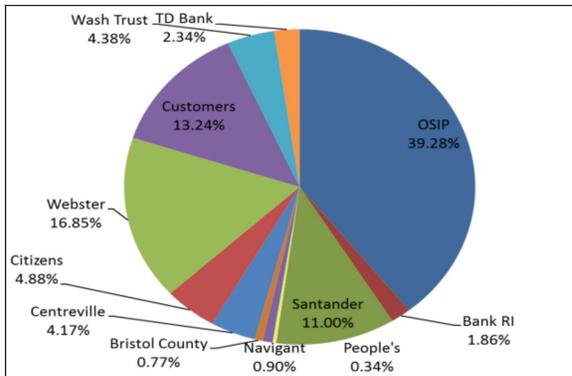
CD	= Certificate of Deposit
CDARS	= Cert.of Dep.Acct Registry Svc
MMKT	= Money Market
CoD	= Collateralized Deposit
OSIP	= Ocean State Investment Pool

Vendor	CD	CDARS	Money Mkt	CoD	OSIP	Total (\$)
Guidelines-Total/Vendor	50%/20%	50%/20%	75%/35%	75%/35%	50%/50%	
OSIP	0	0	0	0	213,692,648	213,692,648
	0%	0%	0%	0%	39%	39.3%
Bank RI	0	0	10,110,818	0	0	10,110,818
	0%	0%	2%	0%	0%	1.9%
Santander Bank	0	0	0	59,860,876	0	59,860,876
	0%	0%	0%	11%	0%	11.0%
People's Credit Union	0	0	0	1,825,063	0	1,825,063
	0%	0%	0%	0%	0%	0.34%
Navigant Credit Union	0	0	0	4,907,066	0	4,907,066
	0%	0%	0%	1%	0%	0.90%
Fidelity	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0.00%
Bristol County Savings Bk	0	4,181,888	0	0	0	4,181,888
	0%	1%	0%	0%	0%	0.77%
Centreville Bank	0	7,629,234	15,030,607	0	0	22,659,841
	0%	1%	3%	0%	0%	4.17%
Citizens Bank	0	0	0	26,571,625	0	26,571,625
	0%	0%	0%	5%	0%	4.9%
Webster Bank	0	0	0	91,641,887	0	91,641,887
	0%	0%	0%	17%	0%	16.8%
Customers Bank	0	0	0	72,045,427	0	72,045,427
	0%	0%	0%	13%	0%	13.2%
Washington Trust	0	21,251,054	0	2,561,218	0	23,812,272
	0%	4%	0%	0%	0%	4.4%
TD Bank	0	0	0	12,713,985	0	12,713,985
	0%	0%	0%	2%	0%	2.3%
TOTALS	-	33,062,176	25,141,425	272,127,147	213,692,648	544,023,396

**State of Rhode Island
Office of the General Treasurer
Short Term Investments**

**Issuer Credit Rating
June 30, 2018**

Issuer	Type of Instrument*	M/E % Portfolio	Issuer Ratings			S-T Debt Rating		L-T Debt Rating		Credit Outlook	Rating
			Moody's	Moody's	S&P	Moody's	S&P	S&P	Veribanc		
Bank of America	-	0.0%	Baa1	P-2	A-2	A3	A-	Stable	GREEN/*		
Bank RI	3,4	1.9%	N/R	N/R	N/R	N/R	N/R	N/R	GREEN/***		
Bristol County Sav. Bank	4	0.8%	N/R	N/R	N/R	N/R	N/R	N/R	GREEN/***		
Centreville Bank	4	4.2%	N/R	N/R	N/R	N/R	N/R	N/R	GREEN/***/BB		
Citizens Bank	4	4.9%	Baa1	P-2	A-2	A1	BBB+	Stable	GREEN/*		
Customers Bank	4	13.2%	N/R	N/R	N/R	N/R	N/R	N/R	GREEN/*		
Home Loan Inv. Bank	-	0.0%	N/R	N/R	N/R	N/R	N/R	N/R	GREEN/***		
Navigant Credit Union	4	0.9%	N/R	N/R	N/R	N/R	N/R	N/R	GREEN/***		
Ocean State Inv. Pool	6	39.3%	N/R	N/R	N/R	N/R	N/R	N/R	N/R		
People's Credit Union	4	0.3%	N/R	N/R	N/R	N/R	N/R	N/R	GREEN/***		
Santander Bank	4	11.0%	A3	P-2	A-2	A3	A-	Stable	GREEN/*		
TD Bank	4	2.3%	Aa2	P-1	A-1+	Aa2	AA-	Stable	GREEN/***		
Washington Trust	4,7	4.4%	N/R	N/R	N/R	N/R	N/R	N/R	GREEN/***		
Webster Bank	4	16.9%	Baa1	P-1	A-2	A1	BBB+	Stable	GREEN/***		



CD = Certificate of Deposit	1*
CDARS = Cert.of Dep.Acct Registry Svc	2*
MMKT = Money Market	3*
CoD = Collateralized Deposit	4*
OSIP = Ocean State Investment Pool	5*

Moody's Short-Term Debt Ratings:	Ratings Definitions
P-1 - Prime-1 have a superior ability for repayment of sr, S-T debt	S&P Short -Term Credit Ratings:
P-2 - Prime-1 have a strong ability for repayment of sr, S-T debt	A-1 - Highest rated, strong capacity to meet obligations
P-3 - Prime-1 have acceptable ability for repayment of sr, S-T debt	A-2 - Somewhat more susceptible to adverse effects of changes in financial conditions; satisfactory
NP - Not Prime	A-3 - Exhibits adequate protection parameters
Moody's Issuer Rating Symbols:	B - Significant speculative characteristics, faces major ongoing uncertainties
Aaa - Offer exceptional financial security (high-grade)	C - Vulnerable to non-payment
Aa - Offer excellent financial security (high-grade)	D - Payment default
A - Offer good financial security	Modifiers: + or - show relative standing within the category.
Baa - Offer adequate financial security	S&P Outlook Definitions:
Ba - Offer questionable financial security	Positive - A rating may be raised
B - Offer poor financial security	Negative - A rating may be lowered
Caa - Offer very poor financial security	Stable - A rating is not likely to change
Ca - Offer extremely poor financial security	Developing - May be raised or lowered
C - Lowest rated class, usually in default	NM - Not meaningful
Moody's Long-Term Debt Ratings:	S&P Long-Term Debt Ratings:
Aaa - Best Quality	AAA - Highest rating, extremely strong
Aa - High Quality	AA - Differs slightly from highest rating, very strong
A - Possess many favorable investment attributes	A - More susceptible to adverse effects of change in economic condition, strong
Baa - Medium-grade obligations	BBB - Exhibits adequate protection parameters
Ba - Possess speculative elements	BB, B - Have significant speculative characteristics, BB least speculative
B - Generally lack characteristics of desirable investments	CCC, CC, C - C highest degree
Caa - Poor standing	D - Payment default
Ca - Speculative in a high degree	Modifiers: + or - show relative standing within the category.
C - Lowest rated class of bonds	VERIBANC Ratings:
Modifiers:	GREEN - The institution's equity exceeds a modest percentage of its assets and had positive net income during the most recent reporting period.
1 - Higher end of letter rating category	YELLOW - The institution's equity is at a minimal percentage of its assets or it incurred a net loss during the most recent reporting period.
2 - Mid-range of letter rating category	RED - The institution's equity is less than a minimal percentage of its assets or it incurred a significant net loss during the most recent reporting period (or both).
3 - Lower end of letter rating category	BB - Blue Ribbon Bank
	Modifiers: ***-Very Strong, **-Strong, *-Moderate, No Stars-Poor

State of Rhode Island
Office of the General Treasurer
Collateralization of State Bank Deposits
As of June 30, 2018

Bank	Account Name	Deposit Balance	Collateral Amount	Percentage of Collateral	Term	Collateral Report Filed	VERIBANC Rating	Moody's Long Term Debt Rating	S&P Long Term Debt Rating
Bank of America									
	A.C.I. Cash Bail Fund	17,723	17,723	100%	DDA	Y	GREEN/*	A3	A-
	Athletics Imprest	82,697	82,697	100%	DDA				
	Clerk of Superior Court	35,777	35,777	100%	DDA				
	Custodial Funds Clearing Account - A.C.I.	355,799	355,799	100%	DDA				
	DCYF Imprest CashDCYF	13,444	13,444	100%	DDA				
	DEM - Division of Parks and Recreation Imprest Cash	80	80	100%	DDA				
	Department of Children and Their Families	3,530	3,530	100%	DDA				
	Department of Human Services	375,486	375,486	100%	DDA				
	Dept Children Youth and Families	800,021	800,021	100%	DDA				
	Dept of Admin, Div of Taxation	171	171	100%	DDA				
	Dept. of Employ. Sec. & Training DET Legal	604	604	100%	DDA				
	Dept. of Employ. Sec. Tax Lien Escrow	186	186	100%	DDA				
	DHS - Imprest D - GPA - Daily Account	5,386	5,386	100%	DDA				
	EDS Fed Corp	47,445	47,445	100%	DDA				
	Eleanor Slater Hospital / Zambarano Custodial	43,057	43,057	100%	DDA				
	Eleanor Slater Hospital / Zambarano Imprest Cash	1,321	1,321	100%	DDA				
	Eleanor Slater Hospital Imprest Cash Fund	2,085	2,085	100%	DDA				
	Employee Direct Deposit	1,434	1,434	100%	DDA				
	Employment & Training Division Clearance Account	996,582	996,582	100%	DDA				
	Employment & Training Division Combined Tax Account	110,186	110,186	100%	DDA				
	ERSRI Pension Payroll Vendor Payment	14,499	14,499	100%	DDA				
	General Fund	12,559,950	12,559,950	100%	DDA				
	General Public Assistance	35,735	35,735	100%	DDA				
	GF NSF-RDI Redeposit Account	25,627	25,627	100%	DDA				
	Imprest A Public Assistance	3,400	3,400	100%	DDA				
	Imprest B Public Assistance Imprest	26,549	26,549	100%	DDA				
	Lottery Fund	769,424	769,424	100%	DDA				
	Payroll A	440,677	440,677	100%	DDA				
	Pension C	1,090,202	1,090,202	100%	DDA				
	Pension Direct Deposit Account	10,700	10,700	100%	DDA				
	Record Center Fund	176,717	176,717	100%	DDA				
	Recreation Area Development Fund	681,510	681,510	100%	DDA				
	RI Community Living&Sup RICLAS Rep Payee for SSA/SSI	38,918	38,918	100%	DDA				
	RI Community Living&Support Central Imprest Checking	19,510	19,510	100%	DDA				
	RI Community Living&Support South Imprest Checking	17,363	17,363	100%	DDA				
	RI Community Living&Support Transfer Acct	290	290	100%	DDA				
	RI Dept of Children Youth and Families	31,755	31,755	100%	DDA				
	Special Payroll Account	10,950	10,950	100%	DDA				
	State Infrastructure Bank Fund	2,065,183	2,065,183	100%	DDA				
	State of RI HP Lockbox for Rite Care	152,530	152,530	100%	DDA				
	State Police Confidential Imprest	25,000	25,000	100%	DDA				
	State University College Fund	236,285	236,285	100%	DDA				
	Supportive Services Payroll	16,401	16,401	100%	DDA				
	TDI - Reserve Fund	3,384,514	3,384,514	100%	DDA				
	Trustee for Michael F. Behm	8	8	100%	DDA				
	UNIVERSITY OF RHODE ISLAND	356	356	100%	DDA				
	University of Rhode Island	1,135	1,135	100%	DDA				
	UNIVERSITY OF RHODE ISLAND	3,738	3,738	100%	DDA				
	University of Rhode Island	8,220	8,220	100%	DDA				
	University of Rhode Island	11,302,261	11,302,261	100%	DDA				
	URI Boss Events	800	800	100%	DDA				
	URI Boss Operating	594,106	594,106	100%	DDA				
	URI Loan Funds	399,746	399,746	100%	DDA				
	URI Ryan Center Events	1,007,729	1,007,729	100%	DDA				
	URI Ryan Center Operations	495,759	495,759	100%	DDA				
	URI-Fed Dist	6,714	6,714	100%	DDA				
	William M Davies Tech School Tuition & Registration Fees	16,214	16,214	100%	DDA				
	WM Davies Career & Tech Imprest	54,137							
	Total	38,617,625	38,288,459	100% †					
Bank RI									
	Internal Services Funds	6,513,980	6,644,260	102%	DDA	Y	GREEN/**	N/R	N/R
	Industrial Building & Mortgage Fund	70,522	71,932	102%	DDA				
	Permanent School	95,135	97,038	102%	DDA				
	General Fund Money Market	10,123,201	10,325,665	102%	MMKT				
	Total	16,802,838	42,441,592	256%					
Bristol County Savings Bank									
	State of Rhode Island Bank Local Investment	4,183,170	4,266,834	102%	DDA	Y	GREEN/**	N/R	N/R
	Total	4,183,170	4,469,677	114%					
Citizens Bank									
	A.C.I. Imprest Cash Fund	2,333	2,380	102%	DDA	Y	GREEN/*	A1	BBB+
	Assessed Fringe Investment	500,049	510,050	102%	DDA				
	Auto Equipment	189,258	193,043	102%	DDA				
	Auto Equipment Investment	1,001,354	1,021,381	102%	DDA				
	Bond Capital	455,776	464,891	102%	DDA				
	Bond Capital Investment	8,843	9,020	102%	DDA				
	Child Support	5,086,531	5,188,262	102%	DDA				
	Clean Water Investment	894,603	912,495	102%	DDA				
	Correctional Industries	1,627,657	1,660,211	102%	DDA				
	Court Registry Operating	2,095,449	2,137,358	102%	DDA				
	COURTS ESCROW BALANCE	4,000,000	4,080,000	102%	DDA				
	Department of Elderly Affairs	12,318	12,564	102%	DDA				
	DET Benefit Employee UI Benefits	2,335,725	2,382,440	102%	DDA				
	DOA Child Support Enforcement	3,203	3,267	102%	DDA				
	DOT - Intersurface Transport Fund	2,000,957	2,040,976	102%	DDA				
	DOT - Mission 360	1,136,801	1,159,537	102%	DDA				
	Employees' Retirement Fund	1,923,848	1,962,325	102%	DDA				
	ERS Investment	654,616	667,708	102%	DDA				
	Fleet Replacement Revolving Investment	0	0	102%	DDA				
	General Fund Hava Investment	302	308	102%	DDA				
	General Fund Investment	30,151	30,754	102%	DDA				
	Health Bog Retiree Investment	501,438	511,467	102%	DDA				
	Health Fund Retiree Investments	2,728,144	2,782,707	102%	DDA				
	Health RIPTA Investment	2,561,397	2,612,625	102%	DDA				
	HIF Active Investment	5,079,241	5,180,825	102%	DDA				
	Highway ISTEIA Investment	8,810,796	8,987,012	102%	DDA				
	Historical Tax Credit	92,125	93,968	102%	DDA				
	Judicial Retiree Health Investment	41,072	41,893	102%	DDA				
	Judicial Retirement Fund Trust	686,917	700,655	102%	DDA				
	Legislative Retiree Health Investment	841	858	102%	DDA				
	Lottery Investment	106,790	108,926	102%	DDA				
	MERS Investment	301,413	307,441	102%	DDA				
	Municipal Employees Retirement Fund	710,210	724,414	102%	DDA				
	Non-Contributory Judicial Retirement	184,563	188,254	102%	DDA				
	Non-Contributory State Police	100,983	103,003	102%	DDA				
	R.I. Clean Water	151,912	154,951	102%	DDA				
	Reg of Providence Sup Court - Escrow	330	336	102%	DDA				
	RI Courts Receipts Account	393,513	401,383	102%	DDA				

State of Rhode Island
Office of the General Treasurer
Collateralization of State Bank Deposits
As of June 30, 2018

Bank	Account Name	Deposit Balance	Collateral Amount	Percentage of Collateral	Term	Collateral Report Filed	VERIBANC Rating	Moody's Long Term Debt Rating	S&P Long Term Debt Rating
	State Controllers	44,100	44,982	102%	DDA				
	State Police Retiree Health Investment	726,453	740,982	102%	DDA				
	State Police Retirement Fund Trust	53,846	54,923	102%	DDA				
	Tax Refund / Checks	3,864,954	3,942,253	102%	DDA				
	Tax Refund / Direct Deposit	152,943	156,002	102%	DDA				
	Teachers Retiree Health Investment	2,658,696	2,711,870	102%	DDA				
	University College Investment	8,711	8,885	102%	DDA				
	University of RI	6,905,248	7,043,353	102%	DDA				
	Total	60,826,410	69,080,262	114%					
Customers Bank						Y	GREEN/*	N/R	N/R
	State of Rhode Island Investment	72,098,000	72,202,000	100%	DDA				
	Total	72,098,000	72,202,000	100%					
Navigant Bank						Y	GREEN/**	N/R	N/R
	State of Rhode Island Investment	4,910,062	5,008,264	102%	DDA				
	Total	4,910,062	6,000,000	129%					
Peoples Bank						Y	GREEN/**	N/R	N/R
	State of Rhode Island Investment	1,825,438	1,861,947	102%	DDA				
	Total	1,825,438	3,000,000	190%					
Santander Bank						Y	GREEN/*	A3	A-
	Assessed Fringe/Workers Comp	383,029	390,690	102%	DDA				
	DHS SSI Account	162,800	166,056	102%	DDA				
	Fleet Replacement Revolving Loan Fund	398,283	406,249	102%	DDA				
	GF INVESTMENT	53,954,403	55,033,491	102%	DDA				
	Health Fund- B O G Retirees	201,558	205,589	102%	DDA				
	Health Fund -Judicial Retiree	506,594	516,726	102%	DDA				
	Health Fund- RIPTA	299,540	305,531	102%	DDA				
	Health Fund-Active & Cobra	411,992	420,232	102%	DDA				
	Health Fund-Legislative Retiree	159,841	163,038	102%	DDA				
	Health Fund-Retirees	1,430,342	1,458,949	102%	DDA				
	Health Fund-State Police Retiree	261,194	266,418	102%	DDA				
	LOTTERY INVESTMENT	3,800,264	3,876,269	102%	DDA				
	RICAP INVESTMENT	41,460	42,289	102%	DDA				
	State RI Disbursement	25,174,709	25,678,203	102%	DDA				
	TDI INVESTMENT ACCT	2,064,749	2,106,044	102%	DDA				
	Teachers Retiree Health Fund	113,960	116,239	102%	DDA				
	Total	89,364,718	106,954,498	120%					
TD Bank						Y	GREEN/**	Aa2	AA-
	State of Rhode Island	28,074	28,635	102%	DDA				
	State of Rhode Island-TDI Account	12,685,911	12,939,629	102%	DDA				
	Total	12,713,985	13,000,000	104%					
Washington Trust						Y	GREEN/**	N/R	N/R
	DBR Real Estate Escrow Account	409,700	405,603	99%	DDA				
	Dredging Fund	539,314	533,921.04	99%	DDA				
	RICAP Fund	12,553,651	12,428,114.76	99%	DDA				
	Recreational Area	144,976	143,526.19	99%	DDA				
	Total	13,647,641	13,230,000	99% *					
Webster Bank						Y	GREEN/**	A1	BBB+
	Bond Capital Invst	44,335	45,222.03	102%	DDA				
	Childrens Health Acct CHAR1	14,282	14,567.26	102%	DDA				
	Courts Cash Vault	22,669	23,122.38	102%	DDA				
	DEM Lockbox	378	385.56	102%	DDA				
	DMV Lockbox	65,633	66,945.65	102%	DDA				
	Fleet Replacement Invst	1,294,056	1,319,937.62	102%	DDA				
	General Fund Invst	38,817,243	39,593,587.94	102%	DDA				
	MERS Invst Fund	52,694	53,747.86	102%	DDA				
	RI Public Rail Corporation Fund	132,270	134,915.20	102%	DDA				
	RICAP Invst Fund	30,502,507	31,112,556.99	102%	DDA				
	RIVAP	5,424	5,532.74	102%	DDA				
	Taxation Credit	4,738,305	4,833,071.47	102%	DDA				
	TDI Fund Invst	20,986,246	21,405,970.79	102%	DDA				
	Total	96,676,043	116,027,655	120%					
Grand Total		400,747,259	471,224,466	118%					

† = Collateralization with letters of credit require only 100% coverage due to the nature of the security.

* = Increased deposit activity at fiscal close caused collateral levels to fall under the 102% target. The bank immediately increased pledged securities to rectify the shortfall.

Moody's Long-Term Bank Deposit Ratings:

Aaa Highest Rating, exceptional credit quality and smallest degree of risk.
Aa Excellent credit quality, susceptibility of long term risks appear somewhat greater.
A Good credit quality, could suggest a susceptibility to impairment over the long term.
Baa Adequate credit quality, certain protective elements may be lacking over a great length of time.
Ba Questionable credit quality, ability to punctually meet deposit obligations may be uncertain.
B Poor credit quality, assurance of punctual payment deposit obligations over time is small.
Caa Extremely poor credit quality, could be in default, danger with regard to financial capacity.
Ca Usually in default on their deposit obligations.
C Usually in default and potential recovery values are low.

Modifiers:

1 = Bank is at higher end of its letter-rating category, 2- indicates a mid-range ranking, 3- indicates the bank is in the lower end of its letter-rating category, **Asterisk *** - indicates improving quality.

S&P Long-Term Debt Ratings:

AAA Highest rating, extremely strong.
AA Differs slightly from highest rating, very strong.
A Somewhat more susceptible to adverse effects of change in economic condition, strong.
BBB Exhibits adequate protection parameters.
BB, B Have significant speculative characteristics. BB least speculative, B highest degree.
CCC, CC, C Have significant speculative characteristics. CCC least speculative, C highest degree.
D Payment default

Modifiers:

+ or - show relative standing within the category.

VERIBANC Ratings:

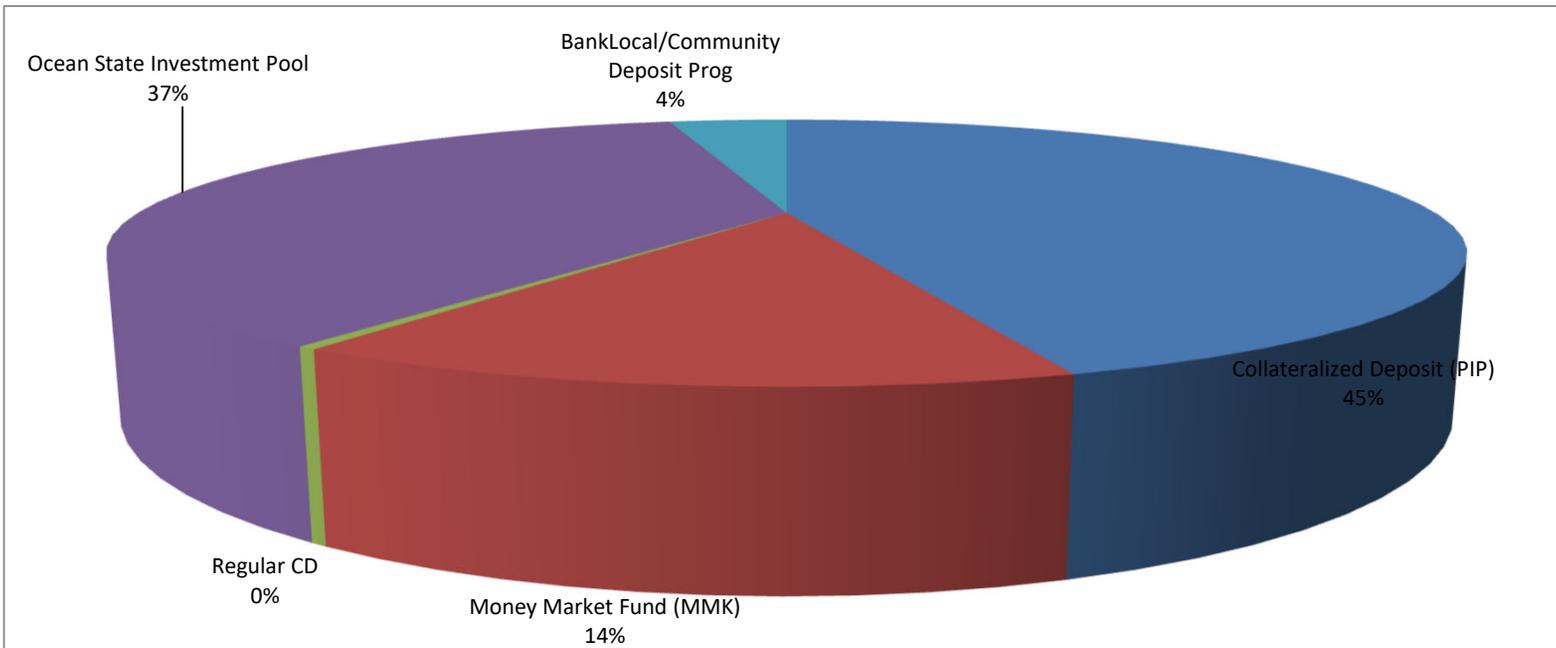
GREEN The institution's equity exceeds a modest percentage of its assets and had positive net income during the most recent reporting period.
YELLOW The institution's equity is at a minimal percentage of its assets or it incurred a net loss during the most recent reporting period.
RED The institution's equity is less than a minimal percentage of its assets or it incurred a significant net loss during the most recent reporting period (or both).

Modifiers

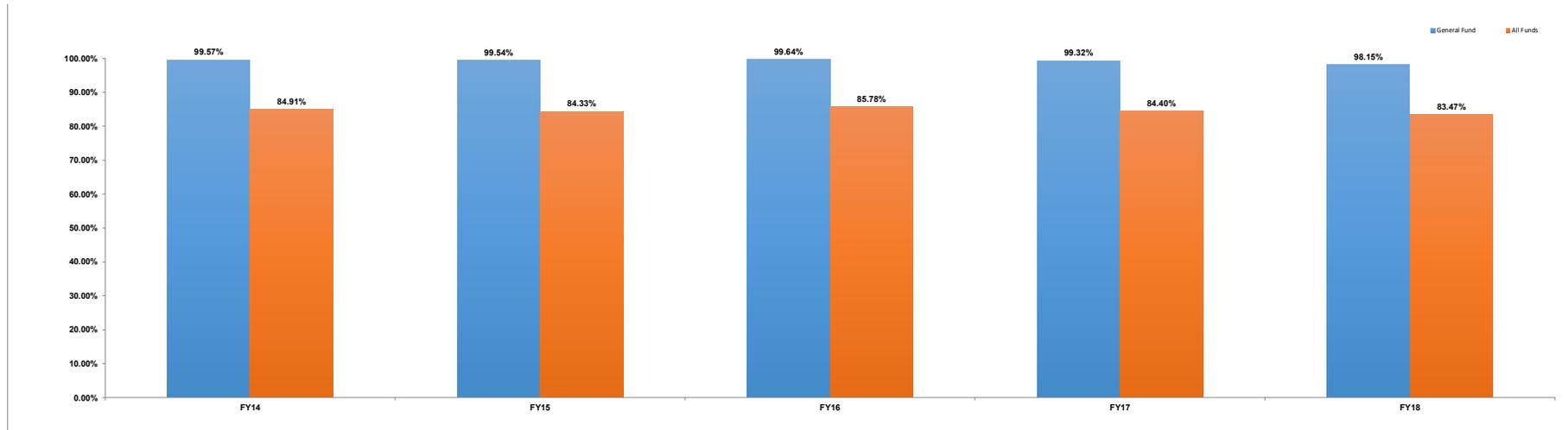
******* Very Strong
****** Strong
***** Moderate
No Stars Poor
BB Blue Ribbon Bank

**State of Rhode Island
Short Term Cash Monthly Performance
Performance By Vehicle for
July 01, 2017 to June 30, 2018**

Investment Type		Beginning Balance		Ending Balance		Earnings		Yield(Annual)		ADB
Repurchase Agreement										
Collateralized Deposit (PIP)	\$	377,647,624.57	\$	232,333,799.81	\$	2,268,729.10		0.9828%	\$	230,854,409.18
Money Market Fund (MMK)	\$	82,038,210.66	\$	46,392,479.06	\$	499,684.81		0.8150%	\$	73,502,022.88
Ocean State Investment Pool	\$	252,589,341.05	\$	213,692,648.12	\$	2,680,287.02		1.4183%	\$	188,977,748.69
CDARS										
Regular CD	\$	15,336,026.22	\$	-	\$	15,630.14		0.8327%	\$	1,877,039.82
BankLocal/Community Deposit Prog	\$	7,254,887.56	\$	21,104,468.33	\$	117,863.71		0.6122%	\$	19,251,755.56
Grand Totals	\$	734,866,090	\$	513,523,395	\$	5,464,331		0.630%	\$	495,211,221



State of Rhode Island
Office of the General Treasurer
Short-Term Percentage Invested
FY 2014 - FY 2018



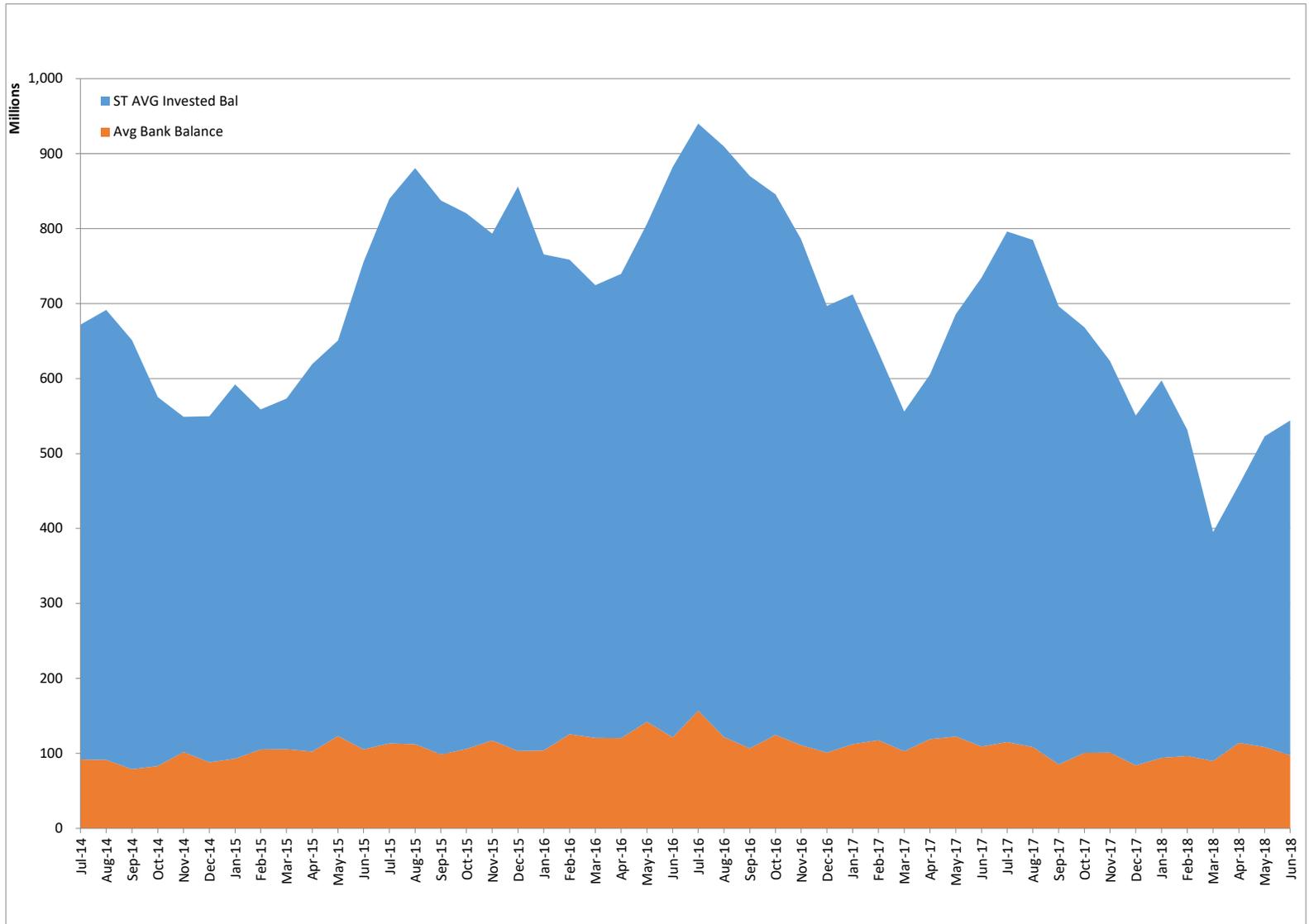
Source Data: This data is derived by calculating the ratio of Invested Balances to Invested Balances + Cash Balances (obtained from bank account analysis and the APS2 investment software; net of Bond proceeds, inclusive of TANS).

Commentary: The ratio of cash invested to cash on deposit has remained reasonably consistent over the last 5 years. Investments in All Funds throughout the last 5 years reflect a strategic effort by Treasury to leave balances on deposit to offset bank fees. As short-term interest rates remain at historic lows, Treasury utilized favorable negotiation of Earned Credit Rates as an offset to the lower interest rates in an effort to reduce overall bank fees. The gap in performance between the General Fund ratio vs. the All Funds ratio is largely the result of statutory provisions on the investment of certain funds. For example, certain allocations of Federal funds are prohibited from being invested by Cash Management. Therefore, All Funds Cash Invested cannot be regarded as a performance metric, but it is presented for illustrative purposes.

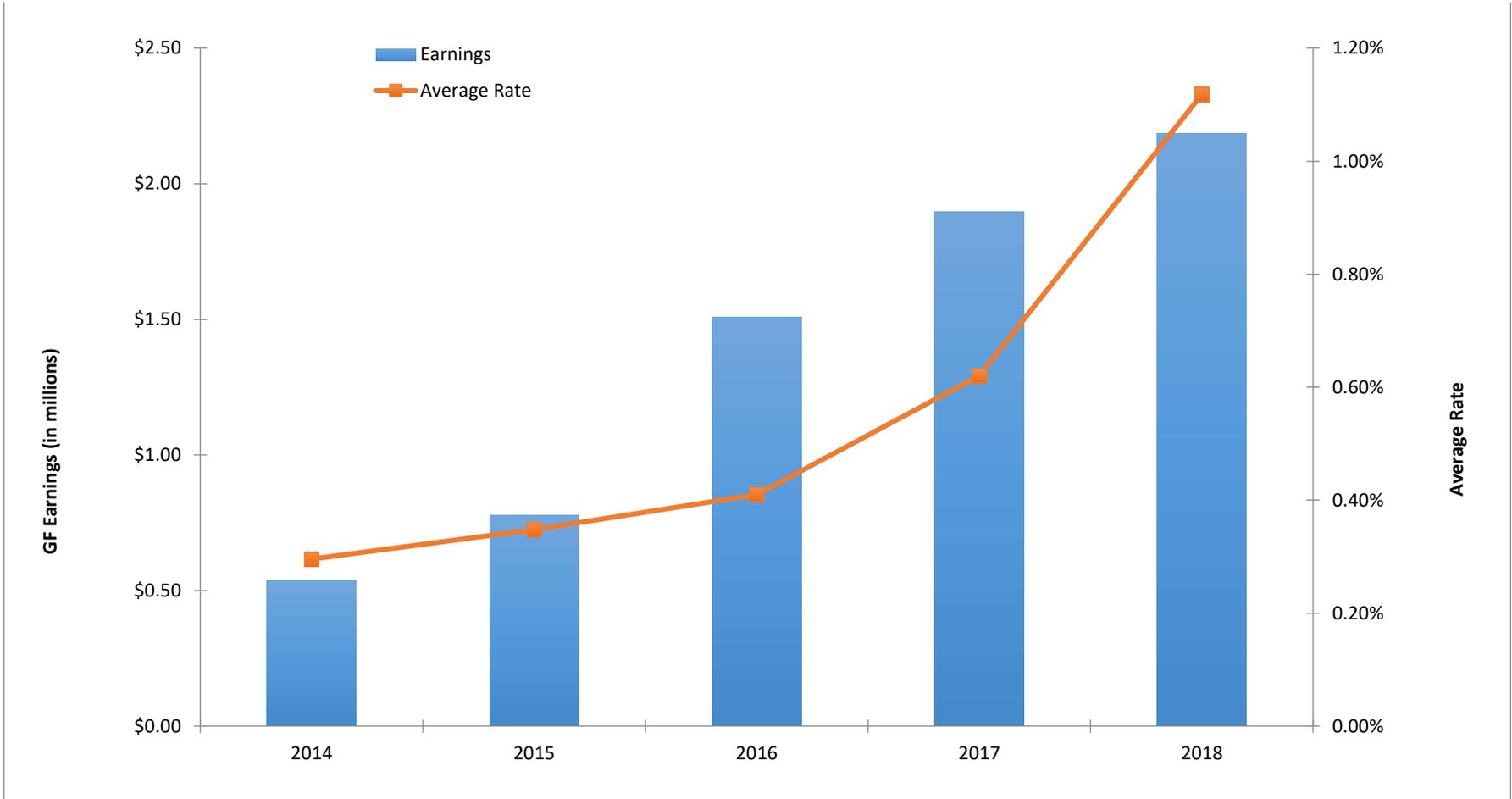
State of Rhode Island
Office of the General Treasurer
Short-Term Investment Portfolio by Fund
As of June 30, 2018

Fund	Principal	Cash Balance	Total
GENERAL FUND	\$ 232,547,778.91	\$ 12,559,950.14	\$ 245,107,729
H.A.V.A	\$ 301.26	\$ -	\$ 301
GENERAL FUND (HIST PRES)	\$ 551,532.18	\$ -	\$ 551,532
HISTORIC TAX CREDIT	\$ 10,727,666.92	\$ 583,991.31	\$ 11,311,658
HIGHWAY FUND	\$ 97,010,762.52	\$ 951,901.66	\$ 97,962,664
T.D.I. RESERVE (DET)	\$ 103,758,547.79	\$ 3,384,513.83	\$ 107,143,062
RICAP GL FUND 21	\$ 916,110.41	\$ -	\$ 916,110
BOND CAPITAL FUND	\$ 49,546.09	\$ 391,948.45	\$ 441,495
R.I. CLEAN WATER ACT	\$ 3,258,882.17	\$ -	\$ 3,258,882
STATE LOTTERY FUND	\$ 19,113,510.79	\$ 769,424.12	\$ 19,882,935
ASSESSED FRINGE BEN ADM	\$ 514,514.41	\$ 2,198,888.13	\$ 2,713,403
AUTO EQUIPMENT SERVICE	\$ 1,001,270.54	\$ 1,393,805.40	\$ 2,395,076
HEALTH INSURANCE FUND	\$ 28,336,462.98	\$ 247,224.96	\$ 28,583,688
FLEET REVOLVING LOAN FUND	\$ 1,292,463.07	\$ 141,912.48	\$ 1,434,376
EMPLOYEES RETIREMENT	\$ 649,709.48	\$ -	\$ 649,709
MUNICIPAL EMPLOYEES RET.	\$ 352,559.26	\$ -	\$ 352,559
NON-CONTRIBUTORY JUDICIAL RETIREMENT	\$ -	\$ 184,563.12	\$ 184,563
RETIREE HEALTH FUND	\$ 2,726,138.94	\$ 1,209,089.27	\$ 3,935,228
BOG RETIREE FUND	\$ 501,395.02	\$ 463,893.40	\$ 965,288
RIPTA RETIREE HEALTH FUND	\$ 2,558,119.89	\$ 106,346.29	\$ 2,664,466
PERMANENT SCHOOL FUND	\$ 1,984,732.26	\$ -	\$ 1,984,732
TEACHER RETIREE HEALTH FUND	\$ 2,655,365.10	\$ 335,499.18	\$ 2,990,864
RI ST POLICE RETIREE HEALTH FUND	\$ 726,362.65	\$ 464,622.63	\$ 1,190,985
RI LEGISLATIVE RETIREE HEALTH FUND	\$ 839.82	\$ 67,435.90	\$ 68,276
RI JUDICIAL RETIREE HEALTH FUND	\$ 41,021.18	\$ 115,012.36	\$ 156,034
UNIVERSITY COLLEGE	\$ 1,509,001.04	\$ 1,233,936.03	\$ 2,742,937
DOT - MISSION 360	\$ -	\$ 1,172,865.82	\$ 1,172,866
INDUS. BLDG. & MTG. INS.	\$ 738,800.64	\$ -	\$ 738,801
DISBURSEMENT ACCOUNT	\$ -	\$ 25,174,708.67	\$ 25,174,709
INTERNAL SERVICES	\$ -	\$ 2,543,211.67	\$ 2,543,212
TAX REFUND	\$ -	\$ 3,864,954.39	\$ 3,864,954
RIDOT RITBA	\$ -	\$ 9,814,183.55	\$ 9,814,184
CHILD SUPPORT	\$ -	\$ 5,086,531.28	\$ 5,086,531
FLEET REPLACEMENT	\$ -	\$ 1,294,056.49	\$ 1,294,056
COURT REGISTRY OPERATING ACCOUNT	\$ -	\$ 1,900,584.89	\$ 1,900,585
INFRA STRUCTURE BANK FUND	\$ -	\$ 2,065,183.03	\$ 2,065,183
CORRECTIONAL INDUSTRIES	\$ -	\$ 789,644.58	\$ 789,645
DLT BENEFIT	\$ -	\$ 2,335,725.13	\$ 2,335,725
DHS - SSI BENEFITS	\$ -	\$ 162,800.34	\$ 162,800
RI CUSTODIAL CLEARING ADULT CORRECTIONAL INSTS	\$ -	\$ 355,799.28	\$ 355,799
PENSION C	\$ -	\$ 1,090,201.63	\$ 1,090,202
RI COURTS RECEIPTS	\$ -	\$ 393,512.53	\$ 393,513
RI DEPT CHILDREN YOUTH AND FAMILIES	\$ -	\$ 800,021.10	\$ 800,021
ET CLEARANCE	\$ -	\$ 996,581.87	\$ 996,582
DREDGING ACCOUNT	\$ -	\$ 539,314.18	\$ 539,314
RI COMM LIVING AND SUP RICLAS	\$ -	\$ 38,917.99	\$ 38,918
RECREATIONAL AREA	\$ -	\$ 134,767.95	\$ 134,768
DBR - REAL ESTATE DEPOSITS	\$ -	\$ 409,700.00	\$ 409,700
PAYROLL A	\$ -	\$ 440,677.45	\$ 440,677
TAX REFUND/DIRECT DEPOSIT	\$ -	\$ 152,943.47	\$ 152,943
RI RIDE DIVISION OF HIGHER EDUCATION	\$ -	\$ 194,594.94	\$ 194,595
EMPLOYER TAX	\$ -	\$ 110,186.35	\$ 110,186
DEPARTMENT OF HUMAN SERVICES PAYROLL	\$ -	\$ 375,486.36	\$ 375,486
RITE CARE/RITE SHARE	\$ -	\$ 152,530.43	\$ 152,530
RECORD CENTER	\$ -	\$ 176,717.21	\$ 176,717
RI PUBLIC RAIL CORPORATION	\$ -	\$ 132,269.80	\$ 132,270
REGISTRY OF FAMILY COURT - ESCROW	\$ -	\$ 61,181.96	\$ 61,182
STATE POLICE RETIREMENT FUND	\$ -	\$ 53,845.67	\$ 53,846
NON-CONTRIBUTORY STATE POLICE RETIREMENT	\$ -	\$ 100,983.48	\$ 100,983
RI DCYF COLLECTIVE DEDICATED SSA TRUST	\$ -	\$ 31,755.17	\$ 31,755
GF MSF RDI REDEPOSIT ACCT	\$ -	\$ 25,626.96	\$ 25,627
JUDICIAL RETIREMENT FUND	\$ -	\$ 686,916.98	\$ 686,917
SUPPORTIVE SERVICES PAYROLL	\$ -	\$ 16,401.00	\$ 16,401
RI COMM LIVING AND SUP SOUTH	\$ -	\$ 17,362.56	\$ 17,363
RI ACI CASH BAIL FUND	\$ -	\$ 17,722.96	\$ 17,723
RECREATIONAL AREA	\$ -	\$ 681,509.86	\$ 681,510
GENERAL PUBLIC ASSISTANCE	\$ -	\$ 35,735.00	\$ 35,735
COURTS CASH VAULT	\$ -	\$ 22,669.00	\$ 22,669
RI IMPREST B PUBLIC ASSISTANCE	\$ -	\$ 26,549.00	\$ 26,549
RIVAP	\$ -	\$ 5,424.25	\$ 5,424
SPECIAL PAYROLL	\$ -	\$ 10,950.00	\$ 10,950
PENSION DIRECT DEPOSIT	\$ -	\$ 10,700.14	\$ 10,700
CHILDREN'S HEALTH ACCOUNT	\$ -	\$ 14,281.63	\$ 14,282
RI DHS IMPREST D	\$ -	\$ 5,385.55	\$ 5,386
RI IMPREST A PUBLIC ASSISTANCE	\$ -	\$ 3,400.00	\$ 3,400
DEPT OF CHILDREN AND FAMILIES	\$ -	\$ 3,529.79	\$ 3,530
RI COMM LIVING AND SUP CENTRAL	\$ -	\$ 19,510.14	\$ 19,510
RI DEPT OF EMPLOY SEC & TRAINING	\$ -	\$ 604.12	\$ 604
Subtotal	\$ 513,523,395	\$ 91,354,676	\$ 604,878,072
BOND CCDL 2006 SERIES C	\$ 492,150	\$ -	\$ 492,150
CCDL10C	\$ 163,241	\$ -	\$ 163,241
CCDL2011A	\$ 4,392,512	\$ -	\$ 4,392,512
GO CCDL 2013A	\$ 2,700,000	\$ -	\$ 2,700,000
GO CCDL 2014A	\$ 94,193	\$ -	\$ 94,193
GO CCDL 2016A	\$ 10,671,359	\$ -	\$ 10,671,359
GO CCDL 2016B	\$ 3,646,406	\$ -	\$ 3,646,406
GO CCDL 2017	\$ 9,362,125	\$ -	\$ 9,362,125
CCDL99A 1999A	\$ 206,569	\$ -	\$ 206,569
CLEAN WATER 2007 SERIES A	\$ 205,772	\$ -	\$ 205,772
CCDL2011A CLEAN WATER COMPONENT	\$ 1,236,000	\$ -	\$ 1,236,000
GO CCDL 2018A	\$ 69,417,664	\$ -	\$ 69,417,664
GO CCDL 2018B	\$ 35,100,000	\$ -	\$ 35,100,000
Bond Proceeds Total	\$ 145,137,559	\$ -	\$ 145,137,559
TANS PROCEEDS	\$ -	\$ -	\$ -
Grand Total	\$ 658,660,954	\$ 91,354,676	\$ 750,015,630

**State of Rhode Island
Office of the General Treasurer
Short-Term Average Bank Balance and Average Invested Balance
Actual FY2015-FY2018**



**State of Rhode Island
Office of the General Treasurer
General Fund Interest Earnings / Average Rate
FY2014 - FY2018**

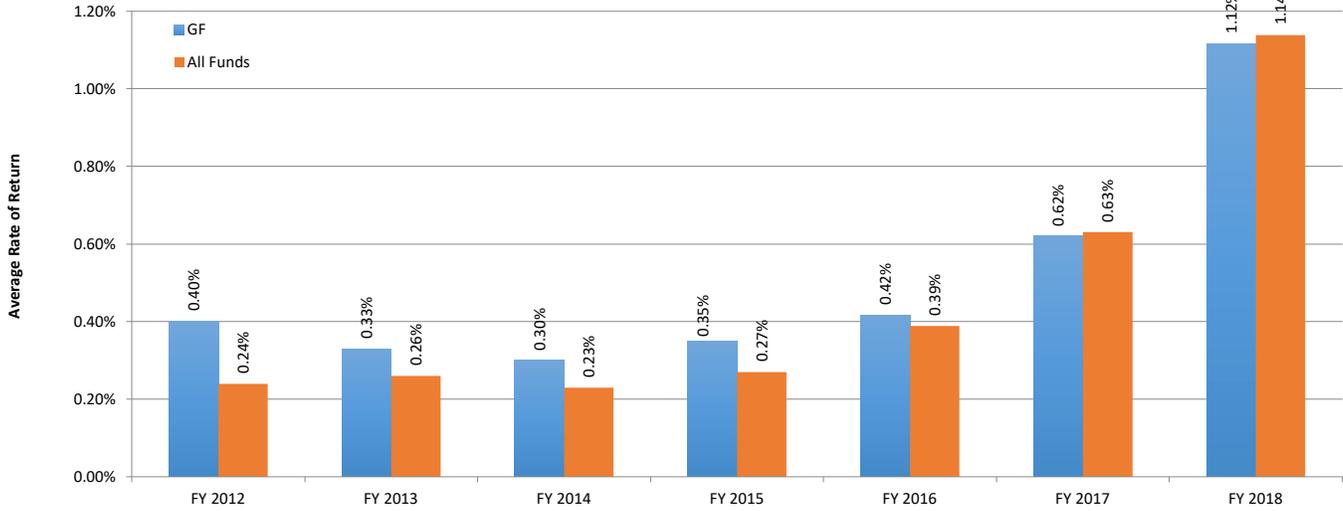


Source Data: Investment Earnings information and Average Rate information are obtained from the State Investment Software: APS2. The Average Rate is the Weighted Average interest rate for an entire fiscal year's short-term investments.

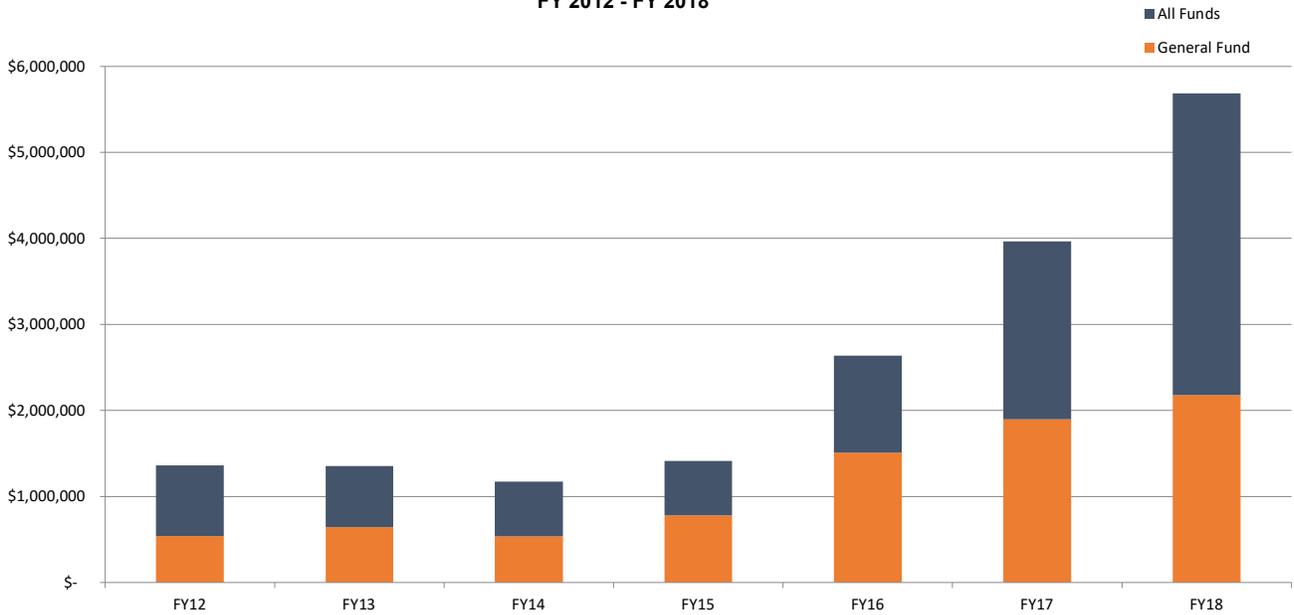
Commentary: Despite a decline in the average daily balance within the General Fund from FY2017 to FY2018, the fund was able to increase earnings by due to rising interest rates. The General Fund saw an interest rate increase of 50 basis points, the largest year-over-year increase since rates began declining in 2007.

**State of Rhode Island
Office of the General Treasurer
Cash Management Summary
Fiscal Year 2018**

**State of Rhode Island
Short -Term Investments
Average Rate of Return
FY 2012 - FY 2018**

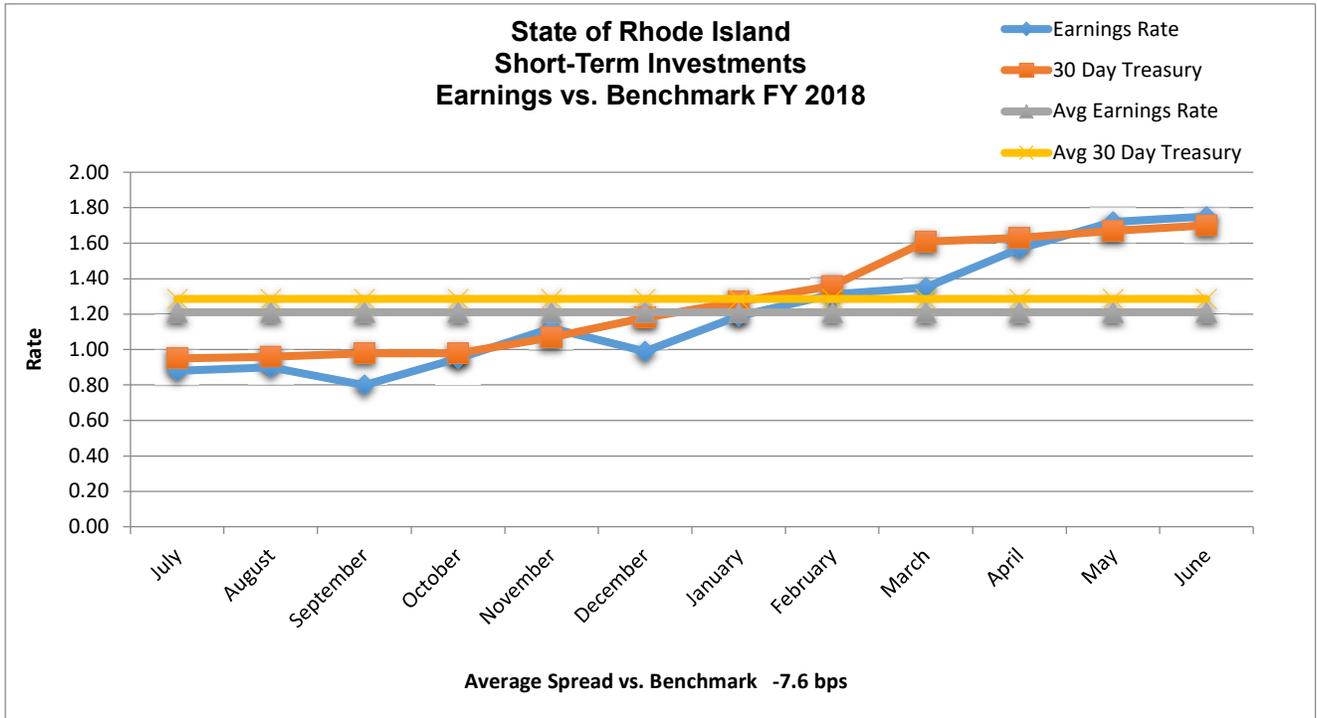
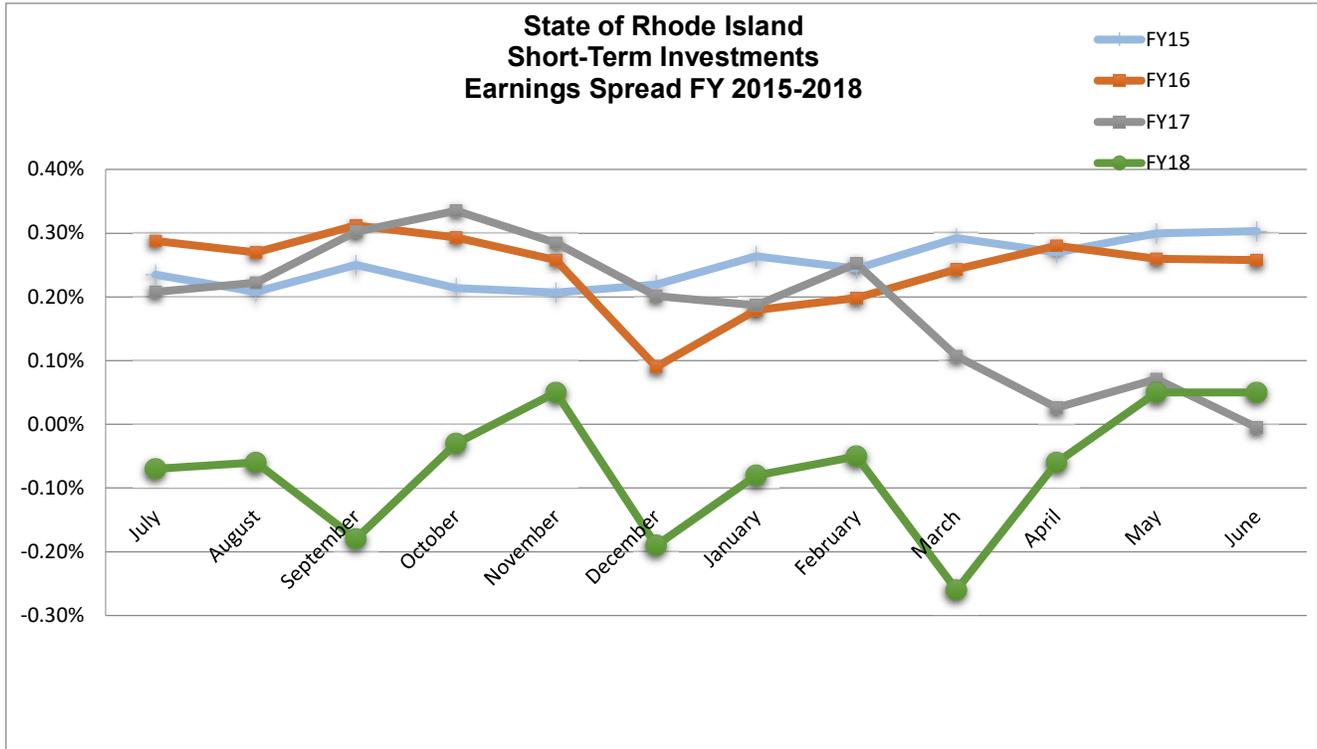


**State of Rhode Island
Short- Term Investments
Earned and Accrued Interest
FY 2012 - FY 2018**



Commentary: Over the last four years, our earned and accrued interest amounts were able to significantly increase due to the rising interest rate environment.

**State of Rhode Island
Office of the General Treasurer
FY2018**



Source Data: This Avg Earnings and Earnings Rate are derived from the State Investment System: APS2. The Benchmark is the 30 Day Treasury Bill. The Benchmark data is derived from the Federal Reserve Board Statistical release, H.15.

**State of Rhode Island
Office of the General Treasurer
Cash Management Summary
All Funds, FY 2014 - FY 2018**

	<u>FY2018</u>	<u>FY2017</u>	<u>FY2016</u>	<u>FY2015</u>	<u>FY2014</u>
Average Daily Cash Position	\$ 497,783,242	\$ 630,299,814	\$ 693,265,108	\$ 522,267,771	\$ 502,328,500
Average Daily Bank Balance	\$ 99,563,684	\$ 117,087,924	\$ 115,280,790	\$ 97,541,059	\$ 89,729,092
Percent of Cash Invested	83.47%	84.40%	85.78%	84.33%	84.91%
Percent of GF Cash Invested	98.15%	99.32%	99.64%	99.54%	99.57%
Spread to Benchmark	- 7.6 Basis Points	18.3 Basis Points	24.4 Basis Points	25.0 Basis Points	19.5 Basis Points
Average Rate of Return	1.21%	0.63%	0.39%	0.27%	0.23%

Note: "Cash Position" includes all operating fund investments, inclusive of TANS. Data is sourced from the State's investment system APS and daily bank reporting.

OSIP – OCEAN STATE INVESTMENT POOL

State of Rhode Island
Office of the General Treasurer
OSIP Performance FY18
July 1, 2017 through June 30, 2018

Fund Name	Beginning Balance	Ending Balance	Average Daily Balance	Earnings	Yield
GENERAL FUND	\$ 89,824,385	\$ 42,583,726	\$ 58,564,221	\$ 681,454	1.30%
GENERAL FUND (HIST PRES)	\$ 544,472	\$ 551,532	\$ 544,457	\$ 7,948	1.46%
HISTORIC TAX CREDITS	\$ 6,433,382	\$ 10,727,667	\$ 6,723,632	\$ 99,261	1.48%
HIGHWAY FUND	\$ 46,691,068	\$ 88,218,303	\$ 44,340,321	\$ 659,188	1.49%
T.D.I. RESERVE (DET)	\$ 31,666,871	\$ 26,048,284	\$ 21,972,159	\$ 334,144	1.52%
RICAP GL FUND 21	\$ 18,185,391	\$ 490,254	\$ 8,565,246	\$ 105,658	1.23%
R.I. CLEAN WATER ACT	\$ 2,335,131	\$ 2,365,381	\$ 2,335,056	\$ 34,088	1.46%
STATE LOTTERY FUND	\$ 19,876,297	\$ 15,206,588	\$ 25,253,546	\$ 371,550	1.47%
ASSESSED FRINGE BEN ADM	\$ 4,305,096	\$ 14,507	\$ 777,143	\$ 9,434	1.21%
HEALTH INSURANCE FUND	\$ 20,846,247	\$ 23,262,574	\$ 17,208,161	\$ 258,865	1.50%
RETIREE HEALTH FUND	\$ 146	\$ -	\$ 90,498	\$ 1,329	1.47%
BOG RETIREE FUND	\$ 727	\$ -	\$ 426	\$ 5	1.25%
RIPTA HEALTH FUND	\$ 36,171	\$ -	\$ 21,197	\$ 265	1.25%
PERMANENT SCHOOL FUND	\$ 1,958,649	\$ 1,984,732	\$ 1,958,875	\$ 28,597	1.46%
TEACHER RETIREE HEALTH FUND	\$ 139,539	\$ -	\$ 81,773	\$ 1,022	1.25%
RI ST POL RETIREE HEALTH	\$ 3,108	\$ -	\$ 1,821	\$ 23	1.25%
UNIVERSITY COLLEGE	\$ 8,515,995	\$ 1,500,301	\$ 5,793,728	\$ 74,170	1.28%
INDUS. BLDG. & MTG. INS.	\$ 1,226,667	\$ 738,801	\$ 946,385	\$ 13,287	1.40%

Operating Funds Totals	\$ 252,589,341	\$ 213,692,648	\$ 195,178,646	\$ 2,680,287	1.37%
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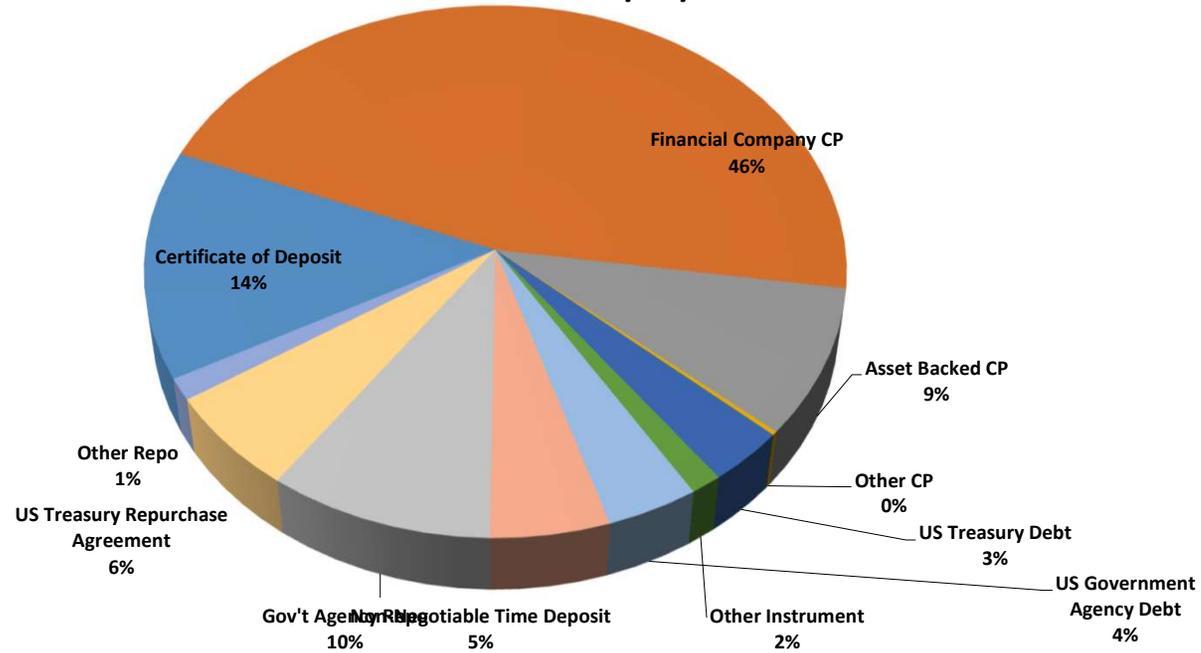
BOND CCDL 2006 SERIES C	\$ 742,210	\$ 492,150	\$ 611,696	\$ 8,640	1.41%
GO BND-NTAX 2007 SERIES A	\$ 373,066	\$ 366,002	\$ 365,316	\$ 5,325	1.46%
CCDL10B BOND CAPITAL COMPONENT	\$ 950,819	\$ 950,000	\$ 944,470	\$ 13,777	1.46%
CCDL10C	\$ 161,154	\$ 163,241	\$ 161,149	\$ 2,352	1.46%
CCDL2011A	\$ 5,335,913	\$ 4,392,512	\$ 5,237,232	\$ 76,112	1.45%
CCDL2012B	\$ 6,167,502	\$ 6,092,902	\$ 6,086,981	\$ 88,706	1.46%
GO CCDL 2013A	\$ 2,702,328	\$ 2,700,000	\$ 2,684,283	\$ 39,154	1.46%
GO CCDL 2014A	\$ 2,009,936	\$ 94,193	\$ 639,244	\$ 7,772	1.22%
GO CCDL 2014B	\$ 40,699	\$ 40,664	\$ 40,428	\$ 590	1.46%
GO CCDL 2016A	\$ 31,058,202	\$ 10,671,359	\$ 21,222,259	\$ 292,067	1.38%
GO CCDL 2016B	\$ 4,247,671	\$ 3,646,406	\$ 3,978,976	\$ 57,429	1.44%
GO CCDL 2017	\$ 27,822,316	\$ 9,362,125	\$ 16,377,561	\$ 222,606	1.36%
CCDL99A 1999A	\$ 206,748	\$ 206,569	\$ 205,367	\$ 2,996	1.46%
CLEAN WATER 2007 SERIES A	\$ 283,496	\$ 205,772	\$ 215,290	\$ 3,110	1.44%
CCDL2011A CLEAN WATER COMPONENT	\$ 1,237,066	\$ 1,236,000	\$ 1,228,805	\$ 17,924	1.46%
GO CCDL 2018A	\$ -	\$ 69,417,664	\$ 16,180,921	\$ 304,653	1.88%
GO CCDL 2018B	\$ -	\$ 35,100,000	\$ 6,966,578	\$ 131,818	1.89%

Bond Proceeds Fund Totals	\$ 83,339,126	\$ 145,137,559	\$ 83,146,555	\$ 1,275,030	1.48%
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Grand Totals	\$ 335,928,467	\$ 358,830,207	\$ 278,325,201	\$ 3,955,317	1.42%
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STATE OF RHODE ISLAND
OFFICE OF THE GENERAL TREASURER

OSIP Investment Allocation at 06/30/2018



* ABOVE FIGURES DO NOT INCLUDE CASH, INTEREST RECEIVABLE, OR LIABILITIES AT YEAR END.

INVESTMENT TYPE	MATURITIES				TOTAL VALUE AT 6/30/18
	0-30	31-90	91-180	181-397	
Certificate of Deposit	57,100,000	5000000			\$ 62,100,000
Financial Company CP	39,055,110	109969439	33,969,551	24,000,000	\$ 206,994,100
Asset Backed CP	7,996,137	32226720			\$ 40,222,857
Other CP	999,764				\$ 999,764
US Treasury Debt		11950103	3,000,010		\$ 14,950,113
Other Instrument	6,000,000				\$ 6,000,000
US Government Agency Debt	9,986,875	7666748			\$ 17,653,623
Non-Negotiable Time Deposit	22,800,000				\$ 22,800,000
Gov't Agency Repo	43,123,000				\$ 43,123,000
US Treasury Repurchase Agreement	27,000,000				\$ 27,000,000
Other Repo	6,000,000				\$ 6,000,000

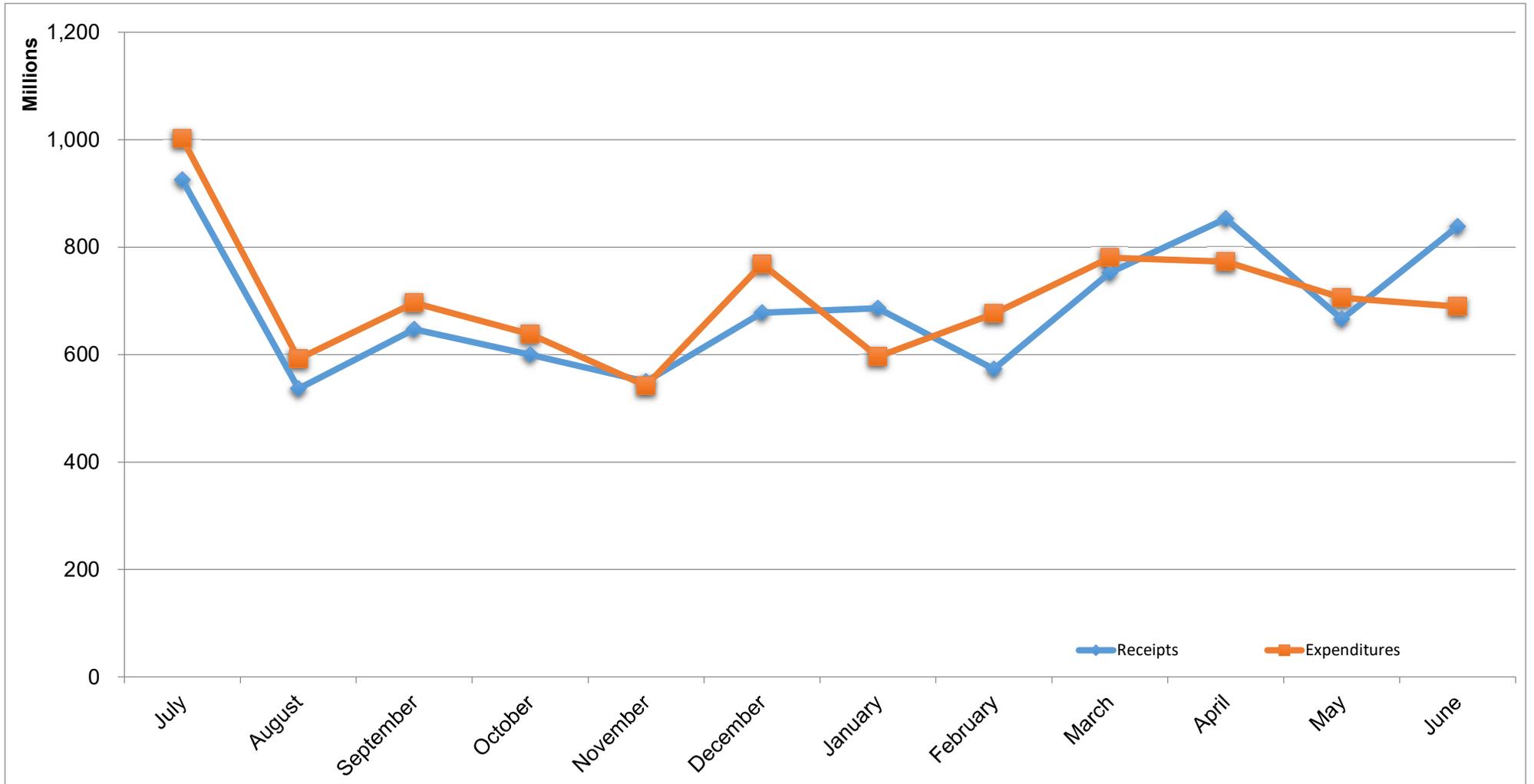
Source Data: Fidelity OSIP Annual Report FY2018

CASH FLOW

State of Rhode Island
Office of the General Treasurer
Cash Flow Analysis Summary
Fiscal 2018

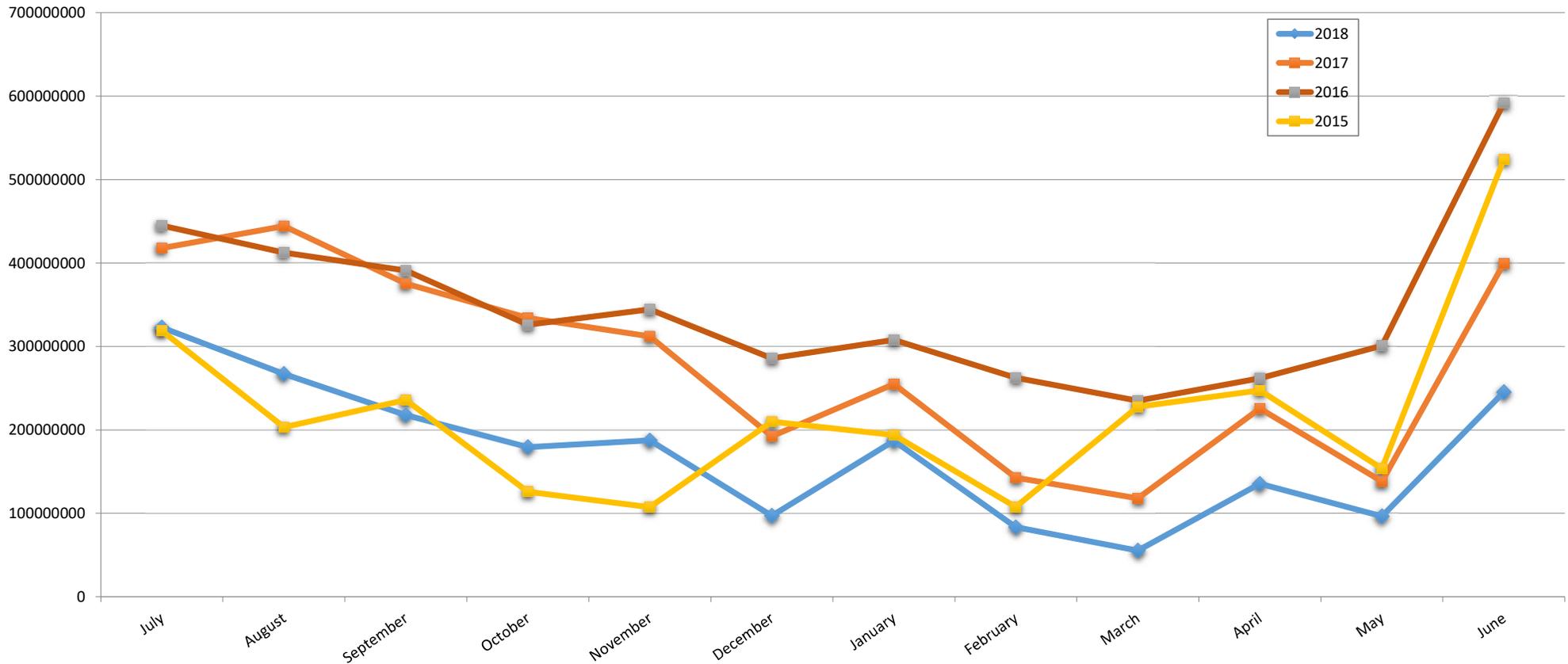
	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
	2017	2017	2017	2017	2017	2017	2018	2018	2018	2018	2018	2018	2018
Estimated Beginning Balance	399,435,038	322,515,523	266,952,025	217,629,663	179,432,610	187,424,721	97,164,580	186,893,871	83,471,516	55,236,529	135,454,413	96,385,836	399,435,038
Prior Day Deposits/Adjustments													
Motor Vehicles	12,759,887	17,475,957	19,331,377	16,544,340	15,801,769	14,148,498	15,687,408	16,751,779	24,220,917	20,457,380	21,980,426	20,901,682	216,061,421
Dept Bus Reg	2,174,494	1,592,893	1,424,631	1,168,971	3,754,196	2,333,343	1,875,657	2,030,237	2,530,393	3,684,131	6,111,110	7,436,148	36,116,204
Secretary of State	223,878	282,730	361,699	410,105	332,395	287,990	363,460	364,487	423,152	286,118	258,720	260,897	3,855,630
DEM	1,049,316	1,016,880	1,215,833	2,348,377	2,508,284	3,139,832	2,401,886	7,319,826	3,804,232	1,324,620	6,039,946	3,700,010	35,869,041
Health	2,372,505	8,121,124	387,783	4,204,675	7,766,231	554,598	2,886,596	10,802,795	857,446	3,623,058	8,992,164	1,311,235	51,880,210
Misc ACH/Check/CC Receipts	81,504,291	74,504,227	96,930,356	57,712,134	50,566,393	117,302,304	83,232,844	70,046,635	109,211,523	89,540,067	94,434,024	121,970,513	1,046,955,310
Medicaid ACH Receipts	247,892,835	110,559,073	153,575,148	171,152,899	122,542,575	146,278,773	165,015,046	142,928,550	198,841,101	102,718,047	159,277,082	120,824,251	1,841,605,380
Plus: Receipts/Wires Current Day													
Advance Repayment	80,603	88,737	85,096	77,400	76,617	6,069,953	63,235	4,206,738	54,109	54,539,155	209,349	28,537,855	94,088,845
Lottery	0	31,399,183	31,896,402	32,239,423	28,696,358	27,980,182	28,188,850	28,149,937	49,340,867	15,724,349	45,307,449	51,079,106	370,002,105
Payroll	10,365,569	9,946,855	9,190,064	8,575,796	8,758,422	15,905,325	12,639,884	12,734,614	14,375,641	12,034,374	12,004,882	18,050,913	144,582,340
Trsfr - DOT	10,000	72,760	66,045	62,993	62,993	54,532	9,897,370	233,498	9,873,877	44,485	56,872	9,728,004	40,008,392
Trsfr - University / College	34,375,784	31,604,726	33,565,429	33,971,824	40,086,097	50,146,681	33,091,140	33,368,002	33,169,417	33,264,506	33,180,731	47,673,891	437,498,227
TANS Proceeds													
Taxation EFT	289,090,817	240,360,056	283,231,540	242,730,592	234,095,730	286,638,826	310,989,906	233,509,705	287,889,654	460,461,236	250,286,842	363,008,124	3,482,293,028
Misc Receipts/Split/CSH/Interfund	243,053,083	9,201,953	5,829,277	28,457,614	34,695,025	7,052,326	19,738,780	10,204,768	17,479,995	55,083,090	27,956,204	43,708,322	502,460,437
Interest	170,749	248,834	243,355	194,286	204,530	158,785	108,115	237,997	174,673	89,617	184,740	133,734	2,149,415
Total CREDITS	925,123,811	536,475,988	647,175,945	599,854,482	549,947,616	678,051,947	686,180,176	572,889,566	752,246,997	852,874,233	666,280,540	838,324,683	8,305,425,984
Less: Disbursements													
TANF	1,950,933	2,142,086	1,883,981	1,975,560	1,969,785	2,010,886	1,959,207	1,959,885	2,009,923	1,820,968	1,823,988	1,765,493	23,272,695
Pension	16,955,713	4,091,116	1,546,811	8,072,526	8,590,500	10,499,839	7,605,989	10,320,094	8,641,137	8,460,818	9,088,443	10,431,011	104,303,998
SSI	1,655,593	1,678,802	1,657,095	1,713,461	1,657,571	1,665,000	1,646,418	1,631,539	1,580,136	1,707,927	1,634,710	1,601,130	19,829,383
Medicaid	383,272,796	153,040,669	294,393,589	217,443,810	158,423,019	307,895,301	152,841,913	218,223,062	289,627,978	152,281,896	229,477,854	162,620,049	2,719,541,936
RICAP Funding	0	0	0	0	0	0	0	0	0	0	0	0	114,538,018
Trsfr to Univ College	25,893,000	27,255,876	26,680,872	19,630,493	12,580,118	18,870,180	8,806,084	7,814,666	7,814,666	7,814,666	7,874,542	13,929,222	184,964,385
Personal / Corp. Income tax	13,143,555	12,731,073	8,275,562	6,513,705	9,651,850	6,823,518	5,296,086	84,105,681	67,213,113	80,717,414	33,082,069	29,237,542	356,791,167
Debt Service	2,796,549	68,135,466	12,968,412	17,073,218	19,122,335	941,066	15,992,661	63,417	18,226,054	5,665,236	47,159,133	63,417	208,206,965
Healthcare Finance HCFA	10,329,624	10,569,681	10,431,475	10,515,056	10,708,615	10,534,710	10,521,387	10,693,950	12,092,064	10,929,588	5,332,644	10,590,023	123,248,817
DHS - Block Mothers	5,273,224	8,733,070	5,787,532	5,303,124	4,927,447	5,326,007	8,131,921	5,256,617	5,412,872	5,412,872	5,639,260	5,466,891	70,839,450
Payroll/ FICA/ Misc	90,175,045	75,810,194	76,619,689	75,975,972	75,188,381	105,679,467	89,645,415	77,552,864	80,304,148	74,925,224	73,952,151	104,421,366	1,000,249,914
Payroll/ Workers Comp	2,934,947	2,946,748	2,988,809	2,968,767	2,968,574	4,453,637	2,939,273	4,453,800	6,463,036	2,925,525	2,925,525	8,049,857	51,641,765
Payroll/ Health Insurance	22,301,254	22,412,606	22,582,718	22,559,555	22,540,653	33,906,761	22,969,314	22,707,138	13,471,398	22,349,763	35,100,092	23,937,680	286,838,932
Payroll/ Retirement Contribution	18,950,986	18,982,600	19,208,375	19,129,712	19,192,579	28,903,682	19,097,929	19,009,966	19,147,208	18,831,480	18,745,514	28,250,866	247,450,897
Trsfr ISTEAA/Split Deposit	13,199,670	13,064,130	13,387,096	12,810,321	12,873,734	12,715,571	12,877,638	12,129,674	3,489,180	20,112,782	12,217,995	13,237,626	152,115,417
MISC Out ACH DOA/Bond Cap Adv/Splits/ZBA/Misc Deb	151,691,760	4,337,823	39,807,986	29,925,563	5,903,099	9,388,803	30,238,828	37,814,471	45,190,641	122,227,497	27,202,788	47,735,341	551,464,601
Disbursements/ACH's/Municipal	241,518,676	166,107,545	158,278,307	186,426,693	175,657,246	208,697,660	205,880,821	159,494,104	191,629,814	193,944,420	185,092,409	171,726,760	2,244,454,455
Total Disbursements	1,002,043,326	592,039,486	696,498,307	638,051,535	541,955,505	768,312,088	596,450,885	676,311,920	780,481,984	772,656,349	705,349,118	689,602,290	8,459,752,793
Overall Cash Position	322,515,523	266,952,025	217,629,663	179,432,610	187,424,721	97,164,580	186,893,871	83,471,516	55,236,529	135,454,413	96,385,836	245,108,229	245,108,229

State of Rhode Island
Office of the General Treasurer
Monthly Receipts and Expenditures
General Fund FY2018



Source Data: Actual Cash Flow figures from daily Treasury operations.

**State of Rhode Island
Office of the General Treasurer
General Fund Cash Flow
FY2015 - FY2018**



Note: All figures are net of TANS borrowings.

Source Data: Actual Cash Flow figures from daily Treasury operations. The Beginning Balance represents the Cash Balance at July 1st of each Fiscal Year; all other figures represent the balance at month-end.

Commentary: Though there is some variance, this chart demonstrates the very cyclical nature of the State's cash flow. Any proceeds from TANS have been removed from the data to produce a more accurate history of cash flow as a function of revenue and expenditures.

ACCOUNTS RECEIVABLE

**State of Rhode Island
Office of the General Treasurer
Municipal Pension Contribution Delinquency
as of July 15 of 2018, 2017, 2016, 2015 and 2014**

	July, 2018 Total Arrears	July, 2017 Total Arrears (No Delinquencies)	July, 2016 * Total Arrears	July, 2015 Total Arrears (No delinquencies)	July, 2014 Total Arrears
Teachers					
Barrington					
Bristol Warren Reg. School District			\$ 326,418		
Burrillville			\$ 204,503		
Central Falls					
Chariho Regional			\$ 378,344		
Coventry			\$ 540,488		\$ 628,741
East Greenwich					
East Providence			\$ 538,128		
Foster			\$ 12,272		
Gloucester			\$ 64,963		
Highlander Charter School			\$ 37,998		
International Charter School			\$ 28,156		
Jamestown					
Johnston			\$ 346,553		
Kingston Hill Academy School			\$ 12,127		
Lincoln					
Little Compton			\$ 30,824		
Middletown			\$ 260,084		
Newport			\$ 285,961		
Narragansett Bay Commission			\$ 127,808		
N Providence			\$ 360,500		
N Smithfield			\$ 161,939		\$ 5,435
N Kingston					
Paul Cuffee School			\$ 71,558		
Providence (long term subs)			\$ 3,670,336		
Segue Institute			\$ 24,653		
Sheila C Nowell Charter			\$ 10,503		
Smithfield			\$ 271,472		
South Kingstown			\$ 395,200		
South Side Elementary Charter			\$ 3,189		
The Learning Community			\$ 45,348		
Tiverton			\$ 278,645		
Trinity Academy			\$ 18,277		
Urban Collaborative	\$ 14,774.82				
West Bay Collaborative					
West Warwick	\$ 175,014.33		\$ 366,067		
Westerly			\$ 197,310		
Woonsocket					
Subtotal	\$ 189,789	\$ -	\$ 9,069,626	\$ -	\$ 634,176

Source Data: ERSRI Delinquency Statistics.

***NOTE:** The list of delinquencies is larger than normal as a result of the ERSRI new business system implementation launched in June 2016. Some employer units were not able to get all of their data posted before year-end. ERSRI has worked with all of the employer units to post data and remit payments. To date all units are complete in their FY2016 transactions and there are no FY2016 delinquencies.

ACCOUNTS RECEIVABLE

State of Rhode Island										
Office of the General Treasurer										
Debt Service System Inventory by Maturity Date										
File #	Amount of Original Issue	Description of Issue	Paying Agent	Year	Series	Type	Bond Use	Specific Use	Maturity Date	
145	40,865,000.00	G.O. CCDL of 2010, Series B (Tax Exempt)	Bank of New York	2010	B	CCDL	Direct	General Obligation	4/1/2019	1
147	23,800,000.00	G.O. CDL of 2010, Series D (Federally Taxable)	Bank of New York	2010	D	CDL	Direct	General Obligation	4/1/2020	2
144	78,960,000.00	G.O. CCDL of 2010, Refunding Series A	Bank of New York	2010	Refunding Series A	CCDL	Direct	General Obligation	10/1/2020	3
179	8,000,000.00	LPC, Central Power Plant Project - 2017 Refunding Series E	BONY Mellon	2017	Refunding Series E	LPC	State	Lease Part. Certificate	10/1/2020	4
141	11,805,000.00	LPC, Energy Conservation Project - 2009 Series B	Wells Fargo	2009	B	LPC	State	Lease Part. Certificate	4/1/2021	5
171	13,165,000.00	G.O. CCDL of 2016, Series B (Federally Taxable)	U.S. Bank	2016	B	CCDL	Direct	General Obligation	5/1/2021	6
172	53,800,000.00	G.O. CCDL of 2016, Refunding Series C (Tax-Exempt)	U.S. Bank	2016	Refunding Series C	CCDL	Direct	General Obligation	8/1/2022	7
157	17,520,000.00	LPC, Energy Conservation Project - 2013 Series C	BONY Mellon	2013	C	LPC	State	Lease Part. Certificate	4/1/2023	8
158	9,170,000.00	LPC, Information Technology Project - 2013 Series D	BONY Mellon	2013	D	LPC	State	Lease Part. Certificate	4/1/2023	9
177	5,005,000.00	LPC, Energy Conservation Project - 2017 Refunding Series C	BONY Mellon	2017	Refunding Series C	LPC	State	Lease Part. Certificate	5/1/2023	10
155	36,310,000.00	LPC, Kent County Courthouse Project - 2013 Refunding Series A	BONY Mellon	2013	Refunding Series A	LPC	State	Lease Part. Certificate	10/1/2023	11
156	36,575,000.00	LPC, Training School Project - 2013 Refunding Series B	BONY Mellon	2013	Refunding Series B	LPC	State	Lease Part. Certificate	10/1/2024	12
159	15,290,000.00	LPC, Traffic Tribunal Project - 2013 Refunding Series E	BONY Mellon	2013	Refunding Series E	LPC	State	Lease Part. Certificate	10/1/2024	13
166	11,650,000.00	LPC, Pastore Center Energy Conservation Project - 2014 Series A	BONY Mellon	2014	A	LPC	State	Lease Part. Certificate	11/1/2024	14
168	30,380,000.00	LPC, Information Technology Project - 2014 Series C	BONY Mellon	2014	C	LPC	State	Lease Part. Certificate	11/1/2024	15
162	78,700,000.00	G.O. CCDL of 2014, Refunding Series A	U.S. Bank	2014	Refunding Series A	CCDL	Direct	General Obligation	11/1/2025	16
149	31,980,000.00	LPC, Energy Conservation Project - 2011 Series A	Bank of New York	2011	A	LPC	State	Lease Part. Certificate	4/1/2026	17
175	9,050,000.00	LPC, Nursing Education Center Project - 2017 Series A	BONY Mellon	2017	A	LPC	State	Lease Part. Certificate	6/1/2027	18
153	122,950,000.00	G.O. CCDL of 2012, Refunding Series A	U.S. Bank	2012	Refunding Series A	CCDL	Direct	General Obligation	8/1/2027	19
165	162,115,000.00	G.O. CCDL of 2014, Refunding Series D (Tax-Exempt)	U.S. Bank	2014	Refunding Series D	CCDL	Direct	General Obligation	8/1/2027	20
169	175,155,000.00	G.O. CCDL of 2015, Refunding Series A	U.S. Bank	2015	Refunding Series A	CCDL	Direct	General Obligation	8/1/2027	21
181	35,100,000.00	G.O. CCDL of 2018, Series B (Federally Taxable)	U.S. Bank	2018	B	CCDL	Direct	General Obligation	4/1/2028	22
178	19,635,000.00	LPC, School for the Deaf Project - 2017 Refunding Series D	BONY Mellon	2017	Refunding Series D	LPC	State	Lease Part. Certificate	4/1/2029	23
167	7,465,000.00	LPC, R. I. College Energy Conservation Project - 2014 Series B	BONY Mellon	2014	B	LPC	State	Lease Part. Certificate	11/1/2029	24
146	80,000,000.00	G.O. CDL of 2010, Series C	Bank of New York	2010	C	CDL	Direct	General Obligation	4/1/2030	25
150	145,035,000.00	G.O. CCDL of 2011, Series A	U.S. Bank	2011	A	CCDL	Direct	General Obligation	8/1/2030	26
174	66,920,000.00	G.O. CCDL of 2017, Refunding Series B (Tax-Exempt)	U.S. Bank	2017	Refunding Series B	CCDL	Direct	General Obligation	8/1/2031	27
176	6,910,000.00	LPC, U.R.I. Energy Conservation Project - 2017 Series B	BONY Mellon	2017	B	LPC	State	Lease Part. Certificate	6/1/2032	28
154	81,400,000.00	G.O. CCDL of 2012, Series B	U.S. Bank	2012	B	CCDL	Direct	General Obligation	10/15/2032	29
160	40,650,000.00	G.O. CCDL of 2013, Series A (Tax-Exempt)	U.S. Bank	2013	A	CCDL	Direct	General Obligation	10/15/2033	30
161	12,500,000.00	G.O. CDL of 2013, Series B (Federally Taxable)	U.S. Bank	2013	B	CDL	Direct	General Obligation	10/15/2033	31
163	33,625,000.00	G.O. CCDL of 2014, Series B (Tax-Exempt)	U.S. Bank	2014	B	CCDL	Direct	General Obligation	11/1/2034	32
164	12,500,000.00	G.O. CDL of 2014, Series C (Federally Taxable)	U.S. Bank	2014	C	CDL	Direct	General Obligation	11/1/2034	33
170	58,835,000.00	G.O. CCDL of 2016, Series A (Tax-Exempt)	U.S. Bank	2016	A	CCDL	Direct	General Obligation	5/1/2036	34
173	91,000,000.00	G.O. CCDL of 2017, Series A (Tax-Exempt)	U.S. Bank	2017	A	CCDL	Direct	General Obligation	5/1/2037	35
180	114,275,000.00	G.O. CCDL of 2018, Series A (Tax-Exempt)	U.S. Bank	2018	A	CCDL	Direct	General Obligation	4/1/2038	36
	1,778,095,000.00									

State of Rhode Island - Office of the General Treasurer											
Debt Service System Inventory of Matured or Retired Issues											
File #	Amount of Original Issue	Description of Issue	Paying Agent	Year	Series	Type	Bond Use	Specific Use	Maturity or Retirement Date		
5	124,440,000.00	G.O. CCDL of 1992, Series A	U.S. Bank	1992	A	CCDL	Direct	General Obligation	8/1/2004		
85	6,895,000.00	C.O.P. in L.P.A. Howard Center Telecom. & St. Vehicles Project	J.P. Morgan Chase	2000	A	COP	State	Certificates of Part.	6/1/2005		
86	2,630,000.00	C.O.P. in L.P.A. Center General Furniture & E-911 Equip. Project	J.P. Morgan Chase	2000	B	COP	State	Certificates of Part.	6/1/2005		
87	318,000.00	Taxable L.P.A. E-911 Service Contract Project 2000 Series	J.P. Morgan Chase	2000	Taxable	COP	State	Certificates of Part.	6/1/2005		
7	69,025,000.00	G.O. CCDL of 1993, Refunding Series (Current Interest)	U.S. Bank	1993	Refunding	CCDL	Direct	General Obligation	6/15/2005	FY 2005	1
4	69,455,000.00	G.O. CCDL of 1994, Series A	U.S. Bank	1994	A	CCDL	Direct	General Obligation	7/15/2005	FY 2006	2
53	33,745,000.00	G.O. CCDL of 1995, Series A	U.S. Bank	1995	A	CCDL	Direct	General Obligation	8/1/2006		
95	39,805,000.00	G.O. CCDL of 2002, Refunding Series A	U.S. Bank	2002	Refunding Series A	CCDL	Direct	General Obligation	12/1/2006		
123	120,000,000.00	G.O. Tax Anticipation Notes - Fiscal Year 2007	Bank of New York	2007	TAN's	TAN's	Direct	Tax Anticipation Notes	6/29/2007	FY 2007	3
88	28,180,000.00	LPC, Central Power Plant Project - 2000 Series C	Bank of New York	2000	C	LPC	State	Lease Part. Certificate	12/13/2007		
56	4,500,000.00	Certificates of Participation, Series 1995 - Attorney General	U.S. Bank	1995	1995	COP	State	Certificates of Part.	12/13/2007		
63	24,000,000.00	LPC, Howard Center Improvements - 1997 Series	U.S. Bank	1997	1997	LPC	State	Lease Part. Certificate	12/13/2007		
69	33,335,000.00	LPC, Shepard's Building - 1997 Refunding Series A	U.S. Bank	1997	Refunding Series A	LPC	State	Lease Part. Certificate	12/13/2007		
54	15,925,000.00	G.O. CCDL of 1995, Series B	U.S. Bank	1995	B	CCDL	Direct	General Obligation	8/1/2007		
57	57,835,000.00	G.O. CCDL of 1996, Series A	Bank of New York	1996	A	CCDL	Direct	General Obligation	8/1/2007		
58	81,040,000.00	G.O. CCDL of 1996, Refunding Series	Bank of New York	1996	Refunding	CCDL	Direct	General Obligation	8/1/2007		
130	220,000,000.00	G.O. Tax Anticipation Notes - Fiscal Year 2008	Bank of New York	2008	TAN's	TAN's	Direct	Tax Anticipation Notes	6/30/2008	FY 2008	4
76	82,470,000.00	G.O. CCDL of 1998, Refunding Series A	U.S. Bank	1998	Refunding Series A	CCDL	Direct	General Obligation	7/15/2008		
64	75,775,000.00	G.O. CCDL of 1997, Series A	Bank of New York	1997	A	CCDL	Direct	General Obligation	8/1/2008		
103	67,625,000.00	Refunding Bond Authority State Public Projects, 2003 Series A	U.S. Bank	2003	Refunding Series A	RBA	Other	Refunding Bond Authority	10/1/2008		
84	31,365,000.00	Multi - Modal G. O. Bonds CCDL of 2000, Series B	Deutsche Bank	2000	Multi-Modal Ser. B	Variable Rate	Direct	General Obligation	1/2/2009		
108	2,250,000.00	Loan from FNB to R.I.H.M.F.C. to Fund Housing Resource Prog. - Travelers Aid	Bank of New York	2004	Loan	Housing			5/15/2009		
42	647,490.20	G.O. CCDL of 1993 Refunding Series (CAB's)	U.S. Bank	1993	Refunding	CAB	Direct	General Obligation	6/15/2009		
136	350,000,000.00	G.O. Tax Anticipation Notes - Fiscal Year 2009	B.O.N.Y. - Mellon	2009	TAN's	TAN's	Direct	Tax Anticipation Notes	6/30/2009	FY 2009	5
65	35,990,000.00	G.O. CCDL of 1997, Refunding Series	Bank of New York	1997	Refunding	CCDL	Direct	General Obligation	8/1/2009		
74	65,720,000.00	G.O. CCDL of 1998, Series A	U.S. Bank	1998	A	CCDL	Direct	General Obligation	9/1/2009		
62	28,185,000.00	LPC, Correctional Facilities - 1997 Refunding (Intake Center)	U.S. Bank	1997	Refunding	LPC	State	Lease Part. Certificate	10/1/2009		
71	39,875,000.00	Refunding Bond Authority State Public Projects, 1998 Series A	U.S. Bank	1998	Refunding Series A	RBA	Other	Refunding Bond Authority	2/1/2010		
83	57,230,000.00	G.O. CCDL of 2000, Series A	U.S. Bank	2000	A	CCDL	Direct	General Obligation	4/28/2010		
90	63,005,000.00	G.O. CCDL of 2001, Refunding Series B	U.S. Bank	2001	Refunding Series B	CCDL	Direct	General Obligation	4/28/2010		
93	135,400,000.00	G.O. CCDL of 2001, Series C	U.S. Bank	2001	C	CCDL	Direct	General Obligation	4/28/2010		
143	350,000,000.00	G.O. Tax Anticipation Notes - Fiscal Year 2010	U.S. Bank	2010	TAN's	TAN's	Direct	Tax Anticipation Notes	6/30/2010	FY 2010	6
82	63,120,000.00	G.O. CCDL of 1999, Series A	U.S. Bank	1999	A	CCDL	Direct	General Obligation	9/1/2010		
80	11,825,000.00	R.I.E.D.C. McCoy Stadium Issue, Series 1998	Bank of New York	1998	McCoy Stadium	Variable Rate	Quasi Public	Tax Exempt Revenue Bds.	12/1/2010		
119	7,500,000.00	R.I.H.M.F.C. Neighborhood Opportunities Program dated 12/1/05	Bank of New York	2005	N.O.P.	Housing			5/15/2011		
148	350,000,000.00	G.O. Tax Anticipation Notes - Fiscal Year 2011	Bank of New York	2011	TAN's	TAN's	Direct	Tax Anticipation Notes	6/30/2011	FY 2011	7
89	55,990,000.00	G.O. CCDL of 2001, Refunding Series A	U.S. Bank	2001	Refunding Series A	CCDL	Direct	General Obligation	8/25/2011		
116	6,950,000.00	LPC, State Vehicles Project - 2005 Series C	Bank of New York	2005	C	LPC	State	Lease Part. Certificate	4/1/2012		
97	12,550,000.00	Loan from Fleet National Bank to R.I.H.M.F.C. to Fund Housing Resource Program	Bank of New York	2002	Loan	Housing			5/15/2012		
129	7,500,000.00	Loan from Bank of America to R.I.H.M.F.C. to Fund Neighborhood Opportunities Prog	Bank of New York	2007	Loan	Housing			5/15/2012		
152	200,000,000.00	G.O. Tax Anticipation Notes - Fiscal Year 2012	U.S. Bank	2012	TAN's	TAN's	Direct	Tax Anticipation Notes	6/29/2012	FY 2012	8
99	77,140,000.00	G.O. CCDL of 2002, Series B	U.S. Bank	2002	B	CCDL	Direct	General Obligation	11/1/2012		
100	3,890,000.00	C.O.P. in L.P.A. (State Vehicles Projects), 2002 Series A	Bank of New York	2002	A	COP	State	Certificates of Part.	12/15/2012		
118	6,000,000.00	LPC, State Vehicles Project - 2006 Series A	Bank of New York	2006	A	LPC	State	Lease Part. Certificate	4/15/2013		
107	58,910,000.00	LPC, Kent County Courthouse Project - 2004 Series A	Bank of New York	2004	A	LPC	State	Lease Part. Certificate	5/2/2013		
114	51,985,000.00	LPC, Training School Project - 2005 Series A	Bank of New York	2005	A	LPC	State	Lease Part. Certificate	5/2/2013		
115	21,565,000.00	LPC, Traffic Tribunal Project - 2005 Series B	Bank of New York	2005	B	LPC	State	Lease Part. Certificate	5/2/2013	FY 2013	9
109	27,050,000.00	City of Cranston - General Obligation Bonds	U.S. Bank N.A.	2004	N/A	G.O.	Direct	General Obligation	8/15/2013		
101	62,765,000.00	G.O. CCDL of 2002, Refunding Series C	U.S. Bank	2002	Refunding Series C	CCDL	Direct	General Obligation	11/1/2013		

Retired

8/16/2018

105	79,770,000.00	G.O. CCDL of 2004, Series A	U.S. Bank	2004	A	CCDL	Direct	General Obligation	2/1/2014		
126	9,100,000.00	LPC, State Vehicles Project - 2007 Series C	Wells Fargo	2007	C	LPC	State	Lease Part. Certificate	5/1/2014	FY 2014	10
135	46,570,000.00	G.O. CCDL of 2008, Refunding Series A	Bank of New York	2008	Refunding Series A	CCDL	Direct	General Obligation	7/15/2014		
111	8,360,000.00	G.O. CCDL of 2005, Refunding Series B	Bank of New York	2005	Refunding Series B	CCDL	Direct	General Obligation	8/1/2014		
112	87,095,000.00	G.O. CCDL of 2005, Series C	Bank of New York	2005	C	CCDL	Direct	General Obligation	2/15/2015	FY 2015	11
113	56,315,000.00	G.O. CCDL of 2005, Refunding Series D	Bank of New York	2005	Refunding Series D	CCDL	Direct	General Obligation	7/15/2015		
106	65,830,000.00	G.O. CCDL of 2004, Refunding Series B	U.S. Bank	2004	Refunding Series B	CCDL	Direct	General Obligation	8/1/2015		
117	93,385,000.00	G.O. CCDL of 2005, Series E	Bank of New York	2005	E	CCDL	Direct	General Obligation	8/1/2015		
121	20,680,000.00	G.O. CDL of 2006, Series B	Bank of New York	2006	B	CDL	Direct	General Obligation	8/1/2015		
122	98,105,000.00	G.O. CCDL of 2006, Series C	U.S. Bank	2006	C	CCDL	Direct	General Obligation	8/1/2015		
127	123,255,000.00	G.O. CCDL of 2007, Series A	Bank of New York	2007	A	CCDL	Direct	General Obligation	8/1/2015		
151	23,780,000.00	G.O. CCDL of 2011, Refunding Series B	U.S. Bank	2011	Refunding Series B	CCDL	Direct	General Obligation	8/1/2015		
134	2,230,000.00	LPC, Attorney General's Building - 2007 Refunding Series G	Wells Fargo	2007	Refunding Series G	LPC	State	Lease Part. Certificate	10/1/2015		
140	12,380,000.00	LPC, Information Technology Project - 2009 Series A	Wells Fargo	2009	A	LPC	State	Lease Part. Certificate	4/1/2016	FY 2016	12
110	52,335,000.00	G.O. CCDL of 2005, Refunding Series A	Bank of New York	2005	Refunding Series A	CCDL	Direct	General Obligation	8/1/2016		
120	74,835,000.00	G.O. CCDL of 2006, Refunding Series A	Bank of New York	2006	Refunding Series A	CCDL	Direct	General Obligation	8/1/2016		
131	22,160,000.00	LPC, Central Power Plant - 2007 Refunding Series D	Wells Fargo	2007	Refunding Series D	LPC	State	Lease Part. Certificate	10/1/2016		
132	13,375,000.00	LPC, Howard Center Improvements - 2007 Refunding Series E	Wells Fargo	2007	Refunding Series E	LPC	State	Lease Part. Certificate	10/1/2016		
133	21,420,000.00	LPC, Shepard's Building - 2007 Refunding Series F	Wells Fargo	2007	Refunding Series F	LPC	State	Lease Part. Certificate	10/1/2016		
137	86,875,000.00	G.O. CCDL of 2008, Series B	U.S. Bank	2008	B	CCDL	Direct	General Obligation	2/1/2017		
142	30,425,000.00	LPC, School for the Deaf Project - 2009 Series C	Wells Fargo	2009	C	LPC	State	Lease Part. Certificate	4/1/2017		
124	23,490,000.00	LPC, Information Technology Project - 2007 Series A	Wells Fargo	2007	A	LPC	State	Lease Part. Certificate	5/1/2017		
125	12,735,000.00	LPC, Energy Conservation Project - 2007 Series B	Wells Fargo	2007	B	LPC	State	Lease Part. Certificate	5/1/2017	FY 2017	13
128	8,500,000.00	G.O. CDL of 2007, Series B (Federally Taxable)	Bank of New York	2007	B	CDL	Direct	General Obligation	8/1/2017		
138	8,500,000.00	G.O. CDL of 2008, Series C (Federally Taxable)	U.S. Bank	2008	C	CDL	Direct	General Obligation	2/1/2018		
139	12,445,000.00	G.O. CCDL of 2008, Refunding Series D	U.S. Bank	2008	Refunding Series D	CCDL	Direct	General Obligation	2/1/2018	FY 2018	14

Appendix C

Outstanding Debt Service Payments General Obligation Bonds

Fiscal Year	Principal	Interest	Total Debt Service	Less: Offsets from escrow	Total Net Debt Service
2017	47,930,000	47,746,734	95,676,734	-	95,676,734
2018	79,995,000	45,916,491	125,911,491	-	125,911,491
2019	81,155,000	42,285,620	123,440,620	-	123,440,620
2020	85,865,000	38,411,227	124,276,227	-	124,276,227
2021	82,470,000	34,586,994	117,056,994	-	117,056,994
2022	81,520,000	30,724,126	112,244,126	-	112,244,126
2023	77,880,000	26,836,108	104,716,108	-	104,716,108
2024	78,185,000	23,116,083	101,301,083	-	101,301,083
2025	73,785,000	19,544,813	93,329,813	-	93,329,813
2026	76,740,000	15,887,573	92,627,573	-	92,627,573
2027	64,790,000	12,406,865	77,196,865	-	77,196,865
2028	50,890,000	9,532,571	60,422,571	-	60,422,571
2029	36,060,000	7,414,218	43,474,218	-	43,474,218
2030	37,685,000	5,523,162	43,208,162	-	43,208,162
2031	26,840,000	3,561,981	30,401,981	-	30,401,981
2032	28,105,000	2,302,037	30,407,037	-	30,407,037
2033	17,230,000	1,332,761	18,562,761	-	18,562,761
2034	11,770,000	753,466	12,523,466	-	12,523,466
2035	8,110,000	366,678	8,476,678	-	8,476,678
2036	4,805,000	144,150	4,949,150	-	4,949,150
2037	-	-	-	-	-
\$	1,051,810,000	\$ 368,393,658	\$ 1,420,203,658	-	1,420,203,658

RI EMPLOYEES RETIREMENT SYSTEM

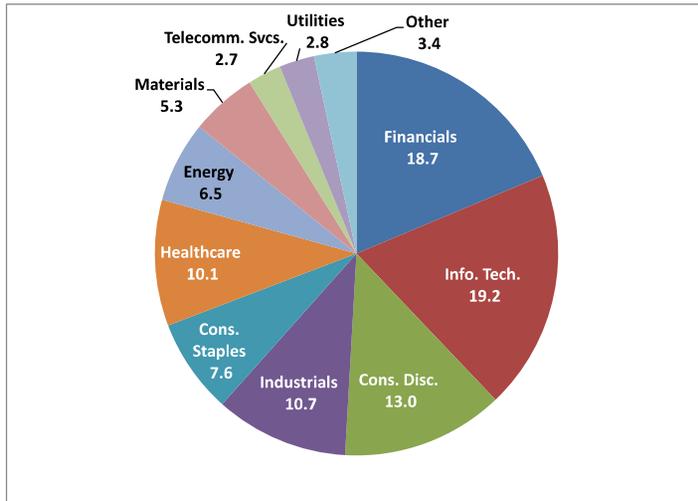
ERSRI Asset Allocation Tracking

Functional Bucket	Aggregate Asset Class	Aggregate Allocation Weight	Asset Class	(a) Asset Allocation	(b) Actual exposure as of 06/30/18	(b) - (a)
GROWTH	Global Equity	40.0%	US Equity	20.8%	24.4%	3.6%
			International Developed Equity	14.4%	16.5%	2.1%
			EM Equity	4.8%	5.2%	0.4%
	Private Growth	15.0%	PE	11.3%	6.1%	-5.2%
			Non-core RE	2.3%	1.8%	-0.4%
			Opp Private Credit	1.5%	0.4%	-1.1%
	INCOME	Income	8.0%	HY Infra	1.0%	1.9%
REITs				1.0%	0.0%	-1.0%
Liquid Credit				2.8%	4.4%	1.6%
Private Credit				3.2%	1.2%	-2.0%
STABILITY	CPC	8.0%	Treasury Duration	4.0%	3.9%	-0.1%
			Systematic Trend	4.0%	3.6%	-0.4%
	Inflation Protection	8.0%	Core RE	3.6%	5.2%	1.6%
			Private Infra	2.4%	1.8%	-0.6%
			TIPs	1.0%	2.4%	1.4%
			Nat' Resources	1.0%	0.0%	-1.0%
	Volatility Protection	21.0%	IG Fixed Income	11.5%	11.2%	-0.3%
			Absolute Return	6.5%	6.5%	0.0%
Cash			3.0%	3.0%	0.0%	
OTHER	Short-term Tactical	n/a	ST Tactical Cash	0.0%	0.1%	0.1%
		n/a	Russell Overlay	0.0%	0.2%	0.2%
TOTAL	Total	100.0%		100.0%	100.0%	0.0%

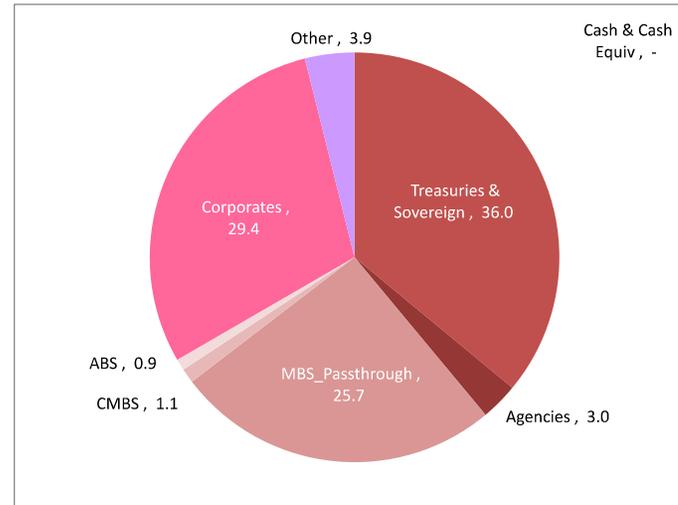
ERSRI Asset Allocation Public-Asset Portfolios

%% - as of June 30, 2018

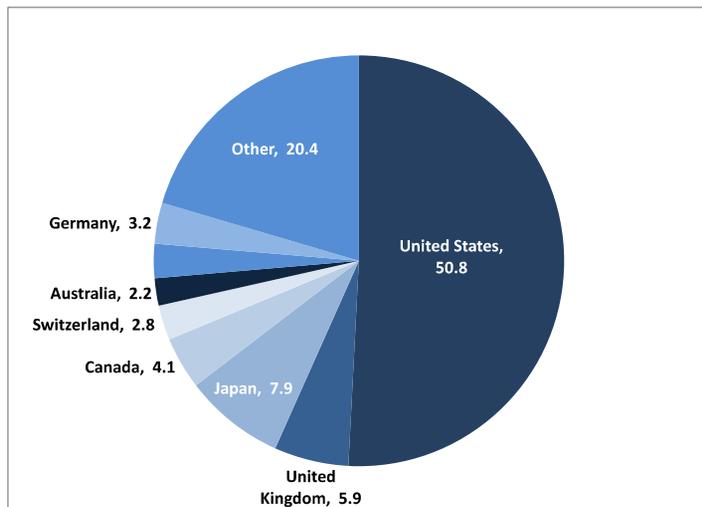
Global Public Equity - by Industry Sector



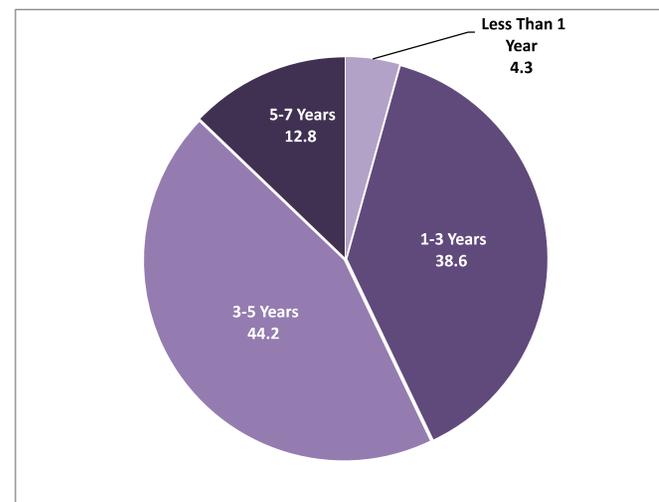
Core Fixed Income - by Type



Global Public Equity - by Geography



Inflation-Linked Bonds - by Duration



Asset Summary

Balance Date: 6/29/2018



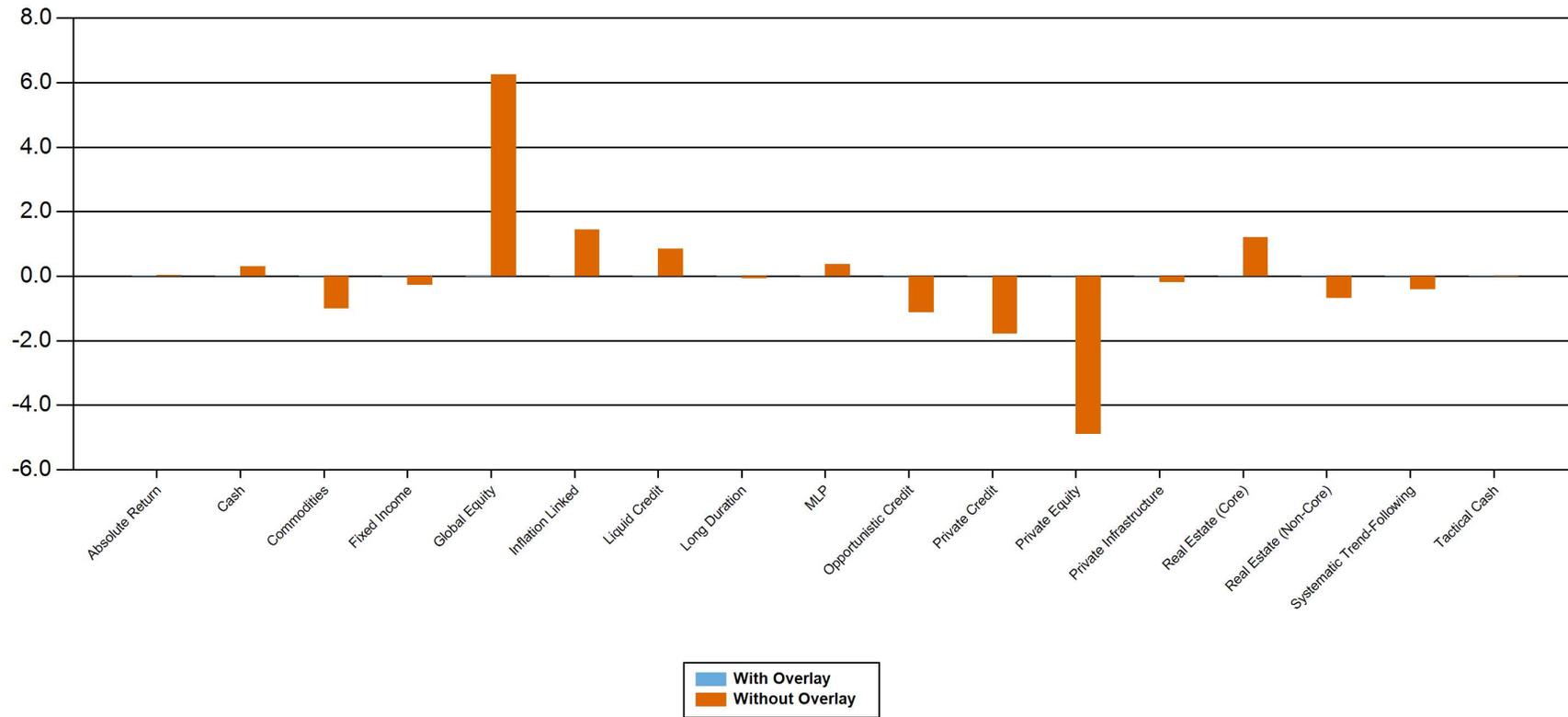
<u>Asset Class</u>	<u>Physical Exposure</u>		<u>Synthetic Exposure</u>		<u>Net Position</u>		<u>Overlay Target</u>		<u>Policy Target</u>	
Total Market Value	8,285.7	100.0 %	0.0	0.0 %	8,285.7	100.0 %	8,285.8	100.0 %	8,285.8	100.0 %
Cash	25.5	0.3 %	-23.9	-0.3 %	1.6	0.0 %	0.6	0.0 %	0.0	0.00 %
Cash	25.5	0.3 %	-23.9	-0.3 %	1.6	0.0 %	0.6	0.0 %	0.0	0.00 %
Equity	4,337.4	52.3 %	-9.9	-0.1 %	4,327.5	52.2 %	4,329.5	52.3 %	4,225.8	51.00 %
Global Equity	3,831.8	46.2 %	-9.9	-0.1 %	3,822.0	46.1 %	3,823.9	46.2 %	3,314.3	40.00 %
Private Equity	505.5	6.1 %	0.0	0.0 %	505.5	6.1 %	505.5	6.1 %	911.4	11.00 %
Fixed	1,919.7	23.2 %	33.7	0.4 %	1,953.4	23.6 %	1,952.5	23.6 %	1,905.7	23.00 %
Fixed Income	930.7	11.2 %	33.7	0.4 %	964.5	11.6 %	963.6	11.6 %	952.9	11.50 %
Inflation Linked	202.3	2.4 %	0.0	0.0 %	202.3	2.4 %	202.3	2.4 %	82.9	1.00 %
Liquid Credit	360.8	4.4 %	0.0	0.0 %	360.8	4.4 %	360.8	4.4 %	290.0	3.50 %
Long Duration	325.3	3.9 %	0.0	0.0 %	325.3	3.9 %	325.3	3.9 %	331.4	4.00 %
Private Credit	100.6	1.2 %	0.0	0.0 %	100.6	1.2 %	100.6	1.2 %	248.6	3.00 %
Other	2,003.2	24.2 %	0.0	0.0 %	2,003.2	24.2 %	2,003.2	24.2 %	2,154.3	26.00 %
Absolute Return	541.8	6.5 %	0.0	0.0 %	541.8	6.5 %	541.8	6.5 %	538.6	6.50 %
Commodities	0.0	0.0 %	0.0	0.0 %	0.0	0.0 %	0.0	0.0 %	82.9	1.00 %
MLP	154.7	1.9 %	0.0	0.0 %	154.7	1.9 %	154.7	1.9 %	124.3	1.50 %
Opportunistic Credit	30.7	0.4 %	0.0	0.0 %	30.7	0.4 %	30.7	0.4 %	124.3	1.50 %
Private Infrastructure	150.0	1.8 %	0.0	0.0 %	150.0	1.8 %	150.0	1.8 %	165.7	2.00 %
Real Estate (Core)	430.8	5.2 %	0.0	0.0 %	430.8	5.2 %	430.8	5.2 %	331.4	4.00 %
Real Estate (Non-Core)	151.0	1.8 %	0.0	0.0 %	151.0	1.8 %	151.0	1.8 %	207.1	2.50 %
Systematic Trend-Following	297.1	3.6 %	0.0	0.0 %	297.1	3.6 %	297.1	3.6 %	331.4	4.00 %
Tactical Cash	247.1	3.0 %	0.0	0.0 %	247.1	3.0 %	247.1	3.0 %	248.6	3.00 %

Asset Summary

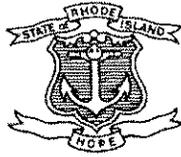
Balance Date: 6/29/2018



Percent Deviation from Overlay Target



Total Absolute Notional Value: 43.6 (USD)



State of Rhode Island and Providence Plantations
Office of the General Treasurer

Seth Magaziner

General Treasurer

July 24, 2018

State Investment Commission
State of Rhode Island, State House
Providence, Rhode Island

This is to certify that the amounts so listed below belong to the credit of the Employees' Retirement, Municipal Employees', State Police and Judicial Retirement Systems of the State of Rhode Island at the close of business on June 30, 2018.

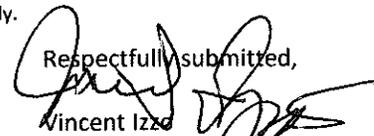
**Employees' Retirement System of Rhode Island
Composite Reporting Investment Valuation
June 30, 2018**

Asset Class	Base Market Value
Grand Total	8,299,129,577
CASH EQUIVALENT*	355,267,436
EQUITY HEDGE FUNDS**	259,075,500
GLOBAL PUBLIC EQUITY	3,812,995,503
CREDIT	350,460,235
INFLATION-LINKED BDS	192,714,312
PRIVATE EQUITY**	636,817,253
REAL ESTATE**	584,363,674
REAL RET HEDGE FUNDS**	283,563,241
INFRASTRUCTURE**	302,512,254
US TRADITIONAL FIXED	900,675,685
CPC PROGRAM	620,684,484

Plan Allocations	%	Base Market Value
Grand Total	100.00%	8,299,129,577
STATE EMP RET PLAN	74.65%	6,195,535,372
MUNI EMP RET PLAN	18.68%	1,550,286,530
TEACHER'S SURVIVOR BENEFIT	3.92%	325,207,240
STATE POLICE RET PL	1.66%	138,058,609
JUDICIAL RET PLAN	0.88%	73,088,069
NON-CONTRIB JUD RET	0.01%	770,461
NON-CONT ST POL RET	0.19%	16,183,296

* Cash & Short-Term Investments, as shown, also includes amounts available within specific active-manager mandates, and thus as aggregated will not tie directly to separate cash allocations as reported elsewhere.

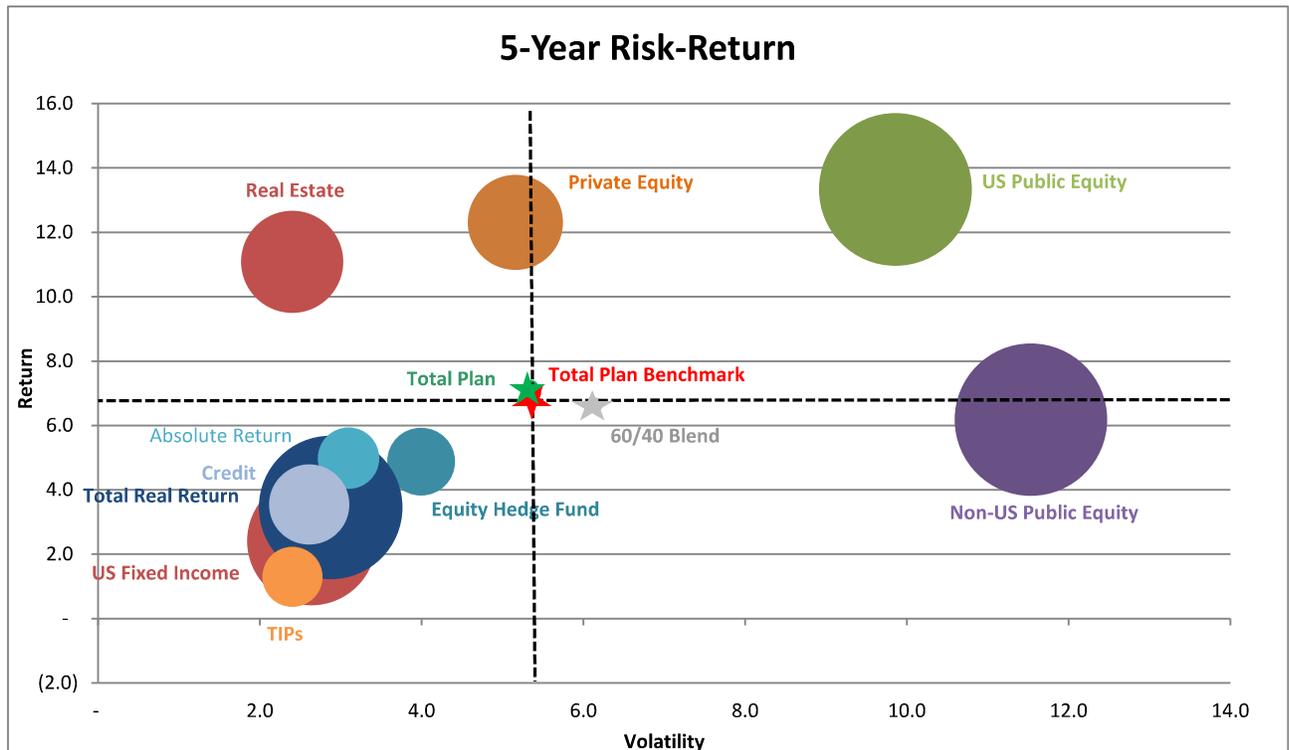
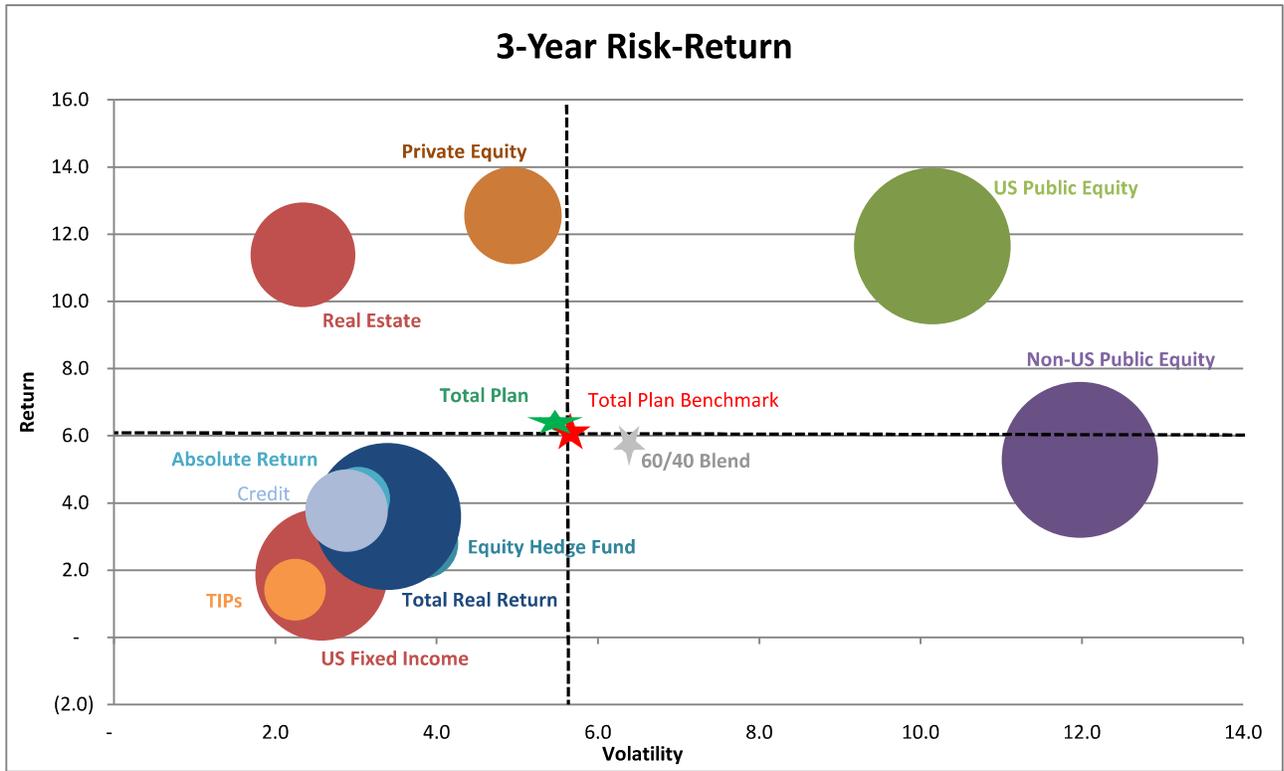
** Alternative Investments – comprising the five components as indicated – have varying degrees of liquidity and may not have readily determinable market values. As such, they may be based on appraisals only.

Respectfully submitted,

Vincent Izzo
Investment Accounting Manager

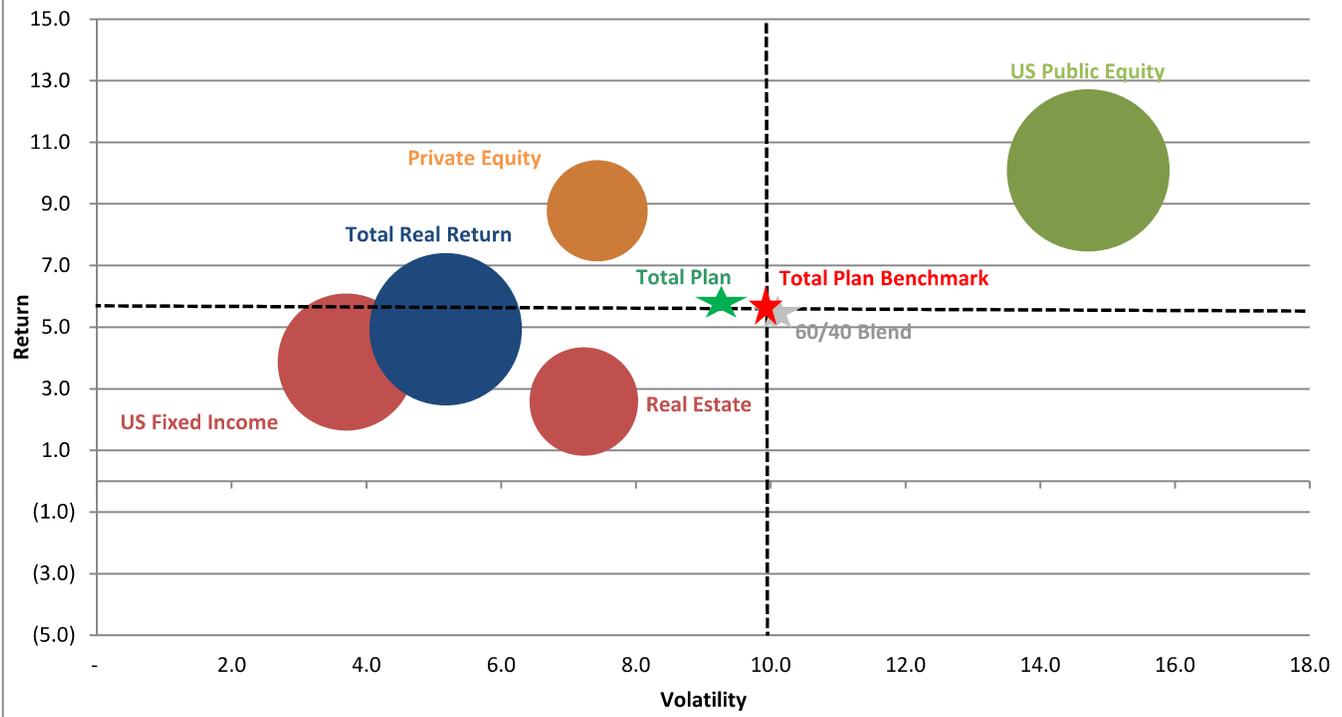
ERSRI Portfolio

% - as of June 30, 2018

Bubble-Size Scaled based on Current Allocations

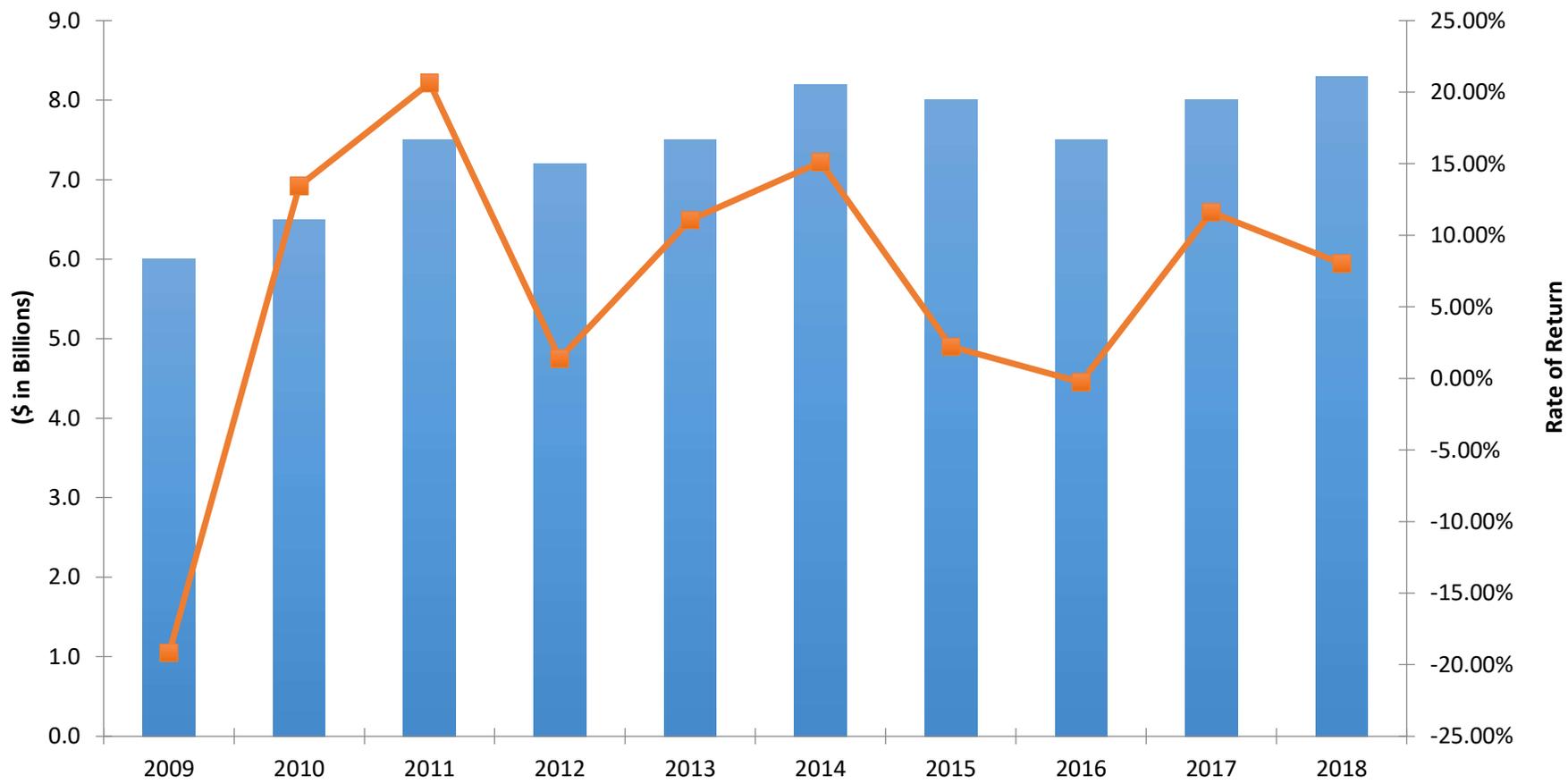


10-Year Risk-Return



State of Rhode Island Employees Retirement System Market Valuation and Rates of Return FY09-FY18

Valuation
Rate of Return



Employees' Retirement System of Rhode Island Private Equity Performance
6/30/2018

Current Partnerships	Vintage Year	Type	Amount Committed (In \$ unless otherwise noted)	Cumulative Cash Flows (\$)			Valuation (\$)	Cumulative Performance*	
				Amount Drawn	Amount Distributed	Amount Unfunded		Net IRR (%)	Net Multiple of Investment
Fenway Partners Capital Fund II	1998	Buyout	15,000,000	18,538,740	20,462,364	206,830	-	3.27	1.10
Nautic Partners V	2000	Buyout	20,000,000	20,331,229	40,426,893	636,249	1,556,960	17.13	2.06
CVC European Equity Partners III	2001	Buyout	20,000,000	23,760,732	59,551,716	297,277	1,430,600	41.04	2.57
Parthenon Investors II	2001	Buyout	23,960,000	23,409,381	37,415,960	550,619	596,106	12.32	1.62
Leeds Equity Partners IV	2003	Buyout	10,000,000	10,209,327	13,266,210	1,100,000	174,633	4.31	1.32
Nordic Capital Fund V	2003	Buyout	€ 14,815,550	16,986,770	44,789,371	-	294,284	20.22	2.85
TPG Partners IV	2003	Buyout	15,000,000	16,672,684	31,589,548	64,421	752,952	15.52	1.94
Aurora Equity Partners III	2004	Buyout	15,000,000	16,243,392	26,952,245	835,850	113,031	14.86	1.67
W Capital	2004	Buyout	15,000,000	14,197,500	10,411,595	-	159,689	-10.26	0.74
Birch Hill Equity Partners III	2005	Buyout	CAD 18,000,000.00	15,639,608	28,078,160	13,696,200	3,872,024	13.34	2.04
CVC European Equity Partners IV	2005	Buyout	€ 16,500,000	16,514,151	32,284,348	2,175,147	25,313	16.64	1.96
Providence Equity Partners V	2005	Buyout	25,000,000	31,142,133	36,171,706	2,200,670	807,897	3.26	1.19
Centerbridge Capital Partners	2006	Buyout	15,000,000	23,606,988	39,001,831	1,050,000	4,455,449	19.93	1.84
Fenway Partners Capital Fund III	2006	Buyout	15,000,000	17,230,534	14,495,125	1,050,000	6,485,363	3.58	1.22
LNK Partners	2006	Buyout	12,500,000	12,143,603	16,923,986	299,438	-	8.12	1.39
Nordic Capital Fund VI	2006	Buyout	€ 15,000,000	16,568,339	28,414,342	16,816,500	297,841	8.65	1.73
TPG Partners V	2006	Buyout	20,000,000	20,697,887	25,196,079	1,774,959	3,409,317	5.05	1.38
Green Equity V	2007	Buyout	20,000,000	20,422,420	31,350,166	1,800,000	14,148,143	18.71	2.23
Nautic Partners VI	2007	Buyout	20,000,000	24,233,473	49,504,788	520,720	5,949,967	17.61	2.29
Providence Equity Partners VI	2007	Buyout	25,000,000	29,481,221	30,574,323	1,394,675	8,545,897	5.68	1.33
Trilantic Capital Partners IV	2007	Buyout	11,098,351	11,606,535	17,222,868	-	1,498,037	14.00	1.61
Bain Capital Fund X	2008	Buyout	25,000,000	24,300,000	31,702,360	700,000	9,707,792	10.41	1.70
CVC V	2008	Buyout	€ 20,000,000	22,266,857	37,140,402	326,086	10,534,330	20.12	2.14
Nordic Capital Fund VI	2008	Buyout	€ 15,000,000	15,729,800	23,426,684	927,150	1,547,151	8.25	1.59
TPG VI	2008	Buyout	10,000,000	13,853,837	14,763,436	678,959	4,329,785	9.03	1.38
Advent International GPE VII-C, L.P.	2012	Buyout	20,000,000	18,800,000	11,240,000	1,200,000	23,527,220	19.97	1.85
Providence Equity Partners VII	2012	Buyout	25,000,000	30,475,715	18,149,024	4,821,879	27,512,279	22.29	1.50
Nordic Capital Fund VIII	2013	Buyout	€ 15,000,000	15,799,445	5,349,737	1,483,440	16,925,819	16.69	1.41
Riverside Capital Appreciation Fund VI	2013	Buyout	20,000,000	16,927,323	8,324,530	3,363,483	16,590,739	16.09	1.47
Carlyle Asia Partners IV	2014	Buyout	30,000,000	32,965,564	4,602,277	1,154,239	37,415,649	14.27	1.27
CVC Capital Partners VI	2014	Buyout	€ 15,000,000	15,591,979	3,129,847	2,225,160	14,092,313	6.60	1.10
Nautic Partners VII	2014	Buyout	20,000,000	16,558,426	20,225,071	4,680,242	11,954,285	46.48	1.94
Riverside Micro-Cap Fund III	2014	Buyout	20,000,000	17,758,317	10,324,966	2,241,683	31,112,334	27.74	2.33
Sorenson Capital Partners III	2014	Buyout	30,000,000	23,772,306	7,769	6,957,140	26,660,306	5.94	1.12
Baring Asia Private Equity Fund VI	2015	Buyout	15,000,000	9,730,055	2,438,197	5,269,945	10,403,134	17.64	1.32
Centerbridge Capital Partners III	2015	Buyout	25,000,000	13,614,788	3,363,501	14,126,187	14,062,979	16.30	1.28
Paine & Partners Capital Fund IV	2015	Buyout	30,000,000	20,627,579	805,848	9,966,597	23,984,384	11.12	1.20
Advent International GPE VIII	2016	Buyout	20,000,000	9,830,000	-	10,170,000	10,826,745	9.92	1.10
Nautic Partners VIII	2016	Buyout	20,000,000	6,621,982	6,767,878	13,416,078	3,923,340	NM	1.61
Southwest Partners VII	2016	Buyout	37,500,000	6,016,737	941,378	32,456,531	3,121,824	-54.62	0.68
RLH IV	2017	Buyout	40,000,000	1,279,288	-	38,720,712	693,974	NM	0.54
Allaris Constellation Partners IV, L.P.	2018	Buyout	6,000,000	1,848,514	-	4,151,486	1,840,389	NM	1.00
Allaris IV	2018	Buyout	24,000,000	5,048,912	-	18,951,088	4,962,067	NM	0.98
MHR Institutional Partners III	2006	Debt	20,000,000	20,800,000	20,907,835	6,974,396	8,983,880	6.93	1.44
WLR Recovery Fund IV	2007	Debt	8,000,000	7,277,318	9,260,089	-	728,898	7.86	1.37
Oaktree European Principal Fund III	2011	Debt	20,000,000	17,150,000	10,478,209	-	16,287,199	10.91	1.56
Centerbridge Special Credit Partners II	2012	Debt	25,000,000	22,500,000	16,326,832	2,500,000	7,880,965	1.95	1.08
Garrison Opportunity Fund IV	2014	Debt	30,000,000	28,373,532	(498,315)	1,571,514	32,290,776	5.51	1.12
CSIP V	2016	Debt	30,000,000	15,311,638	2,676,995	-	14,077,929	NM	1.09
Tenex Capital Partners II	2016	Debt	25,000,000	10,083,903	770,585	15,531,685	10,564,233	9.55	1.12
Virgo Societas Partnership IV (Offshore), L.P.	2017	Debt	50,000,000	21,153,955	-	-	20,394,402	NM	0.96
Davidson Kempner L-T Opps, IV	2018	Debt	50,000,000	5,000,000	-	-	5,432,341	NM	1.09
Owl Rock Capital Corporation	2018	Debt	50,000,000	17,391,573	227,889	-	17,192,158	NM	1.00
First Reserve Fund X	2004	Energy	20,000,000	19,999,999	36,485,800	-	68,612	31.03	1.83
Kayne Anderson Energy Fund III	2005	Energy	15,000,000	15,965,344	15,214,110	-	33,923	-2.57	0.96
First Reserve Fund XI	2006	Energy	20,000,000	22,125,580	14,833,318	-	1,358,289	-7.65	0.73
Kayne Anderson Energy Fund IV	2007	Energy	15,000,000	16,605,519	16,631,275	-	1,209,802	2.44	1.07
EnCap Energy Capital Fund IX	2013	Energy	18,000,000	19,544,124	12,499,156	1,980,000	13,538,054	14.88	1.33
EnCap Energy Capital Fund X	2015	Energy	25,000,000	19,049,032	3,808,078	6,573,251	17,906,271	11.36	1.14
EnCap Energy Capital Fund XI	2017	Energy	50,000,000	4,158,292	-	46,465,165	3,333,603	NM	0.80
Coller V	2006	Secondaries	15,000,000	12,620,912	16,234,087	2,379,088	1,736,442	8.12	1.42
W Capital II	2007	Secondaries	15,000,000	14,896,718	19,748,146	103,282	1,204,818	10.57	1.41
Alia BioPharma Partners III	2003	Venture Capital	15,000,000	14,250,000	20,297,956	-	511,466	5.81	1.46
Granite Global Ventures II	2004	Venture Capital	15,000,000	14,333,510	21,812,249	675,000	2,416,344	6.68	1.69
Leapfrog Ventures II	2005	Venture Capital	10,000,000	9,640,000	6,811,564	360,000	4,128,404	2.11	1.13
Alia Partners VIII	2006	Venture Capital	15,000,000	15,000,000	26,769,196	750,000	6,803,455	16.33	2.24
Castile Ventures III	2006	Venture Capital	5,000,000	5,009,730	1,396,371	-	675,170	-16.53	0.41
Focus Ventures III	2006	Venture Capital	15,000,000	15,000,000	6,480,361	-	1,823,167	-9.90	0.55
GVV III	2006	Venture Capital	15,000,000	14,625,748	39,505,464	374,252	2,184,752	18.22	2.85
Point 406 Ventures I	2006	Venture Capital	10,000,000	10,950,534	8,474,403	400,000	9,428,259	8.30	1.63
Point Judith Venture Fund II	2006	Venture Capital	5,000,000	6,213,735	2,319,569	50,000	6,495,933	5.53	1.42
Lighthouse Capital Partners VI	2007	Venture Capital	15,000,000	14,250,000	19,719,297	750,000	492,474	6.78	1.42
Paladin III	2008	Venture Capital	10,000,000	13,041,537	9,090,987	400,000	9,239,820	7.59	1.41
Industry Ventures Partnership Holdings III	2014	Venture Capital	25,000,000	22,187,702	4,032,277	2,875,000	27,263,875	14.96	1.41
Industry Ventures Partnership Holdings III C	2015	Venture Capital	15,000,000	8,925,529	110,218	-	12,298,949	26.80	1.39
Industry Ventures Partnership Holdings IV	2015	Venture Capital	10,000,000	3,450,000	40,923	6,550,000	4,120,148	16.95	1.21
Other funds in aggregate**	various		\$100,000,000	\$102,814,012	\$84,407,873	\$14,513,287	\$35,705,697		
Total			\$ 1,649,955,101	\$ 1,318,753,547	\$ 1,283,659,325	\$ 336,233,568	\$ 658,142,659		

*IRR refers to the fund's Internal Rate of Return, or the annualized compounded yield on an investment. This calculation is typically applied in private equity where there are multiple points at which capital is invested (capital called) and at which it is distributed. A positive IRR means that the fund's current value plus any cash distributions are greater than the cash value contributed and management fees paid. Typically a fund will have a negative IRR during the first few years of its life, a period referred to as the "J-Curve", because cash is invested upfront and it takes time to generate value. It is important to consider a fund's start date (vintage year) when assessing IRRs. Multiple of investment is another indicator of returns, and is calculated by dividing the fund's cumulative distributions and current value, after fees, by the amount of capital paid in. Please note that performance calculations are specific to the ERSPI investment, and were not prepared, reviewed or approved by the General Partners.

**Other funds in aggregate are the total commitments to and amounts drawn and distributed by funds whose confidentiality provisions do not permit the disclosure of their performance data. These funds include Braemar Energy Ventures III, Constellation Ventures III, Summit Partners Credit Fund, Summit Partners Credit Fund II, Thomas, McNeerney & Partners, Thomas McNeerney & Partners II and Wellspring Capital Partners III.

Employees' Retirement System of Rhode Island Real Estate Performance
6/30/2018

Current Partnerships	Vintage Year/Initial Investment	Type	Amount Committed (In \$ unless otherwise noted)	Cumulative Cash Flows (\$)			Valuation (\$)	Cumulative Performance*	
				Amount Drawn	Amount Distributed	Amount Unfunded		Net IRR (%)	Net Multiple of Investment
AEW Core Property Trust	2010	Core	69,873,660	69,873,660	19,330,278	-	105,062,402	11.0	1.5
Heilman America Real Estate Trust	2014	Core	60,000,000	60,000,000	11,108,700	-	81,145,258	10.1	1.3
JP Morgan Strategic Property Fund	2006	Core	75,000,000	75,000,000	30,084,547	-	109,171,450	6.3	1.7
Morgan Stanley Prime Property Fund	2005	Core	35,000,000	35,000,000	23,027,109	-	64,303,378	7.4	2.1
Prudential (PRISA)	2005	Core	50,000,000	50,000,000	22,188,693	-	77,317,642	5.4	1.8
Magna Hotel Fund III	2008	Value-Add	4,000,000	3,426,573	5,668,115	573,427	126,006	14.4	1.7
IC Berkeley Partners III	2013	Value-Add	18,000,000	16,038,326	19,347,499	1,961,674	5,437,406	20.9	1.5
Exeter Industrial Value Fund III	2014	Value-Add	30,000,000	29,099,454	38,743,396	900,546	14,728,850	30.4	1.8
Waterton Fund XII	2014	Value-Add	35,000,000	34,265,141	6,600,065	734,859	40,242,136	16.3	1.4
Crow Holdings Retail Fund	2015	Value-Add	24,000,000	20,935,313	2,671,894	3,064,867	22,864,611	12.0	1.2
IC Berkeley Partners IV	2016	Value-Add	30,000,000	8,814,545	1,783,071	21,185,455	9,235,957	4.4	1.0
TriCon Capital Fund VII	2005	Opportunistic	15,000,000	14,571,533	4,689,913	428,467	536,224	-16.7	0.3
JP Morgan Alternative Property Fund	2006	Opportunistic	20,000,000	20,000,000	14,750,429	-	192,070	-4.4	0.7
GEM Realty Fund V	2013	Opportunistic	50,000,000	39,874,323	9,922,250	10,125,677	46,018,809	12.9	1.3
Lone Star Real Estate Fund IV	2015	Opportunistic	24,260,817	18,230,068	8,355,746	6,030,749	15,892,493	20.2	1.3
GEM Realty Fund VI	2017	Opportunistic	20,000,000	1,500,000	-	18,500,000	1,608,793	n/a	n/a
Total			\$ 560,134,477	\$ 496,628,936	\$ 220,271,705	\$ 63,505,541	\$ 593,903,487		

*IRR refers to the fund's Internal Rate of Return, or the annualized compounded yield on an investment. This calculation is typically applied in private real estate where there are multiple points at which capital is invested (capital called) and at which it is distributed. A positive IRR means that the fund's current value plus any cash distributions are greater than the cash value contributed and management fees paid. Typically a fund will have a negative IRR during the first few years of its life, a period referred to as the "J-Curve", because cash is invested upfront and it takes time to generate value. It is important to consider a fund's start date (vintage year) when assessing IRRs. Multiple of investment is another indicator of returns, and is calculated by dividing the fund's cumulative distributions and current value, after fees, by the amount of capital paid in. Please note that performance calculations are specific to the ERSRI investment, and were not prepared, reviewed or approved by the General Partners.

**Employees' Retirement System of Rhode Island Private Infrastructure Performance
6/30/2018**

Current Partnerships	Vintage Year/Initial Investment		Amount Committed (In \$ unless otherwise noted)	Cumulative Cash Flows (\$)			Valuation (\$)	Cumulative Performance*	
				Amount Drawn	Amount Distributed	Amount Unfunded		Net IRR (%)	Net Multiple of Investment
IFM Global Infrastructure, L.P.	2015	Core	50,000,000	50,000,000	9,822,841	-	58,279,846	10.8	1.4
ISO Global Infrastructure Fund, L.P.	2015	Value-Add	50,000,000	35,862,741	22,329,720	14,137,259	45,991,601	14.7	1.2
ISO Global Infrastructure Fund II, L.P.	2017	Value-Add	40,000,000	2,648,872	-	37,351,128	2,266,486	n/a	n/a
Stonepeak Infrastructure Fund II, L.P.	2016	Opportunistic	43,000,000	34,675,150	19,929,694	8,324,850	33,344,516	16.2	1.2
Stonepeak Infrastructure Fund II-C	2016	Opportunistic	10,000,000	8,360,723	163,022	1,639,277	8,786,300	8.5	1.1
Stonepeak Infrastructure Fund III	2018	Opportunistic	35,000,000	3,039,126	831,489	31,960,874	2,860,035	n/a	n/a
Total			\$ 228,000,000	\$ 134,586,612	\$ 53,076,766	\$ 93,413,388	\$ 151,528,784		

*IRR refers to the fund's Internal Rate of Return, or the annualized compounded yield on an investment. This calculation is typically applied in private real estate where there are multiple points at which capital is invested (capital called) and at which it is distributed. A positive IRR means that the fund's current value plus any cash distributions are greater than the cash value contributed and management fees paid. Typically a fund will have a negative IRR during the first few years of its life, a period referred to as the "J-Curve", because cash is invested upfront and it takes time to generate value. It is important to consider a fund's start date (vintage year) when assessing IRRs. Multiple of investment is another indicator of returns, and is calculated by dividing the fund's cumulative distributions and current value, after fees, by the amount of capital paid in. Please note that performance calculations are specific to the ERSRI investment, and were not prepared, reviewed or approved by the General Partners.



Total Performance Summary

Report ID: IPM0005

Reporting Currency: USD

TOTAL NET OF FEES

6/30/2018

Account Name Benchmark Name	Market Value	% of Total	Month	YTD	Fiscal YTD	Annualized				ITD	Inception Date
						1 Year	3 Years	5 Years	10 Years		
US Public Equity <i>Russell 3000 Index</i>	1,307,510,780	16	0.66 0.65	3.19 3.22	14.75 14.78	14.75 14.78	11.65 11.58	13.33 13.29	10.09 10.23	8.33 8.32	8/1/2007 8/1/2007
Non-US Public Equity <i>Total International Equity BM</i>	1,300,872,625	16	-2.13 -1.88	-3.91 -3.77	7.46 7.28	7.46 7.28	5.28 5.07	6.18 5.99		8.60 7.87	5/1/2009 5/1/2009
QVM Tilt <i>MSCI World Net Dividend Index</i>	1,223,064,183	15	-0.66 -0.05	0.48 0.43	12.26 11.09	12.26 11.09				13.34 12.85	10/1/2015 10/1/2015
Total Public Growth <i>MSCI All Country World Net Index</i>	3,831,447,589	46	-0.72 -0.54	-0.21 -0.43	11.48 10.73	11.48 10.73	8.45 8.19	9.74 9.41	7.16 5.80	4.83	7/1/2000 7/1/2000
Private Equity <i>ILPA All Fds BM 1Q Lag 2</i>	505,509,454	6	-0.10 -0.10	7.37 7.98	17.94 17.08	17.94 17.08	12.56 11.63	12.31 12.79	8.78 11.47	9.52	2/1/1989 2/1/1989
Non Core Real Estate	150,953,783	2	0.55	17.35	27.00	27.00				27.00	7/1/2017
Opportunistic Private Credit <i>ILPA Distressed BM 1Q Lag</i>	30,736,331	0	0.20 0.20	6.96 5.83	19.05 12.40	19.05 12.40				19.05 12.40	7/1/2017 7/1/2017
Total Private Growth <i>Private Growth Benchmark</i>	687,199,568	8	0.06 0.30	9.43 7.28	19.83	19.83				19.83	7/1/2017 7/1/2017
TOTAL GROWTH COMPOSITE <i>Total Growth Composite BM</i>	4,518,647,156	54	-0.60 -0.31	1.21 1.71	12.71	12.71				12.71	7/1/2017 7/1/2017
Harvest Fund Advisor <i>Alerian MLP Index</i>	154,702,520	2	-1.05 -1.54	2.68 -0.63	0.14 -4.58	0.14 -4.58	-5.17 -5.93			-5.85 -8.22	1/1/2015 1/1/2015
Liquid Credit <i>Liquid Credit BM (50% BoA US HY/50% CS LL)</i>	361,124,523	4	0.22 0.22	2.16 1.22	4.39 3.60	4.39 3.60	3.77 4.25	3.54 4.32		3.28 4.06	5/1/2013 5/1/2013
Private Credit <i>S&P LSTA Lev Loans + 3%</i>	100,571,454	1	0.15 0.51	1.73 4.00	5.31 7.43	5.31 7.43				5.31 7.43	7/1/2017 7/1/2017
TOTAL INCOME COMPOSITE <i>Income Aggregate BM</i>	616,398,497	7	-0.11 0.00	2.16 2.10	3.28 3.67	3.28 3.67				3.28 3.67	7/1/2017 7/1/2017
CPC Long Duration <i>Barclays US Treasury LT Index</i>	325,265,498	4	0.22 0.18	-3.12 -3.00	-0.54 -0.13	-0.54 -0.13				-1.59 -1.09	6/1/2017 6/1/2017
CPC Trend Following <i>Credit Suisse Liquid Alt Beta</i>	302,006,176	4	1.64 1.98	-11.40 -14.85	2.02 -6.53	2.02 -6.53				-1.19 -7.77	6/1/2017 6/1/2017
Total Crisis Protection <i>50/50 CPC Custom BM</i>	627,271,674	8	0.90 1.08	-6.76 -8.62	1.42 -2.80	1.42 -2.80				-0.76 -3.96	6/1/2017 6/1/2017



Total Performance Summary

Report ID: IPM0005

Reporting Currency: USD

TOTAL NET OF FEES

6/30/2018

Account Name Benchmark Name	Market Value	% of Total	Month	YTD	Fiscal YTD	Annualized				ITD	Inception Date
						1 Year	3 Years	5 Years	10 Years		
Priv Listed Infrastructure <i>CPI + 4% 1 Mo Lag</i>	150,024,907	2	0.04 0.72	8.78 3.92	13.93 6.80	13.93 6.80	12.48			9.15	3/1/2015 3/1/2015
Core Real Estate <i>NFI-ODCE BM 2</i>	433,409,891	5	0.62 1.97	4.31 3.85	7.60 7.11	7.60 7.11				7.60 7.11	7/1/2017 7/1/2017
Inflation-Linked Bonds <i>Total Inflation Linked Custom</i>	202,264,953	2	0.22 0.28	0.27 0.21	1.54 1.45	1.54 1.45	1.42 1.50	1.30 1.49		3.55 3.55	11/1/2009 11/1/2009
Total Inflation Protection <i>Inflation Protection Custom BM</i>	785,699,751	9	0.40 0.76	4.01 2.95	6.93 6.14	6.93 6.14				6.93 6.14	7/1/2017 7/1/2017
Absolute Return <i>HFRI Fund of Funds Composite Index</i>	542,644,227	7	0.15 -0.26	3.50 1.02	7.40 5.49	7.40 5.49				7.40 5.49	7/1/2017 7/1/2017
Traditional Fixed Income <i>Bloomberg Barclays U.S. Aggregate Bond Index</i>	930,771,235	11	-0.13 -0.12	-1.76 -1.62	-0.26 -0.40	-0.26 -0.40	1.86 1.72	2.41 2.27	3.87 3.72	4.93 4.79	7/1/2000 7/1/2000
Total Cash and Other Funds	277,406,470	3	0.10	1.94	1.65	1.65	2.15	0.88		1.60	11/1/2012
Russell Overlay Fd	13,348,698	0	0.00	0.04	-0.03	-0.03	0.01	-0.02		-0.06	9/1/2008
Total Volatility Protection <i>Total Volatility Protection BM</i>	1,750,821,931	21	0.00 -0.13	0.50 -0.45	2.34	2.34				2.34	7/1/2017 7/1/2017
TOTAL STABILITY COMPOSITE <i>Total Stability Composite BM</i>	3,163,793,356	38	0.27 0.33	-0.19 -1.48	2.52	2.52				2.52	7/1/2017 7/1/2017
TOTAL PLAN <i>Total Plan Benchmark</i> <i>60/40 Blend</i>	8,299,129,577	100	-0.23 -0.05 -0.37	0.73 0.56 -0.83	8.03 7.59 6.25	8.03 7.59 6.25	6.34 6.03 5.71	7.20 6.99 6.64	5.76 5.59 5.31	5.06	7/1/2000 7/1/2000 7/1/2000
Total Plan ex PE,RE & Priv Inf <i>Total Plan BM ex PE RE</i>	6,927,923,756	83	-0.32 -0.39	-0.46 -0.14	6.87 6.79	6.87 6.79	5.48 5.37	6.53 6.40	5.52 5.21	6.33	4/1/1996 4/1/1996

END NOTES

6/30/2018

1 RI6G23000000 TOTAL PLAN

The current composition of the Total Plan Benchmark is as follows:

- 40% MSCI ACWI Net
- 11% ILPA All Funds Index 1Q Lag
- 11.5% Barclays Agg
- 1% Barclays 1-10 Year TIPs Index
- 4% Barclays Long Duration US Treasury Index
- 3.5% Liquid Credit Custom (50% BoA HY/50% CS LL)
- 3% S&P LSTA Lev Loans + 3%
- 2.5% ODCE + 2.5%
- 1.5% ILPA/Cambridge Distressed Securities Index 1Q Lag
- 6.5% HFRI FOF Composite
- 3.0% BofA Merrill Lynch US T-Notes 0-1 Yr
- 4% NFI-ODCE Index
- 2% CPI + 4% 1 Mo Lag
- 1.5% Alerian MLP Total Return
- 4% CS Managed Futures 18% Vol Index
- 1% BB Commodity Index



Total Performance Summary

Report ID: IPM0005

Reporting Currency: USD

TOTAL NET OF FEES

6/30/2018

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative		YTD	2017	2016	2015	Inception Date
				5/1/2018 - 5/31/2018	4/1/2018 - 4/30/2018					
US Public Equity <i>Russell 3000 Index</i>	1,307,510,780	16	0.66 0.65	2.83 2.82	0.37 0.38	3.19 3.22	21.14 21.13	12.84 12.74	0.60 0.48	8/1/2007 8/1/2007
Non-US Public Equity <i>Total International Equity BM</i>	1,300,872,625	16	-2.13 -1.88	-2.21 -2.31	1.60 1.60	-3.91 -3.77	27.76 27.19	5.01 4.50	-5.77 -5.66	5/1/2009 5/1/2009
QVM Tilt <i>MSCI World Net Dividend Index</i>	1,223,064,183	15	-0.66 -0.05	0.57 0.63	1.22 1.15	0.48 0.43	23.36 22.40	7.58 7.51		10/1/2015 10/1/2015
Total Public Growth <i>MSCI All Country World Net Index</i>	3,831,447,589	46	-0.72 -0.54	0.27 0.12	1.10 0.96	-0.21 -0.43	24.11 23.97	8.78 7.86	-2.48 -2.36	7/1/2000 7/1/2000
Private Equity <i>ILPA All Fds BM 1Q Lag 2</i>	505,509,454	6	-0.10 -0.10	2.85 2.85	0.38 0.38	7.37 7.98	19.69 15.56	9.19 8.02	7.08 7.16	2/1/1989 2/1/1989
Non Core Real Estate	150,953,783	2	0.55	14.07	0.00	17.35				7/1/2017
Opportunistic Private Credit <i>ILPA Distressed BM 1Q Lag</i>	30,736,331	0	0.20 0.20	-0.19 -0.19	2.61 2.61	6.96 5.83				7/1/2017 7/1/2017
Total Private Growth <i>Private Growth Benchmark</i>	687,199,568	8	0.06 0.30	5.09 2.11	0.38 0.57	9.43 7.28				7/1/2017 7/1/2017
TOTAL GROWTH COMPOSITE <i>Total Growth Composite BM</i>	4,518,647,156	54	-0.60 -0.31	0.99 0.67	0.99 0.85	1.21 1.71				7/1/2017 7/1/2017
Harvest Fund Advisor <i>Alerian MLP Index</i>	154,702,520	2	-1.05 -1.54	6.70 5.05	7.58 8.09	2.68 -0.63	-5.26 -6.52	20.64 18.31	-31.01 -32.59	1/1/2015 1/1/2015
Liquid Credit <i>Liquid Credit BM (50% BoA US HY/50% CS LL)</i>	361,124,523	4	0.22 0.22	-0.03 0.09	0.72 0.58	2.16 1.22	3.54 4.60	9.59 9.63	-1.29 0.49	5/1/2013 5/1/2013
Private Credit <i>S&P LSTA Lev Loans + 3%</i>	100,571,454	1	0.15 0.51	0.99 0.43	-0.93 1.18	1.73 4.00				7/1/2017 7/1/2017
TOTAL INCOME COMPOSITE <i>Income Aggregate BM</i>	616,398,497	7	-0.11 0.00	1.76 1.15	2.04 2.21	2.16 2.10				7/1/2017 7/1/2017
CPC Long Duration <i>Barclays US Treasury LT Index</i>	325,265,498	4	0.22 0.18	2.14 2.12	-2.01 -1.94	-3.12 -3.00				6/1/2017 6/1/2017
CPC Trend Following <i>Credit Suisse Liquid Alt Beta</i>	302,006,176	4	1.64 1.98	-6.45 -2.21	-1.09 -5.66	-11.40 -14.85				6/1/2017 6/1/2017
Total Crisis Protection <i>50/50 CPC Custom BM</i>	627,271,674	8	0.90 1.08	-2.15 -0.05	-1.55 -3.80	-6.76 -8.62				6/1/2017 6/1/2017



Total Performance Summary

Report ID: IPM0005

Reporting Currency: USD

TOTAL NET OF FEES

6/30/2018

Account Name <i>Benchmark Name</i>	Market Value	% of Total	Month	Cumulative		YTD	2017	2016	2015	Inception Date
				5/1/2018 - 5/31/2018	4/1/2018 - 4/30/2018					
Priv Listed Infrastructure <i>CPI + 4% 1 Mo Lag</i>	150,024,907	2	0.04 0.72	0.48 0.71	4.81 0.54	8.78 3.92	12.45	13.35		3/1/2015 3/1/2015
Core Real Estate <i>NFI-ODCE BM 2</i>	433,409,891	5	0.62 1.97	0.19 0.00	1.15 0.00	4.31 3.85				7/1/2017 7/1/2017
Inflation-Linked Bonds <i>Total Inflation Linked Custom</i>	202,264,953	2	0.22 0.28	0.52 0.46	-0.08 -0.13	0.27 0.21	1.73 1.90	3.91 4.01	-0.26 -0.15	11/1/2009 11/1/2009
Total Inflation Protection <i>Inflation Protection Custom BM</i>	785,699,751	9	0.40 0.76	0.33 0.41	1.47 0.44	4.01 2.95				7/1/2017 7/1/2017
Absolute Return <i>HFR1 Fund of Funds Composite Index</i>	542,644,227	7	0.15 -0.26	0.94 0.79	0.92 0.23	3.50 1.02				7/1/2017 7/1/2017
Traditional Fixed Income <i>Bloomberg Barclays U.S. Aggregate Bond Index</i>	930,771,235	11	-0.13 -0.12	0.59 0.71	-0.72 -0.74	-1.76 -1.62	3.99 3.54	3.15 2.65	0.25 0.55	7/1/2000 7/1/2000
Total Cash and Other Funds	277,406,470	3	0.10	0.49	-0.06	1.94	-1.64	3.33	0.03	11/1/2012
Russell Overlay Fd	13,348,698	0	0.00	0.01	-0.01	0.04	-0.09	0.06	0.00	9/1/2008
Total Volatility Protection <i>Total Volatility Protection BM</i>	1,750,821,931	21	0.00 -0.13	0.68 0.66	-0.11 -0.32	0.50 -0.45				7/1/2017 7/1/2017
TOTAL STABILITY COMPOSITE <i>Total Stability Composite BM</i>	3,163,793,356	38	0.27 0.33	0.03 0.45	-0.02 -0.91	-0.19 -1.48				7/1/2017 7/1/2017
TOTAL PLAN <i>Total Plan Benchmark</i> <i>60/40 Blend</i>	8,299,129,577	100	-0.23 <i>-0.05</i> <i>-0.37</i>	0.67 <i>0.63</i> <i>0.36</i>	0.67 <i>0.31</i> <i>0.28</i>	0.73 <i>0.56</i> <i>-0.83</i>	14.48 <i>14.29</i> <i>15.41</i>	7.35 <i>6.42</i> <i>5.92</i>	-0.28 <i>-0.25</i> <i>-0.98</i>	7/1/2000 <i>7/1/2000</i> <i>7/1/2000</i>
Total Plan ex PE,RE & Priv Inf <i>Total Plan BM ex PE RE</i>	6,927,923,756	83	-0.32 <i>-0.39</i>	0.28 <i>0.49</i>	0.61 <i>0.58</i>	-0.46 <i>-0.14</i>	14.66 <i>14.46</i>	6.97 <i>6.13</i>	-1.68 <i>-1.64</i>	4/1/1996 <i>4/1/1996</i>

END NOTES

6/30/2018

1 RI6G23000000 TOTAL PLAN

Month - Current Month

Cumulative Months - Prior Month and Second Prior Month

Monthly Reporting for Private Equity and Real Estate skew performance on an actual and benchmark basis due to nature of valuations

2014, 2013, 2012 - Calendar Years

RI6G23000000 TOTAL PLAN

The current composition of the Total Plan Benchmark is as follows:

40% MSCI ACWI Net

11% ILPA All Funds Index 1Q Lag

11.5% Barclays Agg

1% Barclays 1-10 Year TIPs Index

4% Barclays Long Duration US Treasury Index

3.5% Liquid Credit Custom (50% BoA HY/50% CS LL)

3% S&P LSTA Lev Loans + 3%

2.5% ODCE + 2.5%

1.5% ILPA/Cambridge Distressed Securities Index 1Q Lag

6.5% HFRI FOF Composite

3.0% BofA Merrill Lynch US T-Notes 0-1 Yr

4% NFI-ODCE Index

2% CPI + 4% 1 Mo Lag

1.5% Alerian MLP Total Return

4% CS Managed Futures 18% Vol Index

1% BB Commodity Index

Employees' Retirement System of the State of Rhode Island

Absolute Return Portfolio

Portfolio Performance Summary

Estimated as of June 30, 2018

Fund	Market Value	Actual %	Returns								Std Dev	Sharpe Ratio	Incep Date
			Jun	QTD	YTD	FYTD	1 Year	3 Year	5 Year	Incep			
Absolute Return Portfolio													
Capula Global Relative Value Fund Ltd.	72,139,233	13.3%		0.66%	2.29%	3.79%	3.79%	5.87%	6.90%	5.73%	1.85%	2.63	Dec-11
Davidson Kempner Institutional Partners, L.P.	87,761,970	16.1%	0.63%	0.68%	2.11%	4.43%	4.43%	5.13%	5.08%	5.87%	1.98%	2.54	Nov-11
DE Shaw Composite Fund LLC	111,034,054	20.4%		0.35%	5.31%	11.08%	11.08%	9.53%	11.45%	12.71%	4.10%	2.77	Nov-11
Elliott Associates, L.P.	109,373,198	20.1%	1.30%	2.25%	4.16%	9.46%	9.46%	8.83%	9.12%	9.42%	3.54%	2.38	Nov-11
Graham Absolute Return Trading Ltd.	61,204,878	11.2%	0.13%	2.65%	6.01%	6.63%	6.63%	3.08%	2.87%	3.13%	5.63%	0.46	Jan-12
Viking Global Equities, LP	61,908,799	11.4%	0.30%	5.01%	4.82%	9.81%	9.81%	5.02%	9.73%	10.46%	7.02%	1.36	Dec-11
Winton Fund Limited	39,112,120	7.2%	1.16%	2.49%	1.37%	10.13%	10.13%	2.98%	5.01%	4.11%	8.60%	0.43	Dec-11
Absolute Return Portfolio - Total	542,534,251	99.7%	0.39%	1.75%	3.81%	8.02%	8.02%	3.94%	5.67%	6.11%	3.14%	1.70	Nov-11
HFRI Fund of Funds Composite Index			-0.21%	0.88%	1.15%	5.62%	5.62%	2.09%	3.55%	3.65%	3.34%	0.89	Nov-11
MSCI AC World Index Free - Net			-0.54%	0.53%	-0.43%	10.73%	10.73%	8.19%	9.41%	9.84%	10.54%	0.88	Nov-11
ML 3-month T-Bills			0.17%	0.45%	0.81%	1.36%	1.36%	0.68%	0.42%	0.34%	0.14%	-	Nov-11
Russell 3000 Index (DRI)			0.65%	3.89%	3.22%	14.78%	14.78%	11.58%	13.30%	14.68%	9.78%	1.39	Nov-11
Liquidating Portfolio													
Claren Road Credit Fund, Ltd.	72,956	0.0%	0.00%	0.15%	1.61%	-17.11%	-17.11%	-1.94%	-4.25%	-3.68%	11.98%	-0.31	Apr-13
Indus Asia Pacific Distribution Holding Company II, 06.30.14 Series (liquidating trust)	345,672	0.1%	0.00%	-3.47%	-6.13%	-1.25%	-1.25%	-19.82%	-15.18%	-10.74%	19.05%	-0.53	Jan-12
Luxor Capital Partners, LP - Liquidating SPV	1,132,830	0.2%	4.38%	4.11%	-0.75%	20.14%	20.14%	-	-	13.72%	18.11%	0.72	Jul-16
Liquidating/Redeeming - Total	1,551,458	0.3%	3.16%	2.64%	3.07%	3.41%	3.41%	-0.14%	-1.20%	0.50%	5.03%	-0.01	Nov-11
Total Absolute Return Portfolio	544,085,709	100.0%	0.40%	1.75%	3.70%	7.59%	7.59%	3.49%	4.77%	5.42%	2.97%	1.57	Nov-11
HFRI Fund of Funds Composite Index			-0.21%	0.88%	1.15%	5.62%	5.62%	2.09%	3.55%	3.65%	3.34%	-	Nov-11
Market Indices													
Libor3Month			0.19%	0.58%	1.08%	1.80%	1.80%	1.11%	0.76%	0.67%	0.16%	-	Nov-11
Bloomberg Barclays US Aggregate Bond Index			-0.12%	-0.16%	-1.62%	-0.40%	-0.40%	1.73%	2.28%	2.11%	2.74%	0.53	Nov-11
Bloomberg Barclays US High Yield Bond Index			0.40%	1.02%	0.16%	2.61%	2.61%	5.53%	5.52%	6.73%	5.08%	1.18	Nov-11
S&P 500 TR			0.62%	3.43%	2.65%	14.37%	14.37%	11.93%	13.42%	14.72%	9.61%	1.41	Nov-11
MSCI EAFE - Net			-1.22%	-1.24%	-2.75%	6.84%	6.84%	4.90%	6.44%	7.03%	12.52%	0.55	Nov-11
MSCI EMF (Emerging Markets Free) - Net			-4.15%	-7.96%	-6.66%	8.20%	8.20%	5.60%	5.01%	3.52%	15.45%	0.26	Nov-11

Most recent month returns are based on manager estimates; prior months use final market values.

Hedge Fund Research, Inc. ("HFR") is the source and owner of the HFR data contained or reflected in this report. The HFR indices included in this report are revised by HFR for up to three months following their initial release. The revisions are reflected in the trailing period returns.

This report reflects information only through the date hereof. Our due diligence and reporting rely upon the accuracy and completeness of financial information (which may or may not be audited by the fund manager) and other information publicly available or provided to us by the fund manager, its professional staff, and references we have contacted and other third parties. We have not conducted an independent verification of the information provided other than as described in this report. Our conclusions do not reflect an audit of the investment nor should they be construed as providing legal advice. Past performance does not guarantee future performance. The information contained herein is confidential commercial or financial information, the disclosure of which would cause substantial competitive harm to you, Cliffwater LLC, or the person or entity from whom the information was obtained, and may not be disclosed except as required by applicable law.

Employees' Retirement System of the State of Rhode Island

Absolute Return Portfolio

Fund Level Performance Report

Estimated as of June 30, 2018

Fund	QTD	YTD	Jun	May	Apr	Trailing Returns			Calendar Year Returns					5 Yr Std Dev	Sharpe Ratio			Start Date
						1 Year	3 Year	5 Year	2017	2016	2015	2014	2013		3 yr	5 yr	Incep.	
Absolute Return																		
Capula Global Relative Value Fund Ltd.	0.54%	2.18%				3.66%	5.84%	6.88%	3.79%	8.37%	7.54%	8.14%	7.60%	1.65%	2.71	3.45	1.83	Oct-05
Davidson Kempner Institutional Partners, L.P.	0.65%	2.03%	0.63%	-0.10%	0.12%	4.21%	4.89%	4.93%	6.11%	6.71%	1.51%	4.45%	9.52%	1.96%	2.11	2.07	1.58	Mar-96
DE Shaw Composite Fund LLC	0.25%	5.04%				10.46%	9.06%	10.72%	10.41%	6.12%	13.68%	15.57%	11.51%	3.94%	2.33	2.41	1.59	Mar-01
Elliott Associates, L.P.	2.31%	4.15%	1.30%	0.90%	0.10%	9.34%	8.59%	8.73%	8.80%	12.98%	2.51%	8.24%	12.44%	3.47%	1.92	2.22	1.94	Jan-90
Graham Absolute Return Trading Ltd.	2.65%	6.03%	0.13%	0.50%	2.01%	6.44%	3.08%	5.16%	-7.01%	11.78%	1.50%	10.42%	10.50%	7.95%	0.31	0.58	0.95	Jan-05
Viking Global Equities, LP	5.07%	4.82%	0.30%	3.00%	1.70%	10.67%	5.26%	9.84%	13.01%	-3.92%	8.27%	13.47%	22.65%	7.76%	0.53	1.15	1.42	Oct-99
Winton Fund Limited	2.48%	1.34%	1.16%	-0.28%	1.59%	10.08%	2.96%	5.00%	7.88%	-3.01%	0.95%	13.88%	9.43%	8.99%	0.25	0.50	0.67	Oct-97
Liquidating Portfolio																		
Claren Road Credit Fund, Ltd.	0.44%	1.80%	0.00%	0.70%	-0.26%	-5.09%	-4.90%	-6.14%	0.09%	-12.72%	-7.96%	-10.10%	5.43%	7.25%	-0.88	-0.94	0.31	Jan-06
Indus Asia Pacific Fund, LP	-3.47%	-6.13%	0.00%	-1.24%	-2.26%	-1.25%	-19.82%	-15.07%	9.70%	-26.00%	-33.23%	-15.60%	4.97%	21.32%	-0.71	-0.69	0.03	Dec-00
Luxor Capital Partners, LP	4.11%	-0.75%	4.38%	-0.29%	0.03%	20.14%	8.65%	5.32%	54.38%	7.80%	-19.05%	-9.83%	19.53%	14.48%	0.50	0.38	0.86	Apr-02
Benchmark																		
HFRI Fund of Funds Composite Index	0.88%	1.15%	-0.21%	0.86%	0.23%	5.62%	2.09%	3.55%	7.77%	0.51%	-0.27%	3.37%	8.96%	3.31%				Jan-90
HFRI Fund Weighted Composite Index	0.86%	0.81%	-0.46%	0.90%	0.41%	5.70%	3.64%	4.44%	8.59%	5.44%	-1.12%	2.98%	9.13%	3.65%				Jan-90
Market Indices																		
3 Month Libor - BOM	0.58%	1.08%	0.19%	0.20%	0.19%	1.80%	1.11%	0.76%	1.29%	0.76%	0.33%	0.23%	0.27%	0.18%				Jan-87
Barclays Aggregate Bond Index	-0.16%	-1.62%	-0.12%	0.71%	-0.74%	-0.40%	1.73%	2.28%	3.55%	2.66%	0.57%	5.94%	-2.02%	2.70%				Jan-76
Barclays High Yield Credit Bond Index	1.02%	0.16%	0.40%	-0.03%	0.65%	2.61%	5.53%	5.52%	7.50%	17.14%	-4.46%	2.46%	7.46%	5.02%				Jul-83
S&P 500 (TR)	3.43%	2.65%	0.62%	2.41%	0.38%	14.37%	11.93%	13.42%	21.83%	11.96%	1.38%	13.69%	32.39%	9.81%				Jun-88
MSCI EAFE - Net - USD	-1.24%	-2.75%	-1.22%	-2.25%	2.28%	6.84%	4.90%	6.44%	25.03%	1.00%	-0.81%	-4.90%	22.78%	11.62%				Dec-69
MSCI EMF (EMERGING MARKETS FREE) - Net - USD	-7.96%	-6.66%	-4.15%	-3.54%	-0.44%	8.20%	5.60%	5.01%	37.28%	11.19%	-14.92%	-2.19%	-2.60%	14.85%				Dec-87

Note: The above is manager composite history.

Portfolio Summary

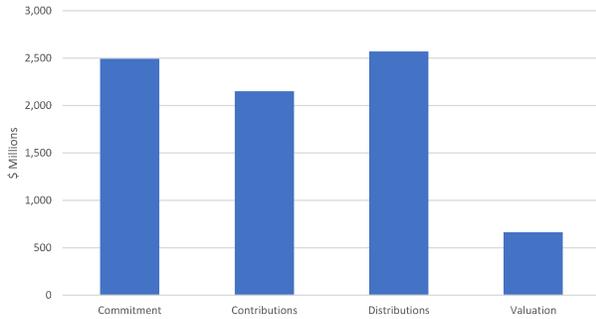
6/30/2018

All Investments

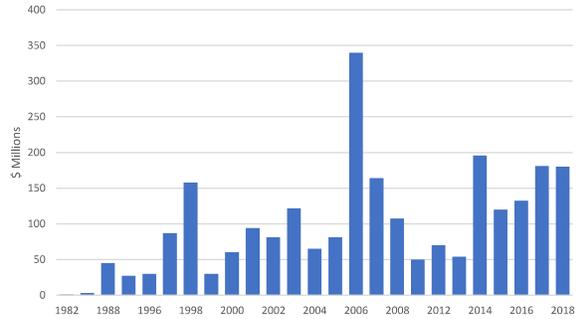
Performance Summary

Asset Class	Investment Type	Number of Investments	Commitment	Contributions	Distributions	Valuation	Multiple of Cost	IRR	TWR
Private Equity Funds									
	Buyout Total	84	1,471,017,725	1,295,716,313	1,662,382,021	372,975,045	1.57	13.33%	12.96%
	Direct Lending Total	4	125,000,000	79,085,490	41,055,328	49,730,786	1.15	9.47%	8.27%
	Distressed Debt Total	14	263,000,000	229,976,135	246,304,482	76,059,508	1.41	10.27%	9.98%
	Energy Total	9	198,000,000	155,257,332	192,184,152	37,448,554	1.48	23.70%	7.75%
	Fund of Funds Total	1	45,000,000	45,000,000	106,748,821	-	2.37	19.94%	-
	Opportunistic Credit Total	1	50,000,000	21,153,955	-	20,394,402	0.96	-3.59%	-5.68%
	Secondary Total	4	60,000,000	55,009,798	64,390,258	3,100,759	1.23	5.86%	3.10%
	Venture Capital Total	23	281,250,000	268,993,732	259,614,710	105,127,214	1.36	5.77%	3.65%
Total: Private Equity Funds		140	2,493,267,725	2,150,192,755	2,572,679,771	664,836,268	1.51	13.52%	11.42%

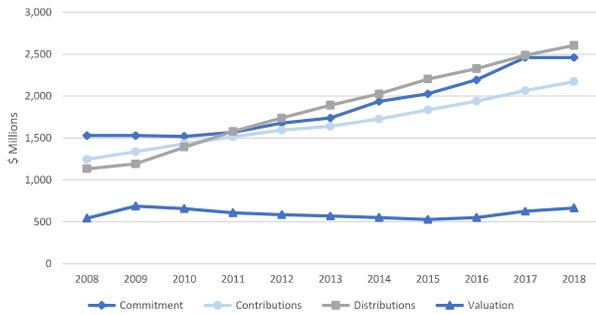
Cash Flow and Valuation Summary



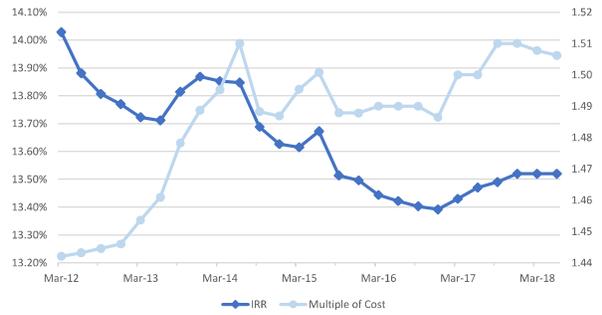
Commitment by Vintage Year



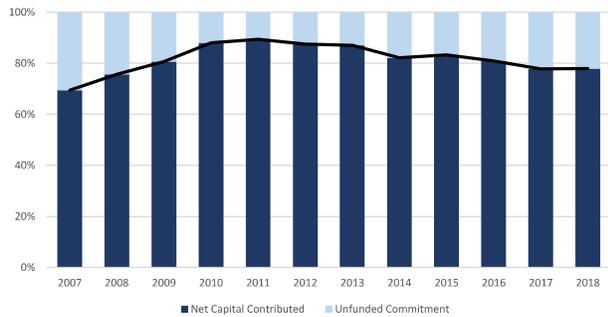
Historical Cash Flows and Valuation



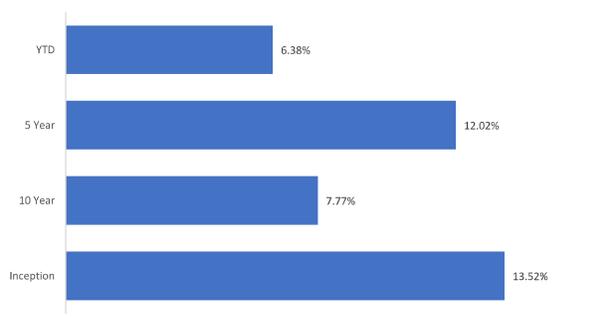
Historical Performance



Historical Percent Funded



Period IRRs



**MINUTES FROM FY2018
STATE INVESTMENT COMMISSION MEETINGS**



State Investment Commission
Monthly Meeting Minutes
Monday, July 10th, 2017
9:00 a.m.
Room 205, State House

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 8:59, Monday, July 10th, 2017 in Room 205, State House.

I. Roll Call of Members

The following members were present: Mr. Robert Benson, Mr. Michael Costello, Ms. Karen Hammond, Ms. Sylvia Maxfield, Mr. Thomas Mullaney, and Treasurer Seth Magaziner.

Mr. Frank Karpinski arrived at 9:17.

Mr. Thomas Mullaney left at 10:58.

The following member was absent: Ms. Marie Langlois

Also in attendance: Mr. Tom Lynch and Mr. Mark Williams, Cliffwater; Mr. John Burns, Pension Consulting Alliance (PCA); Mr. George Aitken-Davis, Altaris Health Partners; Mr. Adil Rahmathulla and Mr. Andreas Moon, I-Squared Capital; Mr. Larry Brown and Mr. David Iden, TIAA; Ms. Kimberly Shockley, Associate Director of College and Retirement Savings Plan; Mr. Alec Stais, Chief Investment Officer, Ms. Sally Dowling, Adler, Pollock & Sheehan, legal counsel; and other members of the Treasurer's staff.

Treasurer Magaziner called the meeting to order at 8:59 a.m.

II. Approval of Minutes

On a motion by Ms. Maxfield and seconded by Mr. Mullaney, it was unanimously

VOTED: to approve the draft minutes of the May 24th, 2017 meeting of the State Investment Commission.

III. Treasurer's General Comments

Treasurer Magaziner provided the board several updates. Notably, he discussed the General Assembly's failure to pass a budget ahead of the new fiscal year and discussed the potential impacts of that inaction as it related to investment staffing and operations.

He then apprised the board that the CPC mandate will move forward with two Systematic Trend Following (STF) managers instead of three but will leave the option open to a third should a suitable opportunity arise in the future. Funding has begun for the two STF managers, the details of which were expressed by Mr. Stais.

Treasurer Magaziner also told the board to expect a different look in the upcoming SIC book as reporting is updated to reflect the new asset allocation.

IV. Chief Investment Officer Report

Mr. Stais provided the portfolio update for May. The portfolio exceeded the \$8 billion mark having increased by almost \$82 million for the month. On a percentage basis, the portfolio increased 1.37% matching the plan benchmark but lagging the basic 60% global equity/40% fixed income allocation of 1.63%. He also gave a preliminary outlook on the fiscal year end numbers, promising the final numbers be delivered to the group in several weeks.

V. Review and Consideration of the Income IPS

Treasurer Magaziner prefaced the conversation with the fact that Investment Policy Statements (IPSs) continue to be updated to reflect the new asset allocation adopted last year.

Mr. Burns summarized the Income Class portfolio and its purpose. He reminded the board that the Income class will be increased from 6% to 8% of the portfolio under the new asset allocation. He highlighted the objectives and reasons for doing so based on the model and policy presented and adopted through the asset allocation process. He concluded by describing the transition plan to implement the Income Class portfolio at its new allocation.

The board reviewed the Income Class Investment Policy Statement.

The board asked questions.

On a motion by Mr. Fay and seconded by Ms. Maxfield, it was unanimously

VOTED: to approve the Income Class Investment Policy Statement

VI. Private Equity Investment Recommendation, Altaris Health Partners

Mr. Aitken-Davis provided background information on Altaris, a healthcare focused private equity firm. They target companies that deliver value and efficiency to the healthcare system, and take an active approach to influencing the investment outcome through leveraging industry knowledge and network. He detailed the company culture and described how it influenced their processes and drives their results. He then outlined the Altaris investment strategy and sectors of focus, as well as the fund's principal terms for the board's consideration.

The board asked questions.

Mr. Lynch apprised the board of the due diligence conducted on Altaris. He summarized the firm's organization, strategy and process. He also gave an overview of the historical performance in their previous three funds and outlined the terms of Fund IV.

On a motion by Mr. Maxfield and seconded by Mr. Fay, it was unanimously

VOTED: that the Employees' Retirement System of the State of Rhode Island make a \$32 million investment in Altaris Health Partners IV, L.P. and an \$8 million investment in its affiliated fund, Altaris Constellation Partners IV, L.P., in each case with an effective closing date as of June 30, 2017, subject to legal and investment staff review and submission of required Subscription documents following the date of this resolution.

VII. Infrastructure Investment Recommendation, ISQ Global Infrastructure Fund

Mr. Rahmathulla gave an overview of I-Squared Capital, explaining it is a global, employee controlled investment platform. He discussed their organizational structure and company culture, as well as its investment approach which focuses on global infrastructure projects with risk-adjusted returns and downside protection. He went on to detail its current portfolio and the new fund strategy.

Mr. Williams summarized Cliffwater's recommendation of ISQ. He provided an overview of Fund II, noting it was similar to their previous Fund which globally invested in medium sized value-added infrastructure assets across thermal, renewables, utilities and transportation sectors. He also detailed their performance and the terms of the investment.

The board asked questions.

On a motion by Ms. Reback and seconded by Mr. Benson, it was unanimously
VOTED: to approve a \$40 million investment with ISQ Global Infrastructure Fund II

VIII. Review and Consideration of the 457/401a Investment Lineup

Treasurer Magaziner recalled there was a competitive RFP process for both the Defined Contribution and Deferred Compensation plans. The recommendations from that process yielded a change to one of the 457 vendors (the state requires 3 vendors for its 457 plan).

Ms. Shockley presented the recommended investment menu for the transition from Valic to TIAA. The recommended changes would offer a similar diverse menu of options but would come with reduced fees and a more concise package than the lineup under the previous provider.

The board asked questions.

On a motion by Mr. Fay and seconded by Mr. Benson, it was unanimously
VOTED: to approve the mapping plan for the 401a/457 investment lineup

IX. Review and Consideration of 529 Investment Options

Ms. Shockley summarized the recommendations from last month's CollegeBound Update provided by Capital Cities.

In order to streamline the naming convention across portfolios, Capital Cities recommended to change the name of the socially responsible equity portfolio.

On a motion by Ms. Reback and seconded by Ms. Maxfield, it was unanimously
VOTED: to approve the name change from "Invesco Global Sustainable Equity Portfolio" to "Global Sustainable Equity Portfolio"

In order to improve small cap access, Capital Cities recommended to enhance the age-based portfolios' domestic equity component by replacing iShares Core S&P 500 with iShares Core S&P Total U.S. Stock Market.

On a motion by Ms. Reback and seconded by Ms. Maxfield, it was unanimously

VOTED: to approve Small cap access by enhancing the age-based portfolios' domestic equity component by replacing iShares Core S&P 500 with iShares Core S&P Total US Stock Market

Capital Cities had assisted in establishing recommendations for the change to the 401a and 457 lineups. Ms. Shockley asked the board for an amendment to the Capital Cities contract that would allow to retroactively acquire and compensate Capital Cities at the amount of \$15,000 for that purpose.

On a motion by Ms. Reback and seconded by Ms. Maxfield, it was unanimously

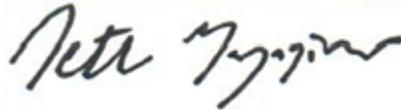
VOTED: to approve to approve the hiring of Capital Cities of \$15,000 for the purposes of assisting in the 401a/457 lineup

X. Legal Counsel Report

There was no legal counsel report.

There being no other business to come before the board, on a motion by Mr. Fay and seconded by Mr. Costello, the meeting adjourned at 11:23 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Seth Magaziner".

**Seth Magaziner,
General Treasurer**



State Investment Commission
Monthly Meeting Minutes
Wednesday, August 23rd, 2017
9:00 a.m.
Room 205, State House

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:01, Wednesday, August 23rd, 2017 in Room 205, State House.

I. Roll Call of Members

The following members were present: Mr. Thomas Fay, Ms. Marie Langlois, Ms. Marcia Reback, Ms. Karen Hammond, Ms. Sylvia Maxfield, Mr. Thomas Mullaney, and Treasurer Seth Magaziner.

The following members were absent: Mr. Michael Costello, Mr. Robert Benson, Mr. Frank Karpinski

Also in attendance: Mr. Tom Lynch, Cliffwater; Mr. John Burns, Pension Consulting Alliance (PCA); Ms. Nancy Karpf, Davidson Kempner; Mr. Larry Brown and Mr. David Iden, TIAA; Mr. Gregory Miller, Voya; Ms. Ellen Savary and Andrew Brandt, Fidelity; Ms. Kimberly Shockley, Associate Director of College and Retirement Savings Plan; Mr. Alec Stais, Chief Investment Officer, Ms. Sally Dowling, Adler, Pollock & Sheehan, legal counsel; and other members of the Treasurer's staff.

Treasurer Magaziner called the meeting to order at 9:01 a.m.

II. Approval of Minutes

On a motion by Mr. Fay and seconded by Ms. Reback it was unanimously

VOTED: to approve the draft minutes of the July 10th, 2017 meeting of the State Investment Commission.

III. Review and Consideration of the Inflation Protection IPS

Treasurer Magaziner prefaced the conversation with the fact that the Investment Policy Statements (IPS) for the various portfolio segments continue to be updated to reflect the new asset allocation adopted last year and this is the last segment IPS to be voted on.

Mr. Burns summarized the Inflation Protection portfolio and its purpose. He informed the board that the Inflation Protection Class will be 8% of the portfolio under the new asset allocation. He touched on types of inflation and highlighted the objectives and reasons for having the inflation protection class. He concluded by describing the different components of the class and diversification benefits of the Inflation Protection Class.

The Board reviewed the Inflation Protection Class Investment Policy Statement.

The Board asked questions.

On a motion by Mr. Fay and seconded by Ms. Langlois, it was unanimously

VOTED: to approve the Inflation Protection Class Investment Policy Statement

IV. Private Credit Overview

Mr. Lynch gave a summary of the Private Credit segment which is a component of the Income Class. He provided the board with brief descriptions of the different types of credit and their role in the overall portfolio. He touched on the portfolio's current Private Credit investments including each fund's performance since inception.

The Board asked questions.

V. Opportunistic Credit Investment Recommendation, Davidson Kempner

Mr. Lynch introduced Ms. Karpf and the strategy she would present as an opportunistic credit fund with attractive long-run expected returns (similar to equities).

Ms. Karpf provided an overview on the history and structure of Davidson Kempner, noting that ERSRI is currently invested in their multi-strategy absolute return fund. She reported that the firm is fully owned by their senior professionals who have also committed substantial investments to their own funds. She commented on their investment process, stating they are fundamental, bottom-up investors and they have an emphasis on risk management and capital preservation. She added that there are no specific guidelines around how much they can invest in a sector or subsector.

The Board asked questions.

Mr. Lynch informed the board this would be an Opportunistic Credit investment in the Growth bucket.

On a motion by Ms. Langlois and seconded by Ms. Reback, it was unanimously **VOTED: that the Employees' Retirement System of the State of Rhode Island make a \$50 million investment in Davidson Kempner Long-Term Distressed Opportunities Fund IV L.P. with an effective closing date of September, 1 2017, subject to legal and investment staff review and submission of required Subscription documents following the date of this resolution.**

VI. Review and Consideration of the 457/401a Investment Lineup

Treasurer Magaziner recalled the recent vote for the three 457 managers: Fidelity and Voya, who have been long-standing providers to RI; and TIAA which was recently added.

Fidelity

Ms. Savary explained the recent changes which Fidelity has added to its program including more transparency on administrative costs and increased commitments to educational sessions and client meetings, which has enabled clients to actively manage their accounts. They proposed two additions to the existing investment lineup: T. Rowe Price Stable Value and Vanguard Socially Responsible Index.

The Board asked questions.

On a motion by Ms. Langlois and seconded by Ms. Reback, it was unanimously **VOTED: to approve the additions to the investment lineup**

Voya

Mr. Miller highlighted the new investment lineup and explained the transition process for plan participants. Mr. Miller also commented on the Voya Fixed Account stable value product, and showed a new brochure being sent to plan participants. The lineup contains both actively and passively managed funds, as well as ESG-based strategies.

The Board asked questions. There was discussion about the change in the structure of the Voya Fixed Account.

On a motion by Mr. Mullaney and seconded by Ms. Langlois, it was unanimously
VOTED: to approve the changes to the investment lineup

TIAA

Mr. Brown explained the progress of transitioning participants' accounts from Valic to TIAA, and highlighted TIAA's Traditional Annuities benefits versus the T. Rowe Stable Value product. Mr. Brown stated that TIAA's Annuity Product is the most comparable product to the former fixed account product offered by VALIC.

The Board asked questions.

On a motion by Ms. Reback and seconded by Mr. Mullaney, it was unanimously
VOTED: to approve the changes to the investment lineup

VII. Legal Counsel Report

There was no legal counsel report.

VIII. Chief Investment Officer Report

Mr. Stais showed the new reporting formats that match the new asset allocation for the SIC Book. He gave commentary on current market conditions and noted the markets are pricing in a higher likelihood of tax reform going forward. Mr. Stais also distributed Credit Protection Class (CPC) reports created by the CPC platform manager for performance and position monitoring. Mr. Stais noted that there was a probability of adding a third systematic trend-following manager to the CPC allocation. He also asked if any board members wanted to assist the staff with the general consultant RFP during the fall.

IX. Treasurer's General Comments

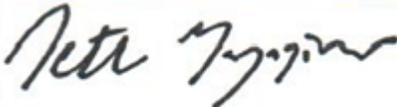
Treasurer Magaziner provided the board several updates. Notably, He asked the Treasury staff to prepare a report on the progress of the new asset allocation for its first anniversary of being passed.

Treasurer Magaziner told the board that staff will be reaching out to 457 plan participants to help them transition to newly available products across plan providers.

Treasurer Magaziner also noted that he had pledged to have each contract of the office go out for bid at least once during his term, which is the catalyst behind the general consultant RFP. Ms. Maxfield and Mr. Fay expressed interest in participating in the consultant RFP review process.

There being no other business to come before the board, on a motion by Mr. Fay and seconded by Ms. Langlois, the meeting adjourned at 11:43 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Seth Magaziner". The signature is written in a cursive style with a horizontal line underneath.

**Seth Magaziner,
General Treasurer**



State Investment Commission
Monthly Meeting Minutes
Wednesday, September 27th, 2017
9:00 a.m.
Room 205, State House

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:04, Wednesday, September 27th, 2017 in Room 205, State House.

I. Roll Call of Members

The following members were present: Mr. Michael Costello, Ms. Marie Langlois, Ms. Marcia Reback, Ms. Karen Hammond, Ms. Sylvia Maxfield, Mr. Thomas Mullaney, Mr. Robert Benson, Mr. Frank Karpinski, and Treasurer Seth Magaziner.

The following members were absent: Mr. Thomas Fay

Also in attendance: Mr. Tom Lynch, Cliffwater; Mr. Chris Solarz, Cliffwater; Mr. John Burns, Pension Consulting Alliance (PCA); Ms. Judy Chambers, Pension Consulting Alliance (PCA); Mr. Gregory Miller, Voya; Mr. Alec Stais, Chief Investment Officer, Mr. Paul Campellone, Adler, Pollock & Sheehan, legal counsel; Ms. Kerri Baker, Cash Manager; and other members of the Treasurer's staff.

Treasurer Magaziner called the meeting to order at 9:04 a.m.

II. Approval of Minutes

On a motion by Mr. Mullaney and seconded by Ms. Maxfield it was unanimously **VOTED: to approve the draft minutes of the August 23rd, 2017 meeting of the State Investment Commission.**

III. 457 Plan Investment Lineup Update

Treasurer Magaziner informed the board that his team has held off from signing a new contract with Voya per our August Meeting. He explained that the plan line up will consequently be staying the same. He added that the logic behind the decision is that the 3% guaranteed return fixed account would no longer be offered if the new contract was signed. Voya has the right to freeze new assets coming into the fixed account product, and has put a December 1st, 2018 stop on the account for taking new money. The Fidelity and TIAA contracts have been signed and this will not affect them.

IV. Private Asset Pacing Plan

Mr. Lynch noted the five illiquid asset classes in our portfolio: Private Equity, Non-core Real Estate and Opportunistic Private Credit within our Growth Bucket; Private Credit within our Income Bucket; and Private Infrastructure in our Stability Bucket. He noted that our target portfolio's asset allocation would increase our total illiquid allocation from 11% of our invested capital to 20.5%. Mr. Lynch added that Cliffwater has modeled the path to the desired allocation to occur by 2022. Mr. Lynch summarized the size and frequencies of cash flows between investments made and proceeds received. For each of the five illiquid asset classes, he explained the dollar amount of commitments and approximate number of funds we should invest in the next year to be on track.

The Board reviewed the Inflation Protection Class Investment Policy Statement.

The Board asked questions.

V. Private Growth Class Investment Recommendation, Virgo Societas Partnership IV

Mr. Lynch introduced Mr. Watson and Mr. Aheto from Virgo and noted Virgo's place in our asset allocation would be in Private Credit.

Mr. Watson described Virgo by explaining their vision for it when they created it. He and his team foresaw institutional investors looking for middle duration funds amid times of low interest rates and sluggish growth and a team that could find niches and invest in them across multiple markets. He continued to talk about their strategy, investing in credit and structured equity. He laid out the criteria their team looks for in businesses and specifically what makes them attractive investments for Virgo. Mr. Aheto and Mr. Watson concluded by describing examples of specific companies Virgo has invested in.

The Board asked questions.

On a motion by Ms. Reback and seconded by Ms. Langlois, it was **VOTED: that the Employees' Retirement System of the State of Rhode Island make a commitment up to \$50 million in Virgo Societas Partnership IV, subject to legal and investment staff review and submission of required Subscription documents following the date of this resolution.**

VI. Inflation Protection Class Investment Recommendation, Stonepeak III

Ms. Chambers introduced Ms. McGeough and Mr. Vichie as a re-up opportunity as ERSRI participated in Stonepeak II.

Mr. Vichie thanked the board and staff for their past commitment to Stonepeak. He gave details on the background of Stonepeak and their origin as a firm. He touched on some of the ESG worthy work they have done, including building the largest desalinization plant in the US in Carlsbad, CA. Before handing it over to Ms. McGeough, he highlighted the past performance of the firm's 15 investments. Ms. McGeough mentioned the macro-factors they see effecting each of the sectors they operate in. She mentioned that the water sector is becoming an increasingly important sector for the firm with a lot of opportunities as the US' infrastructure ages. Ms. McGeough spoke to the opportunities they see in the transportation space to which Mr. Vichie highlighted the airport terminal space. In conclusion, Mr. Vichie noted Stonepeak has about 2 investments left in Fund II.

The Board asked questions.

Ms. Chambers brought up the risks involving infrastructure investing and why she finds Stonepeak III to be a good investment.

On a motion by Mr. Mullaney and seconded by Mr. Benson, it was unanimously

VOTED: that the Employees' Retirement System of the State of Rhode Island make a commitment up to \$35 million in Stonepeak III, subject to legal and investment staff review and submission of required Subscription documents following the date of this resolution.

VII. Crisis Protection Class Investment Recommendation, Aspect Core Diversified

Mr. Stais made comments around the initial implementation of the Crisis Protection Class, noting that Aspect Capital was initially researched to be a part of the trend following allocation. Mr. Lynch introduced his colleague Mr. Solarz who in turn introduced Ms. Reynolds and Mr. Wood from Aspect.

Ms. Reynolds told the history of Aspect from their start inside AHL. She emphasized their academic pedigree, their research focus and academic culture. Ms. Reynolds explained how she believes a differentiating factor between Aspect and other trend-followers is Aspect's years of experience. Mr. Wood explained the objective behind the Core Diversified product and explained how their algorithm would handle a trend reversing in the market and the mechanics behind catching profits on the other side. Mr. Wood spoke to the importance of research in finding new signals that help the product find the optimal trends across markets. Mr. Wood explained how Aspect runs many simulations so they can see how their product will react to different possible scenarios across markets. He emphasized how the Core Diversified product does not trade obscure markets.

The Board asked questions.

Mr. Lynch further explained how Aspect spun out of AHL and his confidence in the investment.

On a motion by Ms. Langlois and seconded by Ms. Maxfield, it was **VOTED: that the Employees' Retirement System of the State of Rhode Island make an investment of up to one third of the Crisis Protection Class, Systematic Trend Following Allocation in Aspect Core Diversified, subject to attendant review and documentation following the date of this resolution.**

VIII. Short-term Vendor Lineup Addition, Societe Generale Corporate and Investment Banking // SG Americas Securities

Ms. Baker told the Board of SG Americas Securities intention to become an approved investment bank. She explained SG Americas Securities is a subsidiary of Societe Generale and that they are qualified for approval based on the criteria in the investment policy. Treasurer Magaziner asked about the process of allocating capital to which Ms. Baker explained their tiered process.

On a motion by Ms. Reback and seconded by Mr. Mullaney, it was unanimously **VOTED: to approve the addition of SG Americas Securities to the short-term vendor lineup.**

IX. Legal Counsel Report

There was no legal counsel report.

X. Chief Investment Officer Report

Mr. Stais gave a high-level overview of the plan's performance during August. Mr. Stais mentioned the possibility of editing State Street's QVM mandate. Mr. Stais presented a diagram showing how the plan

stacks up against the new asset allocation voted on last year. Mr. Stais also presented a new benchmark for the portfolio that more closely resembles the new asset allocation previously approved by the board. He explained how the weighting and components of the benchmark would change. Lastly, Mr. Stais updated the Board on the eight requests for proposals received for the general consultant search.

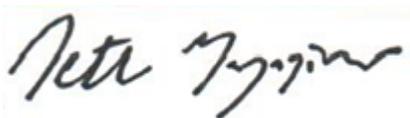
The Board asked questions.

On a motion by Mr. Benson and seconded by Ms. Hammond, it was unanimously
VOTED: that the Employees' Retirement System of the State of Rhode Island edit its benchmark as presented to more closely reflect its portfolio, which shall take effect October 1st, 2017.

XI. Treasurer's General Comments

There being no other business to come before the board, on a motion by Mr. Fay and seconded by Ms. Langlois, the meeting adjourned at 11:50 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Seth Magaziner". The signature is written in a cursive, flowing style.

**Seth Magaziner,
General Treasurer**



State Investment Commission
Monthly Meeting Minutes
Wednesday, October 25th, 2017
9:00 a.m.
Room 205, State House

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:02, Wednesday, October 25th, 2017 in Room 205, State House.

I. Roll Call of Members

The following members were present: Mr. Michael Costello, Mr. Thomas Fay, Ms. Marie Langlois, Ms. Marcia Reback, Ms. Karen Hammond, Ms. Sylvia Maxfield, Mr. Thomas Mullaney, Mr. Robert Benson, Mr. Frank Karpinski, and Treasurer Seth Magaziner.

Also in attendance: Mr. Tom Lynch, Cliffwater; Mr. John Burns, Pension Consulting Alliance (PCA); Mr. David Glickman, Pension Consulting Alliance (PCA); Larry Brown and David Iden, TIAA; Mr. Alec Stais, Chief Investment Officer; Ms. Sally Dowling, Adler, Pollock & Sheehan, legal counsel; Ms. Kimberley Shockley, Associate Director College & Retirement Savings Plans; and other members of the Treasurer's staff.

Treasurer Magaziner called the meeting to order at 9:02 a.m.

II. Approval of Minutes

On a motion by Mr. Fay and seconded by Ms. Hammond it was unanimously

VOTED: to approve the draft minutes of the September 27th, 2017 meeting of the State Investment Commission.

III. 401(a) Plan Quarterly Review, TIAA

Treasurer Magaziner introduced the TIAA team of Mr. Brown and Mr. Iden. Mr. Iden spoke to the quarter's member engagement. He told the board about an event where he teamed with the Department of Administration as well as Ms. Shockley and they individually met with 178 beneficiaries. The team is on track to have more member engagement in 2017 than they did in 2016. Mr. Iden said that on the 457 side there were 25 new enrollees in TIAA on top of the Valic participants moving over on October 12th. He added that the 457 plan had about \$33 million in it as of that date. Mr. Brown recapped the plan's investment performance for the quarter. He showed that the year-to-date performance ranged from 1.5% to 23% varying by strategy. International emerging markets have been a strong performer year-to-date. They continue to monitor the net expense ratio and try to take advantage of opportunities to lower it. He noted that as the share classes have more assets under management fees fall. The 401(a) has approximately \$60 million which enables them to take advantage of the scale and offer the 457 plan participants the same 7 basis point fee.

IV. Real Estate Review

Mr. Glickman noted the three areas he would like to cover in his presentation: the current state of the domestic commercial real estate market; ERSRI's real estate portfolio; and a forward looking pacing plan

to achieve the recently adopted targets. He commented on the relative healthiness of the market and the measured construction and building that he believes the US market can sustain. He spoke to current lending standards which require between ¼ to 1/3 of a new project to be equity and the remainder to be financed with debt. He commented on how retail has been repurposed, but there has not been much expansion in the sector. He touched on more trends across different sectors of the commercial real estate market. Mr. Glickman noted that no one can predict what the future of commercial real estate will entail, but that PCA thinks returns will not be as fruitful as they have been the last few years. He differentiated his outlook on core versus non-core assets in the asset class. The last thing Mr. Glickman mentioned regarding the real estate market in general was the metrics PCA uses to judge the relative attractiveness the asset class at a certain time. Regarding ERSRI's real estate portfolio, Mr. Glickman noted that the outperformance in relation to the benchmark is due to the allocation to non-core assets. Real estate value appreciation has been a tail-wind in the last few years performance. He believes the leverage in ERSRI's portfolio is immaterial because of property occupancy and net operating income their portfolio has been achieving. Mr. Glickman recommended to reduce the core allocation to add to the non-core allocation to reach the desired balance between the two. He modeled the effect that redeeming from Prudential would have to the portfolio and how it would free capital to allocate to non-core to enhance returns. He noted PCA believes reducing the number of managers in the core real estate allocation would lessen fees while not changing the risk adjusted returns of the portfolio.

The Board asked questions.

V. Consultant Contract Extension, Capital Cities

Ms. Shockley gave a recap of the various things Capital Cities has helped ERSRI plans with since November 1st, 2014 when they were elected a fiduciary and investment consultant. Ms. Shockley asked the board to extend the contract of their services one year starting November 1st, 2017.

On a motion by Ms. Reback and seconded by Ms. Hammond, it was unanimously

VOTED: that the Employees' Retirement System of the State of Rhode Island approve a 1-year extension of its contract with Capital cities for \$75,000 to take effect November 1st, 2017.

VI. Legal Counsel Report

Mrs. Dowling reported that an updated signatory authorization was required in connection with subscriptions to alternative investments.

On a motion by Ms. Reback , seconded by Ms. Maxfield, it was unanimously VOTED: That in connection with investments authorized by the Rhode Island State Investment Commission, Seth M. Magaziner, General Treasurer, Amy Crane, General Counsel, Patrick Marr, Chief of Staff, Kerri Baker, Cash Manager and Alec Stais, Chief Investment Officer, and each of them be, and hereby is, authorized, empowered and directed to execute and deliver by and on behalf of the Employees' Retirement System of the State of Rhode Island any and all Subscription Agreements, Side Letters, documents, instruments and other writings which each of them in the exercise of his or her sole discretion shall deem necessary or desirable and in the best interest of the Employees' Retirement System of the State of Rhode Island, the execution thereof by such authorized officer to be conclusive evidence that the same is duly authorized.

VII. Chief Investment Officer Report

Mr. Stais gave a high-level overview of the plan's performance during October. Mr. Stais gave credit to the equity markets for leading the good performance, and noted our fixed income allocations have beaten their benchmarks, as well. He spoke of macroeconomic factors that have led to strong market performances like the corporate tax rate cut which would raise corporate earnings across the country. The board inquired about the QVM Public Growth allocation which outperformed over the month. Mr. Stais mentioned the staff has been performing research on the public equity markets to see if the plan is optimally allocated. He gave an update on the progress of Aspect's funding to finalize the allocation of the Crisis Protection Class. Lastly, Mr. Stais updated the Board on the general consultant search stating that he plans on bringing a consultant or two to the next SIC Meeting.

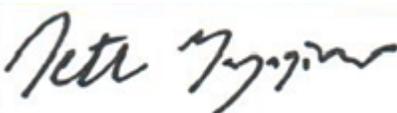
VIII. Treasurer's General Comments

The Treasurer recommended the board and staff consider Mr. Glickman's real estate portfolio recommendation in the future.

The Treasurer noted that the Collegebound plans had their strong Morningstar ratings reaffirmed. He emphasized that focus is now on sales being that the quality of the product has been reaffirmed. He brought up the possibility of moving the November meeting to December 6th.

There being no other business to come before the board, on a motion by Mr. Fay and seconded by Ms. Langlois, the meeting adjourned at 10:18 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Seth Magaziner", is centered on the page. The signature is written in a cursive, flowing style.

**Seth Magaziner,
General Treasurer**



State Investment Commission
Monthly Meeting Minutes
Wednesday, December 6th, 2017
9:00 a.m.

Executive Conference Room, Department of Administration

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:03, Wednesday, December 6th, 2017 in the Executive Conference Room, Department of Administration.

I. Roll Call of Members

The following members were present: Mr. Michael Costello, Mr. Thomas Fay, Ms. Marie Langlois, Ms. Marcia Reback, Ms. Karen Hammond, Ms. Sylvia Maxfield, Mr. Thomas Mullaney, Mr. Robert Benson, Mr. Frank Karpinski, and Treasurer Seth Magaziner.

Also in attendance: Mr. Tom Lynch, Cliffwater; Mr. Alec Stais, Chief Investment Officer; Ms. Sally Dowling, Adler, Pollock & Sheehan, legal counsel; Mr. Doug Moseley, Mr. William Forde, Mr. Kevin Leonard and Mr. Phil Nelson, NEPC; Mr. Patrick Siewert, and Ms. Jessica Brennan, Carlyle; Mr. Doug Ostrover and Ms. Natalie Oelkers, Owl Rock; Tiffany Spudich and Peter Harvey, Capital Cities; and other members of the Treasurer's staff.

Treasurer Magaziner called the meeting to order at 9:03 a.m.

II. Approval of Minutes

On a motion by Ms. Hammond and seconded by Mr. Fay it was unanimously **VOTED: to approve the draft minutes of the October 25th, 2017 meeting of the State Investment Commission.**

III. Private Credit Investment Recommendation, Owl Rock

Treasurer Magaziner introduced Doug Ostrover and Natalie Oelkers from Owl Rock. Mr. Lynch explained how Owl Rock was an opportunity for the Private Credit bucket filling a Direct Lending allocation. He highlighted the sponsored lending nature of Owl Rock. Mr. Ostrover gave a brief overview of the past thirty years of his professional career, most of it in alternative financing before he founded Owl Rock. He gave a description of Direct Lending and why he became so excited about it that he wanted to start Owl Rock. Based on where the market is today, Mr. Ostrover's belief is that Private Equity firms will need over one trillion dollars of debt over the next five years. Mr. Ostrover gave the history of the members of his team to emphasize their abilities. He added that his firm joined a space in the market lending to larger companies which gives them fewer competitors. Mr. Ostrover mentioned the importance of his portfolio's loan to value ratio and the goal to keep their portfolio ratio at or below 50%. He wrapped his presentation up explaining where the attribution of their returns would come from. Mr. Lynch added that Owl Rock is a Business Development Company and different than a typical fund with their exit strategy of going public.

The Board asked questions.

On a motion by Ms. Reback and seconded by Ms. Maxfield, it was unanimously

VOTED: that the Employees' Retirement System of the State of Rhode Island make a commitment up to \$50 million in Owl Rock, subject to legal and investment staff review and submission of required Subscription documents following the date of this resolution.

IV. Private Equity Investment Recommendation, Carlyle Asia V

Mr. Lynch introduced Jessica Brennan and Patrick Siewert from Carlyle. Ms. Brennan thanked the Plan for their ongoing partnership and support since 2014. She continued to give some history on Carlyle Asia and describe Mr. Siewert's background to the Board. Mr. Siewert gave the numbers behind the impressive track record of their Asian funds. He commented on how their portfolio's realized losses have been very low over their history and industry leading. He also noted on how their cash distributions are industry leading, which is unique in Asia. He highlighted that their team has had great longevity at the firm working together since Carlyle Asia II. Mr. Siewert explained that the strategy and sectors the fund will invest in will be the same as previous funds. He noted that a differentiator of their strategy is exiting to trade buyers and not exiting with an IPO into the public markets. He associated attribution to 2/3 revenue growth and 1/3 cost reduction. Furthermore, he explained how in each fund they have been able to find some cheaper purchase price multiples around the 6-7X EBITDA range, much less expensive than the US. He predicted that 50% of the world's GDP growth will come from Asia within the next decade and that investing in their fund will give the Plan exposure to that. Mr. Siewert explained that they plan to participate in the growth by implementing disciplined systems at their portfolio companies. Mr. Siewert noted that there is such rapid growth in Asia, he does not remember the last time that a portfolio company let employees go. Mr. Siewert stated that a good opportunity lies in partnering with multinationals that are attempting to expand their Asian footprint. He concluded by noting the loosely defined geographic breakdown of their portfolio.

The Board asked questions.

On a motion by Ms. Reback and seconded by Ms. Hammond, it was unanimously **VOTED: that the Employees' Retirement System of the State of Rhode Island make a commitment up to \$50 million in Carlyle Asia V, subject to legal and investment staff review and submission of required Subscription documents following the date of this resolution.**

V. 529 Plan Semiannual Update, Capital Cities

Treasurer Magaziner invited Tiffany Spudich to speak to the Board. Ms. Spudich gave an overview of Capital Cities relationship with the Plan. She noted that they oversaw the transition of the 529 Plan to Invesco a year ago. Ms. Spudich highlighted the strong performance of momentum stocks over the past year and the mute returns of bonds. She noted that the easy to understand menu of investment options follows best practice for direct plans. She touched on how different target-based funds had varying performance depending on their allocations. Also, she commented that returns were in line with expectations.

The Board asked questions. Ms. Spudich noted that in the advisor plans there are more active strategies than in direct plans. Treasurer Magaziner applauded the 529 Plan's Silver and Bronze MorningStar ratings and he and Ms. Spudich are hopeful that the ratings will increase with more consistency over time.

VI. General Consultant Search

Treasurer Magaziner explained that it's good practice to put vendor and consultant relationships out to bid periodically. As a result, he had vowed to do that during his term. He noted that the discussion would focus

on the post currently manned by PCA as the General Consultant to the Defined Benefit Plan. He thanked Mr. Fay and Ms. Maxfield for being part of the committee that analyzed and vetted applicant proposals. Treasurer Magaziner explained that the committee's findings led to bringing NEPC to the meeting today. Consequently, Doug Moseley, Kevin Leonard, Will Forde and Phil Nelson from NEPC gave an overview of their firm. Together they explained the asset allocation strategy NEPC believes in, the processes the group implements, and the various types of research they perform.

The Board asked questions.

The Employees' Retirement System of the State of Rhode Island decided to postpone any decision on the general consultant to the Defined Benefit Plan, pending further review of the matter.

VII. Consideration of 2018 Meeting Schedule

The Board reviewed proposed dates for 2018 meetings.

On a motion by Mr. Fay and seconded by Ms. Hammond, it was unanimously **VOTED: that the Employees' Retirement System of the State of Rhode Island schedule their meetings for calendar year 2018 at the proposed dates.**

VIII. Legal Counsel Report

There was no legal counsel report.

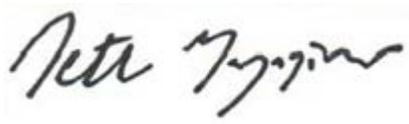
IX. Chief Investment Officer Report

Mr. Stais noted that we are making progress towards our actual allocations hitting our targets. He gave credit for the plan's positive performance to the continued strong performance of equity markets. He highlighted that we have beaten our benchmark across different lookback periods, but it has been harder to beat the 60/40 equities to bonds index because of our diversification. He commented that our Quality Value Momentum factor tilt has been carried by momentum as the driving factor of performance. His last remark was that our Crisis Protection Class would be fully funded the next week.

X. Treasurer's General Comments

Treasurer Magaziner thanked the Board and Staff for their hard work over the year and accredited the Plan's strong performance to them. He noted that the execution of the asset allocation transition is on target as well as the plan to add more staff to the investment team. There being no other business to come before the Board, on a motion by Mr. Fay and seconded by Ms. Reback the meeting adjourned at 12:04 P.M.

Respectfully submitted,



**Seth Magaziner,
General Treasurer**



State Investment Commission
Monthly Meeting Minutes
Wednesday, January 24th, 2018
9:00 a.m.

Executive Conference Room, Department of Administration

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:01 AM, Wednesday, January 24th, 2018 in the Executive Conference Room, Department of Administration.

I. Roll Call of Members

The following members were present: Mr. Michael Costello, Mr. Thomas Fay, Ms. Marie Langlois, Ms. Marcia Reback, Ms. Karen Hammond, Ms. Sylvia Maxfield, Mr. Thomas Mullaney, Mr. Robert Benson, Mr. Frank Karpinski, and Treasurer Seth Magaziner.

Also in attendance: Mr. Tom Lynch, Cliffwater; Mr. Alec Stais, Chief Investment Officer; Ms. Sally Dowling, Adler, Pollock & Sheehan, legal counsel; Mr. Doug Moseley and Mr. William Forde, NEPC; Tiffany Spudich and Peter Harvey, Capital Cities; and other members of the Treasurer's staff.

Treasurer Magaziner called the meeting to order at 9:01 AM.

II. Approval of Minutes

On a motion by Mr. Mullaney and seconded by Ms. Reback it was unanimously **VOTED: to approve the draft minutes of the December 6th, 2017 meeting of the State Investment Commission.**

III. General Consultant Finalist Presentation, NEPC

Treasurer Magaziner introduced Will Forde and Doug Moseley from NEPC. Mr. Forde and Mr. Moseley introduced their roles at NEPC and their functions with public fund clients. In tandem, the two explained the variety of their client base. Mr. Moseley highlighted the fact that they are familiar working with the Plan's actuary. The structure of the firm was also broken down to help the Board understand who they would be working with. The Board inquired about female and minority employees and was comforted by NEPC's diversity. Mr. Moseley explained NEPC's thoughts at first glance of the Plan's allocation. He answered the Board's questions about the future of markets and emphasized NEPC's forward looking asset class allocation views. Mr. Forde noted that NEPC would like to undergo an asset/liability study to better understand the plan. Mr. Moseley added that the price of the study is built into the price of hiring NEPC. Mr. Forde and Mr. Moseley wrapped the presentation up by reviewing the tactical changes NEPC would make to the asset allocation to get the best risk-adjusted return. Mr. Forde and Mr. Moseley thanked the Board for their time.

The Board asked questions.

On a motion by Ms. Maxfield, and seconded by Mr. Benson, it was resolved to go into Executive Session under Rhode Island General Laws §42-46-S(a)(1) for discussion of the job performance of Pension Consulting Alliance which has been notified, and which declined to require the discussion be held in open

meeting. A roll call vote was taken and each Commission member present voted affirmatively to go into Executive Session.

Executive Session was concluded and it was announced that the only actions taken in Executive Session was to seal the Minutes and exit Executive Session.

IV. Review of 401a/457b Investment Lineup, Capital Cities

Treasurer Magaziner invited Tiffany Spudich and Peter Harvey to speak to the Board. Ms. Spudich recommended that the Plan should change its investment lineup to not include certain proprietary TIAA products. She highlighted the strategies in both the 401a and 457b Plans that she recommended switching out of and which she wanted to replace those with. She explained that there would not be substantial fees incurred by changing the lineup. Mr. Harvey touched on some of the ESG designated strategies. He also noted that the target-based fund for real estate was the best option which is why they are recommending it. Ms. Spudich complimented the strong offering of TIAA's Stable Value strategy. Treasurer Magaziner gave his approval to the changes Capital Cities recommended.

The Board asked questions.

On a motion by Ms. Reback and seconded by Mr. Benson, it was unanimously **VOTED: to change the investment lineup of the 401a and 457b by replacing TIAA-CREF Social Choice Equity with Vanguard's FTSE Social Index, switching from the TIAA-CREF International Equity Index to the Schwab International Index and just in the 401a, removing the TIAA Real Estate option and mapping those assets to the appropriate target date fund.**

V. Legal Counsel Report

There was no legal counsel report.

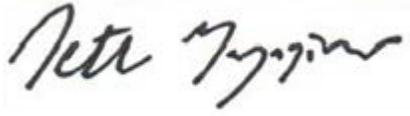
VI. Chief Investment Officer Report

Mr. Stais noted the calendar year performance of the Plan. He commented on the plan's outperformance versus the 60/40 equity to bond mix and the Plan's benchmark. Mr. Stais complimented the QVM public equity allocation giving momentum and value the credit for driving most of the excess returns relative to the benchmark. Mr. Stais noted that while the Crisis Protection Class main objective is to deliver outsized returns in times of market turmoil, the trend-followers had been performing very well in January. He noted that since inception, the CPC allocation is up 11%. Mr. Stais concluded by letting the Board know that he believes the plan is in line with reaching their targeted allocations.

VII. Treasurer's General Comments

Treasurer Magaziner complimented the Board and Staff on consistently beating the benchmark. He gave credit for that feat to strong manager selection. He touched on both the QVM and CPCs' strong performance and applauded the more exotic allocations of the portfolio. Treasurer Magaziner showed his gratitude towards the members of the Board and asked the five members whose terms were up this year to stay on another term. With that, the meeting adjourned at 11:29 AM.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Seth Magaziner", written in a cursive style.

**Seth Magaziner,
General Treasurer**



State Investment Commission
Monthly Meeting Minutes
Wednesday, February 28th, 2018
9:00 a.m.

Executive Conference Room, Department of Administration

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:03 AM, Wednesday, February 28th, 2018 in the Executive Conference Room, Department of Administration.

I. Roll Call of Members

The following members were present: Mr. Michael Costello, Mr. Thomas Fay, Ms. Marie Langlois, Ms. Karen Hammond, Ms. Sylvia Maxfield, Mr. Thomas Mullaney, Mr. Frank Karpinski, and Treasurer Seth Magaziner.

Also in attendance: Mr. Tom Lynch, Cliffwater; Mr. Alec Stais, Chief Investment Officer; Ms. Sally Dowling, Adler, Pollock & Sheehan, legal counsel; Mr. Ted Patton and Mr. Joe Conlon, Hastings; Roland Reynolds, Industry Ventures; and other members of the Treasurer's staff.

Treasurer Magaziner called the meeting to order at 9:03 AM.

II. Approval of Minutes

On a motion by Mr. Fay and seconded by Ms. Langlois it was unanimously

VOTED: to approve the draft minutes of the January 24th, 2018 meeting of the State Investment Commission.

III. General Consultant Recommendation

Treasurer Magaziner recapped last month's proposal to commission both NEPC and PCA; hiring NEPC as the Plan's General Consultant due, in part, to the resources and analytical tools that they have to offer, while retaining PCA in a limited capacity to provide for a smooth transition. Mr. Stais directed meeting participants towards NEPC's 90-day Work Plan, while elaborating on the nature of NEPC's expected relationship with the Plan. Mr. Stais reiterated the fact that NEPC would serve as the lead advisor on the implementation of the existing asset allocation and attend 8 to 10 SIC meetings per year. The action plan was then broken down into goals and objectives by month; March involved filling out the Plan's roster of managers per the existing asset allocation, as voted on by the Board in 2016, rather than making near-term tactical decisions. May and June involved a deeper dive into the Plan's liability structure and the implementation of stress tests. Mr. Stais discussed PCA's proposed role as a senior advisor to the Board. It was stated that Mr. Emkin would be attending 2 to 3 SIC meetings per year to counsel on a macro and strategic level. Mr. Stais emphasized the value of retaining PCA to help the Staff monitor the structure of the Crisis Protection Class. He then directed the Board's attention towards an overview of the proposed pricing structure, while highlighting the opportunity for the Staff and Board to take advantage of NEPC's annual conferences and connect with other plans across the country.

The Board asked questions.

On a motion by Ms. Langlois and seconded by Ms. Hammond, it was unanimously **VOTED: to engage NEPC as the General Consultant to the Plan and PCA as Senior Advisor to the Plan and that Alec Stais be authorized to enter into written agreement with NEPC and PCA under the terms that had been previously outlined.**

IV. Private Equity Investment Recommendation, Hastings Equity Fund IV

Mr. Lynch introduced Ted Patton and Joe Conlon from Hastings. The founder, Mr. Patton, noted that the Houston based Hastings focuses on lower-middle market energy services and equipment companies, before highlighting Hastings's primary differentiators. He explained that Hastings always partners with business owners rather than retiring them, evidenced by the fact that they always buy a 51% to 70% controlling interest and never 100%. Mr. Patton then stressed that Hastings has maintained a top quartile track record since the 2005 inception of Fund I. He then proceeded to describe the functional organization of the firm, illustrating the investment process from business development and sourcing through post-LOI portfolio management. Mr. Patton emphasized that Hastings always directly contacts business owners rather than going through Investment Banks, allowing them to take their time evaluating businesses. Consequently, Mr. Patton elaborately described the background of select firm personnel with strong energy service backgrounds and roots in the Texas area. He then detailed his own personal and professional experiences that had ultimately inspired the founding of Hastings, before quantifying the firm's strong track record. Mr. Conlon, a Managing Director, subsequently delved into his background and path towards working with entrepreneurs and small businesses. He described his team as one that is driven by optimism in the entrepreneurial space. Mr. Patton provided insight into the services equipment business, mentioning that there are 30,000 companies operating in an industry in which the vast majority of functions are outsourced. Mr. Conlon went on to outline the sourcing, LOI, and diligence processes, emphasizing the fact that closing, on average, takes about 5 to 6 months. He then referenced Hastings' role in the diligence process, which starts roughly 2 months prior to closing, making the entrepreneur dependent upon what Hastings is providing to the company. He mentioned that this head start ultimately prevents re-trade and repricing and makes for a smooth transition once the deal closes. Mr. Conlon directed the Board's attention to his firm's positive performance through the downturn in the energy space, which started in 2014. He attributed this performance to the fact that Hastings strategically moderated their bets on drilling sensitive businesses while focusing on production activity. He also accredited Hastings' anticipation skills, which caused them to go into companies and force rank employees while industry conditions were favorable, allowing them to execute their action plans immediately upon reaching established downturn-signaling revenue triggers. Mr. Conlon noted that Hastings realized outperformance during the successive recovery because they retained assets on their balance sheet during the downturn and, thus, did not require more capital. Mr. Conlon provided examples of specific investments that demonstrate the firm's overall strategy. Mr. Patton referenced Hastings' standard 2 and 20 terms, and alluded to Fund IV's \$250 million target and \$300 million hard cap.

The Board asked questions.

Mr. Costello recused himself from participating in the consideration of an investment in Hastings. On a motion by Ms. Langlois which was seconded by Ms. Maxfield, it was unanimously **VOTED: that the Employees' Retirement System of the State of Rhode Island make a commitment up to a \$25 million investment in Hastings Fund IV, subject to legal and investment staff review.**

V. Private Equity Investment Recommendation, Industry Ventures Partnership Holdings V

Mr. Lynch introduced Roland Reynolds, Managing Director, from Industry Ventures. Mr. Lynch presented Industry Ventures Partnership Holdings Fund V as a good opportunity in the venture capital space, noting that the Plan has invested in their 2 prior funds. Mr. Reynolds classified Industry Ventures Partnership Holdings Fund V as a hybrid fund of funds before recapping the Plan's investment performance in Partnership Holdings III, III-C, and IV. Mr. Reynolds proceeded to cover Industry Ventures as a firm, defining them as a San Francisco headquartered and SEC registered venture capital specialist firm with \$3 billion AUM. He mentioned that the firm heavily collaborates with pension investment staff members not just to drive returns, but to share their expertise in the venture space and make introductions to venture funds in case the Plan desires additional venture exposure in the future. Mr. Reynolds boasted the fact that the firm's investments in over 240 companies and 275 funds have helped create a deep information advantage in an industry known for a lack of information availability, evidenced by the firm's 18% net IRR track record. He then progressed through a general team overview, highlighting their robust size and experience level relative to industry peers. Mr. Reynolds declared that Industry Ventures' track record over the past 18 years supports the idea that they have served as a pioneer in the inefficient areas of VC, resulting in the development of deep personal and professional relationships within the ecosystem. The Board's attention was directed to the firm's structure as a venture platform, comprised of hybrid fund of funds, secondary liquidity, and direct co-investments, before Mr. Reynolds took a deeper dive into the hybrid fund of funds model that is Partnership Holdings. He characterized Partnership Holdings as, "not your typical" VC fund. Through this unique hybrid strategy, Mr. Reynolds stated that they build diversified portfolios of early stage VC companies and assets with downside protection, while providing faster liquidity and preserving upside potential. He then discussed the target allocations for various strategies within the hybrid fund (40% primary commitments to underlying small VC funds at inception, 40% early secondary transactions and SPVs, 20% direct co-investments). Mr. Reynolds discussed the proposed terms, which reflect a blended fee structure that is no different from what existed for the prior fund. He elaborated on the fee structure, which in addition to fees paid to underlying managers, includes a 1% management fee and a bifurcated carry based on the type of investment (5% primary, 10% for early secondary/SPVs, 20% for direct co-investments). Mr. Reynolds suggested that the blended fees, given the target allocation, resembles a favorable fully-loaded 1.9% management fee with 23% carry. He also alluded to their 6% preferred return, meaning that Industry Ventures doesn't share in the carry until a 6% return to investors is satisfied. A question from Ms. Hammond prompted Mr. Reynolds to clarify that there is a catchup once the 6% return is achieved, but never such that it would push investors below 6%. Mr. Reynolds then declared that the GP commitment to these funds is 2%, paid in cash, before concluding the presentation.

The Board asked questions.

On a motion by Ms. Hammond and seconded by Ms. Langlois, it was unanimously **VOTED: that the Employees' Retirement System of the State of Rhode Island make a commitment up to a \$30 million investment in Industry Ventures Partnership Holdings V, subject to legal and investment staff review.**

VI. Legal Counsel Report

There was no legal counsel report.

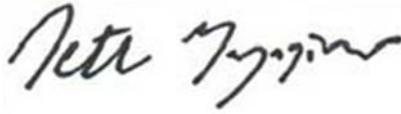
VII. Chief Investment Officer Report

Mr. Stais discussed the Plan's total performance during the month of January, noting its outperformance versus both the Plan benchmark and the 60/40 global equity to fixed income blend. Mr. Stais complemented the QVM public equity allocation, crediting momentum as the strategy's return driver. Mr. Stais reviewed the performance of the Crisis Protection Class, specifically noting the trend-follower's strong January performance. He did note that the strategy's Long Duration managers have lagged due to Treasury repricing since the start of the calendar year. Mr. Stais then discussed the annualized risk objectives of the Crisis Protection Class, noting that its realized annual volatility has behaved as expected. He mentioned that the portfolio's trend-followers capitalized on equity market gains in January, though disclosed that their high global equity beta has hurt their performance in the beginning of February. Nevertheless, Mr. Stais noted that the portfolio's trend-followers have still achieved positive returns since inception. Mr. Stais concluded that, in aggregate, the Crisis Protection Class is still well behaved and has delivered in a manner that is consistent with expectations.

VIII. Treasurer's General Comments

Treasurer Magaziner stated that the portfolio's performance has been sufficient, despite the rocky start to February. Referencing external inquiries from interested parties, Treasurer Magaziner reminded the Board that the Crisis Protection Class was not designed to provide protection through early February's market movements, since we did not experience a crisis. He noted that there is a separate bucket of the portfolio that is specifically designed to protect against short-term volatility. Treasurer Magaziner commented on the fact that, despite February's difficult start, the portfolio is beating its discount rate and the Plan buckets are performing according to the manner in which they're supposed to. He then complemented the staff for remaining disciplined and staying the course, given the market conditions. With that, the meeting adjourned at 11:08 AM.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Seth Magaziner". The signature is written in a cursive style with a large initial "S" and a long, sweeping tail.

**Seth Magaziner,
General Treasurer**



State Investment Commission
Monthly Meeting Minutes
Wednesday, March 28th, 2018 9:00
a.m.

Executive Conference Room, Department of Administration

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:08 AM, Wednesday, March 28th, 2018 in the Executive Conference Room, Department of Administration.

I. Roll Call of Members

The following members were present: Mr. Michael Costello, Mr. Thomas Fay, Ms. Marie Langlois, Ms. Marcia Reback, Mr. Robert Benson, Ms. Karen Hammond, Mr. Frank Karpinski, and Treasurer Seth Magaziner.

Also in attendance: Mr. Tom Lynch, Cliffwater; Mr. Alec Stais, Chief Investment Officer; Ms. Lisa Churchville, Director of Participant Directed Investments; Ms. Sally Dowling, Adler, Pollock & Sheehan, legal counsel; Mr. Doug Moseley and Mr. Will Forde, NEPC; and other members of the Treasurer's staff.

Treasurer Magaziner called the meeting to order at 9:08 AM.

II. Approval of Minutes

On a motion by Ms. Reback and seconded by Ms. Hammond, it was unanimously **VOTED: to approve the draft minutes of the February 28th, 2018 meeting of the State Investment Commission.**

III. General Consultant Overview

Mr. Doug Moseley noted that NEPC, with the help of the Investment Staff, has developed a work plan covering the next several months. He informed the Board that NEPC has focused their initial work on uploading information into their performance measurement system and reaching out to some of the Plan's investment managers. Mr. Forde elaborated on the phases of the work plan. Mr. Doug Moseley then discussed NEPC's thoughts on recent market conditions. Mr. Moseley discussed the manager evaluation process and their process for evaluating opportunities to recommend improvements.

The board asked questions.

IV. Absolute Return Review

Mr. Tom Lynch stated that the Plan's absolute return allocation is designed to reduce total fund risk while providing low equity beta, equity market downside protection, and alpha generation. Mr. Lynch directed the Board's attention towards a graphic that categorized each of the portfolio's 7 managers before covering performance and risk analysis. He subsequently covered performance attribution, highlighting alpha as the primary driver of performance. Mr. Lynch referenced performance data across a universe of 30 public funds through Fiscal 2016. Mr. Lynch proceeded to illustrate that the construction of the absolute return portfolio is consistent with its low beta and high alpha objectives. Mr. Lynch noted that each of the remaining managers have provided close to Cliffwater's recommended 60% investor share of gross alpha.

The Board asked questions.

V. CollegeBound Saver and CollegeBound 529 Plan Age-Based Portfolios Update

Ms. Lisa Churchville informed the Board that, with the program approaching its 2-year anniversary with Ascensus and Invesco, the 2017-2018 age-based portfolio will be retired and rolled into the Today Portfolios, while 2037-2038 Portfolios will be introduced. She noted that CollegeBound offers Age-Based portfolios in 2-year age bands as opposed to the traditional 5-year bands. Ms. Churchville proceeded to discuss the bond market index fund allocations within the age-based portfolios, noting an opportunity to reduce management fees for the fixed income portion of the 529 plans' target date funds from 4.5 basis points to 2 basis points by replacing the iShares and Vanguard combination with 100% Vanguard Total Bond Market II Index. Ms. Churchville provided analysis from 529 advisor Capital Cities concluding that this move would provide U.S. bond market exposure comparable to the product's current offering.

On a motion by Mr. Costello and seconded by Ms. Reback, it was unanimously **VOTED: to replace Vanguard Total Bond Market Index (VBTIX) and iShares Core U.S. Aggregate Bond ETF (AGG) with Vanguard Total Bond Market II Index (VTBNX) within the Plan's Age-Based Portfolios on July 1, 2018.**

VI. Legal Counsel Report

There was no legal counsel report

VII. Alternative Investments Consultant Search Update

Mr. Alec Stais provided an update on the consultant search process, noting that due diligence was being conducted on a shortlist of candidates. Mr. Stais mentioned that the Investments Staff was reviewing the software and analytical capabilities of the shortlisted candidates and will conduct reference checks throughout the coming weeks. Mr. Stais suggested a preliminary recommendation would be made with 1 or more firms present during April's SIC meeting.

VIII. Chief Investment Officer Report

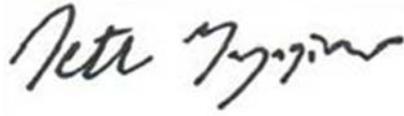
Mr. Stais discussed the Plan's total performance during the month of February, highlighting the QVM allocation's outperformance relative to its benchmark through February's challenging market environment. He noted that, despite the month's losses, the CPC Trend Program has produced positive returns since inception while outperforming its benchmark.

IX. Treasurer's General Comments

Treasurer Magaziner commented on the Plan's recent performance, stating that each bucket has performed in a manner that is consistent with expectations given the market environment. Treasurer Magaziner noted that the commission's work is on track, acknowledging the work that has been put into the Consultant searches.

On a motion by Ms. Reback and seconded by Ms. Hammond, it was unanimously **VOTED: to adjourn the meeting at 10:28 AM.**

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Seth Magaziner". The signature is fluid and cursive, with the first name "Seth" being more prominent than the last name "Magaziner".

**Seth Magaziner,
General Treasurer**



**State Investment Commission
Monthly Meeting Minutes
Wednesday, April 25th, 2018 9:00
a.m.**

Executive Conference Room, Department of Administration

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:05 AM, Wednesday, April 25th, 2018 in the Executive Conference Room, Department of Administration.

I. Roll Call of Members

The following members were present: Mr. Michael Costello, Mr. Thomas Fay, Ms. Sylvia Maxfield, Mr. Thomas Mullaney, Ms. Marcia Reback, Mr. Robert Benson, Ms. Karen Hammond, Mr. Frank Karpinski, and Treasurer Seth Magaziner.

Also in attendance: Ms. Gabrielle Zadra, Mr. Tom Lynch, Mr. Mark Williams and Mr. Bernie Gehlmann, Cliffwater; Mr. Axel Eichmeyer and Mr. Chris Peisch, ECM; Mr. Alec Stais, Chief Investment Officer; Ms. Sally Dowling and Ms. Nicole Verdi, Adler, Pollock & Sheehan, legal counsel; Mr. Kevin Leonard and Mr. Will Forde, NEPC; and other members of the Treasurer's staff.

Treasurer Magaziner called the meeting to order at 9:05 AM.

II. Approval of Minutes

On a motion by Mr. Fay and seconded by Mr. Costello, it was unanimously **VOTED: to approve the draft minutes of the March 28th, 2018 meeting of the State Investment Commission.**

III. Private Equity Investment Recommendation, ECM German Equity Partners Fund V

Mr. Tom Lynch introduced two of ECM's managing directors, Mr. Axel Eichmeyer and Mr. Chris Peisch. Mr. Peisch explained that ECM is the oldest independent private equity firm in Germany and focuses on primary transactions within the lower mid-market segment of the German speaking European region. Mr. Eichmeyer outlined the firm's strategic approach and described the differences between the German and U.S. markets. Mr. Eichmeyer discussed the firm's track record. Mr. Peisch discussed the make-up of the investment team. Mr. Eichmeyer noted that, in conjunction with Germany's relatively high degree of privately held low-to-mid-market companies, the region's underdeveloped, but evolving, PE market has created a robust investment opportunity set. Mr. Peisch outlined ECM's competitive differentiators and methods that allow ECM to remain well protected in downside scenarios. Mr. Eichmeyer summarized ECM's investment strategy, describing the methods used to drive value creation and growth.

The Board asked questions.

Mr. Lynch explained how ECM German Equity Partners Fund V fits into the Plan's current portfolio.

The Board asked questions.

On a motion by Mr. Costello which was seconded by Ms. Reback, it was unanimously **VOTED: that the Employees' Retirement System of the State of Rhode Island make a commitment up to a €35 million investment in ECM German Equity Partners Fund V, subject to legal and investment staff review.**

IV. Alternative Investment Consultant Finalist Presentation, Cliffwater

Mr. Stais summarized the RFP diligence process and explained the rationale behind the search committee's decision to recommend hiring Cliffwater as the Plan's Alternative Investment Consultant while retaining PCA as the Plan's Real Estate Investment Consultant. He elaborated on the scoring criteria used to evaluate pool of candidates.

Mr. Lynch provided background on the firm and described Cliffwater's senior leadership team. He then outlined Cliffwater's alternative asset class coverage and described the firm's proposed support team for the Plan. Mr. Lynch highlighted the firm's service capabilities on both the portfolio administration side and the legal side. He then discussed Cliffwater's operational due diligence and monitoring processes. Ms. Zadra highlighted some of the work performed by Cliffwater's ERSRI support team throughout the normal course of business, including regularly meeting with the Plan's managers, distributing written performance commentaries, handling partnership amendment memos, and monitoring the funds.

The Board asked questions.

On a motion by Mr. Costello which was seconded by Ms. Reback, it was unanimously **VOTED: to engage Cliffwater as the Alternative Investment Consultant to the Plan and that Alec Stais be authorized to execute and deliver a written agreement with Cliffwater on behalf of the Plan for a 3-year term and on such other terms as were previously outlined.**

On a motion by Ms. Reback which was seconded by Mr. Costello, it was unanimously **VOTED: to engage PCA as the Real Estate Investment Consultant to the Plan and that Alec Stais be authorized to execute and deliver a written agreement with PCA on behalf of the Plan for a 3-year term and on such other terms as were previously outlined.**

V. General Consultant Update, NEPC

Mr. Forde clarified NEPC's product rating system and how it applies to the Plan's current roster of active managers. Mr. Leonard described the process in which NEPC applies its rating scale and further explained the definitions associated with each of the rating categories, which are refreshed annually.

The Board asked questions.

VI. Legal Counsel Report

There was no legal counsel report

VII. Chief Investment Officer Report

Mr. Stais discussed the Plan's total performance during the first calendar quarter, highlighting the QVM allocation's outperformance relative to its benchmark through quarter's volatile market environment. He noted the impact of the dollar and interest rate movements on the Plan's performance to date.

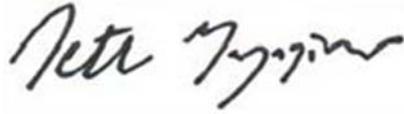
The Board asked questions.

VIII. Treasurer's General Comments

Treasurer Magaziner acknowledged the commission's hard work throughout both Consultant RFP processes and noted that the Staff and Board will continue to focus on executing the Plan's investment strategy.

On a motion by Ms. Reback and seconded by Mr. Fay, it was unanimously **VOTED: to adjourn the meeting at 11:07 AM.**

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Seth Magaziner". The signature is written in a cursive style with a large initial "S" and a long, sweeping tail.

**Seth Magaziner,
General Treasurer**



State Investment Commission
Monthly Meeting Minutes
Wednesday, May 23rd, 2018 9:00
a.m.

Executive Conference Room, Department of Administration

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:05 AM, Wednesday, May 23rd, 2018 in the Executive Conference Room, Department of Administration.

I. Roll Call of Members

The following members were present: Mr. Michael Costello, Mr. Thomas Fay, Ms. Sylvia Maxfield, Mr. Thomas Mullaney, Ms. Marcia Reback, Mr. Robert Benson, Ms. Karen Hammond, Mr. Frank Karpinski, and Treasurer Seth Magaziner.

Also in attendance: Mr. Tom Lynch, Cliffwater; Mr. Dexter Paine and Mr. Matthew Hershenson, Paine Schwartz Partners; Mr. Kosmo Kalliarekos, Baring Private Equity Asia; Ms. Jennifer Bender, Mr. Taylor Famiglietti, Mr. Guarav Mallik and Mr. Kevin Smith, State Street Global Advisors; Mr. Alec Stais, Chief Investment Officer; Ms. Sally Dowling and Ms. Nicole Verdi, Adler, Pollock & Sheehan, legal counsel; Mr. Doug Moseley and Mr. Will Forde, NEPC; and other members of the Treasurer's staff.

Treasurer Magaziner called the meeting to order at 9:05 AM.

II. Approval of Minutes

On a motion by Mr. Mullaney and seconded by Mr. Costello, it was unanimously **VOTED: to approve the draft minutes of the April 25th, 2018 meeting of the State Investment Commission.**

III. Private Equity Investment Recommendation, Paine Schwartz Food Chain Fund V

Mr. Paine discussed his background and experience in the Private Equity industry and introduced his firm's Director of Investor Relations, Mr. Matt Hershenson. Mr. Paine noted that Paine Schwartz is the leading Private Equity investor in the Food & Agribusiness space. Mr. Paine overviewed the firm's organizational structure and explained the firm's evolution towards Food and Agribusiness specialization. Mr. Paine detailed the firm's investment approach, ESG auditing process with a focus on sustainability, and approach to limiting commodity risk. He discussed how Paine's value creation process has resulted in strong multiple expansion. Mr. Paine reviewed some of the individual Fund IV portfolio companies and discussed overall Fund performance. He noted Fund V terms.

The Board asked questions.

Mr. Tom Lynch discussed Fund IV return expectations and explained Cliffwater's logic behind recommending Paine Schwartz Food Chain Fund V.

The Board asked questions.

On a motion by Ms. Hammond which was seconded by Ms. Maxfield, it was unanimously **VOTED: that the Employees' Retirement System of the State of Rhode Island make a commitment up to a \$50 million investment in Paine Schwartz Food Chain Fund V, subject to legal and investment staff review.**

IV. Private Equity Investment Recommendation, Baring Private Equity Asia Fund VII

Mr. Tom Lynch introduced Baring's Kosmo Kalliarekos, who provided a brief overview of his background. Mr. Kalliarekos explained that Baring provides exposure to Asian growth opportunities through a dispersed Pan-Asian approach. Mr. Kalliarekos described the firm's comprehensive regional coverage and outlined Fund VI's diverse portfolio construction by region and sector. He highlighted the firm's deep institutional capabilities, which are supported by Baring's three major executive committees. Mr. Kalliarekos highlighted Baring's stable and long-serving leadership team before illustrating the firm's fundamental focus and consistency. He described several case studies that portrayed the firm's value creation strategies. Mr. Kalliarekos described the Fund's terms and reiterated the firm's track record.

The Board asked questions.

Mr. Lynch explained how an investment in Baring Private Equity Asia Fund VII would impact the Plan's Private Equity allocation and diversification.

The Board asked questions.

On a motion by Mr. Costello which was seconded by Ms. Reback, it was unanimously **VOTED: that the Employees' Retirement System of the State of Rhode Island make a commitment up to a \$50 million investment in Baring Private Equity Asia Fund VII, subject to legal and investment staff review.**

V. General Consultant Update, NEPC

Mr. Will Forde reminded the Board that NEPC is conducting an evaluation of the Plan's existing roster of managers. He outlined the current 3-factor custom portfolio that is managed by State Street on behalf of the Plan. Mr. Doug Moseley explained that the Plan currently implements a custom Quality factor definition that differs from what is currently used in State Street's off-the-shelf factor-based product. He previewed State Street's proposed changes to the Plan's current QVM allocation.

The Board asked questions.

VI. QVM Portfolio Review, State Street Global Advisors

Mr. Taylor Famiglietti introduced the State Street team and Mr. Kevin Smith outlined the structure of the upcoming presentation and proposal. Ms. Jenn Bender recapped the decision-making process behind the implementation of the existing QVM strategy and guided the Board through the current rules-based portfolio construction process. She discussed live and back-tested performance of the current strategy. Mr. Guarav Mallik explained that an optimized portfolio construction framework considers the underlying risk makeup of the factors to effectively manage competing objectives and avoid unintended exposures. Ms. Bender clarified the optimization methodology and constraints that would be implemented under State Street's proposed adjustment to the current QVM strategy. Mr. Mallik used back-tested comparative analysis to highlight significant turnover reduction under the proposed optimized strategy. Ms. Bender

noted that optimization allows the strategy to achieve portfolio diversification with a considerably reduced number of holdings.

The Board asked questions.

On a motion by Mr. Costello which was seconded by Ms. Hammond, it was unanimously **VOTED: that the Employees' Retirement System of the State of Rhode Island implement State Street Global Advisors' proposed change to the Plan's QVM portfolio construction process, subject to legal and investment staff review.**

VII. Legal Counsel Report

There was no legal counsel report

VIII. Chief Investment Officer Report

Mr. Alec Stais discussed the Plan's Fiscal Year-to-Date performance through the end of April, highlighting strong Plan performance versus the benchmark. He noted that the Plan's allocation targets are relatively in-line and mentioned that the investment staff will continue to work with NEPC to evaluate smaller differences in portfolio weights and discuss investment manager ideas.

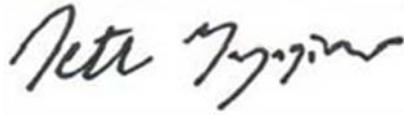
The Board asked questions.

IX. Treasurer's General Comments

Treasurer Magaziner briefly discussed the possibility of forgoing a July SIC meeting.

On a motion by Ms. Reback and seconded by Ms. Maxfield, it was unanimously **VOTED: to adjourn the meeting at 11:22 AM.**

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Seth Magaziner". The signature is written in a cursive style with a prominent initial "S" and a long, sweeping underline.

**Seth Magaziner,
General Treasurer**