

# McElroy & Donaldson

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December 1, 2021

Luly E. Massaro, Clerk  
Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

Re: Interstate Navigation Company  
Docket No. 4373 –Pension Expense Filing

Dear Luly:

As you know, this office represents Interstate Navigation Company (Interstate). Interstate's fiscal year ends May 31.

The Commission's Report and Order issued on June 20, 2013 (page 11) states that:

“Interstate's cost of service includes a \$70,000 annual pension expansion which is required to be funded thirty days following the end of the fiscal year and is an annual funding commitment unless altered by the Commission. Interstate is required to file documentation with the Commission regarding funding.”

In addition, the Settlement Agreement attached to the Report and Order as Appendix A states on page 9 that:

“Interstate's cost of service includes \$70,000 of annual pension expense. This amount will be funded and contributed to the external pension fund within thirty days after the end of the fiscal year. This funding commitment is ongoing and will continue from year to year unless directed otherwise by the Commission. Interstate will provide the Commission and the Division with documentation of its funding of the pension plan consistent with the terms of this paragraph.”

Pursuant to this requirement, enclosed are three Memoranda from David Bebyn, CPA, which shows that Interstate has made more than the \$70,000 required contribution for fiscal years 2019,

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Public Utilities Commission  
December 1, 2021  
Page 2

2020, and 2021. Note that the plan Interstate uses allows flexible contributions and future years may vary, but Interstate's total contributions will not be less than the \$70,000 per year total required by the approved settlement.

If you have any questions, please feel free to call.

Very truly yours,



Michael R. McElroy

MRMc:tmg  
cc: Service List

Interstate/Pension Filings/Massaro7

TO: Mike McElroy  
FROM: David Bebyn  
RE: Interstate Navigation Company Pension Contribution.  
Date: June 28, 2019

I have prepared the attached schedule which presents my calculation for the FY 2019 pension contribution based upon my conversation with Sue. Sue has already prepared and sent out the check for this payment. A copy of the payment from accounting program is also attached.

If you have any questions please don't hesitate to call me at 785-0800 extension 29.

Sincerely,

David G. Bebyn, CPA

Calculation of FY 2019 Pension Contribution  
Interstate Navigation Company  
5/31/19

**Pension Contribution expense:**

Est Qualified Employee Payroll FY 2019	\$	4,012,149.60	
Pension Funding Rate		<u>5%</u>	
Pension Contribution Expense			<u>\$ 200,607.48</u>
Total Contribution Made			<u>\$ 200,607.48</u>

## Interstate Navigation Company

## Vendor Ledgers

For the Period From Jan 1, 2019 to Jul 31, 2019

Filter Criteria includes: 1) IDs from John to John. Report order is by ID.

Vendor ID Vendor	Date	Trans No	Type	Paid	Debit Amt	Credit Amt	Balance
John John Hancock USA FBO CN#1	5/31/19	20801	CDJ		200,607.48	200,607.48	0.00
Report Total					200,607.48	200,607.48	0.00

TO: Mike McElroy  
FROM: David Bebyn  
RE: Interstate Navigation Company Pension Contribution.  
Date: November 30, 2021

I have prepared the attached schedule which presents my calculation for the FY 2020 pension contribution based upon my conversation with Lisa. Interstate has already prepared and sent out the check for this payment. A copy of the payment from accounting program is also attached.

If you have any questions please don't hesitate to call me at 785-0800 extension 29.

Sincerely,

David G. Bebyn, CPA

Calculation of FY 2020 Pension Contribution

Interstate Navigation Company

5/31/20

**Pension Contribution expense:**

Est Qualified Employee Payroll FY 2020	\$	3,589,458.80	
Pension Funding Rate		<u>5%</u>	
Pension Contribution Expense			\$ <u>179,472.94</u>
Total Contribution Made			\$ <u><u>179,472.94</u></u>

Interstate Navigation Company  
Vendor Ledgers  
For the Period From Jan 1, 2020 to Jul 31, 2021

Filter Criteria includes: 1) IDs from John to John Report order is by ID

Vendor ID Vendor	Date	Trans No	Type	Paid	Debit Amt	Credit Amt	Balance
John	5/20/20	2019	PJ	*		179,472.94	179,472.94
John Hancock USA FBO CN#1	5/20/20	003 PPP	CDJ		179,472.94		0.00
Report Total							



TO: Mike McElroy  
FROM: David Bebyn  
RE: Interstate Navigation Company Pension Contribution.  
Date: November 30, 2021

I have prepared the attached schedule which presents my calculation for the FY 2021 pension contribution based upon my conversation with Lisa. Interstate has already prepared and sent out the check for this payment. A copy of the payment from accounting program is also attached.

If you have any questions please don't hesitate to call me at 785-0800 extension 29.

Sincerely,

David G. Bebyn, CPA

Calculation of FY 2021 Pension Contribution

Interstate Navigation Company

5/31/21

**Pension Contribution expense:**

Est Qualified Employee Payroll FY 2021	\$	2,205,888.20	
Pension Funding Rate		<u>5%</u>	
Pension Contribution Expense	\$		<u>110,294.41</u>
Total Contribution Made	\$		<u><u>110,294.41</u></u>

Interstate Navigation Company  
Vendor Ledgers  
For the Period From Jan 1, 2020 to Jul 31, 2021

Filter Criteria includes: 1) IDs from John to John Report order is by ID

Vendor ID Vendor	Date	Trans No	Type	Paid	Debit Amt	Credit Amt	Balance
John John Hancock USA FBO CN#1							
	2/12/21	2021	PJ	*		110,294.41	110,294.41
	2/17/21	26957	CDJ		110,294.41		0.00
Report Total							