

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

DOMENIC J. F. RUSSO, *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

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MEMORANDUM

TO: Boston Retirement Board
FROM: Joseph E. Connarton, Executive Director
RE: Appropriation for Fiscal Year 2014 (Non-Teachers)
DATE: February 22, 2013

Required Fiscal Year 2014 Appropriation: **\$185,880,660**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2014 which commences July 1, 2013.

Attached please find summary information based on the present funding schedule for your system and the portion of the Fiscal Year 2014 appropriation to be paid by each of the governmental units within your system. Note that we continued to use the Early Retirement Incentive (ERI) bases (adjusted for the change in investment return assumption to 7.75%) from the prior valuation.

The assumed payment date in the funding schedule is July 1. It appears several of the governmental units make payments on a monthly basis from July to December. The Board could consider whether to adjust the assumed payment date and/or the amount of the appropriation for these units as part of the next actuarial valuation.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446 Extension 921.

Attachments

cc: Office of the Mayor
City Council
c/o City Clerk



Boston (non-teachers) Retirement Board

Projected Appropriations

Fiscal Year 2014 - July 1, 2013 to June 30, 2014

Aggregate amount of appropriation: **\$185,880,660**

Fiscal Year	Estimated Cost of Benefits	Funding Schedule (Excluding ERI)	ERI	Total Appropriation	Pension Fund Allocation	Pension Reserve Fund Allocation	Transfer From PRF to PF
FY 2014	\$435,040,650	\$200,906,539	(\$15,025,879)	\$185,880,660	\$185,880,660	\$0	\$249,159,990
FY 2015	\$456,978,057	\$217,865,225	(\$14,790,604)	\$203,074,621	\$203,074,621	\$0	\$253,903,436
FY 2016	\$480,016,888	\$236,403,764	(\$14,544,741)	\$221,859,023	\$221,859,023	\$0	\$258,157,865
FY 2017	\$504,212,441	\$256,668,798	(\$14,287,815)	\$242,380,983	\$242,380,983	\$0	\$261,831,458
FY 2018	\$529,622,794	\$278,820,551	(\$14,019,327)	\$264,801,224	\$264,801,224	\$0	\$264,821,570

The Total Appropriation column shown above is in accordance with your current funding schedule and the scheduled payment date(s) in that schedule. Whenever payments are made after the scheduled date(s), the total appropriation should be revised to reflect interest at the rate assumed in the most recent actuarial valuation. Payments should be made before the end of the fiscal year.

For illustration, we have shown the amount to be transferred from the Pension Reserve Fund to the Pension Fund to meet the estimated Cost of Benefits for each year. If there are sufficient assets in the Pension Fund to meet the Cost of Benefits, this transfer is optional.

Boston (non-teachers) Retirement Board
 Appropriation by Governmental Unit

Fiscal Year 2014 - July 1, 2013 to June 30, 2014

Aggregate amount of appropriation: **\$185,880,660**

UNIT	Percent of Aggregate Amount	Funding Schedule (excluding ERI)	ERI	Total Appropriation
City of Boston	82.2564%	\$165,258,487	(\$20,215,909)	\$145,042,578
Boston Housing Authority	5.7240%	\$11,499,890	\$356,260	\$11,856,150
Boston Redevelopment Authority	0.9660%	\$1,940,757	\$168,989	\$2,109,746
Boston Water and Sewer Commission	3.7510%	\$7,536,004	\$453,869	\$7,989,873
Sheriff of Suffolk County	0.0000%	\$0	\$3,874,532	\$3,874,532
Public Health Commission	7.3026%	\$14,671,401	\$336,380	\$15,007,781
UNIT TOTAL	100%	\$200,906,539	\$-15,025,879	\$185,880,660

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