

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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JOSEPH E. CONNARTON, *Executive Director*

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MEMORANDUM

TO: Mass. Water Resources Authority Retirement Board
FROM: Joseph E. Connarton, Executive Director
RE: Appropriation for Fiscal Year 2014
DATE: October 17, 2012

Required Fiscal Year 2014 Appropriation: **\$5,903,107**

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.

If your System has a valuation currently in progress, you may submit a revised funding schedule to PERAC upon its completion. The current schedule is/was due to be updated by Fiscal Year 2015.

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

JEC/jrl
Attachments

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Mass. Water Resources Authority Retirement Board

Projected Appropriations

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

Aggregate amount of appropriation: **\$5,903,107**

| 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 | \$7,993,429 | \$5,903,107 | \$0 | \$5,903,107 | \$5,903,107 | \$0 | \$2,090,322 |
| FY 2015 | \$8,853,637 | \$6,058,255 | \$0 | \$6,058,255 | \$6,058,255 | \$0 | \$2,795,382 |
| FY 2016 | \$9,800,960 | \$6,215,415 | \$0 | \$6,215,415 | \$6,215,415 | \$0 | \$3,585,545 |
| FY 2017 | \$10,844,219 | \$6,374,449 | \$0 | \$6,374,449 | \$6,374,449 | \$0 | \$4,469,770 |
| FY 2018 | \$11,993,131 | \$6,535,211 | \$0 | \$6,535,211 | \$6,535,211 | \$0 | \$5,457,920 |

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.