

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

DOMENIC J. F. RUSSO, *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | PHILIP Y. BROWN, ESQ. | JOHN B. LANGAN | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. MCCARTHY

MEMORANDUM

TO: Reading Retirement Board
FROM: Joseph E. Connarton, Executive Director
RE: Appropriation for Fiscal Year 2015
DATE: December 13, 2013

Required Fiscal Year 2015 Appropriation: **\$4,961,544**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2015 which commences July 1, 2014.

Attached please find summary information based on the present funding schedule for your system. The allocation by governmental unit is currently being developed by KMS Actuaries as part of their July 1, 2013 actuarial valuation and will be provided upon completion.

The current schedule is/was due to be updated by Fiscal Year 2017.

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

JEC/jrl
Attachments

cc: Town Manager
Town Meeting
c/o Town Clerk

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Reading Retirement Board

Projected Appropriations

Fiscal Year 2015 - July 1, 2014 to June 30, 2015

Aggregate amount of appropriation: **\$4,961,544**

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 2015	\$7,351,477	\$4,961,544	\$0	\$4,961,544	\$4,961,544	\$0	\$2,389,933
FY 2016	\$7,658,969	\$5,184,813	\$0	\$5,184,813	\$5,184,813	\$0	\$2,474,156
FY 2017	\$7,979,216	\$5,418,129	\$0	\$5,418,129	\$5,418,129	\$0	\$2,561,087
FY 2018	\$8,312,748	\$5,661,945	\$0	\$5,661,945	\$5,661,945	\$0	\$2,650,803
FY 2019	\$8,660,116	\$5,916,733	\$0	\$5,916,733	\$5,916,733	\$0	\$2,743,383

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.