

# 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: Governmental Unit Appropriation for Fiscal Year 2015

DATE: February 14, 2014

This Commission previously furnished you with the amount to be appropriated for your retirement system for Fiscal Year 2015, which commences July 1, 2014 in our memorandum of December 13, 2013.

This memorandum provides the allocation to your governmental units that was developed by KMS Actuaries as part of your July 1, 2013 actuarial valuation.

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



## SECTION 9 - RESULTS BY DEPARTMENT

Department	Storm Water Enterprise		Housing		Municipal Light		School		Sewer		Water		Retirement		Town		Total	
Projected Payroll	135,414		247,909		6,015,204		2,692,324		130,092		681,799		67,307		12,576,453		22,546,502	
FY2014 Appropriation																		
5.1 Employer Normal Cost	7,303	5.39%	14,125	5.70%	407,334	6.77%	185,909	6.91%	5,236	4.02%	6,442	0.94%	2,116	3.14%	776,717	6.18%	1,405,182	6.23%
5.2 Amortization Payment of UAL*	(4,994)	-3.69%	13,989	5.64%	938,705	15.61%	364,342	13.53%	23,224	17.85%	69,975	10.26%	(2,116)	-3.14%	1,939,581	15.42%	3,342,707	14.83%
5.3 Total = 5.1 + 5.2	2,309	1.71%	28,114	11.34%	1,346,039	22.38%	550,251	20.44%	28,460	21.88%	76,417	11.21%	0	0.00%	2,716,298	21.60%	4,747,889	21.06%
FY2015 Appropriation																		
6.1 Employer Normal Cost	7,632	5.39%	14,761	5.70%	425,664	6.77%	194,275	6.91%	5,472	4.03%	6,732	0.94%	2,211	3.14%	811,668	6.18%	1,468,415	6.23%
6.2 Amortization Payment of UAL**	5,401	3.82%	21,122	8.15%	973,044	15.48%	466,323	16.57%	28,257	20.79%	106,399	14.93%	8,160	11.60%	1,884,423	14.34%	3,493,129	14.83%
6.3 Total = 6.1 + 6.2	13,033	9.21%	35,883	13.85%	1,398,708	22.25%	660,598	23.48%	33,729	24.81%	113,131	15.88%	10,371	14.74%	2,696,091	20.51%	4,961,544	21.06%
FY2016 Appropriation																		
7.1 Employer Normal Cost	7,975	5.39%	15,425	5.70%	444,819	6.77%	203,017	6.91%	5,718	4.02%	7,035	0.94%	2,310	3.14%	848,194	6.18%	1,534,493	6.23%
7.2 Amortization Payment of UAL	5,644	3.82%	22,073	8.15%	1,016,831	15.48%	487,307	16.57%	29,528	20.79%	111,187	14.93%	8,527	11.60%	1,969,222	14.34%	3,650,320	14.83%
7.3 Total = 7.1 + 7.2	13,619	9.21%	37,498	13.85%	1,461,650	22.25%	690,324	23.48%	35,246	24.81%	118,222	15.88%	10,837	14.74%	2,817,416	20.51%	5,184,813	21.06%

**Notes:**

1. Actuarial Value of Plan Assets (3.1) is derived from allocation of assets as shown on separate attachment.
2. FY2015 and FY2016 Appropriation is based on Funding Schedule D-Revised.
3. 2014 Employer Normal Cost (5.1) is the Employer Normal Cost as of July 1, 2013, adjusted for payment timing (1.6). 2015 Employer Normal Cost (6.1) is based on 2014 Employer Normal Cost (5.1) increased by 4.5%.
- \*4. Amortization Payment of UAL (5.2) equals fiscal year 2014 budgeted appropriation (5.3) developed in the July 1, 2011 actuarial valuation less Employer Normal Cost (5.1).
- \*\*5. Amortization Payment of UAL (6.2) is the total Amortization Payment of UAL (6.2) allocated to each department in the proportion that the UAL (4.1) less 2014 Amortization Payment of UAL (5.2) bears to the total UAL (4.1) less total 2014 Amortization Payment of UAL (5.2).

Reading Contributory Retirement System  
Actuarial Valuation as of July 1, 2013