

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

DOMENIC J. F. RUSSO, *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | ALAN MACDONALD | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. McCARTHY | GREGORY R. MENNIS

MEMORANDUM

TO: Chelsea Retirement Board
FROM: Joseph E. Connarton, Executive Director
RE: Appropriation for Fiscal Year 2013
DATE: November 29, 2011

Required Fiscal Year 2013 Appropriation: **\$9,364,656**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2013 which commences July 1, 2012.

Attached please find summary information based on the present funding schedule for your system and the portion of the Fiscal Year 2013 appropriation to be paid by each of the governmental units within your system. Please note that the figures for FY13 do not match the funding schedule approved by the Board. The payments in the funding schedule have been adjusted to reflect that the Housing Authority makes the appropriation payment at the end of the fiscal year. 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

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



Chelsea Retirement Board

Projected Appropriations

Fiscal Year 2013 - July 1, 2012 to June 30, 2013

Aggregate amount of appropriation: **\$9,364,656**

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 2013	\$7,992,103	\$9,313,512	\$51,144	\$9,364,656	\$7,992,103	\$1,372,553	\$0
FY 2014	\$8,155,242	\$9,604,127	\$51,466	\$9,655,593	\$8,155,242	\$1,500,351	\$0
FY 2015	\$8,321,645	\$9,950,950	\$51,803	\$10,002,753	\$8,321,645	\$1,681,108	\$0
FY 2016	\$8,491,375	\$10,311,615	\$52,155	\$10,363,770	\$8,491,375	\$1,872,395	\$0
FY 2017	\$8,664,500	\$10,686,729	\$52,523	\$10,739,252	\$8,664,500	\$2,074,752	\$0

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.

Chelsea Retirement Board
 Appropriation by Governmental Unit

Fiscal Year 2013 - July 1, 2012 to June 30, 2013

Aggregate amount of appropriation: **\$9,364,656**

UNIT	Percent of Aggregate Amount	Funding Schedule (excluding ERI)	ERI	Total Appropriation
City of Chelsea	64.50926%	\$6,008,078	\$0	\$6,008,078
Chelsea Housing Authority	8.55794%	\$797,045	\$51,144	\$848,189
School Department	26.93280%	\$2,508,389	\$0	\$2,508,389
UNIT TOTAL	100%	\$9,313,512	\$51,144	\$9,364,656

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.