

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATE FITZPATRICK | ELIZABETH FONTAINE | JOHN B. LANGAN | JAMES M. MACHADO | ROBERT B. MCCARTHY

MEMORANDUM

TO: Revere Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: August 24, 2015

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on November 1 of each fiscal year. The schedule is effective in FY16 (since the amount under the prior schedule was maintained in FY16) and is acceptable under Chapter 32.

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

JEC/jrl

P:\actuarial\APPROP\Approp16\revere approval.docx

Enc.



**Revere Retirement System
January 1, 2015 Actuarial Valuation**

Total Cost 5.0% increasing until FY31, with Final Amortization Payment FY32

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Amort. of 2002 ERI</u>	<u>Amort. of 2003 ERI</u>	<u>Pension Deferral</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>% Total Cost Increase</u>
2016	3,084,815	120,000	7,503,981	304,525	133,446	66,202	11,212,968	110,782,054	
2017	3,223,631	120,000	7,925,813	304,525	133,446	66,202	11,773,616	110,789,981	5.00%
2018	3,368,695	120,000	8,369,430	304,525	133,446	66,202	12,362,297	110,355,431	5.00%
2019	3,520,286	120,000	8,835,953	304,525	133,446	66,202	12,980,412	109,421,895	5.00%
2020	3,678,699	120,000	9,631,086		133,446	66,202	13,629,433	107,927,387	5.00%
2021	3,844,240	120,000	10,346,664				14,310,904	105,803,979	5.00%
2022	4,017,231	120,000	10,889,218				15,026,450	102,977,275	5.00%
2023	4,198,007	120,000	11,459,765				15,777,772	99,365,859	5.00%
2024	4,386,917	120,000	12,059,744				16,566,661	94,880,692	5.00%
2025	4,584,328	120,000	12,690,665				17,394,994	89,424,453	5.00%
2026	4,790,623	120,000	13,354,120				18,264,743	82,890,841	5.00%
2027	5,006,201	120,000	14,051,779				19,177,980	75,163,801	5.00%
2028	5,231,480	120,000	14,785,399				20,136,880	66,116,708	5.00%
2029	5,466,897	120,000	15,556,827				21,143,723	55,611,465	5.00%
2030	5,712,907	120,000	16,368,003				22,200,910	43,497,540	5.00%
2031	5,969,988	120,000	17,220,967				23,310,955	29,610,924	5.00%
2032	6,238,637	120,000	14,109,097				20,467,734	13,772,998	-12.20%
2033	6,519,376	120,000					6,639,376	0	-67.56%

Appropriation payments assumed to be made November 1 of each fiscal year
Normal cost assumed to increase 4.5% per year
Assumed administrative expenses of \$425,000.
FY16 amount maintained at level of prior funding schedule.