PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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M E M O R A N D U M

TO: Haverhill Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Appropriation for Fiscal Year 2013

DATE: November 4, 2011

Required Fiscal Year 2013 Appropriation: **$13,402,512**

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. The allocation by governmental unit was developed by Segal as part of their January 1, 2010 actuarial valuation.

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 2014.

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

JEC/jrl
Attachments

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

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Haverhill Retirement Board

Projected Appropriations

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

Aggregate amount of appropriation: **$13,402,512**

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	$18,874,260	$12,711,633	$690,879	$13,402,512	$13,402,512	$0	$5,471,748
FY 2014	$19,257,786	$13,347,389	$718,514	$14,065,903	$14,065,903	$0	$5,191,883
FY 2015	$19,648,982	$13,989,819	$747,253	$14,737,072	$14,737,072	$0	$4,911,910
FY 2016	$20,048,002	$14,646,260	$777,145	$15,423,405	$15,423,405	$0	$4,624,597
FY 2017	$20,455,003	$15,319,531	$808,230	$16,127,761	$16,127,761	$0	$4,327,242

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.

EXHIBIT H

Department Results

The results of the January 1, 2010 actuarial valuation projected to July 1, 2010 and July 1, 2011, are shown for the following departments.

Department	Housing Authority	Police & Fire	School	Waste Water	Water	Whittier	All others	Total
Actives	14	180	381	25	33	67	176	876
Inactive nonvested	0	8	70	1	0	14	26	119
Inactive vested	0	1	6	0	1	3	52	63
Retirees	8	218	242	13	16	31	566	1094
Projected 2010 – 2011 payroll	$633,947	$12,209,080	$10,313,461	$1,472,753	$1,724,143	$2,373,302	$7,417,970	$36,144,657
2002 ERI payment	$4,401	$72,803	$57,956	$16,480	$20,534	$3,339	$190,202	$365,716
2003 ERI payment	$0	$90,474	$54,411	$44,613	$16,435	$1,713	$65,395	$273,040
FY 2011 appropriation, including ERI payments	$116,508	$4,467,227	$1,857,750	$323,838	$274,038	$357,299	$3,926,048	$11,322,708
2002 ERI payment	$4,577	$75,715	$60,274	$17,140	$21,356	$3,473	$197,811	$380,346
2003 ERI payment	$0	$94,093	$56,587	$46,398	$17,092	$1,781	$68,010	$283,961
FY 2012 appropriation, including ERI payments	$130,257	$4,775,682	$2,033,820	$345,894	$318,355	$382,951	$4,354,793	$12,341,752
2002 ERI payment	$4,760	$78,744	$62,685	$17,826	$22,210	$3,612	$205,722	$395,559
2003 ERI payment	$0	$97,857	$58,850	$48,254	$17,776	$1,852	$70,731	$295,320
FY 2013 appropriation, including ERI payments	$141,086	$5,171,038	$2,196,945	$374,985	$346,261	$415,916	$4,756,281	$13,402,512

In completing the separate valuations for the departments, assets were allocated in proportion to the total actuarial accrued liability for each department.