

840 CMR: PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION

840 CMR 23.00: RECOGNITION OF GAINS AND LOSSES

Section

23.01: Amortization Schedule

23.02: Definition of Realized Gains or Losses and Unrealized Gains and Losses

23.01: Amortization Schedule

The actuary may, in the determination of the appropriation amounts pursuant to M.G.L. c. 32, § 22(3)(d) or, for the state employees' retirement system, the teachers' retirement system and those systems who have elected to adopt M.G.L. c. 32, § 22D, in the determination of a funding schedule, amortize realized gains and losses and unrealized gains and losses over a period of five years or any other period of time as prescribed by the Commissioner.

23.02: Definition of Realized Gain or Loss and Unrealized Gain or Loss

Pursuant to 840 CMR 23.01, a realized gain (loss) is any profit (loss) sustained on the sale or maturity of any investment of any system, due to the amount received being more (less) than the book value on the date of its sale or maturity. An unrealized gain (loss) is any amount by which the market value of any investment required to be valued at its market value pursuant to M.G.L. c. 32, § 21, paragraph (b) is more (less) than the value at which such investment was included in the assets of the system on the date of the last previous valuation.

REGULATORY AUTHORITY

840 CMR 23.00: M.G.L. c. 7, § 50; c. 32, § 21.