

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOHN W. PARSONS, ESQ., *Executive Director*

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MEMORANDUM

TO: Boston Retirement Board
FROM: John W. Parsons, Esq., Executive Director
RE: Appropriation for Fiscal Year 2023 (non-teachers)
DATE: November 22, 2021

Required Fiscal Year 2023 Appropriation: **\$403,678,138**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2023 which commences July 1, 2022.

Attached please find summary information based on the present funding schedule for your system and the portion of the Fiscal Year 2023 appropriation to be paid by each of the governmental units within your system. Once again, we used the Early Retirement Incentive (ERI) bases determined previously, however the amortization period for each was extended to FY27. The ERI column also includes adjustments made due to the 2010 legislation regarding Boston teachers (credits for the crossover payment and additional FY11 payment) and the 2009 legislation regarding retired sheriffs of Suffolk County.

The figures in this memorandum and the attachments reflect the Board's current funding schedule plus the additional amortization of the cost of increasing the COLA base to \$15,000.

The current schedule is due to be updated by Fiscal Year 2023.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446 Extension 935.

JWP/jfb
Attachments

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

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Boston (non-teachers) Retirement Board

Projected Appropriations

Fiscal Year 2023 - July 1, 2022 to June 30, 2023

Aggregate amount of appropriation: **\$403,678,138**

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 2023	\$571,601,683	\$413,247,338	(\$9,569,200)	\$403,678,138	\$403,678,138	\$0	\$167,923,545
FY 2024	\$589,999,626	\$448,721,786	(\$9,318,133)	\$439,403,653	\$439,403,653	\$0	\$150,595,973
FY 2025	\$608,989,860	\$487,346,643	(\$9,055,767)	\$478,290,876	\$478,290,876	\$0	\$130,698,984
FY 2026	\$628,591,451	\$529,401,213	(\$8,781,594)	\$520,619,619	\$520,619,619	\$0	\$107,971,832
FY 2027	\$648,824,081	\$511,835,799	(\$8,495,085)	\$503,340,714	\$503,340,714	\$0	\$145,483,367

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.

Boston (non-teachers) Retirement Board
 Appropriation by Governmental Unit

Fiscal Year 2023 - July 1, 2022 to June 30, 2023

Aggregate amount of appropriation: **\$403,678,138**

UNIT	Percent of Aggregate Amount	Funding Schedule (excluding ERI)	ERI	Total Appropriation
City of Boston	85.4959%	\$353,309,530	(\$13,871,233)	\$339,438,297
Boston Housing Authority	3.9399%	\$16,281,532	\$380,174	\$16,661,706
Boston Redevelopment Authority	0.7426%	\$3,068,775	\$180,332	\$3,249,107
Boston Water and Sewer Commission	3.4020%	\$14,058,675	\$484,335	\$14,543,010
Sheriff of Suffolk County	0.0000%	\$0	\$2,898,233	\$2,898,233
Public Health Commission	6.4196%	\$26,528,826	\$358,959	\$26,887,785
UNIT TOTAL	100%	\$413,247,338	\$-9,569,200	\$403,678,138

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.