

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | ROBERT B. McCARTHY | JENNIFER F. SULLIVAN

MEMORANDUM

TO: Somerville Retirement Board
FROM: *Joseph E. Connarton*
Joseph E. Connarton, Executive Director
RE: Appropriation for Fiscal Year 2019
DATE: December 12, 2017

2017 DEC 15 P 12: 16
CITY CLERK'S OFFICE
SOMERVILLE, MA

Required Fiscal Year 2019 Appropriation: **\$15,226,941**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2019 which commences July 1, 2018.

The Board adopted a revised funding schedule earlier this year. PERAC did not approve this schedule. Our June 19, 2017 memorandum outlined our concerns regarding the schedule and requested the Board reconsider the adoption of this schedule. The Board discussed our request but decided to maintain the schedule. Note that if a funding schedule extends beyond FY30, the FY20 appropriation must be greater than the FY19 appropriation. We hope to work with the Board as it considers alternative schedules as part of the January 1, 2018 actuarial valuation and develops a revised FY20 appropriation.

Attached please find the Fiscal Year 2019 appropriation to be paid by each of the governmental units within your system. Note that we have not included the Projected Appropriation page based on our comments above.

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

JEC/jrl
Attachment

cc: Office of the Mayor
Board of Aldermen ✓
c/o City Clerk

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Somerville Retirement Board
 Appropriation by Governmental Unit

Fiscal Year 2019 - July 1, 2018 to June 30, 2019

Aggregate amount of appropriation: **\$15,226,941**

UNIT	Percent of Aggregate Amount	Funding Schedule (excluding ERI)	ERI	Total Appropriation
City of Somerville	94.05%	\$13,393,808	\$970,484	\$14,364,292
Somerville Housing Authority	5.95%	\$847,349	\$15,300	\$862,649
UNIT TOTAL	100%	\$14,241,157	\$985,784	\$15,226,941

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.