

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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JOSEPH E. CONNARTON, *Executive Director*



MEMORANDUM

TO: Saugus Retirement Board
FROM: *Joseph E. Connarton*
Joseph E. Connarton, Executive Director
RE: Approval of Funding Schedule
DATE: November 27, 2007

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 January 1 of each fiscal year. The schedule is effective in FY08 (since the amount under the prior schedule was maintained in FY08) 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

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Enc.



Saugus Retirement System
Alternative 1

Amortization of Unfunded Liability 3.0% increasing until FY2022

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Amort. of UAL</u>	<u>Amort. of 2003 ERIP</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>
2008	1,038,234	2,639,045	171,631	3,848,910	29,545,443
2009	1,095,337	2,699,608	176,780	3,971,725	29,056,326
2010	1,155,581	2,780,597	182,083	4,118,261	28,458,433
2011	1,219,138	2,864,014	187,546	4,270,698	27,721,363
2012	1,286,190	2,949,935	193,172	4,429,297	26,830,939
2013	1,356,931	3,038,433	198,967	4,594,331	25,771,731
2014	1,431,562	3,129,586	204,936	4,766,084	24,526,956
2015	1,510,298	3,223,474	211,084	4,944,856	23,078,358
2016	1,593,364	3,320,178	217,417	5,130,959	21,406,089
2017	1,680,999	3,419,783	223,939	5,324,722	19,488,571
2018	1,773,454	3,522,377	230,658	5,526,488	17,302,352
2019	1,870,994	3,628,048	237,577	5,736,619	14,821,949
2020	1,973,899	3,736,889	244,705	5,955,493	12,019,678
2021	2,082,463	3,848,996	252,046	6,183,505	8,865,466
2022	2,196,999	3,964,466	259,607	6,421,072	5,326,658
2023	2,317,833		267,395	2,585,229	1,367,791
2024	2,445,314		275,417	2,720,732	1,202,208
2025	2,579,807		283,680	2,863,486	1,014,612
2026	2,721,696		292,190	3,013,886	802,936
2027	2,871,389		300,956	3,172,345	564,935
2028	3,029,316		309,985	3,339,300	298,172
2029	3,195,928			3,195,928	0

FY08 appropriation maintained at current level.

Appropriation payments assumed to be made January 1 of each fiscal year.

Normal cost assumed to increase 5.5% per year.

Assumed administrative expenses of \$95,000.