

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

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## MEMORANDUM

TO: Saugus Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: August 25, 2015

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 FY16 (since the amount under the prior schedule was maintained in FY16) 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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**Saugus Retirement System**  
**January 1, 2015 Actuarial Valuation**

Amortization of Unfunded Liability 2.0% increasing until FY25

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Amort. of UAL</u>	<u>Amort. of 2002 ERIP</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>% Change</u>
2016	1,494,440	3,966,761	207,798	5,669,000	36,714,320	
2017	1,561,690	4,347,278	214,032	6,123,000	35,171,415	8.0%
2018	1,631,966	4,839,838	220,453	6,692,257	33,109,803	9.3%
2019	1,705,405	4,936,635	227,067	6,869,106	30,373,565	2.6%
2020	1,782,148	5,035,368	233,879	7,051,394	27,322,034	2.7%
2021	1,862,344	5,136,075	240,895	7,239,315	23,929,031	2.7%
2022	1,946,150	5,238,796	248,122	7,433,068	20,166,342	2.7%
2023	2,033,727	5,343,572	255,566	7,632,865	16,003,563	2.7%
2024	2,125,244	5,450,444	263,233	7,838,921	11,407,928	2.7%
2025	2,220,880	5,559,453	271,130	8,051,463	6,344,135	2.7%
2026	2,320,820		279,264	2,600,084	774,144	-67.7%
2027	2,425,257		287,642	2,712,898	543,104	4.3%
2028	2,534,394		296,271	2,830,664	285,808	4.3%
2029	2,648,441			2,648,441	0	-6.4%

All amounts assume payments will be made January 1 of each fiscal year.

Normal Cost increases 4.5% per year.

FY16 and FY17 appropriations were maintained at the same level as the prior schedule.