

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Dukes County Retirement Board
FROM: John W. Parsons, Esq., Executive Director
RE: Appropriation for Fiscal Year 2021
DATE: December 10, 2019

Required Fiscal Year 2021 Appropriation: **\$7,565,452**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2021 which commences July 1, 2020.

Attached please find summary information based on the present funding schedule for your system and the portion of the Fiscal Year 2021 appropriation to be paid by each of the governmental units within your system. The allocation by governmental unit was determined by KMS Actuaries as part of the January 1, 2018 actuarial valuation.

The current schedule is due to be updated by Fiscal Year 2021.

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

JWP/jfb
Attachments

cc: Regional Advisory Council
c/o Retirement Board

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Dukes County Retirement Board

Projected Appropriations

Fiscal Year 2021 - July 1, 2020 to June 30, 2021

Aggregate amount of appropriation: **\$7,565,452**

| 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 2021 | \$7,918,884 | \$7,324,911 | \$240,541 | \$7,565,452 | \$7,565,452 | \$0 | \$353,432 |
| FY 2022 | \$8,401,226 | \$7,775,580 | \$251,365 | \$8,026,945 | \$8,026,945 | \$0 | \$374,281 |
| FY 2023 | \$8,916,243 | \$8,253,912 | \$262,677 | \$8,516,589 | \$8,516,589 | \$0 | \$399,654 |
| FY 2024 | \$9,466,149 | \$8,761,606 | \$274,495 | \$9,036,101 | \$9,036,101 | \$0 | \$430,048 |
| FY 2025 | \$10,053,307 | \$9,300,455 | \$286,848 | \$9,587,303 | \$9,587,303 | \$0 | \$466,004 |

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.

SECTION 9 - MEMBER UNIT FY2021 APPROPRIATION

| | | FY2021 Appropriation | | | | | | | | |
|-------|----------------------|-----------------------------|------------------------|----------|----------|--------------------------|-------------------------------|-------------------------|-----------------------|------------------------|
| | | Actuarial Allocation Method | | | | | | | | |
| Unit | Unit Name | Normal Cost | Amortization of UAL | 2002 ERI | 2003 ERI | Net 3(8)(c) Transfers | Total FY2021 Appropriation | FY2020 Appropriation | Increase over 2020 | Payment on 7/1/2020 |
| 1 | Up-Island School | 80,295 | 145,773 | 3,001 | - | 6,508 | 235,577 | 222,512 | | 231,893 |
| 2 | Dukes County | 195,645 | 297,610 | 26,201 | 4,732 | 13,531 | 537,719 | 513,828 | | 535,491 |
| 3 | Tisbury | 436,183 | 791,665 | 45,921 | - | 35,309 | 1,309,078 | 1,237,118 | | 1,289,274 |
| 4 | Edgartown | 589,299 | 1,131,491 | 33,302 | 21,697 | 50,877 | 1,826,666 | 1,717,563 | | 1,789,975 |
| 5 | Oak Bluffs | 466,439 | 772,082 | 22,194 | 9,418 | 34,637 | 1,304,770 | 1,233,094 | | 1,285,081 |
| 6 | West Tisbury | 225,662 | 304,463 | 12,171 | 5,898 | 13,912 | 562,106 | 527,609 | | 549,853 |
| 7 | Chilmark | 144,927 | 202,755 | 15,380 | 8,144 | 9,449 | 380,655 | 356,909 | | 371,956 |
| 8 | Aquinnah | 103,360 | 98,122 | - | - | 4,482 | 205,964 | 194,361 | | 202,555 |
| 9 | Gosnold | 14,397 | 21,548 | - | - | 962 | 36,907 | 34,688 | | 36,150 |
| 10 | MV Transit Authority | 21,693 | 40,025 | - | - | 1,741 | 63,459 | 57,986 | | 60,431 |
| 11 | MV Regional School | 302,289 | 350,852 | 20,640 | - | 15,818 | 689,599 | 651,559 | | 679,029 |
| 12 | MV Landbank | 13,312 | 71,423 | - | 5,966 | 3,309 | 94,010 | 86,269 | | 89,906 |
| 13 | MV Refuse | 31,157 | 61,262 | - | - | 2,721 | 95,140 | 87,762 | | 91,462 |
| 14 | MV Commission | 45,722 | 92,926 | - | 5,876 | 4,341 | 148,865 | 140,151 | | 146,060 |
| 15 | OB Water Dept | 18,441 | 54,093 | - | - | 2,403 | 74,937 | 69,083 | | 71,995 |
| Total | | 2,688,821 | 4,436,090 | 178,810 | 61,731 | 200,000 | 7,565,452 | 7,130,492 | 6.10% | 7,431,111 |

Dukes County Contributory Retirement System
Actuarial Valuation as of January 1, 2018