

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair*

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

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MEMORANDUM

TO: Natick Retirement Board
FROM: John W. Parsons, Esq., Executive Director
RE: Appropriation for Fiscal Year 2024
DATE: December 8, 2022

Required Fiscal Year 2024 Appropriation: **\$13,828,435**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2024 which commences July 1, 2023.

As we indicated in PERAC Memo #26/2022, we are no longer including the Projected Appropriations page as an attachment. Attached please find the portion of the Fiscal Year 2024 appropriation to be paid by each of the governmental units within your system. The allocation by governmental unit was developed by Segal as part of their January 1, 2021 actuarial valuation.

The current schedule is due to be updated by Fiscal Year 2024.

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

JWP/jfb
Attachment

cc: Board of Selectmen
Town Meeting
c/o Town Clerk

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Exhibit D: Department Results as of January 1, 2021 - Revised

Category	Housing	Public Safety	Water & Sewer Enterprise Fund	Sassamon Trace Enterprise Fund	All Others	Total
1 Demographics:						
Actives	11	155	28	4	437	635
Inactives	0	10	3	3	188	204
Retired	4	140	15	1	254	414
Total	15	305	46	8	879	1,253
2 Total normal cost	\$79,750	\$2,696,373	\$195,735	\$22,425	\$2,952,021	\$5,946,304
3 Administrative expenses	4,024	136,036	9,875	1,131	148,934	300,000
4 Expected employee contributions	-70,006	-1,367,555	-196,054	-18,960	-2,265,730	-3,918,305
5 Employer normal cost: (2) + (3) + (4)	\$13,768	\$1,464,854	\$9,556	\$4,596	\$835,225	\$2,327,999
6 Employer normal cost as a percent of payroll	1.91%	10.74%	0.49%	2.42%	3.60%	5.86%
7 Actuarial accrued liability	\$4,744,952	\$119,878,313	\$11,005,954	\$360,407	\$118,746,452	\$254,736,078
8 Actuarial value of assets	3,337,515	84,320,272	7,741,392	457,177	83,524,142	179,380,498
9 Unfunded actuarial accrued liability: (7) – (8)	\$1,407,437	\$35,558,041	\$3,264,562	-\$96,770	\$35,222,310	\$75,355,580
10 Projected payroll as of January 1, 2021	720,732	13,642,313	1,962,555	190,045	23,191,956	39,707,601
11 Fiscal Year 2022 Actuarially Determined Contributions	188,696	6,263,028	414,292	12,974	5,428,268	12,307,258
12 Fiscal Year 2023 Actuarially Determined Contributions	210,858	6,550,832	464,570	5,035	5,814,398	13,045,693
13 Fiscal Year 2024 Actuarially Determined Contributions	223,510	6,943,879	492,445	5,337	6,163,264	13,828,435

Notes:

Actuarial value of assets allocated in proportion to liabilities, except for Sassamon Trace Enterprise Fund where actuarial value of assets is estimated from prior valuation plus employer and employee contributions, less benefit payments.

Because Sassamon Trace Enterprise Fund is overfunded as of January 1, 2021, its Actuarially Determined Contribution for Fiscal Year 2023 consists of only normal cost and administrative expenses. The unfunded liability amortization payments for the other departments are allocated in proportion to their liabilities.

Actuarially Determined Contributions are assumed to be paid on July 1 and December 31.

Fiscal year 2022 appropriation based on the January 1, 2019 valuation report dated October 23, 2019.