

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

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

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | RICHARD MACKINNON, JR. | JENNIFER F. SULLIVAN

MEMORANDUM

TO: Shrewsbury Retirement Board
FROM: John W. Parsons, Esq., Executive Director
RE: Appropriation for Fiscal Year 2023
DATE: November 30, 2021

Required Fiscal Year 2023 Appropriation: **\$1,053,821**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2023 which commences July 1, 2022.

We have not provided the projected appropriations for the next five years in this memorandum. As we mentioned in our October 1, 2021 memorandum, we approved the most recent funding schedule through only FY23. We understand the Board is having another valuation performed as of January 1, 2022. We will use the results of your January 1, 2022 actuarial valuation to approve the FY24 appropriation.

Attached please find the portion of the Fiscal Year 2023 appropriation to be paid by each of the governmental units within your system. The allocation by governmental unit was determined by Sherman Actuarial Services 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: Town Manager
Town Meeting
c/o Town Clerk

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Breakouts

	<u>Total</u>	<u>Housing</u>	<u>Light</u>	<u>Cable</u>	<u>Water</u>	<u>Sewer</u>	<u>Custodians</u>	<u>All Others</u>	<u>School Employees</u>	<u>School Lunch</u>	<u>Stormwater</u>
(1) Participants											
(a) Actives	440	8	35	25	12	2	23	187	132	14	2
(b) Inactives	100	0	5	10	1	0	2	18	61	3	0
(c) Retirees and Beneficiaries	266	5	28	7	12	1	17	133	48	15	0
(d) Disabled Retirees	<u>28</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>20</u>	<u>2</u>	<u>1</u>	<u>0</u>
(e) Total	834	13	70	42	25	4	44	358	243	33	2
(2) Payroll of Active Participants	\$26,189,777	\$529,293	\$3,138,503	\$2,039,150	\$780,220	\$102,649	\$1,334,940	\$12,831,383	\$4,923,040	\$355,189	\$155,411
(3) Normal Cost											
(a) Total Normal Cost	2,779,773	46,617	359,793	198,367	70,676	6,522	162,800	1,361,305	524,250	37,121	12,324
(b) Expected Employee Contributions	2,364,517	49,606	273,616	191,052	68,250	9,081	119,349	1,174,885	434,024	29,670	14,985
(c) Administrative Expenses	<u>175,000</u>	<u>2,935</u>	<u>22,651</u>	<u>12,488</u>	<u>4,449</u>	<u>411</u>	<u>10,249</u>	<u>85,701</u>	<u>33,004</u>	<u>2,337</u>	<u>776</u>
(d) Net Employer Normal Cost (a) - (b) + (c)	590,256	(54)	108,828	19,803	6,875	(2,148)	53,700	272,121	123,230	9,788	(1,885)
(4) Actuarial Accrued Liability	146,674,979	2,794,225	22,423,366	6,745,126	4,833,613	888,546	7,060,362	79,829,733	18,987,879	2,839,603	272,529
(5) Assets*	<u>148,778,587</u>	<u>2,708,706</u>	<u>26,125,424</u>	<u>6,911,395</u>	<u>4,685,677</u>	<u>861,351</u>	<u>6,844,274</u>	<u>77,386,485</u>	<u>18,406,741</u>	<u>2,752,695</u>	<u>264,188</u>
(6) Unfunded Actuarial Accrued Liability (4) - (5)	(2,103,608)	85,519	(3,702,058)	(166,269)	147,936	27,195	216,088	2,443,248	581,138	86,908	8,341
(7) Amortizations	0	0	0	0	0	0	0	0	0	0	0
(8) Total Required Employer Contributions *	1,005,512	(3,043)	195,005	27,118	9,301	(4,707)	97,151	458,541	213,456	17,239	(4,546)
(9) Fiscal 2022 Cost	1,058,364	0	0	0	0	0	0	1,058,364	0	0	0
(10) Fiscal 2023 Cost	1,053,821	0	0	0	0	0	0	1,053,821	0	0	0
(11) Fiscal 2024 Cost	63,030	0	0	0	0	0	0	63,030	0	0	0
(12) Fiscal 2025 Cost	62,608	0	0	0	0	0	0	62,608	0	0	0
(13) Fiscal 2026 Cost	61,155	0	0	0	0	0	0	61,155	0	0	0
(14) Fiscal 2027 Cost	58,589	0	0	0	0	0	0	58,589	0	0	0
(15) Fiscal 2028 Cost	54,824	0	0	0	0	0	0	54,824	0	0	0
(16) Fiscal 2029 Cost	49,768	0	0	0	0	0	0	49,768	0	0	0
(17) Fiscal 2030 Cost	43,323	0	0	0	0	0	0	43,323	0	0	0
(18) Percentage of Total Cost	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
(19) Funded Ratio	101.43%	96.94%	116.51%	102.47%	96.94%	96.94%	96.94%	96.94%	96.94%	96.94%	96.94%

* Twice Employer Normal Cost plus Administrative Expenses