

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Stoneham Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule and Revised Appropriation for FY21

DATE: June 30, 2020

Revised Appropriation for FY21: **\$6,465,692**

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.

This amount revises the figure shown in our November 19, 2019 memorandum. The Board requested to reduce the FY21 appropriation from the amount shown in the funding schedule approved on November 20, 2018. The revised appropriation is based on the funding schedule recently adopted by the Board (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective for FY21 only. Our understanding is that the Board is having a valuation performed as of January 1, 2020. A new funding schedule should be adopted based on the results of that valuation.

The revised allocation by governmental unit is as follows:

Town	6,273,661
Housing Authority	192,031

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

JWP/jfb

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STONEHAM RETIREMENT SYSTEM
FUNDING SCHEDULE with 3(8)(C) - 5 years
 MP-2019, 7.25% Discount Rate

Fiscal Year	Normal Cost	Unfunded Liability	Funding Amortization of UAAL	Net 3(8)(c) Payments	Schedule Contribution*	% Change
2021	N/A	N/A	N/A	N/A	6,465,692	-5.00%
2022	1,340,563	26,044,364	5,616,675	84,241	7,041,479	8.91%
2023	1,400,888	21,908,697	5,767,594	84,241	7,252,723	3.00%
2024	1,463,928	17,311,333	5,922,136	84,241	7,470,305	3.00%
2025	1,529,805	12,214,914	6,080,368	84,241	7,694,414	3.00%
2026	1,598,646	6,579,301	6,579,301	84,241	8,262,188	7.38%
2027	1,670,585	-	-	84,241	1,754,827	-78.76%

Amortization of Unfunded Liability as of July 1, 2021

Year	Type	Original Amort. Amount	Percentage Increasing	Original # of Years	Current Amort. Amount	Years Remaining
2022	Fresh Start	N/A	N/A	5	N/A	5

* The contribution for FY2021 is set to 95% of the prior year's contribution. FY2022 is set equal to the previously planned FY2021 contribution. The following years are set to increase by 3%, until FY2026, which is set to fully amortize the unfunded liability.