

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | ROBERT B. McCARTHY | JENNIFER F. SULLIVAN

MEMORANDUM

TO: Worcester Regional Retirement Board
FROM: Joseph E. Connarton, Executive Director
RE: Appropriation for Fiscal Year 2018
DATE: December 7, 2016

Required Fiscal Year 2018 Appropriation: **\$51,474,497**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2018 which commences July 1, 2017.

Attached please find summary information based on the present funding schedule for your system and the portion of the Fiscal Year 2018 appropriation to be paid by each of the governmental units within your system. The allocation by governmental unit was developed by KMS Actuaries as part of their January 1, 2016 actuarial valuation.

The current schedule is/was due to be updated by Fiscal Year 2019.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446 Extension 921.

JEC/jrl
Attachments

cc: Regional Advisory Council
c/o Retirement Board

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Worcester Regional Retirement Board

Projected Appropriations

Fiscal Year 2018 - July 1, 2017 to June 30, 2018

Aggregate amount of appropriation: **\$51,474,497**

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 2018	\$66,823,860	\$49,839,249	\$1,635,248	\$51,474,497	\$51,474,497	0	\$15,349,363
FY 2019	\$71,467,743	\$54,889,653	\$1,708,573	\$56,598,226	\$56,598,226	\$0	\$14,869,517
FY 2020	\$76,464,412	\$60,446,768	\$1,785,199	\$62,231,967	\$62,231,967	\$0	\$14,232,445
FY 2021	\$81,840,665	\$66,561,212	\$1,865,273	\$68,426,485	\$68,426,485	\$0	\$13,414,180
FY 2022	\$87,625,339	\$73,288,655	\$1,948,952	\$75,237,607	\$75,237,607	\$0	\$12,387,732

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 FY2018 APPROPRIATION

Unit	Unit Name	FYE2018 Appropriation					Total	FYE2017	Increase over	Payment on
		Normal Cost	UAL	2002 ERI	2003 ERI	2010 ERI		Appropriation	FYE 2017	7/1/2017
010	Ashburnham	274,552	381,937	29,387	-	-	685,876	615,826	11.37%	673,313
020	Ashburnham-Westminster Regional	245,870	313,648	-	-	-	559,518	503,888	11.04%	549,269
025	Athol	352,411	862,155	-	-	-	1,214,566	-	0.00%	1,192,319
026	Athol Housing Authority	10,390	24,512	-	-	-	34,902	-	0.00%	34,263
027	Athol-Royalston Regional School District	180,238	306,725	-	-	-	486,963	-	0.00%	478,043
030	Auburn	1,053,249	1,442,523	161,867	25,114	-	2,682,753	2,391,447	12.18%	2,633,613
040	Auburn Housing Authority	23,280	32,253	-	-	-	55,533	50,877	9.15%	54,516
050	Auburn Water District	25,151	57,445	4,817	-	-	87,413	86,112	1.51%	85,812
060	Barre	111,912	152,764	5,300	2,120	-	272,096	250,016	8.83%	267,112
070	Barre Housing Authority	3,423	10,217	-	-	-	13,640	12,298	10.91%	13,390
080	Berlin	179,895	247,617	-	-	-	427,512	379,337	12.70%	419,681
090	Berlin-Boylston Regional	47,838	65,945	-	-	-	113,783	103,720	9.70%	111,699
100	Blackstone	274,029	404,587	-	-	-	678,616	595,993	13.86%	666,186
105	Blackstone Housing Authority	9,611	7,491	-	-	-	17,102	14,307	19.54%	16,789
110	Blackstone-Millville Regional	190,814	263,096	-	-	-	453,910	452,853	0.23%	445,596
120	Bolton	156,129	209,879	15,899	-	-	381,907	346,145	10.33%	374,912
130	Boylston	275,935	278,148	12,044	-	-	566,127	476,634	18.78%	555,757
135	Boylston Water District	2,848	6,518	-	-	-	9,366	7,869	19.02%	9,194
140	Brookfield	109,952	133,672	8,029	-	-	251,653	220,411	14.17%	247,043
150	Charlton	447,227	594,584	41,110	-	-	1,082,921	1,012,691	6.93%	1,063,085
160	Cherry Valley-Rochdale Water	5,621	35,054	-	-	-	40,675	40,165	1.27%	39,930
165	Cherry Valley Sewer District	-	1,519	-	-	-	1,519	-	0.00%	1,491
170	Douglas	431,571	477,353	11,560	11,089	-	931,573	824,690	12.96%	914,509
180	Dudley	218,097	397,776	122,846	7,339	-	746,058	747,092	-0.14%	732,393
190	Dudley Housing Authority	-	12,176	-	-	-	12,176	22,278	-45.35%	11,953
200	Dudley-Charlton Regional	324,556	482,783	37,735	16,471	-	861,545	818,242	5.29%	845,764
210	East Brookfield	70,022	59,385	-	-	-	129,407	99,043	30.66%	127,037
220	Grafton	610,568	891,877	37,094	15,981	-	1,555,520	1,473,835	5.54%	1,527,028
230	Grafton Housing Authority	23,936	22,362	-	-	-	46,298	45,895	0.88%	45,450
240	Hardwick	58,334	103,445	12,205	-	-	173,984	193,088	-9.89%	170,797
250	Harvard	285,946	484,963	-	-	-	770,909	751,999	2.51%	756,788
260	Hillcrest Water District	597	1,978	-	-	-	2,575	8,512	-69.75%	2,528

Worcester Regional Retirement System
Actuarial Valuation as of January 1, 2016

SECTION 9 - MEMBER UNIT FY2018 APPROPRIATION

Unit	Unit Name	FYE2018 Appropriation					Total	FYE2017 Appropriation	Increase over FYE 2017	Payment on 7/1/2017
		Normal Cost	UAL	2002 ERI	2003 ERI	2010 ERI				
270	Holden	658,780	1,193,615	60,861	-	-	1,913,256	1,913,183	0.00%	1,878,211
280	Holden Housing Authority	14,378	12,253	-	-	-	26,631	26,579	0.20%	26,143
290	Hopedale	392,824	455,890	-	-	-	848,714	761,930	11.39%	833,168
300	Hopedale Housing Authority	-	4,348	-	-	-	4,348	6,751	-35.59%	4,268
310	Hubbardston	104,444	120,587	9,634	4,076	-	238,741	213,907	11.61%	234,368
320	Lancaster	209,664	308,699	-	-	-	518,363	497,350	4.22%	508,868
325	Lancaster Housing Authority	5,297	8,100	-	-	-	13,397	8,472	58.13%	13,152
330	Leicester	392,483	632,330	48,334	1,958	-	1,075,105	1,043,974	2.98%	1,055,412
340	Leicester Housing Authority	10,263	24,063	-	-	-	34,326	35,597	-3.57%	33,697
350	Leicester Water District	9,513	35,258	-	-	-	44,771	47,164	-5.07%	43,951
360	Lunenburg	431,376	696,261	-	-	-	1,127,637	1,072,029	5.19%	1,106,982
370	Lunenburg Housing Authority	1,088	197	-	-	-	1,285	3,702	-65.29%	1,261
380	Lunenburg Water District	5,245	38,753	-	-	-	43,998	47,022	-6.43%	43,192
390	Mendon	215,766	284,894	7,708	20,709	-	529,077	467,870	13.08%	519,386
400	Mendon-Upton Regional	302,717	345,246	6,424	7,173	-	661,560	620,850	6.56%	649,442
410	Millbury	563,143	926,223	131,194	-	-	1,620,560	1,542,991	5.03%	1,590,876
420	Millbury Housing Authority	31,284	45,350	-	5,872	-	82,506	79,509	3.77%	80,995
430	Millville	111,956	36,326	-	-	-	148,282	120,768	22.78%	145,566
440	Narragansett Regional	122,836	197,667	22,642	-	-	343,145	344,269	-0.33%	336,860
450	Nashoba Regional	433,118	479,742	-	-	-	912,860	783,696	16.48%	896,139
460	New Braintree	13,267	32,000	-	-	-	45,267	62,451	-27.52%	44,438
470	Northboro	565,521	1,165,295	-	-	-	1,730,816	1,644,972	5.22%	1,699,113
480	Northboro Housing Authority	23,839	32,856	-	-	-	56,695	51,256	10.61%	55,657
490	Northboro-Southboro Regional	163,992	166,511	-	-	-	330,503	282,183	17.12%	324,449
500	North Brookfield	141,712	236,939	-	13,208	-	391,859	393,681	-0.46%	384,681
510	North Brookfield Housing Authority	1,964	14,108	-	-	-	16,072	15,252	5.38%	15,778
530	Oakham	25,963	33,579	-	-	-	59,542	67,235	-11.44%	58,451
540	Oxford	612,791	984,434	125,413	14,187	-	1,736,825	1,785,719	-2.74%	1,705,012
550	Oxford Housing Authority	18,825	33,325	-	-	-	52,150	51,526	1.21%	51,195
555	Oxford-Rochdale Sewer District	8,641	18,369	-	-	-	27,010	18,121	49.05%	26,515
560	Paxton	288,089	321,788	-	-	-	609,877	490,595	24.31%	598,706
570	Petersham	63,103	73,229	-	2,120	-	138,452	135,553	2.14%	135,916

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		Normal Cost	UAL	2002 ERI	2003 ERI	2010 ERI		Appropriation	FYE 2017	7/1/2017
580	Phillipston	54,659	58,072	-	-	-	112,731	111,678	0.94%	110,666
590	Princeton	84,824	230,659	7,708	-	-	323,191	332,680	-2.85%	317,271
600	Quabbin Regional	321,606	497,807	48,816	7,173	-	875,402	869,089	0.73%	859,367
610	Quaboag Regional	111,993	166,809	28,261	-	-	307,063	298,626	2.83%	301,439
620	Royalston	15,747	31,517	-	-	-	47,264	50,567	-6.53%	46,398
630	Rutland	237,927	277,378	5,783	-	-	521,088	440,118	18.40%	511,543
640	Southboro	643,325	998,460	-	-	-	1,641,785	1,561,276	5.16%	1,611,713
650	Southboro Housing	4,150	(125)	10,116	-	-	14,141	13,618	3.84%	13,882
660	Spencer	303,922	472,678	-	-	-	776,600	707,661	9.74%	762,375
670	Spencer-East Brookfield Regional	187,422	310,338	21,839	3,749	-	523,348	500,749	4.51%	513,762
680	Spencer Housing Authority	9,832	25,667	-	-	-	35,499	36,779	-3.48%	34,849
690	Sterling	366,719	483,631	-	12,883	-	863,233	805,874	7.12%	847,421
700	Sterling Housing Authority	4,502	3,665	-	-	-	8,167	7,507	8.79%	8,017
710	Sturbridge	549,608	584,802	-	58,707	-	1,193,117	1,079,957	10.48%	1,171,263
720	Sutton	378,301	606,421	-	-	-	984,722	934,406	5.38%	966,685
730	Tantasqua Regional	270,367	314,350	-	-	-	584,717	551,635	6.00%	574,007
740	Templeton	236,931	423,347	19,751	-	-	680,029	676,348	-0.54%	667,573
750	Templeton Housing Authority	5,999	11,780	19,589	-	-	37,368	36,307	2.92%	36,684
760	Upton	201,617	319,297	-	-	-	520,914	458,640	13.58%	511,372
770	Uxbridge	543,356	984,114	68,086	-	-	1,595,556	1,552,552	2.77%	1,566,330
780	Uxbridge Housing Authority	11,100	31,481	-	-	-	42,581	52,217	-18.45%	41,801
790	Wachusett Regional	832,619	824,893	52,189	-	-	1,709,701	1,453,164	17.65%	1,678,385
800	Warren	132,450	150,272	48,495	-	5,769	336,986	291,004	15.80%	330,813
810	Warren Water District	7,323	7,036	-	-	-	14,359	11,846	21.21%	14,096
820	Westboro	1,258,834	2,165,931	-	32,615	-	3,457,380	3,322,520	4.06%	3,394,054
825	Westboro Housing Authority	12,078	17,041	4,655	-	-	33,774	29,909	12.92%	33,155
830	West Boylston	445,247	577,274	55,242	-	-	1,077,763	1,018,768	5.79%	1,058,022
835	West Boylston Housing Authority	1,689	7,519	-	-	-	9,208	10,318	-10.76%	9,039
840	West Boylston Water District	13,397	33,100	-	-	-	46,497	45,198	2.87%	45,645
850	West Brookfield	117,847	119,584	-	-	-	237,431	229,946	3.26%	233,082
860	Westminster	277,448	466,867	-	4,566	-	748,881	720,330	3.96%	735,164
870	Winchendon	437,314	805,206	55,401	-	-	1,297,921	1,347,215	-3.66%	1,274,147

Worcester Regional Retirement System
Actuarial Valuation as of January 1, 2016

SECTION 9 - MEMBER UNIT FY2018 APPROPRIATION

Unit	Unit Name	Normal Cost	UAL	FYE2018 Appropriation			Total	FYE2017	Increase over	Payment on
				2002 ERI	2003 ERI	2010 ERI		Appropriation	FYE 2017	7/1/2017
880	Winchendon Housing Authority	29,014	50,705	4,335	-	-	84,054	74,685	12.54%	82,514
Total		20,057,051	29,782,198	1,362,369	267,110	5,769	51,474,497	46,814,607	9.95%	50,531,642