

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 | ROBERT B. MCCARTHY | JENNIFER F. SULLIVAN

MEMORANDUM

TO: Worcester Regional Retirement Board
FROM: John W. Parsons, Esq., Executive Director
RE: Appropriation for Fiscal Year 2021
DATE: December 12, 2019

Required Fiscal Year 2021 Appropriation: **\$68,444,153**

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 developed by KMS Actuaries as part of their 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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Worcester Regional Retirement Board

Projected Appropriations

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

Aggregate amount of appropriation: **\$68,444,153**

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	\$71,846,658	\$66,578,879	\$1,865,274	\$68,444,153	\$68,444,153	\$0	\$3,402,505
FY 2022	\$75,976,373	\$73,305,396	\$1,948,952	\$75,254,348	\$75,254,348	\$0	\$722,025
FY 2023	\$80,352,758	\$80,711,529	\$2,030,626	\$82,742,155	\$80,352,758	\$2,389,397	\$0
FY 2024	\$84,990,546	\$88,852,996	\$2,122,004	\$90,975,000	\$84,990,546	\$5,984,454	\$0
FY 2025	\$89,905,351	\$97,809,519	\$2,217,494	\$100,027,013	\$89,905,351	\$10,121,662	\$0

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 ADDENDUM - MEMBER UNIT FY2021 APPROPRIATION

Unit	Unit Name	Normal Cost	UAL	2002 ERI	2003 ERI	2010 ERI	FYE2021	FYE2020	Increase over	Payment on
							Appropriation	Appropriation	FYE 2020	7/1/2020
010	Ashburnham	311,073	552,349	33,535	-	-	896,957	814,909	10.07%	880,527
020	Ashburnham-Westminster Regional	270,860	468,585	-	-	-	739,445	670,771	10.24%	725,901
025	Athol	417,133	1,247,285	-	-	-	1,664,418	1,491,426 *	11.60%	1,633,931
026	Athol Housing Authority	13,606	25,631	-	-	-	39,237	35,519	10.47%	38,518
027	Athol-Royalston Regional School District	169,848	463,262	-	-	-	633,110	568,377	11.39%	621,513
030	Auburn	1,164,937	2,247,888	184,718	28,660	-	3,626,203	3,292,421	10.14%	3,559,783
040	Auburn Housing Authority	23,021	47,846	-	-	-	70,867	64,005	10.72%	69,569
050	Auburn Water District	28,824	69,519	5,497	-	-	103,840	93,794	10.71%	101,938
060	Barre	141,411	214,652	6,048	2,419	-	364,530	332,169	9.74%	357,853
070	Barre Housing Authority	4,184	16,751	-	-	-	20,935	18,657	12.21%	20,552
080	Berlin	192,169	351,069	-	-	-	543,238	492,135	10.38%	533,288
090	Berlin-Boylston Regional	68,953	112,642	-	-	-	181,595	164,964	10.08%	178,269
100	Blackstone	325,720	619,895	-	-	-	945,615	855,819	10.49%	928,294
105	Blackstone Housing Authority	7,837	11,469	-	-	-	19,306	17,586	9.78%	18,952
110	Blackstone-Millville Regional	202,867	389,887	-	-	-	592,754	536,340	10.52%	581,897
120	Bofton	175,046	337,174	18,143	-	-	530,363	480,851	10.30%	520,648
130	Boylston	306,843	416,013	13,745	-	-	736,601	672,931	9.46%	723,109
135	Boylston Water District	3,840	9,743	-	-	-	13,583	12,214	11.21%	13,334
140	Brookfield	106,941	204,385	9,162	-	-	320,488	290,525	10.31%	314,618
150	Charlton	533,392	938,864	46,914	-	-	1,519,170	1,379,966	10.09%	1,491,343
160	Cherry Valley-Rochdale Water	6,985	55,133	-	-	-	62,118	54,840	13.27%	60,980
170	Douglas	492,900	695,874	13,192	12,654	-	1,214,620	1,108,659	9.56%	1,192,372
180	Dudley	250,330	574,065	140,187	8,375	-	972,957	885,411	9.89%	955,135
190	Dudley Housing Authority	2,769	14,989	-	-	-	17,758	15,752	12.73%	17,433
200	Dudley-Charlton Regional	351,340	737,852	43,062	18,796	-	1,151,050	1,042,824	10.38%	1,129,966
210	East Brookfield	75,107	97,166	-	-	-	172,273	157,422	9.43%	169,117
220	Grafton	688,228	1,364,336	42,330	18,237	-	2,113,131	1,913,958	10.41%	2,074,425
230	Grafton Housing Authority	13,400	43,540	-	-	-	56,940	50,938	11.78%	55,897
240	Hardwick	55,374	145,546	13,928	-	-	214,848	193,879	10.82%	210,913
250	Harvard	292,027	728,098	-	-	-	1,020,125	917,575	11.18%	1,001,439
260	Hillicrest Water District	218	3,851	-	-	-	4,069	3,569	14.01%	3,994
270	Holden	620,828	1,745,374	69,452	-	-	2,435,654	2,189,557	11.24%	2,391,040

Worcester Regional Retirement System
Actuarial Valuation as of January 1, 2018

SECTION 9 ADDENDUM - MEMBER UNIT FY2021 APPROPRIATION

Unit	Unit Name	Normal Cost	UAL	2002 ERI	2003 ERI	2010 ERI	FYE2021	FYE2020	Increase over	Payment on
							Appropriation	Appropriation	FYE 2020	7/1/2020
280	Holden Housing Authority	16,453	19,937	-	-	-	36,390	33,309	9.25%	35,723
290	Hopedale	411,124	676,368	-	-	-	1,087,492	987,717	10.10%	1,067,572
300	Hopedale Housing Authority	-	5,723	-	-	-	5,723	4,991	14.67%	5,618
310	Hubbardston	118,398	144,627	10,994	4,652	-	278,671	255,716	8.98%	273,567
320	Lancaster	241,724	499,879	-	-	-	741,603	669,868	10.71%	728,019
325	Lancaster Housing Authority	5,830	11,571	-	-	-	17,401	15,733	10.60%	17,082
327	Lancaster Sewer	2,213	-	-	-	-	2,213	2,141	3.36%	2,172
330	Leicester	424,992	1,001,032	55,157	2,234	-	1,483,415	1,339,332	10.76%	1,456,243
340	Leicester Housing Authority	18,025	34,430	-	-	-	52,455	47,470	10.50%	51,494
350	Leicester Water District	4,126	49,980	-	-	-	54,106	47,581	13.71%	53,115
360	Lunenburg	472,273	1,057,899	-	-	-	1,530,172	1,379,624	10.91%	1,502,144
370	Lunenburg Housing Authority	1,197	619	-	-	-	1,816	1,699	6.89%	1,783
380	Lunenburg Water District	132	66,328	-	-	-	66,460	57,971	14.64%	65,243
390	Mendon	252,518	446,156	8,796	23,633	-	731,103	664,571	10.01%	717,711
400	Mendon-Upton Regional	330,175	525,423	7,330	8,186	-	871,114	792,627	9.90%	855,158
410	Millbury	498,964	1,416,281	149,715	-	-	2,064,960	1,861,623	10.92%	2,027,136
420	Millbury Housing Authority	26,582	74,015	-	6,701	-	107,298	96,700	10.96%	105,333
430	Millville	136,836	56,435	-	-	-	193,271	181,637	6.41%	189,731
440	Narragansett Regional	138,246	284,860	25,839	-	-	448,945	406,998	10.31%	440,722
450	Nashoba Regional	430,107	737,293	-	-	-	1,167,400	1,059,220	10.21%	1,146,017
455	Nashoba Valley Dispatch	18,340	24,355	-	-	-	42,695	38,988	9.51%	41,913
460	New Braintree	16,980	47,287	-	-	-	64,267	57,671	11.44%	63,090
470	Northboro	682,586	1,717,552	-	-	-	2,400,138	2,158,433	11.20%	2,356,175
480	Northboro Housing Authority	23,361	51,875	-	-	-	75,236	67,847	10.89%	73,858
490	Northboro-Southboro Regional	176,233	266,569	-	-	-	442,802	403,021	9.87%	434,691
500	North Brookfield	207,388	356,152	-	15,073	-	578,613	525,756	10.05%	568,015
510	North Brookfield Housing Authority	2,076	16,632	-	-	-	18,708	16,513	13.29%	18,365
530	Oakham	25,592	54,458	-	-	-	80,050	72,259	10.78%	78,584
540	Oxford	639,634	1,430,148	143,119	16,189	-	2,229,090	2,019,052	10.40%	2,188,260
550	Oxford Housing Authority	27,909	55,888	-	-	-	83,797	75,748	10.63%	82,262
555	Oxford-Rochdale Sewer District	10,511	28,023	-	-	-	38,534	34,611	11.33%	37,828
560	Paxton	379,578	473,663	-	-	-	853,241	780,411	9.33%	837,612

Worcester Regional Retirement System
Actuarial Valuation as of January 1, 2018

SECTION 9 ADDENDUM - MEMBER UNIT FY2021 APPROPRIATION

Unit	Unit Name	Normal Cost	UAL	2002 ERI	2003 ERI	2010 ERI	FYE2021	FYE2020	Increase over	Payment on
							Appropriation	Appropriation	FYE 2020	7/1/2020
570	Petersham	60,604	111,788	-	2,419	-	174,811	158,460	10.32%	171,609
580	Phillipston	66,274	85,830	-	-	-	152,104	138,988	9.44%	149,318
590	Princeton	73,114	334,535	8,796	-	-	416,445	370,940	12.27%	408,817
600	Quabbin Regional	308,707	774,808	55,707	8,186	-	1,147,408	1,035,747	10.78%	1,126,391
610	Quaboag Regional	129,507	246,826	32,250	-	-	408,583	371,523	9.98%	401,099
620	Royalston	16,029	47,174	-	-	-	63,203	56,653	11.56%	62,045
630	Rutland	240,520	449,698	6,599	-	-	696,817	631,269	10.38%	684,053
640	Southboro	701,253	1,509,873	-	-	-	2,211,126	1,995,382	10.81%	2,170,625
650	Southboro Housing	4,602	354	11,544	-	-	16,500	15,836	4.19%	16,198
660	Spencer	306,293	690,121	-	-	-	996,414	898,263	10.93%	978,163
670	Spencer-East Brookfield Regional	218,519	419,923	24,921	4,278	-	667,641	605,694	10.23%	655,412
680	Spencer Housing Authority	10,747	40,948	-	-	-	51,695	46,111	12.11%	50,748
690	Sterling	432,790	771,717	-	14,700	-	1,219,207	1,105,940	10.24%	1,196,875
700	Sterling Housing Authority	-	6,246	-	-	-	6,246	5,447	14.67%	6,132
710	Sturbridge	593,340	869,380	-	66,994	-	1,529,714	1,396,649	9.53%	1,501,694
720	Sutton	405,741	933,355	-	-	-	1,339,096	1,206,625	10.98%	1,314,568
730	Tantasqua Regional	301,110	493,132	-	-	-	794,242	721,454	10.09%	779,694
740	Templeton	236,437	644,798	22,540	-	-	903,775	812,757	11.20%	887,221
750	Templeton Housing Authority	6,461	17,567	22,355	-	-	46,383	43,018	7.82%	45,533
760	Upton	224,165	485,539	-	-	-	709,704	640,369	10.83%	696,704
770	Uxbridge	558,522	1,453,083	77,697	-	-	2,089,302	1,882,265	11.00%	2,051,032
780	Uxbridge Housing Authority	13,451	46,403	-	-	-	59,854	53,485	11.91%	58,758
790	Wachusett Regional	811,361	1,249,339	59,556	-	-	2,120,256	1,931,860	9.75%	2,081,419
800	Warren	114,340	234,716	55,341	-	5,770	410,167	374,211	9.61%	402,654
810	Warren Water District	8,112	11,761	-	-	-	19,873	18,106	9.76%	19,509
820	Westboro	1,315,859	3,230,953	-	37,218	-	4,584,030	4,126,808	11.08%	4,500,066
825	Westboro Housing Authority	15,565	30,423	5,312	-	-	51,300	46,690	9.87%	50,360
830	West Boylston	540,563	855,475	63,040	-	-	1,459,078	1,329,653	9.73%	1,432,352
835	West Boylston Housing Authority	-	6,244	-	-	-	6,244	5,445	14.67%	6,130
840	West Boylston Water District	14,234	60,627	-	-	-	74,861	66,647	12.32%	73,490
850	West Brookfield	125,156	197,183	-	-	-	322,339	293,080	9.98%	316,435
860	Westminster	276,218	700,389	-	5,211	-	981,818	883,111	11.18%	963,834

Worcester Regional Retirement System
Actuarial Valuation as of January 1, 2018

SECTION 9 ADDENDUM - MEMBER UNIT FY2021 APPROPRIATION

Unit	Unit Name	Normal Cost	UAL	2002 ERI	2003 ERI	2010 ERI	FYE2021 Appropriation	FYE2020 Appropriation	Increase over FYE 2020	Payment on 7/1/2020
870	Winchendon	497,872	1,177,435	63,221	-	-	1,738,528	1,569,295	10.78%	1,706,683
880	Winchendon Housing Authority	39,624	83,841	4,947	-	-	128,412	116,208	10.50%	126,060
Total		21,725,204	44,853,675	1,554,689	304,815	5,770	68,444,153	61,930,590	10.52%	67,190,465

* FY2020 appropriation for Athol (unit 025) was reduced from \$1,811,090 to \$1,491,426, or a net of \$319,664, after valuation member unit allocation was prepared.