

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: Saugus Retirement Board
FROM: John W. Parsons, Esq., Executive Director
RE: Appropriation for Fiscal Year 2021
DATE: November 5, 2019

Required Fiscal Year 2021 Appropriation: **\$7,473,963**

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 amounts shown in this memorandum reflect an assumed payment date of November 15. As of FY21, our understanding is that the Housing Authority will make its payments as of July 1. The annual payment for the Housing Authority as of July 1 is \$264,638.

If your System has a valuation currently in progress, you may submit a revised funding schedule to PERAC upon its completion. The current schedule is due to be updated by Fiscal Year 2022.

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

JWP/jfb
Attachments

cc: Town Manager
Town Meeting
c/o Town Clerk

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Saugus Retirement Board

Projected Appropriations

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

Aggregate amount of appropriation: **\$7,473,963**

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	\$6,817,504	\$7,239,124	\$234,839	\$7,473,963	\$6,817,504	\$656,459	\$0
FY 2022	\$7,009,158	\$7,620,725	\$241,884	\$7,862,609	\$7,009,158	\$853,451	\$0
FY 2023	\$7,206,178	\$8,022,324	\$249,141	\$8,271,465	\$7,206,178	\$1,065,287	\$0
FY 2024	\$7,408,716	\$8,444,966	\$256,615	\$8,701,581	\$7,408,716	\$1,292,865	\$0
FY 2025	\$7,616,927	\$8,889,750	\$264,313	\$9,154,063	\$7,616,927	\$1,537,136	\$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.

Saugus Retirement Board
 Appropriation by Governmental Unit

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

Aggregate amount of appropriation: **\$7,473,963**

UNIT	Percent of Aggregate Amount	Funding Schedule (excluding ERI)	ERI	Total Appropriation
Town of Saugus	96.40%	\$6,978,516	\$223,614	\$7,202,130
Saugus Housing Authority	3.60%	\$260,608	\$11,225	\$271,833
UNIT TOTAL	100%	\$7,239,124	\$234,839	\$7,473,963

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.