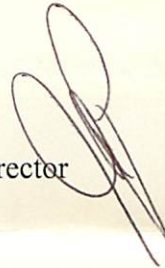


MEMORANDUM

TO: Essex Regional Retirement Board
FROM: John W. Parsons, Esq., Executive Director
RE: Appropriation for Fiscal Year 2021
DATE: December 10, 2019



Required Fiscal Year 2021 Appropriation: **\$38,618,310**

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 amount above assumes appropriations will be made July 1. Some units make the appropriation in equal installments on July 1 and January 1. The allocation shows the figures for each unit on both bases. In addition to the amount shown in the current funding schedule, the appropriation includes the additional special appropriation for the Manchester-Essex Regional School District and the Rowley Housing Authority. We have included these additional amounts in the ERI column on Page 2 and the Additional Appropriation for CRAB column on pages 3 and 4.

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

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Essex Regional Retirement Board

Projected Appropriations

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

Aggregate amount of appropriation: **\$38,618,310**

| 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 | \$37,382,197 | \$38,564,883 | \$53,427 | \$38,618,310 | \$37,382,197 | \$1,236,113 | \$0 |
| FY 2022 | \$38,105,644 | \$41,423,066 | \$54,237 | \$41,477,303 | \$38,105,644 | \$3,371,659 | \$0 |
| FY 2023 | \$38,843,559 | \$44,493,063 | \$55,085 | \$44,548,148 | \$38,843,559 | \$5,704,589 | \$0 |
| FY 2024 | \$39,596,233 | \$47,186,964 | \$55,971 | \$47,242,935 | \$39,596,233 | \$7,646,702 | \$0 |
| FY 2025 | \$40,363,961 | \$48,954,513 | \$56,896 | \$49,011,409 | \$40,363,961 | \$8,647,448 | \$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.

Essex Regional Retirement System FY21 Appropriation by Governmental Unit

Aggregate amount for appropriation for the Pension Fund: \$38,564,883
 Aggregate amount for appropriation for the Pension Reserve Fund: \$0
 Aggregate additional appropriation for the E.R.I.: \$53,427

| UNIT | PEN.FND. APP % | PENSION FUND APPROP. | PENSION RES. FUND APPROP. | ADD'L. APP. FOR E.R.I. | ADD'L. APP. FOR CRAB | TOTAL PAID JULY 1 | APPROP SEMI-ANNUAL |
|-------------------------|-------------------|-------------------------|------------------------------|---------------------------|-------------------------|----------------------|-----------------------|
| Agricultural School | 0.00% | 0 | 0 | | | 0 | 0 |
| Retirement Board | 0.33% | 127,264 | 0 | | | 127,264 | 129,586 |
| Town of Boxford | 3.69% | 1,423,044 | 0 | | | 1,423,044 | 1,449,007 |
| Town of Essex | 1.67% | 644,034 | 0 | | | 644,034 | 655,784 |
| Town of Georgetown | 5.14% | 1,982,235 | 0 | | | 1,982,235 | 2,018,400 |
| Town of Groveland | 2.26% | 871,566 | 0 | 8,679 | | 880,245 | 896,305 |
| Town of Hamilton | 2.73% | 1,052,821 | 0 | | | 1,052,821 | 1,072,029 |
| Town of Ipswich | 10.49% | 4,045,456 | 0 | | | 4,045,456 | 4,119,264 |
| Town of Lynnfield | 7.75% | 2,988,778 | 0 | | | 2,988,778 | 3,043,307 |
| Town of Manchester | 3.45% | 1,330,489 | 0 | | | 1,330,489 | 1,354,763 |
| Town of Merrimac | 2.58% | 994,974 | 0 | | | 994,974 | 1,013,127 |
| Town of Middleton | 5.27% | 2,032,369 | 0 | | | 2,032,369 | 2,069,449 |
| Town of Nahant | 2.30% | 886,992 | 0 | | | 886,992 | 903,175 |
| Town of Newbury | 2.11% | 813,719 | 0 | | | 813,719 | 828,565 |
| Town of North Andover | 15.20% | 5,861,862 | 0 | | | 5,861,862 | 5,968,809 |
| Town of Rockport | 4.90% | 1,889,679 | 0 | | | 1,889,679 | 1,924,155 |
| Town of Rowley | 2.75% | 1,060,534 | 0 | | | 1,060,534 | 1,079,883 |
| Town of Salisbury | 4.45% | 1,716,137 | 0 | | | 1,716,137 | 1,747,447 |
| Town of Topsfield | 3.54% | 1,365,197 | 0 | | | 1,365,197 | 1,390,104 |
| Town of Wenham | 2.13% | 821,432 | 0 | | | 821,432 | 836,419 |
| Town of West Newbury | 1.91% | 736,589 | 0 | | | 736,589 | 750,028 |
| East.Essex Vet.Dist. | 0.10% | 38,565 | 0 | | | 38,565 | 39,269 |
| No.And.-Box.Vet.Dist. | 0.00% | 0 | 0 | | | 0 | 0 |
| North Essex Vet.Dist. | 0.00% | 0 | 0 | | | 0 | 0 |
| Byfield Water Dist. | 0.07% | 26,995 | 0 | | | 26,995 | 27,488 |
| Lynnfd.Ctr.Wat.Dist. | 0.33% | 127,264 | 0 | | | 127,264 | 129,586 |
| Lynnfield Water Dist. | 0.23% | 88,699 | 0 | | | 88,699 | 90,317 |
| NE Mass Mosq.Cont. | 0.54% | 208,250 | 0 | | | 208,250 | 212,049 |
| Ham.-Wen.Reg.School | 2.72% | 1,048,965 | 0 | | | 1,048,965 | 1,068,103 |
| Man-Essex Reg. School | 1.45% | 559,191 | 0 | | 19,124 | 578,315 | 588,866 |
| Masconomet Reg.School | 1.94% | 748,159 | 0 | | | 748,159 | 761,809 |
| Pentucket Reg.School | 3.09% | 1,191,655 | 0 | | | 1,191,655 | 1,213,396 |
| Triton Reg.School | 3.10% | 1,195,511 | 0 | | | 1,195,511 | 1,217,323 |
| Essex Housing Authority | 0.04% | 15,426 | 0 | | | 15,426 | 15,707 |
| Georgetown Hous.Auth. | 0.22% | 84,843 | 0 | | | 84,843 | 86,391 |
| Groveland Hous. Auth. | 0.06% | 23,139 | 0 | | | 23,139 | 23,561 |
| Hamilton Hous.Auth. | 0.05% | 19,283 | 0 | | | 19,283 | 19,635 |
| Ipswich Housing Auth. | 0.40% | 154,260 | 0 | | | 154,260 | 157,074 |
| Lynnfield Hous.Auth. | 0.05% | 19,283 | 0 | | | 19,283 | 19,635 |
| Manchester Hous. Auth. | 0.08% | 30,852 | 0 | | | 30,852 | 31,415 |
| Merrimac Hous.Auth. | 0.03% | 11,569 | 0 | | | 11,569 | 11,780 |
| Middleton Hous.Auth. | 0.05% | 19,283 | 0 | | | 19,283 | 19,635 |
| Nahant Housing Auth. | 0.03% | 11,570 | 0 | 9,345 | | 20,915 | 21,297 |
| No.Andover Hous.Auth. | 0.39% | 150,403 | 0 | | | 150,403 | 153,147 |

In accordance with your funding schedule, appropriations are due July 1 and January 1. Whenever payments are made at a date one month or more before the scheduled date or whenever payments are made one month or more after the scheduled date, PERAC's actuary should be contacted so that a revised amount can be calculated. Payments will be adjusted with interest at the rate assumed in the actuarial valuation used as the basis for your schedule. In no case may payments be made at a date beyond this fiscal year.

Essex Regional Retirement System FY21 Appropriation by Governmental Unit

Aggregate amount for appropriation for the Pension Fund: \$38,564,883
Aggregate amount for appropriation for the Pension Reserve Fund: \$0
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| <u>UNIT</u> | <u>PEN.FND.</u> <u>APP %</u> | <u>PENSION FUND</u> <u>APPROP.</u> | <u>PENSION RES.</u> <u>FUND APPROP.</u> | <u>ADD'L. APP.</u> <u>FOR E.R.I.</u> | <u>ADD'L. APP.</u> <u>FOR CRAB</u> | <u>TOTAL</u> <u>PAID JULY 1</u> | <u>APPROP</u> <u>SEMI-ANNUAL</u> |
|------------------------|---------------------------------|---------------------------------------|--|---|---------------------------------------|------------------------------------|-------------------------------------|
| Rockport Hous.Auth. | 0.17% | 65,560 | 0 | | | 65,560 | 66,756 |
| Rowley Hous. Auth. | 0.04% | 15,426 | 0 | | 16,279 | 31,705 | 32,283 |
| Salisbury Hous. Auth. | 0.04% | 15,426 | 0 | | | 15,426 | 15,707 |
| Topsfield Hous.Auth. | 0.05% | 19,283 | 0 | | | 19,283 | 19,635 |
| Wenham Housing Auth. | 0.08% | 30,852 | 0 | | | 30,852 | 31,415 |
| W. Newbury Hous. Auth. | 0.00% | 0 | 0 | | | 0 | 0 |
| TOTAL | 100.00% | \$38,564,883 | \$0 | \$18,024 | \$35,403 | \$38,618,310 | \$39,322,885 |

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