

SECTION 9 ADDENDUM - MEMBER UNIT FY2019 APPROPRIATION

Unit	Unit Name	Normal Cost	UAL	FY2019 Appropriation				Total	FY2018 Appropriation	Increase over FYE 2018	Payment on 7/1/2018
				2002 ERI	2003 ERI	2010 ERI	2010 ERI				
010	Ashburnham	282,571	439,192	30,709	-	-	-	752,472	685,876	9.71%	738,689
020	Ashburnham-Westminster Regional	253,051	360,666	-	-	-	-	613,717	559,518	9.69%	602,476
025	Athol	362,705	991,398	-	-	-	-	1,354,103	1,214,566	11.49%	1,329,300
026	Athol Housing Authority	10,693	28,186	-	-	-	-	38,879	34,902	11.39%	38,167
027	Athol-Royalston Regional School District	185,502	352,706	-	-	-	-	538,208	486,963	10.52%	528,350
030	Auburn	1,084,014	1,658,767	169,151	26,244	-	-	2,938,176	2,682,753	9.52%	2,884,358
040	Auburn Housing Authority	23,960	37,088	-	-	-	-	61,048	55,533	9.93%	59,930
050	Auburn Water District	25,885	66,057	5,034	-	-	-	96,976	87,413	10.94%	95,200
060	Barre	115,181	175,664	5,539	2,215	-	-	298,599	272,096	9.74%	293,130
070	Barre Housing Authority	3,523	11,748	-	-	-	-	15,271	13,640	11.96%	14,991
080	Berlin	185,150	284,736	-	-	-	-	469,886	427,512	9.91%	461,279
090	Berlin-Boylston Regional	49,236	75,831	-	-	-	-	125,067	113,783	9.92%	122,776
100	Blackstone	282,034	465,237	-	-	-	-	747,271	678,616	10.12%	733,583
105	Blackstone Housing Authority	9,892	8,614	-	-	-	-	18,506	17,102	8.21%	18,167
110	Blackstone-Milville Regional	196,388	302,536	-	-	-	-	498,924	453,910	9.92%	489,785
120	Bolton	160,690	241,341	16,614	-	-	-	418,645	381,907	9.62%	410,977
130	Boylston	283,994	319,844	12,586	-	-	-	616,424	566,127	8.88%	605,133
135	Boylston Water District	2,931	7,496	-	-	-	-	10,427	9,366	11.33%	10,236
140	Brookfield	113,163	153,710	8,390	-	-	-	275,263	251,653	9.38%	270,221
150	Charlton	460,290	683,716	42,960	-	-	-	1,186,966	1,082,921	9.61%	1,165,224
160	Cherry Valley-Rochdale Water	5,785	40,309	-	-	-	-	46,094	40,675	13.32%	45,250
165	Cherry Valley Sewer District	-	1,747	-	-	-	-	1,747	1,519	15.01%	1,715
170	Douglas	444,177	548,912	12,081	11,588	-	-	1,016,758	931,573	9.14%	998,134
180	Dudley	224,468	457,405	128,374	7,669	-	-	817,916	746,058	9.63%	802,934
190	Dudley Housing Authority	-	14,002	-	-	-	-	14,002	12,176	15.00%	13,746
200	Dudley-Charlton Regional	334,036	555,156	39,433	17,212	-	-	945,837	861,545	9.78%	928,512
210	East Brookfield	72,067	68,287	-	-	-	-	140,354	129,407	8.46%	137,783
220	Grafton	628,403	1,025,575	38,763	16,700	-	-	1,709,441	1,555,520	9.90%	1,678,129
230	Grafton Housing Authority	24,635	25,715	-	-	-	-	50,350	46,298	8.75%	49,428
240	Hardwick	60,038	118,953	12,755	-	-	-	191,746	173,984	10.21%	188,234
250	Harvard	294,299	557,662	-	-	-	-	851,961	770,909	10.51%	836,356
260	Hillcrest Water District	615	2,275	-	-	-	-	2,890	2,575	12.23%	2,837
270	Holden	678,022	1,372,546	63,599	-	-	-	2,114,167	1,913,256	10.50%	2,075,442
280	Holden Housing Authority	14,798	14,090	-	-	-	-	28,888	26,631	8.48%	28,359
290	Hopedale	404,298	524,231	-	-	-	-	928,529	848,714	9.40%	911,521

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

SECTION 9 ADDENDUM - MEMBER UNIT FY2019 APPROPRIATION

Unit	Unit Name	Normal Cost	UAL	FY2019 Appropriation			2010 ERI	Total	FY2018 Appropriation	Increase over FYE 2018	Payment on 7/1/2018
				2002 ERI	2003 ERI	2004 ERI					
300	Hopedale Housing Authority	-	5,000	-	-	-	5,000	4,348	15.00%	4,908	
310	Hubbardston	107,495	138,664	10,068	4,260	-	260,487	238,741	9.11%	255,716	
320	Lancaster	215,788	354,975	-	-	-	570,763	518,363	10.11%	560,308	
325	Lancaster Housing Authority	5,452	9,314	-	-	-	14,766	13,397	10.22%	14,496	
330	Leicester	403,948	727,120	50,509	2,046	-	1,183,623	1,075,105	10.09%	1,161,943	
340	Leicester Housing Authority	10,563	27,671	-	-	-	38,234	34,326	11.38%	37,534	
350	Leicester Water District	9,791	40,544	-	-	-	50,335	44,771	12.43%	49,413	
360	Lunenburg	443,977	800,634	-	-	-	1,244,611	1,127,637	10.37%	1,221,814	
370	Lunenburg Housing Authority	1,119	227	-	-	-	1,346	1,285	4.75%	1,321	
380	Lunenburg Water District	5,398	44,562	-	-	-	49,960	43,998	13.55%	49,045	
390	Mendon	222,069	327,602	8,055	21,641	-	579,367	529,077	9.51%	568,755	
400	Mendon-Upton Regional	311,560	397,001	6,713	7,496	-	722,770	661,560	9.25%	709,531	
410	Millbury	579,592	1,065,070	137,098	-	-	1,781,760	1,620,560	9.95%	1,749,124	
420	Millbury Housing Authority	32,198	52,148	-	6,136	-	90,482	82,506	9.67%	88,825	
430	Millville	115,226	41,772	-	-	-	156,998	148,282	5.88%	154,122	
440	Narragansett Regional	126,424	227,298	23,661	-	-	377,383	343,145	9.98%	370,470	
450	Nashoba Regional	445,770	551,658	-	-	-	997,428	912,860	9.26%	979,158	
460	New Braintree	13,654	36,797	-	-	-	50,451	45,267	11.45%	49,527	
470	Northboro	582,040	1,339,980	-	-	-	1,922,020	1,730,816	11.05%	1,886,814	
480	Northboro Housing Authority	24,536	37,782	-	-	-	62,318	56,695	9.92%	61,177	
490	Northboro-Southboro Regional	168,782	191,472	-	-	-	360,254	330,503	9.00%	353,655	
500	North Brookfield	145,851	272,458	-	13,803	-	432,112	391,859	10.27%	424,197	
510	North Brookfield Housing Authority	2,021	16,223	-	-	-	18,244	16,072	13.51%	17,910	
530	Oakham	26,722	38,613	-	-	-	65,335	59,542	9.73%	64,138	
540	Oxford	630,691	1,132,006	131,057	14,825	-	1,908,579	1,736,825	9.89%	1,873,620	
550	Oxford Housing Authority	19,375	38,321	-	-	-	57,696	52,150	10.63%	56,639	
555	Oxford-Rochdale Sewer District	8,894	21,123	-	-	-	30,017	27,010	11.13%	29,467	
560	Paxton	296,504	370,026	-	-	-	666,530	609,877	9.29%	654,321	
570	Petersham	64,946	84,207	-	2,215	-	151,368	138,452	9.33%	148,595	
580	Phillipston	56,255	66,778	-	-	-	123,033	112,731	9.14%	120,779	
590	Princeton	87,302	265,236	8,055	-	-	360,593	323,191	11.57%	353,988	
600	Quebbin Regional	331,000	572,431	51,013	7,496	-	981,940	875,402	9.89%	944,320	
610	Quaboag Regional	115,264	191,815	29,533	-	-	336,612	307,063	9.62%	330,446	
620	Royalston	16,207	36,242	-	-	-	52,449	47,264	10.97%	51,488	
630	Rutland	244,876	318,958	6,043	-	-	569,877	521,088	9.36%	559,439	

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

Worcester Regional Retirement System
Annual Appropriation for 2019 Fiscal Year

Actuarial Valuations

The Worcester Regional Retirement Board hires an actuary to conduct biennial valuations of the assets and liabilities of the current and future retirement benefits payable to members of the System. Based on the results of the valuation, and in accordance with Chapter 32 of Massachusetts General Law which governs retirement benefits for public sector employees and retirees, the Board adopts a funding schedule of annual contributions needed to fund the System. The Board further allocates the annual contributions amongst the member units based on the actuarial liabilities of each member unit. Since 2013, the allocation has been made to the member units based on the actuarial experience of the members and retirees.

The most recent valuation was conducted as of January 1, 2016, and is the basis for the annual appropriations assessed to the member units for the 2019 fiscal year.

Summary of Member Data

The member data is provided to the actuary by the Retirement System based on the employee data and member contributions provided to the Retirement System by each member unit. Active member data includes any active employee still employed as of December 31, 2015, and making member contributions to the System.

Retired members and beneficiaries and disabled members (accidental and ordinary) are those members receiving a monthly retirement allowance from the Retirement System as of December 31, 2015. Inactive members are those former active members who are no longer employed but have a balance in their annuity savings fund as of December 31, 2015.

The actuary calculates a value of the benefit, or liability, for each employee and retiree who is currently a member of the System.

Employer Normal Cost as of January 1, 2016

The Total Normal Cost is the value of the benefits as of January 1, 2016, earned by active members during the valuation year, 2016, including administrative expenses. The Total Normal Cost is offset by the Employee Normal Cost, which is the expected member contributions made during 2016, to derive the cost of the benefit earned during 2016 payable by each Employer.

Actuarial Accrued Liability as of January 1, 2016

The Actuarial Accrued Liability is the portion of the present value of future benefits which is allocated to all periods prior to a valuation year.

Actuarial Value of Assets as of January 1, 2016

The Actuarial Value of Assets is allocated according to the proportion of each member unit's accrued liability.

Unfunded Actuarial Accrued Liability (UAAL) as of January 1, 2016

The Unfunded Actuarial Accrued Liability is the difference between the Actuarial Accrued Liability and the Actuarial Value of Assets.

FY19 Appropriation

The annual appropriation is made up of the Normal Cost, an amortization payment of the UAAL (currently paid through 2035), and amortization payments to pay the outstanding balance of any Early Retirement Incentive Plan liabilities. The Board has elected to limit the increase in annual appropriations in any one year to 9.95%. If the Board did not limit the increase in the annual appropriation to 9.95%, the FY18 and later appropriations would have been significantly larger. Although the Board has adopted a funding schedule that limits the increase in appropriations to 9.95% through 2035, it is expected that the System will fully pay its UAAL by 2035.

The appropriation is computed as of the valuation date, January 1, 2016, and adjusted with interest for payments made July 1 and January 1 of the fiscal year. The Board further provides that in lieu of semiannual payments, a member unit may pay a discounted appropriation by the beginning of the fiscal year.