



CONSULTING GROUP

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March 4, 2015

Ms. Christine Chamberland
Finance Director
City of Woonsocket, RI
169 Main Street
Woonsocket, RI 02895

RE: Actuarial Valuation of Postretirement Welfare Benefits

Dear Chris,

We have completed our actuarial analysis of the postretirement benefits offered to current and future retirees of the City of Woonsocket. The analysis reviews a "baseline" scenario, which reflects the plan provisions in effect as of 6/30/2013, and the plan provisions in effect as of December 31, 2014 as documented in various Collective Bargaining Agreements, Memorandums of Agreement, and Amendments to the Woonsocket Budget Commission Resolution to reform Pension and Postretirement Benefits.

The analysis provides the anticipated Annual Required Contribution for the fiscal year ending 6/30/2014 and the Actuarial Accrued Liability as of 7/1/2013. The calculations are based on participant data as of July 1, 2013. The assumptions used are the same assumptions used and summarized in July 1, 2012 Actuarial Valuation Reports for the City of Woonsocket and the City of Woonsocket Education Department dated September 17, 2013 (a copy of the summaries is provided in Exhibit C). The "baseline" Unfunded Actuarial Accrued Liability as of 7/1/2013 of \$224,446,589 is reduced to \$146,774,879 under the revised plan provisions, and the "baseline" Annual Required Contribution as of 7/1/2013 of \$16,041,229 is reduced to \$9,611,815. These amounts are summarized in more detail in the attached Exhibit A.

All calculations are made in accordance with our understanding of the provisions of the Statement of Governmental Accounting Standards Board Number 45 (GASB 45).

Sincerely,

A handwritten signature in black ink that reads "Robert W. Webb".

Robert W. Webb, FSA, EA, MAAA
Vice President and Actuary

c: Rosemary Booth Gallogly, RI
Steve Coleman, RI
Heather Martino, RI

EXHIBIT A

Annual Required Contribution for FYE 6/30/2014

	Baseline			Agreements Effected up to 12/31/14		
	Active	Retired	Total	Active	Retired	Total
Police	\$2,919,484	\$3,332,220	\$6,251,704	\$1,262,363	\$2,555,373	\$3,817,736
Fire	\$1,915,938	\$1,140,955	\$3,056,893	\$1,668,097	\$1,086,961	\$2,755,058
Pro-Tech	\$172,399	\$123,327	\$295,726	\$78,695	\$116,259	\$194,954
Non Union	\$89,756	\$75,421	\$165,177	\$45,271	\$70,502	\$115,773
Municipal	<u>\$727,225</u>	<u>\$566,547</u>	<u>\$1,293,772</u>	<u>\$340,528</u>	<u>\$526,749</u>	<u>\$867,277</u>
City	\$5,824,802	\$5,238,470	\$11,063,272	\$3,394,954	\$4,355,844	\$7,750,798
School Support	\$368,142	\$27,044	\$395,185	\$123,120	\$22,204	\$145,324
Teachers	\$3,055,046	\$856,630	\$3,911,676	\$879,751	\$614,943	\$1,494,694
Teachers Assistants	<u>\$617,441</u>	<u>\$53,655</u>	<u>\$671,096</u>	<u>\$179,102</u>	<u>\$41,896</u>	<u>\$220,998</u>
DOE	\$4,040,628	\$937,329	\$4,977,957	\$1,181,973	\$679,043	\$1,861,016
Total	\$9,865,430	\$6,175,799	\$16,041,229	\$4,576,928	\$5,034,887	\$9,611,815

Actuarial Accrued Liability as of 7/1/2013

	Baseline			Agreements Effected up to 12/31/14		
	Active	Retired	Total	Active	Retired	Total
Police	\$19,950,951	\$73,903,296	\$93,854,247	\$8,464,046	\$54,711,928	\$63,175,974
Fire	\$18,341,523	\$25,178,069	\$43,519,592	\$16,384,940	\$23,182,816	\$39,567,756
Pro-Tech	\$1,548,931	\$2,739,585	\$4,288,516	\$658,151	\$2,483,817	\$3,141,968
Non Union	\$663,087	\$1,670,763	\$2,333,850	\$322,621	\$1,526,445	\$1,849,066
Municipal	<u>\$5,841,699</u>	<u>\$12,682,138</u>	<u>\$18,523,837</u>	<u>\$2,487,072</u>	<u>\$11,385,215</u>	<u>\$13,872,287</u>
City	\$46,346,191	\$116,173,851	\$162,520,042	\$28,316,830	\$93,290,221	\$121,607,051
School Support	\$3,541,116	\$614,482	\$4,155,598	\$1,158,173	\$434,338	\$1,592,511
Teachers	\$29,788,950	\$19,633,954	\$49,422,904	\$8,480,069	\$12,288,510	\$20,768,579
Teachers Assistants	<u>\$7,128,733</u>	<u>\$1,219,312</u>	<u>\$8,348,045</u>	<u>\$1,985,529</u>	<u>\$821,209</u>	<u>\$2,806,738</u>
DOE	\$40,458,799	\$21,467,748	\$61,926,547	\$11,623,771	\$13,544,057	\$25,167,828
Total	\$86,804,990	\$137,641,599	\$224,446,589	\$39,940,601	\$106,834,278	\$146,774,879