

St. Mary of the Assumption Parish



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EXPLANATION TO PARISHIONERS ON THE AGREEMENT WITH THE ARCHDIOCESE OF BOSTON REGARDING THE PENSION PLAN LIABILITY

A few months ago, the Archdiocese made us aware of an outstanding liability to the Archdiocesan Pension Plan and Trust in the initial amount of \$1.1M dollars. After a further review and reassessment, it was reduced to \$805,782.06. The outstanding liability is not the fault of past or current administrations of St. Mary of the Assumption Parish. It is a very unfortunate consequence of the depletion of the Archdiocesan Pension Plan and Trust after hundreds of parishes and schools closed in the last two decades and these entities stopped paying towards the Pension because they no longer existed. However, the employees of those entities still deserve their pension. It is a matter of justice.

Increasingly, at an Archdiocesan level, a problem appeared: there was not enough money in the Trust to pay for the Pension of all past and current employees. The Archdiocese, then, decided to itemize the Pension Trust's liability and allocated to each parish a proportionate amount according to past responsibilities to its employees. For this reason, hundreds of locations within the Archdiocese acquired a Pension liability, including St. Mary's. Since St. Mary's was connected to St. Mary's High School and St. Mary's School that closed years ago, we acquired those Pension liabilities. We also acquired the pension liabilities of former parishes that closed and were merged with St. Mary's. All in all, the amount is nearly \$806K.

After several conversations and consultation meetings, an agreement has been entered between St. Mary of the Assumption Parish and the Archdiocese of Boston Corporation Sole, effective on July 1st 2022, to pay \$93,856 annually until such time as the outstanding liability to the Pension Trust is paid in full.

Of this amount, a total of \$21,449 will come from the School Tax portion of our Annual Parish Tithes due to the Archdiocese, and \$72,408 will come from our general operations budget through monthly payments of \$6,034. It will take us an estimated 103 months (8 years and 7 months) to satisfy this liability, depending on market fluctuations and former employees' life expectancy (the liability decreases when people die earlier than expected). This agreement represents a financial sacrifice from our part, but it shows also our commitment to our fair share of responsibilities towards past employees who now are elderly and retired and need their pension to survive in a dignified manner.

Sincerely,

Rev. Israel J. Rodriguez

Rev. Israel J. Rodriguez, Administrator