

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Arlington Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: December 4, 2023

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY24 (since the amount under the prior schedule was maintained in FY24) and is acceptable under Chapter 32.

The revised schedule maintains the 7.0% investment return assumption used in the 2022 actuarial valuation.

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

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ARLINGTON CONTRIBUTORY RETIREMENT SYSTEM
FUNDING SCHEDULE

Fiscal Year	Normal Cost	Unfunded Liability	Funding Amortization of UAAL	Net 3(8)(c) Payments	Schedule Contribution*	% Change
2025	3,418,595	118,362,202	13,807,574	(50,477)	17,175,692	5.50%
2026	3,572,432	111,873,452	14,598,400	(50,477)	18,120,355	5.50%
2027	3,733,191	104,084,306	15,434,260	(50,477)	19,116,975	5.50%
2028	3,901,185	94,855,548	16,317,700	(50,477)	20,168,408	5.50%
2029	4,076,738	84,035,498	17,251,409	(50,477)	21,277,671	5.50%
2030	4,260,191	71,458,974	18,238,228	(50,477)	22,447,943	5.50%
2031	4,451,900	56,946,199	19,281,156	(50,477)	23,682,580	5.50%
2032	4,652,235	40,301,595	20,383,363	(50,477)	24,985,121	5.50%
2033	4,861,586	21,312,509	21,312,509	(50,477)	26,123,618	4.56%
2034	5,080,357	-	-	(50,477)	5,029,881	-80.75%

Amortization of Unfunded Liability as of July 1, 2024

* Contributions are set to be the amount resulting from a 5.5% increase on the prior year's contribution. The contribution in FY2033 increases by 4.56%.

Bases in the funding schedule:

- Amortization of the unfunded actuarial accrued liability: 9 years.