

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair*

WILLIAM T. KEEFE, *Executive Director*

Auditor DIANA DIZOGLIO | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES J. GUIDO | RICHARD MACKINNON, JR. | JENNIFER F. SULLIVAN, ESQ.

MEMORANDUM

TO: Barnstable County Retirement Board

FROM: William T. Keefe, Executive Director

RE: Approval of Funding Schedule

DATE: November 21, 2024

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 and January 1 of each fiscal year. The schedule is effective in FY25 (since the amount under the prior schedule was maintained in FY25) and is acceptable under Chapter 32.

The revised schedule maintains the 6.90% 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.

WTK/jfb

P:\actuarial\APPROP\Approp25\barnstable approval.docx

Enc.



Section 2: Actuarial Valuation Results

Funding schedule

(1) Fiscal Year Ended June 30	(2) Employer Normal Cost	(3) Amortization of the 2002 ERI	(4) Amortization of the 2003 ERI	(5) Amortization of the 2019 ERI	(6) Amortization of the Remaining Unfunded Liability	(7) Plan Cost Without Retired Sheriffs Liability: (2)+(3)+(4)+(5) +(6)	(8) Amortization of Retired Sheriffs Liability	(9) Actuarially Determined Contribution (ADC): (7)+(8)	(10) Total Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(11) Percent Increase in Actuarially Determined Contribution
2025	\$23,764,021	\$524,587	\$246,813	\$320,095	\$62,389,002	\$87,244,518	\$2,066,938	\$89,311,456	\$825,968,338	--
2026	24,628,542	545,571	256,685	320,095	66,913,176	92,664,069	2,140,042	94,804,111	814,049,085	6.15%
2027	25,524,301	567,394	266,953	320,095	71,740,090	98,418,833	2,215,731	100,634,564	796,441,773	6.15%
2028	26,452,417	590,090	277,631	320,095	76,537,038	104,177,271	2,294,098	106,471,369	772,431,633	5.80%
2029	27,414,053	613,693	288,736	320,095	81,634,895	110,271,472	2,375,236	112,646,708	741,604,210	5.80%
2030	28,410,414	638,241	300,285	320,095	87,051,939	116,720,974	2,459,243	119,180,217	703,168,446	5.80%
2031	29,442,746	663,770	312,297	320,095	92,807,540	123,546,448	2,546,222	126,092,670	656,259,321	5.80%
2032	30,512,338	690,321	324,789	320,095	98,922,224	130,769,767	2,636,278	133,406,045	599,931,602	5.80%
2033	31,620,529	717,934	337,780	320,095	105,417,740	138,414,078	2,729,518	141,143,596	533,153,081	5.80%
2034	32,768,706	746,652	351,291	320,095	112,317,125	146,503,869	2,826,056	149,329,925	454,797,290	5.80%
2035	33,958,301	776,518	365,343	320,095	119,644,796	155,065,053	2,926,008	157,991,061	363,635,627	5.80%
2036	35,190,801	807,578	379,957	320,095	127,426,616	164,125,047	3,029,496	167,154,543	258,328,859	5.80%
2037	36,467,744	839,881	395,155	0	135,357,756	173,060,536	3,136,644	176,197,180	137,417,955	5.41%
2038	37,790,724	0	0	0	0	37,790,724	0	37,790,724	0	-78.55%

Notes:

Actuarially determined contribution for fiscal year 2025 is set to the budgeted amount determined with the prior valuation and adjusted for the 5% COLA effective July 1, 2022.

Actuarially determined contributions are assumed to be paid on July 1 and December 31.

Item (2) reflects 3.25% growth in payroll as well as 0.15% adjustment to total normal cost to reflect the effects of mortality improvement due to generational mortality assumption.

The 2002 and 2003 ERI amortization payments are calculated to increase 4.0% per year.

The 2019 ERI amortization payments are level through June 30, 2036.

The payments on the Retired Sheriffs Liability (item (7)) increase 3.54% per year.

Projected normal cost does not reflect the impact of pension reform for new hires.

Projected unfunded actuarial accrued liability does not reflect deferred investment gains or losses.