

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Blue Hills Regional School Retirement Board

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

RE: Approval of Funding Schedule

DATE: October 28, 2022

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 FY23 (since the amount under the prior schedule was maintained in FY23) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.25% to 7.0%, a slight revision to the mortality assumption, and an increase in the COLA base to \$18,000.

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

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**Blue Hills Retirement System
January 1, 2022 Actuarial Valuation**

Appropriation increases 7.1% through FY28 with a final amortization payment in FY29

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Amort. of UAL</u>	<u>Amort. of 2003 ERI</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Total Cost % Increase</u>
2023	281,635	375,679	28,755	686,069	2,544,230	
2024	294,308	410,423	30,049	734,780	2,289,581	7.1%
2025	307,552	447,996	31,401	786,949	1,978,548	7.1%
2026	321,392	488,617	32,814	842,823	1,604,091	7.1%
2027	335,855	532,518	34,290	902,663	1,158,447	7.1%
2028	350,968	579,950	35,834	966,752	633,053	7.1%
2029	366,762	18,478		385,240	18,478	-60.2%
2030	383,266			383,266	0	-0.5%

Appropriation payments assumed to be made July 1 of each fiscal year.

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$110,000.

FY23 amount maintained at level of current schedule.