

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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JOHN W. PARSONS, ESQ., *Executive Director*

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MEMORANDUM

TO: Bristol County Retirement Board

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

RE: Approval of Funding Schedule

DATE: October 6, 2022

This Commission is hereby furnishing you with approval of the revised funding schedule the Board recently adopted (copy enclosed). The schedule assumes payments are made on July 1 and is effective in FY23 (since the amount under the prior schedule was maintained in FY23) and is acceptable under Chapter 32.

This valuation also reflects a decrease in the investment return assumption from 7.5% to 7.35% and an update to the generational mortality assumption.

In our five prior approval memoranda, we indicated that we had concerns about the salary increase assumption. This valuation once again uses a select and ultimate assumption based on service with a rate of 3.0% for members with 5-7 years of service, and an ultimate rate of 2.75% for members with 8 or more years of service. We expect over the long term that this assumption will need to be increased (and/or the investment return assumption decreased) which will increase plan liabilities.

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

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**BRISTOL COUNTY CONTRIBUTORY RETIREMENT SYSTEM
FUNDING SCHEDULE**

Fiscal Year	Normal Cost	Unfunded Liability	Funding		Schedule Contribution*	% Change
			Amortization of UAAL	Net 3(8)(c) Payments		
2024	7,517,029	445,917,252	45,955,774	974,252	54,447,055	5.08%
2025	7,742,540	429,358,646	48,496,174	974,252	57,212,965	5.08%
2026	7,974,816	408,855,864	51,170,316	974,252	60,119,384	5.08%
2027	8,214,061	383,975,436	53,985,136	974,252	63,173,449	5.08%
2028	8,460,482	354,244,587	56,947,926	974,252	66,382,660	5.08%
2029	8,714,297	319,147,966	60,066,350	974,252	69,754,899	5.08%
2030	8,975,726	278,124,114	63,348,470	974,252	73,298,448	5.08%
2031	9,244,998	230,561,654	66,802,760	974,252	77,022,009	5.08%
2032	9,522,347	175,795,173	70,438,128	974,252	80,934,727	5.08%
2033	9,808,018	113,100,788	74,263,941	974,252	85,046,211	5.08%
2034	10,102,258	41,691,355	41,691,355	974,252	52,767,865	-37.95%
2035	10,405,326	-	-	974,252	11,379,578	-78.43%

Amortization of Unfunded Liability as of July 1, 2023

- Amortization of the unfunded actuarial accrued liability: 11 years.

* Contribution is set to be the amount resulting from a 5.08% increase on the prior year's contribution, with 5.08% increases thereafter. The contribution in FY2034 decreases by 37.95%.