

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Chicopee Retirement Board

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

RE: Approval of Funding Schedule

DATE: December 11, 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 average, on October 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 7.25% investment return assumption used in the 2021 actuarial valuation and a there was a slight adjustment to the fully generational mortality assumption. In addition, the COLA base increased from \$15,000 to \$16,000.

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

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CHICOPEE CONTRIBUTORY RETIREMENT SYSTEM

FUNDING SCHEDULE

Fiscal Year	Unfunded Liability	Funding			Schedule Contribution*	Adjusted Payments	% Change
		Normal Cost	Amortization of UAAL	Net 3(8)(c) Payments			
2025	34,219,421	4,583,469	16,515,289	364,805	21,463,563	21,839,096	3.00%
2026	18,987,681	4,778,266	16,964,398	364,805	22,107,470	22,494,269	3.00%
2027	2,169,971	4,981,343	2,169,971	364,805	7,516,118	7,647,623	-66.00%
2028	-	5,193,050	-	364,805	5,557,855	5,655,097	-26.05%

Amortization of Unfunded Liability as of July 1, 2024

Year	Type	Original Amort. Amount	Percentage Increasing	Original # of Years	Current Amort. Amount	Years Remaining
2025	Fresh Start	N/A	N/A	3	N/A	3

* Contribution is set to be the amount resulting from a 3% increase on the prior year's contribution, with 3% increases thereafter. The contribution in FY2027 decreases by -66.00%.