

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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## MEMORANDUM

TO: Hampden County Regional Retirement Board

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

RE: Approval of Funding Schedule

DATE: December 6, 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 in equal instalments on July 1 and January 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 schedule reflects a reduction in the investment return assumption from 7.15% to 7.0% and an adjustment to the fully generational mortality assumption.

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

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Funding Schedule 1  
 7.00% investment return assumption  
 Appropriations increase 8.00% per year through 2030 then 3.75% per year  
 Fully funded by June 30, 2036

(1) Fiscal Year Ended June 30	(2) Employer Normal Cost	(3) Amortization of Unfunded Actuarial Accrued Liability	(4) Actuarially Determined Contribution (ADC): (2)+(3)	(5) Total Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(6) Percent Increase in Actuarially Determined Contribution
2023	\$9,154,068	\$30,407,220	\$39,561,288	\$415,558,131	--
2024	9,484,561	33,241,630	42,726,191	412,657,177	8.00%
2025	9,826,917	36,317,369	46,144,286	406,571,206	8.00%
2026	10,181,561	39,654,268	49,835,829	396,823,375	8.00%
2027	10,548,933	43,273,762	53,822,695	382,882,599	8.00%
2028	10,929,485	47,199,026	58,128,511	364,158,067	8.00%
2029	11,323,690	51,455,102	62,778,792	339,993,230	8.00%
2030	11,732,034	56,069,061	67,801,095	309,659,235	8.00%
2031	12,155,022	58,188,614	70,343,636	272,347,729	3.75%
2032	12,593,177	60,388,345	72,981,522	230,194,534	3.75%
2033	13,047,038	62,671,291	75,718,329	182,776,381	3.75%
2034	13,517,170	65,040,596	78,557,766	129,637,175	3.75%
2035	14,004,149	67,499,533	81,503,682	70,285,589	3.75%
2036	14,508,581	4,263,976	18,772,557	4,192,459	-76.97%
2037	15,031,085	0	15,031,085	0	-19.93%