PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair* WILLIAM T. KEEFE, *Executive Director*

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M E M O R A N D U M

TO: Hampden County Regional Retirement Board

FROM: William T. Keefe, Executive Director

RE: Approval of Funding Schedule

DATE: October 22, 2026

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 FY27 (since the amount under the prior schedule was maintained in FY27) and is acceptable under Chapter 32.

The schedule maintains the 7.0% investment return assumption used in the prior valuation.

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

WTK/jfb
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Enc.

10 CABOT ROAD, SUITE 300 | MEDFORD, MA 02155
PH 617 666 4446 | FAX 617 628 4002 | WWW.MASS.GOV/PERAC

Funding schedule

(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) Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(6) Percent Increase in ADC Over Prior Year
2027	$9,658,935	$44,163,760	$53,822,695	$399,635,944	--
2028	10,011,092	48,117,419	58,128,511	381,147,821	8.00%
2029	10,375,995	52,402,797	62,778,792	357,206,068	8.00%
2030	10,754,106	57,046,989	67,801,095	327,079,946	8.00%
2031	11,145,898	59,197,738	70,343,636	289,959,057	3.75%
2032	11,551,861	61,429,661	72,981,522	247,977,002	3.75%
2033	11,972,507	63,745,822	75,718,329	200,708,101	3.75%
2034	12,408,364	66,149,402	78,557,766	147,693,652	3.75%
2035	12,859,978	68,643,704	81,503,682	88,439,497	3.75%
2036	13,327,915	22,795,751	36,123,666	22,413,411	-55.68%
2037	13,812,762	0	13,812,762	0	-61.76%

Notes:
The fiscal 2027 appropriation is the budgeted amount determined with the prior valuation.
The appropriation is assumed to be paid on July 1st and December 31st.
Employer normal cost is projected based on a 3.25% growth in payroll and a 0.15% adjustment to total normal cost to reflect the effect of mortality improvements due to the generational mortality assumption.
Projected normal cost does not reflect the future impact of pension reform for new hires.
The projected unfunded actuarial accrued liability does not reflect the recognition of deferred investment gains/losses.