

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair*

WILLIAM T. KEEFE, *Executive Director*

Auditor DIANA DIZOGGIO | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES J. GUIDO | RICHARD MACKINNON, JR. | JENNIFER F. SULLIVAN, ESQ.

## MEMORANDUM

TO: Massachusetts Water Resources Authority Retirement Board

FROM: William T. Keefe, Executive Director

RE: Approval of Funding Schedule

DATE: August 6, 2024

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 FY25 (and includes an additional payment of \$5.2 million in FY25) and is acceptable under Chapter 32.

The revised schedule maintains the 6.90% investment return assumption used in the 2023 actuarial valuation.

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

WTK/jfb

P:\actuarial\APPROP\Approp25\mwra approval.docx

Enc.



### Funding Schedule 3

Appropriations increase 14.20% per year, with an additional payment for FY2025

Fully funded by June 30, 2030

(1) Fiscal Year Ended June 30	(2) Employer Normal Cost	(3) Amortization of Unfunded Liability	(4) Actuarially Determined Contribution (ADC): (2) + (3)	(5) Additional Payment	(6) Actuarially Determined Contribution (ADC) with Additional Payment: (4) + (5)	(7) Total Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(8) Percent Increase in ADC Over Prior Year
2025	\$4,152,177	\$11,913,599	\$16,065,776	\$5,198,743	\$21,264,519	\$93,693,781	--
2026	4,299,778	14,047,338	18,347,116	0	18,347,116	81,865,558	14.20%
2027	4,452,533	16,499,873	20,952,406	0	20,952,406	72,497,677	14.20%
2028	4,610,620	19,317,028	23,927,648	0	23,927,648	59,861,652	14.20%
2029	4,774,223	22,551,151	27,325,374	0	27,325,374	43,342,203	14.20%
2030	4,943,532	22,225,635	27,169,167	0	27,169,167	22,225,635	-0.57%
2031	5,118,744	0	5,118,744	0	5,118,744	0	-81.16%