

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: Quincy Retirement Board

FROM: William T. Keefe, Executive Director

RE: Approval of Funding Schedule

DATE: December 18, 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 (since the amount under the prior schedule was maintained in FY25) and is acceptable under Chapter 32.

The unfunded liability of the system increased by approximately \$81 million dollars from the January 1, 2022 actuarial valuation. This increase is due to the asset loss over the past two years, the salary loss over the past two years, the payment of a 5% COLA in FY23 and the increase in the COLA base from \$15,000 to \$18,000. As a result, the FY26 appropriation and all future appropriations increased significantly from the prior schedule. (The FY26 appropriation increased from \$11.6 million to \$18.1 million – a 56% increase.) As a result, the revised funding schedule now completes the amortization of the UAL in FY39.

For the past several years, PERAC has been recommending that boards adopt funding schedules that complete the amortization of the UAL by FY35. The schedule adopted by the Board completes the amortization of the UAL in FY39. The system has limited flexibility in the event of a market downturn, future actuarial losses, or changes in assumptions/plan provisions that increase the plan's liability, and it is possible appropriations may need to increase again as part of the next actuarial valuation.

The revised schedule maintained the 6.75% investment return assumption from 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.



QUINCY RETIREMENT SYSTEM
FUNDING SCHEDULE
6.75% Discount Rate

Fiscal Year	Housing Authority					City of Quincy					
	Funding					Funding					Total Contribution
	Normal Cost ¹	Unfunded Liability	Amortization of UAAL	Net 3(8)(c) Payments	Schedule Contribution	Normal Cost	Unfunded Liability	Amortization of UAAL	Net 3(8)(c) Payments	Schedule Contribution	
2026	294,305	12,024,354	1,759,349	34,371	2,088,025	10,120,462	70,090,867	4,975,766	903,771	16,000,000	18,088,025
2027	306,077	11,009,219	1,860,330	34,371	2,200,778	10,525,281	69,835,946	5,434,948	903,771	16,864,000	19,064,778
2028	318,320	9,812,184	1,966,929	34,371	2,319,620	10,946,292	69,070,071	5,924,593	903,771	17,774,656	20,094,276
2029	331,053	8,414,036	2,079,456	34,371	2,444,879	11,384,144	67,723,526	6,446,572	903,771	18,734,487	21,179,367
2030	344,295	6,793,838	2,198,237	34,371	2,576,903	11,839,510	65,719,533	7,002,869	903,771	19,746,150	22,323,053
2031	358,067	4,928,782	2,323,618	34,371	2,716,056	12,313,090	62,973,622	7,595,581	903,771	20,812,442	23,528,497
2032	372,390	2,794,039	2,455,962	34,371	2,862,723	12,805,614	59,392,949	8,226,929	903,771	21,936,314	24,799,036
2033	387,285	362,587	362,587	34,371	784,243	13,317,838	54,875,557	8,899,265	903,771	23,120,875	23,905,118
2034	402,777	-	-	34,371	437,148	13,850,552	49,309,573	9,615,079	903,771	24,369,402	24,806,549
2035	418,888	-	-	34,371	453,259	14,404,574	42,572,345	10,377,005	903,771	25,685,350	26,138,608
2036	435,643	-	-	34,371	470,014	14,980,757	34,529,503	11,187,830	903,771	27,072,358	27,542,373
2037	453,069	-	-	34,371	487,440	15,579,987	25,033,944	12,050,508	903,771	28,534,266	29,021,706
2038	471,192	-	-	34,371	505,563	16,203,186	13,924,736	12,968,158	903,771	30,075,116	30,580,679
2039	490,040	-	-	34,371	524,410	16,851,314	1,025,929	1,025,929	903,771	18,781,014	19,305,425
2040	509,641	-	-	34,371	544,012	17,525,366	-	-	903,771	18,429,138	18,973,150