

## COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., Chairman

JOHN W. PARSONS, ESQ., Executive Director

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | RICHARD MACKINNON, JR. | JENNIFER F. SULLIVAN

## MEMORANDUM

TO: Springfield Retirement Board

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

RE: Approval of Funding Schedule

DATE: August 17, 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 on July 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 revised schedule reflects a reduction in the investment return assumption from 7.25% to 7.0% and a slight revision to the mortality assumption.

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

JWP/jfb

Enc.





## Springfield Retirement System January 1, 2022 Actuarial Valuation

9.2% total cost increasing to FY32 with a final amortization payment in FY33

Normal	Net	Amort. of	Amort. of	Amort. of	Total	Unfunded	Change in
Cost	3(8)(c)	<u> 2002 ERI</u>	<u> 2003 ERI</u>	$\underline{\mathbf{UAL}}$	<u>Cost</u>	Act. Liab.	<u>Cost</u>
14,507,912	1,700,000	2,214,532	1,123,474	73,570,040	93,115,958	929,823,971	
15,160,768	1,700,000	2,314,186	1,174,031	81,333,642	101,682,626	912,620,039	9.2%
15,843,002	1,700,000	2,418,324	1,226,862	89,849,239	111,037,428	885,744,053	9.2%
16,555,937	1,700,000	2,527,149	1,282,071	99,187,714	121,252,871	847,707,102	9.2%
17,300,955	1,700,000	2,640,871	1,339,764	109,426,546	132,408,135	796,839,880	9.2%
18,079,498	1,700,000	2,759,710	1,400,053	120,650,423	144,589,684	731,272,988	9.2%
18,893,075	1,700,000			137,298,860	157,891,935	648,915,198	9.2%
19,743,263	1,700,000			150,974,729	172,417,993	547,429,482	9.2%
, ,	1,700,000		•	165,948,738	188,280,448	424,206,586	9.2%
	1,700,000			182,342,112	205,602,249	276,335,897	9.2%
	1,700,000			100,573,350	124,803,694	100,573,350	-39.3%
23,544,209	1,700,000				25,244,209	0	-79.8%
	Cost 14,507,912 15,160,768 15,843,002 16,555,937 17,300,955 18,079,498 18,893,075 19,743,263 20,631,710 21,560,137 22,530,343	Cost         3(8)(c)           14,507,912         1,700,000           15,160,768         1,700,000           15,843,002         1,700,000           16,555,937         1,700,000           17,300,955         1,700,000           18,079,498         1,700,000           18,893,075         1,700,000           19,743,263         1,700,000           20,631,710         1,700,000           21,560,137         1,700,000           22,530,343         1,700,000	Cost         3(8)(c)         2002 ERI           14,507,912         1,700,000         2,214,532           15,160,768         1,700,000         2,314,186           15,843,002         1,700,000         2,418,324           16,555,937         1,700,000         2,527,149           17,300,955         1,700,000         2,640,871           18,079,498         1,700,000         2,759,710           18,893,075         1,700,000           19,743,263         1,700,000           20,631,710         1,700,000           21,560,137         1,700,000           22,530,343         1,700,000	Cost         3(8)(c)         2002 ERI         2003 ERI           14,507,912         1,700,000         2,214,532         1,123,474           15,160,768         1,700,000         2,314,186         1,174,031           15,843,002         1,700,000         2,418,324         1,226,862           16,555,937         1,700,000         2,527,149         1,282,071           17,300,955         1,700,000         2,640,871         1,339,764           18,079,498         1,700,000         2,759,710         1,400,053           18,893,075         1,700,000         20,631,710         1,700,000           20,631,710         1,700,000         21,560,137         1,700,000           22,530,343         1,700,000         20,631,710         1,700,000	Cost         3(8)(e)         2002 ERI         2003 ERI         UAL           14,507,912         1,700,000         2,214,532         1,123,474         73,570,040           15,160,768         1,700,000         2,314,186         1,174,031         81,333,642           15,843,002         1,700,000         2,418,324         1,226,862         89,849,239           16,555,937         1,700,000         2,527,149         1,282,071         99,187,714           17,300,955         1,700,000         2,640,871         1,339,764         109,426,546           18,079,498         1,700,000         2,759,710         1,400,053         120,650,423           18,893,075         1,700,000         137,298,860           19,743,263         1,700,000         150,974,729           20,631,710         1,700,000         165,948,738           21,560,137         1,700,000         182,342,112           22,530,343         1,700,000         100,573,350	Cost         3(8)(c)         2002 ERI         2003 ERI         UAL         Cost           14,507,912         1,700,000         2,214,532         1,123,474         73,570,040         93,115,958           15,160,768         1,700,000         2,314,186         1,174,031         81,333,642         101,682,626           15,843,002         1,700,000         2,418,324         1,226,862         89,849,239         111,037,428           16,555,937         1,700,000         2,527,149         1,282,071         99,187,714         121,252,871           17,300,955         1,700,000         2,640,871         1,339,764         109,426,546         132,408,135           18,079,498         1,700,000         2,759,710         1,400,053         120,650,423         144,589,684           18,893,075         1,700,000         137,298,860         157,891,935           19,743,263         1,700,000         150,974,729         172,417,993           20,631,710         1,700,000         165,948,738         188,280,448           21,560,137         1,700,000         182,342,112         205,602,249           22,530,343         1,700,000         100,573,350         124,803,694	Cost         3(8)(c)         2002 ERI         2003 ERI         UAL         Cost         Act. Liab.           14,507,912         1,700,000         2,214,532         1,123,474         73,570,040         93,115,958         929,823,971           15,160,768         1,700,000         2,314,186         1,174,031         81,333,642         101,682,626         912,620,039           15,843,002         1,700,000         2,418,324         1,226,862         89,849,239         111,037,428         885,744,053           16,555,937         1,700,000         2,527,149         1,282,071         99,187,714         121,252,871         847;707,102           17,300,955         1,700,000         2,640,871         1,339,764         109,426,546         132,408,135         796,839,880           18,079,498         1,700,000         2,759,710         1,400,053         120,650,423         144,589,684         731,272,988           18,893,075         1,700,000         137,298,860         157,891,935         648,915,198           19,743,263         1,700,000         150,974,729         172,417,993         547,429,482           20,631,710         1,700,000         165,948,738         188,280,448         424,206,586           21,560,137         1,700,000         165,948,735

Appropriation payments assumed to be made on July 1 of each fiscal year Normal cost includes assumed expenses of \$1,500,000 and is assumed to increase 4.5% per year FY21 amount maintained at level of current funding schedule