

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair*

JOHN W. PARSONS, ESQ., *Executive Director*

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MEMORANDUM

TO: Webster 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 on August 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 7.3% to 7.1% 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.

JWP/jfb

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Enc.



**Webster Retirement System
January 1, 2022 Actuarial Valuation**

Total Cost increasing 6.5% increasing until FY31 with a final amortization payment in FY32

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Amort. of 2002 ERIP</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Total Cost % Increasing</u>
2023	1,452,068	70,000	2,810,624	76,058	4,408,751	27,579,907	
2024	1,517,411	70,000	3,028,428	79,481	4,695,320	26,464,007	6.5%
2025	1,585,695	70,000	3,261,763	83,058	5,000,516	25,033,293	6.5%
2026	1,657,051	70,000	3,511,703	86,795	5,325,549	23,248,705	6.5%
2027	1,731,618	70,000	3,779,390	90,701	5,671,710	21,067,268	6.5%
2028	1,809,541	70,000	4,066,047	94,783	6,040,371	18,441,724	6.5%
2029	1,890,970	70,000	4,472,025		6,432,995	15,320,155	6.5%
2030	1,976,064	70,000	4,805,076		6,851,140	11,645,559	6.5%
2031	2,064,987	70,000	5,161,477		7,296,464	7,355,395	6.5%
2032	2,157,911	70,000	2,394,698		4,622,609	2,381,093	-36.6%
2033	2,255,017	70,000			2,325,017	0	-49.7%

All amounts assume payments will be made on August 1 of each fiscal year.

Normal cost includes expenses of \$415,000 and is assumed to increase 4.5% per year.

FY23 appropriation maintained at level as the current schedule.