

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: West Springfield Retirement Board

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

RE: Approval of Funding Schedule

DATE: November 21, 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 beginning in FY24. 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 6.75% 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.

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WEST SPRINGFIELD CONTRIBUTORY RETIREMENT SYSTEM FUNDING SCHEDULE

Fiscal Year	Normal Cost	Unfunded Liability*	Funding Amortization of UAAL	Net 3(8)(c) Payments	Schedule Contribution**	% Change
2024	2,437,391	62,046,286	6,080,899	23,612	8,541,902	4.00%
2025	2,513,559	59,743,050	6,346,311	23,612	8,883,482	4.00%
2026	2,607,818	47,530,558	6,607,291	23,612	9,238,722	4.00%
2027	2,705,611	43,685,587	6,878,943	23,612	9,608,166	4.00%
2028	2,807,072	38,483,595	7,161,701	23,612	9,992,385	4.00%
2029	2,912,337	33,436,122	7,456,019	23,612	10,391,968	4.00%
2030	3,021,549	27,733,761	7,762,368	23,612	10,807,529	4.00%
2031	3,134,857	21,319,462	8,081,239	23,612	11,239,709	4.00%
2032	3,252,415	14,131,803	8,413,143	23,612	11,689,170	4.00%
2033	3,374,380	6,104,670	6,104,670	23,612	9,502,662	-18.71%
2034	3,500,919	-	-	23,612	3,524,532	-62.91%

Amortization of Unfunded Liability as of July 1, 2023

* Includes recognition of the following asset gains/(losses) in Fiscal 2026 and 2028:

2026	\$	9,470,462
2028	\$	807,497

** Contributions are set to be the amount resulting from a 4.00% increase on the prior year's contribution.
The contribution in FY2033 decreases by 18.71%.

Bases in the funding schedule:

- Amortization of the unfunded actuarial accrued liability: 10 years.