

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATE FITZPATRICK | ELIZABETH FONTAINE | JOHN B. LANGAN | JAMES M. MACHADO | ROBERT B. McCARTHY

MEMORANDUM

TO: Greenfield Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: September 29, 2015

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 January 1 of each fiscal year. The schedule is effective in FY16 (since the amount under the prior schedule was maintained in FY16) and is acceptable under Chapter 32.

The 2015 actuarial valuation reflects a reduction in the investment return assumption from 7.75% to 7.60% and the adoption of a fully generational mortality assumption.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

Enc.



Alternative 3
7.60% Investment Return
6.3% total increasing to FY35

**Greenfield Retirement System
January 1, 2015 Actuarial Valuation**

Total appropriation increasing 6.3% until FY35 with final payment in FY36

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Amort. of 2002 ERI</u>	<u>Amort. of 2003 ERI</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>% Increase Total Cost</u>
2016	1,211,234	200,000	2,167,138	149,086	12,542	3,740,000	46,029,740	
2017	1,265,740	200,000	2,341,924	155,794	12,542	3,976,000	47,110,742	6.3%
2018	1,322,698	200,000	2,527,955	162,805	12,542	4,226,000	48,085,509	6.3%
2019	1,382,220	200,000	2,727,107	170,131	12,542	4,492,000	48,933,980	6.3%
2020	1,444,420	200,000	2,940,251	177,787	12,542	4,775,000	49,632,611	6.3%
2021	1,509,419	200,000	3,180,794	185,788		5,076,000	50,155,147	6.3%
2022	1,577,342	200,000	3,424,510	194,148		5,396,000	50,472,426	6.3%
2023	1,648,323	200,000	3,684,792	202,885		5,736,000	50,552,164	6.3%
2024	1,722,497	200,000	3,962,488	212,015		6,097,000	50,358,720	6.3%
2025	1,800,010	200,000	4,259,435	221,555		6,481,000	49,852,849	6.3%
2026	1,881,010	200,000	4,576,465	231,525		6,889,000	48,990,397	6.3%
2027	1,965,656	200,000	4,915,401	241,944		7,323,000	47,722,974	6.3%
2028	2,054,110	200,000	5,277,059	252,831		7,784,000	45,996,596	6.3%
2029	2,146,545	200,000	5,927,455			8,274,000	43,752,312	6.3%
2030	2,243,140	200,000	6,351,860			8,795,000	40,924,789	6.3%
2031	2,344,081	200,000	6,804,919			9,349,000	37,441,842	6.3%
2032	2,449,564	200,000	7,288,436			9,938,000	33,223,916	6.3%
2033	2,559,795	200,000	7,804,205			10,564,000	28,183,538	6.3%
2034	2,674,986	200,000	8,355,014			11,230,000	22,224,722	6.3%
2035	2,795,360	200,000	8,941,640			11,937,000	15,241,296	6.3%
2036	2,921,151	200,000	7,378,801			10,499,953	7,118,212	-12.0%
2037	3,052,603	200,000				3,252,603	0	

Appropriation payments assumed to be made on January 1 of each fiscal year
Normal cost assumed to increase 4.5% per year