

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair*

WILLIAM T. KEEFE, *Executive Director*

Auditor DIANA DIZOGLIO | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES J. GUIDO | RICHARD MACKINNON, JR. | JENNIFER F. SULLIVAN, ESQ.

MEMORANDUM

TO: Adams Retirement Board

FROM: William T. Keefe, Executive Director

RE: Approval of Funding Schedule

DATE: September 24, 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 January 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 revised schedule maintains the 6.75% investment return assumption used in the 2022 actuarial valuation and a there was a slight 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.

WTK/jfb

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Enc.



Alternative 1
6.75% Investment Return
7.00% Total Cost Increasing
\$14,000 COLA base

Adams Retirement System January 1, 2024 Actuarial Valuation

Total cost increases 7.0% per year until FY36 with a final amortization payment in FY37

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Change in Cost</u>
2025	905,407	100,000	1,401,413	2,406,820	19,060,745	
2026	946,150	100,000	1,529,148	2,575,297	18,898,634	7.00%
2027	988,727	100,000	1,666,842	2,755,568	18,593,535	7.00%
2028	1,033,219	100,000	1,815,239	2,948,458	18,125,501	7.00%
2029	1,079,714	100,000	1,975,136	3,154,850	17,472,469	7.00%
2030	1,128,301	100,000	2,147,388	3,375,690	16,610,064	7.00%
2031	1,179,075	100,000	2,332,913	3,611,988	15,511,381	7.00%
2032	1,232,133	100,000	2,532,694	3,864,827	14,146,751	7.00%
2033	1,287,579	100,000	2,747,786	4,135,365	12,483,484	7.00%
2034	1,345,520	100,000	2,979,320	4,424,840	10,485,596	7.00%
2035	1,406,069	100,000	3,228,511	4,734,579	8,113,501	7.00%
2036	1,469,342	100,000	3,496,658	5,066,000	5,323,690	7.00%
2037	1,535,462	100,000	2,135,897	3,771,359	2,068,369	-25.56%
2038	1,604,558	100,000		1,704,558	0	

Appropriation payments assumed to be made on January 1 of each fiscal year
Normal cost includes assumed expenses of \$275,000 and is assumed to increase 4.5% per year
FY25 amount maintained at level of current funding schedule