

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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M E M O R A N D U M

TO: Boston Retirement Board

FROM: William T. Keefe, Executive Director

RE: Approval of Funding Schedule

DATE: November 12, 2025

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted which excludes Boston teachers (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY26 (since the amount under the prior schedule was maintained in FY26) and is acceptable under Chapter 32.

The revised schedule maintains the 6.90% investment return assumption used in the 2024 actuarial valuation.

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

WTK/jfb

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Section 2: Actuarial Valuation Results – BRS Excluding Teachers

Funding schedule

(1) Fiscal Year Ended June 30	(2) Employer Normal Cost	(3) Amortization of Unfunded Inactive Sheriff Liability	(4) Amortization of Remaining Unfunded Liability	(5) Actuarially Determined Contribution (ADC): (2) + (3) + (4)	(6) Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(7) Percent Increase in ADC over Prior Year
2026	\$106,526,215	\$2,237,070	\$418,475,727	\$527,239,012	\$1,010,320,829	--
2027	110,365,187	2,237,070	461,297,408	573,899,665	630,290,986	8.85%
2028	114,341,758	2,237,070	176,025,637	292,604,465	178,262,707	-49.01%
2029	118,460,836	0	0	118,460,836	0	-59.52%
2030	122,727,505	0	0	122,727,505	0	3.60%

Notes:

Actuarially determined contribution for fiscal year 2026 is set equal to the amount determined with the prior valuation.

Actuarially determined contributions are assumed to be paid on July 1.

Item (2) reflects 3.25% growth in payroll and a 0.15% adjustment to total normal cost to reflect the effect of morality improvements due to the generational mortality assumption.

Projected normal cost does not reflect the future impact of pension reform for new hires.

Projected unfunded actuarial accrued liability does not reflect the recognition of deferred investment gains or losses.