

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: Dedham Retirement Board
FROM: William T. Keefe, Executive Director *WTK*
RE: Appropriation for Fiscal Year 2027
DATE: December 8, 2025

Required Fiscal Year 2027 Appropriation: **\$5,135,701**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2027 which commences July 1, 2026.

Attached please find the portion of the Fiscal Year 2027 appropriation to be paid by each of the governmental units within your system. The allocation by governmental unit was determined by Segal as part of their January 1, 2024 actuarial valuation.

As we indicated in PERAC Memo #27/2025, we are sending this letter only to the Retirement Board. Upon receipt, please forward this letter to the appropriate governmental bodies.

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

WTK/jfb
Attachment

p:\actuarial\approp\approp27\fy27 for web\dedham approp 27.docx



Section 2: Actuarial Valuation Results

Funding schedule

(1) Fiscal Year Ended June 30	(2) Employer Normal Cost	(3) Amortization of Remaining Unfunded Liability	(4) Actuarially Determined Contribution (ADC): (2)+(3)	(5) Total Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(6) Percent Increase in Actuarially Determined Contribution
2025	\$967,929	\$3,826,303	\$4,794,232	\$14,943,248	--
2026	1,002,938	3,959,092	4,962,030	11,895,131	3.50%
2027	1,039,186	4,096,515	5,135,701	8,491,562	3.50%
2028	1,076,714	4,238,737	5,315,451	4,702,700	3.50%
2029	1,115,569	496,440	1,612,009	496,440	-69.67%
2030	1,155,796	0	1,155,796	0	-28.30%

Notes:

Fiscal 2025 actuarially determined contribution set to budgeted amount.

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

Item (2) reflects 3.0% growth in payroll and a 0.15% adjustment to total normal cost to reflect the effect of mortality 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.

Department Breakouts of Actuarially Determined Contribution:

Fiscal Year Ended June 30	Housing	All Others	Total
2025	264,050	4,530,182	4,794,232
2026	347,665	4,614,365	4,962,030
2027	359,862	4,775,839	5,135,701

Notes:

Administrative expenses allocated in proportion to total normal cost

Actuarial value of assets allocated in proportion to actuarial accrued liability and adjusted for additional contributions made by the Town (the value of the additional contribution as of December 31, 2023 was \$17,403,656)

Fiscal 2026 and 2027 actuarially determined contributions equal to the sum of projected employer normal cost plus the amortization of the unfunded liability allocated in proportion to the unfunded liability