PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

M E M O R A N D U M

TO: Dedham Retirement Board

FROM: William T. Keefe, Executive Director

RE: Approval of Funding Schedule

DATE: August 7, 2026

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. The schedule is effective in FY27 (since the amount under the prior schedule was maintained in FY27) and is acceptable under Chapter 32.

The revised schedule maintains the 7.0% investment return assumption used in the 2024 actuarial valuation. The COLA base increased from $15,000 to $18,000.

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.

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Funding schedule

(1) Fiscal Year Ended June 30	(2) Employer Normal Cost	(3) Amortization of Unfunded Actuarial Accrued Liability	(4) Actuarially Determined Contribution (ADC): (2) + (3)	(5) Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(6) Percent Increase in ADC Over Prior Year
2027	$1,025,681	$4,110,020	$5,135,701	$26,818,449	- -
2028	1,063,238	4,290,730	5,353,968	24,298,019	4.25%
2029	1,102,135	4,479,377	5,581,512	21,407,799	4.25%
2030	1,142,419	4,676,307	5,818,726	18,113,412	4.25%
2031	1,184,140	4,881,882	6,066,022	14,377,702	4.25%
2032	1,227,347	5,096,481	6,323,828	10,160,527	4.25%
2033	1,272,093	5,320,498	6,592,591	5,418,529	4.25%
2034	1,318,431	104,893	1,423,324	104,893	-78.41%
2035	1,366,417	0	1,366,417	0	-4.00%

Notes:
Fiscal 2027 Actuarially Determined Contribution set equal to budgeted amount.
Actuarially Determined Contributions are assumed to be paid on July 1.
Item (2) reflects 3.0% growth in payroll, as well as a 0.15% adjustment to total normal cost to reflect the effects of mortality improvements due to the generational mortality assumption.
Projected normal cost does not reflect the future impact of pension reform for future 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
2027	$359,862	$4,775,839	$5,135,701
2028	310,463	5,043,505	5,353,968
2029	324,176	5,257,336	5,581,512

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, 2025 was $21,381,819)
Fiscal 2028 and 2029 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