

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: Fall River Retirement Board

FROM: William T. Keefe, Executive Director

RE: Approval of Funding Schedule

DATE: December 5, 2025

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 average on October 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 7.0% investment return assumption used in the 2023 actuarial valuation. The schedule also reflects an increase in the COLA base from \$12,000 to \$14,000 in this 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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Enc.



Alternative 1
7.0% Investment Return
\$14,000 COLA Base

Fall River Retirement System
January 1, 2025 Actuarial Valuation

Total Appropriation Increasing 7.5% until FY34 with a Final Amortization Payment in FY35

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Net</u> <u>3(8)(c)</u>	<u>Amort. of</u> <u>UAL</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>Increase in</u> <u>Total Cost</u>
2026	10,879,886	2,750,000	35,739,353	49,369,239	361,846,269	
2027	11,369,481	2,750,000	38,952,451	53,071,932	349,570,238	7.50%
2028	11,881,108	2,750,000	42,421,219	57,052,327	333,054,035	7.50%
2029	12,415,758	2,750,000	46,165,494	61,331,251	311,731,828	7.50%
2030	12,974,467	2,750,000	50,206,629	65,931,095	284,977,306	7.50%
2031	13,558,318	2,750,000	54,567,610	70,875,927	252,097,850	7.50%
2032	14,168,442	2,750,000	59,273,180	76,191,622	212,328,168	7.50%
2033	14,806,022	2,750,000	64,349,972	81,905,994	164,823,365	7.50%
2034	15,472,293	2,750,000	69,826,650	88,048,943	108,651,379	7.50%
2035	16,168,546	2,750,000	43,508,158	62,426,704	42,784,744	-29.10%
2036	16,896,131	2,750,000		19,646,131	0	-68.53%
2037	17,656,456	2,750,000		20,406,456	0	3.87%

All amounts assume payments will be made October 1 of each fiscal year.

FY26 normal cost includes assumed expenses of \$1.3 million and is assumed to increase 4.5% per year.

FY26 appropriation was maintained at the same level as the current schedule.