

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Fall River Retirement Board

FROM: Bill Keefe, Executive Director *BK*

RE: Approval of Funding Schedule and Revised Appropriation for Fiscal Year 2026

DATE: June 5, 2025

Revised Appropriation for FY26: **\$49,369,239**

This Commission is hereby furnishing you with the revised amount to be appropriated for your retirement system for Fiscal Year 2026, which commences July 1, 2025.

This amount revises the figure shown in our December 12, 2024 memorandum based on the funding schedule recently adopted by the Board (copy enclosed).

The breakout by governmental unit is as follows:

| | |
|-------------------|--------------|
| City/Town | \$44,684,098 |
| Housing Authority | 3,668,135 |
| Diman Voc. | 977,511 |
| Redevelopment | 39,495 |

The revised funding schedule reflects an increase in the COLA base to \$14,000.

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

WTK/jfb

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Enclosure



**Fall River Retirement System
January 1, 2023 Actuarial Valuation**

Total Appropriation Increasing 6.8% in FY25, then 6.1% in FY26, and then 7.5% until FY34 with
a Final Amortization Payment in FY35

| <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>Increase in Total Cost</u> |
|--------------------|--------------------|--------------------|----------------------|-------------------|----------------------------|-------------------------------|
| 2024 | 9,490,001 | 2,000,000 | 32,078,217 | 43,568,218 | 385,189,494 | |
| 2025 | 9,917,051 | 2,000,000 | 34,613,806 | 46,530,857 | 378,399,769 | 6.8% |
| 2026 | 10,363,318 | 2,000,000 | 37,005,921 | 49,369,239 | 368,466,794 | 6.1% |
| 2027 | 10,829,668 | 2,000,000 | 40,242,264 | 53,071,932 | 355,321,505 | 7.5% |
| 2028 | 11,317,003 | 2,000,000 | 43,735,324 | 57,052,327 | 337,850,737 | 7.5% |
| 2029 | 11,826,268 | 2,000,000 | 47,504,984 | 61,331,251 | 315,481,586 | 7.5% |
| 2030 | 12,358,450 | 2,000,000 | 51,572,645 | 65,931,095 | 287,580,124 | 7.5% |
| 2031 | 12,914,580 | 2,000,000 | 55,961,347 | 70,875,927 | 253,445,530 | 7.5% |
| 2032 | 13,495,736 | 2,000,000 | 60,695,886 | 76,191,622 | 212,303,682 | 7.5% |
| 2033 | 14,103,044 | 2,000,000 | 65,802,949 | 81,905,994 | 163,300,181 | 7.5% |
| 2034 | 14,737,681 | 2,000,000 | 71,311,262 | 88,048,943 | 105,492,736 | 7.5% |
| 2035 | 15,400,877 | 2,000,000 | 38,482,730 | 55,883,607 | 37,842,874 | -36.5% |
| 2036 | 16,093,916 | 2,000,000 | | 18,093,916 | 0 | -67.6% |

All amounts assume payments will be made October 1 of each fiscal year.
FY24 normal cost includes assumed expenses of \$1.25 million and is assumed to increase 4.5% per year.
FY24 appropriation was maintained at the same level as the current schedule.