

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair*

WILLIAM T. KEEFE, *Executive Director*

Auditor DIANA DIZOGGIO | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES J. GUIDO | RICHARD MACKINNON, JR. | JENNIFER F. SULLIVAN, ESQ.

MEMORANDUM

TO: Gardner Retirement Board

FROM: William T. Keefe, Executive Director

RE: Approval of Funding Schedule

DATE: November 20, 2024

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 FY25 (since the amount under the prior schedule was maintained in FY25) and is acceptable under Chapter 32.

The revised schedule maintains the 7.0% investment return assumption used in the 2023 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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Enc.



GARDNER RETIREMENT SYSTEM

FUNDING SCHEDULE with 3(8)(C) - 7 years: 7.25% increases

MP-2021, 7.00% Discount Rate; \$14k COLA Base

| Fiscal Year | Normal Cost | Unfunded Liability | Funding Amortization of UAAL | Net 3(8)(c) Payments | Schedule Contribution* | % Change |
|-------------|-------------|--------------------|------------------------------|----------------------|------------------------|----------|
| 2026 | 1,157,335 | 38,157,322 | 5,280,324 | 141,148 | 6,578,807 | 7.25% |
| 2027 | 1,197,842 | 35,178,388 | 5,716,781 | 141,148 | 7,055,771 | 7.25% |
| 2028 | 1,239,766 | 31,523,919 | 6,186,400 | 141,148 | 7,567,314 | 7.25% |
| 2029 | 1,283,158 | 27,111,146 | 6,691,638 | 141,148 | 8,115,944 | 7.25% |
| 2030 | 1,328,069 | 21,848,874 | 7,235,134 | 141,148 | 8,704,350 | 7.25% |
| 2031 | 1,374,551 | 15,636,702 | 7,819,717 | 141,148 | 9,335,416 | 7.25% |
| 2032 | 1,422,660 | 8,364,174 | 8,364,174 | 141,148 | 9,927,982 | 6.35% |
| 2033 | 1,472,453 | - | - | 141,148 | 1,613,601 | -83.75% |

Amortization of Unfunded Liability as of July 1, 2025

| Year | Type | Original Amort. Amount | Percentage Increasing | Original # of Years | Current Amort. Amount | Years Remaining |
|------|-------------|------------------------|-----------------------|---------------------|-----------------------|-----------------|
| 2026 | Fresh Start | N/A | N/A | 7 | N/A | 7 |

* Contributions are set to be the amount resulting from a 7.25% increase on the prior year's contribution.
The contribution in FY2032 increases by 6.35%.