

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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## MEMORANDUM

TO: Milton Retirement Board

FROM: Kenneth J. Hill, Esq., Deputy Executive Director

RE: Approval of Funding Schedule

DATE: September 29, 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 November 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 and the \$18,000 COLA base.

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

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Enc.



### Milton Retirement System January 1, 2025 Actuarial Valuation

Unfunded Actuarial Liability is fully amortized, extra \$1 million for each of next 10 years.

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Net</u> <u>3(8)(c)</u>	<u>Amort.</u> <u>UAL</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>Total Cost</u> <u>% Increase</u>
2026	3,495,942	100,000	1,130,376	4,726,318	(7,456,171)	
2027	3,653,259	100,000	1,000,000	4,753,259	(9,160,939)	0.6%
2028	3,817,656	100,000	1,000,000	4,917,656	(10,848,615)	3.5%
2029	3,989,450	100,000	1,000,000	5,089,450	(12,654,427)	3.5%
2030	4,168,976	100,000	1,000,000	5,268,976	(14,586,647)	3.5%
2031	4,356,579	100,000	1,000,000	5,456,579	(16,654,121)	3.6%
2032	4,552,625	100,000	1,000,000	5,652,625	(18,866,319)	3.6%
2033	4,757,494	100,000	1,000,000	5,857,494	(21,233,371)	3.6%
2034	4,971,581	100,000	1,000,000	6,071,581	(23,766,116)	3.7%
2035	5,195,302	100,000	1,000,000	6,295,302	(26,476,154)	3.7%
2036	5,429,091	100,000	1,000,000	6,529,091	(29,375,894)	3.7%
2037	5,673,400	100,000		5,773,400	(32,478,616)	-11.6%

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

Normal cost includes expenses of \$800,000 and is assumed to increase 4.5% each year.

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