

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair*

WILLIAM T. KEEFE, *Executive Director*

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## MEMORANDUM

TO: Natick 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 July 1 and January 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 2021 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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## Section 2: Actuarial Valuation Results

### 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
2025	\$2,680,507	\$11,891,927	\$14,572,434	\$44,228,458	- -
2026	2,779,324	12,376,008	15,155,332	34,813,506	4.00%
2027	2,881,750	12,879,795	15,761,545	24,230,229	4.00%
2028	2,987,917	12,587,229	15,575,146	12,376,111	-1.18%
2029	3,097,960	0	3,097,960	0	-80.11%

**Notes:**

Actuarially Determined Contributions are assumed to be paid on July 1 and December 31.

Item (2) reflects 3.25% 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 losses.