PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair* WILLIAM T. KEEFE, *Executive Director*

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M E M O R A N D U M

TO: Plymouth County Retirement Board

FROM: William T. Keefe, Executive Director

RE: Approval of Funding Schedule

DATE: October 5, 2026

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made in equal installments on July 1 and January 1 of each fiscal year. The schedule is effective in FY27 (since the amount under the prior schedule was maintained in FY27) and is acceptable under Chapter 32.

We are approving the schedule because the schedule aggressively funds the plan by completing the amortization of the unfunded liability by FY32. We note that this actuarial valuation and revised funding schedule partially address our past concerns about the plan assumptions. The Board adopted a schedule that reduced the 7.875% investment return assumption to 7.625%. However, it is important to note that the actuary, on page 34 of the report, indicates "the upper end of our reasonable range…is 7.40%. Accordingly, we do not consider the Board's adopted assumption of 7.625% to be reasonable.". This assumption is among the highest of any Chapter 32 plan and is also outside the high end of PERAC's reasonable range for this assumption as of January 1, 2026. We have generally recommended an assumption of 6.5% to 7.0% for our 2026 PERAC valuations. The wider range that we consider reasonable for 2026 valuations is 6.0% to 7.40%. For comparison, 77 systems currently use an assumption of 7.0% or lower. If PERAC were your actuary, we would disclose (as your actuary has done) the fact that we did not recommend a 7.625% assumption and we would disclose the results of the valuation using our recommended assumptions.

In addition, the revised schedule reflects a change to the mortality assumption, specifically mortality improvement beyond 2025. The prior schedule only considered mortality improvement until 2025.

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We estimate that if the plan used a 7.0% investment return assumption, the actuarial liability (and unfunded actuarial liability) would increase approximately $154 million and the funded ratio would decrease to approximately 66%.

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.

Exhibit 3.1 - 30-Year Forecast of Annual Appropriations

Fiscal Year Ending	Employer Normal Cost	Amortization Payment of UAAL	Amortization Payment of ERI	Net 3(8)(c) Transfers	Total Employer Cost	Increase over Prior Year	Unfunded Actuarial Accrued Liability
2027	$13,201,205	$120,954,666	$38,258	$0	$134,194,129		$744,054,979
2028	12,755,622	134,484,176	38,259	-	147,278,057	9.75%	677,532,186
2029	12,805,900	148,831,768	-	-	161,637,668	9.75%	592,154,349
2030	12,846,865	164,550,476	-	-	177,397,341	9.75%	485,689,358
2031	13,007,253	181,686,329	-	-	194,693,582	9.75%	355,093,569
2032	13,101,775	208,214,765	-	-	221,316,540	13.67%	197,083,347
2033	13,268,948	-	-	-	13,268,948	-94.00%	-
2034	13,542,472	-	-	-	13,542,472	2.06%	-
2035	13,747,258	-	-	-	13,747,258	1.51%	-
2036	13,900,795	-	-	-	13,900,795	1.12%	-
2037	14,132,952	-	-	-	14,132,952	1.67%	-
2038	14,299,279	-	-	-	14,299,279	1.18%	-
2039	14,558,452	-	-	-	14,558,452	1.81%	-
2040	14,815,584	-	-	-	14,815,584	1.77%	-
2041	15,136,553	-	-	-	15,136,553	2.17%	-
2042	15,465,862	-	-	-	15,465,862	2.18%	-
2043	15,793,694	-	-	-	15,793,694	2.12%	-
2044	16,148,330	-	-	-	16,148,330	2.25%	-
2045	16,625,825	-	-	-	16,625,825	2.96%	-
2046	17,091,883	-	-	-	17,091,883	2.80%	-
2047	17,573,489	-	-	-	17,573,489	2.82%	-
2048	18,081,653	-	-	-	18,081,653	2.89%	-
2049	18,597,078	-	-	-	18,597,078	2.85%	-
2050	19,077,270	-	-	-	19,077,270	2.58%	-
2051	19,644,145	-	-	-	19,644,145	2.97%	-
2052	20,161,113	-	-	-	20,161,113	2.63%	-
2053	20,746,927	-	-	-	20,746,927	2.91%	-
2054	21,375,766	-	-	-	21,375,766	3.03%	-
2055	21,996,789	-	-	-	21,996,789	2.91%	-
2056	22,629,072	-	-	-	22,629,072	2.87%	-

The significant decrease in 2033 reflects the full amortization of the UAAL.