

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair*

WILLIAM T. KEEFE, *Executive Director*

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

MEMORANDUM

TO: Saugus Retirement Board

FROM: William T. Keefe, Executive Director

RE: Approval of Funding Schedule

DATE: August 25, 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 November 15 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 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.



Alternative 2
7.0% Investment Return
\$18,000 COLA Base

Saugus Retirement System
January 1, 2025 Actuarial Valuation

Total Cost increasing 4.22% per year until FY29 with a final amortization payment in FY30

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Amort. of</u> <u>UAL</u>	<u>Amort. of</u> <u>2002 ERIP</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>% Change</u>
2026	3,151,827	2,532,588	269,886	5,954,300	12,254,228	
2027	3,293,659	2,633,930	277,982	6,205,571	10,187,549	4.22%
2028	3,441,873	2,739,251	286,322	6,467,447	7,861,999	4.22%
2029	3,596,758	3,143,615		6,740,373	5,255,051	4.22%
2030	3,758,612	2,401,848		6,160,460	2,342,437	-8.60%
2031	3,927,749			3,927,749	0	-36.24%

All amounts assume payments will be made November 15 of each fiscal year.
Amortization of unfunded liability onn 4.0% annual increasing basis for FY28
FY26 appropriation was maintained at the same level as the current schedule.