

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair*

JOHN W. PARSONS, ESQ., *Executive Director*

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MEMORANDUM

TO: Watertown Retirement Board
FROM: John W. Parsons, Esq., Executive Director
RE: Appropriation for Fiscal Year 2025
DATE: December 7, 2023

Required Fiscal Year 2025 Appropriation: **\$531,274**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2025 which commences July 1, 2024.

Attached please find the portion of the Fiscal Year 2025 appropriation to be paid by each of the governmental units within your system. The allocation by governmental unit was determined by Sherman Actuarial Services as part of their January 1, 2023 actuarial valuation.

The current schedule is due to be updated by Fiscal Year 2026.

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

JWP/jfb
Attachment

cc: Town Council
c/o Town Clerk
Town Manager

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Breakouts

	<u>Total</u>	<u>All Others</u>	<u>Housing</u>
(1) Participants			
(a) Actives	551	533	18
(b) Retirees	372	360	12
(c) Inactives	217	212	5
(d) Disabled Retirees	<u>58</u>	<u>57</u>	<u>1</u>
(e) Total	1198	1162	36
(2) Payroll of Active Participants	\$39,782,569	\$38,413,838	\$1,368,731
(3) Normal Cost			
(a) Total Normal Cost	4,396,435	4,235,875	160,560
(b) Expected Employee Contributions	3,634,065	3,510,965	123,100
(c) Administrative Expenses	<u>340,000</u>	<u>327,583</u>	<u>12,417</u>
(d) Net Employer Normal Cost (a) - (b)	762,370	724,910	37,460
(4) Actuarial Accrued Liability	261,264,676	255,131,771	6,132,905
(5) Assets*	<u>264,785,388</u>	<u>258,569,838</u>	<u>6,215,550</u>
(6) Unfunded Actuarial Accrued Liability (4) - (5)	(3,520,712)	(3,438,067)	(82,645)
(7) Amortizations*	(269,057)	(262,741)	(6,316)
(8) Total Required Employer Contributions (3d) + (7)	493,313	462,169	31,144
(9) Fiscal 2024 Cost	(\$0)	(\$207,563)	\$207,563
(10) Fiscal 2025 Cost	\$531,274	\$497,733	\$33,541
(11) Fiscal 2026 Cost	\$505,643	\$473,720	\$31,923
(12) Fiscal 2027 Cost	\$477,109	\$446,988	\$30,121
(13) Fiscal 2028 Cost	\$445,485	\$417,361	\$28,125
(14) Fiscal 2029 Cost	\$410,568	\$384,648	\$25,920
Percentage of Total Cost	100.0%	93.7%	6.3%

* Allocation is based on the ratio of the Unfunded Actuarial Accrued Liability