

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: Watertown Retirement Board
FROM: William T. Keefe, Executive Director
RE: Appropriation for Fiscal Year 2026
DATE: December 3, 2024

BSK

Required Fiscal Year 2026 Appropriation: **\$1,150,000**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2026 which commences July 1, 2025.

Attached please find the portion of the Fiscal Year 2026 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, 2024 actuarial valuation.

The current schedule is due to be updated by Fiscal Year 2027.

As we indicated in PERAC Memo #29/2024, we are sending this letter only to the Retirement Board. Upon receipt, please forward this letter to the appropriate governmental bodies.

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

WTK/jfb
Attachment

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Breakouts

	<u>Total</u>	<u>All Others</u>	<u>Housing</u>
(1) Participants			
(a) Actives	570	552	18
(b) Retirees	367	355	12
(c) Inactives	233	227	6
(d) Disabled Retirees	<u>58</u>	<u>57</u>	<u>1</u>
(e) Total	1228	1191	37
(2) Payroll of Active Participants	\$42,931,763	\$41,441,574	\$1,490,189
(3) Normal Cost			
(a) Total Normal Cost	4,795,373	4,608,694	186,679
(b) Expected Employee Contributions	3,961,976	3,825,100	136,876
(c) Administrative Expenses	<u>420,000</u>	<u>403,650</u>	<u>16,350</u>
(d) Net Employer Normal Cost (a) - (b)	833,397	783,594	49,803
(4) Actuarial Accrued Liability	271,195,974	265,002,779	6,193,195
(5) Assets*	<u>271,847,716</u>	<u>265,639,638</u>	<u>6,208,079</u>
(6) Unfunded Actuarial Accrued Liability (4) - (5)	(651,742)	(636,859)	(14,884)
(7) Amortizations*	(224,783)	(219,650)	(5,133)
(8) Total Required Employer Contributions (3d) + (7)	608,614	563,944	44,670
(9) Fiscal 2025 Cost	\$1,150,000	\$1,085,415	\$64,585
(10) Fiscal 2026 Cost	\$1,150,000	\$1,065,594	\$84,406
(11) Fiscal 2027 Cost	\$1,150,000	\$1,065,594	\$84,406
(12) Fiscal 2028 Cost	\$1,150,000	\$1,065,594	\$84,406
(13) Fiscal 2029 Cost	\$1,150,000	\$1,065,594	\$84,406
(14) Fiscal 2030 Cost	\$1,150,000	\$1,065,594	\$84,406
Percentage of Total Cost	100.0%	92.7%	7.3%

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