

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: Wellesley Retirement Board

FROM: William T. Keefe, Executive Director

BK

RE: Approval of Funding Schedule

DATE: August 13, 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 October 1 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 6.0% investment return assumption used in the prior 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 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
2026	\$4,360,600	\$6,607,594	\$10,968,194	\$22,743,838	--
2027	4,494,491	6,473,703	10,968,194	17,205,709	0.00%
2028	4,632,470	6,335,724	10,968,194	11,475,164	0.00%
2029	4,774,660	5,626,294	10,400,954	5,544,929	-5.17%
2030	4,921,189	0	4,921,189	0	-52.69%
2031	5,072,191	0	5,072,191	0	3.07%

Notes:

Fiscal 2026 Actuarially Determined Contribution is set equal to budgeted amount.

Actuarially Determined Contributions are assumed to be paid October 1.

Item (2) reflects 2.75% growth in payroll and a 0.15% adjustment to total normal cost to reflect the effect of mortality improvements due to the generational mortality assumption.

Projected normal cost does not reflect the future impact of pension reform for new hires.