

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: Winthrop Retirement Board

FROM: William T. Keefe, Executive Director

RE: Approval of Funding Schedule

DATE: December 5, 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 September 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 system is fully funded as of January 1, 2025. The payments under this schedule phase down to only normal cost in FY29.

The revised schedule maintains the 6.75% investment return assumption used in the 2023 actuarial valuation. The schedule also reflects an increase in the COLA base from \$13,000 to \$14,000 as part of this 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.



**Winthrop Retirement System
January 1, 2025 Actuarial Valuation**

Total Cost Payments are Phased Down to Normal Cost by FY29

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Net</u> <u>3(8)(c)</u>	<u>Amort. of</u> <u>UAL</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>Total Cost</u> <u>% Increase</u>
2026	2,434,732	300,000	665,268	3,400,000	(9,323,693)	
2027	2,544,295	300,000	455,705	3,300,000	(10,655,571)	-2.9%
2028	2,658,788	300,000	241,212	3,200,000	(11,856,050)	-3.0%
2029	2,778,434	300,000		3,078,434	(12,911,055)	-3.8%
2030	2,903,463	300,000		3,203,463	(13,782,551)	4.1%
2031	3,034,119	300,000		3,334,119	(14,712,873)	4.1%

All amounts assume payments will be made September 1 of each fiscal year.

Normal cost includes expenses of \$680,000 and is assumed to increase 4.5% each year.

FY26 appropriation was maintained at the same level as the current schedule.