City of Taunton Contributory Retirement System

Actuarial Valuation Report

Plan Year: January 1, 2026

October 2026



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October 2026

Taunton Retirement Board
104 Dean St., Suite 203
Taunton, MA 02780

Gallagher is pleased to present this actuarial valuation report or the Retirement System for the plan sponsor's plan year ending December 31, 2026.

Purpose of this Report

Gallagher was retained by the City of Taunton to prepare this report to:

1. analyze the current funded position of the System and determine the level of contributions necessary to assure sound funding; and
2. update the Section 22D funding schedule currently in place for the Retirement System.

Use of this report for any other purpose may not be appropriate and may result in mistaken conclusions due to failure to understand applicable assumptions, methodologies, or inapplicability of the report for that purpose. Because of the risk of misinterpretation of actuarial results, Gallagher recommends requesting an advance review of any statement, document, or filing based on information contained in this report. Gallagher will accept no liability for any such statement, document or filing made without prior review by Gallagher.

Data Used

Gallagher performed the calculations using participant data as of January 1, 2026 and financial data as of December 31, 2025, both supplied by the Retirement Board. Gallagher reviewed the data for reasonableness and consistency with data for the 2026 valuation but performed no audit of the data. The accuracy of the results of the valuation is dependent on the accuracy of the data.

Actuarial Certification

Gallagher uses third-party software in the performance of annual actuarial valuations and projections. The model is intended to calculate the liabilities associated with the provisions of the plan using data and assumptions as of the measurement date under the accounting rules specified in this report. The output from the third-party vendor software is used as input to an internally developed model that applies applicable accounting rules and policies to the liabilities derived and other inputs, such as plan assets and contributions, to develop this report. Gallagher has an extensive review process whereby the results of the liability calculations are checked using detailed sample output, changes from year to year are summarized by source, and significant deviations from expectations are investigated. Other funding outputs and the internal model are similarly reviewed in detail and at a high level for accuracy, reasonability, and consistency with prior results. Gallagher also reviews the third-party model when significant changes are made to the software. The review is performed by experts within the company who are familiar with applicable accounting rules as well as the manner in which the model generates its output. If significant changes are made to the internal model, extra checking and review are completed. Significant changes to the internal model that are applicable to multiple clients are generally developed, checked, and reviewed by multiple experts within the company who are familiar with the details of the required changes.

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The mortality assumption used in this valuation reflects the Society of Actuaries' most recently published tables of public sector pension plan rates. Other significant demographic assumptions were based on an analysis of plan experience. A gain/loss analysis is performed each year, itemized by assumption source, which the actuary uses either to help ascertain that assumed rates are still appropriate, or to indicate possible modifications.

In the case of the Retirement Board's selection of the long-term expected rate of return (EROA), the signing actuary has used economic information and tools provided by Gallagher's Financial Risk Management ("FRM") practice. A spreadsheet tool created by the FRM team converts averages, standard deviations, and correlations from Gallagher's Capital Markets Assumptions ("CMA") that are used for stochastic forecasting into approximate percentile ranges for the arithmetic and geometric average returns. Percentiles are based on standard matrix multiplication and normal approximations. This simplified model (disclosed here in compliance with ASOP 56) ignores inter-period dependence and the skewed nature of single year returns. As such it is intended to suggest possible reasonable ranges for EROA without attempting to predict or select a specific best estimate rate of return. However, it does take into account the duration (horizon) of investment and the approximate allocation of assets in the portfolio to various asset classes with different expected returns, standard deviations, and correlations to other asset classes. Under current calibrations, the EROA tool will tend to show higher expected returns for longer durations and will show a greater divergence between arithmetic and geometric average returns the higher the standard deviation of portfolio return. Based on the actuary's analysis, including consistency with other assumptions used in the valuation, and the percentiles generated by the spreadsheet described above, the actuary believes the EROA does not significantly conflict with what, in the actuary's professional judgment, is reasonable for the purpose of the measurement.

The combined effect of the assumptions is expected to have no significant bias.

The Section 22D contributions shown in this report satisfy the requirement of ASOP 4 to disclose a reasonable actuarially determined contribution. The balance among benefit security, intergenerational equity, and stability or predictability of actuarially determined contributions, the timing and duration of expected benefit payments, the nature and frequency of plan amendments, and relevant input from the principal were taken into account when determining the actuarial cost method, smoothing period for the actuarial value of assets and the amortization period and method for any unfunded actuarial accrued liability.

Where presented, references to "funded percentage" and "unfunded accrued liability" typically are measured on an actuarial value of assets basis. It should be noted that the same measurements using market value of assets would result in different funded percentages and unfunded accrued liabilities. Also, the "net pension liability" and "plan fiduciary net position as a percentage of the total pension liability" are measured on a market value of assets basis. These items presented may be appropriate for evaluating the need and level of future contributions but make no assessment regarding the cost to settle (i.e., purchase annuities to cover) any portion of the Fund's liabilities.

Future actuarial measurements may differ significantly from current measurements due to plan experience differing from that anticipated by the economic and demographic assumptions, changes expected as part of the natural operation of the methodology used for these measurements, and changes in plan provisions, applicable law or regulations. An analysis of the potential range of such future differences is beyond the scope of this valuation.

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The report was prepared under our supervision and in accordance with all applicable Actuarial Standards of Practice. We are Enrolled Actuaries and Members of the American Academy of Actuaries. Hilja and Jason are a Fellow of the Society of Actuaries. We meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein, and we are available to discuss this report with you.

Respectfully Submitted,

Gallagher Benefit Services, Inc.

Hilja Viidemann

Hilja Viidemann, FSA, MAAA, EA
Senior Vice President, Retirement Defined Benefit Practice

10/16/2026
Date

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10/16/2026
Date

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Section I - Summary Of Principal Results

1. For convenience of reference, the principal results of the valuation as of January 1, 2026 are summarized below along with a comparison with the amounts in the previous valuation as of January 1, 2024.

Valuation Date	January 1, 2024	January 1, 2026
a) Active Members:		
Number	1,136	1,197
Annual compensation	$ 77,699,978	$ 91,880,252
Average age	47.1	46.7
Average service	11.1	11.0
Average compensation	$ 68,398	$ 76,759
b) Pensioners and beneficiaries:		
Number	1,009	1,032
Annual benefit payments	$ 36,223,015	$ 39,245,288
Average benefit	$ 35,900	$ 38,028
c) Inactive employees:		
Number	248	300
Accumulated employee contributions	$ 3,050,282	$ 3,342,919
d) Actuarial accrued liability	$ 561,452,833	$ 609,886,642
e) Market value of assets	$ 421,188,628	$ 499,376,384
f) Assets for valuation purposes	$ 450,165,100	$ 491,736,359
g) Unfunded actuarial accrued liability (d. – f.)	$ 111,287,733	$ 118,150,283
h) Funded percentage (f. ÷ d.)	80.18%	80.63%
i) Section 22D funding for fiscal 2027	$ 21,237,067	$ 21,237,067
j) Section 22D funding for fiscal 2028	$ 22,087,989	$ 22,836,977

A projection of Section 22D costs is presented in Section V. Schedule A of this report outlines the actuarial assumptions and methods employed. The provisions of the System are summarized in Schedule B. The valuation includes additional liabilities resulting from Chapter 17 COLA legislation. The contributions determined by the funding policy and developed in this report exceed the normal cost plus interest on the unfunded actuarial accrued liability. Under this funding policy, the unfunded actuarial accrued liability is expected to be amortized by 2035.

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Section II - Membership Data

In order to calculate the aggregate liabilities and assets on account of members of the System as of January 1, 2026, data was needed with respect to each active and retired member and beneficiary of the System. The data with respect to active, retired and terminated members and beneficiaries were furnished to the actuary by the Retirement Board.

From the data, tabulations were made showing, as of January 2026, the number and annual compensation of active members classified by age and years of service and the number and annual retirement allowances of retired members and beneficiaries as of January 1, 2026, classified by age. These tables are presented in Schedule C.

The following tables show the number of active and retired members of the Retirement System as of January 1, 2026.

Table I - The Number and Annual Compensation of Active Members as of January 1, 2026

Group	Number	Compensation
General employees	882	$ 51,992,346
Police and Fire	315	39,887,906
Total	1,197	$ 91,880,252

Table II - The Number and Annual Retirement Allowances of Retired Members and Beneficiaries as of January 1, 2026

	Annual Retirement Allowance	
Group	Number	Pension[1]
Service Retirements	831	$ 32,063,657
Disability Retirements	79	3,764,544
Beneficiaries of Deceased Members	122	3,417,087
Grand Total	1,032	$ 39,245,288

In addition, there are 300 members with accumulated contributions valued at $3,342,919.

[1] Pension amounts exclude cost-of-living adjustments applied after July 1, 1981, and prior to July 1, 1998, which are funded by the Commonwealth of Massachusetts.

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Section III - Assets

The amount of assets taken into account in this valuation is based on financial information reported by the Retirement Board. As of January 1, 2026, the reported market value of Retirement System assets amounted to $499,376,384. The actuarial value of assets for valuation funding purposes is $491,736,359. Valuation assets are developed using a smoothing method (described in Schedule A of this report) in order to smooth the year-to-year fluctuations due to deviations of investment returns from expected levels.

Gain/(Loss) on Market Value of Assets	December 31, 2024	December 31, 2025
1. Market value of plan assets, prior year end	$ 421,188,628	$ 451,713,867
2. Employer and employee contributions, net transfers and reimbursements	$ 31,334,891	$ 34,367,080
3. Expenses	$ (671,114)	$ (725,565)
4. Benefits and refunds	$ (39,622,940)	$ (40,450,170)
5. Expected interest during the year	$ 31,641,517	$ 34,049,964
6. Expected market value of plan assets, current year	$ 443,870,982	$ 478,955,177
7. Actual market value of plan assets, current year	$ 451,713,867	$ 499,376,384
8. Investment gain/(loss) during prior year [7. – 6.]	$ 7,842,886	$ 20,421,207

Determination of Actuarial Value of Assets	December 31, 2024	December 31, 2025
1. Actual market value of plan assets, current year	$ 451,713,867	$ 499,376,384
2. Investment gain/(loss) during prior year	$ (16,012,319)	$ 20,421,207
3. Investment gain/(loss) during second prior year	$ 7,842,886	$ 7,842,886
4. Investment gain/(loss) during third prior year	$ 13,379,140	$ 13,379,140
5. Investment gain/(loss) during fourth prior year	$ (93,771,639)	$ (93,771,639)
6. Tentative Valuation Assets before reflecting 80% - 120% corridor [1. – 80% x 2. – 60% x 3. – 40% x 4. – 20% x 5.]	$ 467,726,186	$ 491,736,359
7. 80% of actual market value = 80% x 1.	$ 374,180,949	$ 399,501,108
8. 120% of actual market value = 120% x 1.	$ 449,017,138	$ 599,251,660
9. Valuation Assets = 6. But not less the 7. or greater than 8.	$ 467,726,186	$ 491,736,359
10. Ratio of actuarial value to market value	103.54%	98.47%
11. Market Value Return for prior year	9.48%	12.15%

Gain/(Loss) on Actuarial Value of Assets	December 31, 2024	December 31, 2025
1. Actuarial value of assets, prior year end	$ 450,165,100	$ 467,726,186
2. Net receipts	$ 31,334,891	$ 34,367,080
3. Net disbursements	$ (40,294,054)	$ (41,175,734)
4. Expected interest during the year	$ 34,212,549	$ 35,288,461
5. Expected actuarial value of plan assets, current year	$ 475,418,485	$ 496,205,992
6. Actual actuarial value of plan assets, current year	$ 467,726,186	$ 491,736,359
7. Gain/(loss) during prior year [6. – 5.]	$ (7,692,299)	$ (4,469,633)
8. Actuarial Value Return for prior year	5.95%	6.64%

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Section IV - Actuarial Liabilities and Normal Cost

Liabilities are measured biannually using the individual entry age normal cost method. This method allocates an individual's total liability to each year of that individual's career as a level percent of pay. The amount attributable to past service is the actuarial accrued liability. The amount allocated to the valuation year is the normal cost.

Actuarial Accrued Liability		January 1, 2024	January 1, 2026
1.	Active Members	$ 192,925,059	$ 221,968,850
2.	Service Retirements	299,404,724	313,745,898
3.	Disability Retirements	27,879,623	30,253,503
4.	Beneficiaries of Deceased Members	38,193,145	40,575,472
5.	Inactive Members	3,050,282	3,342,919
6.	Total	$ 561,452,833	$ 609,886,642

Normal Cost		January 1, 2024	January 1, 2026
1.	Gross Normal Cost	$ 9,789,442	$ 12,090,713
2.	Expected Administrative Expenses	600,000	700,000
3.	Total Normal Cost	$ 10,389,442	$ 12,790,713
4.	Expected Employee Contributions	7,211,313	8,591,654
5.	Employer Normal Cost (3. - 4.)	$ 3,178,129	$ 4,199,059

Determination of Actuarial (Gain)/Loss		2024	2025
1.	Actuarial Accrued Liability as of the beginning of year	$ 561,452,833	$ 577,025,533
2.	Gross Normal Cost	11,232,228	11,938,857
3.	Benefit Payments	(37,774,447)	(39,330,437)
4.	Interest	42,114,919	43,294,103
5.	Expected Actuarial Accrued Liability as of the end of year	$ 577,025,533	$ 592,928,057
6.	Actuarial Accrued Liability as of the end of year before plan change and assumption changes[1]	577,025,533	614,821,865
7.	Demographic (gain)/Loss (6. - 5.)		21,893,808
8.	Impact of experience study changes		(7,017,579)
9.	Effect of increasing COLA maximum		2,082,356
10.	Total liability (gain)/loss (7. + 8. + 9.)		16,958,585

Sources of (Gain)/Loss		
1.	COLA Experience	2,555,804
2.	Salary Experience	16,847,000
3.	Retiree Mortality	(1,099,517)
4.	Active Decrements	2,404,340
5.	New Entrants/Rehires	2,447,273
6.	Assumption Changes	(7,017,579)
7.	Plan Amendment	2,082,356
8.	Miscellaneous	(1,261,092)
9.	Total	16,958,585

[1] Actuarial accrued liability as of the beginning of non-valuation years is set equal to expected. (Gains)/losses are recognized at the following valuation date.

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Section V - Contributions Payable Under the System

Section 22D of MGL Chapter 32 outlines various requirements of a funding schedule that will amortize the unfunded actuarial liability and cover normal costs. The normal cost and unfunded actuarial liability are to be calculated in accordance with the individual entry-age-normal actuarial cost method. The contribution toward amortization of the unfunded actuarial liability may increase by up to 4½% each year.

The table on the following page presents a projection of contributions that satisfy the Section 22D requirements. The forecast is based upon an assumption of a stable population in which the total payroll and normal cost of the system are expected to increase 4.5% per year. The employee contribution rate is expected to increase to 10.5% by 2036 as members contributing base percentages 5%, 7%, and 8% are replaced by new members, whose base contribution is 9% in addition to the 2% over $30,000 contribution. The unfunded accrued liability contribution is also based on a 4.5% annual increase and is assumed to be paid quarterly over the fiscal year. This schedule incorporates the funding required to provide annual COLAs under Chapter 17 of the Acts of 1997.

Please note that the amounts shown in the schedule on the following page for the 2027 fiscal year represent the actual amounts already appropriated by the City for the 2027 fiscal year.

The 2028 appropriation is approximately $22.8 million, or about 3.4% higher than the amount shown in the 2024 valuation report. This is the result of generally unfavorable actuarial experience and the change in the maximum benefit subject to a cost-of-living increase, which offset the extension of the end of the amortization period from fiscal 2032 to fiscal 2034 and change in demographic assumptions. The primary factors leading to changes in the appropriation are:

1. The plan experienced a 9.5% return on the market value of assets in 2024, and a 12.2% return on market value in 2025, for an average annual return of 11.4% for the two-year period. Despite these gains, there was a loss on the actuarial value of assets due to the continuing effects of the investment loss incurred in 2022 that accounted for an increase of approximately $1.7 million.
2. The demographic experience over the past two years was unfavorable. The primary sources of the loss were pay increases that were greater than expected, fewer than expected terminations and the impact of new hires and rehires. This accounted for an increase of about $4.5 million.
3. The change in the amortization period from ending in 2032 to 2034 decreased the appropriation by about $6.6 million.
4. The maximum benefit subject to a cost-of-living increase was increased from $16,000 to $17,000 effective beginning in 2027. This accounted for an increase of $0.4 million.
5. The withdrawal, retirement, salary scale and marital assumptions were updated in accordance with the results of an experience study analysis communicated in July 2026. Additionally, the mortality assumptions for non-disabled and disabled participants in the General Employees and Police and Fire groups were updated to below-median rates taken from the Pub-2016 Public Retirement Plans Mortality Tables Report from the Society of Actuaries dated January 2025. Mortality improvement was changed from a static projection to generational. This accounted for a decrease in amortization of $1.4 million, but an increase in employer normal cost of $0.9 million.

Amortization Schedule

Description	Outstanding Balance as of January 1, 2026	Amortization Payment as of January 1, 2026	Remaining Period as of January 1, 2026
Unfunded Actuarial Liability	$ 118,150,283	$ 16,323,260	8
Total	$ 118,150,283	$ 16,323,260	

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Section V - Contributions Payable Under the System (continued)

Pension Reform Act - Section 22D Funding Requirements

Fiscal Year Ending	Payroll[1]	Unfunded Accrued Liability[2]	Employee Contribution	Employer Normal Cost with Interest	Amortization Payments with Interest	Employer Total Cost with Interest	Employer Total Cost % of Payroll	Funded Ratio %[2]
2027	91,880,252	118,150,283	8,591,654	3,580,397	17,656,670	21,237,067	23.1%	80.6%
2028	96,014,863	110,253,544	9,100,865	4,546,818	18,290,159	22,836,977	23.8%	82.0%
2029	100,335,532	100,163,417	9,638,508	4,614,870	19,113,216	23,728,086	23.6%	84.3%
2030	104,850,631	88,475,318	10,206,108	4,679,840	19,973,311	24,653,151	23.5%	86.6%
2031	109,568,909	75,030,400	10,805,275	4,741,312	20,872,110	25,613,422	23.4%	88.9%
2032	114,499,510	59,656,061	11,437,700	4,798,840	21,811,355	26,610,195	23.2%	91.4%
2033	119,651,988	42,164,822	12,105,162	4,851,944	22,792,865	27,644,809	23.1%	94.1%
2034	125,036,327	22,353,121	12,809,534	4,900,110	23,818,544	28,718,654	23.0%	96.9%
2035	130,662,962	0	13,552,787	4,942,786	0	4,942,786	3.8%	100.0%
2036	136,542,795	0	14,336,993	5,008,393	0	5,008,393	3.7%	100.0%
2037	142,687,221	0	14,982,158	5,228,081	0	5,228,081	3.7%	100.0%
2038	149,108,146	0	15,656,355	5,457,428	0	5,457,428	3.7%	100.0%
2039	155,818,013	0	16,360,891	5,696,858	0	5,696,858	3.7%	100.0%
2040	162,829,824	0	17,097,132	5,946,816	0	5,946,816	3.7%	100.0%
2041	170,157,166	0	17,866,502	6,207,768	0	6,207,768	3.6%	100.0%
2042	177,814,238	0	18,670,495	6,480,195	0	6,480,195	3.6%	100.0%
2043	185,815,879	0	19,510,667	6,764,604	0	6,764,604	3.6%	100.0%
2044	194,177,594	0	20,388,647	7,061,524	0	7,061,524	3.6%	100.0%
2045	202,915,586	0	21,306,137	7,371,505	0	7,371,505	3.6%	100.0%
2046	212,046,787	0	22,264,913	7,695,125	0	7,695,125	3.6%	100.0%
2047	221,588,892	0	23,266,834	8,032,983	0	8,032,983	3.6%	100.0%
2048	231,560,392	0	24,313,841	8,385,709	0	8,385,709	3.6%	100.0%
2049	241,980,610	0	25,407,964	8,753,957	0	8,753,957	3.6%	100.0%
2050	252,869,737	0	26,551,322	9,138,412	0	9,138,412	3.6%	100.0%
2051	264,248,875	0	27,746,132	9,539,787	0	9,539,787	3.6%	100.0%
2052	276,140,074	0	28,994,708	9,958,831	0	9,958,831	3.6%	100.0%
2053	288,566,377	0	30,299,470	10,396,322	0	10,396,322	3.6%	100.0%
2054	301,551,864	0	31,662,946	10,853,074	0	10,853,074	3.6%	100.0%
2055	315,121,698	0	33,087,778	11,329,936	0	11,329,936	3.6%	100.0%
2056	329,302,174	0	34,576,728	11,827,796	0	11,827,796	3.6%	100.0%
2057	344,120,772	0	36,132,681	12,347,580	0	12,347,580	3.6%	100.0%

[1] Calendar basis

[2] As of preceding January 1

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Section VI – PERAC Annual Statement

The most recent actuarial valuation of the System was prepared by Gallagher as of January 1, 2026

The normal cost for employees on that date was:	$8,591,654	9.4% of pay
The normal cost for the employer was:	4,199,059	4.6% of pay
The actuarial liability for active members was:		$221,968,850
The actuarial liability for retired and inactive members was:		387,917,792
Total actuarial accrued liability:		$609,886,642
System assets as of that date:		491,736,359
Unfunded actuarial accrued liability:		$118,150,283
The ratio of system's assets to total actuarial liability was:		80.6%

The principal actuarial assumptions used in the valuation are as follows:

Investment Return:	7.60%
Rate of Salary Increase:	Variable

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a percent of Covered Payroll (b - a) / c
1/1/2026	$491,736,359	$609,886,642	$118,150,283	80.6%	$91,880,252	128.6%
1/1/2024	450,165,100	561,452,833	111,287,733	80.2%	77,699,978	143.2%
1/1/2022	411,393,175	518,813,930	107,420,755	79.3%	67,958,858	158.1%
1/1/2020	346,384,426	465,010,765	118,626,339	74.5%	67,239,674	176.4%
1/1/2018	317,021,969	398,178,738	$81,156,769	79.6%	62,755,282	129.3%

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Schedule A - Actuarial Assumptions and Methods

Actuarial Cost Method

Individual entry-age normal cost method.

Asset Valuation Method for Funding Purposes

For funding calculation purposes, assets are valued according to the following general formula, provided such value is within a 20% corridor of the market value:

$VA = MV - .8I_1 - .6I_2 - .4I_3 - .2I_4$ where

VA = Valuation assets.

MV = Market value of assets as of the valuation date.

I_n = Investment gain (loss) during n^{th} year preceding the valuation date.

Valuation Interest Rate

7.60% per annum, compounded annually, net of investment expenses. The long-term expected rate of return on Fund investments was determined using best-estimate ranges of expected future nominal rates of return (expected returns, net of investment expense and inflation) developed for each major asset class using an econometric model that forecasts a variety of economic environments and then calculates asset class returns based on functional relationships between the economic variables and the asset classes.

Mortality

Plan liabilities as of January 1, 2026 were valued using rates taken from Pub-2016 Public Retirement Plans Mortality Tables Report from the Society of Actuaries dated January 2025. These rates are applied as follows:

Participant Group	Non-disabled	Disabled
General Employees	PubG-2016 Healthy, below median	PubG-2016 Disabled
Police and Fire	PubS-2016 Healthy, below median	PubS-2016 Disabled
Contingent survivors	Contingent survivors table, below median	N/A

All rates are amount-weighted and projected generationally from 2016 with Scale MP-2021. Separate annuitant and non-annuitant rate tables were used.

It is assumed that 80% of all active deaths are ordinary (20% are service connected).

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Schedule A - Actuarial Assumptions and Methods (continued)

Separations from Active Service

Representative values of the assumed annual rates of withdrawal and vesting, disability and service retirement, all based on an analysis of experience, are as follows:

General Employees-Annual Rates of

		Service Retirement			
		Hired before 4/2/2012		Hired on or after 4/2/2012	
Age	Disability	Male	Female	Male	Female
25	.010%				
30	.015				
35	.035				
40	.066				
45	.097				
50	.127				
55	.157	4.69%	4.38%		
60	.182	9.85	7.91	4.47%	4.33%
62	.190	15.66	14.67	5.92	4.70
65	.158	25.35	21.27	15.27	12.38
70	.140	25.25	30.09	26.07	20.97
80	.140	100.00	100.00	100.00	100.00

Rates of Withdrawal		
Years of Service	Male	Female
0-1	18.00%	20.00%
2-3	15.00	16.50
4	11.00	12.50
5-6	9.00	10.50
7-9	7.00	8.25
10-12	5.00	5.25
13-14	3.00	4.00
15+	2.00	2.00

Police and Fire-Annual Rates of

		Service Retirement	
		Hired before 4/2/2012	Hired on or after 4/2/2012
Age	Disability	Male & Female	Male & Female
25	.050%		
30	.097		
35	.204		
40	.250		
45	.401		
50	.763	1.08%	
55	.757	8.83	8.83%
60	.650	13.99	13.99
62	.650	28.06	28.06
65	.000	100.00	100.00

Years of Service	Rates of Withdrawal
0	1.50%
1	1.50
2	1.50
3	1.50
4	1.50
5	1.50
10	1.50
15	1.50
16+	0.00

It is assumed for the general employees that 30% of all disabilities are ordinary (70% are service connected). For police and fire employees, 5% of all disabilities are assumed to be ordinary (95% are service connected). A load was applied to the accidental disability liability to account for the additional benefit payable for each dependent child upon the member's disability. Loads of approximately 2% and 11.7% were developed for Group 1 and Group 4, respectively, taking into account the higher likelihood of Group 4 accidental disabilities at younger ages, thus the likelihood of Group 4 having more dependent children than Group 1 accidental disability retirees.

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Schedule A - Actuarial Assumptions and Methods (continued)

Salary Scale

It is assumed that salaries including longevity will increase at the following rates.

Years of Service	Assumption
0-2	7.50%
3	7.00%
4-6	6.00%
7-11	5.00%
12-13	4.50%
14+	3.50%

Cost-of-Living Adjustments

Retirement benefits were assumed to increase annually at the assumed inflation rate of 3.00%, up to the applicable annual maximum.

Form of Payment

Future retirees are assumed to elect a Life Annuity. Future vested terminations are assumed to elect a refund of contributions unless specifically reported by the plan sponsor to be eligible for an annuity benefit.

Marital Percentage

75% of participants are assumed to be married at death. Husbands are assumed to be 2 years older than their wives.

Loading or Contingency Reserve

None.

Administrative Expenses

The normal cost is increased by an amount equal to the anticipated administrative expenses for the upcoming fiscal year. The amount for plan year 2026 is $700,000. Beginning in the 2027 plan year, administrative expenses are assumed to be $780,000 and are anticipated to increase at 4.0% per year thereafter.

Changes in Assumptions Since the Prior Valuation

The withdrawal, retirement, salary scale and marital assumptions were updated in accordance with the results of an experience study analysis communicated in July 2026. Additionally, the mortality assumptions for non-disabled and disabled participants in the General Employees and Police and Fire groups were updated to below-median rates taken from the Pub-2016 Public Retirement Plans Mortality Tables Report from the Society of Actuaries dated January 2025. Mortality improvement was changed from a static projection to generational. Administrative expenses are assumed to increase from $700,000 to $780,000 in the 2027 plan year. The annual increase assumption was decreased from 4.5% to 4.0%.

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Schedule B - Summary of System Provisions

Membership

The Retirement System covers all employees of participating units except teachers, elected officials and those employees in service at the time of its establishment who elected not to become members. Eligible employees in the City who enter service on or after the date the System became operative for their classification may become members of the Retirement System on their own application.

Summary of Benefit and Contribution Provisions

A summary of the main benefit and contribution provisions of the Retirement System, as interpreted for the valuation, is presented below.

The terms “Group 1” and “Group 4” are used to denote “general employees” and “police and fire”, respectively.

Benefits

Final Average Salary (FAS)

For those hired prior to April 2, 2012, the average of a member’s three highest consecutive years’ compensation. For those hired on or after April 2, 2012, the average of a member’s five highest consecutive years’ compensation. For those hired on or after January 1, 2011, salary taken into account for benefit purposes is capped at 64% of the IRC Section 401(a)(17) limit (indexed).

Superannuation Retirement

Eligibility

For those hired prior to April 2, 2012: Age 65 for Group 1; Age 55 for Group 4. Maximum retirement age is 70 for Group 1 and 65 for Group 4.

For those hired on or after April 2, 2012: Age 67 for Group 1; Age 57 for Group 4 if member has completed 30 years of service, or age 62 otherwise.

Allowance

2.5% per year of service times FAS. Maximum total allowance is 80% of FAS. Veterans receive additional $15 annually per year of service to a maximum of $300 annually.

Early Retirement

Eligibility

For those hired prior to April 2, 2012: 20 years of service, or age 55 with 10 years of service.

For those hired on or after April 2, 2012: age 60 and 10 years of service for Group 1; Age 55 for Group 4.

Allowance

Calculated as a superannuation retirement allowance (including veteran’s benefits) except accrual rate is equal to 2.5% reduced by .1% for each year age at retirement is below either 65 for Group 1 or 55 for Group 4. Those hired on or after April 2, 2012 who retire with fewer than 30 years of service, the accrual rate of 2.5% is reduced by .15% for each year age at retirement precedes age 67 for Group 1 or age 57 for Group 4. Those hired on or after April 2, 2012 who retire with at least 30 years of service, the accrual rate of 2.5% is reduced by .15% for each year age at retirement precedes age 62 for Group 1 or age 57 for Group 4.

The minimum allowance after 30 years of service is equal to:

(1) An annuity which is the actuarial equivalent of member’s accumulated deductions; and

(2) A pension equal to 1/3 of FAS and any veteran’s benefits as described under superannuation retirement.

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Schedule B - Summary of System Provisions (continued)

Vested Retirement

Eligibility

10 years of service. For certain involuntary terminations, this is reduced to 6 years.

Allowance

A superannuation retirement allowance commencing at age 55 for Group 1 members (age 60 if hired on or after April 2, 2012) and age 45 for Group 4 members (age 55 if hired on or after April 2, 2012) or later, where the accrual rate is determined by the age of the member at the time the allowance commences.

In lieu of the deferred pension benefit, a member may elect to receive a refund of their accumulated contributions.

Ordinary Disability

Eligibility

10 years of service.

Allowance

An immediate allowance equal to the age 55 rate (age 60 for Group 1 members hired on or after April 2, 2012) per year of service times FAS.

Veterans receive an allowance equal to:

(1) An annuity which is the actuarial equivalent of their accumulated deductions; and

(2) A pension which is the greater of 50% of current salary and the service retirement allowance to which they are eligible, if any.

Accidental Disability

Eligibility

Permanent incapacity for further duty as a result of personal injury sustained while in the performance of duties.

Allowance

An immediate allowance equal to:

(1) An annuity which is the actuarial equivalent of the member's accumulated deductions; and

(2) A pension equal to 72% of current salary; and

(3) A supplement equal to $1,193.88 per year per child who is under 18 at the time of the member's retirement, with no age limitation if the child is mentally or physically incapacitated from earning. The additional pension may continue up to age 22 for any child who is a full-time student at an accredited educational institution.

The maximum total allowance is 100% of current salary.

Accidental Death Benefit

Eligibility

Death due to an occupational injury.

Allowance

An immediate allowance equal to:

(1) A lump sum payment equal to the accumulated deductions at death; and

(2) A pension equal to 72% of current salary and payable to the surviving spouse, dependent children, or the dependent parents; and

(3) A supplement of $1,193.88 per year per child payable to the spouse or legal guardian until all children reach age 18, or 22 if a full-time student, unless mentally or physically incapacitated.

The maximum total allowance is 100% of current salary.

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Schedule B - Summary of System Provisions (continued)

Death in Active Service

Eligibility

Death of a member due to a non-occupational injury.

Allowance

An immediate allowance that would have been payable had the member retired and elected the 2/3 joint and survivor option on the day before his death. For death occurring prior to the minimum superannuation retirement age, the age 55 (age 60 if hired on or after April 2, 2012) and age 45 (age 55 if hired on or after April 2, 2012) accrual rates are used, respectively, for Group 1 and Group 4 members. The minimum annual allowance payable to the surviving spouse of a member in service who dies with at least two years of creditable service is $6,000, provided that the member and the spouse were married for at least one year and living together on the member's date of death.

For members with at least 2 years of service at death, the surviving spouse receives an additional allowance equal to the sum of $1,440 per year for the first child and $1,080 per year for each additional child until all dependent children reach age 18 or 22 if a full-time student, unless mentally or physically incapacitated. If there is no designated beneficiary or surviving spouse, then member contributions are returned. If there are dependent children but no surviving spouse, they may elect minimum survivor benefits of $6,000 per year plus $1,440 for the first child and $1,080 for each additional child.

The maximum total allowance is 100% of salary at the date of death.

Normal Form of Benefit

Reduced modified cash refund annuity.

Optional Forms of Benefit

(1) Option A — Life annuity.

(2) Option B — Modified cash refund annuity.

(3) Option C — 66-2/3% joint and survivor allowance. If the beneficiary predeceases the retiree, the benefit payable increases based on the factor used to determine the Option C benefit at retirement.

Return of Contribution

If no other benefit is payable upon termination, the member's accumulated deductions are returned.

Post-Retirement Adjustments

In accordance with the adoption of Chapter 17 of the Acts of 1997, the granting of a cost-of-living adjustment will be determined by an annual vote by the Retirement Board. The amount of increase will be based upon the Consumer Price Index, limited to a maximum of 3.0%, beginning on July 1. All retirees, disabled retirees, and beneficiaries who have been receiving benefits payments for at least one year as of July 1 are eligible for the adjustment. The maximum amount of pension benefit subject to a COLA is $16,000 ($17,000 effective July 2027). All COLAs granted to members after 1981 and prior to July 1, 1998 are deemed to be an obligation of the State and are not the liability of the Retirement System:

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Schedule B - Summary of System Provisions (continued)

Member Contributions

Members contribute a percentage of annual regular compensation in accordance with their respective dates of hire, as shown below:

Date of Hire	Rate of Contribution
Prior to January 1, 1975	5%
On or after January 1, 1975	7%
On or after January 1, 1984	8%
On or after July 1, 1996	9%

Members hired on or after January 1, 1979 contribute an additional 2% of compensation in excess of $30,000.

The contribution rate for Group 1 participants hired on or after April 2, 2012 and who attain 30 years of service is reduced by three percentage points.

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Schedule C - Membership Tables

Table 1 – Age/Service Distribution with Salary as of January 1, 2026

Attained Age	Average Salary	< 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	Total
Under 25	49										49
	30,182										30,182
25-29	93	12	1								106
	54,590	80,448	66,501								57,630
30-34	67	35	15								117
	60,983	90,834	124,680								78,079
35-39	56	35	29	6	1						127
	59,841	89,977	101,037	134,491	122,020						81,570
40-44	43	34	17	25	12						131
	48,377	84,076	116,239	104,267	107,900						82,567
45-49	48	20	18	13	23	5					127
	43,111	62,745	97,004	111,112	131,698	95,766					78,918
50-54	44	24	13	17	20	19	13				150
	45,383	67,155	77,022	94,612	95,626	155,198	140,864				86,072
55-59	37	32	34	16	20	21	19	8	1		188
	53,970	78,223	70,333	87,420	94,787	128,186	145,394	154,954	65,847		90,137
60-64	22	18	16	17	24	20	11	9	8		145
	49,951	54,645	62,020	55,731	73,687	75,460	119,720	120,515	143,676		74,834
65-69	6	5	7	6	7	7	2	2			42
	57,370	49,836	60,979	63,808	59,374	48,535	49,259	39,174			55,603
70+	2	1	2	2	1	2	3	1	1		15
	34,356	60,595	76,951	45,765	149,272	64,713	53,548	36,382	65,825		61,086
Total Employees	467	216	152	102	108	74	48	20	10		1,197
Average Salary	50,638	77,849	89,175	91,049	98,032	109,431	128,537	121,950	128,108		76,759

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Schedule C - Membership Tables (continued)

Table 2 - The Number and Annual Pensions of Retired Members Distributed by Age as of January 1, 2026

	Service Retirements		Disability Retirements		Beneficiaries	
Age	Number	Annual Pension	Number	Annual Pension	Number	Annual Pension
Under 20	0	0	0	0	1	55,457
20 - 24	0	0	0	0	1	29,490
25 - 29	0	0	0	0	0	0
30 - 34	0	0	1	113,860	0	0
35 - 39	0	0	1	80,631	0	0
40 – 44	0	0	0	0	1	44,370
45 - 49	2	58,898	4	233,050	0	0
50 - 54	2	98,080	6	325,742	3	100,192
55 - 59	31	2,142,984	8	516,953	5	140,406
60 - 64	109	5,074,320	12	499,434	10	423,621
65 - 69	182	7,638,919	13	539,319	14	693,452
70 - 74	200	7,575,595	12	480,020	15	385,782
75 - 79	144	4,856,927	14	603,488	22	511,924
80 - 84	95	2,788,816	7	319,335	20	463,635
85 - 89	39	1,169,412	1	52,712	19	386,935
90 - 94	17	427,499	0	0	8	138,929
95 - 99	9	223,761	0	0	3	42,894
100 and over	1	8,446	0	0	0	0
Total	831	32,063,657	79	3,764,544	122	3,417,087

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Schedule D - Projection of Expected Pension Payments

Year	Amount
2026	$ 45,726,831
2027	44,118,208
2028	45,882,647
2029	47,431,189
2030	48,992,045
2031	50,556,837
2032	51,980,386
2033	53,373,464
2034	54,587,223
2035	55,724,558
2036	56,845,141
2037	57,771,244
2038	58,563,990
2039	59,262,141
2040	59,937,687
2041	60,453,031
2042	60,993,947
2043	61,406,830
2044	61,810,608
2045	62,093,223
2046	62,432,587
2047	62,637,569
2048	62,962,899
2049	63,169,729
2050	63,286,271

Year	Amount
2051	$ 63,218,460
2052	63,298,133
2053	63,284,035
2054	63,165,627
2055	62,821,447
2056	62,565,463
2057	62,198,940
2058	61,490,067
2059	60,494,817
2060	59,372,968
2061	58,310,440
2062	57,109,294
2063	55,686,624
2064	54,134,007
2065	52,605,514
2066	50,930,350
2067	49,038,175
2068	47,167,237
2069	45,259,152
2070	43,336,224
2071	41,412,528
2072	39,459,970
2073	37,498,204
2074	35,532,451
2075	33,550,166

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Schedule E – Risk Information

Funding future retirement benefits prior to when those benefits become due involves assumptions regarding future economic and demographic experience. These assumptions are applied to calculate actuarial liabilities and the corresponding funded status of the Plan. However, to the extent future experience deviates from the assumptions used, variations will occur in these calculated values. These variations create risk to the Plan. Understanding the risks to the funding of the Plan is important. Actuarial Standard of Practice No. 51 ("ASOP 51") requires certain disclosures of potential risks to the Plan and provides useful information for intended users of actuarial reports that determine Plan contributions or evaluate the adequacy of specified contribution levels to support benefit provisions.

Under ASOP 51, risk is defined as the potential of actual future measurements deviating from expected future measurements resulting from actual future experience deviating from actuarially assumed experience. It is important to note that not all risk is negative, but all risk should be understood and accepted based on knowledge, judgment and educated decisions. Future measurements may deviate in ways that produce positive or negative financial effects on the Plan.

In the actuary's professional judgment, the following risks may reasonably be anticipated to significantly affect the Plan's future financial condition.

- Investment risk – the risk that assets will not return as expected
- Longevity and other demographic risk – the risk that mortality or other demographic experience will be different from expected
- Contribution risk – the risk that actual future contributions deviate from expected future contributions, e.g., that actual contributions are not made in accordance with the plan's funding policy

The following information is provided to comply with ASOP 51 and furnish beneficial information on potential risks to the Plan. This list is not all-inclusive; it is an attempt to identify the most significant risks and how those risks might affect the results shown in this report.

Note that ASOP 51 does not require the actuary to evaluate the ability or willingness of the plan sponsor to make contributions to the plan when due, or to assess the likelihood or consequences of potential future changes in law. In addition, this valuation report is not intended to provide investment advice or to provide guidance on the management or reduction of risk. Gallagher welcomes the opportunity to assist in such matters as part of a separate project or projects utilizing the appropriate staff and resources for those objectives.

Investment Risk

Plan costs are very sensitive to the market return. Lower than assumed asset returns will increase costs:

- The lower market return will cause the market value of assets to be lower than expected.
- The plan uses an actuarial value of assets that smooths gains and losses on market returns over a five-year period to help control some of the volatility in costs due to investment risk.

The plan invests in a diversified portfolio with the objective of maximizing investment returns at a reasonable level of risk. However, Actuarial Standard of Practice No. 4 ("ASOP 4") requires the actuary to disclose a Low-Default-Risk Obligation Measure ("LDROM") of plan liabilities and provide commentary to help intended users of this report understand the significance of the measure with respect to funded status, contributions, and participant benefit security.

The LDROM is to be based on "discount rates derived from low-default-risk fixed income securities whose cash flows are reasonably consistent with the pattern of benefits expected to be paid in the future." The LDROM shown here represents what the plan's liability would be if the plan invested its assets solely in a portfolio of high-quality bonds whose cash flows approximately match future benefit payments. Consequently, the difference between the LDROM and the Actuarial Accrued Liability can be thought of as representing the expected taxpayer savings / (cost) from investing in the plan's diversified portfolio compared to investing only in high-quality bonds. It may also be thought of as the cost of reducing investment risk.

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Schedule E – Risk Information (continued)

As of January 1, 2026, the LDROM is $733,586,952 and is based on a 5.83% interest rate. The interest rate used for the LDROM was determined by calculating a single equivalent discount rate using projected benefit payments and the Gallagher Above Median Yield Curve as of December 31, 2025. Note the interest rate used for the LDROM is based on bond yields applicable at the time of the measurement and will therefore vary for different measurement dates. All other assumptions are the same as those used for funding as shown in this report.

Actuaries play a role in helping determine funding methods and policies that can achieve affordable and appropriate contributions and risk management. The funded status based on Actuarial Accrued Liability and the Actuarially Determined Contributions are determined using the expected return on assets which reflects the actual investment portfolio. Since the assets are not invested in an all-bond portfolio, the LDROM does not indicate the plan's funded status or progress, nor does it provide information on necessary plan contributions.

With respect to security of participant benefits, if this plan were to be funded on an LDROM basis, participant benefits currently accrued as of the measurement date may be considered more secure as investment risk may be significantly reduced. However, the assets being invested in a diversified portfolio does not mean the participant benefits are not secure. Security of participant benefits relies on a combination of the assets in the plan, the investment returns generated on those assets, and the promise of future contributions from the plan sponsors. Reducing investment risk by investing solely in bonds may significantly increase Actuarially Determined Contributions and therefore increase contribution risk by decreasing the ability of the plan sponsor to make necessary contributions to fund the benefits. Unnecessarily high contribution requirements in the near term may not be affordable and could imperil plan sustainability and benefit security. Participant benefits will remain secure if reasonable and appropriate contributions with managed risk are calculated and paid.

Longevity and Other Demographic Risk

Plan costs will be increased as participants are expected to live longer. This is because:

- Benefits are paid over a longer lifetime when life expectancy is expected to increase. The longer duration of payments leads to higher liabilities.
- Health care has been improving which increases the life expectancy of participants. As health care improves, costs to the plan will increase.
- The mortality assumption for the Plan does assume future improvement in mortality. Any improvement in future mortality greater than that expected by the current mortality assumption would lead to increased costs for the Plan.

Contribution Risk

There is a risk associated with the employer's contribution when the actual amount and actuarially determined amount differ.

- When the actual contribution is lower than the actuarially determined contribution, the Plan may not be sustainable in the long term.
- Any underpayment of the contribution will increase future contribution amounts to help pay off the additional Unfunded Actuarial Accrued Liability associated with the underpayment.
- This risk is mitigated by the City's compliance with Section 22D of MGL Chapter 32, which outlines various requirements of a funding schedule that will amortize the unfunded actuarial liability and cover normal costs.

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Schedule E – Risk Information (continued)

Historical Information

The following shows selected historical values of key valuation measures. These items illustrate how actual volatility has impacted the Plan in recent years and gives additional context to the risks described above. Further information can be found in the actuarial valuation reports for each year.

Valuation Date	01/01/20	01/01/22	01/01/24	Current Valuation 01/01/26
Liabilities and Assets at Valuation Date				
• Actuarial Accrued Liability (AAL)	465,010,765	518,813,930	561,452,833	609,886,642
- Normal Cost	3,181,557	3,231,436	3,178,129	4,199,059
• Actuarial Value of Assets (AVA)	346,384,426	411,393,175	450,165,100	491,736,359
- Funded Percent (AVA)	74%	79%	80%	81%
• Market Value of Assets (MVA)	360,862,895	454,211,519	421,188,628	499,376,384
- Funded Percent (MVA)	78%	88%	75%	82%
Contributions and Disbursements for Plan Year Ended	2019	2021	2023	2025
• Actuarially Determined Contribution (ADC)	16,598,250	18,794,418	20,118,228	20,644,429
• Actual Contribution	16,598,250	18,794,418	20,118,228	20,644,429
• Disbursements	28,429,026	32,378,928	37,079,794	40,056,001
Rates of Return for Plan Year Ended	2019	2021	2023	2025
• Assumed	7.75%	7.75%	7.60%	7.60%
• AVA	6.91%	11.77%	7.06%	6.64%
• MVA	20.33%	16.95%	11.08%	12.15%
Maturity Measures at Valuation Date				
• Payroll	67,239,674	67,958,858	77,699,978	91,880,252
- Asset Volatility Ratio (MVA / Payroll)	5.4	6.7	5.4	5.4
- Liability Volatilty Ratio (AAL / Payroll)	6.9	7.6	7.2	6.6
• Retiree and Beneficiary (In-pay) Liability	272,106,771	325,377,129	365,477,492	384,574,873
- Percent of Total Liability	59%	63%	65%	63%
• Contributions minus Disbursements in Prior Year	(11,830,776)	(13,584,510)	(16,961,566)	(19,411,572)
- Percent Average Market Value of Assets	-3.5%	-3.3%	-3.9%	-4.2%

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Schedule E – Risk Information (continued)

Plan Maturity Measures

There are certain measures that may aid in understanding the significant risks to the plan.

Contribution Volatility

Asset Volatility Ratio: Plans that have higher asset-to-payroll ratios experience more volatile employer contributions (as a percentage of payroll) due to investment return. For example, a plan with an asset-to-payroll ratio of 10 may experience twice the contribution volatility due to investment return volatility than a plan with an asset-to-payroll ratio of 5.

Liability Volatility Ratio: Plans that have higher liability-to-payroll ratios experience more volatile employer contributions (as a percentage of payroll) due to changes in liability. For example, if an assumption change increases the liability of two plans by the same percent the plan with a liability-to-payroll ratio of 10 may experience twice the contribution volatility than a plan with a liability-to-payroll ratio of 5.

Ratio of Retiree and Beneficiary Liability to Total Liability

A mature plan will often have a ratio above 60 - 65 percent. An increasing percentage may indicate a need for a less risky asset allocation which may lead to a lower long-term return on assets assumption and increased costs.

Ratio of Cash Flow to Assets (Contributions minus Disbursements)

When this cash flow ratio is negative more cash is being paid out than deposited in the fund. Negative cash flow means the fund needs to rely on investment returns to cover benefit payments and at the same time may need to invest in more liquid assets to cover the benefit payments. More liquid assets may not garner the same returns as less liquid assets and therefore increase the investment risk.

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Schedule F – Breakouts

	Non-Light Subtotal	Total	City	GATRA	Landfill	Sewer	Water	Nursing Home	Light	Housing
1. Participants										
a. Actives	1,045	1,197	905	47	3	1	35	0	152	54
b. Inactives	292	300	231	19	0	0	9	28	8	5
c. Retirees and Beneficiaries	781	953	684	8	0	3	25	39	172	22
d. Disabled Retirees	70	79	55	0	0	0	4	9	9	2
e. Total	2,188	2,529	1,875	74	3	4	73	76	341	83
2. Payroll of Active Participants	$ 72,989,896	$ 91,329,688	$ 62,516,987	$ 2,805,278	$ 235,044	$ 91,715	$ 2,615,362	$ 0	$ 18,339,792	$ 4,725,510
Percent of Total Payroll	79.92%	100.00%	68.45%	3.07%	0.26%	0.10%	2.86%	0.00%	20.08%	5.17%
3. Normal Cost										
a. Total Normal Cost	$ 9,487,493	$ 12,090,713	$ 8,346,112	$ 306,562	$ 32,017	$ 13,015	$ 283,551	$ 0	$ 2,603,220	$ 506,236
b. Expected Employee Contributions	6,813,087	8,591,654	5,836,199	256,707	21,859	8,397	244,628	0	1,778,567	445,297
c. Administrative Expenses	559,434	700,000	479,163	21,501	1,802	703	20,046	0	140,566	36,219
d. Net Employer Normal Cost [a. - b. + c.]	$ 3,233,840	$ 4,199,059	$ 2,989,076	$ 71,356	$ 11,960	$ 5,321	$ 58,969	$ 0	$ 965,219	$ 97,158
4. Actuarial Accrued Liability	$ 458,323,124	$ 609,886,642	$ 404,245,680	$ 7,818,122	$ 206,617	$ 416,870	$ 15,260,047	$ 10,606,795	$ 151,563,518	$ 19,768,993
5. Assets*	$ 369,534,482	$ 491,736,359	$ 325,933,190	$ 6,303,556	$ 166,590	$ 336,112	$ 12,303,795	$ 8,551,994	$ 122,201,877	$ 15,939,245
6. Unfunded Actuarial Accrued Liability [4. - 5.]	$ 88,788,642	$ 118,150,283	$ 78,312,490	$ 1,514,566	$ 40,027	$ 80,758	$ 2,956,252	$ 2,054,801	$ 29,361,641	$ 3,829,748
7. Amortizations										
a. Unfunded Actuarial Accrued Liability	$ 12,266,751	$ 16,323,260	$ 10,819,399	$ 209,248	$ 5,530	$ 11,157	$ 408,426	$ 283,885	$ 4,056,509	$ 529,106
c. Holiday	0	0	0	0	0	0	0	0	0	0
8. Total Required Employer Contributions [3.b. + 7.]	$ 15,500,591	$ 20,522,319	$ 13,808,475	$ 280,604	$ 17,490	$ 16,478	$ 467,395	$ 283,885	$ 5,021,728	$ 626,264
9. Fiscal 2027 Cost	$ 15,665,986	$ 21,237,067	$ 14,000,271	$ 246,463	$ 8,544	$ 19,594	$ 508,179	$ 339,710	$ 5,571,081	$ 543,225
Percentage of total	73.77%	100.00%	65.92%	1.16%	0.04%	0.09%	2.39%	1.60%	26.23%	2.56%
10. Fiscal 2028 Cost	$ 17,220,085	$ 22,836,977	$ 15,384,583	$ 299,245	$ 19,396	$ 18,502	$ 508,218	$ 318,093	$ 5,616,892	$ 672,048
Percentage of total	75.40%	100.00%	67.37%	1.31%	0.08%	0.08%	2.23%	1.39%	24.60%	2.94%
11. Fiscal 2029 Cost	$ 17,890,617	$ 23,728,086	$ 15,978,936	$ 310,766	$ 19,873	$ 19,155	$ 529,568	$ 332,407	$ 5,837,469	$ 699,912
12. Fiscal 2030 Cost	$ 18,586,628	$ 24,653,151	$ 16,595,629	$ 322,717	$ 20,353	$ 19,829	$ 551,812	$ 347,365	$ 6,066,523	$ 728,923
13. Fiscal 2031 Cost	$ 19,309,049	$ 25,613,422	$ 17,235,463	$ 335,115	$ 20,837	$ 20,524	$ 574,985	$ 362,997	$ 6,304,373	$ 759,128
14. Fiscal 2032 Cost	$ 20,058,852	$ 26,610,195	$ 17,899,280	$ 347,975	$ 21,322	$ 21,242	$ 599,126	$ 379,332	$ 6,551,343	$ 790,575

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

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Schedule F – Breakouts (continued)

Appropriation Forecast for Municipal Light Plan

Fiscal Year Ending	Employer Normal Cost with Interest	Amortization Payments with Interest	Amortization Holiday Amortization	Employer Total Cost with Interest
2028	1,071,587	4,545,305	0	5,616,892
2029	1,087,626	4,749,843	0	5,837,469
2030	1,102,937	4,963,586	0	6,066,523
2031	1,117,426	5,186,947	0	6,304,373
2032	1,130,983	5,420,360	0	6,551,343
2033	1,143,498	5,664,277	0	6,807,775
2034	1,154,851	5,919,169	0	7,074,020
2035	1,164,908	0	0	1,164,908
2036	1,180,370	0	0	1,180,370
2037	1,232,147	0	0	1,232,147
2038	1,286,199	0	0	1,286,199
2039	1,342,627	0	0	1,342,627
2040	1,401,536	0	0	1,401,536
2041	1,463,038	0	0	1,463,038
2042	1,527,243	0	0	1,527,243
2043	1,594,272	0	0	1,594,272

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