

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Everett Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: November 14, 2022

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 July 1 of each fiscal year. The schedule is effective in FY23 (since the amount under the prior schedule was maintained in FY23) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.375% to 7.25% and an adjustment to the fully generational mortality assumption.

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

JWP/jfb

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Enc.



Everett Retirement System
January 1, 2022 Actuarial Valuation

Total Cost Increasing 5.0% per year to FY27 with Final Amortization Payment in FY28

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Amort. of 2002 ERI</u>	<u>Amort. of 2003 ERI</u>	<u>Amort. of 2010 ERI</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Total Cost % Increase</u>
2023	5,104,692	180,000	13,238,843	84,143	274,842	168,518	19,051,038	77,914,179	
2024	5,334,403	180,000	14,114,048	87,930	287,210		20,003,590	68,798,551	5.00%
2025	5,574,451	180,000	14,857,298	91,886	300,134		21,003,769	58,246,793	5.00%
2026	5,825,301	180,000	15,638,995	96,021	313,640		22,053,958	46,114,792	5.00%
2027	6,087,440	180,000	16,461,120	100,342	327,754		23,156,656	32,245,930	5.00%
2028	6,361,375	180,000	16,470,076				23,011,451	16,470,076	-0.63%
2029	6,647,637	180,000					6,827,637	0	-70.33%

Appropriation payments assumed to be made July 1 of each fiscal year.
Normal cost assumed to increase 4.5% per year.
Assumed expenses of \$1,100,000
FY23 amount maintained at level of current funding schedule.