

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair*

JOHN W. PARSONS, ESQ., *Executive Director*

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MEMORANDUM

TO: Lawrence Retirement Board

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

RE: Approval of Funding Schedule

DATE: December 6, 2022

This memorandum is to supersede the PERAC memorandum dated August 1, 2022 to reflect the impact of the Board's recent decision to increase the COLA base to \$14,000.

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 7.25% to 7.0%, an update to the mortality improvement projection scale and an increase in the COLA base from \$12,000 to \$14,000.

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.



SECTION 3 - CHAPTER 32 OF M.G.L. APPROPRIATIONS

Exhibit 3.1 - 30-Year Forecast of Annual Appropriations

Fiscal Year Ending	Employer Normal Cost	Amortization Payment of UAL	Amortization Payment of ERI 2002 (Housing Authority)	Amortization Payment of ERI 2002 (VOC and City)	Amortization Payment of ERI 2003 (VOC and City)	Net 3(8)(c) Transfers	Total Employer Cost	Increase over Prior Year	Unfunded Actuarial Accrued Liability
2023	\$5,744,075	\$15,727,574	\$6,197	\$874,957	\$276,587	\$1,009,945	\$23,639,335		\$194,227,941
2024	5,925,572	16,659,381	6,475	909,955	287,650	1,000,000	24,789,033	4.86%	190,357,592
2025	6,147,781	17,328,481	6,767	946,353	299,156	1,000,000	25,728,538	3.79%	185,204,516
2026	6,378,322	18,025,498	7,072	984,207	311,122	1,000,000	26,706,221	3.80%	178,948,748
2027	6,617,510	18,749,016	7,390	1,023,576	323,567	1,000,000	27,721,059	3.80%	171,482,226
2028	6,865,667	19,500,039	7,723	1,064,520	336,509	1,000,000	28,774,458	3.80%	162,690,709
2029	7,123,129	21,744,758	-	-	-	1,000,000	29,867,887	3.80%	152,450,837
2030	7,390,247	22,612,620	-	-	-	1,000,000	31,002,867	3.80%	140,629,443
2031	7,667,380	23,513,596	-	-	-	1,000,000	32,180,976	3.80%	127,082,828
2032	7,954,907	24,448,946	-	-	-	1,000,000	33,403,853	3.80%	111,655,973
2033	8,253,216	25,419,983	-	-	-	1,000,000	34,673,199	3.80%	94,181,705
2034	8,562,712	26,428,069	-	-	-	1,000,000	35,990,781	3.80%	74,479,790
2035	8,883,814	27,474,617	-	-	-	1,000,000	37,358,431	3.80%	52,355,968
2036	9,216,957	28,550,615	-	-	-	1,000,000	38,767,572	3.77%	27,600,921
2037	9,562,593	-	-	-	-	1,000,000	10,562,593	-72.75%	-
2038	9,921,191	-	-	-	-	1,000,000	10,921,191	3.39%	-
2039	10,293,236	-	-	-	-	1,000,000	11,293,236	3.41%	-
2040	10,679,233	-	-	-	-	1,000,000	11,679,233	3.42%	-
2041	11,079,705	-	-	-	-	1,000,000	12,079,705	3.43%	-
2042	11,495,193	-	-	-	-	1,000,000	12,495,193	3.44%	-
2043	11,926,262	-	-	-	-	1,000,000	12,926,262	3.45%	-
2044	12,373,497	-	-	-	-	1,000,000	13,373,497	3.46%	-
2045	12,837,503	-	-	-	-	1,000,000	13,837,503	3.47%	-
2046	13,318,910	-	-	-	-	1,000,000	14,318,910	3.48%	-
2047	13,818,368	-	-	-	-	1,000,000	14,818,368	3.49%	-
2048	14,336,557	-	-	-	-	1,000,000	15,336,557	3.50%	-
2049	14,874,178	-	-	-	-	1,000,000	15,874,178	3.51%	-
2050	15,431,960	-	-	-	-	1,000,000	16,431,960	3.51%	-
2051	16,010,659	-	-	-	-	1,000,000	17,010,659	3.52%	-
2052	16,611,058	-	-	-	-	1,000,000	17,611,058	3.53%	-