

# 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: Lexington Retirement Board  
FROM: William T. Keefe, Executive Director  
RE: Approval of Funding Schedule  
DATE: December 11, 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 quarterly. This 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 7.25% investment return assumption used in the January 1, 2023 actuarial valuation. For comparison, 78 systems currently use an assumption of 7.0% or below.

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

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Enc.



**LEXINGTON RETIREMENT SYSTEM**  
**FUNDING SCHEDULE**

Fiscal Year	Funding						Adjusted Payments
	Normal Cost	Unfunded Liability*	Amortization of UAAL	Net 3(8)(c) Payments	Schedule Contribution		
2027	2,132,574	34,796,472	9,553,189	414,845	12,100,607		12,420,042
2028	2,228,540	27,073,421	10,216,432	414,845	12,859,817		13,199,293
2029	2,328,824	18,079,120	10,876,070	414,845	13,619,738		13,979,275
2030	2,433,621	7,725,272	7,725,272	414,845	10,573,738		10,852,865
2031	2,543,134	-	-	414,845	2,957,979		3,036,064

**Amortization of Unfunded Liability as of July 1, 2026**

Year	Type	Original Amort.	Percentage	Original #	Current Amort.	Years
		Amount	Increasing	of Years	Amount	Remaining
2027	Fresh Start	N/A	N/A	4	N/A	4