

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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## MEMORANDUM

TO: Lynn Retirement Board

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

RE: Approval of Funding Schedule

DATE: December 4, 2023

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 FY24 (since the amount under the prior schedule was maintained in FY24) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.25% to 7.0% and a slight revision to the generational mortality assumption.

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

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Enc.



**Lynn Retirement System  
January 1, 2023 Actuarial Valuation**

3.5% Increasing Amortization of UAL to FY33

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Total Cost % Increase</u>
2024	9,348,115	525,000	32,545,260	42,418,375	281,911,563	
2025	9,768,780	525,000	34,170,566	44,464,346	267,210,104	4.82%
2026	10,208,375	525,000	35,366,536	46,099,911	249,759,849	3.68%
2027	10,667,752	525,000	36,604,364	47,797,116	229,822,654	3.68%
2028	11,147,801	525,000	37,885,517	49,558,318	207,180,141	3.68%
2029	11,649,452	525,000	39,211,510	51,385,962	181,597,099	3.69%
2030	12,173,677	525,000	40,583,913	53,282,590	152,820,246	3.69%
2031	12,721,493	525,000	42,004,350	55,250,843	120,576,910	3.69%
2032	13,293,960	525,000	43,474,502	57,293,462	84,573,615	3.70%
2033	13,892,188	525,000	44,996,110	59,413,298	44,494,560	3.70%
2034	14,517,337	525,000		15,042,337	0	-74.68%

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

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$1,500,000.

FY24 amount maintained at level of current funding schedule.