



Boston Retirement System

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Timothy J. Smyth, Esquire

May 3, 2023

Alex G. Geourntas, City Clerk
Boston City Council
Boston City Hall, Room 601
Boston, MA 02201

RE: FY24 Retiree Cost-of-Living Adjustment ("COLA") Vote

Dear Clerk Geourntas:

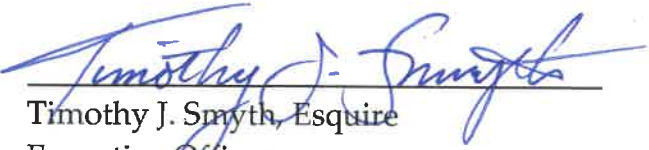
The Trustees of the Boston Retirement Board hereby notifies the Boston City Council that it shall receive public comment relative to retiree Cost of Living Adjustment ("COLA") for FY24 at a public meeting scheduled for May 17, 2023, at 10:00 a.m., in Room 716 of Boston City Hall. The actual vote on the COLA base shall take place on June 21, 2023, at 10:00 a.m.

Each year, pursuant to G.L. c. 32, §103(c), the Public Employee Retirement Administration Commission ("PERAC") reports to the General Court the computation of any increase in the United States Consumer Price Index and the percentage thereof in the previous year by the Commissioner of Social Security. Any such increase is based upon the Consumer Price Index for Urban Wage Earners and Clerical Workers. This index is used annually to adjust benefits paid to Social Security retirees and beneficiaries.

The Social Security Administration has announced that the latest COLA is 8.7%. As such, the COLA which the Retirement Board may grant, pursuant to Chapter 32, Section 103(c), will thus be 3.0%. This figure reflects the Social Security Administration COLA, with a limitation of 3.0%. However, the Board may elect not to grant a COLA in the event it "determines that the cost of living adjustment recommended by said report shall substantially impair the funding schedule of said system," *see* G.L. c. 32, Section 103(c). *See also* PERAC Memo # 4/2023 attached hereto.

Finally, we note that our latest actuarial valuation, as of January 1, 2022, is included for your review as well. Thank you for your customary assistance with these matters.

Respectfully submitted,
BOSTON RETIREMENT SYSTEM

BY: 
Timothy J. Smyth, Esquire
Executive Officer

Attachments.

cc: Honorable Michelle Wu, Mayor of City of Boston (hand delivery)
Edward J. Flynn, City Council President (hand delivery)
Ashley Groffenberger, City of Boston Chief Financial Officer (via email)
Kathryn A. Bennett, Boston Housing Authority (via email)
Bisola Ojikutu, MD, Boston Public Health Commission (via email)
Teresa Polhemus, Boston Redevelopment Authority (via email)
Henry F. Vitale, Boston Water & Sewer Commission (via email)
Kathleen A. Riley, Segal Co. (via email)