



# BOSTON CITY COUNCIL

Committee on Government Operations  
Ricardo Arroyo, Chair

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## REPORT OF COMMITTEE CHAIR

March 15, 2023

Dear Councilors:

*Docket #0369, message and order for your approval, an acceptance of Chapter 269 of the Acts of 2022, An Act relative to Cost-Of-Living Adjustments for Retirees*, was referred to the Committee on February 8, 2023, and sponsored by Mayor Michelle Wu. The Committee held a hearing on March 13, 2023 where public comment was taken.

### **Summary of Legislation As Filed:**

Chapter 269 of the Acts of 2022 gives local retirement systems the option to increase the FY2023 COLA up to 5% if accepted by a majority of the Trustees of the Boston Retirement Board and the Boston City Council. The Trustees of the Boston Retirement Board voted unanimously to provide a one time COLA of 5% at its meeting on January 20, 2023.

This order provides an increase to 5% from 3% on the base amount specified in chapter 32, section 103 of the General Laws. This order applies to all retirees and beneficiaries of the Boston Retirement System and is effective July 1, 2022.

### **Information Gathered at the Hearing:**

The Chair provided opening remarks and reviewed the provisions of the order. Councilors provided opening remarks supporting the increase and acknowledged the important work of the retirees and their dedication to the City. Councilors discussed increased expenses and the cost of living in Boston. Councilors indicated their support of the increase to support the retirees and their families. The Committee discussed the fiscal impact of the order on the City.

Ashley Groffenberger, Chief Financial Officer, Collector-Treasurer and Christine Weir, Interim Executive Officer, Boston Retirement Board, joined the Committee. Chief Groffenberger provided an overview of the cost to the City. Chief Groffenberger explained that this will add about 27 million to the unfunded pension liability and will increase the City's contributions in FY23 and the subsequent four fiscal years in order to meet the scheduled full funding in FY27. Chief Groffenberger provided a breakdown of the increase in contributions for FY23-FY27 as follows: \$5.4 million in FY23; \$5.6 million in FY24; \$6.1 million in FY25; \$6.6 million in FY26; and \$7.2 million in FY27.

The Committee also heard from the following individuals representing retirees: Janey Frank, Chair, Boston Teachers Union/Retired Teachers Chapter Legislative Committee and Facilitator Stakeholders Group; Marilyn Marion, Chair Boston Teachers Union/Retired Teachers Chapter

President Massachusetts Chapter Alliance American Retired Americans; Elissa C. Cadillic, President, AFSCME 1526 COB PEC Co-Chair MassCOSH BOD, Chair; Johnny McInnis, Political Director, Boston Teachers Union; and, Michael O'Reilly, Legislative Agent Massachusetts Association of Contributory Retirement Systems. These individuals asked the Councilors to support this order explaining that the modest increase will assist retirees and their families with increased expenses. Chair Frank read into the record a letter of support from John Zuccaro, Past President SENA 9158.

**Rationale and Recommended Action:**

This order will provide a one time COLA increase of 5% applied to the base amount under chapter 32, section 103 of the General Laws. This will benefit former City employees, retirees and their beneficiaries. This is a modest increase that will provide assistance to those who worked hard for the City during this high inflationary environment where costs have increased for food, housing, insurance, taxes, and other expenses.

By the Chair of the Committee on Government Operations, to which the following was referred:

*Docket #0369, message and order for your approval, an acceptance of Chapter 269 of the Acts of 2022, An Act relative to Cost-Of-Living Adjustments for Retirees,*

submits a report recommending that this order **ought to pass**.

For the Chair:



Ricardo Arroyo, Chair  
Committee on Government Operations