

Actuarial Update for Special COLA Commission

June 16, 2025

Enhanced COLA analysis:

We were asked to determine the cost to provide an enhanced COLA with the following payment schedule:

- a) Eligibility: at least 20 years of service with an annual retirement allowance less than 150% of the average annual retirement allowance in the most recent actuarial valuation.

<i>Number of Years Retired as of June 30 of prior fiscal year</i>	<i>Additional Monthly COLA</i>	<i>Additional Annual COLA</i>
At least 10 but < 15	\$10	\$120
At least 15 but < 20	\$20	\$240
At least 20 but < 25	\$30	\$360
25 or more	\$40	\$480

Estimated Impact:

State Retirement System: \$51.7 M

Mass Teachers' Retirement System: \$93.4 M