RETIRED STATE, COUNTY AND MUNICIPAL EMPLOYEES ASSOCIATION OF MASSACHUSETTS

THE VOICE

OF THE RETIRED PUBLIC EMPLOYEE

11 BEACON STREET, BOSTON, MASSACHUSETTS 02108-3024 | (617) 723-7283 | WWW.MASSRETIREES.COM SEPTEMBER 2026

HEALEY SIGNS COLA REFORM INTO LAW

LANDMARK CHANGE TO BENEFIT GENERATIONS OF RETIREES

The past two years have brought a series of big wins for Massachusetts public retirees.

First was the passage of legislation in 2024 increasing the state's Basic Life Insurance benefit to $10,000. Next was the passage of the Social Security Fairness Act in 2025, fully repealing the WEP/GPO laws – a life changing occurrence for many retirees. This past winter was the defeat of the state GIC's plan design changes and cost shifting measurers.

On July 9th, Governor Maura Healey signed COLA Reform into law

GOVERNOR MAURA HEALEY SIGNING COLA REFORM INTO LAW

– a landmark benefit improvement that marks the fourth major victory for our members over the past two years.

Initiated by our Association and nearly ten years in the making, the new COLA Reform law was based on the report and recommendations issued by the Special COLA Commission in December. *Mass Retirees* drafted legislation based on the Commission's recommendations, which was then passed by the House of Representatives in April within the state budget.

Due to the timing of this year's budget process, the Senate was unable to take up the matter when it passed its version of the budget in May.

COLA Reform was then subject to negotiation by the House/Senate conference committee, which finished its work on June

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2025 BANNER YEAR FOR RETIREMENT SYSTEMS

3rd Consecutive Year of Strong Investment Gains

Last year proved to be another banner year of investment gains for the state's 104 public retirement systems. In fact, a recent annual report of the Public Employee Retirement Administration Commission (PERAC) shows that nearly all systems posted a double-digit investment return in 2025 – marking the third consecutive year of gains.

In fact, investment gains beating the assumed rate of return for most systems have been posted in eight of the past ten years.

For 2025, the highest return posted amongst Massachusetts systems was 17.17% for the Lexington Retirement System. The Commonwealth's Pension Reserves Investment Trust (PRIT) Fund officially earned 13.13% - more than 0.5% higher than was initially thought!

"Knowing that the financial markets performed well in 2025 we assumed the pension fund returns would be good, but these numbers truly exceed expectations. These results also reinforce our position that the outstanding investment success must be shared with retirees. Unfunded liabilities can continue to be paid off, while simultaneously improving COLA benefits to help retirees keep pace with inflation. Both can be done at the same time," said *Mass Retirees* President Frank Valeri.

Details from PERAC's 2025 Investment Report can be found beginning on page 10. We have added two categories – COLA Base and Assumed Rate of return, as both are relevant to public retirees and the implementation of the new Enhanced COLA and COLA Reserve Fund.

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COLA

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30th. Thankfully, the measure was included within the conference committee report which was approved by the full House and Senate on July 1st.

"We are very grateful for Governor Healey's support. A year before announcing her candidacy for governor in 2022, Maura Healey visited our Beacon Street office to learn the details of our efforts to improve the COLA. At our request, she initiated the COLA Commission in 2024. The Governor then appointed me to represent all current and future retirees on the Commission," said Association President Frank Valeri. "Over the past several months, her staff remained in close communication with our Association as we crafted the COLA Reform Proposal and advocated for it to be passed into law in 2026. Signing the proposal into law was the final act of a process that was years in the making.

"It's also important to thank State Representative Mark Cusack and Senator Brendan Crighton for their early support of both the COLA Reserve Fund and Enhanced COLA. Both filed bills on our behalf on these initiatives for the past several legislative sessions. In fact, Mark Cusack first filed the COLA Reserve bill in 2017 which is what initiated this whole process.

"While it may take a year or two to grow the COLA Reserve Fund and put these new benefits to work for our members, history will prove 2026 to be a turning point for public retirees."

Thankful for Support for Public Retirees

Before recapping the specifics of both new laws, it is important that we once again thank those legislators who were directly responsible for the passage of the largest change in the state's COLA policy since Municipal COLA Reform in 1997 (Chapter 17). Of the 198 sitting members of the House and Senate (there are currently two vacant House seats), there was universal support.

COLA Reform was included by the House leadership within the version of the FY27 Budget reported by the House Ways and Means Committee in mid-April. The direct support of House Speaker Ron Mariano, Majority Leader Mike Moran,

HOUSE W&M CHAIRMAN AARON MICHLEWICZ, SPEAKER RON MARIANO & REP. MARK CUSACK

Ways and Means Chairman Aaron Michlewitz, as well as Republican Leader Brad Jones, was a significant step toward the proposal becoming law in 2026. Ultimately, the vote in favor of COLA Reform took place as part of the final vote by the House to approve the FY27 State Budget.

Once the bill was in conference committee, negotiations fell primarily upon Chairman Michlewitz, and Senate Ways and Means Chairman Mike Rodrigues – both of whom have a long record of support for public retirees. Because the measure had not been approved by both the House and Senate during the respective budget debates, success in the conference committee process was far from certain.

The largest change in the state's COLA policy in nearly 30 years is a significant departure from the way the state funds COLA benefits for members of the State and Teachers' Retirement Systems. Despite the work of the 9-member Special Commission and the universal support from the House, Senate leadership was not 100% sold on the changes.

An ongoing concern, which has historically existed since the modernization of pension funding in the late 1980s, is paying off the remaining unfunded pension liability of the State and Teachers' Retirement Systems. While the two systems are well on their way toward achieving fully funded status by the current 2039 deadline, significant unfunded liability remains to be paid off over the next 12 years.

As of the last valuation on 1/1/2025, the State Retirement

SENATE W&M CHAIRMAN MIKE RODRIGUES WITH CEO SHAWN DUHAMEL & PRES. FRANK VALERI

System carried an unfunded liability of $14.1 billion and the Teachers' System $25.6 billion. However, it is our contention (which was supported by the Special Commission) that the Commonwealth can both incrementally improve COLA benefits while continuing to pay-off its unfunded liability by the 2039 deadline.

"Thankfully, through the work of Chairman Rodrigues, the concerns of the Senate leadership were satisfied, and allowing COLA Reform to survive the conference committee process and be signed into law by Governor Healey. We are grateful that both Chairman Michlewitz and Chairman Rodrigues prioritized doing right by public retirees in this year's budget," commented Association CEO Shawn Duhamel.

Major Change in COLA Funding

If you have followed our recent reporting on the history of the COLA here in Massachusetts, you know that funding for the benefit has been a difficult challenge to overcome since the formation of the COLA benefit in

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2026-2027 *MASS RETIREES*
MEETING SEASON
BEGINS WITH THE ANNUAL MEETING ON SEPTEMBER 18

Traditionally with our September 18th Annual Meeting in Peabody, *Mass Retirees* kicks off its 2026-2027 Season of in-person area meetings. HERE IS OUR FALL SCHEDULE:

LAST CALL

2026 ANNUAL MEETING

DON'T FORGET: MARK YOUR CALENDAR AND NOTE NEW LOCATION IN PEABODY

9.18.26
Peabody, MA
11:00 AM

WHEN: **FRIDAY, SEPTEMBER 18, 2026, 11:00AM**
WHERE: **BOSTON MARRIOTT PEABODY**
8A CENTENNIAL DRIVE, PEABODY, MA 01960

PLEASE JOIN US!

UPCOMING IN-PERSON

AREA MEETINGS - FALL 2026

ACROSS THE COMMONWEALTH

AS CUSTOMARY, WE WILL BE CONDUCTING MEETINGS IN ALL REGIONS ACROSS THE COMMONWEALTH DURING THIS FALL AND POSTING FUTURE MEETINGS ON PAGE 3 OF *THE VOICE*. PLEASE STAY TUNED FOR A FUTURE MEETING IN YOUR AREA.

9.25.26
Westport, MA
11:00 AM

WHEN: **FRIDAY, SEPTEMBER 25, 2026, 11:00AM**
WHERE: **WHITE'S OF WESTPORT**
66 STATE ROAD, WESTPORT, MA 02790

10.2.26
Plymouth, MA
11:00 AM

WHEN: **FRIDAY, OCTOBER 2, 2026, 11:00AM**
WHERE: **HOTEL 1620**
180 WATER STREET, PLYMOUTH, MA 02360

10.22.26
Pittsfield, MA
1:00 PM

WHEN: **THURSDAY, OCTOBER 22, 2026, 1:00PM**
WHERE: **HOLIDAY INN & SUITES BERKSHIRE**
ONE WEST STREET, PITTSFIELD, MA 01201

10.23.26
West Springfield, MA
11:00 AM

WHEN: **FRIDAY, OCTOBER 23, 2026, 11:00AM**
WHERE: **STORROWTON TAVERN & CARRIAGE HOUSE**
1305 MEMORIAL DRIVE, W SPRINGFIELD, MA 01089

10.30.26
Auburn, MA
11:00 AM

WHEN: **FRIDAY, OCTOBER 30, 2026, 11:00AM**
WHERE: **AUBURN ELKS LODGE 2118**
(TO AVOID CONGESTION, PLEASE USE HANDICAPPED ENTRANCE)
754 SOUTHBRIDGE STREET, AUBURN, MA 01501

STRIVING TO KEEP MEMBERS INFORMED & ENGAGED

AREA MEETINGS IN PHOTOS : VISIT WEBSITE AT www.massretirees.com and click EVENTS.

COLA

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the late 1960s. Since the creation of pension funding schedules and the drive to pay-off unfunded liability took hold in the late 1980s, securing funding for new COLA benefits for State and Teacher retirees has remained a major challenge that was nearly impossible to overcome – that is until now.

A key mandate of the Special Commission was to develop a new way to pay for improved COLA benefits – benefits such as the new Enhanced COLA, as well as increases in the traditional COLA base. The Commission's solution was to create a new COLA Reserve Fund, whereby a portion of excess investment gains would be earmarked to pay for improvements in COLA benefits.

The recommendation, which was included within our proposal as well as within that passed by the House, would have dedicated 10% of excess investment gains to the COLA Reserve Fund. For the Commonwealth's Pension Reserves Investment Trust (PRIT) Fund, excess investment gains represent returns above the fund's 7% assumed rate of return.

For example, the PRIT Fund earned 13.13% in 2025 – a full 6.13% above the assumed rate of return. Had 10% of the excess returns been earmarked within the COLA Reserve Fund, it would represent nearly $700 million. Per the Commission's report, each $1,000 increase in the State/Teacher COLA base costs $600 million. The full cost of the Enhanced COLA benefit is approximately $790 million.

"It is important to point out that while excess investment gains will now be earmarked for COLA benefit increases, monies in the COLA Reserve Fund will continue to be invested by the Pension Reserves Investment Management (PRIM) Board alongside all other pension assets. Nothing changes other

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COLA REFORM LAW

KEY FEATURES

***Creates Cost-of Living Reserve Fund** ("Reserve Fund") for future state/teacher COLA benefit payments and liabilities.

Local Option: Allows a local retirement system, with the approval of its local legislative body, to create a Reserve Fund that will pay for an Additional or Enhanced Benefit (see below).

***Requires that seven and a half percent (7.5%) of PRIT's Excess Investment Income (Gains)** for the State/Teachers' Retirement Systems in a Calendar Year be transferred into the Reserve Fund.

Local Option: If a local system elects to create a Reserve Fund, it is obligated to transfer 7.5% of its Excess Investment Income (Gains) into the Reserve Fund that will be used to pay for an Enhanced Benefit (see below).

***Creates an Enhanced Benefit** for certain eligible State and Teacher retirees who retired before July 1, 2020 and been retired for at least 10 years.

In addition, the StateTteacher retiree must have at least 20 years of creditable service and receive a pension less than 80% of the system's average employee/teacher salary. If the retiree satisfies these conditions, there are **three (3) tiers of Enhanced Benefit** based upon the number of years that a retiree has been retired:

For 10 or more years, the Enhanced Benefit is $100 annually
(equivalent to a $16,000 State/Teacher COLA Base);
For 15 or more years, $200 annually
(equivalent to a State/Teacher $19,000 COLA Base): and
For 20 or more years, $300, annually
(equivalent to a State/Teacher $22,000 COLA Base)

With such benefit increases being added to the monthly pension.

Accidental/Ordinary Disability Retirees (no creditable service minimum) and **Survivors** (if the deceased spouse/retiree qualified) are eligible.

The Enhanced Benefit becomes a permanent part of a retiree's pension.

Local Option: Allows a local retirement system, with the approval of its local legislative body, to create the Enhanced Benefit, subject to the same eligibility criteria and three benefit tiers as the state/teachers' retirement systems, to be paid from the Reserve Fund (see above).

• **Triggers an increase in the State/Teachers' COLA Base in $1K increments** based upon the funds available in their Reserve Fund. (No change for local systems increasing their COLA Base.)

MASS RETIREES LEGISLATIVE UPDATE

FY27 BUDGET DELIVERS KEY WINS FOR PUBLIC RETIREES

The Fiscal Year 2027 State Budget delivered several important victories for Massachusetts public retirees. Along with continued funding of the Commonwealth's pension obligations and the Group Insurance Commission (GIC), the budget provides the annual 3% cost-of-living adjustment (COLA) for retirees of the State and Teachers' Retirement Systems and includes a long-awaited increase to the post-retirement public employment earnings limit (see below). Together, these provisions represent another positive year for retiree advocacy.

As is often the case, these accomplishments were made possible through the collaborative efforts of legislative leaders, public employee unions, retiree organizations, coalition partners, and our Association. While meaningful progress rarely happens overnight, working together continues to produce positive results for Massachusetts public retirees. We are grateful to everyone who helped advance these priorities throughout the budget process.

The Legislature completed work on the Fiscal Year 2027 State Budget before the close of formal legislative sessions on July 31. Although formal sessions have now concluded, the House and Senate will continue conducting legislative business through the end of the calendar year, including acting on certain bills that remain pending. Our Association will continue monitoring retiree-related legislation, working with lawmakers and coalition partners, and keeping members informed of any significant developments.

"Taken altogether with COLA Reform (see page 1), this was another highly successful budget cycle for Massachusetts public retirees," comments Legislative Chairman Tom Bonarrigo. "Combined with the enactment of the Social Security Fairness Act earlier in 2025 and continued progress on retiree priorities, the FY27 budget represents another important step forward in strengthening the retirement security of our members."

POST RETIREMENT EARNINGS

Limit Increased by $10,000

Among the budget's most significant provisions is the increase in the post-retirement public employment earnings limit. Effective for 2026, retirees who return to work for a Massachusetts state or local governmental employer may now earn an additional $25,000 above the difference between their pension and the current salary of the position from which they retired. This represents a $10,000 increase from the previous $15,000 limit, marking the first adjustment since 2014.

"Our Association is grateful to our longtime friend and ally, Jim Machado, and the Massachusetts Police Association for once again leading the effort to modernize this section of the retirement law. Jim has been a tireless advocate for this reform, and this commonsense change provides retirees with greater flexibility to return to public service while helping employers meet today's workforce needs," said Association CEO Shawn Duhamel

JIM MACHADO WITH CEO SHAWN DUHAMEL

First, retirees cannot work in Massachusetts public service employment more than 1,200 hours during a calendar year. This limit was increased from 960 hours just three years ago and now averages approximately 23 hours per week.

Second is the earnings limitation. Beginning in 2026, retirees working in Massachusetts public service may earn no more than the difference between what their former position currently pays and the amount of their pension, plus an additional $25,000 per calendar year.

Prior to this budget change, the additional earnings amount had remained unchanged since 2014. In fact, the rules governing post-retirement public employment were once far more restrictive. Decades ago, the only paid public position a retiree could hold was that of a juror. As workforce needs have evolved and employers have increasingly relied on experienced public servants, these restrictions have gradually been modernized.

Disability retirees continue to face the same public-sector employment restrictions as superannuation retirees. In addition, they are subject to an annual earned income limit regardless of where they work. The earnings formula is the same but without the 1,200-hour limitation.

GROUP INSURANCE COMMISSION

Important Developments

Plan Enrollment Highlights

Annual Enrollment is often overshadowed by discussions of premium increases and benefit changes, yet it provides one of the best indicators of the overall health and stability of the Group Insurance Commission (GIC). The choices members make—or do not make—offer valuable insight into member confidence, the effectiveness of the GIC's health plan offerings, and the overall direction of the program.

At the Commission's June meeting, which *Mass Retirees* watched as part of our ongoing monitoring of GIC activities, staff presented the FY27 Annual Enrollment results. While the presentation contained a great deal of data, the overall message was straightforward: the GIC remains a stable program with members expressing continued confidence in their health insurance coverage.

That stability is particularly noteworthy given the current environment. Across Massachusetts, many municipalities continue to evaluate local health insurance changes, including plan design modifications, carrier changes, and transfers into the GIC. In contrast, FY27 Annual Enrollment reflected continuity rather than disruption.

MEMBERS STAYED THE COURSE

Only 3,558 subscribers changed health plans during FY27 Annual Enrollment. Considering the GIC now provides coverage for 460,000 subscribers and dependents, fewer than one percent of covered members elected to move to a different health plan.

Unlike the 2023 health plan procurement—which introduced new plan options and prompted many members to reevaluate their coverage, FY27 featured no significant carrier changes and only limited plan design modifications. As a result, most members found little reason to switch plans.

The limited movement is significant because it reflects continuity and confidence in the GIC's established plan offerings rather than uncertainty or dissatisfaction. The Wellpoint Medicare Extension Plan remained the largest Medicare option with 78,551 enrollees, followed by Harvard Pilgrim Medicare Enhanced with 36,521 members. Harvard Pilgrim Explorer continued as the largest non-Medicare plan with 87,328 members, followed by Wellpoint Plus with 65,305 members.

Four Communities Prepare for GIC Transition

On January 1, 2027, retirees and employees in Belmont, Greenfield, Methuen, and North Attleborough will transition from local health insurance coverage to the Commonwealth's Group Insurance

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Members By Product	State		Municipality		Total
(Medicare & Non-Medicare)	Individual	Family	Individual	Family	
HARVARD PILGRIM ACCESS AMERICA	1,455	2,208	269	292	4,224
HARVARD PILGRIM EXPLORER	12,760	47,973	5,005	21,590	87,328
HARVARD PILGRIM MEDICARE ENHANCE	23,920	0	12,601	0	36,521
HARVARD PILGRIM QUALITY	7,168	14,490	3,500	9,702	34,860
HEALTH NEW ENG	4,555	13,501	1,732	5,727	25,515
HEALTH NEW ENG MEDICARE SUPPLEMENT PLUS	3,383	0	1,133	0	4,516
MGB HEALTH PLAN COMPLETE	4,544	9,958	2,321	7,689	24,512
TUFTS MEDICARE PREFERRED	2,748	0	1,579	0	4,327
WELLPOINT COMMUNITY CHOICE	8,266	28,116	2,944	9,792	49,118
WELLPOINT MEDICARE EXTENSION	57,941	0	20,610	0	78,551
WELLPOINT PLUS	9,546	37,895	3,261	14,603	65,305
WELLPOINT TOTAL CHOICE	5,068	9,666	923	1,684	17,341
WELLPOINT ZERO PREMIUM OME	338	0	75	0	413
Totals	141,692	163,807	55,953	71,079	432,531

2026 PRIMARY ELECTIONS

★ ★ ★ MASS RETIREES ENDORSEMENTS ★ ★ ★

Mass Retirees is proud to endorse the following State Senators and State Representatives in the Massachusetts Democratic Primary Election taking place on Tuesday, September 1, 2026. Each of the seventeen Veteran Legislators listed below has a documented record of support for public retirees and works closely with our Association on behalf of our members.

Over the past two years alone the legislature has increased the state's Basic Life Insurance benefit and approved a landmark COLA Reform law that will undoubtedly improve the lives of public retirees. Support for public retirees is the only criteria we use in determining whom to endorse for election. Party affiliation and issues not directly related to public retirees are not factors we consider.

In addition, each of the legislators listed below are engaged in a competitive primary election. Traditionally, *Mass Retirees* does not endorse candidates who are running unopposed or those without a competitive race. And while we do work closely with Republican legislators, none are faced with an active primary.

Please look to the November 2026 edition of *The Voice* for General Election endorsements.

Please remember that while Primary Election Day is Tuesday, September 1, vote-by-mail begins in early August (ballot must be returned by 9/1) and in-person early voting takes place from August 22-28.

STATE SENATE CANDIDATES

CHRISTINE BARBER
SOMERVILLE
2ND MIDDLESEX

WILLIAM BROWNSBERGER
BELMONT
SUFFOLK & MIDDLESEX

NICK COLLINS
S. BOSTON
1ST SUFFOLK

WILLIAM DRISCOLL
MILTON
NORFOLK, PLYMOUTH
BRISTOL

KATE LIPPER-GARABEDIAN
MELROSE
5TH MIDDLESEX

MICHAEL RUSH
WEST ROXBURY
NORFOLK & SUFFOLK

★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

VOTE TUESDAY, SEPTEMBER 1

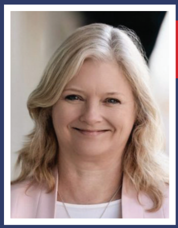
★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

HOUSE OF REPRESENTATIVE CANDIDATES

JOHN BARRETT
NORTH ADAMS
1ST BERKSHIRE

MARJORIE DECKER
CAMBRIDGE
25TH MIDDLESEX

PATRICIA DUFFY
HOLYOKE
5TH HAMPDEN



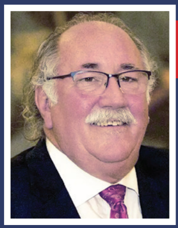
LISA FIELD
TAUNTON
BRISTOL

RICK HAGGERTY
WOBURN
30TH MIDDLESEX

TARA HONG
LOWELL
18TH MIDDLESEX

MARY KEEFE
WORCESTER
15TH WORCESTER

JOHN LAWN
WATERTOWN
10TH MIDDLESEX



JAMES O'DAY
W BOYLSTON
14TH WORCESTER

DAVID ROGERS
CAMBRIDGE
24TH MIDDLESEX

DAWNE SHAND
NEWBURYPORT
1ST ESSEX

COLA

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than the funds held by the COLA Reserve Fund are to be used for the specific purpose of the COLA," explains Association Treasurer Joe Connarton, who is a newly elected member of the PRIM Board.

Due to concerns regarding ongoing unfunded liability, the excess return percentage dedicated to the COLA Reserve Fund was reduced to 7.5% as a compromise. Monies will begin to be dedicated to the fund starting in 2026. Through May, the PRIT Fund earned 5.6% year-to-date. Thankfully, the fund has done well despite ongoing economic concerns and is within striking distance of the 7% assumed rate of return with 7 months remaining in the calendar year.

A great benefit of having a dedicated funding source now law is that we will no longer have the question of a COLA funding source serving as an insurmountable hurdle standing in the way of benefit increases.

While the COLA Reserve Fund is now state law for both the State and Teachers' Retirement Systems, it is local option for the 102 local retirement systems and their governing local bodies.

Enhanced COLA

Long-time members are aware that for nearly a decade we have actively pursued a new COLA benefit for career employees, who have been retired for 10 or more years. Our rationale is simple, the longer you have been retired the harder it is to keep up with inflation. This is particularly true for those who retired prior to the inflationary period sparked by the COVID-19 pandemic.

The creation of an Enhanced COLA benefit is now possible due to the dedicated funding source created by the COLA Reserve Fund. However, the Enhanced Benefit will not take effect right away. The new law requires that sufficient funding be available to pay for the benefit in full before it takes effect. As we mentioned above, the total cost of the Enhanced COLA for the State and Teachers' Retirement systems is just shy of $800 million.

Should the PRIT Fund produce an excess investment return in 2026 that would pay for the Enhanced COLA in its entirety, the new benefit would begin for FY28. Otherwise, the Reserve Fund would continue to grow until sufficient funds are available.

COLA HISTORY
SEE PAGE 12

To be eligible for the Enhanced COLA retirees must meet a defined criterion: Have at least 20 years of creditable service, been retired for a minimum of 10 years, and receive a pension benefit that is less than 80% of the current active employee salary for the retirement system. The respective salaries for both the State and Teachers' Retirement Systems are roughly $85,000 – meaning that an eligible retiree must be receiving a pension of less than $68,000.

At the local level the average salary is set accordingly across each of the 102 local retirement systems.

Disability retirees are covered regardless of years of creditable service. Surviving spouses are eligible, if the retiree would have been eligible.

Since the state cannot mandate new costs on municipal government, the Enhanced COLA is also a local option. However, we have already heard from several local retirement systems who appear eager to adopt the new benefit law. As we did following the passage of Chapter 17, the municipal COLA Reform law passed in 1997, we will work closely with local retirement boards and municipal officials to help with advocating for local acceptance.

Please look to the COLA Reform chart on pg. 4 for a summary of new benefits.

COLA Base

As you read in the July *Voice*, the average COLA base across the 102 local systems is now above $17,000. Due to the more manageable cost of the benefit, combined with higher pension funding ratios in some communities, many local retirement systems have been able to incrementally increase the local COLA base to correspond with the investment success of each respective system.

At the state level, where unfunded liabilities run into the tens of billions of dollars and the cost of each $1,000 increase is $600 million for the State and Teachers' Systems combined, funding base increases has been a difficult nut to crack – that is until now.

The reason for the high cost of each COLA base increase is that pension funding rules assume that a 3% COLA will be paid each year. Under state law each COLA increase becomes a permanent part of a retiree's base pension – meaning that the same COLA paid in 2026 will be paid in 2027 and in perpetuity over the life of the retiree (as well as survivor). Not only will the benefit be paid to today's retirees, but all future retirees.

Under the new COLA Reform law, once the Enhanced COLA is fully funded, monies earmarked within the State and Teachers' Retirement Systems COLA Reserve Fund will be dedicated to fund incremental increases to the State and Teachers' COLA base. This will take place automatically as the money is available to cover the $600 million cost for each $1,000 increase – without the need for further legislative approval.

The legislature will continue to authorize the annual payment of the 3% COLA for State and Teacher retirees, but it will no longer play a direct

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21 LOCAL RETIREMENT SYSTEMS INCREASE THEIR FY27 COLA BASE

Since the enactment of Chapter 188 in 2010, local retirement systems are authorized, with the approval of their local legislative body to increase the COLA base above $12,000. Briefly, COLA base refers to the maximum amount of pension to which the COLA percent (generally 3%) is applied.

Mass Retirees was the lead sponsor of the provisions in Chapter 188, allowing systems to increase the base. All 102 local systems have adopted this law, except for one, namely the Amesbury Retirement System that stands alone at a $12,000 base.

For FY27, all 102 local retirement boards have approved a COLA, effective this July 1, while the FY27 State Budget authorized a 3% COLA for retired state employees and teachers. Except for Peabody adopting a 2.8% COLA, a 3% will be applied to the COLA base that as the chart below shows, ranges from $30,000 to $12,000.

According to President Frank Valeri, "Since our report in the July *Voice*, we're pleased to report that three more systems have increased their base this July. They are: Massport to $16,000, Needham to $20,000 and Quincy to $18,000.

ADOPT INCREMENTAL APPROACH

"That brings us to 21 systems (listed below) that have a greater FY27 COLA base. And, for all of these systems, this was not their first base increase since Chapter 188 became law." It is also noteworthy that three of the 21 systems – Brockton, Newton and Wellesley - adopted an incremental approach whereby their FY27 base amount will continue to increase in $1,000 increments over successive fiscal years to an even higher amount. ***Ed Note:*** We explained the incremental approach: in the April *Voice* for Brockton (to $21K as of July 1, 2031) and in the July *Voice* for Newton (to $18K as of July 1, 2028) and Wellesley (to $25K as of July 1, 2029).

"And, thanks to all the retirement boards and local officials who made the base increases possible this fiscal year," Valeri continues. "As we see it, these increases serve a very important function by sharing a system's investment success with their retirees and survivors."

$22,000 Base
Wellesley

$21,000 Base
MHFA

$20,000 Base
Gr Lawrence Sanitary Dist.
Needham
Salem

$18,000 Base
Chicopee
Quincy

$17,000 Base
Berkshire County
Natick
North Adams

$16,000 Base
MassPort
New Bedford
Newton
Winchester
Winthrop

$15,000 Base
Brockton
Marlboro
Revere

$14,000 Base
Danvers
Hampshire County
Westfield

COLA Bases for all retirement systems are included in the tables beginning on Pg. 10

COLA

CONTINUED FROM PAGE 8 ▶

role in increasing the COLA base. This is a dramatic departure from past practice and one that has come about due to significant progress that has been made in paying off the Commonwealth's unfunded pension liability.

While we would have very much liked to have seen the current State/Teacher COLA base increased to $16,000 starting with FY27, the upfront cost to do so would have been $1.8 billion. This cost would have been added to the $5.1 billion appropriated by the state to fund its share of State and Teacher pension costs for the coming fiscal year.

That said, the Association is grateful that for the 28th consecutive year, the state has granted a 3% COLA for all retired State employees and Teachers who are members of the Teachers' Retirement System. In 2022, the state approved a one-time 5% COLA to help retirees combat the severe inflation that took hold during the pandemic.

INVESTMENT RETURNS & FUNDED RA

KEY FACTORS IMPACTING A COLA BA

Earlier in this *Voice* (page 1) we reported on the 2025 Investment Report by PERAC (Public Employee Retirement Administration Commission). The Table below provides details from the Report, as well as other key factors not in the Report (for example, Assumed Rate of Return and COLA Base) that impact a decision by retirement systems to increase their COLA Base. Please note that the column, entitled 41-Year Rate of Return, shows the rate of return for a period that refers back to the 1983 enactment of Chapter 661, the landmark omnibus pension funding and investing reform law that included the creation of "6A Pension Reserve Funds".

We have also updated the Funded Ratio and Date of Valuation for a system where appropriate.

RETIREMENT SYSTEM	FY27 COLA BASE	2025 RATE OF RETURN	ASSUMED RATE OF RETURN	41-YEAR RATE OF RETURN	FUNDED RATIO	DATE OF LAST VALUATION
Adams	$14,000	13.04%	6.75%	7.82%	69.9%	1/1/24
Amesbury	$12,000	12.83%	7.50%	8.23%	64.5%	1/1/24
Andover	$14,000	11.37%	5.75%	8.52%	97.3%	1/1/25
Arlington	$15,000	12.75%	7.00%	8.48%	69.8%	1/1/25
Attleboro	$14,000	9.92%	7.00%	8.89%	69.8%	1/1/24
Barnstable County	$18,000	12.99%	6.90%	7.87%	66.9%	1/1/24
Belmont	$13,000	12.49%	7.00%	9.19%	76.1%	1/1/24
Berkshire County	$17,000	12.98%	6.75%	9.02%	100.1%	1/1/25
Beverly	$13,000	12.94%	7.00%	8.70%	75.3%	1/1/24
Blue Hills Regional	$18,000	12.98%	7.00%	8.75%	87.1%	1/1/24
Boston (City)	$15,000	15.63%	6.90%	8.72%	89.3%	1/1/25
Boston (Teachers)	$15,000	12.87%	7.00%	N/A	53.0%	1/1/25
Braintree	$14,000	15.96%	7.13%	8.79%	73.8%	1/1/24
Bristol County	$22,000	13.85%	7.35%	8.79%	66.0%	1/1/24
Brockton	$15,000	15.70%	6.75%	8.69%	88.2%	1/1/24
Brookline	$15,000	12.78%	6.80%	8.77%	74.4%	1/1/24
Cambridge	$18,000	15.46%	7.10%	9.21%	91.7%	1/1/24
Chelsea	$15,000	12.91%	7.00%	8.22%	93.9%	1/1/25
Chicopee	$18,000	15.41%	7.25%	8.78%	96.0%	1/1/25
Clinton	$18,000	12.54%	7.00%	8.05%	80.3%	1/1/25
Concord	$14,000	12.34%	6.50%	8.48%	92.1%	1/1/25
Danvers	$14,000	14.02%	7.13%	8.19%	64.5%	1/1/24
Dedham	$18,000	13.16%	7.00%	9.45%	93.2%	1/1/24
Dukes County	$15,000	9.06%	7.00%	8.12%	86.3%	1/1/24
Easthampton	$18,000	12.84%	6.85%	8.45%	77.0%	1/1/24
Essex Regional	$16,000	13.03%	7.00%	8.80%	63.3%	1/1/24
Everett	$14,000	13.16%	7.13%	8.62%	81.5%	1/1/24

ATIOS FOR 104 RETIREMENT SYSTEMS

SE INCREASE (CONTINUED FROM PAGE 1)

RETIREMENT SYSTEM	FY27 COLA BASE	2025 RATE OF RETURN	ASSUMED RATE OF RETURN	41-YEAR RATE OF RETURN	FUNDED RATIO	DATE OF LAST VALUATION
Fairhaven	$17,000	13.11%	7.00%	9.27%	84.6%	1/1/24
Fall River	$14,000	13.01%	7.00%	8.50%	55.7%	1/1/25
Falmouth	$16,000	12.23%	7.00%	8.82%	73.2%	1/1/24
Fitchburg	$14,000	12.91%	7.00%	7.94%	56.9%	1/1/24
Framingham	$16,000	13.53%	7.00%	9.25%	83.4%	1/1/24
Franklin County	$17,000	13.01%	7.15%	8.50%	79.3%	1/1/24
Gardner	$14,000	13.67%	7.00%	9.35%	70.3%	1/1/25
Gloucester	$14,000	13.01%	7.00%	8.93%	60.4%	1/1/24
Greater Lawrence Sanitary District	$20,000	16.07%	6.50%	8.60%	110.7%	1/1/25
Greenfield	$16,000	13.05%	7.00%	8.65%	70.5%	1/1/25
Hampden County Regional	$18,000	13.02%	7.00%	8.68%	57.1%	1/1/24
Hampshire County	$14,000	14.04%	6.80%	8.39%	75.1%	1/1/24
Haverhill	$13,000	11.61%	7.00%	9.76%	69.4%	1/1/24
Hingham	$15,000	12.96%	7.25%	9.10%	78.8%	1/1/24
Holyoke*	$15,000		7.00%		81.5%	1/1/24
Hull	$20,000	11.78%	7.40%	8.13%	82.8%	1/1/24
Lawrence	$14,000	13.09%	7.00%	8.07%	63.6%	1/1/24
Leominster	$13,000	13.12%	5.50%	8.70%	105.5%	1/1/25
Lexington	$15,000	17.17%	7.25%	9.02%	86.5%	1/1/25
Lowell	$18,000	12.93%	7.00%	9.05%	64.1%	1/1/25
Lynn	$16,000	11.86%	7.00%	8.19%	72.5%	1/1/25
Malden	$18,000	11.37%	6.75%	9.34%	81.3%	1/1/24
Marblehead	$14,000	13.14%	7.00%	9.20%	71.5%	1/1/24
Marlborough	$15,000	16.36%	7.25%	8.36%	88.5%	1/1/25
Mass Housing Finance Agency (MHFA)	$21,000	11.34%	7.00%	7.73%	95.2%	1/1/25
MassPort	$16,000	15.56%	6.75%	8.99%	95.2%	1/1/25
Mass Teachers' Retirement System (MTRS)	$13,000	13.16%	7.00%	9.40%	63.3%	1/1/25
Mass Water Resources Authority (MWRA)	$17,000	12.17%	6.90%	8.06%	87.1%	1/1/25
Maynard	$18,000	13.19%	6.50%	8.18%	82.8%	1/1/25
Medford	$18,000	13.97%	7.25%	8.65%	71.1%	1/1/25
Melrose	$16,000	12.97%	7.00%	8.47%	66.9%	1/1/25
Methuen	$20,000	13.09%	7.00%	8.27%	69.2%	1/1/24
Middlesex County	$16,000	12.81%	7.15%	8.48%	57.5%	1/1/24
Milford	$13,000	13.22%	7.25%	8.40%	72.7%	1/1/25
Milton	$18,000	13.11%	7.00%	9.32%	103.5%	1/1/25

CONTINUED ON PAGE 16 ▶

MASS RETIREES

TIMELINE
COLA MILESTONES

- 1971 CHAPTER 1011 – Created the COLA Base for All Retirees on first $6,000
- 1974 CHAPTER 724 – Made COLA permanent part of pension
- 1981-1997 STATE ANNUAL BUDGETS – Paid Local COLA's to overcome Prop 2 1/2 constraints
- 1986 CHAPTER 517 – Raised COLA Base to $9,000
- 1996 CHAPTER 20 – Created COLA Study Commssion

MASS RETIREES MAJO

LOOKING BACK AT 60 Y

Since the founding of the *Mass Retirees* Association in 1968, the COLA has always been a core "bread & butter" issue. Added to the state's retirement law in 1966, the COLA law has been amended 24 times – counting the new COLA Reform Law recently approved by Governor Maura Healey.

In order to understand the how and why of our state's COLA law, we must look back over the past 60 years of COLA history and the milestones the our Association has helped achieve.

The original 1966 law contained a provision allowing for a reduction in pension benefits in the event of a negative Consumer Price Index. This strange measure was repealed by the legislature roughly 18 months later, likely due to the political fallout associated with a potential reduction in benefits should a negative CPI occur.

Prior to 1971, only retirees with a pension below $6,000 received a COLA. Changing the law to allow ALL public retirees to receive a COLA was the first major legislative accomplishment of our Association. This also marked the beginning of the COLA base, which has gradually increased in small increments over the decades since.

Another major change in the state's COLA law, also initiated by *Mass Retirees*, was the 1974 law that made COLAs a permanent part of a retiree's pension. Prior to this change, the COLA was nothing more than a 1-time bonus payment sometimes referred to as a "13th check". In most other states the COLA continues to be treated as a bonus payment – if any COLA is paid at all.

A disturbing and growing trend in some parts of the country has been the elimination of COLA payments altogether – a move that leaves retirees struggling to make ends meet.

Following the passage of the voter approved Prop. 2 ½ law in 1981, and at *Mass Retirees* urging, the state took on the role of approving and funding COLAs for all public retirees. This responsibility continued until 1997, when the COLA Reform Law returned responsibility for the COLA to local retirement systems with the passage of Chapter 17. The 102 local retirement boards, with the approval of the corresponding local legislative body, now set the COLA base.

For retired state employees and teachers (other than Boston teachers, who are members of the City of Boston Retirement System), the COLA base and the approval of the annual COLA are determined by the legislature and approved by the governor – traditionally through the annual State Budget.

Funding COLA Benefits: Major Factor

A major factor in setting the COLA base is funding the benefit, which is a function of the pension funding schedules that nearly all public retirement systems across the country must operate under. The funding schedule is the mechanism used to pay off unfunded liability, as well as to pre-fund the ongoing accrual cost of pension benefits by active employees (i.e., normal cost). New benefits for existing retirees, which were not pre-funded as normal cost, are considered an unfunded liability that must be paid for within the parameters of the retirement system's pension funding schedule.

Prior to the adoption of pension funding schedules in the late 1980s, the COLA and other retirement benefits were funded on a pay-as-you-go basis – much the same way that the Social Security Retirement benefits are funded today. Under pay-as-you-go, the COLA is not pre-funded. The benefit is paid year-to-year through a budget appropriation or by using the contributions of active employees, which can often lead to runaway unfunded liabilities and financial insolvency – two things that we must avoid when it comes to something as important as our members pension funds!

Since each COLA granted in Massachusetts becomes a permanent part of the retiree's pension to be paid throughout the life of the retiree and surviving spouse, funding for the COLA must account for the length of time that the

ACHIEVEMENTS

1997 CHAPTER 17
Created Local COLA Law & $12,000 COLA Base

2010 CHAPTER 188
Allowed Local Systems to increase above $12,000

2011 CHAPTER 176
Increased State/Teachers' Base to $13,000

2022 CHAPTERS 126 & 269
One-time 5% State/Teacher COLA w/Local Option

2024 CHAPTER 140
Created Special COLA Study Commission

2026 CHAPTER 137
COLA Reform Act See Key Features, Pg. 4

OR COLA ACHIEVEMENTS

EARS OF COLA HISTORY

benefit will be paid. This same concept also applies to how the COLA is accounted for within the pension funding schedules.

Because the COLA is routinely granted by nearly all retirement systems, the funding schedules contain a baked-in assumption that an annual 3% COLA will be paid on the corresponding COLA base of the retirement system. In practice, this means that the funding schedule not only accounts for both new and accrued COLA payments for existing retirees, but also all future retirees.

This is the primary reason why the cost of increasing the COLA base is so expensive, particularly for the State and Teachers' Retirement Systems. As of 2026, some 70,000 retirees and 86,000 active employees are members of the State Retirement System. Slightly larger, the Teachers' Retirement System represents 71,000 retirees and more than 100,000 active educators (excluding Boston teachers, who are members of the City of Boston Retirement System). The Commonwealth's FY27 budget appropriation to fund its share of the State and Teacher pension costs exceeds $5.1 billion.

Under the constraints of the current pension funding schedules for the State and Teachers' Systems, each $1,000 increase adds $600 million to the Commonwealth's unfunded pension liability. In practice, this means that a modest increase in the COLA base from the current $13,000 (set in 2012) to $16,000 costs $1.8 billion in new unfunded liability which must funded.

Why The COLA Can't Be Applied To Full Pension

A common question we receive, particularly from new retirees, is: "Why is the COLA not applied to my full pension?". The simple answer: Because the cost of doing so is unaffordable and would bankrupt the retirement system.

As the history of the COLA and the funding of our public retirement system shows, the systems were not established with large COLA payments in mind. Over the years both the contributions from active employees and the government's appropriation were designed to pay for the retirement benefits already on the books, based on the assumptions spelled out within the pension funding schedules. To accommodate full COLA benefits, employee contributions and that of the government would have had to have been much higher.

However, a primary goal of the new COLA Reserve Fund is to earmark a portion of excess investment gains to gradually increase the COLA base on a more consistent basis. Had this structure existed in the past, the average COLA base would have increased by $7,000 between 2014 and 2024.

This landmark change in how new COLA benefits are funded should lead to benefit improvements occurring on a more regular basis. From this point forward, retirees will truly share in the ongoing success of pension fund investment.

With very few exceptions, the 102 local retirement systems have done a commendable job in incrementally increasing the COLA base to help retirees keep pace with inflation. As shown in the tables beginning on page 10, the local COLA base ranges from a low of $12,000 to a high of $30,000 – with the local average now just above $17,000. However, as the 21 local systems that increased the base for FY27 demonstrated (see page 9), a growing number of systems have approached or exceeded the $20,000 threshold – placing the COLA base close to the average Social Security benefit received in Massachusetts (roughly $24,000).

It's noteworthy that the statewide $12,000 base, established by the 1997 COLA Reform Law, represented the average Social Security benefit received in Massachusetts at that time.

We hope that this review of the history of the COLA and how the benefit is funded is not only of interest to our members, but also provides context in terms of how we arrived at this point and where we hope to get to soon considering the historical constraints of the pension system.

STATE OPEB TRUST

$4.7 Billion In Assets

For two decades, we've been reporting on OPEB, the acronym for Other Post Employment Benefits in addition to retiree pension benefits. OPEB consists almost entirely of future retiree health care costs.).Why have we been reporting on OPEB for such an extended period? To answer that question, we must go back to 2004. It was then that we saw the spotlight being focused on the issue of future retiree health care costs by a private sector board, called GASB (Government Accounting Standards Board).

GASB had finalized a new accounting rule (Standard 45) for state and local governments, entitled Other Post-Employment Benefits or OPEB. It required them to disclose on their financial papers the future costs of post-employment benefits, including retiree health care costs.

This new OPEB rule extended beyond the reporting of these costs. State and local officials were also expected to show how they intended to pay if off.

Three years later (2007), the State Retiree Benefits Trust Fund (SRBTF) was created as Section 24 of the state group insurance law (Chapter 32A), to "solely meet liabilities of the state employees' retirement system for health care and other non-pension benefits for retired members of the system". With those words, the SRBTF became and remains the Commonwealth's OPEB trust whose funds are invested by the state PRIM (Pension Reserves Investment Management) Board.

Some four years later (2011), SRBTF's scope expanded when the local OPEB law was amended, allowing local governments to transfer their OPEB funds into the SRBTF. It's noteworthy that prior to the 2011 change in the law, local governments were creating their own OPEB trusts. They did so either with special legislation or adopting the local option law, sponsored by *Mass Retirees* and originally enacted in 2008 that allows local governments to establish their own OPEB trust.

LOCAL PARTICIPATION & ASSET VALUE INCREASING

The Town of Hingham was the first to participate in the SRBTF, but today it isn't alone with the number of local participants having grown significantly. Currently there are over 80 local governments participating in SRBTF. *See Table of SRBTF participating towns & cities below.*

When we reported on the value of the SRBTF assets in the September 2021 *Voice*, we highlighted that it was approaching $2.5 Billion – in fact, at $2.48 Billion. Well now the Fund's value has grown to $4.7 billion (as of May 2026) – an almost 90% increase in a relatively short period of time.

Of the $4.7 Billion currently in the Fund, $1.6 Billion comprises assets of the local participants. That represents one-third of the SRBTF assets being invested by PRIM.

SRBTF Participating Towns & Cities

Here is a listing of the cities and towns that have opted to transfer their OPEB Funds to the SRBTF.

TOWNS:

Acton	Hingham	Sharon
Amherst	Holliston	Stockbridge
Arlington	Ipswich	Tewksbury
Ayer	Lancaster	Wakefield
Bedford	Lenox	Wayland
Bellingham	Lincoln	Wellesley
Blackstone	Longmeadow	Westwood
Boxford	Manchester-By-The-Sea	Wilmington
Braintree	Medfield	
Brewster	Middleton	
Brookline	Milton	**CITIES:**
Burlington	Montague	Beverly
Chelmsford	Needham	Fitchburg
Cohasset	North Andover	Leominster
Dalton	Northborough	New Bedford
Dedham	Northfield	Newburyport
Dracut	Orleans	Newton
Franklin	Provincetown	Worcester
Harvard	Reading	

MASS RETIREES FEATURED AT MACRS ANNUAL CONFERENCE

Health insurance continues to be one of the most significant issues facing public retirees and the retirement systems that serve them. To help explore the challenges and opportunities ahead, *Mass Retirees* hosted a fireside chat during the Massachusetts Association of Contributory Retirement Systems (MACRS) Annual Spring Conference.

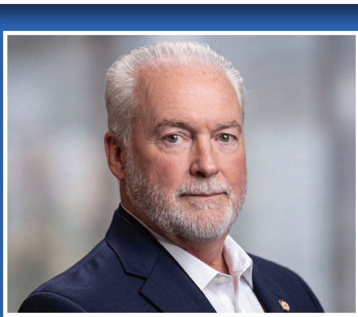
The discussion featured Matthew Veno, Executive Director of the Group Insurance Commission (GIC), and Paul Sweeney, Senior Vice President, Municipal, Labor, and Diversified Sales for Blue Cross Blue Shield of Massachusetts. The conversation examined the forces driving healthcare costs, the evolving insurance landscape, and the importance of maintaining access to affordable, high-quality healthcare for retirees. Among the topics discussed were healthcare affordability, prescription drug costs, Medicare policy, provider networks, and the financial pressures facing retirees and employees, public employers, and the healthcare system as a whole.

While the GIC and Blue Cross each offered unique perspectives, there was broad agreement that rising healthcare costs remain one of the most significant challenges facing all stakeholders. The discussion also highlighted the importance of collaboration among health plans, policymakers, retirement systems, and retiree advocates as Massachusetts continues to navigate these challenges. *Mass Retirees* appreciates MACRS for providing the opportunity to bring together leaders from across the public sector for this timely discussion.

COLA REFORM: PRES. FRANK VALERI AND CEO SHAWN DUHAMEL

HEALTHCARE: DIR. HEALTHCARE & RETIREMENT ADVOCACY NANCY MCGOVERN WITH GIC EXEC. DIR. MATT VENO AND BCBS SENIOR VP PAUL SWEENEY

NEW MACRS PRESIDENT BILL TAYLOR



NEW MACRS PRESIDENT BILL TAYLOR

At its Annual Spring Conference, MACRS delegates elected William "Billy" Taylor president succeeding long-time President Kathleen Kiely-Becchetti. A retired Marlborough fire lieutenant, Taylor serves as an elected member of that city's retirement board and is also a *Mass Retirees* member. John Brown, a retired fire lieutenant and elected member of the Middlesex County Retirement Board was reelected vice president. Scott Albanese, Michael Pasternak, Brian Whitney, and Frank Zecha were elected to the executive board.

In a separate educational session, Association CEO Shawn Duhamel and President Frank Valeri provided conference attendees with a legislative update on the Association's COLA Reform initiative and the work of the Special COLA Commission. Valeri served on the nine-member Commission, which was created following *Mass Retirees'* advocacy to develop recommendations for improving COLA benefits while establishing a sustainable funding mechanism.

At the time of the conference in early June, the House of Representatives had approved a COLA Reform proposal as part of its Fiscal Year 2027 budget, including creation

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INVESTMENT RETURNS & FUNDED RATIOS FOR 104 RETIREMENT SYSTEMS

KEY FACTORS IMPACTING A COLA BASE INCREASE

RETIREMENT SYSTEM	FY27 COLA BASE	2025 RATE OF RETURN	ASSUMED RATE OF RETURN	41-YEAR RATE OF RETURN	FUNDED RATIO	DATE OF LAST VALUATION
Minuteman Regional School District	$15,000	12.68%	7.00%	9.33%	105.4%	1/1/25
Montague	$30,000	12.96%	6.85%	9.11%	83.3%	1/1/24
Natick	$17,000	14.32%	7.00%	8.55%	84.9%	1/1/24
Needham	$20,000	12.65%	6.25%	9.49%	79.1%	1/1/25
New Bedford	$16,000	14.86%	7.00%	8.41%	54.5%	1/1/24
Newburyport	$15,000	13.72%	7.00%	8.43%	75.5%	1/1/24
Newton*	$16,000		6.90%		67.8%	1/1/25
Norfolk County	$20,000	10.76%	7.63%	8.51%	71.9%	1/1/25
North Adams	$17,000	11.32%	7.00%	9.36%	95.5%	1/1/25
North Attleboro	$16,000	8.09%	7.00%	8.66%	77.7%	1/1/24
Northampton	$13,000	11.50%	7.00%	9.17%	75.1%	1/1/24
Northbridge	$14,000	13.04%	7.00%	9.32%	85.4%	1/1/24
Norwood	$16,000	12.03%	7.25%	9.24%	76.3%	1/1/24
Peabody	$15,000	13.33%	7.75%	8.75%	59.5%	1/1/24
Pittsfield	$16,000	12.98%	7.00%	8.34%	59.4%	1/1/25
Plymouth	$16,000	10.91%	7.00%	8.86%	59.3%	1/1/24
Plymouth County	$18,000	13.51%	7.88%	9.05%	67.5%	1/1/24
Quincy	$18,000	11.20%	6.75%	8.15%	97.6%	1/1/24
Reading	$14,000	13.35%	6.75%	9.26%	79.8%	1/1/25
Revere	$15,000	13.03%	7.00%	8.51%	76.8%	1/1/25
Salem	$20,000	12.88%	6.90%	8.31%	73.5%	1/1/24
Saugus	$18,000	11.20%	7.00%	9.14%	93.5%	1/1/25
Shrewsbury	$14,000	10.64%	7.50%	9.13%	95.6%	1/1/25
Somerville	$16,000	11.34%	7.50%	9.36%	79.7%	1/1/25
Southbridge	$18,000	13.05%	7.00%	8.27%	81.3%	1/1/24
Springfield	$14,000	13.08%	7.00%	8.59%	40.1%	1/1/24
State	$13,000	13.15%	7.00%	9.39%	73.9%	1/1/25
Stoneham	$15,000	13.67%	6.75%	8.76%	91.6%	1/1/24
Swampscott	$16,000	12.02%	7.00%	8.98%	75.3%	1/1/25
Taunton	$16,000	13.10%	7.60%	9.39%	80.2%	1/1/24
Wakefield	$16,000	13.12%	7.40%	9.54%	73.9%	1/1/24
Waltham	$14,000	15.75%	7.75%	8.81%	70.4%	1/1/25
Watertown	$15,000	12.85%	7.65%	8.42%	97.9%	1/1/25

CONTINUED ON PAGE 17 ▶

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RETIREMENT SYSTEM	FY27 COLA BASE	2025 RATE OF RETURN	ASSUMED RATE OF RETURN	41-YEAR RATE OF RETURN	FUNDED RATIO	DATE OF LAST VALUATION
Webster	$18,000	13.15%	7.00%	8.16%	69.5%	1/1/24
Wellesley	$22,000	12.82%	6.00%	9.76%	93.3%	1/1/25
West Springfield	$13,000	11.48%	7.00%	8.18%	72.1%	1/1/24
Westfield	$14,000	10.81%	7.00%	8.85%	81.9%	1/1/25
Weymouth	$13,000	10.10%	7.00%	9.53%	72.1%	1/1/24
Winchester	$16,000	13.05%	7.00%	8.96%	95.1%	1/1/25
Winthrop	$16,000	12.94%	6.75%	8.75%	108.8%	1/1/25
Woburn	$18,000	13.06%	7.25%	9.30%	66.4%	1/1/24
Worcester	$16,000	13.61%	6.80%	8.89%	79.1%	1/1/25
Worcester County	$16,000	13.09%	7.13%	8.37%	51.9%	1/1/24
PRIM		13.13%		9.46%		

*** Complete Information Not Available at Presstime.**

GIC

CONTINUED FROM PAGE 6 ▶

Commission (GIC). Throughout the evaluation process, *Mass Retirees* worked alongside local retiree representatives and union leaders to help ensure retirees remained informed and their interests were represented.

As the January 1 implementation date approaches, the Association's work continues. We will host informational meetings, provide educational resources, and remain available to answer members' questions and assist retirees throughout the transition.

We also extend our sincere appreciation to the retiree representatives serving on each community's Public Employee Committee (PEC). Their dedication, countless hours of work, and thoughtful advocacy helped ensure retirees had a voice throughout the process. We thank them for their commitment to representing retirees and look forward to continuing to work together in support of our members.

GIC ISSUES PHARMACY RFP

Changing PBM Landscape Drives Potential Changes

In response to changes to the national landscape for pharmaceutical benefits managers, combined with a desire to alter the overall procurement calendar, the state's Group Insurance Commission (GIC) has opted to go to bid a year earlier than its traditional procurement cycle for pharmacy benefits management (PBM).

Now in its fourth contract year, the current PBM managers are CVS Caremark for non-Medicare enrollees and CVS Silverscript for Medicare. Prior to the current contract beginning in 2022, the GIC contracted with CVS for the Medicare PBM and Express Script for non-Medicare.

While the PBM does not alter the retail pharmacy an enrollee chooses to use, it does impact the mail order program and overall management of the prescription drug benefits. More importantly from a cost savings standpoint, the PBM has been traditionally responsible for negotiating prescription drug prices on behalf of the GIC.

Since the current contracts were initiated four years ago, much has changed in the national PBM marketplace and within the prescription drug industry itself. As drug prices have sharply risen and as those costs have played a larger role in overall healthcare spending, so too has government scrutiny over the industry.

The approach taken by large government purchasers of healthcare have also changed in recent years. With more than 470,000 enrollees, the GIC has considerable buying power and market influence.

Additionally, the GIC's previous procurement calendar had both the PBM contracts and all health plan contracts on the same schedule. As healthcare contracts have become far more complex, it makes sense to move the two different procurements onto different tracks.

For this combination of reasons,

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RETIREMENT BOARDS
ELECTIONS & APPOINTMENTS

Adams – Incumbent **Adams Retirement Board** member Holli Havens-Jayko* received 109 votes to defeat DPW employee **Steven Skrocki** who received 66 votes. The other members of the Board include **Katie Lemanski**, **Patricia Wol**, **George Haddad** and Natick Retirement Administrator **Beth Matson**. The Board administrator is **Bill Flynn.**

Braintree – Braintree Police Officer **Ed Woo**, who received 183 to defeat incumbent retired Fire Chief **Gerald Kenny**, who received 145 votes and also firefighter **Mathew Sterling** who received 104 votes in the election held by the **Braintree Retirement Board**. The other Board members include **Stephen Pugsley**, **Frederick Viola**, **Michael Esmond** and **David DelGallo**. The Retirement Board director is **Ryan Horan**.

Lexington – Retired Fire Lieutenant **Robert Cunha*** received 244 votes to be reelected to his 14th term to the **Lexington Retirement Board**. He defeated active Fire Captain **Mark Ferreira** who received 178 votes. The other members on the Board include **Carolyn Kosnoff**, **Frederick Weiss**, retired Firefighter **Joseph Foley** and **Alan Fields**. The board's retirement administrator is **Michelle Malone**.

Medford – Retired Deputy Fire Chief **Patrick Ripley** was reelected without opposition. It will be Patrick's sixth term on the **Medford Retirement Board**. In addition, *Mass Retirees* Treasurer and retired PERAC Executive Director **Joseph Connarton** was appointed to the Board's fifth member. He will fill the vacancy of the retired MDC Human Resource Director and *Mass Retirees* Middlesex District VP **Jim Vieira**, who recently passed away. Other members include retired City Councilor **Robert Maiocco**, **Robert Dickinson**, and retired Fire Captain **Rick Jordan***. **Mark Minervini** is the Board's executive director.


JOSEPH CONNARTON
MEDFORD

Natick - Retired Police Chief **Nicholas Mabardy** was reelected to his 4th term by receiving 280 votes to defeat **Arthur Goodhind** who received 94 votes. The other **Natick Retirement Board** members are **Michelle Laramee**, **Marco Gargurevich**, **Michael Melchiorri*** and **Michael Reardon**. The Retirement Board director is **Beth Matson**.


NICHOLAS MABARDY
NATICK

Northampton – **The Northampton Retirement Board** declared that retired Northampton Smith Vocational School employee **Karen Lafleche** was reelected without opposition as an elected member on the Board. This will be Karen's third term as the elected board member. The other members include **Kala Fisher**, **Charlene Nardi***, **Tammy Suprenant** and **Thomas Sullivan**. The Retirement Board administrator is **David Shipka**.

Southbridge - Long-term member **Julie Pena** was reelected to the **Southbridge Retirement Board**. Assistant Clerk, **Pena** received 148 votes to defeat Firefighter **Ryan Morton** who received 13 votes. Board members certifying the election were **Wilfrid Cournoyer***, **Kristine Russell**, **Noor El Gaderi** and Wales Town Administrator **Pam Leduc**. The Retirement Board administrator is **Yolanda Alvarado**.

Springfield – **The Springfield Retirement Board** declared retired Police Officer **Thomas Scanlon** who received 649 votes reelected, defeating **Donna McKellick** who received 254 votes. It will be **Scanlon's** third term on the Board. Board members declaring the election were **Patrick Burns**, **Haskell Kennedy**, **Jr.**, retired Police Officer and MACRS Treasurer **Bob Moynihan***, retired Agawam firefighter and *Mass Retirees* Western Mass District VP **Karl Schmaelzle**. The Springfield Retirement Board executive director is **Susana Baltazar**.

Wakefield – Chair and Ex-Officio member **Kevin Gill** retired as town accountant and **Elizabeth Rourke** replaced him as the Ex-Officio member to the **Wakefield Retirement Board. Rourke** also assumed the role of financial director/assistant town administrator. Other members of the Board include, **Erin Kokinda**, **Sherri Dalton**, **Scott Morrison** and Actuary, **Dan Sherman***. The Wakefield Retirement Board's executive director is **Cathy Cheek**.

***denotes chair**

GIC

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the 17-member Commission opted not to renew the current contracts for the optional 5th year, deciding instead to issue an RFP focus on restructuring the plan starting in FY28.

It is far too early to tell what, if any, impact this process may have on retirees and active employees insured under the GIC. As information becomes available, we will be sure to pass it on. As always, please stay tuned!

IN MEMORIAM

In 2025, we made the difficult decision to no longer include an obituary section within the newsletter. We made this decision following a survey of Association members, in which nearly 80% indicated that they preferred to forgo the obituary section and large photo spreads to accommodate more written content.

While we do publish an *In Memoriam* section on our website for recently deceased members, we will periodically publish a print version whenever possible. We know that this information is important to many members and not everyone has easy access to a computer or the internet.

The following members of our Association have recently passed away. We extend our deepest sympathy to their families.

AVEDISIAN, CAROL A. – Millbury, MA
(Worcester Teacher)
BERTHIAUME, ROBERT W. – Palmer, MA
(Monson Developmental Center)
BLANCHARD, STEPHANIE, P. – Plymouth, MA
(Plymouth Housing Authority)
BOGAN, JOANNE G. – Wrentham, MA
(Dept. Children & Families)
BOTELHO, EUGENE V. – Fairhaven, MA
(Fall River Teacher)
BOWEN, DOROTHY – Billerica, MA
(Wilmington Teacher)
BRUCE, EDWARD F. – S. Dartmouth, MA
(Mass. Maritime Academy)
COLLINS, ELIZABETH A. – Braintree, MA
(UMass Boston)
COTTER, KATHRYN P. – Quincy, MA
(Quincy Teacher)
CRONIN, JO-ANNE L. – Shrewsbury, MA
(Worcester Teacher)
CRONIN, STEVEN M. – Harvard, MA
(Groton Dunstable RSD Teacher)
DAVIS, JOHN C. – Aiken, SC
(Somerville Teacher)
DELANEY, ELIZABETH F. – Swampscott, MA
(Everett Teacher)
DESILETS, JAMES E. – Conway, SC
(Lynn Fire Dept.)
DEVENEY, DOROTHY A. – Wakefield, MA
(NE Metro Teacher)
DOYLE, PETER K. – Milton, MA
(Dept. Mental Health)
DUARTE, JOAQUIM M. – Rio Rancho, NM
(Scituate Hwy Dept.)
DUGGAN, JOSEPH E. – Billerica, MA
(Boston Fire Dept.)
FLATLEY, ELLEN C. – Marshfield, MA
(Belmont Teacher)
GLIDDEN, R. HELEANE – Holyoke, MA
(Holyoke Retiree)
GOLDEN, KATHLEEN – Irving, TX
(Survivor Boston Police Dept.)
GORIN, RONALD E. – Delray Beach, FL
(Weymouth Teacher)
GRACE, GEORGE W. – Attleboro, MA
(Dept. of Correction)
GRAY, PATRICIA E. – Bourne, MA
(Dept. Mental Health)
GRIFFITH, JANICE F. – Milford, MA
(Milford Teacher)
HAMILTON, MELVIN A. – Sharon, MA
(State Auditor's Office)
HARRIS, NORMAN S. – Plymouth, NH
(Longmeadow Teacher)
HENRIKSEN, RICHARD P. – Canton, MA
(Canton Fire Dept.)
HESTER, JOHN C. – Medway, MA
(Framingham Teacher)
HIMMELMAN, SUSAN M. – Winston Salem, NC
(Northampton Teacher)
IACOBO, JOSEPHINE P. – Andover, MA
(Gr. Lawrence Valley Voc. Teacher)
JONES, IRENE B. – Dorchester, MA
(Boston City Hospital)
KANE, MARY R. – E. Hampstead, NH
(Dept. Mental Health)
KELLER, JAMES J. – Hudson, FL
(State Police)
KILLAM, DONALD J. – Wenham, MA
(Dept. of Transportation)
KING, ROSEMARIE – Everett, MA
(Survivor Dept. Mental Health)
KNOWLTON, LILLIAN J – Westfield, MA
(Dept. Public Health)
KUPKA, LINDA M. – Andover, MA
(Everett Teacher)
LACROIX, MICHAEL H. – Attleboro, MA
(Canton Teacher)
LAROCHE, STEPHANIE – W. Yarmouth, MA
(Barnstable Teacher)
LAWRENCE, VALERIE J. – Worcester, MA
(Dept. Public Works)
LEAHY, WILLIAM J. – Hampstead, NC
(State Retiree)
LIZOTTE, KEVIN J. – E. Taunton, MA
(Dept. of Correction MCI Bridgewater)
LORING, CARMELLA – Sacramento, CA
(Marshfield Teacher)
MAGEE, FREDERICK – Auburn, MA
(Harwich School Dept.)
McFEE, RORY M. – Mattapoisett, MA
(Old Rochester RSD Teacher)
McGOWAN, JOAN M. – Concord, MA
(Salem State University)
NAWROCKI, BEVERLY S. – Fall River, MA
(Fall River Teacher)
NICOLOSI, FRANK – Scottsdale, AZ
(Peabody Teacher)
O'KEEFE, ELIZABETH A. – Worcester, MA
(Survivor Worcester City Clerk)
PAIGE, EDWIN – Taunton, MA
(Mass Hwy Dept.)
PALTER, ELIZABETH S. – Providence, RI
(Bristol Community College)
PARISEAU, RICHARD W. – Ware, MA
(Ware Fire Dept.)
POLONSKY, PAUL – Beverly, MA
(Ipswich Police Dept.)
PUCCINI, HAROLD D. – Milton, MA
(Dept. of Revenue)
PULERA, JOSEPH S. – Franklin, MA
(Dept. Environmental Protection)
RANDALL, BARBARA F. – Holyoke, MA
(Holyoke School Dept.)
RILEY, EDWARD W. – Carver, MA
(Carver Town Hall)
ROGERS, RICHARD J. – Danvers, MA
(Danvers Building Maintenance)
ROTH, JAMES L. – Lincoln, MA
(Reading Teacher)
SCHILLING-NORDAL, GERALDINE A.
Agawam, MA – (Agawam Teacher)
SCIONTI, RICHARD J. – Ipswich, MA
(Mass Highway)
SCOTT, RONALD E. – Mattapoisett, MA
(Mattapoisett Fire Dept.)
SEARS, CAROL A. – Palmer, MA
(Belchertown Teacher)
SHAW, JEANETTE T. – Venice, FL
(Retired Teacher)
SMITH, GLORIA – Roslindale, MA
(Boston School Dept.)
SOMENSINI, ROSE – S. Lancaster, MA
(Burlington Teacher)
STANLEY, CAROL – Maiden, NC
(Dept. Mental Health)
STONE, G. THOMAS – Shrewsbury, MA
(Wrentham Teacher)
SWARTZ, STANLEY – Canton, MA
(Boston School Dept.)
TATRO, GERALD – N. Adams, MA
(Berkshire County Retiree)
TAYLOR, PETER W. – Monument, CO
(Orleans Police Dept.)
UMANSKY, ANNE R. – Brookline, MA
(Bunker Hill Community College)
WELLS, GEORGE W. – New Bedford, MA
(State Trial Court Officer)
WOODBURY, ROBERT H. – Bonita Springs, FL
(Sandwich Teacher)

MACRS

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of an Enhanced COLA benefit and a COLA Reserve Fund based on the Commission's recommendations. Because of the timing of the budget process, the Senate had not included the measure in its version of the budget and the proposal was awaiting consideration by the budget conference committee.

This issue of *The Voice* updates our readers since then.

RETIRED STATE COUNTY AND MUNICIPAL EMPLOYEES
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THE VOICE
September 2026

GCC/IBT 274C

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NOT A *MASS RETIREES* ASSOCIATION MEMBER?

Join today using the links below!

Founded in 1968, *Mass Retirees* is the only statewide nonprofit association representing ALL retired Massachusetts public employees. In addition to advocacy and serving as an information resource, we are also a membership-service organization.

If our members have questions or need help with a retirement related issue – such as health insurance claims disputes – *Mass Retirees* is here for you!

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