

RECEIVED
TOWN CLERK'S OFFICE
HAMILTON, MA

ESSEX REGIONAL RETIREMENT SYSTEM

MAR 28 2011 A 8:13

Board Members:
Ira S. Singer
Kevin A. Merz
Susan J. Yaskell
H. Joseph Maney
Andrew W. Maylor, Chairman

PUBLIC NOTICE

A COLA hearing will occur at the next regularly scheduled Board meeting of the Essex Regional Retirement System held:

Date: Monday, March 28, 2011
Time: 8:30 a.m.
Place: Essex Regional Retirement System's Board Room
491 Maple Street, Suite 201 Danvers, MA 01923

As required by MGL 32 §103(i), please be informed that the Retirement Board, at its regular meeting, will consider the option of voting a 3% cost-of-living allowance, C.O.L.A., to eligible retirees of this system and consider the option to increase the COLA base.

MGL 32 §103 (i) "Notwithstanding the provisions of paragraph (c) to the contrary, the board of any system may, by accepting the provisions of this as hereinafter provided, elect annually to pay a cost-of-living increase greater than the percentage increase, as recommended in the report prepared in accordance with paragraph (f) of subdivision (3) of section 21 for that year, but not greater than 3 per cent. The board shall conduct such election in a public meeting, properly posted, called specifically for such election. The board shall also notify each legislative body at least 30 days before such election."

The report referred to in the above comes to us in the form of a memo from PERAC (which can be found in the "Memos" section at: www.mass.gov/perac), and this year the report states the COLA percentage to be 0.0%. Using current information, the 3% COLA would increase the monthly cost to the system \$38,210. Using current information, the annual cost would be \$458,527. Annual retiree payroll is approximately \$30 million.

The Retirement Board invites comments and input from the member communities and governmental units, active employee members and retirees to be received by the Board before the hearing and extends an invitation to testify at the hearing.

This notice must be posted 30 days prior to the meeting date.

RECEIVED
TOWN CLERK'S OFFICE
HAMILTON, MA

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

DOMENIC J. F. RUSSO, *Chairman* | A. JOSEPH DeNUCCI, *Vice Chairman*
PAUL V. DOANE | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. MCCARTHY | GREGORY R. MENNIS

JOSEPH E. CONNARTON, *Executive Director*

MEMORANDUM

TO: All Retirement Boards
Joseph E. Connarton
FROM: Joseph E. Connarton, Executive Director

RE: COLA Notice

DATE: January 10, 2011

The Public Employee Retirement Administration Commission (PERAC) is providing this notice regarding the COLA Report required by Chapter 17, Section 8(c) of the Acts of 1997.

Under the statute, PERAC reports to the General Court the computation of the increase in the United States Consumer Price Index in the previous year by the Commissioner of Social Security. Any such increase is based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). This index is used annually to adjust benefits paid to Social Security retirees and beneficiaries.

The Social Security Administration has announced that the latest Cost of Living Adjustment (COLA) is 0.0% (no increase).

The COLA which any such system may grant, pursuant to Chapter 32, Section 103(c) and effective July 1, 2011 will thus be 0.0%. Pursuant to Section 103(i), a Retirement Board, with proper notice to the legislative body, may elect to increase this percentage up to 3.0%, at a duly called meeting.

Each Retirement Board making a decision whether or not to grant a COLA must notify the Commission of that decision within 30 days.

p:\actuarial\cola\2011\cola.doc

