



Newsflash

Middlesex County Retirement System

www.middlesexretirement.org

Board Votes to Increase COLA Base and Section 101 Benefit for Surviving Spouses of Disabled Employees

In 2010, as a part of pension reform, the Massachusetts Legislature allowed two local options to increase certain retirement benefits. Both local options required approval by the Retirement Board and the Board's Advisory Council.

Increase in Cost of Living Allowance (COLA) Base. Section 19 of Chapter 188 of the Acts of 2010 allows for an increase in the maximum base amount upon which the annual cost-of living adjustment, now maximized at 3%, is calculated, in multiples of \$1,000.

Increase in Allowance to Surviving Spouses of Disabled Employees. Sections 27 and 28 of Chapter 131 of the Acts of 2010 allows for an increase in the annual amount paid to surviving spouses of disabled employees who were unable to select Option C upon retirement (i.e., members who retired for disability prior to November of 1997), from \$6,000 to \$9,000. The increase will take effect upon filing of the appropriate approvals with PERAC, but no earlier than January 1, 2011.

On December 3rd, the Board unanimously voted to raise the COLA base to \$13,000 effective July 1, 2011 and to \$14,000 effective July 1, 2012.

The Board also voted unanimously to increase the section 101 survivor's pension benefit to \$9,000.

On December 17, 2010, after careful consideration, the Advisory Council voted unanimously to ratify the Board's votes.

After review of the System's 2010 Valuation, the Advisory Council also recommended that the funding schedule be extended to 2035.

To stay up to date on the latest pension news, please visit www.middlesexretirement.org.

Our Newsflash was developed to provide up-to-date information to our members on a timely basis. This is our first Newsflash that was distributed completely electronically and something that we hope to continue in the future.

Stay Informed via Email

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