

**ORAL TESTIMONY OF W. DAVID SHALLCROSS
HOUSE FINANCE COMMITTEE
April 22, 2025
In Support of H6238, H5238, and H5318**

ERSRI MEMBERSHIP DATA

59,564..... Total State/Teacher/Municipal

30,960 Employees 52%

Approximate age approximate age 48

Average Salary Range..... \$89,000 to 51,000

Average Contribution.....11% (if 20 or more years*)....\$9,800

Annual raises-Years of experience-Advanced degrees-Overtime-CPI

TEACHER RETIREES 11,747

Average Salary approximate..... \$46,636

Average Years of service..... 14.5 years

Average age at retirement..... 75.6

STATE WORKERS 11,336

Average Salary approximate..... \$33,285

Average Years of service..... 12.9 years

Average age at retirement..... 75.2 years

MUNICIPAL WORKERS 5,521

Average approximate..... \$17,879

Average years of service..... 10.7

Average age at retirement..... 74.5

(Equation 1) Average Retirement Benefit (ARB) x 1.03 (CPI)=Total Increase

(Equation 2) Total Increase – ARB = Net Increase due to CPI

(Equation 3) Net Increase x Number of Retirees = Cost of CPI increase

A 3% COLA would cost \$16,434,992 for all teacher retirees

A 3% COLA would cost \$11,319,563 for all state retirees

A 3% COLA would cost \$ 2,961,299 for all municipal retirees*

A 3% COLA would cost \$30,715,854 for all retirees*

(*)

Many if not most municipal retirees are already receiving a COLA, the consequence would likely lower the estimated cost for municipal COLAs

Based on the ERSRI current assets, a COLA for all will cost just 0.3%

The ERSRI assets after paying a 3% COLA will still be 99.7% intact

CURRENT ERSRI ASSETS

