

New Bedford City Council unanimously approves cost of living allowance increase of \$366,600

Edit: The 11-0 vote was to send the motion to committee, not to pass the motion.

In an 11-0 vote last Thursday, the New Bedford City Council voted to send to committee a recommendation to increase the cost of living allowance (COLA) by \$1,000 which translates into an increase of \$366,600 starting in FY2021. It is expected to pass in committee. Pension costs already make up one of the largest items in the City's budget and this increase adds on to an already increasing pension appropriation that will climb from \$40.8 million in FY 2021 to \$44.3 million by FY2025.

The Executive Director of the New Bedford Retirement Board Gerard Arnaudet informed the New Bedford City Council through a letter that the board voted to increase the COLA base from \$12,000 to \$13,000 translating into increased appropriations of \$366,600 in FY2021. The City Council unanimously concurred with the recommendation on Thursday.

01.09.2019_COMMUNICATION_-_RETIREMENT_BD_-_COLA_INCREASES

The total cost of pensions for the City of New Bedford is \$40.8 million (aggregate amount: \$36,751,374) in FY2021 and is estimated to rise to \$44.3 million by FY2025. New Bedford's total budget for general fund appropriation in FY 2020 is \$355 million. You can review the budget [here](#).

City of New Bedford pension costs:

01.09.2020_FY2021_RETIREMENT_APPROPRIATION_AMOUNT

It's unsure if the mayor has to give the final approval for this COLA increase – the mayor's office had not responded to comment at the time of this writing.