CONSUMER PRICE INDEX - CPI-W
U. S. CITY AVERAGE
2019

Effective January 1, 2020

MONTH AND YEAR		PERCENTAGE OF ANNUAL MONTHLY INCREASE
NOVEMBER	2018	2.200%
DECEMBER	2018	1.800%
JANUARY	2019	1.300%
FEBRUARY	2019	1.300%
MARCH	2019	1.800%
APRIL	2019	1.900%
MAY	2019	1.700%
JUNE	2019	1.400%
JULY	2019	1.700%
AUGUST	2019	1.500%
SEPTEMBER	2019	1.500%
OCTOBER	2019	1.600%
	TOTAL	19.700%

PERCENTAGE OF ***ANNUAL AVERAGE CHANGE IN THE PRICE INDEX*** *FOR LAST 12 MONTHS*

19.70% / 12 mos. **= 1.642%**

PERCENTAGE CHANGE IN THE PRICE INDEX FROM OCTOBER 2017 TO OCTOBER 2018

250.894 - 247.038 / 247.038 **= 1.561%**

10/19Index **10/18 Index** **10/18 Index**

ERF 2019 COLA effective January 1, 2020 will be 1.642%

COLA REQUIREMENT

COLA increase is required by City Code of Ordinances, Chapter 40A, Section 28

The maximum COLA is: 5% Tier A
3% Tier B (members hired after Decemeber 31, 2016)

CALCULATION

The ERF COLA is an automatic adjustment to benefit payments that occurs annually. The purpose of the COLA is to ensure that the purchasing power of income received from pension benefits is not eroded by inflation.
It is based on the higher of:

(1) the annual average change of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the 12 month period from November through October; **or**

(2) the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) from October of one year to October of the next year.

If there is no increase, there is no COLA.

The retiree COLA is not compounded, and the COLA percentage is applied to the initial base pension.

Social Security COLA for January 1, 2020 is 1.6% .

The increase for Social Security is based on the change in the CPI-W from the 3rd Quarter of the Prior year (2018) to the 3rd quarter of the Current year (2019).