CONSUMER PRICE INDEX - CPI-W
U. S. CITY AVERAGE
2018

Effective January 1, 2019

MONTH AND YEAR		PERCENTAGE OF ANNUAL MONTHLY INCREASE
NOVEMBER	2017	2.300%
DECEMBER	2017	2.200%
JANUARY	2018	2.100%
FEBRUARY	2018	2.300%
MARCH	2018	2.400%
APRIL	2018	2.600%
MAY	2018	3.000%
JUNE	2018	3.100%
JULY	2018	3.200%
AUGUST	2018	2.900%
SEPTEMBER	2018	2.300%
OCTOBER	2018	2.700%
	TOTAL	31.100%

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

31.10% / 12 mos. **= 2.592%**

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

247.04 - 240.57 / 240.57 **= 2.689%**

10/18Index **10/17 Index** **10/17 Index**

ERF 2018 COLA effective January 1, 2019 is 2.689%

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, 2019 will be 2.8%.

The increase for Social Security is based on the change in the CPI-W from the 3rd quarter of the next year.