

Cost-of-Living Adjustment (COLA)

Current COLA eligibility for retirements before 1/1/10	
Plan	Eligibility Requirement
Original Structure	Must be attained age 55
Cash Balance Structure	Must be actual age 55

New COLA eligibility for retirements on or after 1/1/10	
Plan	Eligibility Requirement
Original Structure	Must be actual age 60
Cash Balance Structure	Must be actual age 60

Cost-of-Living Adjustment Schedule



For calendar year 2010, the COLA will be zero.

For calendar year 2011, the COLA will be the increase in the Consumer Price Index (CPI), capped at 3 percent.

For calendar year 2012, the COLA will be zero.

For calendar year 2013, the COLA will be the increase in the CPI, capped at 2.5 percent.

At the end of this four-year period, the current COLA benefit will be restored (increase in CPI capped at 5 percent).

Frequently Asked Questions

Cost-of-Living Adjustment (COLA)

Will the changes in calculating the COLA be temporary?

Yes. In 2014, the formula of increase in the Consumer Price Index, capped at 5 percent, will be restored.

For employees, will the age 60 eligibility requirement for COLAs be temporary?

No. The TVARS Rules were amended so that retirees become eligible for COLAs at actual age 60.

Will the age 60 eligibility requirement for COLAs apply to current retirees?

No. This change only applies to retirements effective on or after January 1, 2010.

If I retire prior to age 60, will I be eligible for a COLA when I turn actual age 60?

Yes.

If employees want to retire under the current COLA eligibility requirements, when should their last day of work be?

On or before December 30, 2009.