

2014 COLA NOTICE FOR POLICE AND FIREFIGHTERS

Section 11013(b) of the Balanced Budget Act of 1997, P.L. 105-33, codified at D.C. Code § 38-5-718 and D.C. Code §5-719, provides for a cost-of-living adjustment (COLA) of annuities effective March 1 of each year, and payable April 1 of each year, for District of Columbia Police Officers and Firefighters who retired on or after February 15, 1980, and for all survivors. For police officers and firefighters hired before November 10, 1996, and their survivors, the COLA effective on March 1, 2014 is 1.5%. Since this percentage is below the 3% cap applicable to police officers and firefighters hired on or after November 10, 1996, and their survivors, their COLA effective March 1, 2014, is also 1.5%. Therefore, the annuity adjustments for both groups are as follows:

1. District of Columbia police officers and firefighters, hired before or on or after November 10, 1996, who retired under an annuity commencing on or before March 1, 2013, and their survivors, whose annuities commenced on or before March 1, 2013, are entitled to a full 1.5% COLA increase.
2. District of Columbia police officers and firefighters, hired before or on or after November 10, 1996, who retired under an annuity commencing after March 1, 2013, and before March 1, 2014, are entitled to a prorated COLA increase equal to $1/12^{\text{th}}$ of the 1.5% COLA increase multiplied by the number of months (not to exceed 12 months, and counting any portion of a month as an entire month) for which the annuity was effective before March 1, 2014. For example, if a firefighter retired on November 8, 2013, the prorated 2014 COLA would be .5% ($4 \text{ months} \times 1/12^{\text{th}} \times 1.5\% = .5\%$). For the annuities of survivors (spouses and children) of District of Columbia police officers and firefighters hired before or on or after November 10, 1996, the first COLA is prorated as described based on the effective date of the survivor annuity.