

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
Department of Human Resources



Office of the Director

**MEMORANDUM**

**TO:** Eric O. Stanchfield  
Executive Director  
DC Retirement Board

**FROM:** Brender L. Gregory *Brender L. Gregory*  
Director, Human Resources

**DATE:** March 3, 2009

**SUBJECT:** 2009 Cost-of-Living Adjustment for D.C. Teachers, Police Officers, and Firefighters

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Forwarded herewith for your information and implementation are cost-of-living adjustment (COLA) notices identifying the increase percentages for members of the District of Columbia Teachers' Retirement Plan (the "Teachers' Plan") and the District of Columbia Police Officers' and Firefighters' Retirement Plan (the "Police/Firefighters' Plan") for 2009 (collectively, the "Plans").

As you will note, due to the changes in the CPI index applicable to the Plans, Teachers' Plan annuitants will not receive a COLA in 2009. Police/Firefighters' Plan annuitants who are eligible for a COLA will receive an increase of .1%.

In accordance with the provisions of the applicable statute, the effective date of the Police/Firefighters' Plan increase is March 1, 2009, with a payment date of April 1, 2009.

Should you have any questions, please contact Joan Passerino at (202) 343-3238 or at [joan.passerino@dc.gov](mailto:joan.passerino@dc.gov).

Attachments

cc: Sheila Ford, Supervisory HR Specialist, PFRRB  
Bert Molina, Deputy CFO for Budget & Planning  
Nancy Ostrowski, Director, ODCP, US Treasury Department  
Joan Passerino, Chief Benefits Officer, DCRB

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**EXECUTIVE OFFICE OF THE MAYOR**  
**DEPARTMENT OF HUMAN RESOURCES**

**2009 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.

The amount of the COLA for police officers and firefighters hired before November 10, 1996, and their survivors, is the actual percent change in the applicable CPI index for the prior calendar year. For police officers and firefighters hired on or after November 10, 1996, and their survivors, the COLA is capped at 3%.

**Since the movement in the applicable CPI index over calendar year 2008 was .1%, the COLA percentage for all eligible annuitants, and their survivors, for 2009 will be .1%.**

Prorated payments for annuitants who retired since the payment of the 2008 COLAs are computed as follows:

- Eligible District of Columbia police officers and firefighters, who retired on an annuity commencing after March 1, 2008, and before March 1, 2009, are entitled to a prorated COLA increase equal to  $1/12^{\text{th}}$  of the .1% 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, 2009, rounded to the nearest 1/10 of 1%. For example, if a police officer retired on August 8, 2008, the prorated 2009 COLA would be .1% ( $7 \text{ months} \times 1/12^{\text{th}} \times .1\% = .0583\%$  - rounds up to 1%). Since the prorated amount for someone who retired on an annuity commencing on or after October 1, 2008, and before March 1, 2009, rounds down to 0%, they do not receive a COLA this year. For example, if a police officer retired on October 18, 2008, the prorated 2009 COLA would be 0% ( $5 \text{ months} \times 1/12^{\text{th}} \times .1\% = .041667\%$  - rounds down to 0%).
- For the annuities of eligible survivors (spouses and children), the first COLA is prorated as described above based on the effective date of the survivor annuity.

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**2009 COLA NOTICE FOR PUBLIC SCHOOL TEACHERS**

Section 11013(b) of the Balanced Budget Act of 1997, P.L. 105-33, codified at D.C. Code § 38-2021.21(b), as amended, provides for a cost-of-living adjustment (COLA) of annuities effective March 1 of each year, and payable April 1 of each year, for retired District of Columbia Public School Teachers and their survivors.

The amount of the COLA for teachers hired before November 1, 1996, and their survivors, the COLA is the actual percent change in the applicable CPI index for the prior calendar year. For teachers hired on or after November 1, 1996, and their survivors, the COLA effective is capped at 3.0%.

**Since the movement in the applicable CPI index over calendar year 2008 was -.5%, there will be no COLA increase for eligible annuitants or their survivors for 2009.** (Please note: even though the change in the CPI for calendar year 2008 was negative, there will be no reduction in current annuity payments based on that change.)