
MEMORANDUM

TO: Abby Spieler, Executive Director

FROM: Alanna MacCleoud, Benefit Analyst

SUBJECT: 2024 Retiree Cost-of-Living Adjustments (COLAs)

DATE: January 16, 2024

In accordance with Sections 104.415.5 & 104.1045.2, the annual COLA increase is determined each January based on the percentage increase in the average consumer price index from the previous year. I have made the following computations for the year 2024 based on information received from the U.S. Department of Labor.

Consumer Price Index for All Urban Consumers (CPI-U)

<u>Month</u>	<u>2022</u>	<u>2023</u>
January	281.148	299.170
February	283.716	300.840
March	287.504	301.836
April	289.109	303.363
May	292.296	304.127
June	296.311	305.109
July	296.276	305.691
August	296.171	307.026
September	296.808	307.789
October	298.012	307.671
November	297.711	307.051
December	<u>296.797</u>	<u>306.746</u>
	292.655	304.702

Increase $(304.702 - 292.655) / 292.655 = 4.116\% \times 80\% = \mathbf{3.293\%}$

The minimum COLA adjustment is 4% under the original MSEP COLA plan. The COLA rate of 3.293% will be effective for those members who have reached their original 65% cap under MSEP, or who were first hired on or after August 28th, 1997, and for all members retired under MSEP 2000/2011.