

COLA Calculation FY 26 – JRS

Based on ERS COLA Methodology

1. Actuarial Rate of Return = 8.43%
 - Hurdle Rate = 6.00%
2. Excess Return = $8.43\% - 6.00\% = 2.43\%$
3. Funding Ratio = 105.0%
 - Shareable Factor = 1.00
4. Shareable Portion = $2.43\% \times 1.00 = 2.43\%$
 - Rounded to nearest 0.25% = 2.50%
5. Inflation Rate (per SSA COLA Rate) = 2.50%
 - Inflation Rate no higher than 3.00%
6. COLA Rate = lesser of 2.50% and 2.50% = 2.50%