

(1) WITH RESPECT TO EACH FISCAL YEAR, EACH RETIRED MEMBER'S RETIREMENT ALLOWANCE, EXCLUSIVE OF ANY ADDITIONAL VOLUNTARY ANNUITY, SHALL BE ADJUSTED AS PROVIDED IN THIS SECTION.

(2) (A) EACH RETIRED MEMBER SHALL HAVE A BASE WHICH SHALL BE EITHER THE CONSUMER PRICE INDEX U. S. CITY AVERAGE - ALL URBAN CONSUMERS FOR THE CALENDAR YEAR ENDING DECEMBER 31 OF THE FISCAL YEAR IN WHICH HE WAS LAST EMPLOYED, OR THE SIMILAR CONSUMER PRICE INDEX FOR THE CALENDAR YEAR ENDING DECEMBER 31 OF THE FISCAL YEAR THAT PRECEDED THE LAST RETIREMENT ALLOWANCE ADJUSTMENT, WHICHEVER IS LATER, EXCEPT THAT AS TO ANY MEMBER WHO DEFERRED HIS RETIREMENT IN ACCORDANCE WITH § 145(14) OF THIS SUBTITLE, THE BASE SHALL BE EITHER THE CONSUMER PRICE INDEX U. S. CITY AVERAGE - ALL URBAN CONSUMERS FOR THE CALENDAR YEAR ENDING DECEMBER 31 OF THE FISCAL YEAR IN WHICH HE ATTAINED THE AGE OF 62, OR THE SIMILAR CONSUMER PRICE INDEX FOR THE CALENDAR YEAR ENDING DECEMBER 31 OF THE FISCAL YEAR WHICH PRECEDED THE LAST RETIREMENT ALLOWANCE ADJUSTMENT, WHICHEVER IS LATER.

(B) THE CONSUMER PRICE INDEX TO BE USED FOR THE FISCAL YEAR IN WHICH THE RETIREMENT ALLOWANCE IS PAYABLE SHALL BE THE CONSUMER PRICE INDEX FOR THE CALENDAR YEAR ENDING DECEMBER 31 OF THE PRECEDING FISCAL YEAR.

(C) THE ADJUSTMENT IN RETIREMENT ALLOWANCE FOR THE FISCAL YEAR IN WHICH THE RETIREMENT ALLOWANCE IS PAYABLE SHALL BE THE INITIAL ANNUAL RATE OF RETIREMENT ALLOWANCE MULTIPLIED BY THE PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX IN SUBSECTION (2)(B) OF THIS SECTION FROM THE CONSUMER PRICE INDEX IN SUBSECTION (2)(A) OF THIS SECTION.

(D) THE ADJUSTMENT PROVIDED FOR IN SUBSECTION (2)(C) OF THIS SECTION MAY NOT EXCEED 3 PERCENT OF THE INITIAL ANNUAL RATE OF RETIREMENT ALLOWANCE.

(E) THE TOTAL RETIREMENT ALLOWANCE PAYABLE TO EACH MEMBER IN ANY FISCAL YEAR SHALL BE THE SUM OF THE MEMBER'S INITIAL ANNUAL RATE OF RETIREMENT ALLOWANCE, ALL PRIOR ADJUSTMENTS IN RETIREMENT ALLOWANCE GRANTED, THE ADJUSTMENT IN RETIREMENT ALLOWANCE PROVIDED FOR UNDER SUBSECTION (2)(C) OF THIS SECTION, AND ANY ADDITIONAL VOLUNTARY ANNUITY.

(F) THE ALLOWANCE OF A SURVIVING BENEFICIARY OF A MEMBER OR A RETIRED MEMBER SHALL, WHEN AND IF PAYABLE, BE ADJUSTED IN THE SAME MANNER AS PROVIDED IN THIS SECTION.

147. ADMINISTRATION.

(1) RESPONSIBILITY FOR OPERATION. THE GENERAL ADMINISTRATION AND RESPONSIBILITY FOR THE PROPER OPERATION OF THIS PENSION SYSTEM AND FOR MAKING THIS SUBTITLE EFFECTIVE ARE VESTED IN THE BOARD OF TRUSTEES CREATED UNDER § 87 OF THIS SUBTITLE. THE BOARD SHALL HAVE THE POWERS AND DUTIES SET FORTH IN THIS SECTION.