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VIA E-MAIL and USPS

January 23, 2013

Mr. Phillip Kapler  
Retirement Administrator  
Fresno County Employees' Retirement Association  
1111 H Street  
Fresno, CA 93721

**Re: Fresno County Employees' Retirement Association  
Cost-of-Living Adjustments (COLA) as of April 1, 2013**

Dear Phil:

We have determined the cost-of-living adjustments for the Association in accordance with Section 31870.1, as provided in the enclosed exhibit.

The cost-of-living factor to be used by the Association on April 1, 2013 is determined by comparing the annual average CPI for the West Region (with 1982-84 as the base period) in each of the past two years. The ratio of the past two annual indices, 232.376 in 2012 and 227.485 in 2011, is 1.0215. The County Law section cited above indicates that the resulting percentage change of 2.15% should be rounded to the nearest one-half percent, which is 2.0%.

Please note the above cost-of-living adjustments calculated using established procedures for FCERA may result in adjustments different from those calculated using alternative procedures by other systems.

County employees who have joined General and Safety Tier 4 on or after June 11, 2012 are not eligible for a cost-of-living adjustment. In addition, members with membership dates on and after January 1, 2013 will be placed in separate tiers due to the recent CalPEPRA legislation. Since the new tiers also have a 0% COLA provision, the enclosed exhibit is not applicable to retired members and beneficiaries in Tier 4 and those with membership dates on and after January 1, 2013.

The actual cost-of-living adjustment is dependent of tier and date of retirement. The CPI adjustment to be applied on April 1, 2013 is provided in Column (4) of the enclosed exhibit. The COLA bank on April 1, 2013 is provided in Column (5).

Benefits, Compensation and HR Consulting Offices throughout the United States and Canada



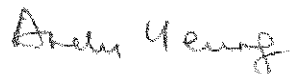
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Mr. Phillip Kapler  
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Please give us a call if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Andy Yeung".

Andy Yeung

AW/bqb  
Enclosure

Fresno County Employees' Retirement Association  
 Cost-Of-Living Adjustment  
 As of April 1, 2013

Retirement Date	(1) April 1, 2012 Accumulated Carry-over	(2) CPI Change*	(3) CPI Rounded**	(4) CPI Used***	(5) April 1, 2013 Accumulated Carry-over****
Tier 1					
Section 31870.1					
<u>Maximum Annual COLA</u> <span style="float: right;">3.0%</span>					
<b>On or Before 04/01/1973</b>					
04/02/1973 to 04/01/1974	64.5%	2.15%	2.0%	3.0%	63.5%
04/02/1974 to 04/01/1975	64.0%	2.15%	2.0%	3.0%	63.0%
04/02/1975 to 04/01/1976	61.0%	2.15%	2.0%	3.0%	60.0%
04/02/1976 to 04/01/1977	54.0%	2.15%	2.0%	3.0%	53.0%
04/02/1977 to 04/01/1978	47.0%	2.15%	2.0%	3.0%	46.0%
04/02/1978 to 04/01/1979	44.5%	2.15%	2.0%	3.0%	43.5%
04/02/1979 to 04/01/1980	40.0%	2.15%	2.0%	3.0%	39.0%
04/02/1980 to 04/01/1981	33.5%	2.15%	2.0%	3.0%	32.5%
04/02/1981 to 04/01/1982	28.0%	2.15%	2.0%	3.0%	27.0%
04/02/1982 to 04/01/1983	16.0%	2.15%	2.0%	3.0%	15.0%
04/02/1983 to 04/01/1984	6.0%	2.15%	2.0%	3.0%	5.0%
04/02/1984 to 04/01/1985	3.5%	2.15%	2.0%	3.0%	2.5%
04/02/1985 to 04/01/1986	3.5%	2.15%	2.0%	3.0%	2.5%
04/02/1986 to 04/01/1987	1.0%	2.15%	2.0%	3.0%	0.0%
04/02/1987 to 04/01/1988	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/1988 to 04/01/1989	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/1989 to 04/01/1990	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/1990 to 04/01/1991	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/1991 to 04/01/1992	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/1992 to 04/01/1993	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/1993 to 04/01/1994	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/1994 to 04/01/1995	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/1995 to 04/01/1996	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/1996 to 04/01/1997	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/1997 to 04/01/1998	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/1998 to 04/01/1999	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/1999 to 04/01/2000	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2000 to 04/01/2001	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2001 to 04/01/2002	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2002 to 04/01/2003	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2003 to 04/01/2004	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2004 to 04/01/2005	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2005 to 04/01/2006	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2006 to 04/01/2007	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2007 to 04/01/2008	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2008 to 04/01/2009	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2009 to 04/01/2010	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2010 to 04/01/2011	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2011 to 04/01/2012	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2012 to 04/01/2013		2.15%	2.0%	2.0%	0.0%

\* Based on ratio of 2012 annual average CPI to 2011 annual average CPI for the West Region.  
 \*\* Based on CPI change rounded to nearest one-half percent.  
 \*\*\* These are the cost-of-living adjustment factors to be applied on April 1, 2013.  
 \*\*\*\* These are the carry-over of the cost-of-living adjustments that have not been used on April 1, 2013.

Fresno County Employees' Retirement Association  
 Cost-Of-Living Adjustment  
 As of April 1, 2013

Retirement Date	(1)	(2)	(3)	(4)	(5)		
Retirement Date	April 1, 2012 Accumulated Carry-over	CPI Change*	CPI Rounded**	CPI Used***	April 1, 2013 Accumulated Carry-over****		
Tier 2							
Section 31870.1							
<u>Maximum Annual COLA</u> <span style="float: right;">3.0%</span>							
07/01/2006	to	04/01/2007	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2007	to	04/01/2008	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2008	to	04/01/2009	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2009	to	04/01/2010	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2010	to	04/01/2011	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2011	to	04/01/2012	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2012	to	04/01/2013		2.15%	2.0%	2.0%	0.0%
Tier 3							
Section 31870.1							
<u>Maximum Annual COLA</u> <span style="float: right;">3.0%</span>							
12/17/2007	to	04/01/2008	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2008	to	04/01/2009	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2009	to	04/01/2010	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2010	to	04/01/2011	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2011	to	04/01/2012	0.0%	2.15%	2.0%	2.0%	0.0%
04/02/2012	to	04/01/2013		2.15%	2.0%	2.0%	0.0%

- \* Based on ratio of 2012 annual average CPI to 2011 annual average CPI for the West Region.
- \*\* Based on CPI change rounded to nearest one-half percent.
- \*\*\* These are the cost-of-living adjustment factors to be applied on April 1, 2013.
- \*\*\*\* These are the carry-over of the cost-of-living adjustments that have not been used on April 1, 2013.