



March 1, 2012

Dear Member:

The Board of Retirement (Board) of the Fresno County Employees' Retirement Association (FCERA) approved a 3.0% cost of living (COL) increase for all retirees and beneficiaries at its regular meeting on February 1, 2012.

This action was taken in accordance with provisions of Government Code §31870.1 of the retirement law that requires the Board to determine the percentage change in the COL each year. For 2011, the increase in the Average Consumer Price Index for All Urban Consumers (CPI-U) for the Western Region as calculated by our actuary, The Segal Company, was 2.84%, which is rounded to 3.0%, the maximum permitted by law. Consequently, bank balances will not be reduced to provide a cost of living increase to retirees this year.

Effective April 1, 2012, a 3% cost of living increase will be granted to all eligible members and beneficiaries as described below:

Members and beneficiaries with a retirement date on or before April 1, 2012 will receive a 3.0% COL increase.

As previously reported, the Board has "frozen" the Supp COL benefit at its current level and limited it to only those retirees and beneficiaries currently receiving it. This means that those retirees and beneficiaries currently receiving Supp COL will not experience a decrease to that benefit.

Please note we have included the COLA Bank Accumulation table as of April 1, 2012 and a few examples of the cost of living adjustment for your reference. Please call our office at 559.457.0681 if you have any questions regarding your benefits.

Sincerely,

Becky Van Wyk
Assistant Retirement Administrator

BVW

For those currently receiving Supp Col, the amount WILL NOT decrease, but will continue at the same level as is currently being paid. Therefore, only the Cost of Living Bank is shown below.

COLA Bank Accumulation

Based on the Consumer Price Index for All Urban consumers (CPI-U) for the Western Region (Base Period: 1982-84=100)

Retirement During 12-Month Period Ended April 1	Accumulated COLA Bank April 1, 2011	Accumulated COLA Bank April 1, 2012	Retirement During 12-Month Period Ended April 1	Accumulated COLA Bank April 1, 2011	Accumulated COLA Bank April 1, 2012
1973 or earlier	64.5%	64.5%	1993	0.0%	0.0%
1974	64.0%	64.0%	1994	0.0%	0.0%
1975	61.0%	61.0%	1995	0.0%	0.0%
1976	54.0%	54.0%	1996	0.0%	0.0%
1977	47.0%	47.0%	1997	0.0%	0.0%
1978	44.5%	44.5%	1998	0.0%	0.0%
1979	40.0%	40.0%	1999	0.0%	0.0%
1980	33.5%	33.5%	2000	0.0%	0.0%
1981	28.0%	28.0%	2001	0.0%	0.0%
1982	16.0%	16.0%	2002	0.0%	0.0%
1983	6.0%	6.0%	2003	0.0%	0.0%
1984	3.5%	3.5%	2004	0.0%	0.0%
1985	3.5%	3.5%	2005	0.0%	0.0%
1986	1.0%	1.0%	2006	0.0%	0.0%
1987	0.0%	0.0%	2007	0.0%	0.0%
1988	0.0%	0.0%	2008	0.0%	0.0%
1989	0.0%	0.0%	2009	0.0%	0.0%
1990	0.0%	0.0%	2010	0.0%	0.0%
1991	0.0%	0.0%	2011	0.0%	0.0%
1992	0.0%	0.0%			

The Cost Of Living (COL) benefit is calculated by multiplying the approved COL rate increase by the sum of the annuity, current service, supplemental annuity or supplemental benefit, and current cost of living. Please note that if you retired on or after January 1, 2001, you will have a Supp Annuity, the member's contribution portion of the enhanced benefit provided by the Settlement Agreement. Also, please note that health benefits and supplemental cost of living are not included in the COL calculation.

Example 1: A member who retired between April 2, 2011 and April 1, 2012 and received a 3.0% COL increase.

Prior Allowance

Annuity	Current Service	Supp. Annuity	Supp. Benefit	Current COL	Current Supp. COL	Total
\$200.00	\$800.00	\$100.00	n/a	\$0.00	\$0.00	\$1,100.00
(A)	(B)	(C)		(D)		(E)

New Allowance

Annuity	Current Service	Supp. Annuity	Supp. Benefit	New COL	New Supp. COL	Total
\$200.00	\$800.00	\$100.00	n/a	\$33.00	\$0.00	\$1,133.00
(A)	(B)	(C)		(D)		(E)

The new COL amount of \$33.00 is calculated by adding 1.0% of the sum of A+B+C+D to the current COL.

Example 2: A member who retired between April 2, 2009 and April 1, 2010 and received a 3.0% COL increase.

Prior Allowance

Annuity	Current Service	Supp. Annuity	Supp. Benefit	Current COL	Current Supp. COL	Total
\$200.00	\$800.00	\$100.00	n/a	\$11.00	\$0.00	\$1,100.00
(A)	(B)	(C)		(D)		(E)

New Allowance

Annuity	Current Service	Supp. Annuity	Supp. Benefit	New COL	New Supp. COL	Total
\$200.00	\$800.00	\$100.00	n/a	\$44.00	\$0.00	\$1,133.00
(A)	(B)	(C)		(D)		(E)

The new COL amount of \$33.00 is calculated by adding 3.0% of the sum of A+B+C+D to the current COL.

Example 3: A member who retired between January 1, 2001 and April 1, 2009 and received a 3.0% COL increase.

Prior Allowance

Annuity	Current Service	Supp. Annuity	Supp. Benefit	Current COL	Current Supp. COL	Total
\$200.00	\$800.00	\$100.00	n/a	\$102.01	\$0.00	\$1,202.01
(A)	(B)	(C)		(D)		(E)

New Allowance

Annuity	Current Service	Supp. Annuity	Supp. Benefit	Supp. COL	New Supp. COL	Total
\$200.00	\$800.00	\$100.00	n/a	\$138.07	\$0.00	\$1,238.07
(A)	(B)	(C)		(D)		(E)

The new COL amount of \$138.07 is calculated by adding 3.0% of the sum of A+B+C+D to the current COL.

Example 4: A member who retired between April 2, 1989 and December 31, 2000 and received a 3.0% COL increase.

Prior Allowance

Annuity	Current Service	Supp. Annuity	Supp. Benefit	Current COL	Current Supp. COL	Total
\$200.00 (A)	\$800.00 (B)	n/a	\$150.00 (C)	\$911.08 (D)	\$0.00	\$2,061.08 (E)

New Allowance

Annuity	Current Service	Supp. Annuity	Supp. Benefit	Supp. COL	New Supp. COL	Total
\$200.00 (A)	\$800.00 (B)	n/a	\$150.00 (C)	\$993.52 (D)	\$0.00	\$2,143.52 (E)

The new COL amount of \$993.52 is calculated by adding 3.0% of the sum of A+B+C+D to the current COL.

Example 5: A member who retired between April 2, 1988 and April 1, 1989 and received a 3.0% COL increase.

Prior Allowance

Annuity	Current Service	Supp. Annuity	Supp. Benefit	Current COL	Current Supp. COL	Total
\$200.00 (A)	\$800.00 (B)	n/a	\$150.00 (C)	\$911.08 (D)	\$0.00	\$2,061.08 (E)

New Allowance

Annuity	Current Service	Supp. Annuity	Supp. Benefit	Supp. COL	New Supp. COL	Total
\$200.00 (A)	\$800.00 (B)	n/a	\$150.00 (C)	\$966.92 (D)	\$0.00	\$2,116.92 (E)

The new COL amount of \$966.92 is calculated by adding 3.0% of the sum of A+B+C+D to the current COL.

Example 6: A member who retired prior to April 2, 1988 and received a 3.0% COL increase.

Prior Allowance

Annuity	Current Service	Supp. Annuity	Supp. Benefit	Current COL	Current Supp. COL	Total
\$200.00 (A)	\$800.00 (B)	n/a	\$150.00 (C)	\$911.08 (D)	\$672.84	\$2,533.92 (E)

New Allowance

Annuity	Current Service	Supp. Annuity	Supp. Benefit	Supp. COL	New Supp. COL	Total
\$200.00 (A)	\$800.00 (B)	n/a	\$150.00 (C)	\$966.92 (D)	\$672.84	\$2,589.76 (E)

The new COL amount of \$966.92 is calculated by adding 3.0% of the sum of A+B+C+D to the current COL.