

New Roads

A Newsletter for CCCERA Retiree Members

COST-OF-LIVING ADJUSTMENTS EFFECTIVE APRIL 1

Contra Costa County Employees' Retirement Association (CCCERA) retirees and their survivors will receive a 2016 cost-of-living adjustment (COLA) in their monthly benefit effective April 1, 2016. The new amount will be reflected in May 1, 2016 benefit payments.

The Retirement Board voted to adopt the COLA presented by Segal Consulting, CCCERA's actuary, at the February 10, 2016 board meeting. The COLA applies to every retirement allowance, optional death allowance and survivor allowance effective on or before March 31, 2016.

Your COLA increase is based on several factors:

- San Francisco-Oakland-San José area CPI (Consumer Price Index)
- Your COLA Bank
- Your retirement tier
- Your date of retirement

Under the County Employees Retirement Law (CERL), there is a cap on the amount CCCERA may increase your benefit. If the inflation rate (measured by the change in CPI) is higher than this cap, the remainder is banked, then applied if the change in CPI is lower than the cap. This helps stabilize the COLA from year to year. The percentage CCCERA can increase your benefit is determined by the law that applies to your retirement tier.

The COLA helps maintain the value of pension

payments in terms of purchasing power. If the annual cost of living goes up, retirees see an increase in their benefit. However, if the cost of living goes down, the COLA may decrease your benefit payment. The cost-of-living factor used by CCCERA is determined by comparing the December CPI for the San Francisco-Oakland-San José area over the past two years (2015 and 2014), and rounding the change to the nearest one-half of one percent.

2016 COST-OF-LIVING ADJUSTMENTS

RETIREMENT TIER	COLA
Tier 1¹	
Retired on or after April 1, 1985	3.0%
Retired before April 1, 1985	3.0%
Tier 2²	3.0%
Tier 3 (Disability Only)²	3.0%
Tier 3 (Service Retirement Only)¹	3.0%
Safety Tier A¹	
Retired on or after April 1, 1985	3.0%
Retired before April 1, 1985	3.0%
Safety Tier C³	2.0%
Tier 4 (2% Maximum COLA)³	2.0%
Tier 4 (3% Maximum COLA)¹	3.0%
Tier 5 (Disability Only with 4% Maximum COLA)²	3.0%
Tier 5 (2% Maximum COLA)³	2.0%
Tier 5 (Service Retirement Only with 3% Maximum COLA)¹	3.0%
Safety Tier D¹	3.0%
Safety Tier E³	2.0%

COLA provisions in CERL are determined by the following Government Codes: ¹Gov. Code 31870.1; members retired before April 1, 1985; ²Gov. Code 31870.3; ³Gov. Code 31870.



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Business Hours

Monday - Friday, 8 a.m. - 5 p.m.
 (Closed daily for lunch, Noon - 12:30 p.m.)

Counselors are available in person and by phone from 9 a.m. to 4 p.m. Monday through Friday.

Visit Our Website

CCCERA's website features information about your benefits, updates, forms, and more. You can also sign up for email notifications on board meeting agendas and the latest updates for retirees. Visit cccera.org today.

ESTIMATE YOUR 2016 MONTHLY RETIREMENT BENEFIT

- 1 Enter your monthly allowance from 2015 (gross). \$ _____

- 2 Enter your COLA from 2016 (see table, right). _____

 This percentage is expressed in decimal form. For example, a 3% COLA is calculated using .03.

- 3 **Multiply** line 1 by line 2 and enter the result here. \$ _____

- 4 **Add** line 1 and line 3 and enter the result here. This is your estimated 2016 monthly retirement benefit. \$ _____

The COLA will be effective April 1, 2016 and will be reflected on your May 1, 2016 retirement benefit.

RETIREMENT TIER	COLA
Tier 1	
Retired on or after April 1, 1985	3.0%
Retired before April 1, 1985	3.0%
Tier 2	
	3.0%
Tier 3 (Disability Only)	
	3.0%
Tier 3 (Service Retirement Only)	
	3.0%
Safety Tier A	
Retired on or after April 1, 1985	3.0%
Retired before April 1, 1985	3.0%
Safety Tier C	
	2.0%
Tier 4 (2% Maximum COLA)	
	2.0%
Tier 4 (3% Maximum COLA)	
	3.0%
Tier 5 (Disability Only with 4% Maximum COLA)	
	3.0%
Tier 5 (2% Maximum COLA)	
	2.0%
Tier 5 (Service Retirement Only with 3% Maximum COLA)	
	3.0%
Safety Tier D	
	3.0%
Safety Tier E	
	2.0%