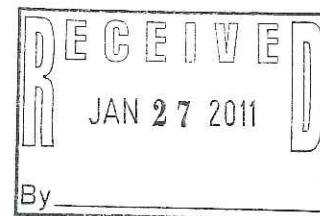




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John W. Monroe, ASA, MAAA
Vice President & Associate Actuary
jmonroe@segalco.com

January 26, 2011

Ms. Marilyn Leedom
Chief Executive Officer
Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221
Concord, CA 94520

MEETING DATE

FEB 09 2011

AGENDA ITEM

#6

**Re: Contra Costa County Employees' Retirement Association
Cost-of-Living Adjustments (COLA) as of April 1, 2011**

Dear Marilyn:

We have determined the cost-of-living adjustments for the Association in accordance with Sections 31870.1 and 31870.3, as provided in the enclosed exhibits.

The cost-of-living factor to be used by the Association on April 1, 2011 is determined by comparing the December CPI for the San Francisco-Oakland-San Jose Area (with 1982-84 as the base period) in each of the past two years. The ratio of the past two December indices, 227.658 in 2010 and 224.239 in 2009, is 1.0152. The County Law sections cited above indicate that the resulting percentage change of 1.52% should be rounded to the nearest one-half percent, which is 1.5%. Please note the above cost-of-living adjustments calculated using established procedures for CCCERA may result in adjustments different from those calculated using alternative procedures by other systems.

The actual cost-of-living adjustment is dependent on tier and date of retirement. The CPI adjustment to be applied on April 1, 2011 is provided in Column (4) of the enclosed exhibits. The COLA bank on April 1, 2011 is provided in Column (5).

Please give us a call if you have any questions.

Sincerely,

John Monroe

DNA/kek
Enclosure

5117926v1/05337.001

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

Contra Costa County Employees' Retirement Association
Cost-Of-Living Adjustment
As of April 1, 2011

| | | | (1) | (2) | (3) | (4) | (5) |
|--|----|------------|--|----------------|------------------|----------------|--|
| Retirement Date | | | April 1, 2010 Accumulated Carry-over | CPI Change* | CPI Rounded** | CPI Used*** | April 1, 2011 Accumulated Carry-over**** |
| Tier 2 and Tier 3 (disability retirement only) | | | | | | | |
| Section 31870.3 | | | | | | | |
| Maximum Annual COLA | | | 4.0% | | | | |
| 04/02/1984 | to | 04/01/1985 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1985 | to | 04/01/1986 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1986 | to | 04/01/1987 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1987 | to | 04/01/1988 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1988 | to | 04/01/1989 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1989 | to | 04/01/1990 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1990 | to | 04/01/1991 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1991 | to | 04/01/1992 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1992 | to | 04/01/1993 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1993 | to | 04/01/1994 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1994 | to | 04/01/1995 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1995 | to | 04/01/1996 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1996 | to | 04/01/1997 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1997 | to | 04/01/1998 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1998 | to | 04/01/1999 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/1999 | to | 04/01/2000 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/2000 | to | 04/01/2001 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/2001 | to | 04/01/2002 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/2002 | to | 04/01/2003 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/2003 | to | 04/01/2004 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/2004 | to | 04/01/2005 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/2005 | to | 04/01/2006 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/2006 | to | 04/01/2007 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/2007 | to | 04/01/2008 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/2008 | to | 04/01/2009 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/2009 | to | 04/01/2010 | 0.0% | 1.52% | 1.5% | 1.5% | 0.0% |
| 04/02/2010 | to | 04/01/2011 | | 1.52% | 1.5% | 1.5% | 0.0% |

* Based on ratio of December 2010 CPI to December 2009 CPI for the San Francisco - Oakland - San Jose Area.

** Based on CPI change rounded to nearest one-half percent.

*** These are the cost-of-living adjustment factors to be applied on April 1, 2011.

**** These are the carry-over of the cost-of-living adjustments that have not been used on April 1, 2011.

Contra Costa County Employees' Retirement Association
Cost-Of-Living Adjustment
As of April 1, 2011

| | | | (1) | (2) | (3) | (4) | (5) |
|---|----|------------|--|----------------|------------------|----------------|--|
| Retirement Date | | | April 1, 2010 Accumulated Carry-over | CPI Change* | CPI Rounded** | CPI Used*** | April 1, 2011 Accumulated Carry-over**** |
| Tier 1, Tier 3 (service retirement only) and Safety Section 31870.1 Maximum Annual COLA | | | 3.0% | | | | |
| On or Before 7/1/1964 | | | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 07/01/1964 | to | 07/01/1965 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 07/02/1965 | to | 07/01/1966 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 07/02/1966 | to | 07/01/1967 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 07/02/1967 | to | 07/01/1968 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 07/02/1968 | to | 04/01/1969 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1969 | to | 04/01/1970 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1970 | to | 04/01/1971 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1971 | to | 04/01/1972 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1972 | to | 04/01/1973 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1973 | to | 04/01/1974 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1974 | to | 04/01/1975 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1975 | to | 04/01/1976 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1976 | to | 04/01/1977 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1977 | to | 04/01/1978 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1978 | to | 04/01/1979 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1979 | to | 04/01/1980 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1980 | to | 04/01/1981 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1981 | to | 04/01/1982 | 12.500% | 1.52% | 1.5% | 3.0% | 11.000% |
| 04/02/1982 | to | 04/01/1983 | 6.027% | 1.52% | 1.5% | 3.0% | 4.527% |
| 04/02/1983 | to | 04/01/1984 | 3.500% | 1.52% | 1.5% | 3.0% | 2.000% |
| 04/02/1984 | to | 04/01/1985 | 3.500% | 1.52% | 1.5% | 3.0% | 2.000% |
| 04/02/1985 | to | 04/01/1986 | 1.000% | 1.52% | 1.5% | 2.5% | 0.000% |
| 04/02/1986 | to | 04/01/1987 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1987 | to | 04/01/1988 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1988 | to | 04/01/1989 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1989 | to | 04/01/1990 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1990 | to | 04/01/1991 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1991 | to | 04/01/1992 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1992 | to | 04/01/1993 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1993 | to | 04/01/1994 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1994 | to | 04/01/1995 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1995 | to | 04/01/1996 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1996 | to | 04/01/1997 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1997 | to | 04/01/1998 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1998 | to | 04/01/1999 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/1999 | to | 04/01/2000 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/2000 | to | 04/01/2001 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/2001 | to | 04/01/2002 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/2002 | to | 04/01/2003 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/2003 | to | 04/01/2004 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/2004 | to | 04/01/2005 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/2005 | to | 04/01/2006 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/2006 | to | 04/01/2007 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/2007 | to | 04/01/2008 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/2008 | to | 04/01/2009 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/2009 | to | 04/01/2010 | 0.000% | 1.52% | 1.5% | 1.5% | 0.000% |
| 04/02/2010 | to | 04/01/2011 | | 1.52% | 1.5% | 1.5% | 0.000% |

* Based on ratio of December 2010 CPI to December 2009 CPI for the San Francisco - Oakland - San Jose Area.

** Based on CPI change rounded to nearest one-half percent.

*** These are the cost-of-living adjustment factors to be applied on April 1, 2011.

**** These are the carry-over of the cost-of-living adjustments that have not been used on April 1, 2011.