



Santa Barbara County Employees' Retirement System

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**DATE:** February 22, 2023

**Agenda Item # 5**

**TO:** SBCERS BOARD OF RETIREMENT

**FROM:** Rico Pardo, Controller

**RE:** **Cost of Living Adjustment (COLA) as of April 1, 2023**

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**Recommended Action:**

That the Board receive and accept Cheiron's report presented by Staff and adopt the rate (3%) and COLA bank increases (4.5% and 5.5%, depending on plan) set forth in Cheiron's Cost of Living Adjustment (COLA) report as of April 1, 2023.

**Informational Items**

At the discretion of SBCERS' Board of Retirement, its independent actuarial service provider firm, Cheiron, has prepared and submitted the Cost of Living Adjustment (COLA) as of April 1, 2023 (attached).

The Annual Average Consumer Price Index (LA-Long Beach-Anaheim) increased by 7.446%, which gets rounded to the nearest one-half percent to 7.50% for 2023. Plans are limited to an increase of up to 2% or 3%, depending on the plan. The difference will be credited to the COLA bank.

This report is prepared for the Board's approval on an annual basis. The report was prepared on January 18, 2023 by Anne Harper, Principal Consulting Actuary, at Cheiron and presents the firm's findings and analysis with respect to the COLA payable to SBCERS' retirees and beneficiaries who retire on or before April 1, 2023.

**Attachments:**

- 2023 COLA Analysis Letter
- 2023 COLA Presentation