

# COLAs vs. Inflation: Retirees Are Falling Behind

Inflation has consistently eroded retirees' purchasing power over the last 25 years.  
Retirees have lost more than 30% of their buying power, even after accounting for COLAs.

| Year | Base COLA | Formula Increase* | Total TSERS Increase | Inflation (CPI-U) | Annual Buying Power Change | Cumulative Buying Power Change |
|------|-----------|-------------------|----------------------|-------------------|----------------------------|--------------------------------|
| 1985 | 0.038%    | 0%                | 3.8%                 | 3.8%              | 0%                         | 0%                             |
| 1986 | 0.04%     | 0%                | 4%                   | 1.1%              | 2.9%                       | 2.9%                           |
| 1987 | 3.6%      | 1.2%              | 4.8%                 | 4.4%              | 4%                         | 3.3%                           |
| 1988 | 3.5%      | 1.9%              | 5.4%                 | 4.4%              | 1%                         | 4.3%                           |
| 1989 | 6.1%      | 0.6%              | 6.7%                 | 4.6%              | 2.1%                       | 6.4%                           |
| 1990 | 0%        | 0%                | 0%                   | 6.1%              | -6.1%                      | 0.3%                           |
| 1991 | 1.6%      | 3.6%              | 5.2%                 | 3.1%              | 2.1%                       | 2.4%                           |
| 1992 | 1.6%      | 0.6%              | 2.2%                 | 2.9%              | -0.7%                      | 1.7%                           |
| 1993 | 3.5%      | 1.2%              | 4.7%                 | 2.7%              | 2%                         | 3.7%                           |
| 1994 | 2%        | 1.2%              | 3.2%                 | 2.7%              | 0.5%                       | 4.2%                           |
| 1995 | 4.4%      | 0%                | 4.4%                 | 2.5%              | 1.9%                       | 6.1%                           |
| 1996 | 4%        | 2.2%              | 6.2%                 | 3.3%              | 2.9%                       | 9.0%                           |
| 1997 | 2.5%      | 0%                | 2.5%                 | 1.7%              | 0.8%                       | 9.8%                           |
| 1998 | 2.3%      | 0%                | 2.3%                 | 1.6%              | 0.7%                       | 10.5%                          |
| 1999 | 3.6%      | 0.6%              | 4.2%                 | 2.7%              | 1.5%                       | 12.0%                          |
| 2000 | 2%        | 0%                | 2%                   | 3.4%              | -1.4%                      | 10.6%                          |
| 2001 | 1.4%      | 0.6%              | 2%                   | 1.6%              | 0.4%                       | 11.0%                          |
| 2002 | 1.3%      | 0%                | 1.3%                 | 2.4%              | -1.1%                      | 9.9%                           |
| 2003 | 1.7%      | 0%                | 1.7%                 | 1.9%              | -0.2%                      | 9.7%                           |
| 2004 | 2%        | 0%                | 2%                   | 3.3%              | -1.3%                      | 8.4%                           |
| 2005 | 3%        | 0%                | 3%                   | 3.4%              | -0.4%                      | 8.0%                           |
| 2006 | 2.2%      | 0%                | 2.2%                 | 2.5%              | -0.3%                      | 7.7%                           |
| 2007 | 2.2%      | 0%                | 2.2%                 | 4.1%              | -1.9%                      | 5.8%                           |
| 2008 | 0%        | 0%                | 0%                   | 0.1%              | -0.1%                      | 5.7%                           |
| 2009 | 0%        | 0%                | 0%                   | 2.7%              | -2.7%                      | 3.0%                           |
| 2010 | 0%        | 0%                | 0%                   | 1.5%              | -1.5%                      | 1.5%                           |
| 2011 | 1%        | 0%                | 1%                   | 3%                | -2%                        | -0.5%                          |
| 2012 | 0%        | 0%                | 0%                   | 1.7%              | -1.7%                      | -2.2%                          |
| 2013 | 1%        | 0%                | 1%                   | 1.5%              | -0.5%                      | -2.7%                          |
| 2014 | 0%        | 0%                | 0%                   | 0.8%              | -0.8%                      | -3.5%                          |
| 2015 | 0%        | 0%                | 0%                   | 0.1%              | -0.1%                      | -3.6%                          |
| 2016 | 0%        | 0%                | 0%                   | 1.3%              | -1.3%                      | -4.9%                          |
| 2017 | 1%        | 0%                | 1%                   | 2.1%              | -1.1%                      | -6.0%                          |
| 2018 | 0%        | 0%                | 0%                   | 2.4%              | -2.4%                      | -8.4%                          |
| 2019 | 0%        | 0%                | 0%                   | 1.8%              | -1.8%                      | -10.2%                         |
| 2020 | 0%        | 0%                | 0%                   | 1.2%              | -1.2%                      | -11.4%                         |
| 2021 | 0%        | 0%                | 0%                   | 4.7%              | -4.7%                      | -16.1%                         |
| 2022 | 0%        | 0%                | 0%                   | 8%                | -8%                        | -24.1%                         |
| 2023 | 0%        | 0%                | 0%                   | 4.1%              | -4.1%                      | -28.2%                         |
| 2024 | 0%        | 0%                | 0%                   | 2.5%              | -2.5%                      | -30.7%                         |
| 2025 | 0%        | 0%                | 0%                   | NA                | NA                         | NA                             |

\* The last formula increase was 2001 (0.6%) and the current formula is 1.82%

NA = Not available