

North Carolina Retirement Systems
Effect of Inflation on Real Value of Pension Benefits

1	2	<u>TSERS</u>		<u>LGERS</u>	
		3	4	5	6
Year of Retirement	Cumulative National CPI-U*	Cumulative Adjustments**	Relative Real Value Using National CPI***	Cumulative Adjustments**	Relative Real Value Using National CPI***
1985	2.34	2.17	93%	2.13	91%
1986	2.26	2.09	93%	2.05	91%
1987	2.23	2.01	90%	1.97	88%
1988	2.14	1.92	90%	1.88	88%
1989	2.05	1.82	89%	1.78	87%
1990	1.95	1.71	87%	1.67	86%
1991	1.84	1.71	93%	1.67	91%
1992	1.79	1.62	91%	1.59	89%
1993	1.74	1.59	91%	1.56	90%
1994	1.69	1.51	90%	1.51	90%
1995	1.65	1.47	89%	1.46	89%
1996	1.61	1.41	88%	1.40	87%
1997	1.55	1.32	85%	1.32	85%
1998	1.53	1.29	85%	1.28	84%
1999	1.50	1.26	84%	1.27	84%
2000	1.46	1.21	83%	1.21	83%
2001	1.42	1.19	84%	1.17	83%
2002	1.40	1.16	83%	1.15	82%
2003	1.36	1.15	84%	1.11	81%
2004	1.34	1.13	85%	1.11	83%
2005	1.30	1.11	86%	1.08	84%
2006	1.25	1.08	86%	1.05	84%
2007	1.22	1.05	86%	1.03	84%
2008	1.17	1.03	88%	1.01	86%
2009	1.17	1.03	88%	1.01	86%
2010	1.14	1.03	90%	1.01	88%
2011	1.12	1.03	92%	1.01	90%
2012	1.09	1.02	93%	1.01	92%
2013	1.07	1.02	95%	1.01	94%
2014	1.06	1.01	95%	1.01	95%
2015	1.05	1.01	96%	1.00	95%
2016	1.04	1.01	97%	1.00	96%
2017	1.02	1.00	98%	1.00	98%

*Based on percentage change in CPI from December of prior year

**Includes all adjustments that have been applied to benefits for individuals retiring in year shown; including COLAs effective July 1, 2017

***This is the real value of 2018 retirement benefits relative to the nominal value of benefits in the year of retirement