

## A message from **GENERAL TREASURER JAMES A. DIOSSA**



Dear ERSRI Member,

As we welcome this new year with a renewed sense of optimism and gratitude, I want to offer some highlights of the ERSRI fund's performance in 2025.

During the past year, your pension fund returned 8.42%, and its companion OPEB (other post-employment benefits) fund returned 11.1%, both outperforming their benchmarks. This performance reflects a strong market and our own prudent investment strategies, designed to support the system's sustainability across market cycles, ensuring that members can count on a secure and dignified retirement.

I would like to thank the dedicated ERSRI staff, the State Investment Commission, and the Investment Team for their tireless work and expertise in overseeing the system and ensuring the long-term health of our pension plans. Their stewardship plays a vital role in achieving strong outcomes for our members.

Beyond ERSRI, Treasury's work continues to support the broader financial stability of our state, which directly benefits our retirement system. We secured an upgrade to the state's credit rating to AA+, reinforcing Rhode Island's fiscal strength. We also expanded access to retirement savings for private sector employees who may not have access to such a benefit, strengthened financial education, created a pilot program to help first-time homeowners, and responsibly continued to manage state assets with transparency and care.

As I begin my fourth year as General Treasurer, my top priority remains to safeguard the retirement security and financial well-being of ERSRI's active members and retirees. We've delivered on that commitment thanks to your dedication to public service and the confidence you place in our work. I look forward to continuing this momentum together in the year ahead.

On behalf of Treasury, I wish you and your loved ones a healthy and prosperous 2026.

Sincerely,  
Treasurer Diosa

### 1099-Rs are in the mail **WATCH YOUR MAILBOX**

ERSRI mails 1099-R forms to retirees and payees by January 31st of each year. In addition, you can also view or print your 1099-R by logging into your online retirement account on the ERSRI Member Portal.

**If you do not receive your 1099-R form by February 14th, please contact ERSRI to request a replacement.**



# CELEBRATING POSSIBILITIES — MANY PATHS TO RETIREMENT

No two retirement journeys look the same, but most lead to happiness—over 90% of retirees say so.<sup>1</sup> With 100+ years of experience, TIAA is highlighting personal stories that show the many ways people reach a fulfilling, secure retirement.

## THREE DISTINCT JOURNEYS

### The Planner

Jim Hussey of Florida began saving at age 12, building habits that would become second nature as he got older. Over decades, discipline fostered stability. “Starting early built the muscle memory. Now I’m seeing the results,” Jim said. His story reflects the payoff of consistent saving and tapping into employer benefits.

Planners like Jim show how starting early, saving steadily and leveraging employer benefits can translate into confidence and security in retirement.

### The Late Bloomer

Some people don’t begin thinking about retirement until later in life. Peter Simon, a retiree living in New Jersey, admitted, “I never imagined retirement.” Peter had enrolled in his workplace retirement plan earlier in his career, and when he checked his balance closer to retirement, he discovered that he had enough to retire. If you’re not an active planner, a “set it and forget it” mentality can position you well, when done carefully. Not everyone is in this situation, though.

Many people delay saving entirely, and later use lifestyle changes and increase their contributions to build security. It’s never too late to get started. People over 50 often have access to catch-up contributions that can help accelerate the retirement savings process.

This story resonates with the millions of Americans who begin saving in their 40s or 50s—showing that while the timeline may be different, the destination can still be fulfilling.

### The Adapter

Life brings unexpected changes. Job shifts, caregiving, or even health challenges may disrupt careful retirement planning. For those who need to adapt—and adapt again—retirement can be a time to simplify, explore new income streams, or seek purpose in the unexpected. Retirement can be a time of reinvention. “We might actually find things about ourselves that we didn’t know about,” said Joyce Hooley Bartlett, a retiree living in Rhode Island. “I have been able to do things that I never gave myself permission to do.”

### The Bigger Picture

Retirement looks different for everyone. With intentional planning, you can create both freedom and fulfillment. Whether you’re a planner, a late bloomer, or are adapting to new circumstances, proactive steps can help you shape a future that feels secure and meaningful.

Explore more tools, stories, and webinars at TIAA.org/Essentials to further chart your own path to retirement.

A TIAA Financial Consultant can help you with these items and more as a part of your retirement plan – at no additional cost. Call 800 732-8353, go to [www.tiaa.org/shed-ulenow](http://www.tiaa.org/shed-ulenow); or scan the QR code on the left with your phone.



<sup>1</sup> A review of existing measures of retirement well-being, TIAA Institute.

# YOUR GUIDE TO THE 2026 COLA

## Step 1. Am I eligible for COLA in 2026?

PLAN	Teacher State Employee Municipal Employee*	Teacher State Employee Municipal Employee (General)*	Municipal Employee (Police & Fire)*	Municipal Employee (Police & Fire)*	Judges State Police	Central Falls Legacy Plan  West Warwick Legacy Plan	Teachers Survivor Benefit (TSB)  Spousal Benefit Payees over age 60****
	who retired on or before 6/30/2012	who retired on or after 7/1/2012	who retired between 7/1/2012 and 6/30/2015	who retired on or after 7/1/2015			
COLA?	Eligible for 2026 COLA***	3 years after retirement <<or>> SSNRA**, whichever is later	3 years after retirement <<or>> age 55, whichever is later	3 years after retirement <<or>> age 50, whichever is later	3 years after retirement <<or>> SSNRA**, whichever is later	eligibility rules are pursuant to individual plan documents	benefits effective on or before 12/1/2025

\* In plans offering COLA

\*\* SSNRA, or Social Security Normal Retirement Age, is based on your year of birth. For those members born in 1960 or later, SSNRA is age 67. For a full chart, visit <https://www.ssa.gov/oact/progdata/nra.html>

\*\*\* With the exception of members who were not yet receiving COLA by 6/30/2012 and have not reached age 65.

\*\*\*\* TSB Family Benefit recipients are not eligible for COLA

**Eligible retirees of the Employees' Retirement System of Rhode Island (ERSRI) and Municipal Employees' Retirement System (MERS) employers will receive a Cost-of-Living Adjustment (COLA) in 2026.**

**The COLA rate for a given year is calculated using 50% of the previous five-year average investment return minus 5.00%, and 50% of inflation as measured by the CPI-U Consumer Price Index for All Urban Consumers, then applied to a portion of your pension benefit as determined by Rhode Island General Law.**

**Because of the many different COLA provisions that are afforded to members under R.I.G.L., eligible members will fall into one of the COLA groups in the chart above. Follow these 3 steps to determine if you are eligible for COLA in 2026, what your COLA percentage and amount will be, and when you can expect to see the adjustment to your benefit. If you have received a COLA in the past and are eligible in 2026, you will receive it the same month as your previous COLA.**

If I have met the eligibility criteria in Step 1...

## Step 2. ...HOW MUCH will my 2026 COLA % and amount be?

		Retired Teacher or State Employee	Retired Municipal Employee – Plans with COLA funded 75% or more (see list)	Retired Municipal Employee – Plans with COLA funded less than 75%	Retired Judge or State Police Employee (“4 year COLA” in 2025)	Retired Central Falls Legacy <<or>> West Warwick Legacy Plan member	Teachers Survivor Benefit (TSB) Payee (spouses 60 or over)
COLA % & AMOUNT	Date of Retirement: On or Before 6/30/2012	3.34% COLA on first \$31,507	3.34% COLA on first \$31,507	3.34% COLA on first \$31,507	No COLA paid in 2026	% as specified in individual plan documents	2.8% on full benefit amount
	Date of Retirement: Between 7/1/2012 and 6/30/2015	0.84% on first \$37,808	3.34% COLA on first \$31,507	0.84% on first \$37,808	Eligible retired Judges and State Police plan members are eligible for a full calculated COLA every 4 years. The next 4 Year COLA is scheduled to be paid in 2029.		
	Date of Retirement: On or After 7/1/2015	0.84% on first \$31,507	3.34% COLA on first \$31,507	0.84% on first \$31,507			

### MERS Employer Plans receiving a full calculated COLA of 3.34% COLA in 2026\*

**\*These plans were 75% or more funded by 6/30/2025 (for eligible members who retired after 6/30/2012)**

Albion Fire District (ADMIN)  
Barrington COLA  
Barrington Fire (25)  
Barrington Police  
Bristol  
Bristol Police  
Bristol/Warren Schools  
Burrillville  
Burrillville Housing  
Burrillville Police

Central Coventry Fire  
Central Falls Housing  
Central Falls Police & Fire New  
Central Falls Schools  
Chariho School District  
Charlestown  
Charlestown Police  
Coventry Lighting District  
Cranston  
Cranston Fire  
Cranston Housing  
Cranston Police  
Cumberland Fire  
Cumberland Housing  
Cumberland Rescue  
East Greenwich  
East Greenwich Fire  
East Greenwich Housing

East Greenwich Police  
East Providence Housing  
East Smithfield Water  
Exeter/West Greenwich  
Foster Police  
Foster/Glocester  
Glocester  
Glocester Police  
Greenville Water  
Harrisville Fire District  
Harrisville Fire District (ADMIN)  
Hope Valley Fire  
Hopkins Hill Fire  
Hopkinton  
Hopkinton Police  
Jamestown  
Johnston  
Limerock Fire District

*If I have met the eligibility criteria in Step 1...*

### Step 3. ...WHEN will I receive my 2026 COLA?

Many eligible members receive their COLA **the month following their 3-year retirement anniversary**. However, for members who reach their COLA eligibility based on their Social Security Normal Retirement Age (SSNRA) — when this date is later than the 3-year anniversary — their COLA month will be **the month following their SSNRA or birth date**.

For members with **retirement dates in December** who reach COLA eligibility on their 3-year retirement anniversary, COLA adjustments are paid **the following January**.

For **teachers with retirement dates of July 1st** who reach COLA eligibility on their 3-year retirement anniversary, COLA adjustments are paid in **July**.

For **TSB spousal benefit recipients**, COLA adjustments are paid in **January**.

### ERSRI PENSION VALUATION

Investment Portfolio  
(as of November 30, 2025)  
**\$12,754,000,000**

Funded Ratio  
(as of June 30, 2025)  
**RI Employees: 63.9%**  
**Teachers: 67.9%**  
**MERS: 90.4%**

For more detailed information, follow this link: <https://treasury.ri.gov/about/turns-vs-benchmarks> or scan the QR code below.



Lincoln Fire District  
Lincoln Housing  
Lincoln Rescue  
Middletown  
Middletown Police & Fire  
N. RI Collaborative Adm. Services  
Narragansett Housing  
New Shoreham  
Newport  
Newport Housing  
North Kingstown  
North Kingstown Fire  
North Kingstown Police  
North Smithfield  
North Smithfield Police  
North Smithfield Voluntary Fire  
Pascoag Fire District (ADMIN) COLA  
Pascoag Fire District COLA

Pawtucket  
Pawtucket Housing  
Portsmouth Fire Department  
Portsmouth Police Department  
Scituate  
Scituate Police Dept COLA  
Smithfield  
Smithfield COLA  
Smithfield Fire  
Smithfield Police  
South Kingstown  
South Kingstown EMT  
South Kingstown Housing  
South Kingstown Police  
Tiogue Fire & Lighting  
Tiverton  
Tiverton Fire  
Tiverton Local 2670A

Town of E. Greenwich-COLA-NCE  
Town of West Warwick  
Warren  
Warren Housing  
Warren Police & Fire  
West Greenwich  
West Greenwich Police/Rescue  
West Warwick Housing  
West Warwick Police Dept  
West Warwick School Dept (NC)  
Woonsocket  
Woonsocket Fire  
Woonsocket Police

50 Service Avenue, 2nd Floor,  
Warwick, RI 02886

**Office of the General Treasurer**  
James A Diosa, General Treasurer  
Chairman, ERSRI Board

**Para descargar una traducción  
al español de este número:**  
[ersri.org/compas-en-espanol](https://ersri.org/compas-en-espanol)

## COMING SOON!

We'll have details in the next newsletter, but in Spring 2026, we will launch an updated member portal on ERSRI.org. To log in, you will need to re-register with a current email address.

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EMPLOYEES' RETIREMENT SYSTEM OF RHODE ISLAND

# COMPASS

JANUARY 2026