



Signature

NEWSLETTER



North Carolina
Total Retirement Plans
401k | 457



Dale R. Folwell, CPA
STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

2ND QUARTER 2022

A Message from Treasurer Dale R. Folwell, CPA



Summer marks a time for rest, relaxation, enjoying family and friends, as well as taking planned vacations. In fact, many people prepare and plan for summer trips months or years in advance. What if you applied the vacation planning mindset to your retirement?

To be successful in retirement, you need to plan and prepare in advance. Like a vacation, define where you want to go, how you want to dedicate your time and start to plan and budget. As a member who teaches, protects, or otherwise serves the citizens of North Carolina, this means actively reviewing your service and contribution history, as well as generating a Custom Benefit Estimate in ORBIT. This calculation is intended to assist you in estimating your monthly service retirement benefit.

A vacation generally lasts one or two weeks, but your retirement can extend 20 years or more. Your pension benefit is one part of your retirement income, but you should also consider Social Security and other savings, like the NC 401(k) and/or NC 457 Plan. Together, these can help you achieve your retirement goals. The NC Supplemental Retirement Plans (Plans) champion savings opportunities and tools, with the value of the Plans reaching beyond the strong oversight by the Board of Trustees and low-cost investment options. In your

account, you will find a Financial Toolbox that will help guide you through steps you can take today to get closer to the life you want in retirement.

When planning for a vacation, travel agents often relieve the pressure, responsibility and time spent organizing details by offering expert knowledge, planning advice and money saving suggestions. As a participant in the Plans, you have access to a dedicated “retirement agent” or Retirement Education Counselor (REC). The role of the REC is to help YOU reach your retirement savings goals. You can schedule a one-on-one virtual appointment no matter where you are in your career or when you plan to retire. And if you keep your money in the Plans through retirement, this benefit continues with a dedicated Retiree Advocate.

I encourage you to plan for your “20+ year vacation” and take advantage of the **full value** of the Plans.

Thank you for your commitment to the citizens of North Carolina.

Sincerely,

Dale R. Folwell, CPA
State Treasurer of North Carolina

In this issue...

- 1 An investment lineup for all seasons
- 2 Nearly 70% of Plan participants use GoalMaker — do you?
- 3 Put yourself on the right path to retirement

Map out your road to retirement — and discover how to deal with change along the way

Planning for retirement does not happen overnight. Along the way, many things will change — in your life, in the markets, and in the economy. Learn about the resources available to help you prepare for the many changes you will encounter, as you plan a more financially secure tomorrow.

Speaking of change, effective April 1, 2022, Empower officially acquired the full-service retirement business of Prudential.



An investment lineup for all seasons

The ancient Greek philosopher, Heraclitus, famously said, “Change is the only constant.”

It is true in life, and it is also true when it comes to retirement planning. Nothing ever stays the same: Markets go up — and down. The economy may be strong one year and, in a recession, the next. Investments that perform well one year may underperform in another. And inflation can be moderate one year and quite high in another.

How the NC Plans’ investment lineup benefits you

As a participant in the NC 401(k) Plan and/or the NC 457 Plan, there is good news — because these Plans have an investment lineup for “all seasons.” *Past performance of investments or asset classes does not guarantee future results.*

The Plans’ investment options can help you navigate market and economic conditions:

- Investing in stock funds can help you outpace inflation over time — they are geared toward long-term growth.
- Inflation-protection funds can help you in an inflationary environment.
- Stable value and fixed-income funds can help you counteract a volatile stock market.

Thorough investment oversight

The Department of State Treasurer and the Supplemental Retirement Board of Trustees have a *participant-first mindset*, working to provide a strong-performing and competitively priced investment lineup,¹ while striving to keep the Plans’ costs low.



Nearly 70% of Plan participants use GoalMaker² — do you?

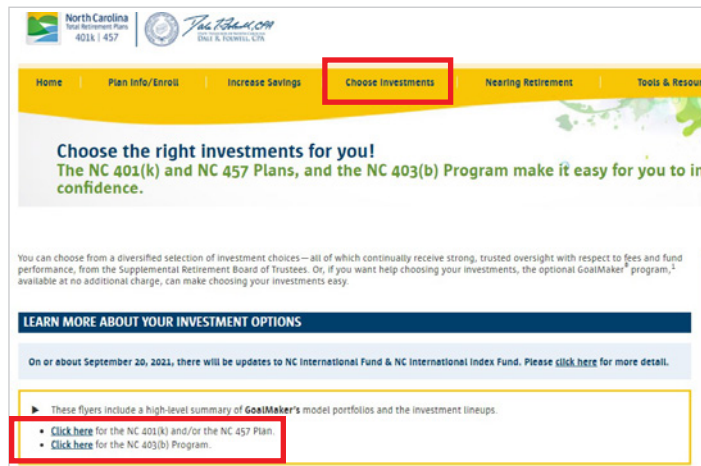
Asset allocation can help you manage risk in all market environments. It involves spreading your money across different types of asset classes — stock, fixed-income and stable value investments.

GoalMaker[®] is the Plans’ optional, no-additional cost asset allocation tool. It combines your investor style (which indicates your risk tolerance with investing) with model portfolios, to assist in your selection of investments.

GoalMaker can help you leverage asset allocation — and keep your assets on track — whether you are a new employee, a soon-to-be retiree, or already enjoying your retirement years.

No matter the season, the NC 401(k) and NC 457 Plans provide a great deal of opportunity to help you manage risk in your account(s), regardless of the market environment.

To learn more about GoalMaker — and all of the investment options available to you — be sure to visit [NCPlans.prudential.com](https://ncplans.prudential.com) and select the “Choose Investments” page.



GoalMaker portfolios

Aggressive

	YEARS UNTIL RETIREMENT						YEARS AFTER RETIREMENT		
	26+	21-25	16-20	11-15	6-10	0-5	0-5	6-10	11+
NC Stable Value Fund	0%	0%	0%	0%	1%	3%	8%	14%	17%
NC Inflation Responsive Fund	10	10	9	9	7	6	4	3	3
NC TIPS Fund	0	0	0	0	1	3	8	14	17
NC Fixed Income Fund	2	2	7	13	21	27	26	19	19
NC Large Cap Index Fund	34	34	32	30	28	27	25	24	21
NC Small/Mid Cap Core Fund	14	14	14	12	10	10	8	6	6
NC International Fund	40	40	38	36	32	24	21	20	17
Total percent	100	100	100	100	100	100	100	100	100

Moderate

	YEARS UNTIL RETIREMENT						YEARS AFTER RETIREMENT		
	26+	21-25	16-20	11-15	6-10	0-5	0-5	6-10	11+
NC Stable Value Fund	0%	0%	0%	3%	6%	10%	14%	19%	22%
NC Inflation Responsive Fund	9	9	8	7	6	5	4	4	3
NC TIPS Fund	0	0	0	0	2	5	9	16	22
NC Fixed Income Fund	6	13	21	28	33	36	34	27	23
NC Large Cap Index Fund	33	30	27	24	21	19	18	16	14
NC Small/Mid Cap Core Fund	14	12	12	10	8	6	6	4	4
NC International Fund	38	36	32	28	24	19	15	14	12
Total percent	100	100	100	100	100	100	100	100	100

Conservative

	YEARS UNTIL RETIREMENT						YEARS AFTER RETIREMENT		
	26+	21-25	16-20	11-15	6-10	0-5	0-5	6-10	11+
NC Stable Value Fund	0%	0%	4%	8%	12%	17%	22%	25%	26%
NC Inflation Responsive Fund	8	7	6	5	4	3	3	2	2
NC TIPS Fund	0	0	0	3	6	10	15	19	24
NC Fixed Income Fund	21	31	37	41	42	41	36	33	29
NC Large Cap Index Fund	27	24	20	17	14	13	11	10	9
NC Small/Mid Cap Core Fund	12	10	8	8	6	4	4	2	2
NC International Fund	32	28	25	18	16	12	9	9	8
Total percent	100	100	100	100	100	100	100	100	100

These model portfolios are provided as samples and not as investment recommendations. The model portfolios are based on generally accepted investment practices and take into account the principles of modern portfolio theory, in which allocations are adjusted in an effort to achieve maximum returns for a given level of risk. You should consider other assets, income, and investments (e.g. equity in a home, Social Security benefits, individual retirement plan investments, etc.) in addition to your interest in the plan, to the extent those items are not taken into account in the model before applying these models to your individual situation. Please note that in addition to the specific investments used in the GoalMaker model portfolios, other designated investment alternatives have similar risks and return characteristics. Information regarding those designated investment alternatives can be found in your plan enrollment materials or by logging into your retirement account. The GoalMaker portfolios are subject to change including, for example, the replacement of investment options and allocations within the portfolios. You will be notified in writing in advance of such changes. **Past performance of investments or asset classes does not guarantee future results.**



Put yourself on the right path to retirement

When it comes to retirement planning, there are five key steps you can take to put yourself on the right path — and help keep yourself there:

1 Check your Member Annual Retirement Statement (MARS) in ORBIT:³

It focuses on what your potential retirement income may be from the NC Retirement Systems.

2 Save early and save often:

Use the Retirement Income Calculator to see if you are on track to become “retirement ready,” or if you need to save more. Regular increases in your contributions, even in small amounts, can make a big difference over time. To access the calculator, log in at [NCPlans.prudential.com](https://ncplans.prudential.com).

3 Pay yourself when you get a raise:

Increasing your retirement plan contribution when you get a raise is a great way to pay yourself first when your paycheck goes up.

4 Regularly check your beneficiary designations:

Life changes... and from time to time, your beneficiary designations may need to change as well. Marriage, divorce and the birth of children and grandchildren can all trigger a change in who you choose as your beneficiary. **Remember**, your beneficiary designation for the Supplemental Retirement Plans is different from your beneficiary designation for your pension benefits.

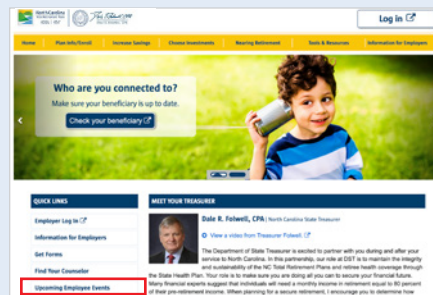
5 Take inflation into account:

Inflation is the rise in cost of goods and services. Planning for inflation means you may have to save more today because the price of everyday items may continue to go up — which means you could need more retirement income than you think in the future.

National Retirement Security Month and our webinars can help you plan for a better retirement future

October is National Retirement Security Month (NRSM). This nationwide event is designed to promote the benefits of saving for retirement. You may wish to mark your calendar now to make sure you make the most of October — for your financial future.

In addition, be sure to join us for popular upcoming webinars, such as the Roadmap to Retirement, NC 401(k) & NC 457 Plans’ Tools and Resources, and the NC 401(k) & NC 457 Plans en Español.



To access the current list of webinars, visit [NCPlans.prudential.com](https://ncplans.prudential.com) and select “Upcoming Employee Events” on the left side of the home page.

Date	Title	Time	Location	Action
08/26/2021	Webinars Introduction	12:00 - 12:30 p.m.	Virtual	
08/26/2021	NC 401(k) & NC 457 Plans' Tools & Resources	12:30 p.m. - 12:30 p.m.	Virtual	
08/26/2021	Retirement Planning Conference for Law Enforcement Officers and Firefighters	10:00 a.m. - 10:00 a.m.	Virtual	
08/26/2021	NC 401(k) & NC 457 Plans en Español	3:30 - 4:30 p.m.	Virtual	
08/26/2021	NC 401(k) & NC 457 Plans Benefits & Resources	8:00 - 7:00 p.m.	Virtual	
08/26/2021	Retirement Planning Conference	10:00 a.m. - 1:00 p.m.	Virtual	

¹ Source: BenchmarkDC Executive Summary for North Carolina Supplemental Retirement Plans (for the 5 years ending December 31, 2020), CEM Benchmarking, Inc., located at myNCRetirement.com > Governance > Boards of Trustees and Committees > Boards and Committees Meeting Archives > Supplemental Retirement Board of Trustees Meeting—08/26/2021.

² As of December 31, 2021.

³ The MARS is released once a year for those members with at least one year of contributing service as of December 31.

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