

# myNC Retirement Statement: Your Annual Retirement Reality Check

## Four Checkpoints and a Personal Gap Analysis provide a retirement readiness snapshot

The North Carolina Department of State Treasurer provides you with the myNC Retirement Statement to give you a snapshot of your projected monthly retirement benefits. The statement, which is made up of four key "Checkpoints" and a "Personal Gap Analysis," can help you determine if you need to take action *today* to plan for a more secure retirement tomorrow.

### Checkpoint 1:

Reflects a year-end summary of your creditable service toward retirement benefits in the North Carolina Retirement System pension plans and NC 401(k)/NC 457/NC 403(b) account(s).



### Your Current Retirement Savings and Service

	TSERS	LRS	401k/457/403b
<b>Contributions*</b>			
Balance on 12/31/18	\$31,200	\$31,200	\$112,894
2019 Contributions	\$7,480	\$7,480	\$9,354
Interest Earned/Gains or Losses in 2019	+ \$1,248	+ \$1,248	+ \$4,324
Adjustments	\$0	\$0	\$97
Total on 12/31/2019	\$39,928	\$39,928	\$126,669
<b>Years of Service Toward Retirement</b>			
Years of Service on 12/31/18	0.5000	0.5000	
Years of Service Purchased/Adjusted in 2019	1.0000	0.0000	
Years of Membership Service Earned in 2019	+ 0.0000	+ 1.0000	
Years of Total Service Toward Retirement as of 12/31/2019	1.5000	1.5000	

### Beneficiary Designation

See your beneficiary designation(s) in Checkpoint 4.

\*Your monthly benefit, if any, is determined by a formula established under North Carolina law and not by your retirement contribution balance. If you receive a refund of your retirement contributions, you waive any rights to your employer's contributions or any other benefits based on your associated service, including possible coverage through the State Health Plan.

### Checkpoint 2:

Reviews your projected total monthly income at retirement age from the North Carolina Retirement System pension plans, Social Security and, if applicable, the NC 401(k) Plan, NC 457 Plan and NC 403(b) Program, plus any assets included within the Retirement Income Calculator's Total Balance of Outside Savings, and Total Balance of Outside Pensions and Other Monthly Income.

### Review the Sources of Your Retirement Income

The information below was used to estimate your potential, projected monthly income. If you have service in more than one system, the estimate and projected retirement age may not be accurate.

Plan name	Projected Monthly Income
Teachers' and State Employees' Retirement System	\$3,940
Legislative Retirement System	\$1,865
North Carolina 401(k)	\$1,560
North Carolina 457	\$1,560
North Carolina 403(b)	\$1,560
Outside Assets*	\$1,700
Outside Pensions**	\$0
Social Security <sup>1</sup>	\$1,700
<b>Total</b>	<b>\$13,885</b>

\*Your outside assets are populated according to the Total Balance of Outside Savings you entered into Prudential's Retirement Income Calculator housed in your NC 401(k), NC 457 or NC 403(b) account.

\*\*Your outside pensions are populated according to the Total Outside Pensions and Other Monthly Income you entered into Prudential's Retirement Income Calculator housed in your NC 401(k), NC 457 or NC 403(b) account.

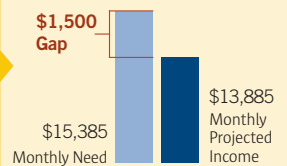
<sup>1</sup>This estimated Social Security income is calculated based on your current earnings and income projections. This estimate is not the result of coordination with the Social Security Administration and does not reflect your actual past earnings. You can access your Social Security Statement by visiting [www.ssa.gov/myaccount](http://www.ssa.gov/myaccount).

### Your Personal Gap Analysis

This valuable feature lets you know if you have a gap between what you may need in retirement and what your projected income could be.

The chart below illustrates the difference between the income you might have and the income you might need in retirement. To estimate your monthly income in retirement, we used your income sources within Checkpoint 2.

When we compare your projected monthly income to your projected monthly need, it seems that you may have a gap that needs to be closed in order to reach your retirement income goal.



Assumptions: To determine your income need in retirement, we multiplied your monthly pay when you become eligible to retire\* by 0.80, because many experts suggest that individuals will need a monthly income in retirement equal to 80% of their pre-retirement pay.

\*It is estimated that your pay at retirement will equal your current pay.

### Checkpoint 3:

Offers illustrations of how saving more in your NC 401(k) Plan, NC 457 Plan and/or NC 403(b) Program account could potentially grow over 20 years, with surprisingly little impact on your current take-home pay.

#### Save More For Your Future

The chart below shows how saving more in a supplemental retirement savings plan\* like the NC 401(k), NC 457 or NC 403(b) could impact your savings over time. The chart also estimates how your actual take-home pay might be affected — it's less than you might think!

#### Take home a little less, save a lot more...

If contribution amount =	Your monthly contribution =	Your take-home pay is reduced each month by: <sup>1</sup>	Your potential additional savings from these contributions over time: <sup>1</sup>
2%	\$72	\$54	\$26,011
4%	\$143	\$107	\$51,661
6%	\$215	\$161	\$77,672

\*Amounts withdrawn from a 401(k) or a 403(b) tax-deferred retirement plan before age 59½ may be subject to a 10% federal income tax penalty, applicable taxes, and plan restrictions. Withdrawals are generally taxed at ordinary income tax rates. Amounts withdrawn from the NC 457 Plan are not subject to a 10% federal income tax penalty. Seek advice from a tax professional regarding withdrawals.

<sup>1</sup>The chart above assumes before-tax contributions, and is based on your current pay and an assumed tax bracket of 25%. It does not take state or local taxes into account. Assumes a 5% annual return over 20 years. Data shown for illustrative purposes only. **You can lose money by investing in securities.**

### An online format means faster, greener delivery

The myNCRetirement Statement is available exclusively online through the State Treasurer's website. Instructions on how to access your online statement are below.

1. Log in to Orbit at [Orbit.myNCRetirement.com](https://Orbit.myNCRetirement.com).
2. Select "View myNCRetirement Statement" from the left-hand menu.
3. Select the year you want to view.

This material is intended for informational purposes only. The examples shown in this document are for illustrative purposes only and do not represent actual values or investment performance.

### Checkpoint 4:

Displays your beneficiary(ies) election(s) on file for your NC pension plan(s) as well as your NC 401(k), NC 457 and/or NC 403(b) account(s).

NC 401(k), NC 457 and NC 403(b) participants may update beneficiaries online. Simply log in to your account at [NCPlans.prudential.com](https://NCPlans.prudential.com).

All active members of the NC pension plan(s) may update beneficiaries online in ORBIT. View all rules for designating beneficiaries at [MyNCRetirement.com/beneficiaries](https://MyNCRetirement.com/beneficiaries). **Beneficiary designations may NOT be changed over the phone.**

#### Review and Update Your Beneficiary

If something happens to you, the payout of your NC Total Retirement Plan accounts — which includes the NC pension plans and all supplemental plans in which you participate — is governed by the beneficiary designation on file for each plan. Payouts are not made based on the relationship of the beneficiary to the deceased member at the time of death. Find information and access forms at [MyNCRetirement.com/beneficiaries](https://MyNCRetirement.com/beneficiaries) or call 1-877-NCSECURE.

Plan name	Beneficiary for return of contributions	Beneficiary for death benefit
Teachers' and State Employees' Retirement System	John Smith	Jane Smith
Legislative Retirement System	John Smith	Jane Smith

Plan name	Primary beneficiary*	Secondary beneficiary*
North Carolina 401(k)	John Smith	Jane Smith
North Carolina 457	John Smith	Jane Smith
North Carolina 403(b)	John Smith	Jane Smith

The beneficiary designations listed above are fictitious.

\*Beneficiary information as of December 31. This statement does not change the current beneficiary(ies) on file for each plan.

For more information about the myNCRetirement Statement, or if you have any questions, call your Retirement Education Counselor or 866-NCPlans (866-627-5267).

<sup>1</sup>The projections contained in this myNCRetirement Statement are for informational purposes only and should not be considered a representation, contract or guarantee of any benefit. The availability and amount of all benefits you might be eligible to receive are governed by North Carolina law. Decisions regarding the NC 401(k) Plan, NC 457 Plan and/or the NC 403(b) Program are your responsibility. The State, the Department of the State Treasurer, and Prudential Retirement are not responsible for your retirement decisions, investment elections and returns. You are encouraged to speak with your financial, legal and tax advisors to determine the retirement strategy that will help you reach your retirement income goals. The Retirement Income Calculator's Total Balance of Outside Savings and Total Outside Pensions and Other Monthly Income must have been added by January 11, 2019 in order to be included within the myNCRetirement Statement's Outside Assets and Outside Pensions within Checkpoint 2.

Retirement products and services are provided by Prudential Retirement Insurance and Annuity Company (PRIAC), Hartford, CT or its affiliates. PRIAC is a Prudential Financial company.

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Prudential Retirement provides the communications and recordkeeping services for the NC 401(k) and NC 457 Plans and the NC 403(b) Program. With the exception of the NC Stable Value Fund and the NC Fixed Income Fund, the investments offered to you within the NC 401(k) and NC 457 Plans are not offered by or affiliated with Prudential Financial or any of its companies or businesses. Prudential Retirement is a Prudential Financial business.

Investors should carefully consider a fund's investment objectives, risks, charges and expenses before investing. For more complete information about the investment options available through your plan, please call 866-NCPlans (866-627-5267) for a fact sheet that contains this and other information about our funds. Read the fact sheet carefully before investing.

This information has been provided for your benefit and is not intended or designed to be tax, legal or financial advice. The State, the Department of State Treasurer and Prudential Retirement (or any of its representatives) may not give legal or tax advice.

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