



# NC Total Retirement Planning Conference

How to make the most of your benefits

February 2021



**North Carolina**  
Total Retirement Plans



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

# Welcome

## Meet Your Retirement Readiness Team



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STATE TREASURER OF NORTH CAROLINA

# Today we will cover....

- **When can I retire?**
- **What will I receive?**
- **Retirement Payment Options**
- **The Retirement Application Process**



## New Employee

- Enroll in Supplemental Retirement Plan:  
NC 401(k)  
NC 457  
NC 403(b)
- Select beneficiaries
- Check for rollovers

## Mid-Career

- Review your *myNCRetirement* Statement (MRS)
- Review beneficiaries
- Increase contributions

## Nearing Retirement

- Review your MRS
- Review beneficiaries
- Calculate benefits
- Review payment options
- Create a “My Social Security” account
- Consider age 50 catch-up
- Set retirement date
- Look for one-time contributions



# Retirement Benefits Overview

## Defined Benefit

*NC Pension Plan  
(TSERS, LGERS)*

- Your retirement benefit – a guaranteed monthly lifetime benefit
- Based on the defined benefit formula and the option you select

## Defined Contribution

*NC 401(k)  
NC 457  
NC 403(b)*

Voluntary participation  
Your benefits under these plans are based on your contributions and investment results



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# How is Your Pension Funded?



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# Retirement Eligibility

## Unreduced Benefit (*Full Retirement*)

Age 65 with 5 years of membership service\*

Age 60 and 25 years of creditable service

30 years at any age

## Reduced Benefit (*Early Retirement*)

60 with 5 years of membership service\*

50 with 20 years of creditable service



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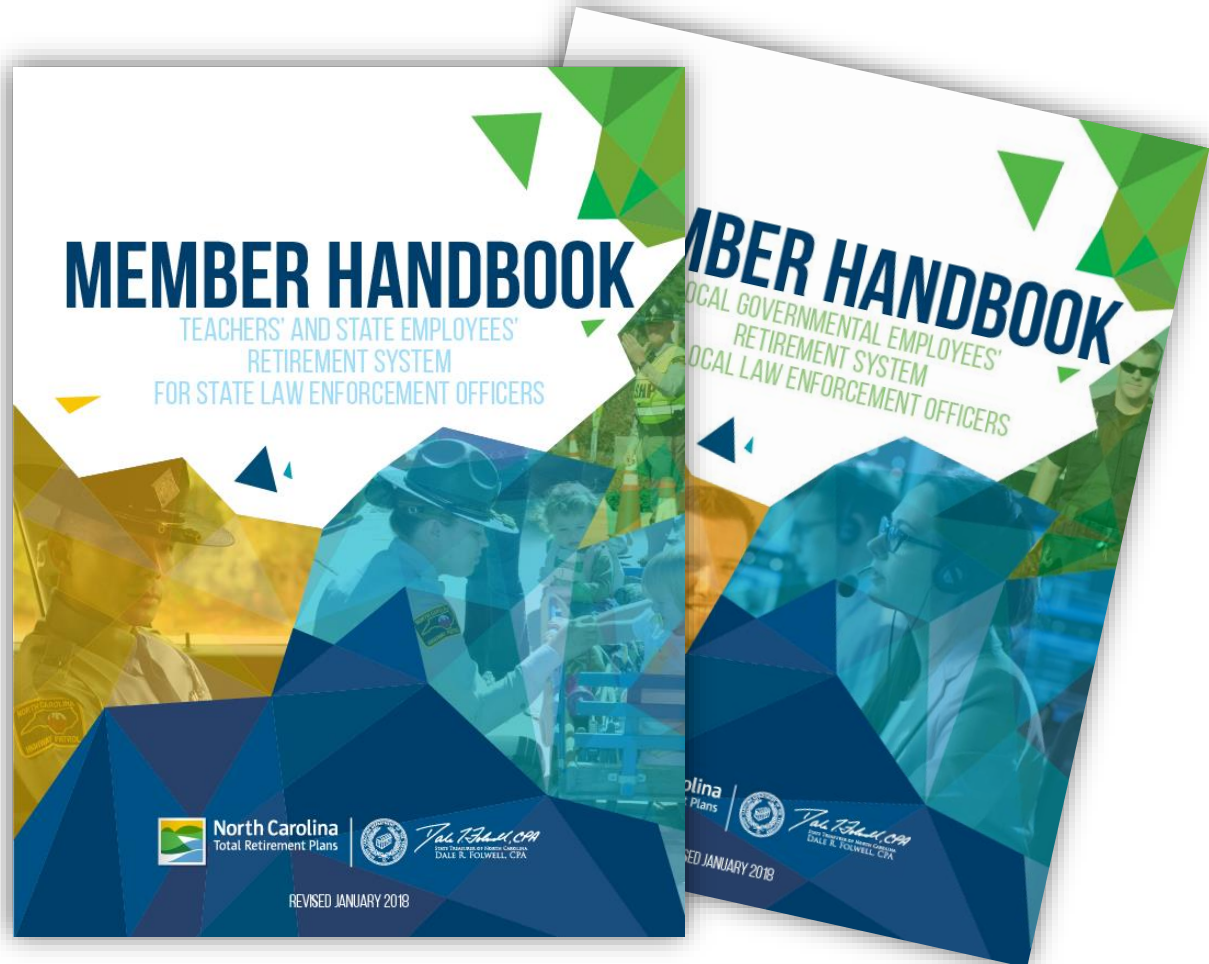
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\* Creditable service for LGERS



# Retirement Eligibility for LEOs

Retirement eligibility for Law Enforcement Officers is handled differently. See your handbook for more information.



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# Retirement Options

## MAXIMUM ALLOWANCE

Largest lifetime benefit you're eligible to receive, but it stops at your death.



## OPTION 2

You receive a smaller benefit until you die. Then, your beneficiary receives the same amount for life.



You



Beneficiary

## OPTION 3

You receive a smaller benefit until you die. Then, your beneficiary receives half that amount for life.



You



Beneficiary

## OPTION 4

You receive a larger benefit until you reach age 62, then your payment drops.



## OPTION 6-2

Same as Option 2, but if your beneficiary dies first, your benefit increases to the Maximum Allowance.



You



Beneficiary



## OPTION 6-3

Same as Option 3, but if your beneficiary dies first, your benefit increases to the Maximum Allowance.



You



Beneficiary



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# Retirement Ready?

## Are you retirement ready?

According to industry experts, being “retirement ready” means that you’re on track to replace at least 80 percent of your pre-retirement income through retirement.



VS.



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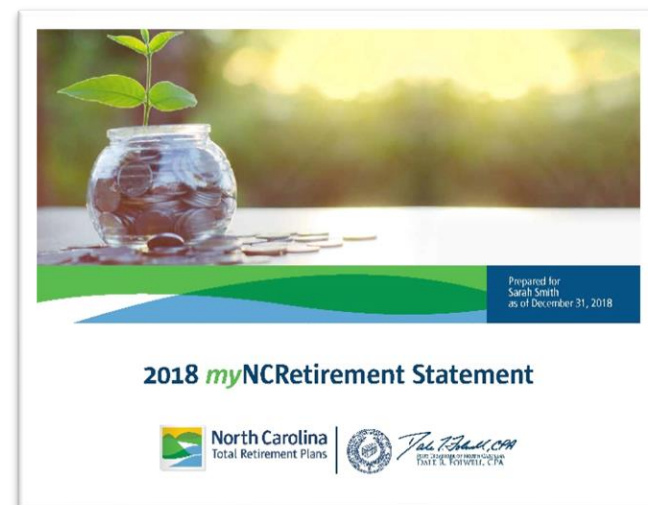


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# myNCRetirement Statement

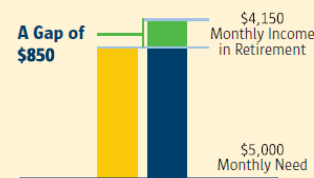
Understanding whether you're *actually* ready for retirement is hard. So we made it easier.

Log in to ORBIT and download your customized *myNCRetirement* Statement to see if you have a GAP or a SURPLUS.



Plan name	Projected Monthly Income
Teachers' and State Employees' Retirement System	\$1,425
North Carolina 401(k) Plan	\$ 375
Social Security*	\$1,700
Total	\$3,500

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.

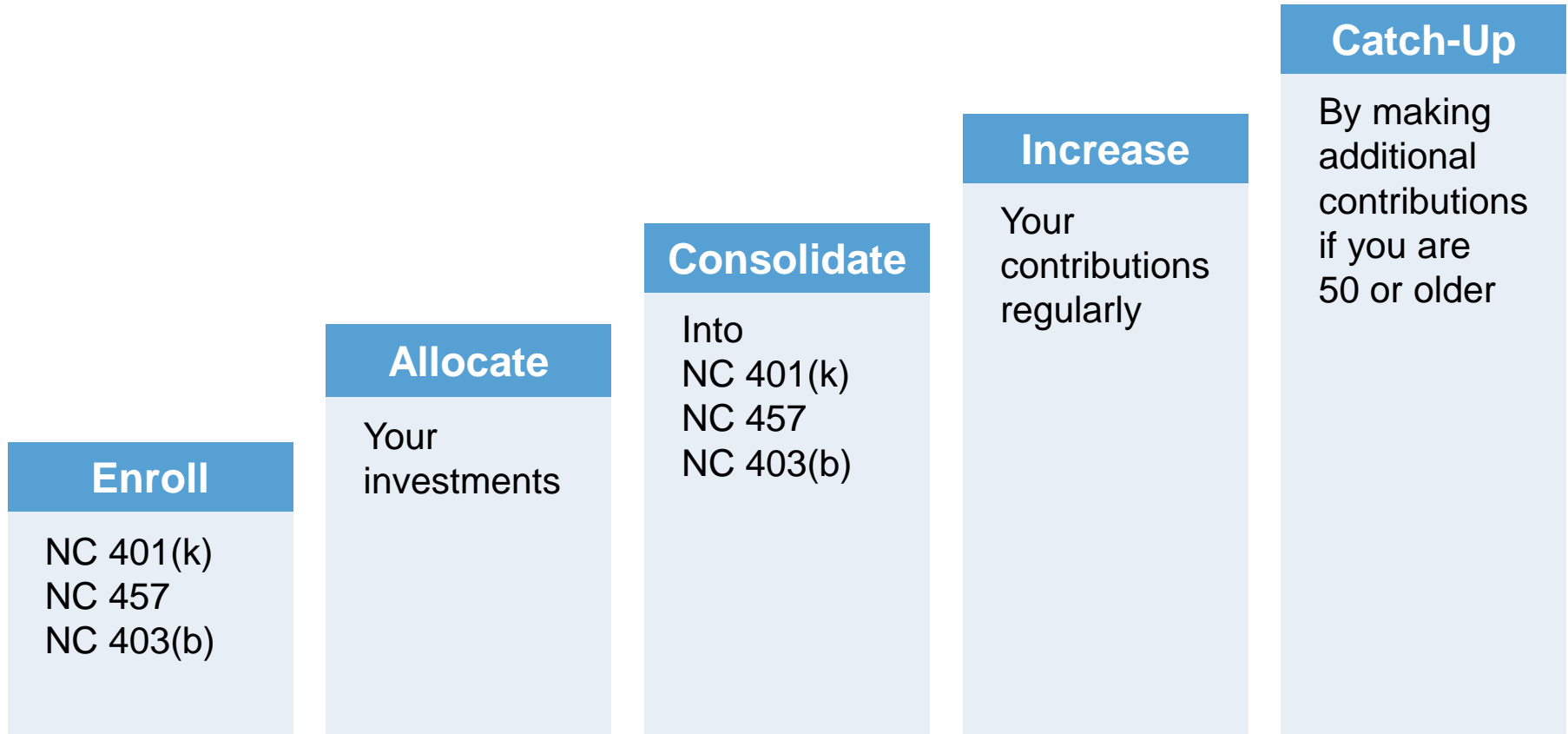


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# What if I have a GAP?



Rollover assets may be assessed fees or other surrender charges. Please contact current account provider for this information.



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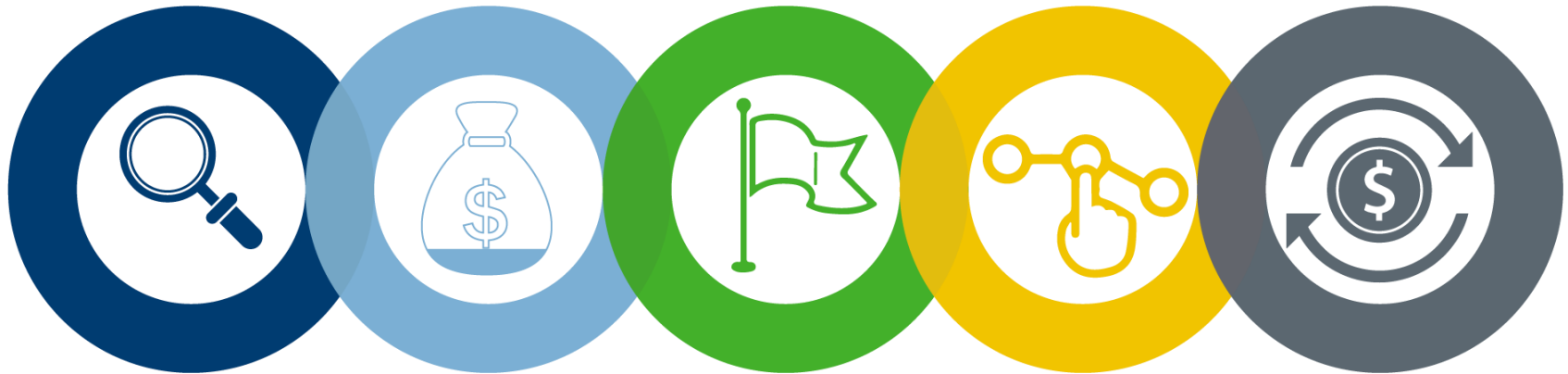
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# Supplement Retirement Plan Features: NC 457 and NC 401(k) Plans and NC 403(b) Program

Strong oversight  
of funds and  
fund managers

Portfolios available  
for members at every  
career/life stage,  
even into retirement

Unique opportunities  
to transfer into  
pension account



Competitive  
fees

Ease of investment  
selection



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# GoalMaker

Not interested in choosing your own investments? GoalMaker has you covered.

Model portfolios are available to help you save *before* and *after* retirement

GoalMaker rebalances your portfolio each quarter

As you get closer to retirement, your portfolio is adjusted automatically

Choose your expected retirement age and risk tolerance



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# Death Benefits in the NC Pension Plans

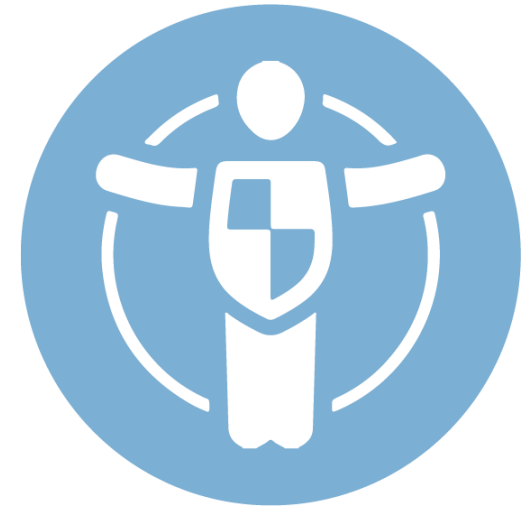
# Active Member Death Benefits



Survivor's  
Alternate Benefit



Return of  
Contributions



Death Benefit



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# Retiree Death Benefits



# 1

## Survivor Benefit

Lifetime benefit begins for beneficiary if member chose Option 2, 3, 6-2 or 6-3



# 2

## Active Death Benefit

This employee benefit continues for retirees for 180 days after retirement



# 3

## Guaranteed Refund

Complete refund of all remaining unused member contributions



# 4

## Contributory Death Benefit

- Optional benefit
- Monthly contributions
- Payable up to \$10,000



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# Initiating Retirement



# ORBIT

## IT'S HERE!

Read more about the NEW online retirement application in ORBIT



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# Online Retirement Application Process

## STEP 1



Get an  
Estimate  
of Your  
Retirement  
Benefits



Start Your  
Online  
Retirement  
Application



Retirement  
Analyst/  
Employer  
Verify Your  
Data

## STEP 2



Make Your  
Retirement  
Benefit  
Selections

## STEP 3



Submit All  
Required  
Documents



Retirement  
Analyst  
Processes  
Your  
Application



You Are  
Notified that  
Your  
Retirement  
is Approved!



Make Your  
Health  
Benefit  
Decisions



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# Track Your Progress

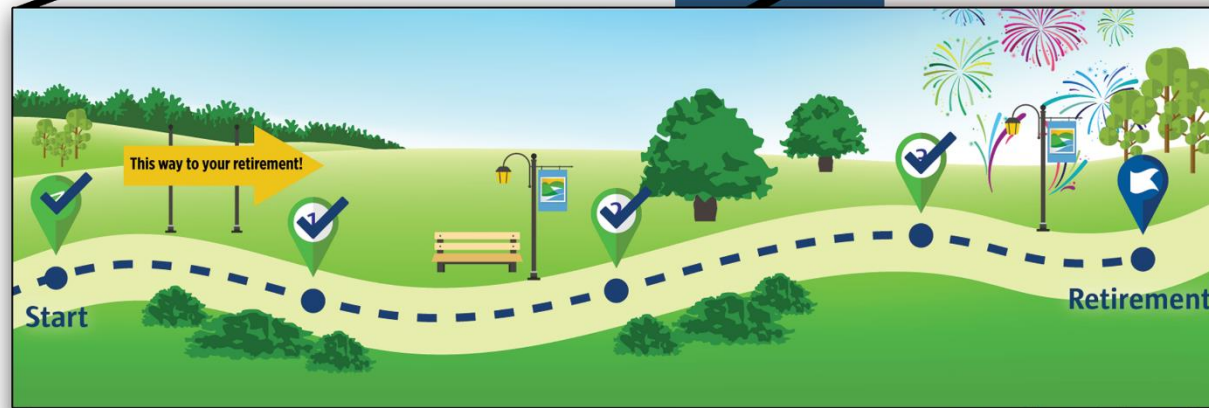
Profile: Active Employee  
Change Retirement Profile

- My Personal Information
- My Account Summary
- My Account History
- Apply for Retirement Online

Contact Us Forms Help & Resources Log Out

Apply for Retirement Online

Step 1 Step 2 Step 3 Finish



**Congratulations! Your retirement is now complete!**



Years of service to the citizens and visitors of the State of North Carolina! We hope you enjoy your retirement. You will receive a paper check mailed to the address on file. After the first check, all other benefit payments will be direct deposited.

Your ORBIT account updated with your current information. Your ORBIT account is linked to your work email address. You can now update your personal email address now, so you

can get the periodic emails we send to retirees about legislative changes and other updates that may impact your retirement benefits.



**REMEMBER:** If you're planning to return to work in the future, make sure you understand the Return to Work laws for your retirement system, so you don't jeopardize the retirement benefits you just selected. [Learn more](#)



If you are a member of one of the North Carolina Total Retirement Plans: NC 401(k), 457 and 403(b), [click here](#) to learn about what you can do with your supplemental retirement account when you retire.



Please note: If you are eligible, the State Health Plan will automatically enroll you into a health plan, even if you did not have coverage as an active employee. You will receive a letter from the State Health Plan outlining your health plan options and any necessary actions. For more information, please read the [Planning for Retirement page](#) on the State Health Plan website.




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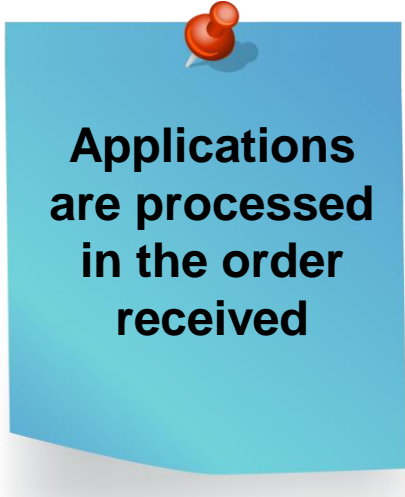
# Retirement Processing Reminders



**Retirements  
are always  
effective on  
the first day  
of the month**



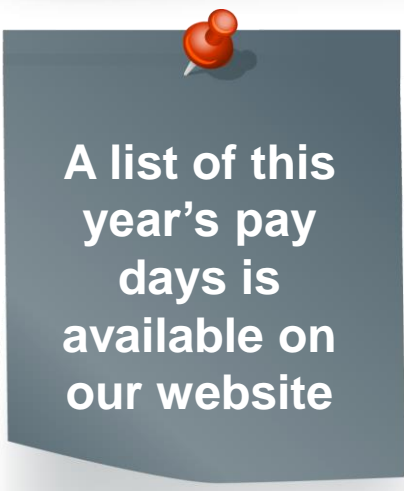
**Applications  
should be  
submitted as soon  
as possible  
(but not more than  
120 days from  
retirement)**




**Applications  
are processed  
in the order  
received**



**First retirement  
payment is  
mailed to your  
home address;  
all others will be  
direct deposited**



**A list of this  
year's pay  
days is  
available on  
our website**



**Payments are  
usually made on  
the 25<sup>th</sup> of each  
month unless  
it's on a holiday  
or weekend**



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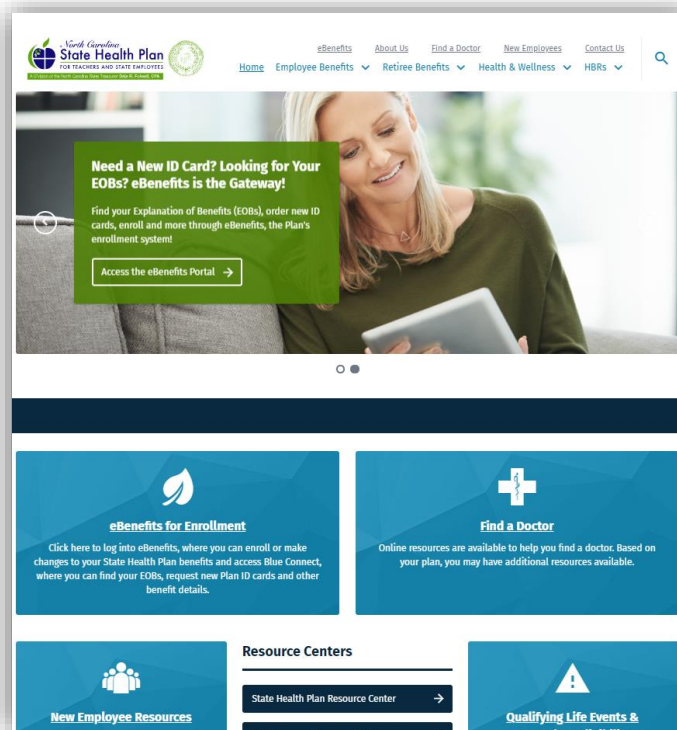


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## Health Coverage and Optional Insurance

# Retiree Health Coverage

To learn more about the options available to you, call the State Health Plan at 855-859-0966 or visit the plan's website at [www.shpnc.org](http://www.shpnc.org).



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Call us at:  
855.627.3847

NORTH CAROLINA RETIREMENT SYSTEMS  
**SUPPLEMENTAL BENEFITS**

[ncretiree.com](http://ncretiree.com)



**Dental**



**Vision**



**Identity Theft**

## Optional Dental and Vision Insurance and Identity Theft Protection

- Enrollment is optional
- Retirees pay full cost
- Premiums will be deducted from monthly retirement benefit



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# Coverage Continuation Options at Retirement

When NCFlex coverage is lost due to retirement, termination of employment or other losses of eligibility, employees and covered dependents may continue certain benefits.

**View Options:** <https://files.nc.gov/ncoshr/NCFlex-Continuation-Options-at-Retirement.pdf>



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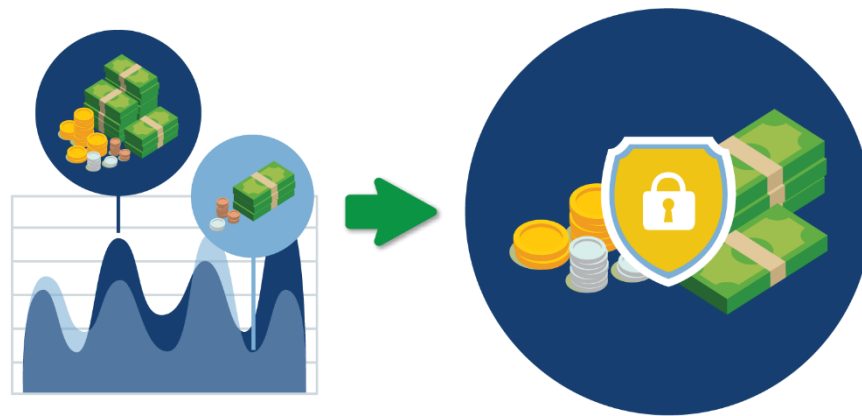
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## Optional Transfer Benefit for NC 401(k) and NC 457 Plans

# Transfer Benefit (NC Lifetime Income)



Transfer all or a portion of your NC 401(k)/NC 457 funds to your pension account.  
Learn more about transfer benefits from these helpful resources.

**State Employees' Credit Union**  
[www.nclifetimeincome.org](http://www.nclifetimeincome.org)

**North Carolina Retirement Systems**  
[www.myncretirement.com](http://www.myncretirement.com)

**Prudential Retirement**  
[www.ncplans.prudential.com](http://www.ncplans.prudential.com)



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	Money Remains Tax-deferred	Avoid Taxes and Penalties	Simplify Retirement Planning	Potentially Lower Investment management fees	Easier to Manage and Maintain Asset Allocation	Transfer Benefit
Consolidated Account	✓	✓	✓	✓	✓	✓
Multiple Accounts	✓	✓				

\* Rollover assets may be assessed fees or other surrender charges. Please contact current account provider for this information.



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\*Payments are subject to a mandatory 20 percent federal income tax withholding, and for withdrawals from the NC 401(k), 403(b) Plan, may be subject to a 10 percent tax penalty if taken prior to age 59½. Note: if you plan to retire and return to employment with another NC plan sponsor, your options will differ.



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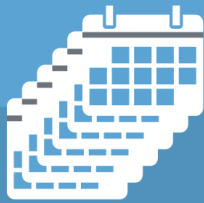


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## Returning to Work After Retirement

# Important Rules for Returning to Work

## TSERS



Wait six months  
before working  
for TSERS  
employer

## LGERS



Wait one month  
before working  
for LGERS  
employer



You can volunteer in a bonafide position  
with no loss of benefits.



You can work for an employer that doesn't  
participate in the system from which you retired.



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# Online Member Portal: Manage Your Retirement Account

**[ORBIT.myNCRetirement.com](http://ORBIT.myNCRetirement.com)**

## **Active employees**

- Retirement estimates (bring estimates to appointments)
- Service purchase cost estimates
- NC 401(k)/457 Transfer Benefit estimates
- *myNCRetirement* Statements
- Online retirement application

## **Retirees**

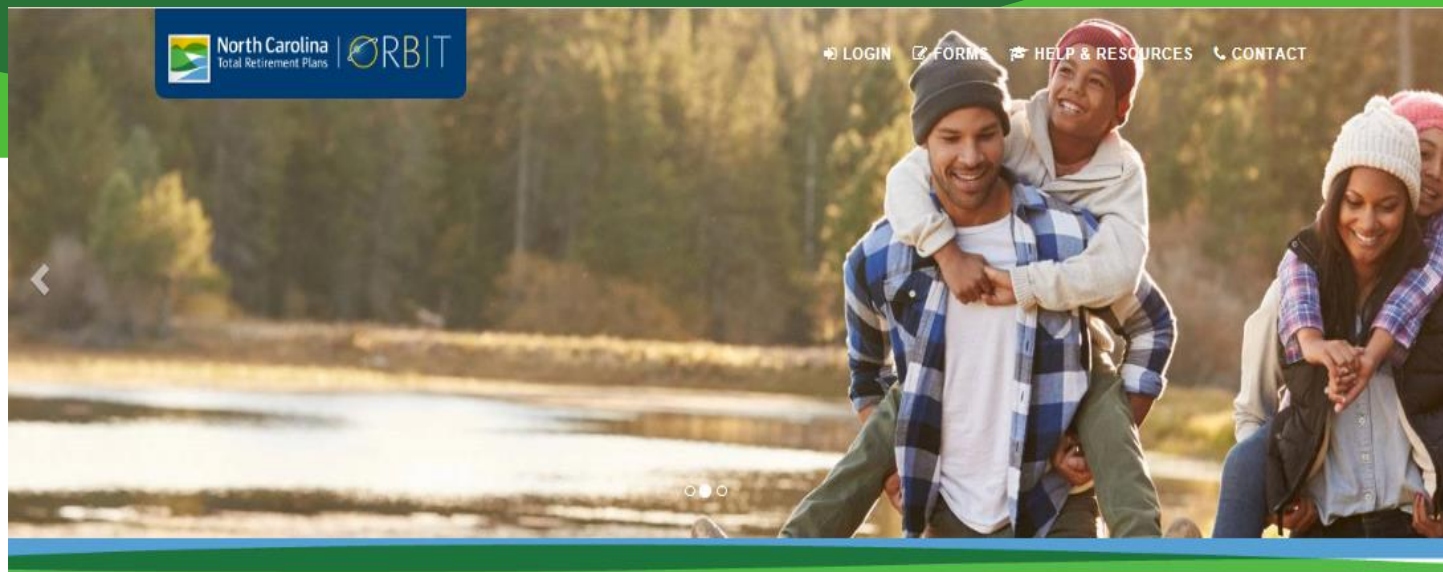
- View account information
- Chose tax withholding preferences
- View 1099-R
- Generate income verification letters



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### Login to ORBIT

Login to manage your retirement account and gain access to the full features of the ORBIT, including pre-filled forms, retirement calculations and more.

 Passwords are case-sensitive.

 [Forgot your Password](#)

 [Forgot your User Name](#)

Are you a first-time user?  
If so, you will need to register to create your account.

User Name

Password

[Log in](#)

[Register](#)

### Estimators

If you would like to calculate benefits without pre-filled personal information, use the options below. To calculate benefits with your information pre-filled, please login.

[Retirement Benefit](#)

[NC 401\(k\)/457 Transfer Benefit](#)

[Service Purchase](#)

### Forms and Applications

Need to download forms without any pre-filled information? ORBIT provides convenient access to forms for printing without logging in.

**NOTE:** To access forms with your information pre-filled, please login.

[Forms and Applications](#)

**Need Help Understanding The Many Aspects Of Your Retirement?  
Educate Yourself With Our Online Resources!**



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Profile : Active

Select Account ▾



Contact



Home/Active Member



Maintain Personal  
Information



Apply for Retirement  
Online



View Account History



View myNCRetirement  
Statement



View Benefit Estimate



Create Custom Benefit  
Estimate



Maintain Beneficiaries



NC 401(k)/NC 457  
Transfer Benefit  
Estimate



Request Account  
Balance Statement



Create Service  
Purchase Estimate



Track Recent Request



Request Appointment



Forms

Help & Resources

Log Off



Home

## Home/Active Member

### A Message from the Treasurer



Welcome to the redesigned ORBIT for members! ORBIT is an online tool that provides you with full, secure access to your personal retirement account information 24 hours a day. Our staff has worked diligently to make ORBIT more responsive for those on mobile devices such as cell phones and tablets. In addition, we have enhanced ORBIT's security features to help protect your personal information.

Lastly, we incorporated our N.C. Total Retirement Plans' branding to maintain a consistent look and feel with our Retirement Systems website. We hope you like the new look and our comprehensive approach to retirement planning for our members.

The Department of State Treasurer is committed to providing you with information that will help you make informed decisions about your future. I encourage you to familiarize yourself with your account information, understand your savings options, and utilize the education and planning resources available on our website. Please contact the North Carolina Retirement Systems at 1-877-NCSECURE (1-877-627-3287) if you have additional questions.

Thank you for your service to North Carolina.

- Dale R. Folwell, CPA  
North Carolina State Treasurer



### Maintain Personal Information

View the personal information  
(name, address, date of birth, etc.)  
we currently have on file for you.

View



### Apply for Retirement Online

Ready to retire? Click here to start  
or continue your online retirement  
application.

View



### View Account History



### View myNCRetirement Statement



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## Create Custom Benefit Estimate

### Custom Benefit Estimate

A customized benefit estimate can be generated by completing the information below and clicking on the Calculate button. Please enter a retirement age or retirement/termination dates.

NOTE: The Retirement Estimator is intended to assist you in estimating your monthly (early reduced or regular unreduced) service retirement benefits. It does not calculate disability retirement benefits; and it cannot replace the Retirement System's actual calculation of benefits; and it cannot replace the Retirement System's actual calculation of benefits when you retire. If you have Agricultural Extension service, are converting from disability to service retirement, or have multiple accounts, this estimate will not be accurate, and you should contact the Retirement System for more information.

(\*) Required Information

(If you enter retirement age, then retirement and termination dates are not required and vice-versa)

#### Calculate Benefit using Retirement Age

Please Enter a Retirement Age \*

0

#### Calculate Benefit using Retirement/Termination Dates

Retirement Date \*

Month

-- Select Month --

Year

-- Select Year --

Termination Date \*

Month

-- Select Month --

Year

-- Select Year --

Service Status \*

-- Select Service Status --

Beneficiary Name

Beneficiary Birth Date

MM/DD/YYYY

Accumulated Sick Leave Days

Estimated Monthly Social Security Benefit at Age 62

\$

Estimated Annual Leave Payout

\$

Estimated Bonus Payout

\$

Estimated Service Credit Years You are Planning to Purchase

Calculate

Cancel

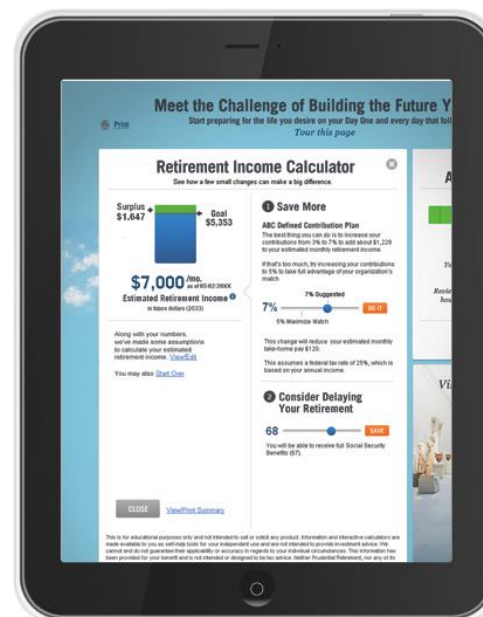
# Retirement Income Calculator

Know how much you may need.

Monitor your progress.

See if you've saved enough.

*Available for participants  
in the NC 401(k), NC 457 and NC 403(b)*



Participants using the Retirement Income Calculator should consider other assets, income and investments (e.g. equity in a home, Social Security benefits, individual retirement plan investments, etc.) when assessing the adequacy of the estimated income stream as provided by this tool. The Retirement Income Calculator is hypothetical and for illustrative purposes only and is not intended to represent performance of any specific investment, which may fluctuate. There is no assurance that retirement income objectives will be met. **It is possible to lose money by investing in securities.**



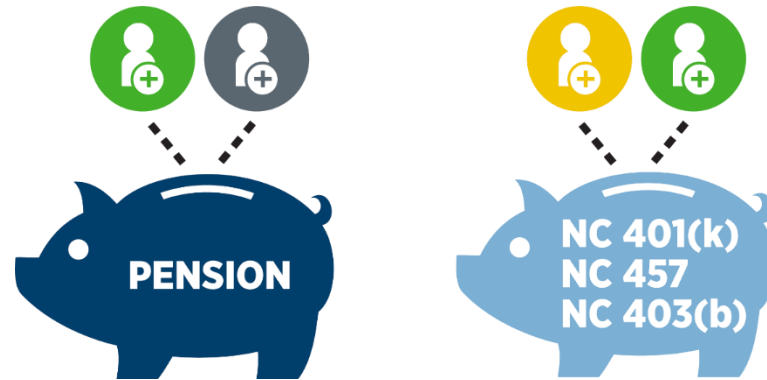
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# Helpful Reminders

- Update Your Beneficiaries



- Create a Social Security Administration account at [ssa.gov](https://ssa.gov)



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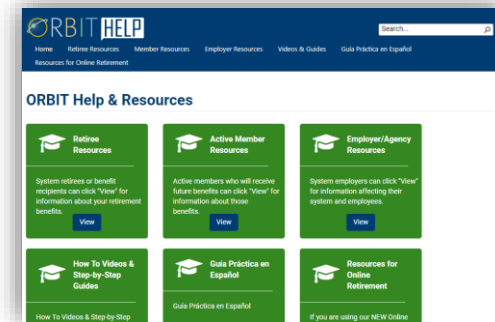
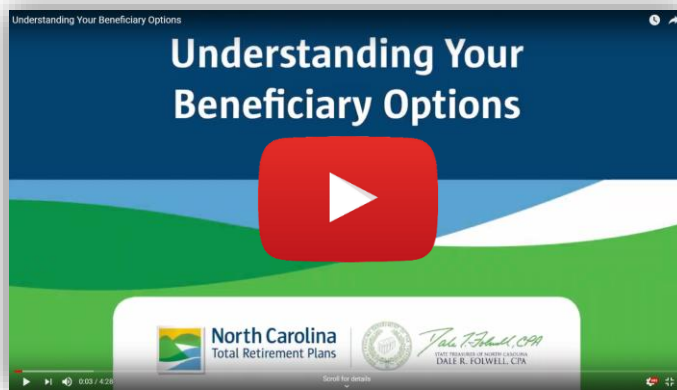


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# Resources

- Member handbooks
- MyNCRetirement.com
- ORBIT Help
- Video tutorials



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NC ABLE

National ABLE Alliance Member



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***Fund your future.  
Fund your everyday.***

An NC ABLE account helps people with disabilities dream, plan, save and invest without jeopardizing disability benefits.

Learn more at [NC.SaveWithABLE.com](https://www.ncsavewithable.com).



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# Feedback/Contact



**FEEDBACK**

[www.surveymonkey.com/r/retirementplanningconfsurvey](http://www.surveymonkey.com/r/retirementplanningconfsurvey)



**WEB**

[MyNCRetirement.com](http://MyNCRetirement.com)



**EMAIL**

[nc.retirement@nctreasurer.com](mailto:nc.retirement@nctreasurer.com)



**PHONE**

877-NCSECURE (877-627-3287)



**PHONE**

Fraud and Abuse (855-903-7283)



**MAIL**

3200 Atlantic Avenue, Raleigh, NC 27604



**FACEBOOK**

[facebook.com/MyNCRetirement](https://facebook.com/MyNCRetirement)



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# Questions



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## Thanks for Coming!

North Carolina Total Retirement Plans and the North Carolina Total Retirement Plans logo are service marks of the North Carolina Department of State Treasurer.

GoalMaker's model allocations are based on generally accepted financial theories that take into account the historic returns of different asset classes. But, of course, past performance of any investment does not guarantee future results. Participants should consider their other assets, income and investments (e.g., equity in a home, Social Security benefits, individual retirement plan investments, etc.) in addition to their interest in the plan, to the extent those items are not taken into account in the model. Participants should also periodically reassess their GoalMaker investments to make sure their model portfolio continues to correspond to their changing attitudes and retirement time horizon.

Retirement Education Counselors are registered representatives of Prudential Investment Management Services LLC (PIMS), Newark, NJ, a Prudential Financial company.

Amounts withdrawn, except for qualified withdrawals from a Roth 401(k) and 403(b), are generally taxed at ordinary income tax rates. Amounts withdrawn before age 59½ may be subject to a 10% federal income tax penalty, applicable taxes and plan restrictions. Penalty does not apply to 457 programs. Neither Prudential Financial nor any of its affiliates provide tax or legal advice for which you should consult your qualified professional.

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