

## Retirement Systems Division - Supplemental Retirement Plans at a Glance

March 2017

March 31, 2017

	Assets	Participants	Employers
401(k)	\$8.9 B	246,261	999
457(b)	\$1.2 B	52,884	449
403(b)	\$10.2 M	1,196	50*

### STRATEGIC GOALS

- Secure the retirement of North Carolina public servants
- Deliver comprehensive personalized solutions and services
- Provide exceptional customer experience
- Protect the integrity of the North Carolina Retirement Systems

### HIGHLIGHTS Q1 2017

Recordkeeper Benchmarking Report

NC 403(b) transition completed

Glidepath project initiated

### Current and Upcoming Initiatives

- > Welcome outreach to NC 403(b) Program
- > Nearing Retirement targeted campaign
- > Expanded financial education for SRP participants

### COMMUNICATION / EDUCATION OUTREACH Q2 2017

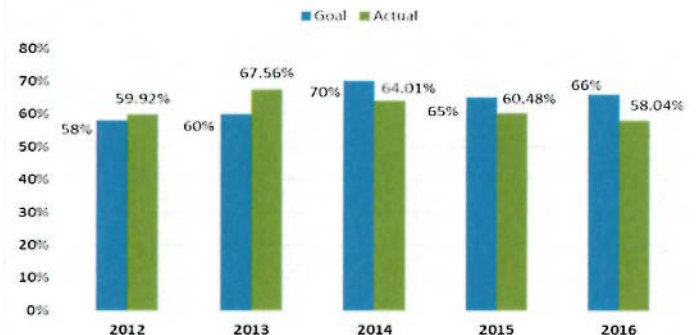
- > 2016 Annual Benefits Statement follow up campaign

### INVESTMENTS - 401(k) & 457(b) Plans - Q1 2017

Fund / Benchmark	Qtr	1 YR	3 YR	5 YR	Incpt.
<b>Large Cap Passive</b>	<b>6.1%</b>	<b>17.1%</b>	<b>10.2%</b>	<b>13.2%</b>	<b>16.9%</b>
S&P 500	6.1%	17.2%	10.4%	13.3%	17.0%
<b>Large Cap Value</b>	<b>3.9%</b>	<b>20.4%</b>	<b>8.1%</b>	<b>13.0%</b>	<b>15.6%</b>
Russell 1000 Value	3.3%	19.2%	8.7%	13.1%	16.7%
<b>Large Cap Growth</b>	<b>11.1%</b>	<b>16.2%</b>	<b>8.9%</b>	<b>12.0%</b>	<b>18.5%</b>
Russell 1000 Growth	8.9%	15.8%	11.3%	13.3%	17.7%
<b>SMID Cap Passive</b>	<b>3.7%</b>	<b>21.5%</b>	<b>7.5%</b>	<b>12.6%</b>	<b>18.2%</b>
Russell 2500	3.8%	21.5%	7.4%	12.6%	18.3%
<b>SMID Cap Value</b>	<b>3.7%</b>	<b>22.5%</b>	<b>7.7%</b>	<b>13.5%</b>	<b>20.4%</b>
Russell 2500 Value	1.6%	23.1%	7.6%	12.9%	18.0%
<b>SMID Cap Growth</b>	<b>5.3%</b>	<b>17.9%</b>	<b>6.1%</b>	<b>11.8%</b>	<b>17.0%</b>
Russell 2500 Growth	6.3%	19.8%	7.2%	12.2%	18.5%
<b>International Passive</b>	<b>8.1%</b>	<b>13.4%</b>	<b>0.7%</b>	<b>4.4%</b>	<b>9.7%</b>
MSCI ACWI ex USA Gross	8.0%	13.7%	1.0%	4.8%	10.2%
<b>International Equity</b>	<b>8.6%</b>	<b>12.9%</b>	<b>2.0%</b>	<b>5.6%</b>	<b>10.6%</b>
ACWI ex USA Gross	8.0%	13.7%	1.0%	4.8%	10.2%
<b>Global Equity</b>	<b>7.9%</b>	<b>15.4%</b>	<b>6.5%</b>	<b>10.7%</b>	<b>13.7%</b>
MSCI ACWI Gross	7.0%	15.7%	5.7%	9.0%	13.5%
<b>Inflation Responsive Fund</b>	<b>2.3%</b>	<b>7.4%</b>	<b>8.0%</b>	-	-
PIMCO Inflation Response Index	1.7%	3.3%	-1.3%	-1.2%	-0.6%
<b>Fixed Income Passive</b>	<b>0.8%</b>	<b>0.4%</b>	<b>2.6%</b>	<b>2.2%</b>	<b>2.7%</b>
Barclays Aggregate	0.8%	0.4%	2.7%	2.3%	2.8%
<b>Fixed Income Fund</b>	<b>1.2%</b>	<b>2.0%</b>	<b>3.2%</b>	<b>3.1%</b>	<b>4.9%</b>
Barclays Aggregate	0.8%	0.4%	2.7%	2.3%	4.0%
<b>Stable Value Fund</b>	<b>0.5%</b>	<b>2.0%</b>	<b>1.9%</b>	<b>2.1%</b>	<b>2.6%</b>
T-Bills + 1%	0.5%	1.9%	1.7%	1.6%	1.6%

\* School Districts

### RETIREMENT READINESS - Annual Score



### TACTICAL GOALS - Q1 2017

401(k), 457(b) & 403(b) Combined Summary Goals

Sub Goal	Goal	Mar-17	% to Goal
Avg. Monthly Contribution	\$ 163	\$ 180	110%
Active Participation Rate	28%	33%	117%
GoalMaker - New Member	80%	88%	114%
GoalMaker - All Members	NA	60%	NA

### RECORDKEEPER SERVICE LEVEL AGREEMENT'S - Q1 2017

	401(k)/457(b) & 403(b)
Statements	yes
Call Center Speed	39 Seconds

### 401k & 457b CUSTODIAN SERVICE LEVEL AGREEMENT

#### Standard Key Performance Indicators (KPIs) for March 2017

	Number of KPIs	Standards Met	Standards Not Met
BNYM Accounting team	4	4	0
Client Service	5	5	0
Global Risk Solutions Team	3	3	0
Workbench	1	0	1*
<b>KPI TOTALS</b>	<b>13</b>	<b>12</b>	<b>1</b>

\* Workbench was down for 3 hours in Q1 2017

### UPCOMING 2017 MEETINGS

#### Investment Subcommittee Meeting:

August 16, 2017

November 15, 2017

#### Board of Trustees Meeting:

September 21, 2017

December 14, 2017