

HEALTH WEALTH CAREER

# NORTH CAROLINA SUPPLEMENTAL RETIREMENT PLANS

## ANNUAL REVIEW SUMMARY

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# NC ANNUAL REVIEW OF PLANS

**1. NC Plan Structure Highlights** –In line with Mercer best practices, as participants have the choice between passive, active and asset allocation Funds

- 12 Investment options offered in the Plan (4 passive, 7 active and GM), which is slightly below DC median of 15.5<sup>1</sup>
- GoalMaker QDIA for Plan – 90.3% of large DC Plans utilize TDF's as default Plan investment

## **Market Trends**

- Auto Enrollment – Currently 41.3% of large DC plans utilize auto-enrollment
- 54.5% of Large DC Plans offer Professionally Managed Accounts
- Retirement Income – 64.5% of Large DC Plans offer a Systematic withdrawal option at Retirement

3. The new passive TIPS fund will be added to the line-up at the end of the quarter

4. The Global Equity fund will be removed at the end of the quarter

**Mercer does not recommend any additional plan options or removal of any plan options at this time.**

<sup>1</sup>Based on the 2017 PlanSponsor DC Survey for Large DC Plans (\$>1B)

# TRENDS

## MERCER'S 2018: TOP PRIORITIES FOR DC PLAN SPONSORS

### ENSURING SOUND PLAN MANAGEMENT

### DRIVING PARTICIPANT SUCCESS



#### KNOW YOUR PARTICIPANTS

- Conduct an employee financial needs analysis
- **Establish success measures** ✓



#### DESIGN FOR THEIR FINANCIAL NEEDS

- Explore a combination 401(k)/Rainy Day fund
- **Promote overall financial wellness** ✓



#### DELIVER BETTER INDIVIDUAL OUTCOMES

- **Diversify through multi-manager/white label funds** ✓
- Consider managed accounts (individualization)
- Consider ESG options
- Explore retiree-focused investments and tools

# INVESTMENT POLICY REVIEW

- Recent changes to the IPS include the updates to the new GM glidepath
- Updates were made to move the plan structure from style funds to core funds in the US equity asset classes
- Mercer does not recommend any additional changes at this time

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