



North Carolina
Total Retirement Plans



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CJRS

2023

CONSOLIDATED JUDICIAL RETIREMENT SYSTEM



Welcome to the Consolidated Judicial Retirement System!

The Consolidated Judicial Retirement System (CJRS) is a pension plan administered by the North Carolina Total Retirement Plans within the Department of State Treasurer (DST). Here, our mission is to preserve and protect this benefit for current and future public employees in North Carolina.

You have chosen a career to serve the citizens of North Carolina; therefore, you are a contributing member to one of the best funded in the nation. In fact, Moody's Investors Service recently reported that North Carolina's Retirement Systems, which includes state and local employees, is the best funded in the nation when looking at its Adjusted Net Pension Liability.

Partners in Planning for Your Retirement

We are proud to partner with you during and after your service to North Carolina. Your monthly contribution of 6% to the North Carolina pension, along with employer contributions, on average 13% across all systems, and investment returns, create a foundation for your future in retirement.

Our role is to maintain the integrity and sustainability of the North Carolina Retirement Systems. Your role is to make sure you're doing all you can to secure your financial future. Your employer and the pension system are investing a lot in you because your work to this state is highly valued!

When planning for a secure retirement, I encourage you to determine how much retirement income you'll need to feel secure after you stop working. As you make that determination, you should not only consider your CJRS benefits, but also your Social Security benefit and personal savings.

Supplemental Savings Exclusively Available to YOU

The NC 401(k) and NC 457 Plans are exclusively available to public servants like you. These plans are also recognized nationwide for low fees and diverse, strong-performing investments and meaningful oversight by the Board of Trustees. These benefits are available not only while you are working and actively participating, but can continue into retirement. And, you have the option to keep your money in plans for the rest of your life.

Understanding Your Pension Benefit

In this handbook you'll find all the details you need to understand your retirement options. You'll also find many of the tools and resources you need to make informed decisions about your retirement on ORBIT, our secure web portal, at ORBIT.myNCRetirement.com. Once you've registered, you'll be able to safely and securely manage your account, track service credit, investment returns, maintain beneficiaries and personal information, and stay informed. Additional resources are also available at myNCRetirement.com.

We have a team of retirement counselors ready to assist if you have questions about benefits or need guidance as you near retirement.

Thank you for your service to North Carolina, and we look forward to working with you now and through your retirement!

Sincerely,

Dale R. Folwell, CPA



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www.myNCRetirement.com



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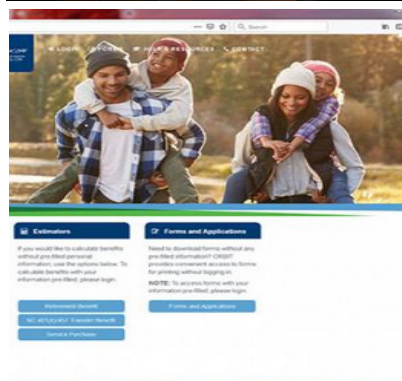
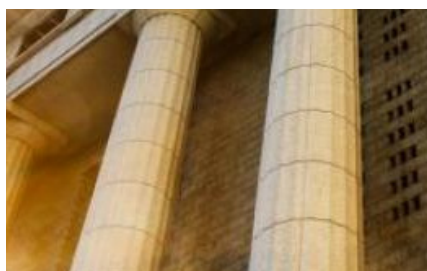
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DISCLAIMER: The availability and amount of all benefits you might be eligible to receive is governed by North Carolina law. The information provided in this handbook cannot alter, modify or otherwise change the controlling North Carolina law or other governing legal documents in any way, nor can any right accrue to you by reason of any information provided or omission of information provided herein. In the event of a conflict between this information and North Carolina law, North Carolina law governs.



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Section 1 | About Your Retirement System

The Consolidated Judicial Retirement System (CJRS) is a **defined benefit plan** qualified under Section 401(a) of the Internal Revenue Code. Defined benefit plans use a formula to calculate monthly retirement benefits once eligibility requirements have been met. This handbook explains CJRS benefit eligibility requirements and the formula used to calculate benefits.

PAYING FOR YOUR RETIREMENT BENEFITS

You, the state of North Carolina and the investment earnings on total contributions pay the cost of providing your retirement benefits.

Your share of the cost is currently six percent of your compensation, and it is automatically deducted from your paycheck. Your compensation includes all eligible salaries and wages, as defined by statute, paid to you from public funds, earned at your covered job while working for the state.

The state bases its contributions on calculations prepared by an actuary. The state contribution rate from July 1, 2022, to June 30 2023, is 39.95 percent of all members' salaries to pay for the benefits for you and other members.

TAX SAVINGS

Since August 1, 1983 (September 1, 1983, if you were a district attorney), your contributions have been tax-deferred. This means your contributions are deducted from your pay before taxes are calculated, and your current taxable income is lowered and the amount of annual taxes you pay is less than if you made contributions after paying taxes. You pay taxes on them when you begin receiving monthly retirement benefits, or if you elect a refund of your contributions.

ORBIT ONLINE ACCOUNT ACCESS

ORBIT is a secure site that allows you to view your personal account information, download retirement forms, and access retirement resources 24 hours a day, seven days a week.

To set up or log in to your personal ORBIT account, go to the ORBIT website ORBIT.myNCRetirement.com and follow the log in instructions, or register for an ORBIT account.

When creating your account, you are required to use your personal email address.

If you already have an account and use your work email, we recommend logging in and changing this to your personal email so you will continue to have access to your account should you switch jobs or retire.



ORBIT.myNCRetirement.com

Section 2 | Membership in CJRS

You become a CJRS member the date you take your oath of office as a:

- Justice of the Supreme Court
- Judge of the Court of Appeals
- Judge of the Superior Court
- Judge of the District Court
- Solicitor or District Attorney
- Clerk of Superior Court
- Judge of the District Court
- Public Defender
- Director of Indigent Defense Services
- Administrative Officer of the Courts

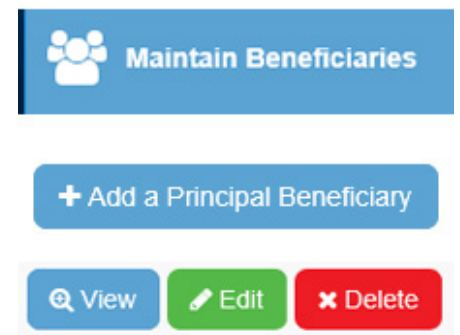
DESIGNATING BENEFICIARIES

After your employer enrolls you in CJRS, and within one to two pay periods, you should create your secure ORBIT account and name beneficiary(ies) to receive a return of your retirement contributions and death benefit, if applicable.

A member has the option to name any person as their beneficiary regardless of relationship to member (ie the beneficiary does not have to be a spouse or family member).

To add or change beneficiaries as an active employee:

- Log in to [ORBIT](#)
- Click the Maintain Beneficiaries tab on the left side of the screen
- Add or edit beneficiaries for your eligible benefits
- Perform a beneficiary check-up every couple of years or if you have a life-changing event, such as marriage, divorce, family changes or adoptions.



FORFEITING ELIGIBILITY BASED ON CRIMINAL OFFENSES

If you were not vested as of December 1, 2012, and are convicted of a state or federal felony directly related to your employment while in service under CJRS, you are prohibited from receiving any retirement benefit other than a return of your contributions plus interest.

If you were vested as of December 1, 2012, you are prohibited from receiving any retirement benefit for service rendered after December 1, 2012, other than a return of your contributions plus interest for the period of service after December 1, 2012.

Elected government officials who were not vested on July 1, 2007, will forfeit their right to a monthly benefit from CJRS if convicted of certain state or federal offenses related to their service as an elected official.

Elected officials who were vested on July 1, 2007, are not entitled to creditable service accrued in CJRS after July 1, 2007, if convicted of certain state and federal offenses related to their service as an elected official.



Section 3 | Qualifying for Benefits

VESTING

You become vested in CJRS once you have completed a minimum of five years of creditable service. This means that you are eligible to apply for lifetime monthly retirement benefits based on the retirement formula in effect at the time of your retirement and the age and service requirements described in this handbook, provided you do not withdraw or transfer your contributions. You may also be eligible for retiree health coverage.

SERVICE RETIREMENT (UNREDUCED BENEFITS)

You may retire with an unreduced service retirement benefit after you:

- Reach age 65 and complete five years of membership service; or
- Reach age 50 and complete 24 years of creditable service.

EARLY RETIREMENT (REDUCED BENEFITS)

You may retire early with a reduced retirement benefit after you:

- Reach age 50 with five years of creditable membership service.

Your early retirement benefit is calculated using the same formula as a service retirement benefit multiplied by a reduction percentage based on your age and/or service at early retirement. Because your benefit may be paid over a longer period of time than if you had waited until being eligible for service retirement, your benefit will be reduced.

DISABILITY RETIREMENT

After five years of creditable service and while serving in a judicial capacity, if you become permanently disabled and are unable to continue your judicial service, as approved by the Medical Review Board, you may be eligible to apply for disability retirement benefits.

Your disability benefit under the maximum allowance is calculated using the same formula as a service retirement benefit and you may choose any payment option except Option 4.

If you choose a survivorship option, it will be calculated using disability reduction percentages. In calculating the disability retirement benefit, your final compensation is calculated as of your disability retirement date, but creditable service is counted as though you continue working to age 65, not to exceed 24 years.

VESTED DEFERRED BENEFIT

If you leave CJRS for any reason other than retirement or death, you can either receive a refund of your contributions, plus interest, or leave your contributions in CJRS and keep all the creditable service you earned to that date.

You may be entitled to receive a deferred benefit at a later date once you meet eligibility requirements after you have completed five years of creditable service, provided you do not withdraw your contributions.

Your benefit is calculated using the formula in effect on your retirement date. It is based on your average final compensation and years of creditable service at that time.

Section 3 | Qualifying for Benefits

REFUND OF CONTRIBUTIONS

If you leave CJRS before you have five years of creditable service, the only payment you can receive is a refund of your contributions and interest.

State law prohibits us from making a refund earlier than 60 days after you leave employment with an employer that participates in CJRS. However, if you leave CJRS employment and you do not take a refund, you will retain your benefits and rights should you return to CJRS service at a later time.

Set by state law, the interest credited on your contributions and paid with a refund is currently four percent (4%) compounded annually on your prior-year ending balance. To receive a refund, complete Form 5 (Withdrawing Your Retirement Service Credit and Contributions).

RECIPROCITY BETWEEN SYSTEMS

Any credit you may have in the following retirement systems may be counted along with your credit in CJRS in order to determine your eligibility for a reduced or unreduced benefit:

- Teachers’ and State Employees’ Retirement System (TSERS)
- Legislative Retirement System (LRS)
- Local Governmental Employees’ Retirement System (LGERS)

However, only your creditable service in CJRS is used in computing the amount of your benefit in CJRS. Creditable service in any other system is used to compute benefits from that system.

TRANSFERRING SERVICE & CONTRIBUTIONS BETWEEN SYSTEMS

After completing five years of membership service in CJRS, if you have an active account in TSERS, LGERS, or LRS, you may transfer contributions and creditable service from any of these systems to CJRS.

If you are a re-employed retiree of TSERS or CJRS, who, following retirement, has returned to employment under CJRS, you may transfer service credits from TSERS to CJRS upon completion of three years following your return to employment, provided you have a total of five years of CJRS service.



If you withdraw your retirement contributions, you forfeit your retirement service credit and rights to all benefits associated with the service for that time period, including medical coverage through the State Health Plan, if applicable.

The general rules for eligibility for transfer are as follows:

- You may transfer to the System that retains your latest service and contributions if the law allows the latest System to receive the transfer.
- Your latest System may have further requirements for eligibility.

REQUIRED DISTRIBUTIONS AFTER AGE 73

In most cases, CJRS is required to pay benefits to non-retired members with open CJRS accounts by April 1 of the year following the year in which the member reaches age 73 or ceases to be an employee, whichever is later.

Members who are vested (five or more years of creditable service) who fail to complete the retirement process will receive a monthly retirement benefit based on the maximum allowance.

Non-vested members who fail to complete a refund application will receive a refund of their contributions and interest by April 1 of the year following the year in which the member reaches age 73.

Section 4 | How Your Benefit is Calculated



As a district court judge, district attorney, public defender, clerk of Superior Court or director of Indigent Defense Services:

$$\begin{array}{c} 3.02\% \\ \text{of final compensation} \\ \times \\ \text{years} \\ \text{of creditable service} \end{array}$$



As a Superior Court judge:

$$\begin{array}{c} 3.52\% \\ \text{of final compensation} \\ \times \\ \text{years} \\ \text{of creditable service} \end{array}$$



As a Supreme Court justice, Court of Appeals judge or administrative officer of the courts:

$$\begin{array}{c} 4.02\% \\ \text{of final compensation} \\ \times \\ \text{years} \\ \text{of creditable service} \end{array}$$



Transferred from TSERS or LRS:

$$\begin{array}{c} 1.82\% \\ \text{of average final compensation} \\ \times \\ \text{years} \\ \text{of creditable service} \end{array}$$



Transferred from LGERS:

$$\begin{array}{c} 1.85\% \\ \text{of average final compensation} \\ \times \\ \text{years} \\ \text{of creditable service} \end{array}$$

FINAL COMPENSATION is the annual equivalent of the rate of compensation most recently applicable to you as a member of CJRS. If you have creditable service that falls into more than one of the categories on the next page, you would apply the appropriate formula to the type of creditable service. The sum of these would be your annual retirement benefit.

CREDITABLE SERVICE is the total of all service credit that counts toward retirement. It includes membership service for any period during which you contribute to CJRS, provided you have not withdrawn your contributions. It also includes credit for eligible purchased service.

AVERAGE FINAL COMPENSATION is the average of your salary during your four highest-paid years (48 consecutive months) in a row as a member of CJRS.

BENEFIT LIMITATIONS

When added to benefits payable under the maximum allowance from TSERS, LGERS and LRS, your initial benefit under the maximum allowance may not exceed 75 percent of your final compensation, prior to any reduction for early retirement.

Judges and justices under CJRS are currently required to retire at age 72.

Section 4 | How Your Benefit is Calculated

To give you an idea of how benefits are calculated, let's look at some examples. Assume Judge Smith, a Chief District Court judge, retires at age 60 with 24 years of creditable service, all as a District Court judge. As we go through the steps to calculate Judge Smith's benefit, you may wish to write in your own figures for an estimate of your benefit.

Step 1

Write in your final compensation

\$

example for
Judge Smith

\$143,624.00

Step 2

Multiply Step 1 by the applicable formula

Step 1

\$

\$143,624.00

x

x .0302

Total

\$

\$4,337.44

Step 3

Calculate your annual benefit by multiplying Step 2 by your years of creditable service

Step 2

\$

\$4,337.44

x

x 24

Total
Annual
Benefit

\$

\$104,098.56

Step 4

Calculate your monthly benefit by dividing Step 3 by 12

Step 3

\$

\$104,098.56

divide by 12

/ 12

Total
Monthly
Benefit

\$

\$8,674.88

(This is an estimate of the payment you will receive each month before taxes or any other deductions.)

Section 4 | How Your Benefit is Calculated

With 24 years of creditable service at retirement, Judge Smith receives the basic benefit under the maximum allowance for life - \$104,098.56 annually (\$8,674.88 monthly). Judge Smith’s spouse is 54 years old and will receive a surviving spouse benefit, payable upon Judge Smith’s death as follows:

Step 1

Write in the maximum monthly benefit from the last example

Your Spouse

\$

example for Judge Smith

Step 2

Step 1

\$

\$8,674.88

divide by 2

/ 2

Total

\$

\$4,337.44

Step 3

100% less 2% per year age differential

Step 2

\$

\$4,337.44

x

x .88

Total Monthly Benefit for spouse upon death of judge in example

\$

\$3,816.95

(This is an estimate of the payment your spouse will receive each month before taxes or any other deductions.)

EARLY RETIREMENT CALCULATION EXAMPLE

Let’s assume Judge Smith decides to take early retirement at age 56 with 20 years of service, and final compensation of \$137,841.00.

Here is how we calculate this benefit

Now apply the early retirement reduction percentage from the chart on the next page.

\$137,841.00

(final annual compensation)

x .0302

(District Court service)

\$4,162.80

x 20

(creditable service)

\$83,256.00

\$83,256.00

(percentage for 4 years)

x .88

\$73,265.28

In this case, Judge Smith receives a benefit under the maximum allowance of \$73,265.28 a year (\$6,105.44 a month) and payments will start at age 56 and continue for the rest of his life.

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Section 4 | How Your Benefit is Calculated

EARLY RETIREMENT PERCENTAGES

Your age at retirement is an important factor in determining your monthly benefit. If you do not meet the requirements for a full service retirement, you may still retire early, but you will receive a reduced monthly benefit for your lifetime.

If you retire prior to age 65 or completion of 24 years of creditable service, you will receive a reduced benefit. The percentage reduction is based on your age at retirement or the difference between your creditable service and 24 years. For example, if you have 19 years of service (five years difference between 19 and 24), and you are 60 years old, your benefit would be reduced to 85 percent of your maximum allowance.

Your retirement benefit will be reduced to the percentages below.

If you are between years when payments start, the reduction will be adjusted proportionately.

If you are this age when payments start		or	The difference between your creditable service and 24 years		You receive this percentage of your benefit
64		1	.....	97%
63		2	.....	94%
62		3	.....	91%
61		4	.....	88%
60		5	.....	85%
59		6	.....	82%
58		7	.....	79%
57		8	.....	76%
56		9	.....	73%
55		10	.....	70%
54		11	.....	67%
53		12	.....	64%
52		13	.....	61%
51		14	.....	58%
50		15	.....	55%

Section 4 | How Your Benefit is Calculated

EXAMPLE OF BENEFITS PAID

The chart below shows the monthly benefit that is paid at various salary levels depending on age and creditable service.

Monthly Retirement Benefit Under Maximum Allow-

Final Compensation	Accrual Rate	Age 50	Age 55	Age 60	Age 65
5 years					
\$88,188	3.02%	\$610	\$776	\$943	\$1,109
116,710	3.02	807	1,028	1,248	1,468
127,215	3.02	880	1,120	1,360	1,600
132,584	3.52	1,069	1,361	1,652	1,944
146,191	4.02	1,346	1,714	2,081	2,448
12 years					
96,654	3.02	1,868	2,043	2,481	2,918
119,990	3.02	2,319	2,536	3,080	3,623
127,914	3.02	2,472	2,704	3,283	3,863
145,312	3.52	3,273	3,580	4,347	5,114
160,225	4.02	4,122	4,508	5,474	6,441
16 years					
100,887	3.02	3,087	3,087	3,453	4,062
125,066	3.02	3,827	3,827	4,280	5,035
137,430	3.02	4,205	4,205	4,703	5,533
151,676	3.52	5,410	5,410	6,050	7,118
167,243	4.02	6,812	6,812	7,619	8,964
20 years					
113,066	3.02	5,008	5,008	5,008	5,690
133,516	3.02	5,913	5,913	5,913	6,720
145,534	3.02	6,446	6,446	6,446	7,325
156,000	3.52	8,053	8,053	8,053	9,152
171,698	4.02	9,443	9,443	9,443	10,731
24 years					
117,810	3.02	7,115	7,115	7,115	7,115
139,118	3.02	8,402	8,402	8,402	8,402
151,640	3.02	9,159	9,159	9,159	9,159
158,040	3.52	9,877	9,877	9,877	9,877
174,260	4.02	10,891	10,891	10,891	10,891

Section 5 | Your Benefit Payment Options



At retirement, you must elect one of the payment options described on the next page. On average, the payment options are mathematically equal to one another. Each option is calculated so its total value is the same as the value of the other options available to you and the beneficiary you name (if any). The monthly payment amounts will differ based on the age of the beneficiary you select, if any.

CONSIDERING YOUR OPTIONS

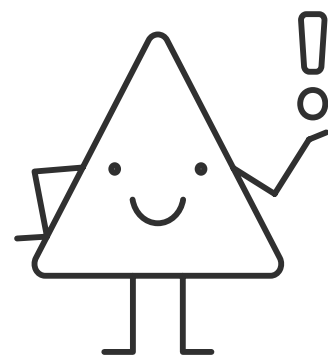
First, decide whether you need a payment option that provides a monthly benefit to a beneficiary after your death. If you do not select one of these options, all of your retirement benefits will be used to provide you with a lifetime monthly payment that stops at your death.

Your choice of payment options is personal and should take into account your needs during retirement and the needs of a dependent, if any, after your death. Neither the payment plan selected by a co-worker nor the one selected by the largest number of retirees should have any effect on your personal decision.

PERMANENT DECISION

Your retirement selection is locked in when the first payment becomes normally due and the first benefit payment date has occurred except under one of the following two conditions:

- If you select an option that provides a monthly benefit to your spouse as a beneficiary after your death (Option 2, 3, 6-2 or 6-3) and later become divorced from that spouse.
- If you are rehired in a position covered by LRS and contribute to your new account for at least three years.





Section 5 | Your Benefit Payment Options

Here are your benefit payment options:

MAXIMUM ALLOWANCE

When you retire with a full service retirement benefit, your basic benefit is the maximum allowance and is calculated under one of the formulas on page 10. If you retire early, your maximum allowance is calculated using the same formula, which is then reduced for early retirement. In either case, you will receive your allowance for as long as you live. All monthly payments stop at your death. When added to benefits payable under the maximum allowance from TSERS, LGERS and LRS, **your initial benefit under the maximum allowance may not exceed 75 percent of your final compensation, prior to any reduction for early retirement.**

OPTION 2: 100% JOINT & SURVIVOR

- You receive reduced monthly payments for life.
- After you die, your monthly survivor beneficiary receives the same amount monthly for life.

OPTION 3: 50% JOINT & SURVIVOR

- You receive reduced monthly payments for life which are slightly larger than the payments in Option 2.
- After you die, half of your payment continues to your monthly survivor beneficiary for life.

OPTION 6-2: **MODIFIED JOINT & SURVIVOR (combination MAX Allowance, Option 2)**

- You receive reduced monthly payments for life.
- After you die, your monthly survivor beneficiary receives the same amount monthly for life.
- However, if your beneficiary dies before you do, your monthly payments increase to the amount payable under the maximum allowance.

OPTION 6-3: **MODIFIED JOINT & SURVIVOR (combination MAX Allowance, Option 3)**

- You receive reduced monthly payments for life.
- After you die, half of your payment continues to your monthly survivor beneficiary for life.
- However, if your beneficiary dies before you do, your monthly payments are increased to the amount payable under the maximum allowance.

Section 5 | Your Benefit Payment Options

It is important to note that if you select a benefit payment option that names a beneficiary, you should immediately notify the Retirement Systems if that person dies before you.

NOTE: Under Options 2, 3, 6-2 and 6-3, you may name only one beneficiary to receive a monthly survivor benefit after your death. You may not change your survivor beneficiary after you retire except under one of the following circumstances:

- If you named your spouse as survivor beneficiary at the time of retirement and later become divorced from that spouse.
- If you return to employment covered under CJRS and contribute to a new retirement account for at least three years.
- If you chose Option 2 or 3 at retirement, and designated your spouse as survivor beneficiary, and this spouse dies before you, and you remarry, you may request to nominate your new spouse as your beneficiary within 90 days of your remarriage under the same option you chose at retirement. Contact our office and we will mail you a letter outlining the documents we need to make the change. You must file this redesignation with CJRS within 90 days of your remarriage.



Your new benefit will be reduced based on your age and the age of your spouse at the time of the change. The benefit payable to you will be the benefit you received before the death of your previous spouse, additionally reduced to cover your new spouse as beneficiary.

OPTION 4: SOCIAL SECURITY LEVELING

- This benefit option does not allow for a beneficiary designation.
- You receive larger monthly payments than you would otherwise be entitled to receive until you are eligible for Social Security at age 62.
- Beginning the month after the month of initial entitlement for Social Security age 62 benefits, your monthly payments will be reduced to an amount that is less than what you would otherwise be entitled to receive. Nevertheless, your reduced retirement payments after age 62, plus your allowance from the Social Security Administration, should be approximately the same amount as the inflated payment you received from CJRS before age 62.
- The actual amount of your retirement payments both before and after age 62 will be based on the estimate of benefits you provide to us from the Social Security Administration before your retirement.
- All monthly payments stop at your death.

The reduction in your monthly retirement payments after age 62 allows us to recover the inflated amounts you received before age 62.

Any percentage increase you are granted in your retirement benefit before age 62 will be applied to the inflated benefit you are receiving at that time. However, when you reach age 62, your retirement benefit will be reduced to the original amount promised after age 62 plus the percentage increases (not the dollar amount of increases) granted before age 62.

Section 5 | Your Benefit Payment Options

EXAMPLE OF PAYMENT OPTIONS

Judge Smith is a chief District Court judge who elects to retire at age 60 with 24 years of creditable service, all as a District Court judge, and with a final compensation of \$134,632.00. Judge Smith's spouse is age 54. If the maximum allowance is elected, benefits would be paid as follows:

MAXIMUM ALLOWANCE

Judge Smith has earned a service retirement benefit of \$8,674.88 a month payable for life.

RETURN OF CONTRIBUTIONS

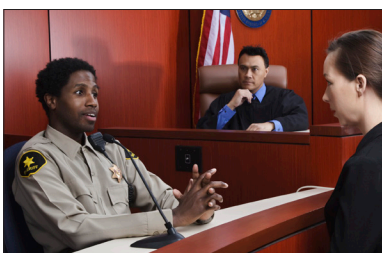
At retirement, Judge Smith's accumulated contributions, plus interest, was \$172,650. If Judge Smith and spouse both die before the sum of their retirement benefits equals \$172,650, the excess would be paid to the person or persons Judge Smith had designated at the time he retired.

SURVIVING SPOUSE BENEFIT

Upon Judge Smith's death, the surviving spouse would receive a monthly benefit for life, unless remarried. The surviving spouse benefit is equal to half of Judge Smith's monthly benefit less two percent for each full year of age difference. Because Judge Smith was 6 years older than the spouse, this would be 12 percent. Therefore, at Judge Smith's death, the surviving spouse would receive a monthly benefit of \$3,816.95 calculated as follows:

$$\$8,674.88 \div 2 \times .88 = \$3,816.95$$

The surviving spouse benefit is calculated based on the maximum allowance and is payable upon the death of the retired member regardless of whether a survivor payment option is elected.



Section 5 | Your Benefit Payment Options

EXAMPLE OF PAYMENT OPTIONS

The chart below reflects the benefits available if Judge Smith elects the maximum allowance.

Payment Option	To Judge Smith	→	Surviving Spouse After Judge Smith's Death
			Surviving Spouse Benefit
Maximum Allowance	\$8,674.88 monthly		\$3,816.95 monthly for life unless she remarries

Let us assume that Judge Smith would like to provide additional income over the \$3,816.95 per month provided under the surviving spouse benefit. The chart below shows how much each would each receive under the various payment options.

Of course, the actual amounts of the payment options you can choose are based on many factors, such as your age, your beneficiary's age, and when payments start. Before you retire, you will receive an estimate of the actual amounts payable to you.

Payment Option	To Judge Smith	→	Surviving Spouse After Judge Smith's Death
			\$3,816.95 Monthly for Life Unless Remarried, PLUS
Option 2	\$7,851.63 monthly		\$7,851.63 monthly for life
Option 3	\$8,242.87 monthly		\$4,121.44 monthly for life
Option 4*	\$9,934.13 monthly up to age 62, \$8,434.13 monthly thereafter		\$0.00
Option 6-2	\$7,784.84 monthly; but increases to \$8,674.88 if spouse dies before Judge Smith		\$7,784.84 monthly for life
Option 6-3	\$8,205.57 monthly; but increases to \$8,674.88 if spouse dies before Judge Smith		\$4,102.78 monthly for life
*Assumes Judge Smith's primary Social Security benefit is \$1,500 a month after age 62.			

Section 6 | Adding to Your Creditable Service

TRANSFERRED SERVICE

Your benefit at retirement is based, in part, on your creditable service. Creditable service includes your years and months of membership service in which you contributed to CJRS and may also include prior service credit, sick leave credit, military service credit and certain types of purchased service credit, which are described below.

WITHDRAWN SERVICE

If you have received a refund of your contributions from CJRS or from the Uniform Judicial, Solicitorial or Clerks of Superior Court Retirement Systems as they existed before January 1, 1985, you may be eligible to pay an amount to purchase the amount of creditable service which you lost when you received your refund.

Before you are eligible to pay for this service, you must return to service as a member of CJRS and contribute for a period of five years.

OTHER TYPES OF SERVICE PURCHASES

Some other types of service for which you may receive credit are:

- Service as a judge, solicitor or district attorney, or clerk of Superior Court which is not otherwise provided for in other service credit laws.
- Service as a judge of any lawfully constituted court of this state inferior to the Superior Court, excluding time served as a justice of the peace, as a magistrate, or as a mayor's court judge.
- Service as a state employee or teacher, or employee of a local government, as defined by law.

This service must be certified and purchased prior to retirement with the member paying the full actuarial cost.

MILITARY SERVICE

Your active duty in the United States military up to the time you were first eligible for a discharge that is not dishonorable counts as creditable service at no cost to you if you were a member of CJRS when you entered active duty, and:

- You return to employment as a member of CJRS within two years after your earliest discharge (under this provision, your employer is required to pay the employer and employee contributions for the full period you were in active duty).
- You return to employment as a member of CJRS at any time after discharge and complete at least 10 additional years of service as a contributing member. If you are not allowed credit for military service according to the rules shown on the previous page, you may be able to buy credit for your periods of active duty.

You must have contributed to CJRS for five years. Your cost will be equal to the full actuarial liabilities created from the additional credit purchased. You must furnish a copy of your service record to CJRS to receive any credit for military service. If your military service is creditable in another retirement system, generally you will not be eligible to purchase credit in CJRS.

Section 6 | Adding to Your Creditable Service

OUT-OF-STATE SERVICE

If you have performed out-of-state public employment, you may be eligible to buy credit for that service. Credit that can be purchased must have been:

- Service with another state or governmental subdivision of a state
- Full-time service which would be allowable under the laws governing CJRS
- Service as a judge, solicitor or district attorney, or clerk of Superior Court

You must have contributed to CJRS for five years. Your cost will be equal to the full actuarial liabilities created from the additional credit purchased.

If your service is creditable in another retirement system, your ability to buy credit in CJRS will be restricted. If you are eligible, you may buy credit at the rate of one year of out-of-state service for each two years of service under CJRS.

Any service that was forfeited due to a felony conviction cannot be repurchased.

ROLLOVERS TO PURCHASE RETIREMENT SERVICE CREDIT

Pre-tax money from an eligible retirement plan or an eligible IRA may be accepted via rollover or in-service plan-to-plan transfer to purchase creditable service. For further information and instructions, please see Form 398 (Using a Distribution of Tax-Sheltered Savings to Purchase Retirement Credit).



Section 7 | NC 401(k) AND NC 457

Generate retirement income from your NC Supplemental Retirement Plans - the NC 401(k) Plan and 457 Plan.

- The NC Plans are exclusively available to people like you who have chosen a career to teach, protect or otherwise serve the citizens of North Carolina. [Learn more](#) about the NC Plans or [enroll](#) today.
- In addition to your regular payroll deductions, you may want to consider making a one-time contribution to the plan(s). You can contribute additional compensation or payouts on a one-time basis, such as longevity, vacation and/or bonus leave payments. For more information, refer to our [One-time Contribution Flyer](#) found on [myNCPlans.com](#).
- Roll over money into your plan account from another qualified retirement plan. As long as you have a balance in the plan(s), you can roll money into your NC 401(k) and/or NC 457 Plan account. To learn more, check out our [Rollover Brochure](#) at [myNCPlans.com](#).

Consider these advantages:	Consolidated into NC 401(k) Plan / NC 457 Plan	Multiple Accounts
Money remains tax deferred/tax-advantaged	✓	✓
Convenience	✓	
Potentially Lower Costs	✓	
Easier to maintain proper asset allocation with access to GoalMaker	✓	
Strong oversight of fund managers and fees from the Supplemental Retirement Board of Trustees	✓	

You have the opportunity to participate in the NC 401(k) Plan and the NC 457 Plan, which are among the most competitively priced public plans in the country. That means you may be paying less for the plans that are in support of your “total” retirement.

The [Cost Comparison Document](#) is a tool that allows you to be an active, informed participant as you compare the plans with outside financial products.

As a current account holder, it’s important to know that you have the option of keeping your money in the plan(s), even after you change jobs or retire.

- **Personalized Retirement Counseling.** Find your NC Supplemental Retirement Plans Retirement Education Counselor by calling 1-866-NCPlans or visit [myNCPlans.com](#). This service is available at no charge to you.
- Consider the [Transfer Benefit](#), also known as NC Lifetime Income. This allows you to make a one-time transfer of any portion of your eligible contributions, not including Roth contributions and earnings, from your NC 401(k) and/or NC 457 Plan to CJRS and receive the balance as monthly income. There are many factors you should consider before taking advantage of this option – This benefit may not be for everyone. Visit the Transfer Benefit Estimator in ORBIT for more information. There is a one-time fee of \$100 for this option.

Section 8 | Initiating Your Retirement Benefits

Once you decide to retire and meet the eligibility requirements for monthly benefits, you must follow certain steps to begin your retirement process. The effective date of your retirement is always the first day of any month. Therefore, about 120 to 90 days before your planned retirement date, you should complete Form 6 (Claiming Your Monthly Retirement Benefit). The form is available in ORBIT.

To be legally retired, you must end your employment, live until your effective date of retirement, have no intent or agreement, express or implied, to return to CJRS service and not perform any work as a member of the Administrative Office of the Courts at any time during the first month of retirement.

RETIREMENT APPLICATION PROCESS

Your retirement application must be completed and signed at least one day but not more than 120 days before your planned retirement date. The Retirement Systems will send you a letter acknowledging receipt of your application.

If you want an estimate of your benefit under Option 4, you must also send us an estimate from the Social Security Administration (SSA) of your age 62 Social Security benefit. Request this estimate from SSA within two years before your effective retirement date.

Next, you will have an opportunity to elect coverage under the optional \$10,000 Contributory Death Benefit for Retired Members. Your election must be made within 60 days from the effective date of your retirement. Information about the cost and coverage provisions will be sent to you shortly after the Retirement Systems receives your retirement application.

Later you will receive an estimate of the maximum allowance you can receive and the payment options, if applicable. Along with the estimates, you will receive Form 6EJ (Choosing Your Retirement Payment Option for the Consolidated Judicial Retirement System), so you can choose your payment plan. Return the completed form directly to the Retirement Systems.

We will also send you information about enrollment in the State Health Plan as a retiree, if applicable.

POST-RETIREMENT INCREASES

Post-retirement increases are not guaranteed. However, your benefit may be increased periodically after retirement to help you keep up with the cost of living. Increases depend on changes in the Consumer Price Index and the availability of funds. Cost-of-living increases are usually figured as a percentage increase in your monthly benefit, which becomes a permanent part of your monthly benefit, under all payment options, and the monthly benefit to be paid to your beneficiary after your death under Options 2, 3, 6-2, and 6-3.

YOUR FIRST MONTHLY BENEFIT

Members with a retirement date on or before Dec. 1, 2023

Your first retirement benefit payment should be a paper check. By cashing or depositing that check, you are locking in your retirement selections. If you do not cash or deposit that first check, you are locking in your retirement selections. If you do not cash or deposit that first check, you have until the next benefit payment date to change your mind about your selections. After that payment date, your retirement selections will be locked in, even if you didn't cash the first check.

Members with a retirement date effective on or after Jan. 1, 2024

Your first retirement benefit payment should be made by direct deposit. Instructions must be received and acknowledged by the Retirement Systems before your effective retirement date. Otherwise, a paper check will be mailed.

Your retirement selection is locked in when the first payment becomes normally due and the first benefit payment date has occurred.

After the first payment, your monthly benefit payment will be issued on the 25th day of each month. If the pay date falls on a Saturday, Sunday or holiday, your deposit will be made on the last workday before the pay date. Visit myNCRetirement.com for a current list of benefit paydays.

The Retirement Systems Division calculates your monthly benefit amount based on all information available prior to your retirement date. Frequently, information available only after the retirement date, such as final salary reports from your employer, impacts the amount of the benefit. While the Division makes every effort to provide the most accurate benefit amount at the beginning of your retirement period, it is required by law to adjust the benefit amount when additional information is received.

Overpayments happen for a variety of reasons, one of which is that the Retirement Systems pays you a benefit based on an estimate.



Section 9 | Income Tax (Benefits)

The following is a brief outline of current tax laws as they apply to CJRS benefits. However, because tax laws often change, we recommend you consult your tax advisor for more information.

RETIREMENT AND DISABILITY RETIREMENT BENEFITS

After you retire, we will send you a Form 1099-R, which is similar to Form W-2 (Statement of Income and Tax Withheld), which you received annually while you were employed. The 1099-R shows the amount of your retirement benefits, the taxable portion (if any) of those benefits, the amount of tax withheld (if any), and other related information. We also send copies to the Internal Revenue Service and the North Carolina Department of Revenue. Therefore, you should report your retirement benefits on your federal and North Carolina tax returns regardless of whether you owe any income tax.

FEDERAL INCOME TAX

Part of your retirement benefit may not be subject to federal income tax because the tax was withheld while you were working. Included in the non-taxable part of your retirement benefits are contributions you made before August 1, 1983, and any non-rollover service purchases you made.



Tax Withholding

NORTH CAROLINA INCOME TAX

If you are a North Carolina resident and have maintained five or more years of retirement service credit as of August 12, 1989, your CJRS retirement benefit is not subject to North Carolina income tax. If you do not have five years of maintained retirement service credit as of August 12, 1989, the taxable portion of your retirement benefit is subject to North Carolina income tax.

If you are not a resident of North Carolina, you may not owe North Carolina income tax on your CJRS retirement benefit. However, you may owe state income tax in the state where you live. Contact your tax advisor, the North Carolina Department of Revenue or the Department of Revenue in your resident state for information relative to your situation. NC Retirement Systems can withhold only North Carolina income tax. We cannot withhold any other state's income tax from your monthly benefit.

We do not include itemized deductions such as health premiums, on the 1099-R.
Previous calendar year deductions for health, dental, vision, etc. can be found in your secure ORBIT account.

Section 9 | Income Tax (Returns, Purchases and Refunds)

GUARANTEED REFUNDS AND RETURN OF CONTRIBUTIONS

In January of the year after the year you received a refund, we will send you a Form 1099-R showing the amount of your refund, the taxable portion, the amount of tax withheld (if any), and other related information. We will also send copies to the Internal Revenue Service and North Carolina Department of Revenue.

FEDERAL INCOME TAX

You pay no federal income tax on the amount you contributed before August 1, 1983. However, the amount you contribute after August 1, 1983, is subject to federal income tax. Also, any interest your contributions earned before and after August 1, 1983, is subject to federal income tax.

Federal income tax laws require withholding from the taxable portion of your refund unless that portion of your refund is directly rolled over to an eligible IRA or eligible employer retirement plan that will accept your rollover. If you do not roll over the taxable portion of your refund directly to an eligible IRA or eligible employer plan that will accept your rollover, we will withhold 20 percent of the taxable portion of your refund for federal income tax purposes. Withholding is mandatory unless the taxable portion of your refund is directly rolled over.

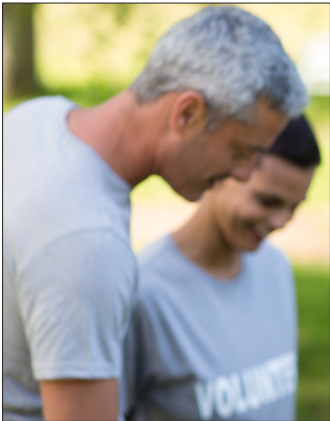
In addition to income tax, you may owe a 10 percent excise tax on the taxable portion of a refund received before your death, disability or reaching age 59½. You can defer the income tax and avoid the 10 percent excise tax by rolling over the taxable portion of your refund to an eligible IRA or eligible employer plan. Consult the Internal Revenue Service, your attorney or your tax professional for information relative to your situation.

NORTH CAROLINA INCOME TAX

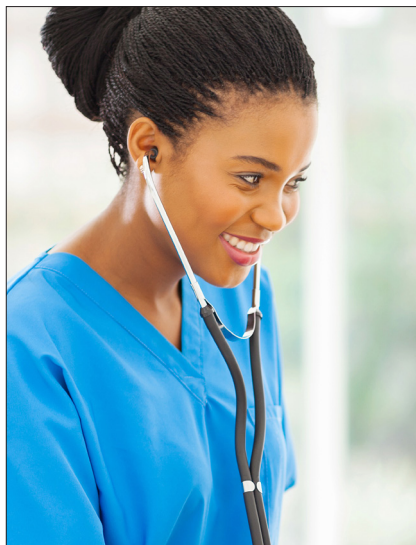
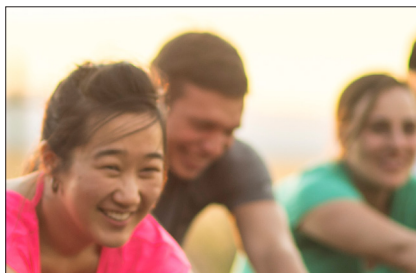
If you are a North Carolina resident and have maintained five or more years of retirement service credit as of August 12, 1989, your refund of CJRS contributions is not subject to North Carolina income tax. If you do not have five years of maintained retirement service credit as of August 12, 1989, the taxable portion of your refund is subject to North Carolina income tax.

ACTIVE DEATH BENEFITS AND CONTRIBUTORY DEATH BENEFITS

Lump-sum death benefits for active employees are taxable under federal and North Carolina income tax. This benefit is paid out of the CJRS retirement funds and not from a qualified death benefit trust.



Maintain Tax Withholding Preferences in your ORBIT account. Annual tax documents for retirees and benefit recipients are uploaded to ORBIT in the View 1099/W2 Tax Documents tab in the left navigation. You also have the option to review and update your electronic tax document delivery options.



Section 10 | Health Coverage in Retirement

STATE HEALTH PLAN

You may be eligible for State Health Plan coverage under the Retirement Systems. The cost, if any, is determined by two factors: (1) when you began state employment, and (2) which health plan you select.



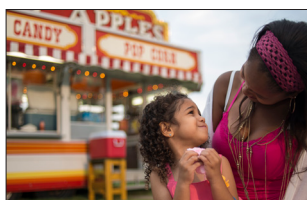
SHPNC.org

Noncontributory Coverage (No premium paid by the retiree)

- Eligible retiree members retiring prior to January 1, 1985.
- Except as otherwise provided, on and after January 1, 1988, eligible retiree members must have completed at least five years of contributory (membership) retirement service with an employing unit prior to retirement from any state-supported retirement system in order to be eligible for group benefits under this Part as a retired employee or retiree. If you withdraw your service (receive a refund of your contributions) and, at a later date, become reemployed as an employee, this new start date will be considered your first hired date.
- Employees first hired on and after October 1, 2006, and members of the General Assembly first taking office on and after February 1, 2007, must have 20 or more years of retirement service credit.

Partially Contributory Coverage (Partial premium paid by the retiree)

- Eligible retiree members retiring prior to January 1, 1985.
- Except as otherwise provided, on and after January 1, 1988, eligible retiree members must have completed at least five years of contributory (membership) retirement service with an employing unit prior to retirement from any state-supported retirement system in order to be eligible for group benefits under this Part as a retired employee or retiree. If you withdraw your service (receive a refund of your contributions) and, at a later date, become reemployed as an employee, this new start date will be considered your first hired date.
- For employees first hired on and after October 1, 2006, and members of the General Assembly first taking office on and after February 1, 2007, must have 20 or more years of retirement service credit.



One-Half Contributory Coverage (Half premium paid by the retiree*)

- Eligible retiree members with 10 years but less than 20 years of retirement service credit provided the employees were first hired on or after October 1, 2006, and General Assembly Members first taking office on or after February 1, 2007.

*The state shall pay fifty percent (50%) of the Plan's total employer premiums. Individual retirees shall pay the balance of the total premiums not paid by the state, unless prohibited by law.

Fully Contributory Coverage (Full premium paid by the retiree)

- Eligible retiree members with less than 10 years of retirement service credit, provided the employees were first hired on or after October 1, 2006, and the members first took office on or after February 1, 2007.

In all cases, if you choose coverage for your dependents, you must pay the full cost of dependent coverage. For additional information, see "Guidance on State Health Plan Changes for Teachers' and State Employees' Retirement System," on our website.

NOTE: Members hired on or after January 1, 2021, are not be eligible to receive retiree medical benefits.

Your coverage begins on the first day of the month following your effective date of retirement.

For example, if your effective date of retirement is January 1, your coverage in the retiree group plan will begin on February 1.

When you (or your covered dependents) become eligible for Medicare, you must elect both Parts A (Hospital) and B (Medical) in order to maintain the same level of coverage you received before retirement.

Optional Supplemental Insurance (Dental, Vision & Identity Theft Protection)

Optional supplemental insurance coverage is available to retirees and benefit recipients through Pierce Insurance Agency. Pierce will mail information to you after your first retirement benefit has been issued.



Supplemental Insurance

Section 11 | Disability Retirement

If you earned and maintained five or more years of membership service with the Consolidated Judicial Retirement System, you may be eligible to receive disability retirement benefits. Your eligibility is based upon approval by the Medical Review Board and your benefit is based in part on the amount of service that you would have earned had you been able to work until you otherwise would have been eligible for an unreduced service retirement benefit.

DISABILITY RETIREMENT ELIGIBILITY

- Must be a contributing member of CJRS at the time of disability;
- Must be permanently and totally disabled for the further performance of duty as determined by the Medical Review Board;
- Must have at least five (5) years of creditable service in CJRS and be younger than age 65 and have less than 24 years of service;
- If the CJRS member is already eligible for service retirement at the time of disability, the CJRS member is not eligible to apply and receive a disability retirement benefit. In this situation, the CJRS member would apply for service retirement.

If you are eligible for and you elect to receive disability retirement benefits, your benefit under the maximum allowance will be calculated using the same formula as a service retirement benefit. Under disability retirement, you may choose any payment option except Option 4. If you choose a survivorship option, it will be calculated using disability reduction percentages.



Disability Retirement

Section 12 | Returning to Work After Retirement



To be legally retired, you must end your employment, live until your effective date of retirement, have no intent or agreement, express or implied, to return to Administrative Office of the Courts at any time during the first month of retirement.



If you perform work in any capacity for a covered state of North Carolina employer, you will be subject to the re-employment provisions described here. These provisions may require you to work under an earnings limitation or to enroll as a contributing member of TSERS, including the Optional Retirement Plan (ORP), or CJRS. You will be subject to re-employment provisions based on the nature of the particular work you perform for a covered employer, regardless of your job classification or your technical employment status (which may include being assigned to work for a covered employer by a private company such as a temporary staffing agency).

Retirement law requires your retirement date to be on the first day of the month. For your retirement to become effective on the first day of the month, you must not work in a CJRS, TSERS or ORP position at any time during that month. If you retire with monthly early or service retirement benefits from CJRS and are re-employed by a covered employer, the following apply:

RE-EMPLOYMENT UNDER CJRS

If you return to service in a position that requires membership in CJRS:

- benefit payments stop
- you immediately become a member of CJRS again
- State Health Plan coverage may be suspended

The benefit you receive when you retire again is based on creditable service before and after your first retirement.



If at any time you are re-employed and become a member of CJRS again, your retirement benefits will (in most cases) be greater at the time of your second early/service retirement. If you return to service and contribute for at least three additional years, you can merge the two accounts and change the retirement payment plan and/or the beneficiary(ies) you selected at the time of your original retirement.

EMERGENCY JUDGE SERVICE

If you have initiated your retirement benefit under the conditions described in Section 8 (Initiating Your Retirement Benefits), including the condition that you had no pre-arrangement to return to employment, then service as an emergency judge has no effect upon your retirement allowance. However, if you are recalled to service as an emergency judge, your total annual compensation (retirement allowance plus compensation as an emergency judge) may not exceed what is received by the active justice or judge of the bench to which you are recalled.

Section 12 | Returning to Work After Retirement

RE-EMPLOYMENT BY A TSERS OR ORP-ELIGIBLE EMPLOYER

If you retired with monthly early or service retirement benefits from CJRS and are re-employed by a TSERS employer (including an Optional Retirement Plan-eligible position), the following apply:

If you are re-employed in a position that requires membership in TSERS, your CJRS retirement payment will be suspended on the first day of the month after the month of re-employment, and you will become a contributing member of TSERS in the month in which you are restored to service.

If you are re-employed with a TSERS employer on a part-time, interim, temporary or contractual basis, or are otherwise performing services that do not require membership in TSERS, your CJRS retirement payment will be suspended if your earnings exceed certain criteria. This suspension of benefits will happen if you exceed your earnings limitation, which is calculated as the greater of the following:

- \$39,660 (2023 amount)
- 50 percent of your compensation, excluding termination payments, reported to the Retirement System during the 12 months of service preceding the effective date of your retirement

These amounts are increased on January 1 each year by the percentage increase in the Consumer Price Index, which is a national measure of the increase in the cost of living from one year to the next.

EXCEEDING YOUR EARNINGS LIMITATIONS

If you exceed your earnings limitations, your retirement benefit will be suspended on the first day of the month following the month in which you exceeded the limit for the remainder of the calendar year.

Your retirement payment will start again on January 1 of the year after your benefit is suspended. If your earnings exceed the allowable amount in the month of December, your benefit will not be suspended.

If your retirement benefit is suspended, your State Health Plan coverage under the Retirement Systems will also be suspended.

When your retirement benefit is restored, your health coverage under the Retirement Systems will be reinstated on the first of the month following the month your retirement benefit is restored.



Section 12 | Returning to Work After Retirement

AFTER RECEIVING DISABILITY

If you accept any type of public or private employment, on an annual basis, you may earn up to the difference between your highest consecutive 12 months of salary in the 48 months preceding your disability retirement date and the amount of your annual disability retirement benefits, without affecting your disability retirement benefit. If you earn more than this amount, your disability retirement benefit will be reduced dollar for dollar by the amount of your excess earnings. The amount you are allowed to earn is increased each January by any increase in the annual national Consumer Price Index. Please contact the Retirement Systems Division for additional information on the provisions that apply to you.

EFFECTS ON HEALTH COVERAGE

Before you accept reemployment with a CJRS, TSERS or ORP employer, ask your new employer whether the employment will affect your health plan coverage, and if the reemployment will cause:

- Your State Health Plan coverage under the Retirement Systems to be suspended.
- You to qualify for State Health Plan active group coverage and whether you will qualify for the state's contribution toward your coverage.

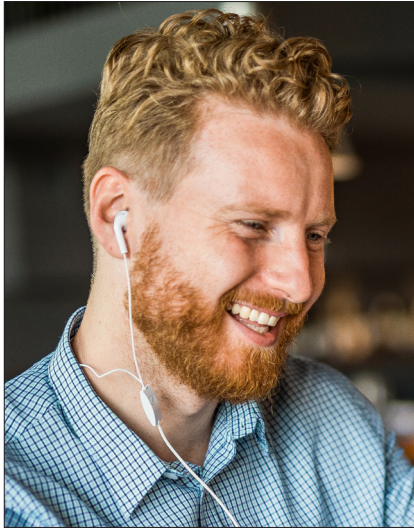
OVERPAYMENTS

An overpayment of benefits means you are receiving a larger benefit than you are entitled to receive. Statutory provisions require us to recover overpayments. This includes, but is not limited to, the following methods of recovery:

- Deductions from a monthly benefit;
- Monthly payment remittal;
- Lump-sum payments;
- Repayment from the NC Department of Revenue through the interception of tax refunds or potential lottery winnings;
- Deductions from an active payroll check (required if you are employed by a CJRS, TSERS or ORP employer and have received an overpayment from CJRS).



Return To Work



Section 13 | Death Benefits (Active)

ACTIVE EMPLOYEE DEATH BENEFITS

Although CJRS' primary purpose is to provide retirement income, we recognize that some members will not live to enjoy their retirement benefits. For that reason, CJRS protects your beneficiary(ies) should you die before retiring with the death benefits described below.

RETURN OF CONTRIBUTIONS

After your death, your beneficiary will receive a return of your contributions, plus interest. This is a lump-sum payment. If you meet certain eligibility requirements, a monthly Surviving Spouse Benefit may be paid instead of a return of contributions.

SURVIVOR'S ALTERNATE BENEFIT

The monthly Surviving Spouse Benefit may be payable if your spouse is your one eligible beneficiary living at the time of your death and you die while in active service (while a contributing member of CJRS) after reaching age 50 with five years of service.

Your surviving spouse may choose to receive a monthly benefit instead of a return of your contributions with interest. The benefit equals one half of the retirement allowance to which you would have been entitled on the first day of the calendar month following your date of death, reduced by two percent for each full year your age exceeds that of your spouse. This benefit is payable for life unless your surviving spouse remarries.

LUMP-SUM DEATH BENEFIT FOR ACTIVE EMPLOYEES

If you die while still employed (while being paid a salary), your beneficiary will receive a single lump-sum payment. The payment is equal to your final annual rate of compensation at the date of death. In addition, this same beneficiary will receive a return of your contributions with interest or, if eligible, a Surviving Spouse Benefit. Lump-sum death benefits are both state of North Carolina and federally-taxed distributions.

REPORT A MEMBER DEATH

During a time of loss and grieving, there are steps that beneficiaries and family members must take to ensure that the law is followed as it relates to member retirement benefits. The first step is to notify our office as soon as possible. We offer an easy online form to report a death to the Retirement Systems Division.



Report a Member Death

Section 13 | Death Benefits (Retiree)

As a CJRS retiree, certain death benefits may be payable as described below.

SURVIVING SPOUSE BENEFIT FOR RETIREES

If you are a CJRS retiree and have a surviving spouse at the time of your death, a monthly Surviving Spouse Benefit will be paid to your spouse. The benefit is equal to half the benefit under the maximum allowance reduced by two percent for each full year your age exceeds the age of your spouse. This payment ceases at your surviving spouse's death or upon remarriage. This benefit is payable in addition to any benefits payable under the monthly survivor options (Option 2, 3, 6-2 and 6-3).

GUARANTEED REFUND

You are automatically eligible for the Guaranteed Refund when you choose a payment option. Under the Guaranteed Refund provision, if you, your surviving spouse and your monthly survivor beneficiary (if any) die before the total of all monthly payments equals the amount of your contributions and interest, the balance of your contributions and interest will be paid in one lump sum to another beneficiary(ies).

OPTIONAL \$10,000 CONTRIBUTORY DEATH BENEFIT

When you retire, we will mail you a Form 333 (Choosing the Contributory Death Benefit for Retired Members). To enroll, you must make your election within 60 days of the effective date of your retirement. If you enrolled in the optional \$10,000 Contributory Death Benefit for Retired Members and your death occurs on or after the first day of the month following the 24th month of coverage, a lump-sum payment of \$10,000 will be paid to your designated beneficiary(ies). If no beneficiary has been designated, the benefit will be paid to your spouse, or legal representative if you are not survived by a spouse. If your death occurs before the first day of the month following the 24th month of coverage, the amount payable will be equal to your premiums plus interest.

CONTINUATION OF MONTHLY BENEFITS UNDER SURVIVOR OPTIONS

If you choose one of the survivor options (Options 2, 3, 6-2 and 6-3), your survivor beneficiary will receive a monthly lifetime benefit after your death.

NOTE: During the month a retiree or beneficiary dies, the legal representative of the deceased retiree or beneficiary is entitled to a full check for the month the death occurred. It is a Class 1 Misdemeanor for a person to fraudulently receive the retirement benefit of a deceased retiree or beneficiary after the recipient's death.

Section 14 | Administration & Funding

ADMINISTRATION

CJRS is administered by the TSERS Board of Trustees, whose members are:

State Treasurer Dale R. Folwell, CPA, Chair

Lentz Brewer

John Ebbighausen

Vernon Gammon

Dirk German

Barbara Gibson

Oliver Holley

Pat Hurley

Margaret Reader

Joshua Smith

Catherine Truitt

Jeffrey Winstead



ASSETS

The State Treasurer is the custodian of CJRS assets and serves as the Chief Investment Officer.

Equity assets (e.g., common stock, preferred stock and debentures convertible into common stock) are invested in conjunction with policies adopted by the Investment Advisory Committee. Committee members are:

State Treasurer Dale R. Folwell, CPA, Chair

John Aneralla

Lentz Brewer

Loris Colclough

Michael Mebane

Greg Patterson

FUTURE OF THE SYSTEM

The state expects to continue the Consolidated Judicial Retirement System indefinitely; however, because future conditions are unforeseeable, the North Carolina General Assembly reserves the right to modify the provisions of the system.

SYSTEM DOCUMENTS

This handbook summarizes the main features of the Consolidated Judicial Retirement System of North Carolina. The official text governing the operations of the system and the payment of all benefits is found in Chapter 135 of the General Statutes and Title 20 of the North Carolina Administrative Code.

CONTRIBUTIONS

Members currently contribute six percent of gross salary each month to CJRS.

For the fiscal year ending June 30, 2023, employers will contribute 39.95 percent of the gross payroll of members each month to CJRS for benefits.

Section 14 | Administration & Funding

FUNDED STATUS & RATIO

The North Carolina Retirement Systems has received several awards and recognitions for being a well-funded pension system. Moody’s Investors Service reported that North Carolina’s Retirement Systems, which includes state and local employees, is the best funded in the nation when looking at its Adjusted Net Pension Liability.

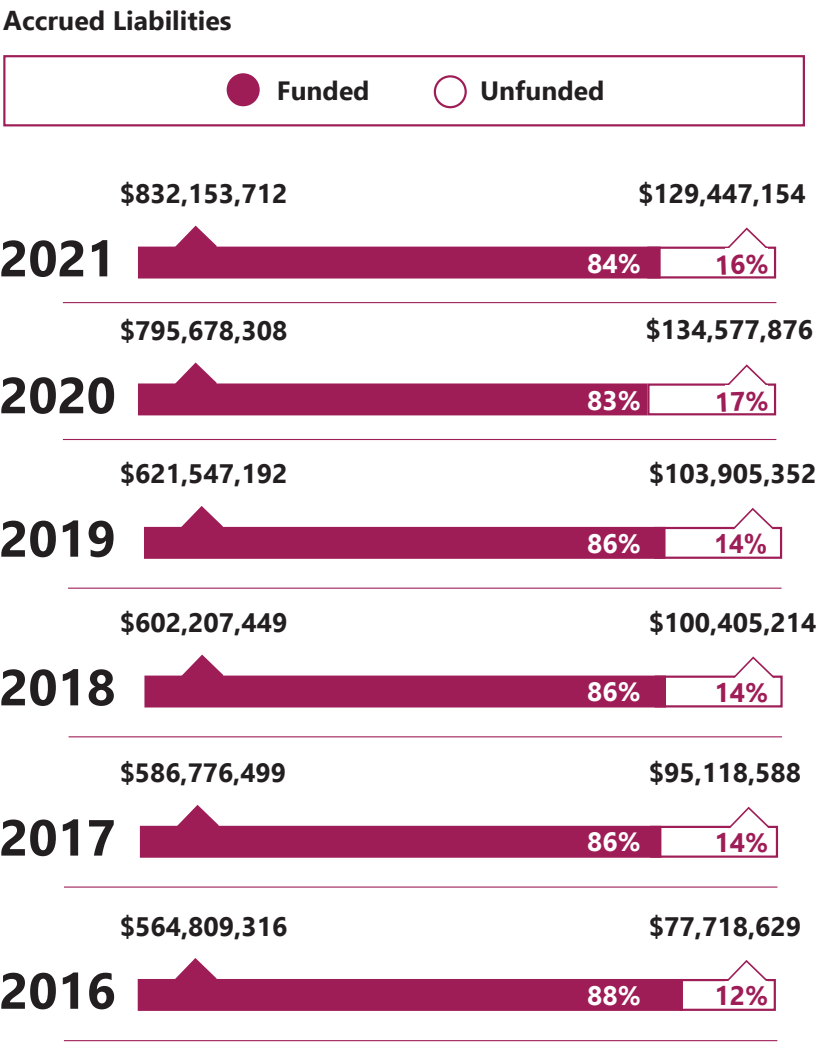
Additionally, a “stress test” by The Pew Charitable Trusts concluded that North Carolina’s state pension fund is well-positioned to maintain solvency during tough economic times.

We continue to be labeled as “actuarially sound” because of the consistent use over the years of:

- Actuarial assumptions based on experience;
- An approved actuarial funding method;
- The recognition of all promised benefits in the actuarial liabilities.

A generally accepted measure of the soundness of any retirement system is to relate the total assets to the total accrued liabilities. This determines the funded ratio or percentage of the system. The total of the accrued liabilities is found by adding the total assets and the unfunded accrued liabilities.

The chart below shows the assets and unfunded liabilities for the past several years, as of December 31 of each year, and the funded ratio of the Consolidated Judicial Retirement System (the percentage of the assets to the total accrued liabilities).





Section 15 | Resources and Contacts

The North Carolina Department of State Treasurer created ORBIT to allow members convenient access to their retirement account information 24 hours a day, seven days a week. This secure site enables you to view your personal information, account information and other relevant details specific to your retirement system account.

When creating your account, the Retirement Systems Division requires that you use your personal email address so you have continued access to email security questions. If you already have an account and use your work email, log in to ORBIT and change this to your personal email account.

In ORBIT, ACTIVE employees are able to:

- View contribution history
- View service credit history
- Designate and maintain beneficiaries
- View NC 401(k)/NC 457 Plan Transfer Benefit estimates
- View MARS (Member Annual Retirement Statement)

In ORBIT, RETIREES are able to:

- Maintain direct deposit
- Maintain tax withholdings
- View and download 1099-R | W-2 tax forms
- Generate income verification letters
- Update their contact information

To access ORBIT, go to our website at www.myNCRetirement.com, click on the ORBIT icon and follow the instructions to log in to your personal ORBIT account.

1. Register for ORBIT via the Register button on the login page
2. Follow the prompts for registration
3. Access ORBIT using the User ID and Password that you created



ORBIT.myNCRetirement.com

Section 15 | Resources and Contacts

WEB-BASED RESOURCES

 www.myNCRetirement.com

Visit our website to:

- View and download retirement benefits handbooks
- See Frequently Asked Questions
- Learn about North Carolina Total Retirement Plans – NC 401(k) and NC 457 Plans
- Review the retirement checklist
- Learn about retirement planning resources
- Log into your personal ORBIT account

Contact Us



919-814-4590

Fraud and Abuse Hotline 1-855-903-7283

retfraud@nctreasurer.com



Consolidated Judicial Retirement System
Department of State Treasurer
3200 Atlantic Avenue
Raleigh, North Carolina 27604

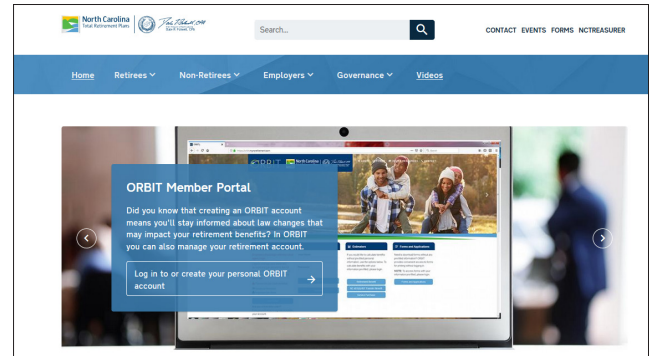
Office visits scheduled by appointment only.
Please call or email our office to schedule an appointment.



nc.retirement@nctreasurer.com



<https://www.facebook.com/MyNCRetirement>



Office hours

in-person deliveries and appointments
Monday - Friday, 8:00 am - 5:00 pm
(Masks required at this time)

Call Center hours

Monday - Friday, 8:30 am - 4:30 pm
(closed 11:30 am - 12:30 pm)

For up to date information on availability and hours, please visit myNCRetirement.com.

If you need to contact the Retirement Systems by email, phone or mail, you can help us deliver efficient service by providing:

- Member ID; or
- last four of Social Security
- Date of Birth
- Contact information on record with the Retirement Systems

Section 16 |Glossary of Terms

ACTUARY

A business professional with expertise in the fields of economics, statistics and mathematics who compiles and analyzes statistics in order to calculate financial risks and reserves.

AVERAGE FINAL COMPENSATION

The average of your salary during your four highest-paid years in a row

CJRS

Consolidated Judicial Retirement System

CONSUMER PRICE INDEX

A national measure of increase in the cost-of-living from one year to the next

CREDITABLE SERVICE

The total of all service credit that counts toward retirement.

DEFINED BENEFIT PLAN

Consolidated Judicial Retirement System, your North Carolina pension plan

FINAL COMPENSATION

The annual equivalent of the rate of compensation most recently applicable to you as a member of CJRS

LGERS

Local Governmental Employees' Retirement System

LRS

Legislative Retirement System

MEMBERSHIP SERVICE

Service you earned while an active employee contributing to CJRS that has not been withdrawn.

ORBIT

The secure website for tracking and maintaining your retirement account

OVERPAYMENT

Payment to a benefit recipient in excess of what the benefit recipient is entitled to receive

RETIREMENT

Retirement marks the beginning of monthly retirement benefits and the complete separation from active service for vested employees with no intent or agreement, express or implied, to return to service.

TEMPORARY EMPLOYMENT

Employment for a limited term which does not exceed 12 consecutive months on a non-recurring basis for an CJRS employer.

TSERS

Teachers' and State Employees' Retirement System

VESTING

Having the right, after you have a minimum of five years of CJRS creditable service, to apply for lifetime monthly retirement benefits once you meet all retirement eligibility requirements, provided you do not withdraw your contributions.



Terms & Definitions

RETIREMENT PLANNING CONFERENCES

The Department of State Treasurer Retirement Systems Division conducts retirement conferences for members of the Teachers’ and State Employees’ Retirement System and the Local Governmental Employees’ Retirement System.

The conferences provide an orientation for new members, pre-retirement planning information for members closer to retirement, and educational information for personnel officers and others who handle retirement matters. A representative from the State Health Plan is on hand to answer questions about health coverage for eligible retirees. In addition, Prudential Retirement, our third-party administrator, also offers information on the NC 401(k) and NC (457) Plans at the conferences.

Registration is required for Retirement Planning Conferences or webinars.



Upcoming Events

Teachers’ and State Employees’ Retirement System (TSERS)

Local Governmental Employees’ Retirement System (LGERS)

Consolidated Judicial Retirement System (CJRS)

Legislative Retirement System (LRS)

Firefighters’ and Rescue Squad Workers’ Pension Fund (FRSWPF)

NC National Guard Pension Fund (NCNGPF)

Register of Deeds’ Supplemental Pension Fund



View all Member Handbooks



Discover the North Carolina Retirement Systems & Funds



North Carolina
Total Retirement Plans



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

myNCRetirement.com