



North Carolina Total Retirement Plans

1Q 2017 Board of Trustees Report

Presented by: Michael McCann, Vice President, Key Account Management

On: June 22, 2017

As of: March 31, 2017

Report contains information up through the last business day of the period end.



North Carolina
Total Retirement Plans | 401k | 457 | 403b
For Plan Sponsor or Consultant Use Only



Prudential

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Prudential Disclosures

This is not a certified financial statement.

Assets and contributions reflect actual participant account balances and do not include forfeiture and / or expense account assets.

Prudential monitors the contractual terms and service guarantees related to the contract for third-party administration of the supplemental retirement income plan of North Carolina and North Carolina public employee deferred compensation plan. Prudential communicates with Retirement Systems Division staff on our performance with these terms.

This information should not be considered an offer or solicitation of securities, insurance products or services. No offer is intended nor should this material be construed as an offer of any product. The information is being presented by us solely in our role as the plan's service provider and or record keeper.

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Prudential's Book of Business averages are as of 3/31/2017.

Disclosures Provided by North Carolina Department of State Treasurer

1. Compliance with laws:

- The Contractor shall be required to comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of Federal, State, and local agencies having jurisdiction and/or authority
- Providing and maintain adequate insurance coverage is a material obligation of the Contractor and is of the essence of the agreement between the Contractor and the Department

2. Performance guarantees and required notifications to North Carolina:

- Whenever the Department, at its sole discretion, has grounds for insecurity with respect to Contractor's performance, it may, in writing, demand adequate assurance of due performance and the Contractor shall provide such information and documentation as the Department may require to receive such assurance
- The Contractor shall promptly notify the Department of any error by the Contractor that has affected five or more members' accounts – or – has in the aggregate reduced members' balances by more than \$5000.00
- The Contractor will notify the Department prior to changes in the assignment of key personnel
- If the Contractor shall retain a non-affiliated subcontractor(s) specifically for the purpose of providing services to the Department, the Contractor will provide complete copies of the contract(s) to the Department and retain the sole responsibility for the performance of its subcontractor(s)

Disclosures Provided by North Carolina Department of State Treasurer

3. The Contractor warrants that:

- With respect to care of data and confidentiality, all steps necessary will be taken to safeguard data from loss or destruction, nor any data will be divulged to another party without prior written approval of the Plan (except as provided by NC G.S 135-37)
- Contractor employees, officers and subcontractors are not employees or agents of The North Carolina state, the Department or the Plan
- Contractor shall participate in an annual audit of the Plan assets and shall provide all pertinent financial information to the Department and the Independent Auditor
- Contractor shall facilitate the data transmission for the purpose of preparation of Annual Benefit Statement and its delivery to Plan participants

4. Contractual Plan Sponsor and Participating Employer relationship – additional services:

- Contractor may hold and facilitate meeting with representatives of the Plan and Participating Employers for the purpose of reviewing Contractor's performance
- Contractor may provide transition, implementation or training services to representatives of the Plan and Participating Employers
- Contractor may provide or make presentations at educational and enrollment meetings, benefits fairs, workshops for employees of Participating Employers

Our Mission: Retirement Readiness

58.04% of all active NC public servants are "retirement ready." Retirement readiness is defined as the ability to replace 80% of pre-retirement income, beginning at age 62 and continuing throughout 30 years of retirement. The following sub-goals are being pursued at a Combined Plans level to help us achieve our top-level metric of 66% in 2017:

401(k), 457 and 403(b) Plans Combined Summary Goals:

Sub Goal	As of 3/31/2017	Stretch Goal	% to Stretch Goal	Contractual Goal	% to Contractual Goal
Average Monthly Contributions*	\$179.95	\$180.61	99.63%	\$163.20	110.26%
Active Participation Rate*	32.99%	28.99%	113.80%	28.28%	116.65%
GoalMaker Utilization Among New Members	90.93%	93%	97.77%	80%	113.66%
GoalMaker Utilization Among All Members	60.40%	57%	105.96%	N/A	N/A

*Calculations include information from April 1, 2016 to March 31, 2017 for the 401(k) & 457 Plans, and from March 1, 2017 to March 31, 2017 for the 403(b) Plan.

0 Employers adopted the 401(k) Plan from the period of January 1, 2017 through March 31, 2017

5 Employers adopted the 457 Plan from the period of January 1, 2017 through March 31, 2017

0 Employers adopted the 403(b) Plan from the period of March 1, 2017 through March 31, 2017

Asset Allocation By Fund – Combined 401(k) and 457 Plans

Investment Option	Asset Class	3/31/2015	%	# Participants Utilizing		%	# Participants Utilizing		%	# Participants Utilizing
				3/31/2015	3/31/2016		3/31/2016	3/31/2017		3/31/2017
North Carolina Stable Value Fund	Stable Value	\$2,299,240,094	25.15%	231,053	\$2,355,048,409	25.86%	228,794	\$2,477,229,077	24.33%	232,661
North Carolina Fixed Income Fund	Fixed Income	\$592,703,963	6.48%	181,175	\$612,325,553	6.72%	183,251	\$677,566,145	6.66%	190,174
North Carolina Fixed Income Index Fund	Fixed Income	\$365,388,640	4.00%	147,336	\$389,801,071	4.28%	153,370	\$456,426,237	4.48%	162,925
North Carolina Large Cap Growth Fund	Large-Cap Stock	\$901,778,668	9.86%	238,931	\$870,650,349	9.56%	239,350	\$943,124,927	9.26%	246,251
North Carolina Large Cap Index Fund	Large-Cap Stock	\$1,308,290,191	14.31%	238,597	\$1,289,447,769	14.16%	239,271	\$1,450,574,788	14.25%	246,728
North Carolina Large Cap Value Fund	Large-Cap Stock	\$929,054,434	10.16%	239,362	\$858,149,429	9.42%	239,205	\$977,752,811	9.60%	246,416
North Carolina Small/Mid Cap Growth Fund	Small-Cap Stock	\$339,896,707	3.72%	184,520	\$345,842,039	3.80%	190,082	\$397,123,869	3.90%	200,592
North Carolina Small/Mid Cap Index Fund	Small-Cap Stock	\$233,292,329	2.55%	25,995	\$215,661,211	2.37%	24,437	\$258,549,590	2.54%	23,744
North Carolina Small/Mid Cap Value Fund	Small-Cap Stock	\$469,905,280	5.14%	194,167	\$445,587,848	4.89%	198,294	\$525,929,647	5.17%	208,418
North Carolina Global Equity Fund	Global/Intl Stock	\$758,174,084	8.29%	177,247	\$775,488,986	8.52%	183,920	\$909,876,417	8.94%	194,686
North Carolina International Fund	Global/Intl Stock	\$558,726,484	6.11%	202,021	\$546,145,984	6.00%	205,435	\$628,525,236	6.17%	214,505
North Carolina International Index Fund	Global/Intl Stock	\$44,598,484	0.49%	6,638	\$44,557,565	0.49%	6,556	\$51,177,284	0.50%	6,533
North Carolina Inflation Responsive Fund	Specialty	\$341,553,834	3.74%	168,291	\$358,434,459	3.94%	177,981	\$427,085,225	4.19%	189,654
Total Plan Assets		\$9,142,603,192	100.00%		\$9,107,140,673	100.00%		\$10,180,941,255	100.00%	

Assets reflect actual participant account balances and do not include expense account assets.

The total number of unique participants across the 401(k) and 457 Plans combined as of March 31, 2017 was 267,929.

The average monthly employee deferral from April 1, 2016 to March 31, 2017 was \$180.74 for the Combined 401(k) and 457 Plans.

The average active participation rate from April 1, 2016 to March 31, 2017 was 32.81% for the Combined 401(k) and 457 Plans.

The GoalMaker utilization among new members as of March 31, 2017 was 90.97% for the Combined 401(k) and 457 Plans.

The GoalMaker utilization among members as of March 31, 2017 was 60.38% for the Combined 401(k) and 457 Plans.

North Carolina Total Retirement Plans

Asset Allocation By Fund – 401(k) Plan

Investment Option	Asset Class			# Participants Utilizing				# Participants Utilizing			
		3/31/2015	%	3/31/2015	3/31/2016	%	3/31/2016	3/31/2017	%	3/31/2017	
North Carolina Stable Value Fund	Stable Value	\$1,906,249,994	23.90%	186,962	\$1,958,647,412	24.64%	185,434	\$2,072,983,013	23.27%	188,257	
North Carolina Fixed Income Fund	Fixed Income	\$522,497,905	6.55%	149,012	\$538,419,449	6.77%	150,663	\$594,512,824	6.67%	155,717	
North Carolina Fixed Income Index Fund	Fixed Income	\$328,827,318	4.12%	120,325	\$349,477,921	4.40%	125,184	\$409,033,737	4.59%	132,502	
North Carolina Large Cap Growth Fund	Large-Cap Stock	\$786,993,275	9.87%	197,380	\$758,298,748	9.54%	197,780	\$823,792,492	9.25%	202,744	
North Carolina Large Cap Index Fund	Large-Cap Stock	\$1,164,515,659	14.60%	200,266	\$1,147,591,381	14.44%	200,397	\$1,287,833,719	14.46%	205,526	
North Carolina Large Cap Value Fund	Large-Cap Stock	\$817,501,093	10.25%	198,324	\$756,171,154	9.51%	198,236	\$863,494,690	9.69%	203,428	
North Carolina Small/Mid Cap Growth Fund	Small-Cap Stock	\$286,832,533	3.60%	146,309	\$294,308,044	3.70%	151,513	\$339,554,876	3.81%	159,862	
North Carolina Small/Mid Cap Index Fund	Small-Cap Stock	\$215,963,622	2.71%	24,557	\$198,187,517	2.49%	22,953	\$234,872,747	2.64%	22,136	
North Carolina Small/Mid Cap Value Fund	Small-Cap Stock	\$389,466,928	4.88%	155,445	\$374,287,063	4.71%	159,339	\$441,922,253	4.96%	167,252	
North Carolina Global Equity Fund	Global/Intl Stock	\$709,650,978	8.90%	145,672	\$723,169,110	9.10%	150,884	\$846,087,461	9.50%	159,085	
North Carolina International Fund	Global/Intl Stock	\$495,625,781	6.21%	163,099	\$485,347,940	6.11%	166,297	\$560,681,945	6.29%	173,302	
North Carolina International Index Fund	Global/Intl Stock	\$34,367,006	0.43%	5,542	\$33,930,490	0.43%	5,460	\$39,218,143	0.44%	5,416	
North Carolina Inflation Responsive Fund	Specialty	\$317,348,476	3.98%	138,075	\$331,947,441	4.18%	145,913	\$394,545,042	4.43%	154,844	
Total Plan Assets		\$7,975,840,569	100.00%		\$7,949,783,669	100.00%		\$8,908,532,943	100.00%		

Assets reflect actual participant account balances and do not include expense account assets.

The total number of unique participants in the 401(k) Plan as of March 31, 2017 was 246,261.

The average monthly employee deferral from April 1, 2016 to March 31, 2017 was \$163.72 for the 401(k) Plan.

The average active participation rate from April 1, 2016 to March 31, 2017 was 29.93% for the 401(k) Plan.

The GoalMaker utilization among new members as of March 31, 2017 was 90.42% for the 401(k) Plan.

The GoalMaker utilization among members as of March 31, 2017 was 61.34% for the 401(k) Plan.

North Carolina Total Retirement Plans

Asset Allocation By Fund – 457 Plan

Investment Option	Asset Class	# Participants Utilizing			# Participants Utilizing			# Participants Utilizing		
		3/31/2015	%	3/31/2015	3/31/2016	%	3/31/2016	3/31/2017	%	3/31/2017
North Carolina Stable Value Fund	Stable Value	\$392,990,100	33.68%	44,091	\$396,400,996	34.25%	43,360	\$404,246,065	31.77%	44,404
North Carolina Fixed Income Fund	Fixed Income	\$70,206,058	6.02%	32,163	\$73,906,105	6.39%	32,588	\$83,053,321	6.53%	34,457
North Carolina Fixed Income Index Fund	Fixed Income	\$36,561,322	3.13%	27,011	\$40,323,150	3.48%	28,186	\$47,392,500	3.72%	30,423
North Carolina Large Cap Growth Fund	Large-Cap Stock	\$114,785,394	9.84%	41,551	\$112,351,601	9.71%	41,570	\$119,332,435	9.38%	43,507
North Carolina Large Cap Index Fund	Large-Cap Stock	\$143,774,532	12.32%	38,331	\$141,856,389	12.26%	38,874	\$162,741,069	12.79%	41,202
North Carolina Large Cap Value Fund	Large-Cap Stock	\$111,553,341	9.56%	41,038	\$101,978,276	8.81%	40,969	\$114,258,121	8.98%	42,988
North Carolina Small/Mid Cap Growth Fund	Small-Cap Stock	\$53,064,174	4.55%	38,211	\$51,533,995	4.45%	38,569	\$57,568,994	4.52%	40,730
North Carolina Small/Mid Cap Index Fund	Small-Cap Stock	\$17,328,707	1.49%	1,438	\$17,473,694	1.51%	1,484	\$23,676,842	1.86%	1,608
North Carolina Small/Mid Cap Value Fund	Small-Cap Stock	\$80,438,352	6.89%	38,722	\$71,300,786	6.16%	38,955	\$84,007,394	6.60%	41,166
North Carolina Global Equity Fund	Global/Intl Stock	\$48,523,106	4.16%	31,575	\$52,319,877	4.52%	33,036	\$63,788,956	5.01%	35,601
North Carolina International Fund	Global/Intl Stock	\$63,100,702	5.41%	38,922	\$60,798,044	5.25%	39,138	\$67,843,292	5.33%	41,203
North Carolina International Index Fund	Global/Intl Stock	\$10,231,478	0.88%	1,096	\$10,627,075	0.92%	1,096	\$11,959,141	0.94%	1,117
North Carolina Inflation Responsive Fund	Specialty	\$24,205,358	2.07%	30,216	\$26,487,018	2.29%	32,068	\$32,540,182	2.56%	34,810
Total Plan Assets		\$1,166,762,623	100.00%		\$1,157,357,004	100.00%		\$1,272,408,312	100.00%	

Assets reflect actual participant account balances and do not include expense account assets.

The total number of unique participants in the 457 Plan as of March 31, 2017 was 52,884.

The average monthly employee deferral from April 1, 2016 to March 31, 2017 was \$136.56 for the 457 Plan.

The average active participation rate from April 1, 2016 to March 31, 2017 was 11.08% for the 457 Plan.

The GoalMaker utilization among new members as of March 31, 2017 was 92.47% for the 457 Plan.

The GoalMaker utilization among members as of March 31, 2017 was 64.79% for the 457 Plan.

Asset Allocation By Fund – 403(b) Plan

Investment Option	Asset Class			# Participants Utilizing			
		2/28/2017	%	2/28/2017	3/31/2017	%	3/31/2017
Metropolitan West Total Return Bd Plan	Fixed Income	\$1,029,641	10.38%	1,052	\$1,063,893	10.34%	1,052
Vanguard Short-Term Bond Index Adm	Fixed Income	\$1,833,989	18.50%	879	\$1,878,882	18.26%	881
Vanguard Total Bond Market Index Adm	Fixed Income	\$830,638	8.38%	1,024	\$847,837	8.24%	1,024
T. Rowe Price Blue Chip Growth I	Large-Cap Stock	\$591,322	5.96%	830	\$622,993	6.06%	834
Vanguard 500 Index Admiral	Large-Cap Stock	\$1,958,763	19.76%	1,155	\$1,998,356	19.43%	1,158
Vanguard Windsor II Admiral	Large-Cap Stock	\$703,429	7.09%	1,054	\$735,922	7.15%	1,057
Vanguard Extended Market Index Admiral	Mid-Cap Stock	\$710,522	7.17%	380	\$733,170	7.13%	382
DFA US Small Cap I	Small-Cap Stock	\$603,509	6.09%	970	\$637,314	6.20%	973
PIMCO Inflation Response MultiAsst Instl	Specialty	\$445,756	4.50%	791	\$461,581	4.49%	792
MFS Instl International Equity	International Stock	\$1,100,141	11.10%	1,024	\$1,192,141	11.59%	1,025
Vanguard Total Intl Stock Index Admiral	International Stock	\$107,049	1.08%	52	\$114,933	1.12%	55
Total Plan Assets		\$9,914,759	100.00%		\$10,287,024	100.00%	

Assets reflect actual participant account balances and do not include expense account assets.

The total number of unique participants in the 403(b) Plan as of March 31, 2017 was 1,196.

The average monthly employee deferral from March 1, 2017 to March 31, 2017 was \$357.49 for the 403(b) Plan.

The average active participation rate from March 1, 2017 to March 31, 2017 was 1.40% for the 403(b) Plan.

The GoalMaker utilization among new members as of March 31, 2017 was 50.0% for the 403(b) Plan.

The GoalMaker utilization among members as of March 31, 2017 was 58.78% for the 403(b) Plan.

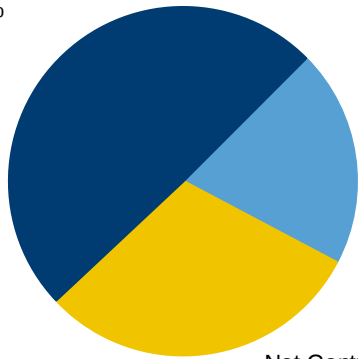
North Carolina Total Retirement Plans

401(k) Plan				
	1Q 2016	1Q 2017	Difference #	Difference %
Members with an Account Balance	244,592	246,261	1,669	0.68%
Average Account Balance	\$32,502	\$36,175	\$3,673	11.30%
Median Account Balance	\$10,819	\$11,856	\$1,037	9.59%

401(k) Plan Percentage Gain						
	Assets (3/31/2016)	Contributions	Distributions	Earnings	Assets (3/31/2017)	Percentage Gain
NC 401(k) Plan	\$7,949,783,669	\$526,384,302	\$455,141,234	\$887,506,205	\$8,908,532,943	11.06%

401(k) Member Breakdown

Active -
Contributing,
49.47%



Term/Retired,
20.24%

Not Contributing,
30.29%



Member breakdown reflects status on recordkeeping system updated from limited indicative data received from employers which may cause the active status to be inflated

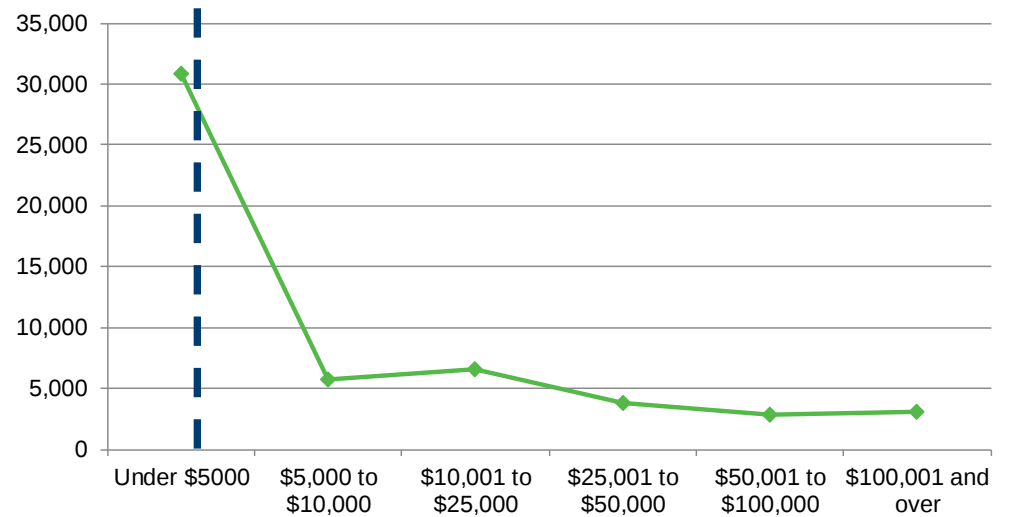
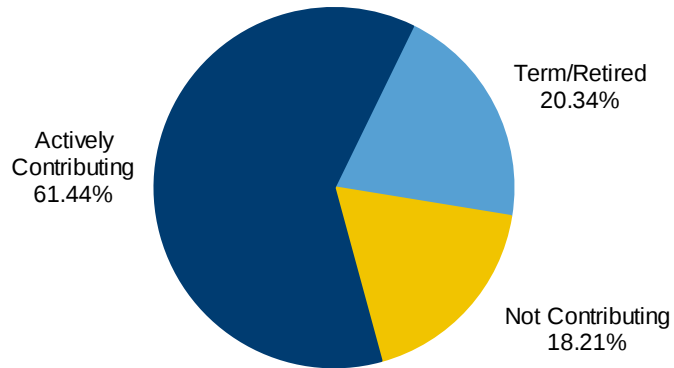


North Carolina Total Retirement Plans

457 Plan				
	1Q 2016	1Q 2017	Difference #	Difference %
Members with an Account Balance	51,457	52,884	1,427	2.77%
Average Account Balance	\$22,492	\$24,060	\$1,568	6.97%
Median Account Balance	\$2,708	\$3,051	\$343	12.67%

457 Plan Percentage Gain						
	Assets (3/31/2016)	Contributions	Distributions	Earnings	Assets (3/31/2017)	Percentage Gain
NC 457 Plan	\$1,157,357,004	\$80,092,287	\$81,085,009	\$116,044,030	\$1,272,408,312	10.04%

457 Member Breakdown



Member breakdown reflects status on recordkeeping system updated from limited indicative data received from employers which may cause the active status to be inflated

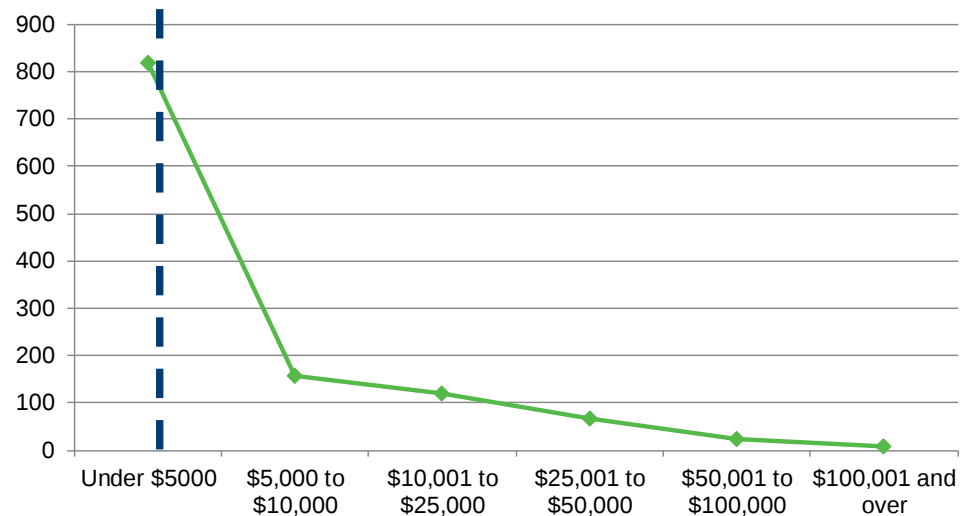
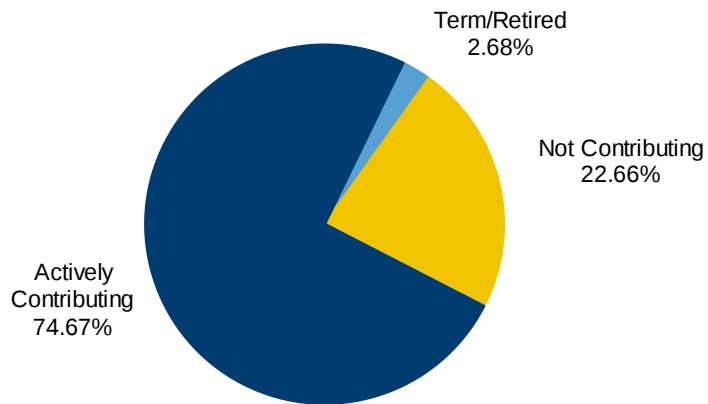


North Carolina Total Retirement Plans

403(b) Plan				
	February 2017	March 2017	Difference #	Difference %
Members with an Account Balance	1,194	1,196	2	0.17%
Average Account Balance	\$8,304	\$8,601	\$297	3.58%
Median Account Balance	\$2,744	\$2,907	\$163	5.96%

403(b) Plan Percentage Gain						
	Assets (2/28/2017)	Contributions	Distributions	Earnings	Assets (3/31/2017)	Percentage Gain
NC 457 Plan	\$9,914,759	\$320,239	\$0	\$52,026	\$10,287,024	0.51%

403(b) Member Breakdown



Member breakdown reflects status on recordkeeping system updated from limited indicative data received from employers which may cause the active status to be inflated



North Carolina Total Retirement Plans

401(k) Plan Quarterly Enrollments & Contribution Changes

	1Q 2014	1Q 2015	1Q 2015 % of Change	1Q 2016	1Q 2016 % of Change	1Q 2017	1Q 2017 % of Change
Enrollments	3,198	4,065	21.33%	3,727	-8.31%	4,024	7.97%
% of New Hires Enrolled in Plan	46.80%	67.42%	30.59%	44.45%	-34.08%	38.57%	-13.23%
GoalMaker Elections	2,890	3,746	22.85%	3,464	-7.53%	3,535	2.01%
Contribution Changes							
Deferral Decreases	2,231	2,264	1.46%	4,291	89.53%	5,384	25.47%
Deferral Increases	6,875	8,050	14.60%	5,877	-26.99%	7,634	29.90%
Pre-tax Participation Rate	20.64%	20.42%	-1.08%	20.48%	0.29%	21.16%	3.32%
Roth Participation Rate	6.57%	7.31%	10.12%	7.89%	7.93%	8.29%	5.07%
Voluntary (Employee & Roth) Participation Rate	25.35%	27.50%	7.82%	26.24%	-4.58%	27.15%	3.47%

401(k) Plan Quarterly Enrollments & Contribution Change Method

	1Q 2014	1Q 2015	1Q 2016	1Q 2017
Method of Enrollment				
Paper Form	71.36%	76.54%	75.15%	75.51%
Pseudo Enrollment	22.33%	16.68%	17.35%	16.77%
Internet	6.32%	6.78%	7.50%	7.72%
Method of Contribution Change				
Internet	97.97%	98.50%	99.31%	99.74%
Paper Form	1.65%	1.10%	0.31%	0.08%
Participant Service Center	0.04%	0.09%	0.03%	0.01%
VRU	0.34%	0.31%	0.35%	0.17%

Participation rates for YTD and quarter are based on the population actively contributing for the time period reported.
As a result, the participation results will vary.



North Carolina Total Retirement Plans

457 Plan Quarterly Enrollments & Contribution Changes

	1Q 2014	1Q 2015	1Q 2015 % of Change	1Q 2016	1Q 2016 % of Change	1Q 2017	1Q 2017 % of Change
Enrollments	1,169	1,554	32.93%	1,085	-30.18%	1,363	25.62%
% of New Hires Enrolled in Plan	29.81%	42.11%	41.29%	20.29%	-51.82%	18.95%	-6.60%
GoalMaker Elections	1,020	1,411	38.33%	949	-32.74%	1,263	33.09%
Contribution Changes							
Deferral Decreases	1,066	751	-29.55%	1,074	43.01%	3,680	242.64%
Deferral Increases	1,414	1,894	33.95%	1,372	-27.56%	1,706	24.34%
Pre-tax Participation Rate	10.27%	10.51%	2.34%	10.39%	-1.14%	10.00%	-3.75%
Roth Participation Rate	0.93%	1.13%	21.51%	1.31%	15.93%	1.52%	16.03%
Voluntary (Employee & Roth) Participation Rate	10.56%	11.19%	5.97%	11.24%	0.45%	10.62%	-5.52%

457 Plan Quarterly Enrollments & Contribution Change Method

	1Q 2014	1Q 2015	1Q 2016	1Q 2017
Method of Enrollment				
Paper Form	88.37%	89.84%	86.14%	85.00%
Pseudo Enrollment	1.45%	1.48%	2.13%	3.60%
Internet	10.18%	8.68%	11.74%	11.40%
Method of Contribution Change				
Internet	99.10%	98.69%	99.76%	99.95%
Paper Form	0.50%	0.96%	0.18%	0.00%
Participant Service Center	0.13%	0.11%	0.00%	0.05%
VRU	0.27%	0.24%	0.06%	0.00%

Participation rates for YTD and quarter are based on the population actively contributing for the time period reported.
As a result, the participation results will vary.



North Carolina Total Retirement Plans

403(b) Plan Quarterly Enrollments & Contribution Changes

	February 2017	March 2017
Enrollments	0	2
% of New Hires Enrolled in Plan	0.00%	0.14%
GoalMaker Elections	0	1
Contribution Changes		
Deferral Decreases	0	0
Deferral Increases	0	0
Pre-tax Participation Rate	1.32%	1.20%
Roth Participation Rate	0.38%	0.29%
Voluntary (Employee & Roth) Participation Rate	1.47%	1.40%

403(b) Plan Quarterly Enrollments & Contribution Change Method

	February 2017	March 2017
Method of Enrollment		
Paper Form	0.00%	100.00%
Pseudo Enrollment	0.00%	0.00%
Internet	0.00%	0.00%
Method of Contribution Change		
Internet	0.00%	92.00%
Paper Form	0.00%	0.00%
Participant Service Center	0.00%	0.00%
VRU	0.00%	8.00%

Participation rates for each month are based on the population actively contributing for the time period reported.
As a result, the participation results will vary.



North Carolina Total Retirement Plans

401(k) Contributions

	1Q 2014	1Q 2015	1Q 2015 Change %	1Q 2016	1Q 2016 Change %	1Q 2017	1Q 2017 Change %
Employee Contributions	\$52,218,715	\$53,254,463	1.98%	\$54,132,538	1.65%	\$57,625,052	6.45%
Roth	\$7,819,875	\$9,033,706	15.52%	\$10,034,926	11.08%	\$11,157,798	11.19%
Total Employee Contributions	\$60,038,590	\$62,288,170	3.75%	\$64,167,464	3.02%	\$68,782,850	7.19%
Employer Contributions	\$41,988,747	\$43,658,639	3.98%	\$45,117,792	3.34%	\$48,115,881	6.65%
Rollovers	\$10,391,366	\$12,090,810	16.35%	\$11,055,210	-8.57%	\$14,992,583	35.62%
Total Contributions	\$112,418,703	\$118,037,619	5.00%	\$120,340,466	1.95%	\$131,891,314	9.60%
Average Voluntary Contributions	\$169	\$161	-4.89%	\$173	7.41%	\$192	10.94%
Average Roth Contributions	\$91	\$93	2.67%	\$95	1.35%	\$101	7.02%
Average Employee Contributions	\$180	\$184	2.29%	\$186	0.86%	\$179	-3.37%

457 Contributions

	1Q 2014	1Q 2015	1Q 2015 Change %	1Q 2016	1Q 2016 Change %	1Q 2017	1Q 2017 Change %
Employee Contributions	\$13,235,600	\$13,888,773	4.93%	\$13,689,750	-1.43%	\$14,829,691	8.33%
Roth	\$540,536	\$846,874	56.67%	\$989,083	16.79%	\$1,214,939	22.83%
Total Employee Contributions	\$13,776,136	\$14,735,647	6.97%	\$14,678,833	100.00%	\$16,044,630	9.30%
Employer Contributions	\$190,944	\$327,006	0.00%	\$353,067	0.00%	\$470,987	33.40%
Rollovers	\$2,241,198	\$3,582,037	59.83%	\$2,417,573	-32.51%	\$2,553,919	5.64%
Total Contributions	\$16,208,278	\$18,644,689	15.03%	\$17,449,473	-6.41%	\$19,069,536	9.28%
Average Voluntary Contributions	\$142	\$142	-0.33%	\$134	-5.41%	\$144	7.29%
Average Roth Contributions	\$119	\$137	15.06%	\$126	-8.46%	\$120	-4.44%
Average Employee Contributions	\$144	\$142	-1.46%	\$135	-5.12%	\$147	9.08%

Average contributions for YTD and the quarter are based on the population actively contributing for the time period reported.
As a result, the average contribution amounts will vary.



403(b) Contributions		
	February 2017	March 2017
Employee Contributions	\$5,298	\$276,008
Roth	\$200	\$44,231
Total Employee Contributions	\$5,498	\$320,239
Employer Contributions	\$0	\$0
Rollovers	\$0	\$0
Total Contributions	\$5,498	\$320,239
Average Voluntary Contributions	\$7,018	\$364
Average Roth Contributions	\$3,673	\$297
Average Employee Contributions	\$6,753	\$357

Average contributions for each month are based on the population actively contributing for the time period reported.
As a result, the average contribution amounts will vary.



North Carolina Total Retirement Plans

401(k) GoalMaker Participation

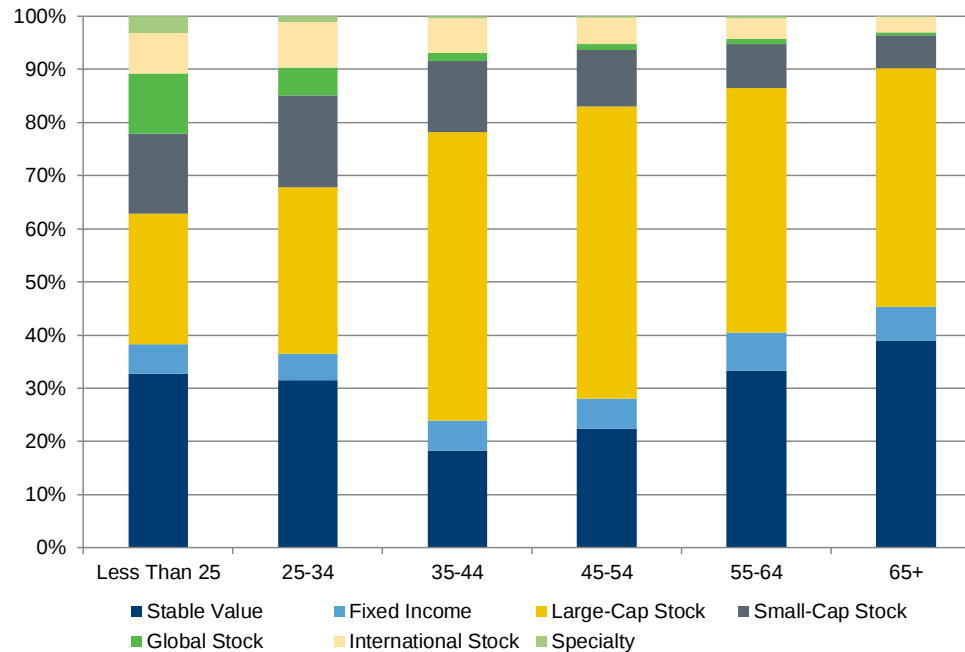
	3/31/2014	3/31/2015	3/31/2016	3/31/2017
Total Plan Assets in GoalMaker	\$3,087,795,831	\$3,439,314,807	\$3,526,593,516	\$4,107,685,123
Total # of Participants in GoalMaker	130,076	139,969	144,410	151,047
Year to Date % of New Enrollments with Goalmaker Election	90.37%	92.11%	92.45%	88.07%
Total Participation Rate	53.39%	56.14%	59.04%	61.34%
Prudential's Book of Business GoalMaker Average Participation Rate*	43.07%	45.19%	47.29%	49.98%
Total % of Assets	41.56%	43.10%	44.36%	46.11%

Participant Age Range	Conservative	Moderate	Aggressive	Total
Less than 25	1,182	2,761	1,052	4,995
Age 25-34	7,749	16,689	9,614	34,052
Age 35-44	7,494	18,765	11,832	38,091
Age 45-54	8,497	19,927	10,434	38,858
Age 55-64	8,426	14,221	4,933	27,580
Age 65+	2,676	3,626	1,169	7,471
Total	36,024	75,989	39,034	151,047

Participant Age Range	Conservative	Moderate	Aggressive	Total
Less than 25	\$2,518,961	\$6,199,738	\$3,169,134	\$11,887,834
Age 25-34	\$51,035,402	\$140,049,906	\$133,115,631	\$324,200,938
Age 35-44	\$93,424,020	\$355,109,504	\$386,651,161	\$835,184,686
Age 45-54	\$194,259,198	\$621,260,762	\$540,887,662	\$1,356,407,622
Age 55-64	\$298,590,541	\$575,053,201	\$281,127,416	\$1,154,771,157
Age 65+	\$142,373,132	\$192,882,054	\$89,977,699	\$425,232,886
Total	\$782,201,255	\$1,890,555,166	\$1,434,928,703	\$4,107,685,123

*Prudential's Defined Contribution book of business averages.

401(k) Asset Allocation by Age Group – Assets Not in GoalMaker As of March 31, 2017

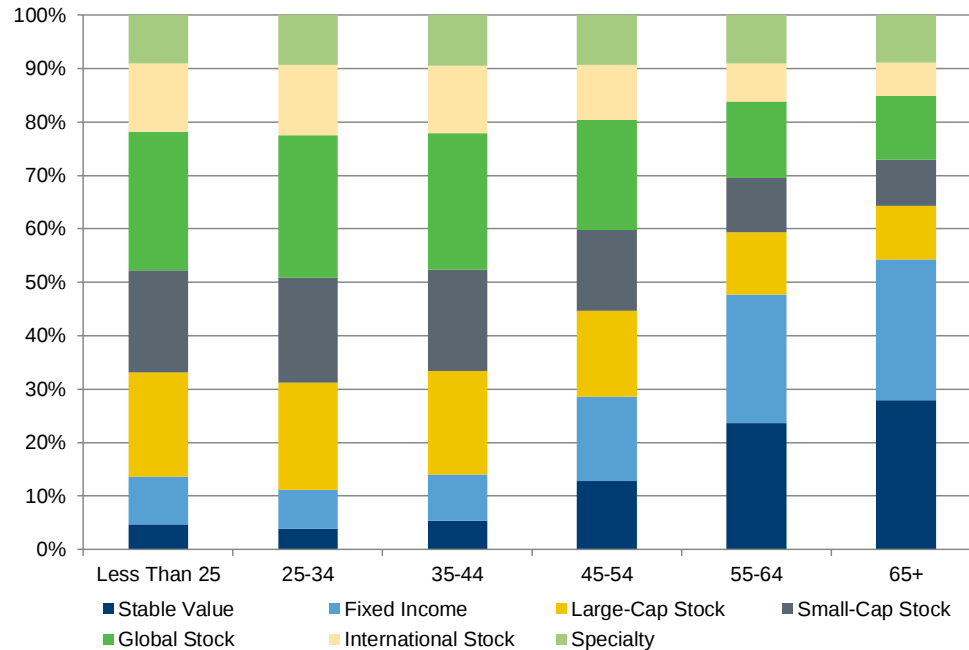


Asset Class	Less Than 25	25-34	35-44	45-54	55-64	65+	Total
Stable Value	\$336,269	\$14,434,244	\$88,807,174	\$308,898,509	\$536,052,382	\$501,100,762	\$1,449,629,340
Fixed Income	\$55,836	\$2,296,334	\$27,336,748	\$76,845,282	\$113,658,956	\$82,591,227	\$302,784,382
Large-Cap Stock	\$251,423	\$14,411,882	\$264,186,466	\$756,056,197	\$739,994,646	\$575,889,515	\$2,350,790,128
Small-Cap Stock	\$155,398	\$7,903,631	\$64,529,860	\$145,826,336	\$133,648,027	\$80,849,959	\$432,913,211
Global Stock	\$116,177	\$2,376,262	\$7,702,154	\$15,694,064	\$15,552,231	\$6,938,435	\$48,379,324
International Stock	\$76,497	\$3,959,614	\$31,827,693	\$67,590,409	\$62,403,872	\$35,913,638	\$201,771,724
Specialty	\$33,097	\$496,543	\$1,675,485	\$4,357,356	\$5,506,327	\$2,510,903	\$14,579,711
Total Assets	\$1,024,697	\$45,878,511	\$486,065,579	\$1,375,268,153	\$1,606,816,440	\$1,285,794,439	\$4,800,847,820
% Assets	0.02%	0.96%	10.12%	28.65%	33.47%	26.78%	100.00%
Total Participants	459	3,967	16,674	29,630	26,858	17,684	95,214
Average Account Balance	\$2,232	\$11,565	\$29,151	\$46,415	\$59,826	\$72,709	\$50,422

Total Participant counts are not Unique Participant counts as a participant may be in multiple SubPlans. A participant could be invested in GoalMaker in one SubPlan and not invested in GoalMaker in another SubPlan in which they hold a balance.



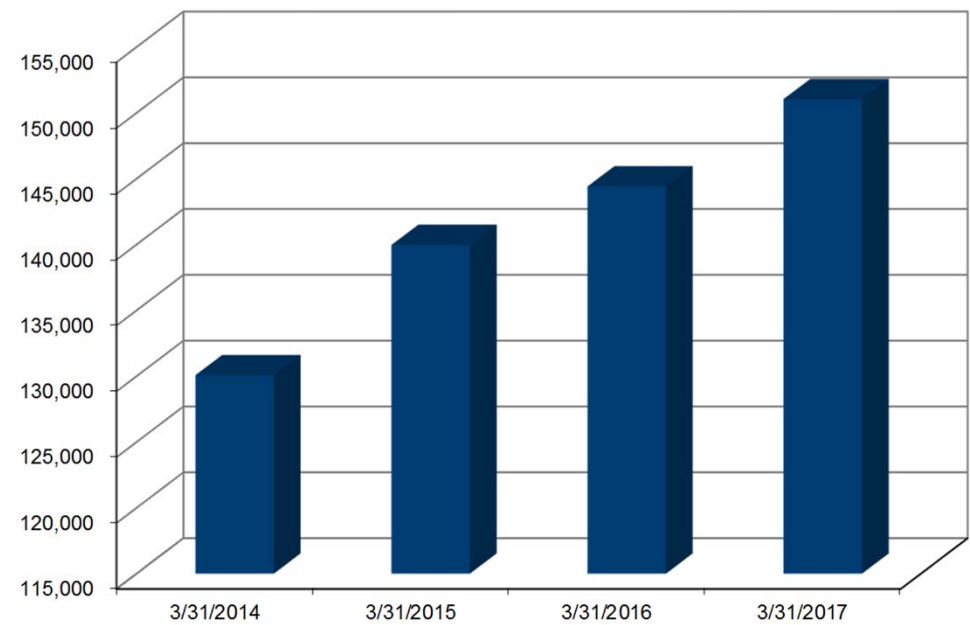
401(k) Asset Allocation by Age Group – Assets in GoalMaker As of March 31, 2017



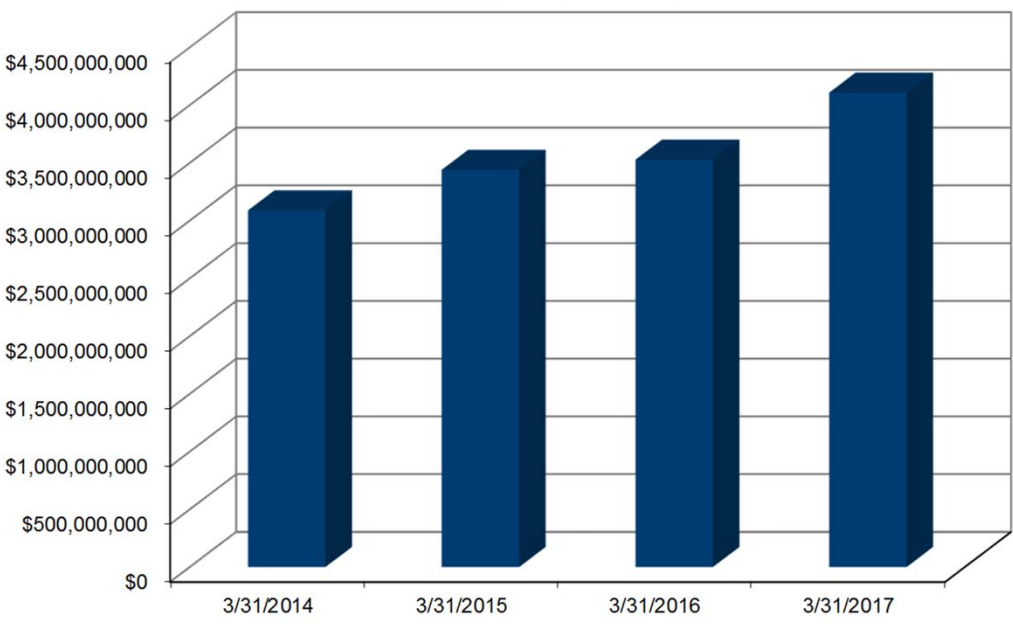
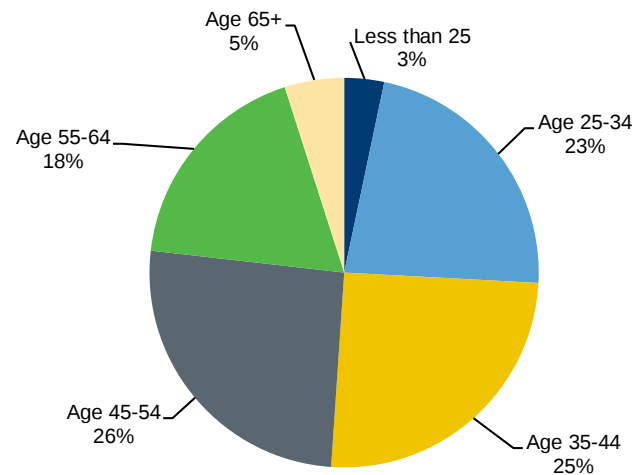
Asset Class	Less Than 25	25-34	35-44	45-54	55-64	65+	Total
Stable Value	\$563,996	\$12,737,441	\$45,121,033	\$173,013,324	\$273,445,100	\$118,472,781	\$623,353,674
Fixed Income	\$1,053,761	\$23,420,582	\$72,269,335	\$214,335,815	\$277,157,574	\$112,525,112	\$700,762,179
Large-Cap Stock	\$2,315,463	\$64,836,568	\$161,988,758	\$217,888,761	\$134,567,031	\$42,734,191	\$624,330,772
Small-Cap Stock	\$2,277,642	\$63,834,494	\$158,129,570	\$205,350,046	\$117,511,983	\$36,332,930	\$583,436,665
Global Stock	\$3,083,458	\$86,284,394	\$212,956,775	\$280,076,057	\$164,516,167	\$50,791,286	\$797,708,137
International Stock	\$1,520,813	\$42,877,242	\$105,912,284	\$138,934,000	\$82,688,498	\$26,195,526	\$398,128,364
Specialty	\$1,072,700	\$30,210,217	\$78,806,932	\$126,809,619	\$104,884,804	\$38,181,059	\$379,965,331
Total Assets	\$11,887,834	\$324,200,938	\$835,184,686	\$1,356,407,622	\$1,154,771,157	\$425,232,886	\$4,107,685,123
% Assets	0.29%	7.89%	20.33%	33.02%	28.11%	10.35%	100.00%
Total Participants	4,995	34,052	38,091	38,858	27,580	7,471	151,047
Average Account Balance	\$2,380	\$9,521	\$21,926	\$34,907	\$41,870	\$56,918	\$27,195

Total Participant counts are not Unique Participant counts as a participant may be in multiple SubPlans. A participant could be invested in GoalMaker in one SubPlan and not invested in GoalMaker in another SubPlan in which they hold a balance.

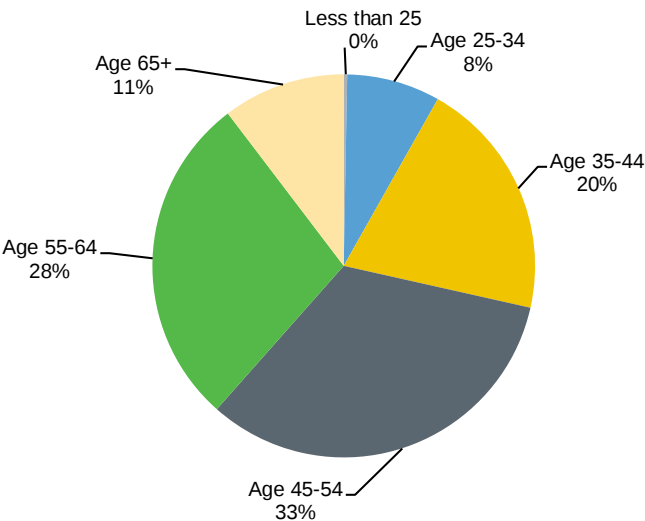
401(k) GoalMaker Participation



Participation by Age Range



Assets by Age Range



457 GoalMaker Participation

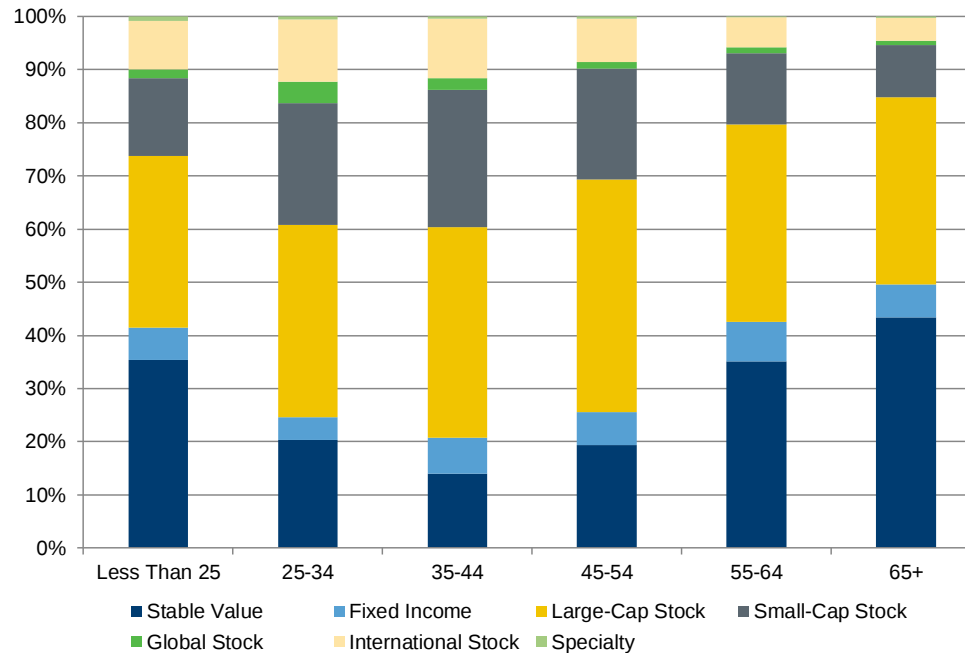
	3/31/2014	3/31/2015	3/31/2016	3/31/2017
Total Plan Assets in GoalMaker	\$201,593,243	\$248,161,775	\$269,654,429	\$326,837,162
Total # of Participants in GoalMaker	25,792	30,461	31,810	34,261
Year to Date % of New Enrollments with Goalmaker Election	87.25%	90.71%	87.71%	92.87%
Total Participation Rate	52.76%	57.87%	61.82%	64.79%
Prudential's Book of Business GoalMaker Average Participation Rate*	43.07%	45.19%	47.29%	49.98%
Total % of Assets	18.45%	21.26%	23.30%	25.69%

Participant Age Range	Conservative	Moderate	Aggressive	Total
Less than 25	243	527	244	1,014
Age 25-34	2,120	3,862	2,189	8,171
Age 35-44	2,181	4,209	2,427	8,817
Age 45-54	2,718	4,835	2,281	9,834
Age 55-64	1,906	2,567	857	5,330
Age 65+	464	470	161	1,095
Total	9,632	16,470	8,159	34,261

Participant Age Range	Conservative	Moderate	Aggressive	Total
Less than 25	\$132,833	\$354,100	\$278,190	\$619,490
Age 25-34	\$2,489,165	\$7,332,833	\$6,993,302	\$16,815,300
Age 35-44	\$5,523,515	\$19,560,016	\$19,125,467	\$44,208,998
Age 45-54	\$16,221,497	\$45,499,646	\$34,042,294	\$95,763,437
Age 55-64	\$28,528,578	\$55,900,444	\$22,305,853	\$106,734,874
Age 65+	\$21,514,986	\$28,907,761	\$12,126,683	\$62,549,429
Total	\$74,410,574	\$157,554,800	\$94,871,788	\$326,837,162

*Prudential's Defined Contribution book of business averages.

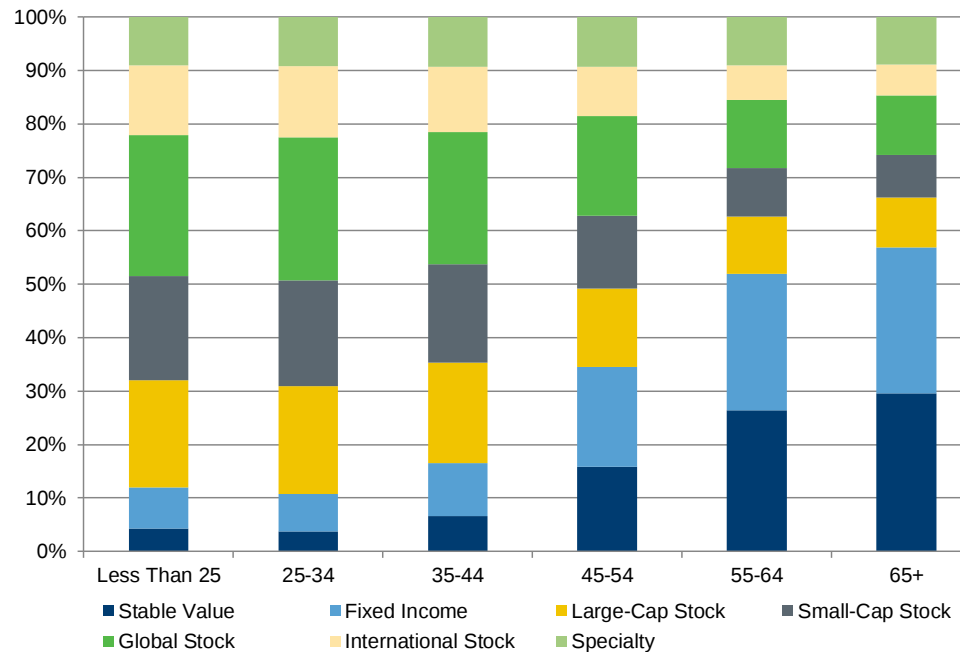
457 Asset Allocation by Age Group – Assets Not in GoalMaker As of March 31, 2017



Asset Class	Less Than 25	25-34	35-44	45-54	55-64	65+	Total
Stable Value	\$29,303	\$761,033	\$5,065,312	\$28,451,787	\$103,771,196	\$200,742,188	\$338,820,818
Fixed Income	\$5,079	\$163,884	\$2,479,417	\$9,090,774	\$22,193,580	\$28,622,732	\$62,555,467
Large-Cap Stock	\$26,840	\$1,353,885	\$14,343,441	\$64,317,316	\$109,759,029	\$163,425,430	\$353,225,941
Small-Cap Stock	\$12,179	\$862,160	\$9,381,404	\$30,677,317	\$39,567,733	\$45,517,517	\$126,018,310
Global Stock	\$1,270	\$148,297	\$810,691	\$1,853,606	\$3,105,110	\$3,783,205	\$9,702,178
International Stock	\$7,639	\$438,346	\$4,018,115	\$11,926,820	\$16,727,798	\$19,483,426	\$52,602,145
Specialty	\$650	\$21,908	\$165,301	\$580,989	\$502,988	\$1,374,455	\$2,646,291
Total Assets	\$82,960	\$3,749,514	\$36,263,680	\$146,898,608	\$295,627,435	\$462,948,953	\$945,571,150
% Assets	0.01%	0.40%	3.84%	15.54%	31.26%	48.96%	100.00%
Total Participants	44	810	2,662	5,048	5,521	4,544	18,623
Average Account Balance	\$1,885	\$4,629	\$13,623	\$29,100	\$53,546	\$101,881	\$50,774

Total Participant counts are not Unique Participant counts as a participant may be in multiple SubPlans. A participant could be invested in GoalMaker in one SubPlan and not invested in GoalMaker in another SubPlan in which they hold a balance.

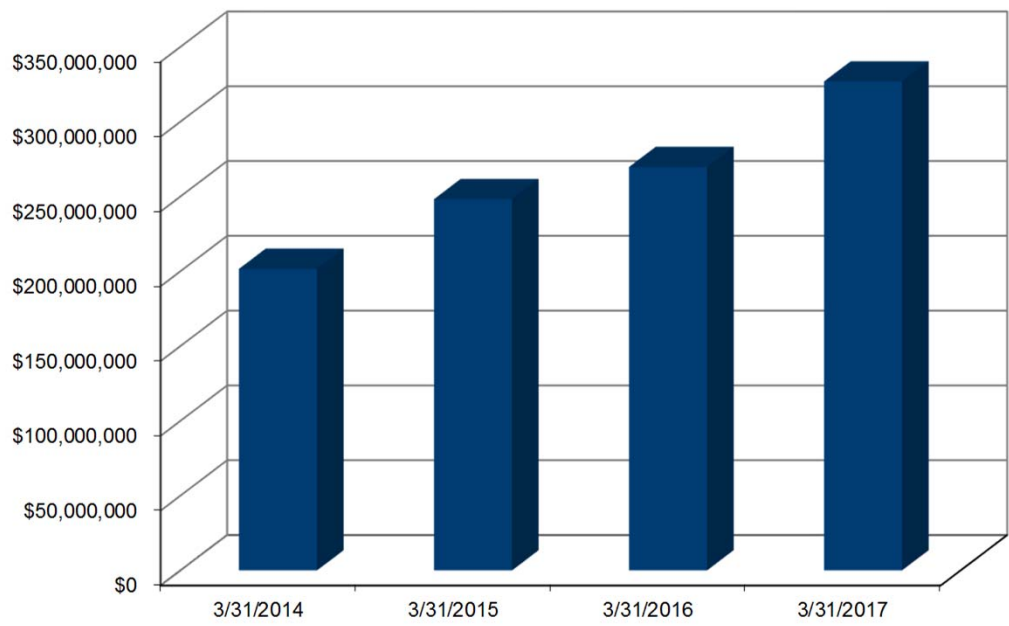
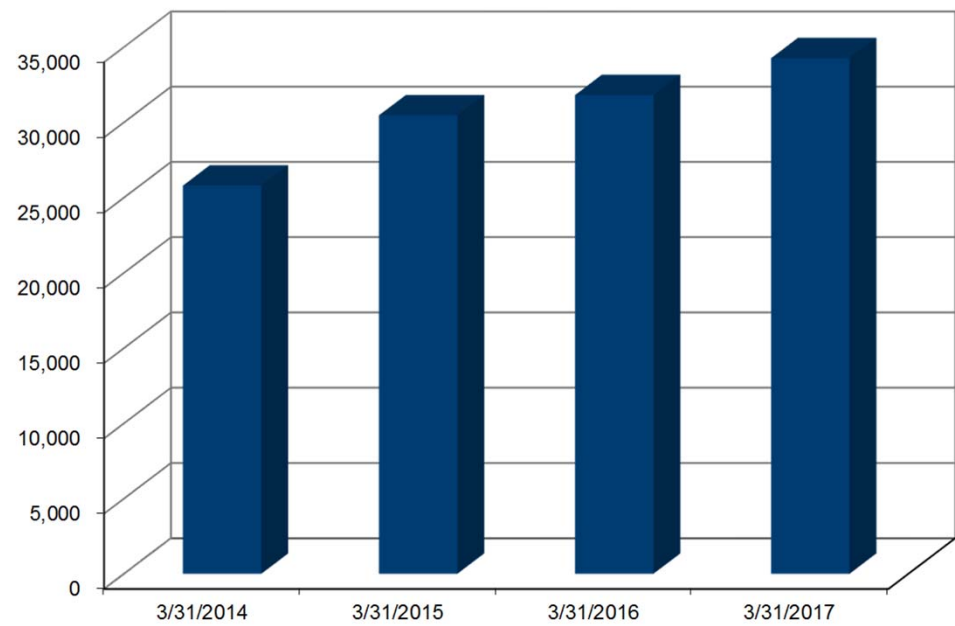
457 Asset Allocation by Age Group – Assets in GoalMaker As of March 31, 2017



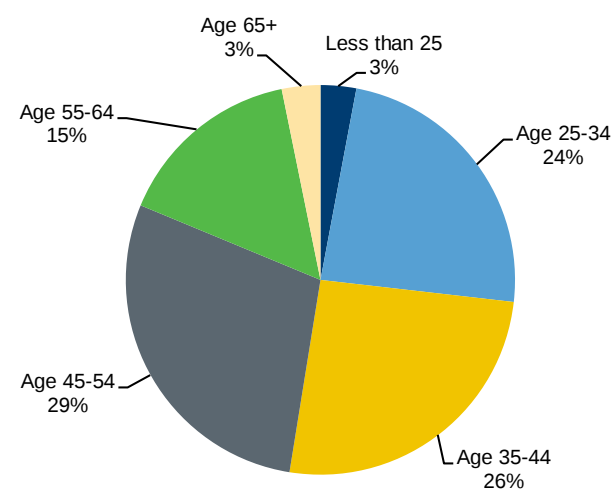
Asset Class	Less Than 25	25-34	35-44	45-54	55-64	65+	Total
Stable Value	\$33,119	\$636,768	\$2,911,020	\$15,176,551	\$28,144,236	\$18,523,553	\$65,425,247
Fixed Income	\$58,123	\$1,166,483	\$4,398,545	\$17,858,897	\$27,349,978	\$17,058,328	\$67,890,354
Large-Cap Stock	\$153,603	\$3,404,518	\$8,334,553	\$14,063,611	\$11,315,651	\$5,833,747	\$43,105,684
Small-Cap Stock	\$149,435	\$3,329,383	\$8,103,837	\$13,002,593	\$9,678,532	\$4,971,140	\$39,234,920
Global Stock	\$202,228	\$4,493,550	\$10,912,021	\$17,897,131	\$13,645,672	\$6,936,176	\$54,086,778
International Stock	\$99,546	\$2,229,071	\$5,410,395	\$8,878,828	\$6,954,748	\$3,627,701	\$27,200,288
Specialty	\$69,069	\$1,555,527	\$4,138,627	\$8,885,827	\$9,646,056	\$5,598,784	\$29,893,891
Total Assets	\$765,123	\$16,815,300	\$44,208,998	\$95,763,437	\$106,734,874	\$62,549,429	\$326,837,162
% Assets	0.23%	5.14%	13.53%	29.30%	32.66%	19.14%	100.00%
Total Participants	1,014	8,171	8,817	9,834	5,330	1,095	34,261
Average Account Balance	\$755	\$2,058	\$5,014	\$9,738	\$20,025	\$57,123	\$9,540

Total Participant counts are not Unique Participant counts as a participant may be in multiple SubPlans. A participant could be invested in GoalMaker in one SubPlan and not invested in GoalMaker in another SubPlan in which they hold a balance.

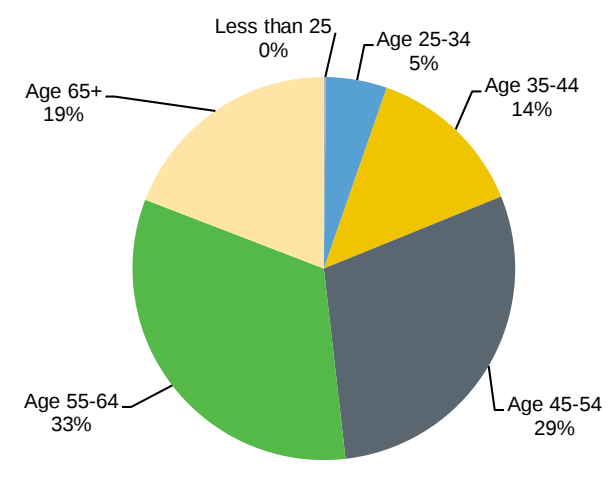
457 GoalMaker Participation



Participation by Age Range



Assets by Age Range



403(b) GoalMaker Participation

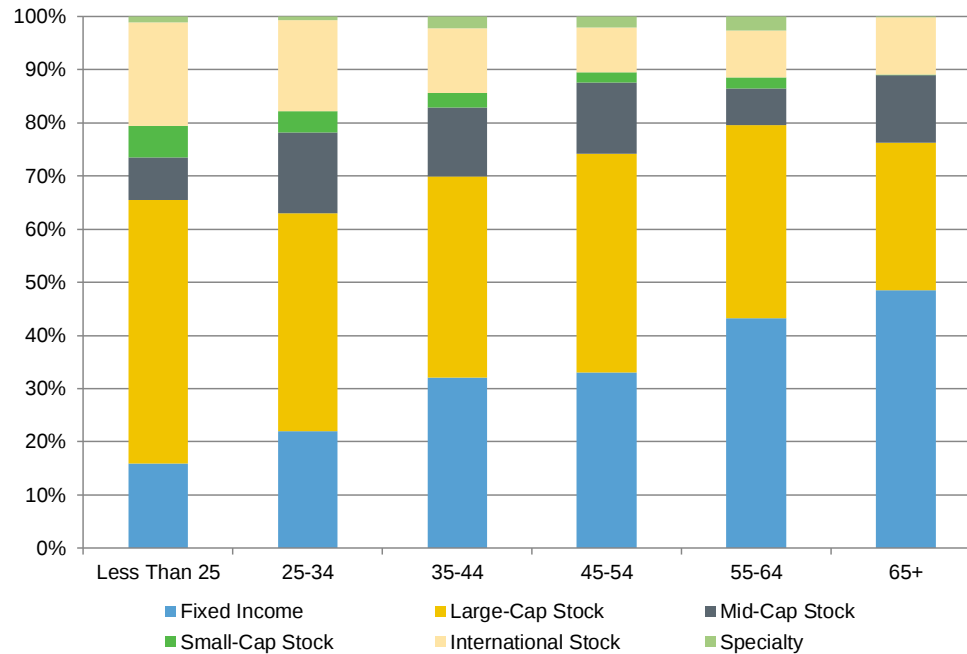
	2/28/2017	3/31/2017
Total Plan Assets in GoalMaker	\$3,806,321	\$4,038,672
Total # of Participants in GoalMaker	698	703
Year to Date % of New Enrollments with Goalmaker Election	n/a	50.00%
Total Participation Rate	58.46%	58.78%
Prudential's Book of Business GoalMaker Average Participation Rate*	49.82%	49.98%
Total % of Assets	38.39%	39.26%

Participant Age Range	Conservative	Moderate	Aggressive	Total
Less than 25	0	4	0	4
Age 25-34	0	131	0	131
Age 35-44	0	181	1	182
Age 45-54	0	207	1	208
Age 55-64	1	161	2	164
Age 65+	0	14	0	14
Total	1	698	4	703

Participant Age Range	Conservative	Moderate	Aggressive	Total
Less than 25	\$0.00	\$6,366	\$0.00	\$619,490
Age 25-34	\$0.00	\$362,245	\$0.00	\$362,245
Age 35-44	\$0.00	\$754,911	\$7,514	\$762,426
Age 45-54	\$0.00	\$1,362,581	\$14,091	\$1,376,672
Age 55-64	\$11,572	\$1,422,822	\$33,794	\$1,468,188
Age 65+	\$0.00	\$62,776	\$0.00	\$62,776
Total	\$11,572	\$3,971,700	\$55,399	\$4,038,672

*Prudential's Defined Contribution book of business averages.

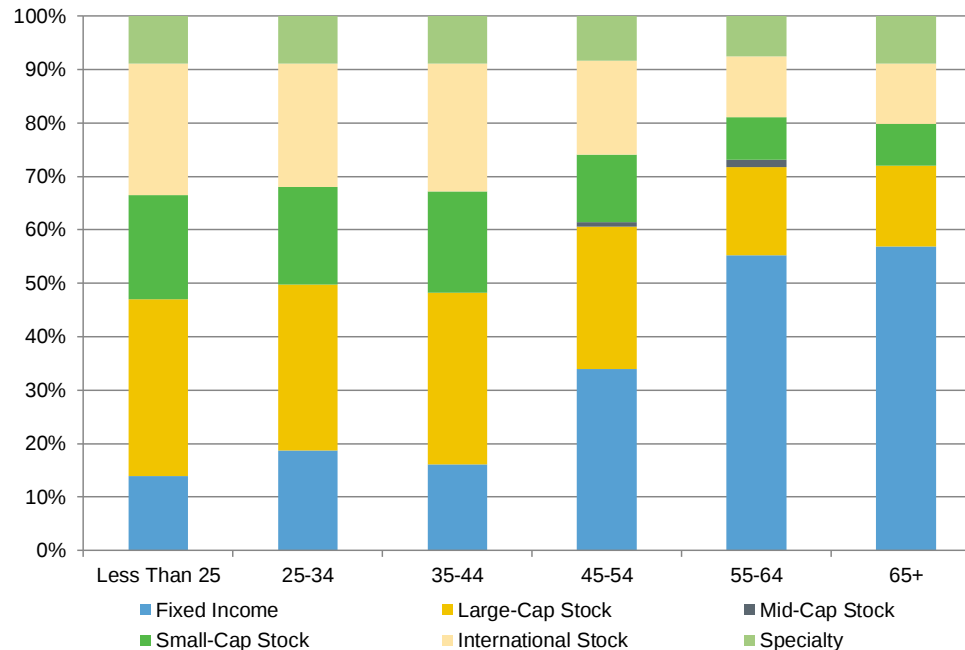
403(b) Asset Allocation by Age Group – Assets Not in GoalMaker As of March 31, 2017



Asset Class	Less Than 25	25-34	35-44	45-54	55-64	65+	Total
Fixed Income	\$5,513	\$65,837	\$398,827	\$727,761	\$889,644	\$197,095	\$2,284,678
Large-Cap Stock	\$17,227	\$122,124	\$469,575	\$907,368	\$750,037	\$112,963	\$2,379,294
Mid-Cap Stock	\$2,771	\$45,436	\$161,804	\$296,139	\$142,870	\$51,749	\$700,768
Small-Cap Stock	\$2,033	\$11,817	\$33,807	\$42,123	\$40,773	\$415	\$130,966
International Stock	\$6,752	\$51,501	\$151,972	\$186,055	\$183,277	\$44,061	\$623,618
Specialty	\$394	\$1,852	\$26,903	\$46,513	\$53,015	\$350	\$129,027
Total Assets	\$34,689	\$298,567	\$1,242,888	\$2,205,959	\$2,059,616	\$406,633	\$6,248,352
% Assets	0.56%	4.78%	19.89%	35.30%	32.96%	6.51%	100.00%
Total Participants	16	96	127	149	91	14	493
Average Account Balance	\$2,168	\$3,110	\$9,787	\$14,805	\$22,633	\$29,045	\$12,674

Total Participant counts are not Unique Participant counts as a participant may be in multiple SubPlans. A participant could be invested in GoalMaker in one SubPlan and not invested in GoalMaker in another SubPlan in which they hold a balance.

403(b) Asset Allocation by Age Group – Assets in GoalMaker As of March 31, 2017

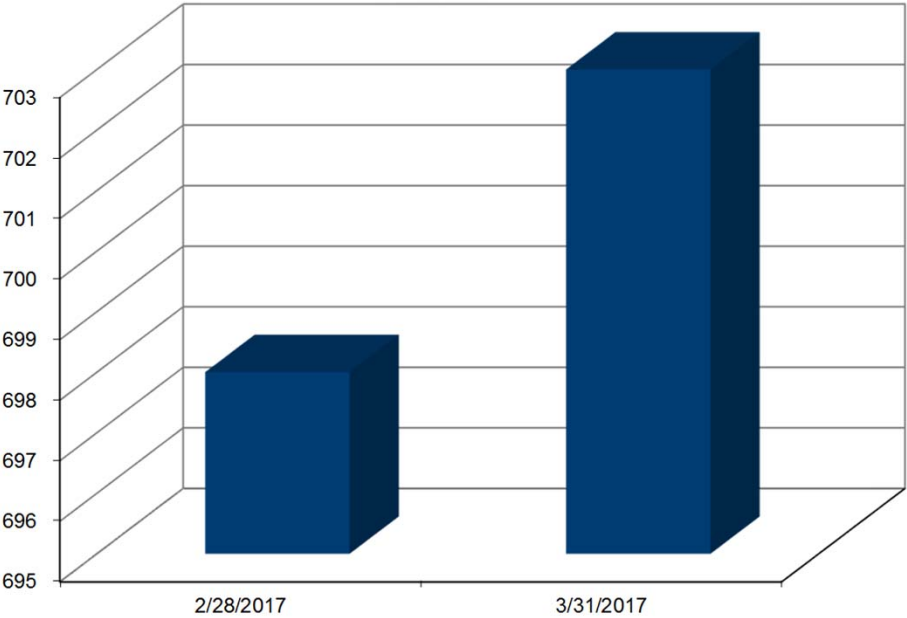


Asset Class	Less Than 25	25-34	35-44	45-54	55-64	65+	Total
Fixed Income	\$888	\$68,038	\$122,905	\$467,201	\$811,176	\$35,726	\$1,505,934
Large-Cap Stock	\$2,100	\$112,209	\$244,985	\$367,212	\$242,037	\$9,434	\$977,977
Mid-Cap Stock	\$0	\$0	\$0	\$11,983	\$20,420	\$0	\$32,403
Small-Cap Stock	\$1,246	\$66,127	\$144,290	\$173,800	\$115,963	\$4,922	\$506,348
International Stock	\$1,563	\$83,506	\$182,064	\$241,842	\$167,404	\$7,077	\$683,456
Specialty	\$569	\$32,365	\$68,181	\$114,634	\$111,188	\$5,617	\$332,554
Total Assets	\$6,366	\$362,245	\$762,426	\$1,376,672	\$1,468,188	\$62,776	\$4,038,672
% Assets	0.16%	8.97%	18.88%	34.09%	36.35%	1.55%	100.00%
Total Participants	4	131	182	208	164	14	703
Average Account Balance	\$1,591	\$2,765	\$4,189	\$6,619	\$8,952	\$4,484	\$5,745

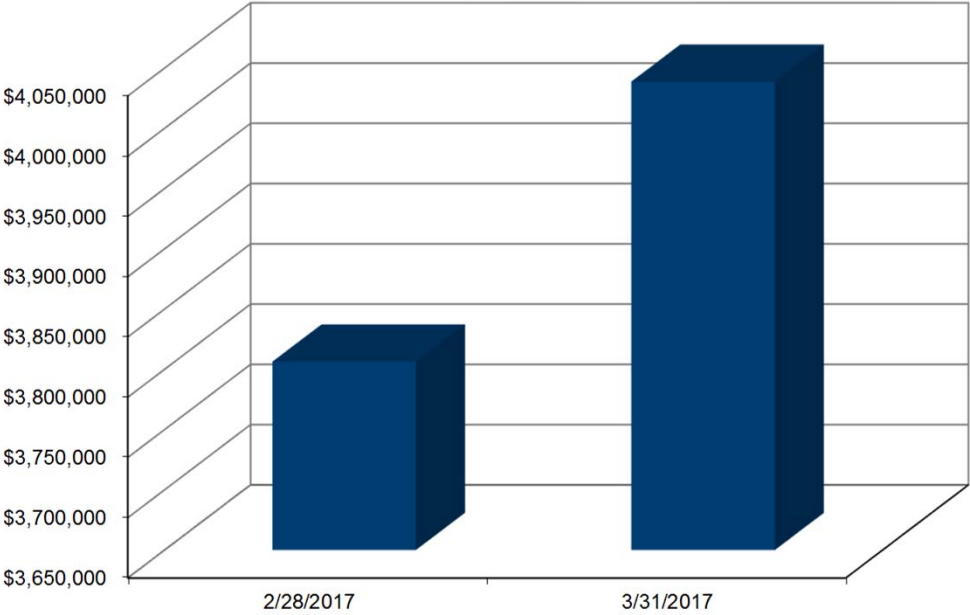
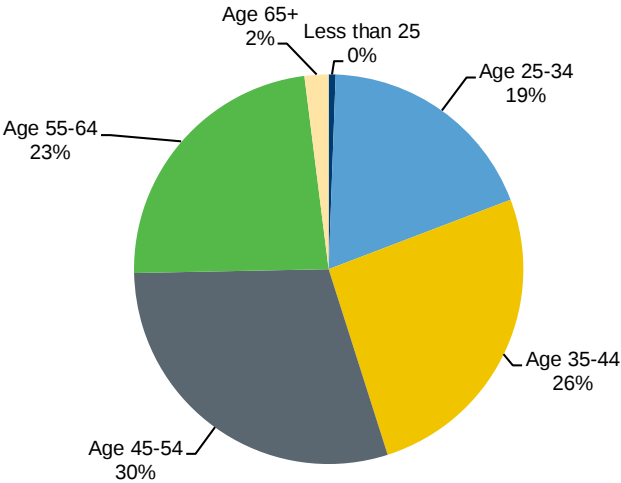
Total Participant counts are not Unique Participant counts as a participant may be in multiple SubPlans. A participant could be invested in GoalMaker in one SubPlan and not invested in GoalMaker in another SubPlan in which they hold a balance.



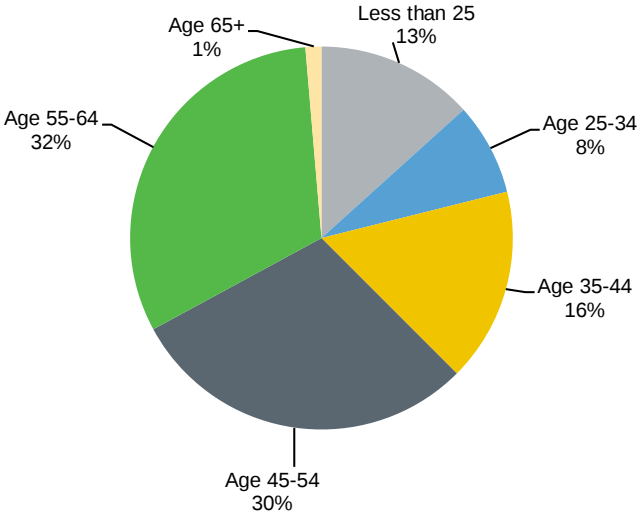
403(b) GoalMaker Participation



Participation by Age Range



Assets by Age Range



Loan Information

401(k) YTD Loans					
	2014	2015	2016	2017	Change %
% of Members in Plan with a Loan	24.47%	24.18%	23.32%	23.22%	-0.43%
# of Outstanding Loans	47,584	47,221	46,443	45,432	-2.18%
# of New Loans YTD	3,668	3,602	3,384	3,598	6.32%
Average Loan Balance	\$5,753	\$6,038	\$6,242	\$6,318	1.22%
Total Outstanding Loan Balance	\$273,728,886	\$285,134,956	\$289,900,269	\$287,034,526	-0.99%

457 YTD Loans					
	2014	2015	2016	2017	Change %
% of Members in Plan with a Loan	14.25%	13.93%	13.72%	14.11%	2.84%
# of Outstanding Loans	5,377	5,659	5,783	5,907	2.14%
# of New Loans YTD	450	490	393	549	39.69%
Average Loan Balance	\$3,120	\$3,303	\$3,261	\$3,272	0.34%
Total Outstanding Loan Balance	\$16,773,846	\$18,694,043	\$18,858,589	\$19,329,066	2.49%

403(b) YTD Loans	
	February & March 2017
% of Members in Plan with a Loan	0.52%
# of Outstanding Loans	6
# of New Loans February & March 2017	0
Average Loan Balance	\$10,805.05
Total Outstanding Loan Balance	\$64,830



401(k) Disbursements – Year to Date

401(k) Disbursements							
	1Q 2014	1Q 2015	1Q 2015 Change %	1Q 2016	1Q 2016 Change %	1Q 2017	1Q 2017 Change %
Term - Lump Sum	\$76,088,162	\$92,289,026	21.29%	\$87,329,043	-5.37%	\$105,915,636	21.28%
In-Service	\$14,413,224	\$11,805,676	-18.09%	\$13,428,569	13.75%	\$17,777,866	32.39%
State Retirement System	\$2,948,905	\$4,103,410	39.15%	\$2,622,423	-36.09%	\$3,748,312	42.93%
Hardship	\$1,542,381	\$1,551,805	0.61%	\$1,178,628	-24.05%	\$1,341,798	13.84%
Systematic	\$2,357,221	\$2,413,185	2.37%	\$2,494,438	3.37%	\$2,738,321	9.78%
Total Disbursements	\$97,349,893	\$112,163,103	15.22%	\$107,053,101	-4.56%	\$131,521,934	22.86%

401(k) Disbursements							
	1Q 2014	1Q 2015	1Q 2015 Change %	1Q 2016	1Q 2016 Change %	1Q 2017	1Q 2017 Change %
Term – Lump Sum	5,304	6,016	13.42%	20,731	244.60%	6,744	-67.47%
In-Service	1,550	1,514	-2.32%	1,477	-2.44%	1,525	3.25%
State Retirement System	102	127	24.51%	98	-22.83%	109	11.22%
Hardship	436	378	-13.30%	407	7.67%	428	5.16%
Systematic	3,009	3,017	0.27%	3,079	2.06%	3,201	3.96%
Total Disbursements	10,401	11,052	6.26%	25,792	133.37%	12,007	-53.45%

457 Disbursements – Year to Date

457 Disbursements							
	1Q 2014	1Q 2015	1Q 2015 Change %	1Q 2016	1Q 2016 Change %	1Q 2017	1Q 2017 Change %
Term - Lump Sum	\$11,783,792	\$14,601,020	23.91%	\$15,452,131	5.83%	\$17,910,048	15.91%
In-Service	\$76,689	\$477,184	522.23%	\$226,452	-52.54%	\$777,366	243.28%
State Retirement System	\$143,198	\$285,777	99.57%	\$1,815,764	535.38%	\$1,673,654	-7.83%
Hardship	\$142,736	\$152,429	6.79%	\$106,057	-30.42%	\$184,633	74.09%
Systematic	\$1,266,273	\$1,257,318	-0.71%	\$1,280,654	1.86%	\$1,268,673	-0.94%
Total Disbursements	\$13,412,688	\$16,773,728	25.06%	\$18,881,058	12.56%	\$21,814,375	15.54%

457 Disbursements							
	1Q 2014	1Q 2015	1Q 2015 Change %	1Q 2016	1Q 2016 Change %	1Q 2017	1Q 2017 Change %
Term – Lump Sum	1,107	1,309	18.25%	5,680	333.92%	1,473	-74.07%
In-Service	24	10	-58.33%	13	30.00%	9	-30.77%
State Retirement System	8	13	62.50%	22	69.23%	18	-18.18%
Hardship	78	70	-10.26%	79	12.86%	90	13.92%
Systematic	1,500	1,450	-3.33%	1,347	-7.10%	1,294	-3.93%
Total Disbursements	2,717	2,852	4.97%	7,141	150.39%	2,884	-59.61%

403(b) Disbursements – Year to Date

403(b) Disbursements		
	February 2017	March 2017
Term - Lump Sum	\$0	\$0
In-Service	\$0	\$0
State Retirement System	\$0	\$0
Hardship	\$0	\$0
Systematic	\$0	\$0
Total Disbursements	\$0	\$0

403(b) Disbursements		
	February 2017	March 2017
Term – Lump Sum	0	0
In-Service	0	0
State Retirement System	0	0
Hardship	0	0
Systematic	0	0
Total Disbursements	0	0

Please note that there were no distributions during the months of February or March 2017.



401(k) Plan Asset Allocation/Net Cash Flow January 1, 2016 to March 31, 2016

	Less Than 25	25-34	35-44	45-54	55-65	65+	TOTAL
Total Plan Assets	\$10,795,106	\$335,407,129	\$1,237,764,667	\$2,413,130,558	\$2,494,105,342	\$1,458,580,867	\$7,949,783,669
% Assets	0.14%	4.22%	15.57%	30.35%	31.37%	18.35%	100.00%
Total Contributions	\$2,038,404	\$15,232,433	\$24,791,163	\$34,341,835	\$27,528,902	\$5,352,519	\$109,285,256
Rollovers In	\$14,109	\$714,284	\$1,878,923	\$2,886,981	\$4,140,666	\$1,420,246	\$11,055,210
Total Distributions including:	(\$141,434)	(\$3,573,191)	(\$9,451,738)	(\$23,101,849)	(\$44,452,946)	(\$26,331,944)	(\$107,053,101)
Rollovers Out	(\$2,090)	(\$1,280,520)	(\$3,648,267)	(\$11,989,917)	(\$20,061,331)	(\$12,402,051)	(\$49,384,177)
Cash Distributions	(\$139,344)	(\$2,292,671)	(\$5,803,471)	(\$11,111,931)	(\$24,391,614)	(\$13,929,893)	(\$57,668,924)
Net Cash Flow	\$1,911,080	\$12,373,527	\$17,218,348	\$14,126,967	(\$12,783,377)	(\$19,559,179)	\$13,287,365
Total Unique Participants	5,016	36,918	56,046	67,651	53,999	24,962	244,592
Avg. Account Balance	\$2,152	\$9,085	\$22,085	\$35,670	\$46,188	\$58,432	\$32,502
Prudential Participant Avg. Account Balance	\$2,392	\$12,764	\$35,877	\$66,428	\$91,772	\$113,115	\$57,632

401(k) Plan Asset Allocation/Net Cash Flow January 1, 2017 to March 31, 2017

	Less Than 25	25-34	35-44	45-54	55-65	65+	TOTAL
Total Plan Assets	\$12,912,531	\$370,079,449	\$1,321,250,265	\$2,731,675,775	\$2,761,587,598	\$1,711,027,325	\$8,908,532,943
% Assets	0.14%	4.15%	14.83%	30.66%	31.00%	19.21%	100.00%
Total Contributions	\$2,281,735	\$16,558,931	\$25,559,020	\$36,885,196	\$29,828,660	\$5,785,190	\$116,898,731
Rollovers In	\$32,222	\$1,223,298	\$2,129,892	\$3,670,335	\$5,670,629	\$2,266,208	\$14,992,583
Total Distributions including:	(\$64,662)	(\$2,967,696)	(\$7,329,154)	(\$22,708,749)	(\$62,033,137)	(\$36,418,536)	(\$131,521,934)
Rollovers Out	(\$15,407)	(\$1,060,059)	(\$3,589,444)	(\$11,958,568)	(\$34,496,455)	(\$19,116,750)	(\$70,236,681)
Cash Distributions	(\$49,255)	(\$1,907,637)	(\$3,739,711)	(\$10,750,182)	(\$27,536,682)	(\$17,301,786)	(\$61,285,252)
Net Cash Flow	\$2,249,295	\$14,814,533	\$20,359,758	\$17,846,781	(\$26,533,848)	(\$28,367,138)	\$369,380
Total Unique Participants	5,454	38,017	54,755	68,475	54,423	25,137	246,261
Avg. Account Balance	\$2,368	\$9,735	\$24,130	\$39,893	\$50,743	\$68,068	\$36,175
Prudential Participant Avg. Account Balance	\$2,652	\$13,426	\$38,871	\$73,250	\$101,568	\$118,201	\$62,941

*Prudential's Defined Contribution book of business averages.

457 Plan Asset Allocation/Net Cash Flow January 1, 2016 to March 31, 2016

	Less Than 25	25-34	35-44	45-54	55-65	65+	TOTAL
Total Plan Assets	\$659,378	\$16,296,762	\$71,488,180	\$220,883,197	\$378,237,306	\$469,792,181	\$1,157,357,004
% Assets	0.06%	1.41%	6.18%	19.09%	32.68%	40.59%	100.00%
Total Contributions	\$138,644	\$1,256,138	\$2,621,619	\$4,997,598	\$4,585,766	\$1,432,135	\$15,031,900
Rollovers In	\$0	\$42,433	\$71,773	\$655,098	\$439,976	\$1,208,293	\$2,417,573
Total Distributions including:	(\$34,061)	(\$424,999)	(\$727,105)	(\$2,489,298)	(\$7,374,994)	(\$7,830,600)	(\$18,881,058)
Rollovers Out	(\$285)	(\$20,056)	(\$342,766)	(\$1,043,216)	(\$4,160,498)	(\$3,035,644)	(\$8,602,465)
Cash Distributions	(\$33,777)	(\$404,943)	(\$384,339)	(\$1,446,081)	(\$3,214,496)	(\$4,794,956)	(\$10,278,593)
Net Cash Flow	\$104,583	\$873,572	\$1,966,287	\$3,163,398	(\$2,349,252)	(\$5,190,172)	(\$1,431,584)
Total Unique Participants	1,050	8,470	11,357	14,671	10,502	5,407	51,457
Avg. Account Balance	\$628	\$1,924	\$6,295	\$15,056	\$36,016	\$86,886	\$22,492
Prudential Participant Avg. Account Balance	\$2,392	\$12,764	\$35,877	\$66,428	\$91,772	\$113,115	\$57,632

457 Plan Asset Allocation/Net Cash Flow January 1, 2017 to March 31, 2017

	Less Than 25	25-34	35-44	45-54	55-65	65+	TOTAL
Total Plan Assets	\$848,084	\$20,564,814	\$80,472,678	\$242,662,045	\$402,362,309	\$525,498,383	\$1,272,408,312
% Assets	0.07%	1.62%	6.32%	19.07%	31.62%	41.30%	100.00%
Total Contributions	\$156,422	\$1,442,597	\$2,806,598	\$5,424,941	\$5,160,356	\$1,524,703	\$16,515,617
Rollovers In	\$0	\$151,756	\$211,065	\$469,797	\$978,544	\$742,758	\$2,553,919
Total Distributions including:	(\$2,754)	(\$275,520)	(\$401,840)	(\$2,051,059)	(\$6,866,339)	(\$12,216,863)	(\$21,814,375)
Rollovers Out	(\$331)	(\$122,203)	(\$100,246)	(\$1,100,278)	(\$4,087,013)	(\$6,554,108)	(\$11,964,179)
Cash Distributions	(\$2,423)	(\$153,317)	(\$301,594)	(\$950,781)	(\$2,779,326)	(\$5,662,754)	(\$9,850,196)
Net Cash Flow	\$153,668	\$1,318,833	\$2,615,823	\$3,843,679	(\$727,440)	(\$9,949,402)	(\$2,744,839)
Total Unique Participants	1,058	8,981	11,478	14,881	10,849	5,637	52,884
Avg. Account Balance	\$802	\$2,290	\$7,011	\$16,307	\$37,088	\$93,223	\$24,060
Prudential Participant Avg. Account Balance	\$2,652	\$13,426	\$38,871	\$73,250	\$101,568	\$118,201	\$62,941

*Prudential's Defined Contribution book of business averages.

403(b) Plan Asset Allocation/Net Cash Flow February 1, 2017 to February 28, 2017

	Less Than 25	25-34	35-44	45-54	55-65	65+	TOTAL
Total Plan Assets	\$36,471	\$636,017	\$1,935,111	\$3,480,224	\$3,376,820	\$450,116	\$9,914,759
% Assets	0.37%	6.41%	19.52%	35.10%	34.06%	4.54%	100.00%
Total Contributions	\$0	\$470	\$40	\$2,206	\$1,182	\$1,600	\$5,498
Rollovers In	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Distributions including:	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rollovers Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Distributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Flow	\$0	\$470	\$40	\$2,206	\$1,182	\$1,600	\$5,498
Total Unique Participants	19	228	312	356	253	26	1,194
Avg. Account Balance	\$1,920	\$2,790	\$6,202	\$9,776	\$13,347	\$17,312	\$8,304
Prudential Participant Avg. Account Balance	\$2,431	\$12,737	\$37,231	\$70,428	\$98,130	\$115,403	\$60,668

403(b) Plan Asset Allocation/Net Cash Flow March 1, 2017 to March 31, 2017

	Less Than 25	25-34	35-44	45-54	55-65	65+	TOTAL
Total Plan Assets	\$41,055	\$660,811	\$2,005,314	\$3,582,631	\$3,527,804	\$469,408	\$10,287,024
% Assets	0.40%	6.42%	19.49%	34.83%	34.29%	4.56%	100.00%
Total Contributions	\$4,285	\$31,106	\$68,134	\$107,187	\$99,052	\$10,475	\$320,239
Rollovers In	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Distributions including:	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rollovers Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Distributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Flow	\$4,285	\$31,106	\$68,134	\$107,187	\$99,052	\$10,475	\$320,239
Total Unique Participants	20	227	309	357	255	28	1,196
Avg. Account Balance		\$2,911	\$6,490	\$10,035	\$13,835	\$16,765	\$8,601
Prudential Participant Avg. Account Balance	\$2,652	\$13,426	\$38,871	\$73,250	\$101,568	\$118,201	\$62,941

Prudential Participant Avg. Account Balance as of December 31, 2016 in February Chart, and as of March 31, 2017 in March Chart.

*Prudential's Defined Contribution book of business averages.

401(k) Plan Retirement Preparation Analysis

1/1/2017 - 3/31/2017	
Total Retirement Income Calculator Completions	11,244
Unique Completions	9,012
Contribution Rate Increase	777

Since Inception for Currently Active Participants as of 3/31/2017	
Average Balance, RIC Participant	\$54,134
Average Balance, Non-RIC Participant	\$24,944
Average Contribution Rate, RIC Participant	6.31%
Average Contribution Rate, Non-RIC Participant	4.61%
Total Count of Participants with a RIC Gap	43,373
Average RIC Gap per month	\$2,883
Total Count of Participants with a RIC surplus	9,022
Average RIC Surplus per month	\$2,249

Total Retirement Income Calculator Completions - Number of RIC completions for the given time period. If a single participant completed the RIC multiple times within the given time period, they would be counted multiple times.

Unique Completions: Total number of unique active/eligibles that completed the retirement income calculator during the reporting period

Contribution Rate Increases: Total number of active/eligibles that completed the retirement income calculator and increased their contribution rate.

Average Balance RIC Participant - For participants who have a balance greater than \$0 that have previously completed the RIC - The total balance of active participants divided by the total count of active participants

Average Balance Non-RIC Participant - For participants who have a balance greater than \$0 that have NOT previously completed the RIC - The total balance of active participants divided by the total count of active participants

Average Contribution Rate RIC Participant - For participants who have completed the RIC - The total of all contribution rates (%) for active participants who have completed the RIC divided by the number of active participants that have completed the RIC who have non-zero contribution rates.

Average Contribution Rate Non RIC Participant - For participants who have NOT completed the RIC - The total of all contribution rates (%) for active participants who have completed the RIC divided by the number of active participants that have completed the RIC who have non-zero contribution rates.

Average RIC Gap - The total RIC gaps of all active participants who have completed the RIC divided by the total count of active participants that have completed the RIC with a gap.

Total Count of Participants with a RIC Gap - Total number of RIC users who completed the RIC with a gap

Average RIC Surplus - The total of all RIC surpluses of all active participants who have completed the RIC divided by the total count of active participants that have completed the RIC with a surplus.

Total Count of Participants with a RIC surplus - Total number of RIC users who completed the RIC with a surplus

Participant - An individual who has enrolled in the plan and has a non-zero account balance.



457 Plan Retirement Preparation Analysis

1/1/2017 - 3/31/2017	
Total Retirement Income Calculator Completions	4,062
Unique Completions	3,180
Contribution Rate Increase	120

Since Inception for Currently Active Participants as of 3/31/2017	
Average Balance, RIC Participant	\$23,453
Average Balance, Non-RIC Participant	\$13,240
Average Contribution Rate, RIC Participant	6.44%
Average Contribution Rate, Non-RIC Participant	5.62%
Total Count of Participants with a RIC Gap	9,708
Average RIC Gap per month	\$2,762
Total Count of Participants with a RIC surplus	2,029
Average RIC Surplus per month	\$2,425

Total Retirement Income Calculator Completions - Number of RIC completions for the given time period. If a single participant completed the RIC multiple times within the given time period, they would be counted multiple times.

Unique Completions: Total number of unique active/eligibles that completed the retirement income calculator during the reporting period

Contribution Rate Increases: Total number of active/eligibles that completed the retirement income calculator and increased their contribution rate.

Average Balance RIC Participant - For participants who have a balance greater than \$0 that have previously completed the RIC - The total balance of active participants divided by the total count of active participants

Average Balance Non-RIC Participant - For participants who have a balance greater than \$0 that have NOT previously completed the RIC - The total balance of active participants divided by the total count of active participants

Average Contribution Rate RIC Participant - For participants who have completed the RIC - The total of all contribution rates (%) for active participants who have completed the RIC divided by the number of active participants that have completed the RIC who have non-zero contribution rates.

Average Contribution Rate Non RIC Participant - For participants who have NOT completed the RIC - The total of all contribution rates (%) for active participants who have completed the RIC divided by the number of active participants that have completed the RIC who have non-zero contribution rates.

Average RIC Gap - The total RIC gaps of all active participants who have completed the RIC divided by the total count of active participants that have completed the RIC with a gap.

Total Count of Participants with a RIC Gap - Total number of RIC users who completed the RIC with a gap

Average RIC Surplus - The total of all RIC surpluses of all active participants who have completed the RIC divided by the total count of active participants that have completed the RIC with a surplus.

Total Count of Participants with a RIC surplus - Total number of RIC users who completed the RIC with a surplus

Participant - An individual who has enrolled in the plan and has a non-zero account balance.



403(b) Plan Retirement Preparation Analysis

2/1/2017 - 3/31/2017	
Total Retirement Income Calculator Completions	36
Unique Completions	27
Contribution Rate Increase	0

Since Inception for Currently Active Participants as of 3/31/2017	
Average Balance, RIC Participant	\$14,463
Average Balance, Non-RIC Participant	\$8,436
Average Contribution Rate, RIC Participant	0.00%
Average Contribution Rate, Non-RIC Participant	15.50%
Total Count of Participants with a RIC Gap	41
Average RIC Gap per month	\$2,377
Total Count of Participants with a RIC surplus	16
Average RIC Surplus per month	\$2,165

Total Retirement Income Calculator Completions - Number of RIC completions for the given time period. If a single participant completed the RIC multiple times within the given time period, they would be counted multiple times.

Unique Completions: Total number of unique active/eligibles that completed the retirement income calculator during the reporting period

Contribution Rate Increases: Total number of active/eligibles that completed the retirement income calculator and increased their contribution rate.

Average Balance RIC Participant - For participants who have a balance greater than \$0 that have previously completed the RIC - The total balance of active participants divided by the total count of active participants

Average Balance Non-RIC Participant - For participants who have a balance greater than \$0 that have NOT previously completed the RIC - The total balance of active participants divided by the total count of active participants

Average Contribution Rate RIC Participant - For participants who have completed the RIC - The total of all contribution rates (%) for active participants who have completed the RIC divided by the number of active participants that have completed the RIC who have non-zero contribution rates.

Average Contribution Rate Non RIC Participant - For participants who have NOT completed the RIC - The total of all contribution rates (%) for active participants who have completed the RIC divided by the number of active participants that have completed the RIC who have non-zero contribution rates.

Average RIC Gap - The total RIC gaps of all active participants who have completed the RIC divided by the total count of active participants that have completed the RIC with a gap.

Total Count of Participants with a RIC Gap - Total number of RIC users who completed the RIC with a gap

Average RIC Surplus - The total of all RIC surpluses of all active participants who have completed the RIC divided by the total count of active participants that have completed the RIC with a surplus.

Total Count of Participants with a RIC surplus - Total number of RIC users who completed the RIC with a surplus

Participant - An individual who has enrolled in the plan and has a non-zero account balance.



Participant Service Center Statistics

401(k), 457 & 403(b) Quarterly Participant Service Center Statistics				
	1Q 2014	1Q 2015	1Q 2016	1Q 2017
Service Center Calls	36,717	37,209	37,162	39,247
Service Percentage	59%	81%	77%	62%
Average Speed to Answer (seconds)	5 sec	21 sec	27 sec	39 sec
Abandon Percentage	2.30%	0.80%	1.50%	1.70%

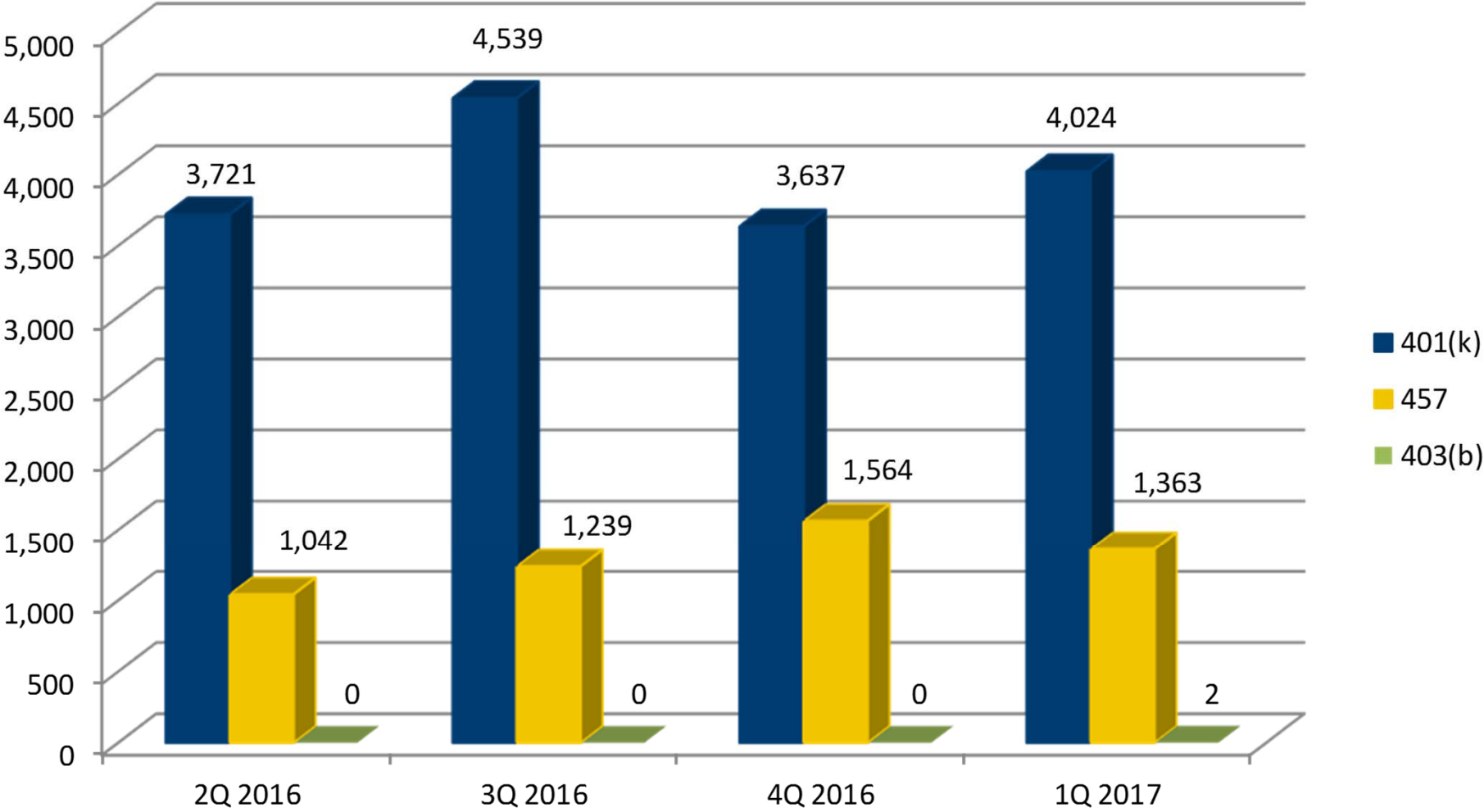
Please note that 403(b) statistics are from February moving forward..

Retirement Security Education Information

401(k), 457 & 403(b) Quarterly Retirement Security Education Team Activity				
Meeting Activity	January 2017	February 2017	March 2017	1Q 2017
Group Meetings - Number of Meetings	234	298	298	830
Group Meetings - Number of Attendees	4,629	6,966	6,731	18,326
Individual Meetings - Number of Meetings	2,211	2,405	2,648	7,264
Employer Meetings	411	350	317	1,078
Total Meeting Site Visits	521	533	527	1,581
Total Meeting Attendees	6,840	9,371	9,379	25,590

Please note that 403(b) statistics are from February moving forward..

Retirement Security Education Information – Enrollment Activity by Quarter



Employers Adopting the 457 Plan in 2017

457 Additions					
Employer Type	2015	2016	2016	2017	# of Eligible
CHARTER SCHOOL	4	3	3	0	1,331
COMMUNITY COLLEGE	2	8	8	2	13,806
COUNTY	2	4	4	0	29,430
MUNICIPAL	15	9	9	0	13,453
OTHER	9	8	8	2	3,734
SCHOOL	5	5	5	1	126,783

Community College

Roanoke-Chowan Community College
Roxboro Community College

Schools

Hyde County Schools

Other

Asheboro Housing Authority
Land of Sky Regional Council of Governments

Employers Adopting Contribution Accelerator in 2017

County

Yadkin County

Charter Schools

Roxboro Community School

Municipalities

Town of Jamestown
Town of Morrisville

Other

Raleigh Housing Authority
Summerfield Fire District





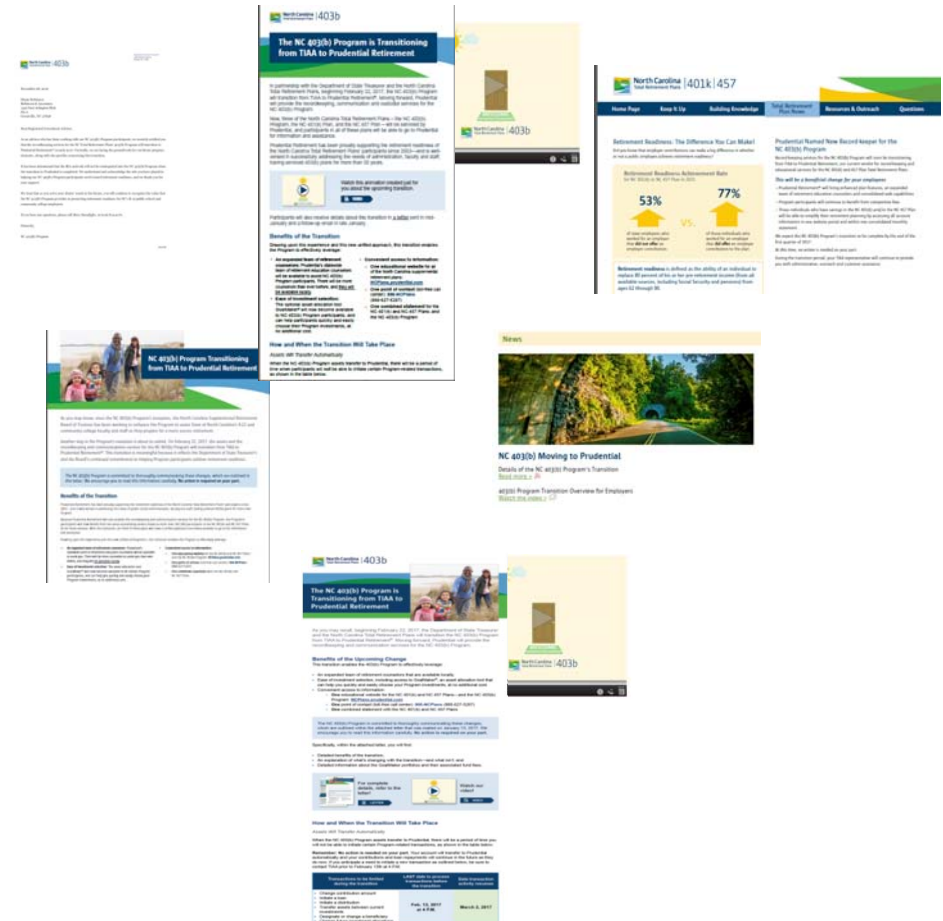
Communication Accomplishments 1Q 2017



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NC 401(k) & NC 457 Communication Accomplishments 1Q 2017

- 403(b) Transition
 - Employer Email
 - Delivery rate 94%
 - Open rate 69%
 - Employer Animation
 - Update Website “News” section
 - Participant Mailing
 - Follow Up Employee Email
 - Delivery rate 90%
 - Open rate 55%
 - Employee Animation
 - Unique Mapping Letter
 - 403(b) Fund Fact Sheets



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NC 401(k) & NC 457 Communication Accomplishments 1Q 2017

- Signature Newsletter
 - 257,623 total participant statements
 - 132,389 direct mail
- Quarterly Statement Message
 - 257,623 statements



There is an important fund change coming for NC 401(k) and NC 457 Plan participants, and a valuable update for those who were affected by Hurricane Matthew. Check out your enclosed Fourth Quarter 2016 Signature Newsletter for details, or visit NCPlans.prudential.com to view it online.

Prudential Retirement provides the communications and recordkeeping services for the NC Total Retirement Plans 401(k) and 457. Investments offered in any of the plans do not differ by or affiliated with Prudential Financial or any of its companies or subsidiaries. Prudential Retirement is a Prudential Financial business.

COMM-000001-00 NC 401(k) 457

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NC 401(k) & NC 457 Communication Accomplishments 1Q 2017

- Updated Inventory
 - Updated 2 Web Pages
 - Historical Performance Flyer
 - Leaving Money on the Table Animation
 - Group Meeting Flyer
 - Termination Flyer
 - One Time Contribution Flyer
 - Joint DC/DB Brochure
 - Rollover Brochure
- Email to Nearing Retirees
 - 159 recipients



Good things happen when great forces combine
Take advantage of your retirement savings options

North Carolina 401(k)/457



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Signature Newsletter 1Q 2017



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Signature

NEWSLETTER

1ST QUARTER 2017

New Chapter in 2017!

A new year often brings many opportunities. In 2017, it brought us a new State Treasurer and an updated Annual Benefits Statement. In this issue, meet Dale R. Folwell, CPA, our new North Carolina State Treasurer *and* learn about your enhanced Annual Benefits Statement (ABS)!

In this issue...

Staying Connected:
NC 403(b) Program transition to Prudential Retirement is now complete

Your 2016 Annual Benefits Statement is coming soon!

Making Cents:
The important role that debt plays in retirement



A Message from North Carolina's State Treasurer

As the North Carolina State Treasurer, I'm committed to preserving and protecting the NC pension, health and supplemental retirement plans, through strong oversight, accountability and excellent customer service. Thank you for your service to the people of North Carolina. One of our missions is to help you attain your financial goals in retirement.

As a four-term member of the NC House of Representatives, including two years as Speaker *Pro Tempore*, I sponsored 29 major pieces of legislation that saved lives, minds and money for North Carolinians. One of these pieces of legislation brought about the NC Total Retirement Plans' Annual Benefits Statement.

Please look for your 2016 Annual Benefits Statement in your ORBIT account next month. In it, you will find your customized retirement "snapshot" taking into account estimates for major sources of retirement income. This includes the NC pension plan, Social Security benefits, and your personal savings in the NC 401(k), NC 457, and/or NC 403(b), as well as outside retirement assets (if you've taken advantage of the option to add these into the calculation).

One of my goals is to expand the Annual Benefits Statement next year. I want to provide you with an even more complete view of the benefits you enjoy today, including contributions made on your behalf by your employer and the taxpayers of the state to your NC pension and healthcare plans. In addition, the expanded statement will give you an enhanced look at your future retirement picture, including your estimated pension income and your state-provided healthcare benefits.

I also encourage you to take time to review your Personal Gap Analysis, visit the ORBIT Retirement Benefit Estimator and use the tools at **MyNCRetirement.com**. All these resources can help you plan and prepare for a more secure retirement.

We always want the best from you and the best for you. If you'd like to know more about this and other initiatives, sign up to receive e-communications from me and please visit our website at **NCTreasurer.com**.

Sincerely,

Dale R. Folwell, CPA
Dale R. Folwell, CPA
State Treasurer



North Carolina
Total Retirement Plans | 401k | 457 | 403b

Continued on next page

NC 403(b) Program Transition to Prudential Retirement is Now Complete

Welcome to our NC 403(b) Program participants!

In February, the assets and the recordkeeping and communications services for the NC 403(b) Program moved from TIAA to Prudential Retirement®. As a result, the Program's participants now benefit from the same outstanding service model as the NC 401(k) and NC 457 Plan participants have for the past several years.

The benefits—less complexity and more value

With this transition, all three of the NC Total Retirement supplemental plans now have a unified approach and service provider to go to for information and assistance. That means that all NC 403(b) Program participants now have:

- **An expanded team of retirement counselors:** Prudential's statewide team of retirement education counselors is available to assist you. There are now more counselors than ever before, and they are available *locally*.
- **One point of contact for assistance** (toll-free call center): Simply call **866-NCPlans** (866-627-5267) for help—with any of the three plans.
- **One combined statement** for all three plans: the NC 401(k) and NC 457 Plans and the NC 403(b) Program.
- **Ease of investment selection:** You now have access to GoalMaker®, an optional asset allocation tool that can help you quickly and easily choose your Program investments, at no additional cost.
- **And one educational website:** Whether you participate in the NC 401(k), the NC 457 Plan, and/or the NC 403(b) Program, by visiting **NCPlans.prudential.com**, you'll find valuable retirement planning information for *all* three plans.

Many school systems across the State have already elected this Program. If you'd like to be part of the NC 403(b) Program sponsored by the Department of State Treasurer, talk to your HR representative.

Your 2016 Annual Benefits Statement Is Coming Soon!

Your Annual Benefits Statement (ABS), which the North Carolina Department of State Treasurer provides you each year to give you a snapshot of your total retirement benefits, will be available in May. Familiarizing yourself with the key sections of the ABS *now* can help you make the most of this valuable retirement planning tool when the 2016 version becomes available.

Your Personal Gap Analysis

This section of the ABS helps you know if you are currently saving enough for retirement based on a number of projections and assumptions.



Checkpoint 1 provides you with:

- a year-end summary of your pension and supplemental retirement plan creditable service
- the “6% or 7% mandatory” employee contribution you make to the defined benefit/pension plan(s)
- your current contribution(s) to the NC 401(k), the NC 457 Plan, and/or the NC 403(b) Program

Checkpoint 1: Your Current Retirement Savings and Service			Member ID 357742
	TSERS	LGERS	CJRS
Contributions			
Balance on 12/31/15	\$281	\$13,616	\$13,616
2016 Contributions	\$0	\$2,848	\$2,848
Interest Earned/Gains or Losses in 2016	+	\$11	+
Adjustments	\$0	\$0	\$0
Total on 12/31/16	\$292	\$17,008	\$17,008
Years of Service Toward Retirement			
Years of Service on 12/31/15	0.1000	6.0833	6.0833
Years of Service Purchased/Adjusted in 2016	0.0000	0.0000	0.0000
Years of Membership Service Earned in 2016	+	+	+
Years of Total Service Toward Retirement as of 12/31/2016	0.1000	7.0833	7.0833
Beneficiary Designation			
See your beneficiary designation(s) in Checkpoint 4.			

Disclaimer

The benefits shown within this Annual Benefits Statement are estimates and are provided to you for illustrative purposes only. You should not consider this report to be a representation, contract or guarantee of any benefit. This report is subject to correction for any errors, including, but not limited to, data entry or benefit calculations. The availability and amount of all benefits you might be eligible to receive is governed by North Carolina law. The information provided here cannot alter, modify, or otherwise change controlling North Carolina law or other governing legal documents in any way, nor can any right accrue to you by reason of any information or omission of information provided herein. In the event of a conflict between this statement and North Carolina law, North Carolina law governs. Your actual benefits are subject to verification before any payments are authorized.

This projection does not reflect the retirement benefit amount that may be payable, if the benefit exceeds the Internal Revenue Code section 415(b) annual pension benefit limit.

How to Access Your ABS

1

Visit the State Treasurer's website, MyNCRetirement.com, and click on the "ORBIT" button.

2

Log in to ORBIT.

3

Click on "View Annual Benefits Statement" and select the year to view.

Checkpoint 2 projects your total estimated monthly income at retirement age using your:

- NC pension plan benefits and projected balances
- projected Social Security income
- projected NC 401(k), NC 457, and/or NC 403(b) income
- "Total Outside Pension and Monthly Income" or "Total Outside Assets," if you entered these into the Retirement Income Calculator

Plan name	Projected Monthly Income
Teachers' and State Employees' Retirement System	\$0
Local Governmental Employees' Retirement System	\$1,834
Consolidated Judicial Retirement System	\$1,834
North Carolina 401(k) Plan	\$140
NC Public Employee Deferred Comp Plan 457(b)	\$140
NC 403(b) Program	\$767
Outside Pensions*	\$41
Social Security*	\$1,600
Total	\$7,150

Checkpoint 3 illustrates how:

- saving more in your NC 401(k), NC 457, and/or NC 403(b) account could potentially enhance your monthly income when you retire, making you more retirement ready
- an increase in your savings may affect your take-home pay less than you think

Take home a little less, save a lot more...			
If contribution amount=	Your monthly contribution=	Your take-home pay is reduced each month by:*	Your potential additional savings from these contributions over time:*
2%	\$79	\$59	\$32,472
4%	\$158	\$118	\$64,943
6%	\$238	\$178	\$97,826

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

Checkpoint 4 is NEW:

Starting with the 2016 ABS, your beneficiary information for *all* the NC pension plans and supplemental retirement plans you participate in—the NC 401(k) Plan, NC 457 Plan, and/or NC 403(b) Program—is now included in Checkpoint 4.

Plan name	Beneficiary for return of contributions	Beneficiary of death benefit
TSERS	FIGUEROA, WILFREDO	FIGUEROA, WILFREDO
LGERS	FEQUEROA, WILFREDO	FEQUEROA, WILFREDO
CJRS	FEQUEROA, WILFREDO	FEQUEROA, WILFREDO
Plan name	Primary beneficiary*	Secondary beneficiary*
NC 401(k)	REMY WHITE	TRACY TURNBLAD
NC 457(b)	BOBBY KANE	TRACY TURNBLAD
NC 403(b)	REMY WHITE	TRACY TURNBLAD

The beneficiary designations listed above are fictitious.



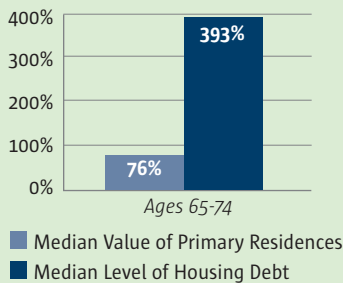
Making Cents

The Important Role that Debt Plays in Retirement

When it comes to retirement planning, there's often a lot of emphasis on how much income future retirees will receive once their working years are behind them. What's *not* often discussed is how much *debt* retirees will have—and why that's important for anyone planning for retirement.

Debt trends – and the long-term consequences of debt

- Individuals are borrowing more over a lifetime—in the form of student loans, credit cards, mortgages, home equity loans, home equity lines of credit, and reverse mortgages. As a result, American households are now carrying greater amounts of debt into retirement.*
- Before retirement, debt repayments typically come from wages. In retirement, income generally comes from Social Security retirement benefits, and possibly, a pension and savings. If retirement income decreases, there may be less money to pay down outstanding debt.

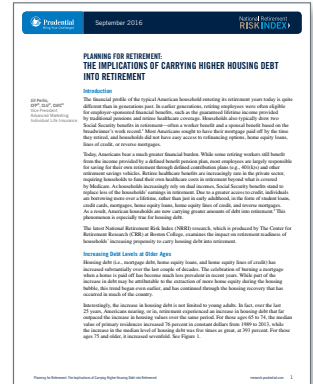


For individuals ages 65 to 74, the median value of primary residences increased 76 percent in constant dollars from 1989 to 2013, while the increase in the median level of housing debt was five times as great, at 393 percent.

Debt can have a substantial impact on your quality of life in retirement. So it's important to consider how much debt you may have in the future—and what you can do about that debt *today* to make your financial life tomorrow more enjoyable.

Prudential offers a compelling paper, *Planning for Retirement: The Implications of Carrying Higher Housing Debt into Retirement*, that explores the role of debt in retirement in much greater detail. Visit prudential.com/housingdebt to get your copy today.

To learn more about the effects of your debt on your retirement—and the steps you can take to help yourself reduce that debt in the future—contact your retirement education counselor.



*Source: Brown, Meta, and Donghoon Lee, Joelle Scally, Katherine Strair, and Wilbert van der Klaauw, "The Graying of American Debt," Federal Reserve Bank of New York, February 2016, <http://libertystreeteconomics.newyorkfed.org/2016/02/the-graying-of-american-debt.html#.V7MsH8SUXcs>



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PRUDENTIAL RETIREMENT®

Prudential Retirement provides the communications and recordkeeping services for the NC 401(k) and NC 457 Plans and the NC 403(b) Program. Investments offered to you within the NC 401(k) and NC 457 Plans are not offered by or affiliated with Prudential Financial or any of its companies or businesses. Prudential Retirement is a Prudential Financial business.

For the NC 403(b) Program, shares of the registered mutual funds are offered through Prudential Investment Management Services LLC (PIMS), Newark, NJ, a Prudential Financial company.

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

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Go to NCPlans.prudential.com for information on NC Total Retirement Plans or to access your account. You may also call 866-NCPlans (866-627-5267). Participant Service representatives are available Monday through Friday between 8 a.m. and 9 p.m. ET.

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

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Prudential Retirement encourages you to seek personalized advice from qualified professionals regarding all personal finance issues. Prudential Retirement does not provide investment OR tax advice; please consult a tax advisor for more information.

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03/2017



Thank you



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Hartford, CT 06103

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Total Retirement Plans

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