

Signature

NEWSLETTER



North Carolina
Total Retirement Plans
401k | 457



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

A Message from Treasurer Dale R. Folwell, CPA



One of the most important steps you can take in preparing for retirement is to set realistic goals. The good news is as a participant in the NC 401(k) and/or NC 457 Plans, you have already taken the first step.

The NC 401(k) and NC 457 Plans are sponsored and administered by the state, and we contract with a third-party recordkeeper, Prudential, which was acquired by Empower, to provide recordkeeping and communications services. North Carolina and the Plans did not play a role in this business acquisition. We have, as a part of the acquisition, recently completed a migration to the Empower platform for account management, which has additional tools and security features for participants.

I encourage you to **start early and save often**. When you make that commitment, time is on your side, with compounding interest making your money work for you. For example, keeping in mind that investment returns fluctuate and aren't guaranteed, by saving \$200 per month for 10 years at a 7% assumed rate of return, your retirement savings would grow to nearly \$35,000. Even the smallest contribution or increase will impact your financial stability in later years. Tracking your progress is easy with our recent technology upgrades. The new mobile app allows you to view retirement goals, estimated income in retirement and investment returns.

It is also important to **take a fresh look at savings and security**. Each year, review your pension, years of service, NC 401(k) and NC 457 accounts, and any outside assets. Designate and review the beneficiaries you have on file. The increased functionality with the app also allows you to add or change beneficiaries and rebalance investments. Now, no matter where you are, you can make sure that what you are doing is in line with your future goals.

Review your employer benefits each year. We have over 550 employers that offer a contribution to your Supplemental Retirement Plan. If you are not taking part, you are leaving money for your future on the table. Additionally, combined employee contributions to both the NC 401(k) and NC 457 Plans max out at \$46,000 this year. The IRS adjusts contribution limits annually based on inflation. In taking advantage of increased contributions, you may also be eligible for the Federal Saver's Credit; but more importantly, you will be able to put more money toward your retirement savings.

Stay in step with your goals, remain committed and you will be on the path to a more secure future in retirement. Thank you for your service to the citizens of North Carolina.

Sincerely,

Dale R. Folwell, CPA

Dale R. Folwell, CPA
State Treasurer of North Carolina

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Time to #FLOSS (Fresh Look on Savings & Security)

The NC Supplemental Retirement Plans now offer an upgraded digital experience, so take the time to review your account. Make sure your information is accurate and take full advantage of the valuable benefits the upgraded online experience offers, including the Plans' new mobile app, Apple Watch functionality and enhanced security features!

Your New Upgraded Digital Experience

Time to register your online account

ACTION NEEDED: Complete online registration of your NC 401(k) and NC 457 Plans' accounts now

The upgraded online experience and new security features require that you register your online account,¹ **even if you have done so in the past.** This is a simple process:

- Visit myNCPlans.com and choose *Register*.
- Select *I do not have a PIN*.
- Enter your personal information and create a username and password.
- Select *Sign in* going forward.

IMPORTANT: If you are accessing your account from a mobile device, you will be directed to download the new mobile app before you can complete your registration.

We have you covered

Your Plan account(s), current investments, contribution rates and beneficiary elections were automatically transferred to the new online experience.

Maintain your personal information

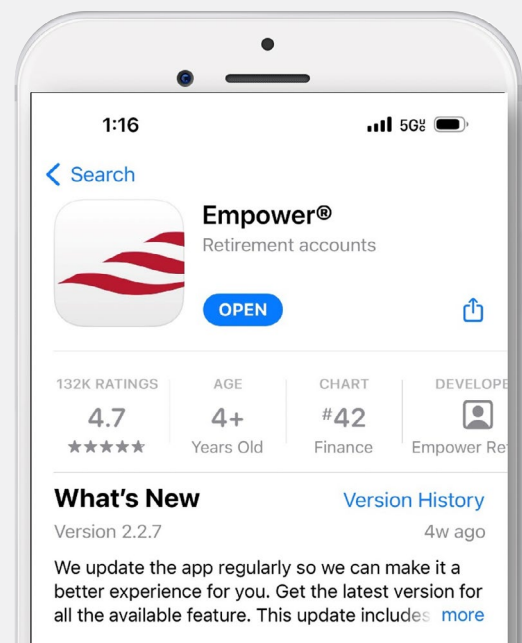
Improve the security of your account by keeping your information current — confirm your email, address and phone number.

New mobile app

Your Plan account can go wherever you do with the new mobile app

Manage retirement planning on the go using the new, enhanced mobile app.² **Download it today!**

Search for “Empower retirement” at the App Store or Google Play.²



Or you can download it by scanning the QR code here:





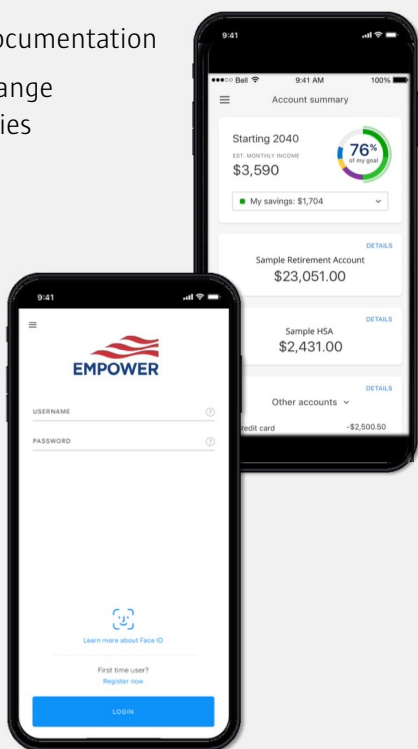
The new mobile app enhancements

This interface provides access to even **more** information, including:

- Retirement goal view
- Estimated monthly income in retirement
- Aggregated outside assets
- Beneficiary details
- Quarterly statements

Functionality is also enhanced. With the mobile app, you can now:

- Link external accounts
- Rebalance investments
- Upload documentation
- Add or change beneficiaries



Apple Watch functionality

Apple Watch² users can view:

- **Rates of return** for various time frames
- **Balances by investment** and their overall account balance
- **Lifetime income score**, which includes the estimated percentage of the participant's savings goal and estimated monthly retirement income
- **Countdown to retirement** in terms of years and days





Increased contribution limits for 2024

The IRS maximum contribution amounts for defined contribution plans, such as the NC 401(k) and NC 457 Plans, have increased for 2024. Visit myNCPlans.com, log in to your account and view your current contributions. You may want to increase your contributions to take advantage of the new higher limits!

For each Plan: NC 401(k) and NC 457	Max. Contribution ³
Standard Contributions	\$23,000
Catch-up Contributions (50 or older)	\$30,500
NC 457 Plan ⁴	
Three-Year Catch-up Contributions	\$46,000
Participating in BOTH the NC 401(k) AND 457 Plans ⁴	
Standard Contributions	\$46,000
Catch-up Contributions (50 or older)	\$61,000

Investment basics: NC Fixed Income Index Fund⁵

The NC Fixed Income Index Fund is a conservative investment option within the NC 401(k) and NC 457 Plans. It offers a low-cost,⁶ passive management approach, aiming to track a fixed-income index that represents the U.S. investment-grade bond market.

Investment objective

The fund invests in a collective investment trust managed by BlackRock, which attempts to replicate the composition and performance of the Bloomberg U.S. Aggregate Bond Index.

Investor profile⁷

This fund may be most attractive to those participants who are looking for:

- income and safety of principal
- a fixed-income investment to help manage risk in a diversified portfolio

NEWSWORTHY AND NOTEWORTHY



PIA: Participants in action

33,639

participants have increased their contributions

*YTD data as of 12/31/2023.

63,696

attended group meetings

26,585

NC 401(k)/NC 457 Plans' Retirement Education Counselor meetings with individuals

¹ Exclusions apply. For complete details, visit <https://www.empower.com/about-empower/security>.

² iPhone, iPad, Apple, Apple Watch, and App Store are trademarks of Apple Inc. Android, Google Play, and the Google Play logo are trademarks of Google LLC.

³ Employer contributions reduce the contribution limits in the NC 457 Plan, but not in the NC 401(k).

⁴ NC 457 Plan participants may not use age 50+ catch-up contributions in conjunction with Three-Year Catch-up Contributions.

⁵ *Carefully consider the investment option's objectives, risks, fees and expenses. Contact Empower Retirement 866-NCPlans (866-627-5267) for a prospectus, summary prospectus for SEC-registered products or disclosure document for unregistered products, if available, containing this information. Read each carefully before investing.*

It is possible to lose money when investing in securities.

⁶ Source: BenchmarkDC for North Carolina Supplemental Retirement Plans (for the 5 years ending December 31, 2022), CEM Benchmarking, Inc., located at myNCRetirement.com > Governance > Boards of Trustees and Committees > Supplemental Retirement Board of Trustees Meetings > August 24, 2023 > Tab VII. CEM BenchmarkKDC Presentation.

⁷ For more information on the NC Fixed Income Index Fund, see the fund fact sheet at myNCPlans.com.

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