



2018 One-Time Benefit Supplement and Transfer Benefit Increase

Frequently Asked Questions

Updated: July 23, 2018

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1. What is a one-time supplement, and what is the authorized increase amount?

For the North Carolina Retirement Systems, a one-time supplement is not a cost-of-living adjustment (COLA). It is a one-time payment determined by the North Carolina General Assembly. As part of the 2018 budget bill, the North Carolina General Assembly approved a one-time supplement equal to one percent (1%) of a member's annual benefit for TSERS, CJRS and LRS benefit recipients.

In 2018, the North Carolina General Assembly granted a supplement for the Teachers' and State Employees' Retirement System (TSERS), the Legislative Retirement System (LRS) and the Consolidated Judicial Retirement System (CJRS). A one-time supplement was not provided to members of the Local Governmental Employees' Retirement System (LGERS), the Firefighters and Rescue Squad Workers' Pension Fund, the National Guard Pension Fund or the Disability Income Plan of North Carolina.

2. When will I see the one-time supplement in my payments?

This increase will be reflected in the October 2018 retirement payments which will be distributed on Thursday, October 25, 2018.

3. Which systems received a one-time supplement?

In 2018, the North Carolina General Assembly approved a one-time supplement for benefit recipients in the following systems:

- Teachers' and State Employees' Retirement System (TSERS)
- Consolidated Judicial Retirement System (CJRS)
- Legislative Retirement System (LRS)



4. Did LGERS receive a one-time supplement?

The North Carolina General Assembly did not grant a one-time supplement to members of the Local Governmental Employees' Retirement System (LGERS), the Firefighters and Rescue Squad Workers' Pension Fund, the National Guard Pension Fund or the Disability Income Plan of North Carolina.

5. When will the supplement go into effect, and when will recipients be notified?

The one-time supplement will be included in the October benefit for TSERS, CJRS and LRS benefit recipients on Thursday, October 25, 2018. Information will be posted on the North Carolina Retirement Systems' website and Facebook page. Benefit recipients are encouraged to review their October payment and call the Call Center with any questions.

6. I participate in the Transfer Benefit. Will I see a change in my retirement benefit?

Transfer Benefit recipients are TSERS and LGERS retirees who transferred NC 401(k) or NC 457 balances at or after retirement to TSERS or LGERS to receive an additional monthly lifetime benefit. When these members elected to use the Transfer Benefit, they were given the option to receive cost-of-living adjustments (COLAs). Based on the North Carolina General Statutes, when a member elects the COLA option for the Transfer Benefit, the increase is equal to the increase in the U.S. Consumer Price Index (CPI). Since there was an increase in the CPI, Transfer Benefit recipients will receive a COLA.

The CPI data released by the Bureau of Labor Statistics of the U.S. Department of Labor on June 12, 2018, showed that the CPI increased by 2.8 percent for the 12-month period ending May 2018.

The Transfer Benefit COLA is 2.8 percent and is effective July 1, 2018, if members were receiving their Transfer Benefit as of July 1, 2017. If their Transfer Benefit became effective between August 1, 2017, and June 1, 2018, the member will receive a pro-rated portion of 2.8 percent. The following schedule reflects the increase:

Effective Date of Transfer Benefit	Percent of Supplement Retirees Received
7/1/2017 and prior	2.8000
8/1/2017	2.5667
9/1/2017	2.3333
10/1/2017	2.1000
11/1/2017	1.8667
12/1/2017	1.6333
1/1/2018	1.4000
2/1/2018	1.1667
3/1/2018	0.9333
4/1/2018	0.7000
5/1/2018	0.4667
6/1/2018	0.2333



7. What about members receiving disability benefits? Will they receive a supplement?

Members receiving long-term or extended short-term disability benefits from the Disability Income Plan of North Carolina (DIPNC) will not receive the one-time supplement. Members who are employed and receiving DIPNC short-term disability benefits may receive a 2 percent increase in the salary on which their disability benefit is based. The supplement would be paid by the member's employer, so questions should be directed to the employer.

8. What should I do if I have more questions?

You may call the Call Center at 877-NCSECURE (877-627-3287), Monday-Friday, 8 a.m. to 5:30 p.m., EST.