

## North Carolina Total Retirement Plans

## 3Q 2018 Board of Trustees Report

Presented by: Michael McCann, Vice President, Key Account Management
On: December 13, 2018
As of: September 30, 2018

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

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


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 DALE R. FOLWELL. CPA
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 DALE R. FOLWELL. CPA
## North Carolina Total Retirement Plans

## 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, the North Carolina Public Employee Deferred Compensation Plan and the North Carolina Public School Teachers' and Professional Educators' Investment Plan 403(b) Program. 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.

As of January 1, 2016 Prudential Retirement provides the communications and recordkeeping services for the NC Total Retirement Plans 401(k)|457. Investments offered to you within the plan(s) are not offered by or affiliated with Prudential Financial or any of its companies or businesses. Prudential Retirement is a Prudential Financial business.

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Prudential's Book of Business averages are as of 9/30/2018.

## North Carolina Total Retirement Plans

## 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)


## North Carolina Total Retirement Plans

## 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

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North Carolina

## North Carolina Total Retirement Plans

## Our Mission: Retirement Readiness

57.56\% of all active NC public servants are "retirement ready." $72.23 \%$ of all active NC public servants with a 401(k), 457 and/or 403(b) plan 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 67\% in 2018:

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

| Sub Goal | As of 9/30/2018 | Stretch Goal | \% to Stretch Goal | Contractual Goal | \% to Contractual Goal |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Average Monthly Contributions | \$194.91 | \$180.61 | 107.92\% | \$166.46 | 117.09\% |
| Active Participation Rate | 32.91\% | 28.99\% | 113.52\% | 28.56\% | 115.23\% |
| GoalMaker Utilization Among New Members | 94.78\% | 93\% | 101.91\% | 80\% | 118.48\% |
| GoalMaker Utilization Among All Members | 64.11\% | 57\% | 112.47\% | N/A | N/A |

2 Employers adopted the 401(k) Plan from the period of January 1, 2018 through September 30, 2018
32 Employers adopted the 457 Plan from the period of January 1, 2018 through September 30, 2018
12 Employers adopted the 403(b) Plan from the period of January 1, 2018 through September 30, 2018

|  | As of 9/30/2018 |
| :--- | ---: |
| Consolidated Total Plan Assets | $\$ 11,862,328,690$ |
| Consolidated Unique Participant Count | 277,796 |

## North Carolina Total Retirement Plans

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



The total number of unique participants across the 401(k) and 457 Plans combined as of September 30, 2018 was 276,781
The average monthly employee deferral from October 1, 2017 to September 30, 2018 was $\$ 194.7$ for the Combined 401(k) and 457 Plans.
The average active participation rate from October 1,2017 to September 30,2018 was $32.72 \%$ for the Combined $401(\mathrm{k})$ and 457 Plans.
The GoalMaker utilization among new members as of September 30, 2018 was $95.15 \%$ for the Combined 401(k) and 457 Plans.
Assets reflect actual participant account balances and do not include expense account assets.

The GoalMaker utilization among members as of September 30, 2018 was $64.10 \%$ for the Combined 401(k) and 457 Plans.

## North Carolina Total Retirement Plans

## Asset Allocation By Fund - 401(k) Plan



The total number of unique participants in the 401(k) Plan as of September 30, 2018 was 253,835.
The average monthly employee deferral from October 1, 2017 to September 30, 2018 was $\$ 177.55$ for the 401(k) Plan.
The average active participation rate from October 1, 2017 to September 30, 2018 was $29.54 \%$ for the 401(k) Plan.

The GoalMaker utilization among new members as of September 30, 2018 was $96.08 \%$ for the 401(k) Plan.

## Assets reflect actua

 participant account balances and do not include expense account assets.The GoalMaker utilization among members as of September 30, 2018 was $64.79 \%$ for the 401(k) Plan.

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## North Carolina Total Retirement Plans

## Asset Allocation By Fund - 457 Plan

|  |  |  | \# Participants Utilizing |  |  | \# Participants Utilizing |  |  | \# Participants Utilizing |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Investment Option | Asset Class | 9/30/2016 | \% | 9/30/2016 | 9/30/2017 | \% | 9/30/2017 | 9/30/2018 | \% | 9/30/2018 |
| North Carolina Stable Value Fund | Stable Value | \$403,515,274 | 33.28\% | 43,499 | \$404,726,174 | 30.10\% | 44,566 | \$352,326,283 | 24.20\% | 31,220 |
| North Carolina Fixed Income Fund | Fixed Income | \$80,122,571 | 6.61\% | 33,188 | \$86,617,165 | 6.44\% | 34,961 | \$157,912,095 | 10.85\% | 42,273 |
| North Carolina Fixed Income Index Fund | Fixed Income | \$44,964,226 | 3.71\% | 28,991 | \$51,167,819 | 3.81\% | 31,076 | \$14,308,958 | 0.98\% | 3,168 |
| North Carolina Treasury Inflation Protected Securities | Fixed Income | \$0 | 0.00\% | 0 | \$0 | 0.00\% | 0 | \$17,720,986 | 1.22\% | 11,981 |
| North Carolina Large Cap Core Fund | Large-Cap Stock | \$0 | 0.00\% | 0 | \$255,105,543 | 18.97\% | 45,718 | \$264,163,540 | 18.15\% | 11,744 |
| North Carolina Large Cap Growth Fund | Large-Cap Stock | \$117,918,193 | 9.73\% | 42,080 | \$8,309 | 0.00\% | 5 | \$0 | 0.00\% | 0 |
| North Carolina Large Cap Index Fund | Large-Cap Stock | \$149,274,685 | 12.31\% | 39,573 | \$174,694,297 | 12.99\% | 41,981 | \$264,711,349 | 18.19\% | 44,256 |
| North Carolina Large Cap Value Fund | Large-Cap Stock | \$105,505,136 | 8.70\% | 41,510 | \$298 | 0.00\% | 4 | \$0 | 0.00\% | 0 |
| North Carolina Small / Mid Cap Fund | Small-Cap Stock | \$0 | 0.00\% | 0 | \$151,674,863 | 11.28\% | 42,339 | \$149,134,413 | 10.25\% | 44,316 |
| North Carolina Small/Mid Cap Growth Fund | Small-Cap Stock | \$55,026,377 | 4.54\% | 39,166 | \$615 | 0.00\% | 4 | \$0 | 0.00\% | 0 |
| North Carolina Small/Mid Cap Index Fund | Small-Cap Stock | \$20,238,707 | 1.67\% | 1,509 | \$25,218,598 | 1.88\% | 1,641 | \$34,644,032 | 2.38\% | 1,879 |
| North Carolina Small/Mid Cap Value Fund | Small-Cap Stock | \$74,894,342 | 6.18\% | 39,567 | \$8,584 | 0.00\% | 4 | \$0 | 0.00\% | 0 |
| North Carolina Global Equity Fund | Global/Intl Stock | \$57,123,455 | 4.71\% | 33,863 | \$71,358,995 | 5.31\% | 36,492 | \$0 | 0.00\% | 0 |
| North Carolina International Fund | Global/Int/ Stock | \$63,434,190 | 5.23\% | 39,716 | \$75,621,946 | 5.62\% | 41,911 | \$154,772,271 | 10.63\% | 44,306 |
| North Carolina International Index Fund | Global/Intl Stock | \$11,283,318 | 0.93\% | 1,090 | \$13,844,070 | 1.03\% | 1,183 | \$17,159,195 | 1.18\% | 1,277 |
| North Carolina Inflation Responsive Fund | Specialty | \$29,134,858 | 2.40\% | 33,019 | \$34,588,757 | 2.57\% | 35,703 | \$28,782,716 | 1.98\% | 38,137 |
| Total Plan Assets |  | \$1,212,435,330 | 100.00\% |  | \$1,344,636,032 | 100.00\% |  | \$1,455,635,836 | 100.00\% |  |

The total number of unique participants in the 457 Plan as of September 30, 2018 was 54,864

The average monthly employee deferral from October 1, 2017 to September 30, 2018 was $\$ 144.21$ for the 457 Plan.

The average active participation rate from October 1, 2017 to September 30, 2018 was 11.01\% for the 457 Plan.

The GoalMaker utilization among new members as of September 30, 2018 was $91.97 \%$ for the 457 Plan.

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

The GoalMaker utilization among members as of September 30, 2018 was $68.12 \%$ for the 457 Plan.

## North Carolina Total Retirement Plans

## Asset Allocation By Fund - 403(b) Plan

| Investment Option | Asset Class | 9/30/2017 | \# Participants Utilizing |  |  |  | $\begin{aligned} & \text { \# Participants } \\ & \text { Utilizing } \\ & \text { 9/30/2018 } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | \% | 9/30/2017 | 9/30/2018 | \% |  |
| Metropolitan West Total Return Bd Plan | Fixed Income | \$1,119,137 | 9.33\% | 1,034 | \$2,339,205 | 14.87\% | 1,064 |
| Vanguard Short-Term Bond Index Adm | Fixed Income | \$2,091,908 | 17.44\% | 865 | \$1,569,796 | 9.98\% | 556 |
| Vanguard Shrt-Term Infl-Prot Sec Idx Adm | Fixed Income | \$0 | 0.00\% | 0 | \$155,620 | 0.99\% | 255 |
| Vanguard Total Bond Market Index Adm | Fixed Income | \$1,005,187 | 8.38\% | 1,012 | \$745,934 | 4.74\% | 333 |
| Baillie Gifford International Equity K | Large-Cap Stock | \$0 | 0.00\% | 0 | \$2,535,452 | 16.11\% | 1,048 |
| T. Rowe Price Blue Chip Growth I | Large-Cap Stock | \$797,709 | 6.65\% | 832 | \$556,740 | 3.54\% | 157 |
| Vanguard 500 Index Admiral | Large-Cap Stock | \$2,237,225 | 18.66\% | 1,147 | \$4,354,122 | 27.67\% | 1,192 |
| Vanguard Windsor II Admiral | Large-Cap Stock | \$872,996 | 7.28\% | 1,046 | \$543,952 | 3.46\% | 343 |
| Vanguard Extended Market Index Admiral | Mid-Cap Stock | \$798,954 | 6.66\% | 368 | \$1,089,428 | 6.92\% | 365 |
| DFA US Small Cap I | Small-Cap Stock | \$886,713 | 7.39\% | 971 | \$971,659 | 6.17\% | 1,010 |
| PIMCO Inflation Response MultiAsst Instl | Specialty | \$584,034 | 4.87\% | 792 | \$617,548 | 3.92\% | 832 |
| MFS Instl International Equity | International Stock | \$1,480,162 | 12.34\% | 1,020 | \$0 | 0.00\% | 0 |
| Vanguard Total Intl Stock Index Admiral | International Stock | \$118,488 | 0.99\% | 54 | \$256,163 | 1.63\% | 73 |
| Total Plan Assets |  | \$11,992,514 | 100.00\% |  | \$15,735,620 | 100.00\% |  |

The total number of unique participants in the 403(b) Plan as of September 30, 2018 was $1,235$.
The average monthly employee deferral from October 1, 2017 to September 30,2018 was $\$ 246.78$ for the 403(b) Plan.
The average active participation rate from October 1, 2017 to September 30, 2018 was $1.14 \%$ for the 403(b) Plan.
The GoalMaker utilization among new members as of September 30, 2018 was $50.00 \%$ for the 403(b) Plan.

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

The GoalMaker utilization among members as of September 30, 2018 was $59.76 \%$ for the 403(b) Plan.

## North Carolina Total Retirement Plans

| 401(k) Plan Percentage Gain |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Assets (9/30/2017) | Contributions | Distributions | Earnings | Assets (9/30/2018) | Percentage Gain |  |
| NC 401(k) Plan | $\$ 9,495,072,359$ | $\$ 557,929,222$ | $\$ 541,701,457$ | $\$ 879,657,111$ | $\$ 10,390,957,234$ | $9.25 \%$ |  |


| 401(K) Plan |  |  |  |  |
| :--- | :---: | :---: | :---: | :---: |
|  | 3Q 2017 | $\mathbf{3 Q} 2018$ | Difference \# | Difference \% |
| Members with an Account Balance | 248,772 | 253,835 | 5,063 | $2.04 \%$ |
| Average Account Balance | $\$ 38,168$ | $\$ 40,936$ | $\$ 2,768$ | $7.25 \%$ |
| Median Account Balance | $\$ 12,319$ | $\$ 12,719$ | $\$ 399$ | $3.24 \%$ |




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 Percentage Gain |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Assets 993012017) | Contributions | Distributions | Earnings | Assets 9 913020018) | Percentage Gain |
| NC 457 Plan | \$1,34, ,636,032 | \$78,066,427 | \$85,924,734 | \$118,858,111 | \$1,455,85, 3 , | ${ }^{8.89 \%}$ |


| 457 Plan |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 3Q 2017 | 3Q 2018 | Difference \# | Difference \% |
| Members with an Account Balance | 53,310 | 54,864 | 1,554 | 2.92\% |
| Average Account Balance | \$25,223 | \$26,532 | \$1,309 | 5.19\% |
| Median Account Balance | \$3,278 | \$3,524 | \$246 | 7.52\% |



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 Percentage Gain |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Assets (930020017) | dributions | Distributions | Earning | Assets 9 O13012018) | Percentage Gain |
| NC 457 | \$11,992,514 | \$3,13,470 | ${ }_{536}$ | s977,8 | \$15,735,620 | 6.63\% |


| 403(b) Plan |  |  |  |  |  |  |  |  |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 3Q2017 | 3Q2018 | Difference \# | Difference \% |  |  |  |  |
| Members with an Account Balance | 1,183 | 1,235 | 52 | $4.40 \%$ |  |  |  |  |
| Average Account Balance | $\$ 10,137$ | $\$ 12,741$ | $\$ 2,604$ | 2 |  |  |  |  |
| Median Account Balance | $\$ 3,669$ | $\$ 4,719$ | $\$ 1,050$ | $28.69 \%$ |  |  |  |  |

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 |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 3Q 2015 | 3Q 2016 | 3Q 2016 \% of Change | 3Q 2017 | $\begin{gathered} \text { 3Q } 2017 \\ \% \text { of Change } \end{gathered}$ | 3Q 2018 | 3Q 2018 \% of Change |
| Enrollments | 5,871 | 4,539 | -29.35\% | 4,538 | -0.02\% | 4,661 | 2.71\% |
| \% of New Hires Enrolled in Plan | 49.02\% | 28.67\% | -70.97\% | 31.84\% | 11.04\% | 31.37\% | -1.49\% |
| GoalMaker Elections | 5,587 | 4,058 | -37.68\% | 4,308 | 6.16\% | 4,566 | 5.65\% |
| Contribution Changes |  |  |  |  |  |  |  |
| Deferral Decreases | 2,901 | 5,198 | 44.19\% | 5,418 | 4.23\% | 2,612 | -51.79\% |
| Deferral Increases | 6,752 | 6,244 | -8.14\% | 6,998 | 12.08\% | 7,238 | 3.43\% |
| Pre-tax Participation Rate | 20.44\% | 20.70\% | 1.26\% | 21.19\% | 2.37\% | 21.04\% | -0.70\% |
| Roth Participation Rate | 7.60\% | 8.06\% | 5.71\% | 8.41\% | 4.34\% | 8.62\% | 2.45\% |
| Voluntary (Employee \& Roth) Participation Rate | 25.96\% | 26.53\% | 2.15\% | 27.21\% | 2.56\% | 27.18\% | -0.12\% |


| 401(k) Plan Quarterly Enrollments \& Contribution Change Method |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 3Q 2015 | 3Q 2016 | 3Q 2017 | 3Q 2018 |
| Method of Enrollment |  |  |  |  |
| Paper Form | 68.11\% | 78.88\% | 74.52\% | 77.29\% |
| Pseudo Enrollment | 27.27\% | 15.33\% | 20.56\% | 19.63\% |
| Internet | 4.62\% | 5.79\% | 4.92\% | 3.08\% |
| Method of Contribution Change |  |  |  |  |
| Internet | 98.79\% | 99.69\% | 99.83\% | 97.70\% |
| Paper Form | 1.04\% | 0.04\% | 0.01\% | 2.07\% |
| Participant Service Center | 0.03\% | 0.02\% | 0.00\% | 0.00\% |
| VRU | 0.14\% | 0.26\% | 0.16\% | 0.23\% |

## 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 401k 457 403b

## North Carolina Total Retirement Plans

| 401(k) Plan YTD Enrollments \& Contribution Changes |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | 2016 \% of Change | 2017 | 2017 <br> \% of Change | 2018 | 2018 \% of Change |
| Enrollments | 13,980 | 11,987 | -16.63\% | 12,302 | 2.63\% | 12,287 | -0.12\% |
| \% of New Hires Enrolled in Plan | 55.99\% | 40.83\% | -37.12\% | 40.15\% | -1.67\% | 39.50\% | -1.61\% |
| GoalMaker Elections | 13,077 | 10,948 | -19.45\% | 11,318 | 3.38\% | 11,739 | 3.72\% |
| Contribution Changes |  |  |  |  |  |  |  |
| Deferral Decreases | 7,764 | 14,138 | 45.08\% | 15,591 | 10.28\% | 8,598 | -44.85\% |
| Deferral Increases | 22,437 | 18,266 | -22.83\% | 21,868 | 19.72\% | 23,740 | 8.56\% |
| Pre-tax Participation Rate | 21.36\% | 22.28\% | 4.13\% | 22.81\% | 2.38\% | 22.42\% | -1.73\% |
| Roth Participation Rate | 7.90\% | 8.67\% | 8.88\% | 8.99\% | 3.69\% | 9.18\% | 2.11\% |
| Voluntary (Employee \& Roth) Participation Rate | 27.03\% | 28.48\% | 5.09\% | 29.15\% | 2.35\% | 28.79\% | -1.22\% |


| 401(k) Plan YTD Enrollments \& Contribution Change Method |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | 2017 | 2018 |
| Method of Enrollment |  |  |  |  |
| Paper Form | 73.72\% | 77.44\% | 75.69\% | 78.05\% |
| Pseudo Enrollment | 20.69\% | 15.97\% | 17.67\% | 18.59\% |
| Internet | 5.60\% | 6.59\% | 6.65\% | 3.36\% |
| Method of Contribution Change |  |  |  |  |
| Internet | 98.54\% | 99.58\% | 99.75\% | 99.02\% |
| Paper | 1.17\% | 0.15\% | 0.08\% | 0.78\% |
| Participant Service Center | 0.05\% | 0.02\% | 0.01\% | 0.00\% |
| VRU | 0.24\% | 0.26\% | 0.16\% | 0.19\% |

## 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
401k | 457 | 403b

## North Carolina Total Retirement Plans

| 457 Plan Quarterly Enrollments \& Contribution Changes |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 3Q 2015 | 3Q 2016 | 3Q 2016 \% of Change | 3Q 2017 | $\begin{gathered} \text { 3Q } 2017 \\ \% \text { of Change } \end{gathered}$ | 3Q 2018 | $\begin{gathered} \text { 3Q } 2018 \\ \% \text { of Change } \end{gathered}$ |
| Enrollments | 1,793 | 1,239 | -30.90\% | 1,198 | -3.31\% | 1,294 | 8.01\% |
| \% of New Hires Enrolled in Plan | 21.38\% | 11.92\% | -44.25\% | 11.76\% | -1.35\% | 12.12\% | 3.09\% |
| GoalMaker Elections | 1,669 | 1,130 | -32.29\% | 1,112 | -1.59\% | 1,235 | 11.06\% |
| Contribution Changes |  |  |  |  |  |  |  |
| Deferral Decreases | 875 | 761 | -13.03\% | 728 | -4.34\% | 641 | -11.95\% |
| Deferral Increases | 1,409 | 1,411 | 0.14\% | 1,509 | 6.95\% | 1,474 | -2.32\% |
| Pre-tax Participation Rate | 10.59\% | 9.91\% | -6.42\% | 9.72\% | -1.92\% | 9.12\% | -6.12\% |
| Roth Participation Rate | 1.24\% | 1.34\% | 8.06\% | 1.57\% | 17.16\% | 1.88\% | 19.94\% |
| Voluntary (Employee \& Roth) Participation Rate | 11.39\% | 10.43\% | -8.43\% | 10.42\% | -0.10\% | 10.04\% | -3.66\% |


| 457 Plan Quarterly Enrollments \& Contribution Change Method |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 3Q 2015 | 3Q 2016 | 3Q 2017 | 3Q 2018 |
| Method of Enrollment |  |  |  |  |
| Paper Form | 90.66\% | 84.49\% | 88.38\% | 90.21\% |
| Pseudo Enrollment | 2.00\% | 4.34\% | 2.07\% | 3.77\% |
| Internet | 7.34\% | 11.17\% | 9.54\% | 6.02\% |
| Method of Contribution Change |  |  |  |  |
| Internet | 99.59\% | 99.80\% | 99.95\% | 98.53\% |
| Paper Form | 0.00\% | 0.03\% | 0.00\% | 1.47\% |
| Participant Service Center | 0.38\% | 0.03\% | 0.03\% | 0.00\% |
| VRU | 0.03\% | 0.14\% | 0.03\% | 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 401k | 457 | 403b

## North Carolina Total Retirement Plans

| 457 Plan YTD Enrollments \& Contribution Changes |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | $\begin{gathered} 2016 \\ \% \text { of Change } \end{gathered}$ | 2017 | $\begin{gathered} 2017 \\ \% \text { of Change } \end{gathered}$ | 2018 | $2018$ <br> \% of Change |
| Enrollments | 5,002 | 3,366 | -32.71\% | 3,620 | 7.55\% | 3,684 | 1.77\% |
| \% of New Hires Enrolled in Plan | 29.96\% | 17.49\% | -41.60\% | 16.81\% | -3.93\% | 16.52\% | -1.73\% |
| GoalMaker Elections | 4,620 | 3,031 | -34.39\% | 3,318 | 9.47\% | 3,480 | 4.88\% |
| Contribution Changes |  |  |  |  |  |  |  |
| Deferral Decreases | 2,322 | 2,589 | 11.50\% | 5,152 | 99.00\% | 1,935 | -62.44\% |
| Deferral Increases | 5,027 | 4,350 | -13.47\% | 4,782 | 9.93\% | 4,724 | -1.21\% |
| Pre-tax Participation Rate | 10.71\% | 10.32\% | -3.64\% | 10.47\% | 1.45\% | 9.77\% | -6.69\% |
| Roth Participation Rate | 1.40\% | 1.43\% | 2.14\% | 1.72\% | 20.28\% | 1.95\% | 13.19\% |
| Voluntary (Employee \& Roth) Participation Rate | 12.61\% | 10.87\% | -13.80\% | 11.22\% | 3.22\% | 10.72\% | -4.46\% |


| 457 Plan YTD Enrollments \& Contribution Change Method |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | 2017 | 2018 |
| Method of Enrollment |  |  |  |  |
| Paper Form | 90.56\% | 86.03\% | 86.57\% | 88.53\% |
| Pseudo Enrollment | 1.56\% | 2.81\% | 2.76\% | 3.30\% |
| Internet | 7.89\% | 11.16\% | 10.67\% | 8.17\% |
| Method of Contribution Change |  |  |  |  |
| Internet | 99.05\% | 99.83\% | 99.84\% | 99.42\% |
| Paper | 0.63\% | 0.07\% | 0.04\% | 0.52\% |
| Participant Service Center | 0.16\% | 0.02\% | 0.03\% | 0.02\% |
| VRU | 0.16\% | 0.08\% | 0.09\% | 0.04\% |

## 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 401k | 457 | 403b

## North Carolina Total Retirement Plans

| 403(b) Plan Quarterly Enrollments \& Contribution Changes |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 4Q 2017 | 1Q 2018 | $\begin{gathered} \text { 1Q } 2018 \\ \% \text { of Change } \end{gathered}$ | 2Q 2018 | $\begin{gathered} \text { 2Q } 2018 \\ \% \text { of Change } \end{gathered}$ | 3Q 2018 | $\begin{gathered} \text { 3Q } 2018 \\ \text { \% of Change } \end{gathered}$ |
| Enrollments | 28 | 25 | -10.71\% | 18 | -28.00\% | 35 | 94.44\% |
| \% of New Hires Enrolled in Plan | 2.18\% | 15.24\% | 597.95\% | 3.58\% | -76.52\% | 0.74\% | -79.39\% |
| GoalMaker Elections | 19 | 17 | -10.53\% | 8 | -52.94\% | 18 | 125.00\% |
| Contribution Changes |  |  |  |  |  |  |  |
| Deferral Decreases | 7 | 21 | 200.00\% | 12 | -42.86\% | 12 | 0.00\% |
| Deferral Increases | 27 | 34 | 25.93\% | 11 | -67.65\% | 33 | 200.00\% |
| Pre-tax Participation Rate | 1.05\% | 1.05\% | -0.45\% | 1.01\% | -3.37\% | 0.85\% | -15.87\% |
| Roth Participation Rate | 0.29\% | 0.27\% | -7.45\% | 0.28\% | 4.32\% | 0.27\% | -4.15\% |
| Voluntary (Employee \& Roth) Participation Rate | 1.25\% | 1.24\% | -0.43\% | 1.21\% | -2.78\% | 1.02\% | -15.59\% |


| 403(b) Plan Quarterly Enrollments \& Contribution Change Method |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 4Q 2017 | 1Q 2018 | 2Q 2018 | 3Q 2018 |
| Method of Enrollment |  |  |  |  |
| Paper Form | 89.29\% | 100.00\% | 100.00\% | 97.22\% |
| Pseudo Enrollment | 3.57\% | 0.00\% | 0.00\% | 2.78\% |
| Internet | 7.14\% | 0.00\% | 0.00\% | 0.00\% |
| Method of Contribution Change |  |  |  |  |
| Internet | 100.00\% | 92.00\% | 100.00\% | 100.00\% |
| Paper Form | 0.00\% | 0.00\% | 0.00\% | 0.00\% |
| Participant Service Center | 0.00\% | 0.00\% | 0.00\% | 0.00\% |
| VRU | 0.00\% | 8.00\% | 0.00\% | 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 401k | 457 | 403b

## North Carolina Total Retirement Plans

| 403(b) Plan YTD Enrollments \& Contribution Changes |  |  |  |  |
| :--- | :---: | :---: | :---: | :---: |
|  | February to <br> September 2017 | $\mathbf{2 0 1 8}$ | $\mathbf{2 0 1 8}$ <br> \% of Change |  |
| Enrollments | 23 | 78 | $239.13 \%$ |  |
| \% of New Hires Enrolled in Plan | $1.29 \%$ | $1.44 \%$ | $11.92 \%$ |  |
| GoalMaker Elections | 14 | 43 | $207.14 \%$ |  |
| Contribution Changes |  |  |  |  |
| Deferral Decreases | 20 | 45 | $125.00 \%$ |  |
| Deferral Increases | $1.19 \%$ | $0.92 \%$ | $-22.42 \%$ |  |
| Pre-tax Participation Rate | $0.33 \%$ | $0.29 \%$ | $-12.06 \%$ |  |
| Roth Participation Rate | $1.41 \%$ | $1.10 \%$ | $-21.75 \%$ |  |
| Voluntary (Employee \& Roth) Participation Rate |  |  |  |  |


| 403(b) Plan YTD Enrollments \& Contribution Change Method |  |  |  |  |  |
| :--- | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | February to September 2017 | $\mathbf{2 0 1 8}$ |
| Method of Enrollment | $100.00 \%$ |  |  |  |  |
| Paper Form | $0.00 \%$ | $98.73 \%$ |  |  |  |
| Pseudo Enrollment | $0.00 \%$ | $1.27 \%$ |  |  |  |
| Internet |  | $0.00 \%$ |  |  |  |
| Method of Contribution Change | $98.06 \%$ |  |  |  |  |
| Internet | $0.00 \%$ | $98.61 \%$ |  |  |  |
| Paper | $0.00 \%$ | $0.00 \%$ |  |  |  |
| Participant Service Center | $1.94 \%$ | $0.00 \%$ |  |  |  |
| VRU |  | $1.39 \%$ |  |  |  |

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

| 401(k) Contributions |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 3Q 2015 | 3Q 2016 | 3Q 2016 <br> Change \% | 3Q 2017 | $\text { 3Q } 2017$ <br> Change \% | 3Q 2018 | $\text { 3Q } 2018$ <br> Change \% |
| Employee Contributions | \$49,847,366 | \$55,389,750 | 11.12\% | \$56,659,712 | 2.29\% | \$59,692,004 | 5.35\% |
| Roth | \$8,791,620 | \$22,928,193 | 160.80\% | \$11,641,913 | -49.22\% | \$13,419,857 | 15.27\% |
| Total Employee Contributions | \$58,638,987 | \$78,317,942 | 33.56\% | \$68,301,625 | -12.79\% | \$73,111,861 | 7.04\% |
| Employer Contributions | \$45,087,837 | \$35,445,543 | -21.39\% | \$49,918,629 | 40.83\% | \$51,816,708 | 3.80\% |
| Rollovers | \$10,737,504 | \$13,015,070 | 21.21\% | \$11,680,956 | -10.25\% | \$10,131,758 | -13.26\% |
| Total Contributions | \$114,464,327 | \$126,778,555 | 10.76\% | \$129,901,210 | 2.46\% | \$135,060,328 | 3.97\% |
| Average Voluntary Contributions | \$160 | \$186 | 16.02\% | \$190 | 2.49\% | \$197 | 3.45\% |
| Average Roth Contributions | \$87 | \$96 | 9.74\% | \$104 | 8.77\% | \$114 | 9.98\% |
| Average Employee Contributions | \$172 | \$173 | 0.72\% | \$180 | 3.77\% | \$188 | 4.73\% |
| 401(k) Contributions |  |  |  |  |  |  |  |
|  | 2015 | 2016 | 2016 Change \% | 2017 | 2017 <br> Change \% | 2018 | 2018 <br> Change \% |
| Employee Contributions | \$159,274,037 | \$167,186,145 | 4.97\% | \$174,510,735 | 4.38\% | \$183,965,598 | 5.42\% |
| Roth | \$27,273,221 | \$43,471,332 | 59.39\% | \$34,693,173 | -20.19\% | \$40,515,135 | 16.78\% |
| Total Employee Contributions | \$186,547,258 | \$210,657,477 | 12.92\% | \$209,203,908 | -0.69\% | \$224,480,733 | 7.30\% |
| Employer Contributions | \$132,047,097 | \$127,203,072 | -3.67\% | \$147,469,976 | 15.93\% | \$155,113,901 | 5.18\% |
| Rollovers | \$34,907,832 | \$37,374,100 | 7.07\% | \$39,686,626 | 6.19\% | \$39,728,127 | 0.10\% |
| Total Contributions | \$166,954,929 | \$375,234,649 | 124.75\% | \$396,360,510 | 5.63\% | \$419,322,760 | 5.79\% |
| Average Voluntary Contributions | \$161 | \$176 | 9.18\% | \$181 | 3.20\% | \$190 | 4.85\% |
| Average Roth Contributions | \$85 | \$88 | 4.05\% | \$96 | 8.98\% | \$106 | 10.84\% |
| Average Employee Contributions | \$173 | \$164 | -5.40\% | \$171 | 4.51\% | \$181 | 6.01\% |

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.

## North Carolina Total Retirement Plans

| 457 Contributions |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 3Q 2015 | 3Q 2016 | $\text { 3Q } 2016$ <br> Change \% | 3Q 2017 | $\text { 3Q } 2017$ <br> Change \% | 3Q 2018 | $\text { 3Q } 2018$ <br> Change \% |
| Employee Contributions | \$13,906,734 | \$14,506,703 | 4.31\% | \$13,513,238 | -6.85\% | \$13,900,576 | 2.87\% |
| Roth | \$957,706 | \$1,086,192 | 13.42\% | \$1,338,068 | 23.19\% | \$1,807,969 | 35.12\% |
| Total Employee Contributions | \$14,864,439 | \$15,592,895 | 4.90\% | \$14,851,306 | -4.76\% | \$15,708,545 | 5.77\% |
| Employer Contributions | \$335,737 | \$324,219 | -3.43\% | \$511,221 | 57.68\% | \$670,147 | 31.09\% |
| Rollovers | \$4,126,591 | \$2,485,402 | -39.77\% | \$2,963,330 | 19.23\% | \$1,506,008 | -49.18\% |
| Total Contributions | \$19,326,767 | \$18,402,516 | -4.78\% | \$18,325,857 | -0.42\% | \$17,884,700 | -2.41\% |
| Average Voluntary Contributions | \$140 | \$144 | 2.37\% | \$141 | -1.57\% | \$148 | 4.74\% |
| Average Roth Contributions | \$131 | \$126 | -3.73\% | \$117 | -7.70\% | \$122 | 4.91\% |
| Average Employee Contributions | \$141 | \$147 | 4.49\% | \$145 | -1.74\% | \$152 | 5.15\% |


| 457 Contributions |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | $2016$ <br> Change \% | 2017 | $2017$ <br> Change \% | 2018 | $2018$ <br> Change \% |
| Employee Contributions | \$42,107,430 | \$42,310,163 | 0.48\% | \$43,253,106 | 2.23\% | \$43,956,218 | 1.63\% |
| Roth | \$2,732,986 | \$3,115,053 | 13.98\% | \$3,885,667 | 24.74\% | \$5,564,084 | 43.20\% |
| Total Employee Contributions | \$44,840,417 | \$45,425,217 | 1.30\% | \$47,138,774 | 3.77\% | \$49,520,302 | 5.05\% |
| Employer Contributions | \$955,413 | \$1,035,119 | 0.00\% | \$1,510,826 | 100.00\% | \$2,194,263 | 45.24\% |
| Rollovers | \$12,746,245 | \$7,854,161 | -38.38\% | \$9,463,399 | 20.49\% | \$7,534,605 | -20.38\% |
| Total Contributions | \$58,542,074 | \$54,314,496 | -7.22\% | \$58,112,999 | 6.99\% | \$59,249,171 | 1.96\% |
| Average Voluntary Contributions | \$123 | \$135 | 9.18\% | \$137 | 1.93\% | \$145 | 5.62\% |
| Average Roth Contributions | \$109 | \$109 | 0.06\% | \$101 | -6.90\% | \$114 | 12.32\% |
| Average Employee Contributions | \$124 | \$138 | 10.76\% | \$140 | 1.27\% | \$149 | 6.58\% |

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.

## North Carolina Total Retirement Plans

| 403(b) Contributions |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 4Q 2017 | 1Q 2018 | $\text { 1Q } 2018$ <br> Change \% | 2Q 2018 | $\text { 2Q } 2018$ <br> Change \% | 3Q 2018 | $\text { 3Q } 2018$ <br> Change \% |
| Employee Contributions | \$638,386 | \$503,833 | -21.08\% | \$571,742 | 13.48\% | \$419,366 | -26.65\% |
| Roth | \$92,066 | \$77,085 | -16.27\% | \$90,769 | 17.75\% | \$71,321 | -21.43\% |
| Total Employee Contributions | \$730,452 | \$580,918 | -20.47\% | \$662,511 | 14.05\% | \$490,686 | -25.94\% |
| Employer Contributions | \$100 | \$100 | 0.00\% | \$200 | 100.00\% | \$225 | 12.50\% |
| Rollovers | \$165,314 | \$259,655 | 57.07\% | \$181,984 | -29.91\% | \$58,325 | -67.95\% |
| Total Contributions | \$895,866 | \$840,673 | -6.16\% | \$844,695 | 0.48\% | \$549,236 | -34.98\% |
| Average Voluntary Contributions | \$285 | \$331 | 16.09\% | \$306 | -7.60\% | \$210 | -31.37\% |
| Average Roth Contributions | \$189 | \$161 | -15.13\% | \$183 | 14.06\% | \$149 | -18.88\% |
| Average Employee Contributions | \$272 | \$306 | 12.37\% | \$288 | -5.83\% | \$202 | -29.69\% |


| 403(b) Contributions |  |  |  |
| :---: | :---: | :---: | :---: |
|  | February to September 2017 | 2018 | $2018$ <br> Change \% |
| Employee Contributions | \$1,223,513 | \$1,494,941 | 22.18\% |
| Roth | \$519,752 | \$239,174 | -53.98\% |
| Total Employee Contributions | \$1,743,265 | \$1,734,115 | -0.52\% |
| Employer Contributions | \$0 | \$525 | 0.00\% |
| Rollovers | \$190,890 | \$499,964 | 161.91\% |
| Total Contributions | \$1,934,155 | \$2,234,604 | 15.53\% |
| Average Voluntary Contributions | \$251 | \$267 | 6.31\% |
| Average Roth Contributions | \$159 | \$152 | -4.37\% |
| Average Employee Contributions | \$187 | \$251 | 34.05\% |

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

## North Carolina Total Retirement Plans

## 401(k) GoalMaker Participation

|  | 9 |  |  |  |  |  | $9 / 30 / 2015$ | $9 / 30 / 2016$ | $9 / 30 / 2017$ |
| :--- | ---: | ---: | ---: | ---: | :---: | :---: | :---: | :---: | :---: |
| Total Plan Assets in GoalMaker | $\$ 3,314,144,050$ | $\$ 3,813,094,130$ | $\$ 4,457,009,575$ | $\$ 4,949,060,357$ |  |  |  |  |  |
| Total \# of Participants in GoalMaker | 146,857 | 147,273 | 155,592 | 164,469 |  |  |  |  |  |
| Year to Date \% of New Enrollments with Goalmaker Election | $92.39 \%$ | $90.58 \%$ | $93.52 \%$ | $96.08 \%$ |  |  |  |  |  |
| Total Participation Rate | $57.59 \%$ | $60.31 \%$ | $62.54 \%$ | $64.79 \%$ |  |  |  |  |  |
| Prudential's Book of Business GoalMaker Average Participation Rate* | $44.88 \%$ | $48.30 \%$ | $50.49 \%$ | $50.53 \%$ |  |  |  |  |  |
| Total \% of Assets | $43.63 \%$ | $45.31 \%$ | $46.94 \%$ | $47.63 \%$ |  |  |  |  |  |


| Participant Age Range | Conservative | Moderate | Aggressive |  |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Less than 25 | 1,312 | 3,152 | 1,399 | 5,863 |
| Age 25-34 | 7,993 | 18,052 | 10,271 | 36,316 |
| Age 35-44 | 7,972 | 20,085 | 12,877 | 40,934 |
| Age 45-54 | 8,550 | 21,358 | 11,681 | 41,589 |
| Age 55-64 | 8,894 | 16,047 | 5,710 | 30,651 |
| Age 65+ | 3,300 | 4,391 | 1,425 | 9,116 |
| Total | 38,021 | 83,085 | 43,363 | 164,469 |


| Participant Age Range | Conservative | Moderate | Aggressive |  |
| :--- | ---: | ---: | ---: | ---: | ---: |
| Less than 25 | $\$ 2,908,804$ | $\$ 7,669,753$ | $\$ 4,287,558$ | $\$ 14,866,115$ |
| Age 25-34 | $\$ 54,432,505$ | $\$ 152,903,354$ | $\$ 151,640,041$ | $\$ 358,975,901$ |
| Age 35-44 | $\$ 107,305,984$ | $\$ 414,397,217$ | $\$ 470,469,645$ | $\$ 992,172,847$ |
| Age 45-54 | $\$ 215,707,239$ | $\$ 739,819,163$ | $\$ 677,862,172$ | $\$ 1,633,388,575$ |
| Age 55-64 | $\$ 327,012,990$ | $\$ 698,024,326$ | $\$ 361,982,329$ | $\$ 1,387,019,645$ |
| Age 65+ | $\$ 182,888,417$ | $\$ 261,658,094$ | $\$ 118,090,765$ | $\$ 562,637,276$ |
| Total | $\$ 890,255,939$ | $\$ 2,274,471,908$ | $\$ 1,784,332,510$ | $\$ 4,949,060,357$ |

*Prudential's Defined Contribution book of business averages.

## North Carolina Total Retirement Plans

## 401(k) Asset Allocation by Age Group - Assets for Participants Not in GoalMaker

 As of September 30, 2018

| Asset Class | Less Than 25 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ | Total |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Stable Value | \$276,693 | \$11,847,330 | \$75,472,952 | \$276,030,285 | \$508,897,225 | \$552,374,562 | \$1,424,899,046 |
| Fixed Income | \$71,238 | \$1,904,267 | \$23,961,896 | \$78,199,182 | \$116,258,021 | \$95,380,841 | \$315,775,446 |
| Large-Cap Stock | \$461,222 | \$15,960,539 | \$259,908,465 | \$907,901,031 | \$890,847,506 | \$799,006,406 | \$2,874,085,170 |
| Small-Cap Stock | \$236,797 | \$8,339,023 | \$67,787,587 | \$173,250,728 | \$163,009,768 | \$110,228,362 | \$522,852,265 |
| International Stock | \$192,104 | \$5,668,922 | \$39,242,032 | \$94,374,388 | \$88,729,926 | \$55,170,380 | \$283,377,751 |
| Specialty | \$56,919 | \$668,766 | \$2,372,609 | \$6,196,997 | \$7,394,030 | \$4,217,879 | \$20,907,199 |
| Total Assets | \$1,294,973 | \$44,388,846 | \$468,745,542 | \$1,535,952,611 | \$1,775,136,476 | \$1,616,378,429 | \$5,441,896,877 |
| \% Assets | 0.02\% | 0.82\% | 8.61\% | 28.22\% | 32.62\% | 29.70\% | 100.00\% |
| Total Participants | 317 | 3,489 | 13,421 | 27,645 | 25,672 | 18,822 | 89,366 |
| Average Account Balance | \$4,085 | \$12,723 | \$34,926 | \$55,560 | \$69,147 | \$85,877 | \$60,894 |

## North Carolina Total Retirement Plans

401(k) Asset Allocation by Age Group - Assets for Participants in GoalMaker As of September 30, 2018


| Asset Class | Less Than 25 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ | Total |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Stable Value | \$3,693 | \$203,400 | \$5,239,779 | \$52,483,349 | \$123,090,458 | \$86,985,842 | \$268,006,521 |
| Fixed Income | \$1,168,672 | \$29,857,143 | \$120,616,737 | \$400,064,324 | \$516,582,354 | \$240,554,800 | \$1,308,844,031 |
| Large-Cap Stock | \$4,765,123 | \$113,980,298 | \$299,684,569 | \$415,149,775 | \$282,019,759 | \$97,286,586 | \$1,212,886,111 |
| Small-Cap Stock | \$1,996,216 | \$47,219,308 | \$122,350,715 | \$166,396,127 | \$98,818,625 | \$30,842,134 | \$467,623,125 |
| International Stock | \$5,594,919 | \$135,248,764 | \$357,886,614 | \$482,979,088 | \$294,824,778 | \$85,791,656 | \$1,362,325,819 |
| Specialty | \$1,337,491 | \$32,466,988 | \$86,394,431 | \$116,315,911 | \$71,683,672 | \$21,176,257 | \$329,374,751 |
| Total Assets | \$14,866,115 | \$358,975,901 | \$992,172,847 | \$1,633,388,575 | \$1,387,019,645 | \$562,637,276 | \$4,949,060,357 |
| \% Assets | 0.30\% | 7.25\% | 20.05\% | 33.00\% | 28.03\% | 11.37\% | 100.00\% |
| Total Participants | 5,863 | 36,316 | 40,934 | 41,589 | 30,651 | 9,116 | 164,469 |
| Average Account Balance | \$2,536 | \$9,885 | \$24,238 | \$39,275 | \$45,252 | \$61,720 | \$30,091 |

## North Carolina Total Retirement Plans

## 401(k) GoalMaker Participation



Participation by Age Range


## North Carolina Total Retirement Plans

## 457 GoalMaker Participation

|  | $9 / 30 / 2015$ | $9 / 30 / 2016$ | $9 / 30 / 2017$ | $9 / 30 / 2018$ |
| :--- | ---: | ---: | ---: | ---: |
| Total Plan Assets in GoalMaker | $\$ 250,453,528$ | $\$ 294,854,848$ | $\$ 357,664,380$ | $\$ 413,956,037$ |
| Total \# of Participants in GoalMaker | 32,802 | 32,597 | 35,083 | 37,375 |
| Year to Date \% of New Enrollments with Goalmaker Election | $93.28 \%$ | $89.73 \%$ | $93.55 \%$ | $91.97 \%$ |
| Total Participation Rate | $60.03 \%$ | $63.13 \%$ | $65.81 \%$ | $68.12 \%$ |
| Prudential's Book of Business GoalMaker Average Participation Rate* | $44.88 \%$ | $48.30 \%$ | $50.49 \%$ | $50.53 \%$ |
| Total \% of Assets | $22.34 \%$ | $24.32 \%$ | $26.60 \%$ | $28.44 \%$ |


| Participant Age Range | Conservative | Moderate | Aggressive |  |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Less than 25 | 239 | 604 | 292 | 1,135 |
| Age 25-34 | 2,029 | 4,279 | 2,492 | 8,800 |
| Age 35-44 | 2,168 | 4,575 | 2,765 | 9,508 |
| Age 45-54 | 2,701 | 5,113 | 2,576 | 10,390 |
| Age 55-64 | 2,043 | 3,029 | 1,096 | 6,168 |
| Age 65+ | 575 | 596 | 203 | 1,374 |
| Total | 9,755 | 18,196 | 9,424 | 37,375 |


| Participant Age Range | Conservative | Moderate | Aggressive | Total |
| :--- | ---: | ---: | ---: | ---: | ---: |
| Less than 25 | $\$ 155,339$ | $\$ 437,847$ | $\$ 322,034$ | $\$ 619,490$ |
| Age 25-34 | $\$ 3,058,414$ | $\$ 9,885,085$ | $\$ 9,855,463$ | $\$ 22,798,962$ |
| Age 35-44 | $\$ 6,525,594$ | $\$ 25,377,320$ | $\$ 25,141,532$ | $\$ 57,044,447$ |
| Age 45-54 | $\$ 19,951,851$ | $\$ 54,989,390$ | $\$ 42,405,610$ | $\$ 117,346,851$ |
| Age 55-64 | $\$ 31,550,938$ | $\$ 67,630,911$ | $\$ 34,807,542$ | $\$ 133,989,392$ |
| Age 65+ | $\$ 27,262,084$ | $\$ 39,422,932$ | $\$ 15,176,151$ | $\$ 81,861,167$ |
| Total | $\$ 88,504,221$ | $\$ 197,743,485$ | $\$ 127,708,331$ | $\$ 413,956,037$ |

*Prudential's Defined Contribution book of business averages.

## North Carolina Total Retirement Plans

457 Asset Allocation by Age Group - Assets for Participants Not in GoalMaker As of September 30, 2018


## North Carolina Total Retirement Plans

457 Asset Allocation by Age Group - Assets for Participants in GoalMaker As of September 30, 2018


| Asset Class | Less Than 25 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ | Total |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Stable Value | \$405 | \$25,159 | \$494,566 | \$4,954,715 | \$11,816,405 | \$11,597,259 | \$28,888,508 |
| Fixed Income | \$65,962 | \$1,895,504 | \$8,133,088 | \$31,720,977 | \$49,031,102 | \$34,585,706 | \$125,432,339 |
| Large-Cap Stock | \$296,276 | \$7,244,586 | \$16,758,775 | \$28,631,304 | \$27,408,080 | \$14,380,419 | \$94,719,440 |
| Small-Cap Stock | \$124,679 | \$3,000,731 | \$6,844,200 | \$11,315,376 | \$9,706,623 | \$4,674,004 | \$35,665,612 |
| International Stock | \$344,804 | \$8,570,127 | \$19,988,281 | \$32,791,655 | \$28,968,421 | \$13,269,519 | \$103,932,807 |
| Specialty | \$83,094 | \$2,062,854 | \$4,825,538 | \$7,932,823 | \$7,058,762 | \$3,354,260 | \$25,317,331 |
| Total Assets | \$915,219 | \$22,798,962 | \$57,044,447 | \$117,346,851 | \$133,989,392 | \$81,861,167 | \$413,956,037 |
| \% Assets | 0.22\% | 5.51\% | 13.78\% | 28.35\% | 32.37\% | 19.78\% | 100.00\% |
| Total Participants | 1,135 | 8,800 | 9,508 | 10,390 | 6,168 | 1,374 | 37,375 |
| Average Account Balance | \$806 | \$2,591 | \$6,000 | \$11,294 | \$21,723 | \$59,579 | \$11,076 |

[^0]
## North Carolina Total Retirement Plans

## 457 GoalMaker Participation



Participation by Age Range



Assets by Age Range
 xit rotwil in

## North Carolina Total Retirement Plans

## 403(b) GoalMaker Participation

|  | $9 / 30 / 2017$ | $9 / 30 / 2018$ |
| :--- | ---: | ---: |
| Total Plan Assets in GoalMaker | $\$ 5,241,866$ | $\$ 6,982,863$ |
| Total \# of Participants in GoalMaker | 703 | 738 |
| Year to Date \% of New Enrollments with Goalmaker Election | $66.67 \%$ | $50.00 \%$ |
| Total Participation Rate | $59.43 \%$ | $59.76 \%$ |
| Prudential's Book of Business GoalMaker Average Participation Rate* | $50.49 \%$ | $50.53 \%$ |
| Total \% of Assets | $43.71 \%$ | $44.38 \%$ |


| Participant Age Range | Conservative | Moderate | Aggressive |  |
| :--- | :---: | :---: | :---: | :---: | :---: |
| Less than 25 | 0 | 0 | 0 | 0 |
| Age 25-34 | 1 | 104 | 10 | 115 |
| Age 35-44 | 3 | 190 | 7 | 200 |
| Age 45-54 | 6 | 210 | 7 | 223 |
| Age 55-64 | 6 | 168 | 5 | 179 |
| Age 65+ | 0 | 20 | 1 | 21 |
| Total | 16 | 692 | 30 | 738 |


| Participant Age Range | Conservative | Moderate | Aggressive |  |
| :--- | ---: | ---: | ---: | ---: | ---: |
| Less than 25 | $\$ 0.00$ | $\$ 0$ | $\$ 0.00$ | $\$ 619,490$ |
| Age 25-34 | $\$ 647.72$ | $\$ 409,244$ | $\$ 48,405$ | $\$ 458,296$ |
| Age 35-44 | $\$ 25,927.59$ | $\$ 1,284,071$ | $\$ 86,717.49$ | $\$ 1,396,716$ |
| Age 45-54 | $\$ 50,326$ | $\$ 2,135,328$ | $\$ 162,237$ | $\$ 2,347,890$ |
| Age 55-64 | $\$ 20,983$ | $\$ 2,496,529$ | $\$ 62,074$ | $\$ 2,579,586$ |
| Age 65+ | $\$ 0.00$ | $\$ 162,945$ | $\$ 37,428.35$ | $\$ 200,373$ |
| Total | $\$ 97,884$ | $\$ 6,488,117$ | $\$ 396,861$ | $\$ 6,982,863$ |

*Prudential's Defined Contribution book of business averages.

## North Carolina Total Retirement Plans

## 403(b) Asset Allocation by Age Group - Assets for Participants Not in GoalMaker

 As of September 30, 2018

| Asset Class | Less Than 25 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ | Total |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Fixed Income | \$0 | \$93,779 | \$390,174 | \$795,296 | \$1,072,762 | \$228,466 | \$2,580,477 |
| Large-Cap Stock | \$54 | \$315,902 | \$902,817 | \$1,509,497 | \$1,379,433 | \$254,460 | \$4,362,164 |
| Mid-Cap Stock | \$0 | \$72,704 | \$227,306 | \$403,231 | \$304,077 | \$82,111 | \$1,089,428 |
| Small-Cap Stock | \$17 | \$18,863 | \$49,375 | \$103,860 | \$144,472 | \$2,936 | \$319,522 |
| International Stock | \$0 | \$17,612 | \$64,449 | \$86,247 | \$48,259 | \$39,768 | \$256,335 |
| Specialty | \$0 | \$5,223 | \$26,672 | \$50,708 | \$60,141 | \$2,087 | \$144,830 |
| Total Assets | \$71 | \$524,083 | \$1,660,791 | \$2,948,839 | \$3,009,143 | \$609,829 | \$8,752,757 |
| \% Assets | 0.00\% | 5.99\% | 18.97\% | 33.69\% | 34.38\% | 6.97\% | 100.00\% |
| Total Participants | 1 | 102 | 130 | 143 | 105 | 16 | 497 |
| Average Account Balance | \$71 | \$5,138 | \$12,775 | \$20,621 | \$28,659 | \$38,114 | \$17,611 |

## North Carolina Total Retirement Plans

403(b) Asset Allocation by Age Group - Assets for Participants in GoalMaker As of September 30, 2018


| Asset Class | Less Than 25 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ | Total |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Fixed Income | \$0 | \$26,432 | \$186,233 | \$703,136 | \$1,214,488 | \$99,787 | \$2,230,077 |
| Large-Cap Stock | \$0 | \$328,103 | \$918,899 | \$1,249,502 | \$1,053,656 | \$77,771 | \$3,627,931 |
| Small-Cap Stock | \$0 | \$62,389 | \$170,365 | \$229,976 | \$176,461 | \$12,946 | \$652,137 |
| Specialty | \$0 | \$41,373 | \$121,219 | \$165,276 | \$134,981 | \$9,869 | \$472,717 |
| Total Assets | \$0 | \$458,296 | \$1,396,716 | \$2,347,890 | \$2,579,586 | \$200,373 | \$6,982,863 |
| \% Assets | 0.00\% | 6.56\% | 20.00\% | 33.62\% | 36.94\% | 2.87\% | 100.00\% |
| Total Participants | 0 | 115 | 200 | 223 | 179 | 21 | 738 |
| Average Account Balance | \$0 | \$3,985 | \$6,984 | \$10,529 | \$14,411 | \$9,542 | \$9,462 |

## North Carolina Total Retirement Plans

## 403(b) GoalMaker Participation




Participation by Age Range



## North Carolina Total Retirement Plans

## Loan Information

| 401(k) YTD Loans |  |  |  |  |  |  |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\mathbf{2 0 1 5}$ | $\mathbf{2 0 1 6}$ | $\mathbf{2 0 1 7}$ | $\mathbf{2 0 1 8}$ | Change \% |  |
| \% of Members in Plan with a Loan | $18.55 \%$ | $23.57 \%$ | $23.23 \%$ | $23.24 \%$ | $0.03 \%$ |  |
| \# of Outstanding Loans | 47,418 | 46,188 | 45,665 | 45,369 | $-0.65 \%$ |  |
| \# of New Loans 3Q | 4,319 | 4,221 | 4,158 | 3,971 | $-4.50 \%$ |  |
| \# of New Loans YTD | 12,554 | 11,731 | 12,079 | 12,013 | $-0.55 \%$ |  |
| Average Loan Balance | $\$ 6,256$ | $\$ 6,325$ | $\$ 6,419$ | $\$ 6,671$ | $3.92 \%$ |  |
| Total Outstanding Loan Balance | $\$ 296,647,825$ | $\$ 292,148,967$ | $\$ 293,119,178$ | $\$ 302,648,161$ | $3.25 \%$ |  |


| 457 YTD Loans |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | 2017 | 2018 | Change \% |
| \% of Members in Plan with a Loan | 10.60\% | 11.30\% | 14.59\% | 15.18\% | 4.00\% |
| \# of Outstanding Loans | 5,800 | 5,838 | 6,114 | 6,347 | 3.81\% |
| \# of New Loans 3Q | 596 | 602 | 692 | 629 | -9.10\% |
| \# of New Loans YTD | 1,713 | 1,566 | 1,874 | 1,847 | -1.44\% |
| Average Loan Balance | \$3,367 | \$3,266 | \$3,413 | \$3,431 | 0.54\% |
| Total Outstanding Loan Balance | \$19,529,843 | \$19,064,445 | \$20,865,741 | \$21,777,503 | 4.37\% |


| 403(b) YTD Loans |  |  |  |
| :--- | :---: | :---: | :---: |
|  | February to <br> September 2017 | $\mathbf{2 0 1 8}$ | Change \% |
| \% of Members in Plan with a Loan | $0.96 \%$ | $1.73 \%$ | $79.46 \%$ |
| \# of Outstanding Loans | 11 | 20 | $81.82 \%$ |
| \# of New Loans YTD | 9 | 12 | $33.33 \%$ |
| Average Loan Balance | $\$ 6,306$ | $\$ 5,175$ | $-17.94 \%$ |
| Total Outstanding Loan Balance | $\$ 69,369$ | $\$ 103,501$ | $49.20 \%$ |

## North Carolina Total Retirement Plans

## 401(k) Disbursements - Quarterly

| 401(k) Disbursements |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 3Q 2015 | 3Q 2016 | $\text { 3Q } 2016$ <br> Change \% | 3Q 2017 | $\text { 3Q } 2017$ <br> Change \% | 3Q 2018 | $\text { 3Q } 2018$ <br> Change \% |
| Term - Lump Sum | \$87,294,779 | \$95,035,119 | 8.87\% | \$93,315,083 | -1.81\% | \$112,990,116 | 21.08\% |
| In-Service | \$12,525,527 | \$11,864,225 | -5.28\% | \$13,152,893 | 10.86\% | \$14,090,441 | 7.13\% |
| State Retirement System | \$3,309,823 | \$3,836,548 | 15.91\% | \$3,771,455 | -1.70\% | \$3,564,217 | -5.49\% |
| Hardship | \$1,741,965 | \$1,717,279 | -1.42\% | \$1,932,015 | 12.50\% | \$1,652,592 | -14.46\% |
| Systematic | \$2,452,566 | \$2,457,959 | 0.22\% | \$2,774,898 | 12.89\% | \$3,173,752 | 14.37\% |
| Total Disbursements | \$107,324,660 | \$114,911,130 | 7.07\% | \$114,946,345 | 0.03\% | \$135,471,117 | 17.86\% |


| 401(k) Disbursements |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 3Q 2015 | 3Q 2016 | $\text { 3Q } 2016$ <br> Change \% | 3Q 2017 | $\text { 3Q } 2017$ <br> Change \% | 3Q 2018 | $\text { 3Q } 2018$ <br> Change \% |
| Term - Lump Sum | 7,503 | 6,189 | -17.51\% | 6,416 | 3.67\% | 7,027 | 9.52\% |
| In-Service | 1,576 | 1,581 | 0.32\% | 1,684 | 6.51\% | 1,684 | 0.00\% |
| State Retirement System | 108 | 144 | 33.33\% | 119 | -17.36\% | 107 | -10.08\% |
| Hardship | 648 | 606 | -6.48\% | 609 | 0.50\% | 587 | -3.61\% |
| Systematic | 3,070 | 3,091 | 0.68\% | 3,300 | 6.76\% | 3,528 | 6.91\% |
| Total Disbursements | 12,905 | 11,611 | -10.03\% | 12,128 | 4.45\% | 12,933 | 6.64\% |

North Carolina

## North Carolina Total Retirement Plans

## 401(k) Disbursements - Year to Date

| 401(k) Disbursements |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | 2016 Change \% | 2017 | 2017 <br> Change \% | 2018 | 2018 <br> Change \% |
| Term - Lump Sum | \$262,757,337 | \$263,469,678 | 0.27\% | \$290,911,347 | 10.42\% | \$346,526,058 | 19.12\% |
| In-Senice | \$36,126,228 | \$40,376,215 | 11.76\% | \$43,956,275 | 8.87\% | \$46,452,996 | 5.68\% |
| State Retirement System | \$11,109,114 | \$9,701,567 | -12.67\% | \$11,644,740 | 20.03\% | \$10,764,296 | -7.56\% |
| Hardship | \$4,763,910 | \$4,388,678 | -7.88\% | \$4,539,860 | 3.44\% | \$4,488,661 | -1.13\% |
| Systematic | \$7,210,833 | \$7,403,488 | 2.67\% | \$8,154,089 | 10.14\% | \$9,336,343 | 14.50\% |
| Total Disbursements | \$321,967,421 | \$325,339,626 | 1.05\% | \$359,206,311 | 10.41\% | \$417,568,354 | 16.25\% |


| 401(k) Disbursements |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | $2016$ <br> Change \% | 2017 | $2017$ <br> Change \% | 2018 | $2018$ <br> Change \% |
| Term - Lump Sum | 40,731 | 32,859 | -19.33\% | 19,169 | -41.66\% | 21,081 | 9.97\% |
| In-Service | 4,691 | 4,768 | 1.64\% | 4,885 | 2.45\% | 5,157 | 5.57\% |
| State Retirement System | 363 | 352 | -3.03\% | 334 | -5.11\% | 325 | -2.69\% |
| Hardship | 1,602 | 1,517 | -5.31\% | 1,565 | 3.16\% | 1,510 | -3.51\% |
| Systematic | 9,121 | 9,246 | 1.37\% | 9,751 | 5.46\% | 10,377 | 6.42\% |
| Total Disbursements | 56,508 | 48,742 | -13.74\% | 35,704 | -26.75\% | 38,450 | 7.69\% |

North Carolina

## North Carolina Total Retirement Plans

## 457 Disbursements - Quarterly

| 457 Disbursements |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 3Q 2015 | 3Q 2016 | $\text { 3Q } 2016$ <br> Change \% | 3Q 2017 | 3Q 2017 <br> Change \% | 3Q 2018 | 3Q 2018 <br> Change \% |
| Term - Lump Sum | \$15,623,774 | \$14,999,380 | -4.00\% | \$15,508,443 | 3.39\% | \$18,922,212 | 22.01\% |
| In-Service | \$144,029 | \$14,820 | -89.71\% | \$51,154 | 245.17\% | \$1,022,956 | 1899.77\% |
| State Retirement System | \$2,151,246 | \$3,847,345 | 78.84\% | \$2,436,551 | -36.67\% | \$1,184,567 | -51.38\% |
| Hardship | \$169,685 | \$180,816 | 6.56\% | \$146,662 | -18.89\% | \$146,848 | 0.13\% |
| Systematic | \$1,278,637 | \$1,280,295 | 0.13\% | \$1,269,465 | -0.85\% | \$1,299,833 | 2.39\% |
| Total Disbursements | \$19,367,371 | \$20,322,656 | 4.93\% | \$19,412,275 | -4.48\% | \$22,576,416 | 16.30\% |


| 457 Disbursements |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 3Q 2015 | 3Q 2016 | $\text { 3Q } 2016$ <br> Change \% | 3Q 2017 | $\text { 3Q } 2017$ <br> Change \% | 3Q 2018 | $\text { 3Q } 2018$ <br> Change \% |
| Term - Lump Sum | 1,538 | 1,394 | -9.36\% | 1,393 | -0.07\% | 1,424 | 2.23\% |
| In-Service | 6 | 3 | -50.00\% | 6 | 100.00\% | 14 | 133.33\% |
| State Retirement System | 34 | 29 | -14.71\% | 17 | -41.38\% | 18 | 5.88\% |
| Hardship | 112 | 128 | 14.29\% | 97 | -24.22\% | 113 | 16.49\% |
| Systematic | 1,399 | 1,319 | -5.72\% | 1,308 | -0.83\% | 1,307 | -0.08\% |
| Total Disbursements | 3,089 | 2,873 | -6.99\% | 2,821 | -1.81\% | 2,876 | 1.95\% |

## North Carolina Total Retirement Plans

## 457 Disbursements - Year to Date

| 457 Disbursements |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | $2016$ <br> Change \% | 2017 | $2017$ <br> Change \% | 2018 | $2018$ <br> Change \% |
| Term - Lump Sum | \$42,811,283 | \$45,101,073 | 5.35\% | \$46,752,961 | 3.66\% | \$53,651,650 | 14.76\% |
| In-Service | \$639,103 | \$253,810 | -60.29\% | \$966,857 | 280.94\% | \$2,160,421 | 123.45\% |
| State Retirement System | \$2,539,931 | \$8,347,710 | 228.66\% | \$6,987,949 | -16.29\% | \$2,919,495 | -58.22\% |
| Hardship | \$490,395 | \$424,192 | -13.50\% | \$492,197 | 16.03\% | \$480,664 | -2.34\% |
| Systematic | \$3,903,452 | \$3,857,637 | -1.17\% | \$3,831,163 | -0.69\% | \$3,731,966 | -2.59\% |
| Total Disbursements | \$50,384,163 | \$57,984,423 | 15.08\% | \$59,031,127 | 1.81\% | \$62,944,195 | 6.63\% |


| 457 Disbursements |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | $2016$ <br> Change \% | 2017 | $2017$ <br> Change \% | 2018 | $2018$ <br> Change \% |
| Term - Lump Sum | 8,010 | 8,392 | 4.77\% | 4,146 | -50.60\% | 4,278 | 3.18\% |
| In-Service | 22 | 21 | -4.55\% | 24 | 14.29\% | 36 | 50.00\% |
| State Retirement System | 60 | 77 | 28.33\% | 56 | -27.27\% | 51 | -8.93\% |
| Hardship | 314 | 304 | -3.18\% | 299 | -1.64\% | 311 | 4.01\% |
| Systematic | 4,273 | 4,003 | -6.32\% | 3,904 | -2.47\% | 3,904 | 0.00\% |
| Total Disbursements | 12,679 | 12,797 | 0.93\% | 8,429 | -34.13\% | 8,580 | 1.79\% |

## North Carolina Total Retirement Plans

## 403(b) Disbursements - Quarterly

| 403(b) Disbursements |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 4Q 2017 | 1Q 2018 | 1Q 2018 <br> Change \% | 2Q 2018 | 2Q 2018 <br> Change \% | 3Q 2018 | 3Q 2018 <br> Change \% |
| Term - Lump Sum | \$9,803 | \$43,823 | 347.05\% | \$23,564 | -46.23\% | \$204,414 | 767.50\% |
| In-Service | \$4,543 | \$0 | 100.00\% | \$29,700 | 100.00\% | \$15,872 | -46.56\% |
| State Retirement System | \$0 | \$29,113 | 0.00\% | \$0 | 100.00\% | \$0 | 0.00\% |
| Hardship | \$0 | \$0 | 0.00\% | \$0 | 0.00\% | \$5,380 | 100.00\% |
| Systematic | \$0 | \$0 | 0.00\% | \$0 | 0.00\% | \$0 | 0.00\% |
| Total Disbursements | \$14,346 | \$72,936 | 408.41\% | \$53,264 | -26.97\% | \$225,667 | 323.68\% |


| 403(b) Disbursements |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 4Q 2017 | 1Q 2018 | 1Q 2018 <br> Change \% | 2Q 2018 | 2Q 2018 <br> Change \% | 3Q 2018 | 3Q 2018 <br> Change \% |
| Term - Lump Sum | 3 | 6 | 100.00\% | 6 | 0.00\% | 13 | 116.67\% |
| In-Service | 1 | 0 | 100.00\% | 5 | 100.00\% | 3 | -40.00\% |
| State Retirement System | 0 | 2 | 0.00\% | 0 | 100.00\% | 0 | 0.00\% |
| Hardship | 0 | 0 | 0.00\% | 0 | 0.00\% | 3 | 100.00\% |
| Systematic | 0 | 0 | 0.00\% | 0 | 0.00\% | 0 | 0.00\% |
| Total Disbursements | 4 | 8 | 100.00\% | 11 | 37.50\% | 19 | 72.73\% |

## North Carolina Total Retirement Plans

## 403(b) Disbursements - Year to Date

|  | 403(b) Disbursements |  |  |
| :--- | :---: | :---: | :---: |
|  | February to <br> September 2017 | 2018 | $\mathbf{2 0 1 8}$ |
| Term - Lump Sum | $\$ 390,116$ | $\$ 271,801$ | Change \% |
| In-Service | $\$ 0$ | $\$ 45,572$ | $-30.33 \%$ |
| State Retirement System | $\$ 0$ | $\$ 29,113$ | $100.00 \%$ |
| Hardship | $\$ 1,656$ | $\$ 5,380$ | $100.00 \%$ |
| Systematic | $\$ 0$ | $\$ 0$ | $224.85 \%$ |
| Total Disbursements | $\$ 391,773$ | $\$ 351,867$ | $0.00 \%$ |


|  | 403(b) Disbursements |  |  |
| :--- | :---: | :---: | :---: |
|  | February to <br> September 2017 | 2018 | $\mathbf{2 0 1 8}$ |
| Term - Lump Sum | 26 | 25 | Change \% |

401(k) Plan Asset Allocation/Net Cash Flow July 1, 2018 to September 30, 2018

|  | Less Than 25 | 25-34 | 35-44 | 45-54 | 55-65 | 65+ | TOTAL |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Total Plan Assets | \$16,161,088 | \$403,364,747 | \$1,460,918,388 | \$3,169,341,186 | \$3,162,156,120 | \$2,179,015,705 | \$10,390,957,234 |
| \% Assets | 0.16\% | 3.88\% | 14.06\% | 30.50\% | 30.43\% | 20.97\% | 100.00\% |
| Total Contributions | \$2,772,952 | \$18,497,037 | \$27,321,580 | \$38,972,355 | \$31,102,321 | \$6,262,324 | \$124,928,569 |
| Rollovers In | \$29,113 | \$827,760 | \$1,712,669 | \$4,225,851 | \$1,578,516 | \$1,757,848 | \$10,131,758 |
| Total Distributions including: | (\$165,029) | (\$2,980,309) | $(\$ 8,188,157)$ | (\$28,620,876) | (\$58,114,352) | (\$37,402,395) | (\$135,471,117) |
| Rollovers Out | $(\$ 32,142)$ | (\$1,168,058) | (\$2,993,898) | (\$13,835,500) | (\$35,623,939) | (\$20,202,706) | (\$73,856,243) |
| Cash Distributions | $(\$ 132,887)$ | (\$1,812,250) | $(\$ 5,194,260)$ | (\$14,785,376) | (\$22,490,413) | (\$17,199,689) | (\$61,614,875) |
| Net Cash Flow | \$2,637,036 | \$16,344,489 | \$20,846,092 | \$14,577,330 | (\$25,433,515) | (\$29,382,223) | $(\$ 410,790)$ |
| Total Unique Participants | 6,180 | 39,805 | 54,355 | 69,234 | 56,323 | 27,938 | 253,835 |
| Avg. Account Balance | \$2,615 | \$10,134 | \$26,877 | \$45,777 | \$56,143 | \$77,995 | \$40,936 |
| Prudential Participant Avg. Account Balance | \$3,164 | \$15,196 | \$44,481 | \$86,154 | \$116,912 | \$121,791 | \$71,162 |

401(k) Plan Asset Allocation/Net Cash Flow January 1, 2018 to September 30, 2018

|  | Less Than 25 | 25-34 | 35-44 | 45-54 | 55-65 | 65+ | TOTAL |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Total Plan Assets | \$16,161,088 | \$403,364,747 | \$1,460,918,388 | \$3,169,341,186 | \$3,162,156,120 | \$2,179,015,705 | \$10,390,957,234 |
| \% Assets | 0.16\% | 3.88\% | 14.06\% | 30.50\% | 30.43\% | 20.97\% | 100.00\% |
| Total Contributions | \$8,191,096 | \$55,507,443 | \$82,683,099 | \$119,399,659 | \$94,976,770 | \$18,836,569 | \$379,594,635 |
| Rollovers In | \$97,982 | \$2,770,115 | \$6,246,719 | \$12,818,736 | \$11,251,860 | \$6,542,715 | \$39,728,126 |
| Total Distributions including: | (\$415,228) | $(\$ 9,977,185)$ | (\$25,749,517) | (\$82,554,138) | (\$172,485,570) | (\$126,386,716) | (\$417,568,354) |
| Rollovers Out | $(\$ 75,265)$ | $(\$ 4,020,792)$ | (\$10,241,292) | (\$36,256,043) | (\$94,688,119) | (\$70,636,722) | (\$215,918,233) |
| Cash Distributions | $(\$ 339,963)$ | $(\$ 5,956,393)$ | (\$15,508,226) | (\$46,298,095) | (\$77,797,451) | (\$55,749,994) | (\$201,650,122) |
| Net Cash Flow | \$7,873,850 | \$48,300,373 | \$63,180,300 | \$49,664,257 | (\$66,256,941) | (\$101,007,433) | \$1,754,407 |
| Total Unique Participants | 6,180 | 39,805 | 54,355 | 69,234 | 56,323 | 27,938 | 253,835 |
| Avg. Account Balance | \$2,615 | \$10,134 | \$26,877 | \$45,777 | \$56,143 | \$77,995 | \$40,936 |
| Prudential Participant Avg. Account Balance | \$3,164 | \$15,196 | \$44,481 | \$86,154 | \$116,912 | \$121,791 | \$71,162 |

*Prudential's Defined Contribution book of business averages.
North Carolina Total Retirement Plans

Please see page 5 for important notes and disclaimers.

# 457 Plan Asset Allocation/Net Cash Flow July 1, 2018 to September 30, 2018 

|  | Less Than 25 | 25-34 | 35-44 | 45-54 | 55-65 | 65+ | TOTAL |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Total Plan Assets | \$986,473 | \$27,512,454 | \$93,157,976 | \$277,570,969 | \$428,040,875 | \$628,367,089 | \$1,455,635,836 |
| \% Assets | 0.07\% | 1.89\% | 6.40\% | 19.07\% | 29.41\% | 43.17\% | 100.00\% |
| Total Contributions | \$199,479 | \$1,688,917 | \$3,051,132 | \$5,458,714 | \$4,632,742 | \$1,347,708 | \$16,378,692 |
| Rollovers In | \$0 | \$304,462 | \$176,070 | \$246,362 | \$271,378 | \$507,735 | \$1,506,008 |
| Total Distributions including: | $(\$ 17,762)$ | $(\$ 270,355)$ | $(\$ 395,548)$ | $(\$ 2,278,659)$ | (\$6,189,609) | (\$13,424,483) | (\$22,576,416) |
| Rollovers Out | $(\$ 9,156)$ | $(\$ 105,992)$ | $(\$ 186,979)$ | $(\$ 952,933)$ | (\$3,779,545) | (\$8,255,865) | (\$13,290,469) |
| Cash Distributions | $(\$ 8,606)$ | (\$164,363) | $(\$ 208,569)$ | (\$1,325,726) | (\$2,410,064) | $(\$ 5,168,618)$ | (\$9,285,947) |
| Net Cash Flow | \$181,718 | \$1,723,024 | \$2,831,655 | \$3,426,417 | (\$1,285,489) | (\$11,569,041) | (\$4,691,716) |
| Total Unique Participants | 1,172 | 9,487 | 11,780 | 14,970 | 11,276 | 6,179 | 54,864 |
| Avg. Account Balance | \$842 | \$2,900 | \$7,908 | \$18,542 | \$37,960 | \$101,694 | \$26,532 |
| Prudential Participant Avg. Account Balance | \$3,164 | \$15,196 | \$44,481 | \$86,154 | \$116,912 | \$121,791 | \$71,162 |

457 Plan Asset Allocation/Net Cash Flow January 1, 2018 to September 30, 2018

|  | Less Than 25 | 25-34 | 35-44 | 45-54 | 55-65 | 65+ | TOTAL |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Total Plan Assets | \$986,473 | \$27,512,454 | \$93,157,976 | \$277,570,969 | \$428,040,875 | \$628,367,089 | \$1,455,635,836 |
| \% Assets | 0.07\% | 1.89\% | 6.40\% | 19.07\% | 29.41\% | 43.17\% | 100.00\% |
| Total Contributions | \$620,489 | \$5,365,951 | \$9,678,465 | \$17,088,230 | \$14,678,835 | \$4,282,595 | \$51,714,565 |
| Rollovers In | \$0 | \$580,262 | \$873,366 | \$813,005 | \$944,405 | \$4,323,568 | \$7,534,605 |
| Total Distributions including: | $(\$ 41,175)$ | $(\$ 938,770)$ | (\$1,218,748) | (\$7,533,855) | (\$18,382,005) | (\$34,829,641) | (\$62,944,195) |
| Rollovers Out | $(\$ 12,253)$ | $(\$ 391,125)$ | $(\$ 515,928)$ | (\$3,454,847) | (\$10,396,932) | (\$18,389,203) | (\$33,160,288) |
| Cash Distributions | $(\$ 28,922)$ | (\$547,645) | (\$702,820) | (\$4,079,009) | (\$7,985,073) | (\$16,440,438) | (\$29,783,907) |
| Net Cash Flow | \$579,314 | \$5,007,443 | \$9,333,083 | \$10,367,379 | (\$2,758,765) | (\$26,223,478) | (\$3,695,024) |
| Total Unique Participants | 1,172 | 9,487 | 11,780 | 14,970 | 11,276 | 6,179 | 54,864 |
| Avg. Account Balance | \$842 | \$2,900 | \$7,908 | \$18,542 | \$37,960 | \$101,694 | \$26,532 |
| Prudential Participant Avg. Account Balance | \$3,164 | \$15,196 | \$44,481 | \$86,154 | \$116,912 | \$121,791 | \$71,162 |

*Prudential's Defined Contribution book of business averages.

## 403(b) Plan Asset Allocation/Net Cash Flow July 1, 2018 to September 30, 2018

|  | Less Than 25 | 25-34 | 35-44 | 45-54 | 55-65 | 65+ | TOTAL |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Total Plan Assets | \$71 | \$982,379 | \$3,057,508 | \$5,296,729 | \$5,588,729 | \$810,202 | \$15,735,620 |
| \% Assets | 0.00\% | 6.24\% | 19.43\% | 33.66\% | 35.52\% | 5.15\% | 100.00\% |
| Total Contributions | \$1,120 | \$61,738 | \$97,722 | \$157,133 | \$151,654 | \$21,544 | \$490,911 |
| Rollovers In | \$0 | \$0 | \$17,394 | \$40,931 | \$0 | \$0 | \$58,325 |
| Total Distributions including: | \$0 | (\$4,211) | (\$19,128) | $(\$ 23,422)$ | $(\$ 178,103)$ | (\$803) | (\$225,667) |
| Rollovers Out | \$0 | \$0 | $(\$ 6,682)$ | $(\$ 21,519)$ | $(\$ 162,541)$ | \$0 | (\$190,742) |
| Cash Distributions | \$0 | $(\$ 4,211)$ | $(\$ 12,445)$ | $(\$ 1,904)$ | $(\$ 15,562)$ | (\$803) | $(\$ 34,925)$ |
| Net Cash Flow | \$1,120 | \$57,527 | \$95,988 | \$174,641 | $(\$ 26,449)$ | \$20,741 | \$323,569 |
| Total Unique Participants | 1 | 217 | 330 | 366 | 284 | 37 | 1,235 |
| Avg. Account Balance | \$71 | \$4,527 | \$9,265 | \$14,472 | \$19,679 | \$21,897 | \$12,741 |
| Prudential Participant Avg. Account Balance | \$3,164 | \$15,196 | \$44,481 | \$86,154 | \$116,912 | \$121,791 | \$71,162 |

## 403(b) Plan Asset Allocation/Net Cash Flow January 1, 2018 to September 30, 2018

|  | Less Than 25 | 25-34 | 35-44 | 45-54 | 55-65 | 65+ | TOTAL |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Total Plan Assets | \$71 | \$982,379 | \$3,057,508 | \$5,296,729 | \$5,588,729 | \$810,202 | \$15,735,620 |
| \% Assets | 0.00\% | 6.24\% | 19.43\% | 33.66\% | 35.52\% | 5.15\% | 100.00\% |
| Total Contributions | \$7,545 | \$201,947 | \$342,648 | \$569,097 | \$540,765 | \$72,639 | \$1,734,640 |
| Rollovers In | \$0 | \$0 | \$189,711 | \$178,841 | \$131,412 | \$0 | \$499,964 |
| Total Distributions including: | \$0 | $(\$ 8,357)$ | $(\$ 26,426)$ | $(\$ 42,202)$ | (\$269,601) | $(\$ 5,281)$ | (\$351,867) |
| Rollovers Out | \$0 | (\$4,146) | $(\$ 6,682)$ | $(\$ 21,519)$ | $(\$ 210,438)$ | \$0 | $(\$ 242,785)$ |
| Cash Distributions | \$0 | $(\$ 4,211)$ | $(\$ 19,744)$ | $(\$ 20,683)$ | $(\$ 59,163)$ | $(\$ 5,281)$ | (\$109,082) |
| Net Cash Flow | \$7,545 | \$193,590 | \$505,934 | \$705,736 | \$402,575 | \$67,358 | \$1,882,738 |
| Total Unique Participants | 1 | 217 | 330 | 366 | 284 | 37 | 1,235 |
| Avg. Account Balance | \$71 | \$4,527 | \$9,265 | \$14,472 | \$19,679 | \$21,897 | \$12,741 |
| Prudential Participant Avg. Account Balance | \$3,164 | \$15,196 | \$44,481 | \$86,154 | \$116,912 | \$121,791 | \$71,162 |

*Prudential's Defined Contribution book of business averages.
North Carolina Total Retirement Plans

## North Carolina Total Retirement Plans

## 401(k) Plan Retirement Preparation Analysis

| 7/1/2018-9/30/2018 |  |
| :--- | ---: |
| Total Retirement Income Calculator Completions | 10,538 |
| Unique Completions | 9,202 |
| Contribution Rate Increase | 887 |

Since Inception for Currently Active Participants as of 9/30/2018

| Average Balance, RIC Participant | $\$ 59,254$ |
| :--- | ---: |
| Average Balance, Non-RIC Participant | $\$ 26,722$ |
| Average Contribution Rate, RIC Participant | $6.42 \%$ |
| Average Contribution Rate, Non-RIC Participant | $4.55 \%$ |
| Total Count of Participants with a RIC Gap | 51,509 |
| Average RIC Gap per month | $\$ 2,955$ |
| Total Count of Participants with a RIC surplus | 9,993 |
| Average RIC Surplus per month | $\$ 3,284$ |


| 1/1/2018-9/30/2018 |  |
| :--- | ---: |
| Total Retirement Income Calculator Completions | 32,001 |
| Unique Completions | 27,938 |
| Contribution Rate Increase | 2,667 |

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/eligible participants that completed the retirement income calculator during the reporting period.

Contribution Rate Increases - Total number of active/eligible participants 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.

Please see page 5 for important notes and disclaimers.

## North Carolina Total Retirement Plans

## 457 Plan Retirement Preparation Analysis

| 7/1/2018-9/30/2018 |  |
| :--- | ---: |
| Total Retirement Income Calculator Completions | 2,970 |
| Unique Completions | 2,569 |
| Contribution Rate Increase | 151 |


| Since Inception for Currently Active Participants as of 9/30/2018 |  |
| :--- | ---: |
| Average Balance, RIC Participant | $\$ 25,256$ |
| Average Balance, Non-RIC Participant | $\$ 14,128$ |
| Average Contribution Rate, RIC Participant | $6.62 \%$ |
| Average Contribution Rate, Non-RIC Participant | $5.27 \%$ |
| Total Count of Participants with a RIC Gap | 11,729 |
| Average RIC Gap per month | $\$ 2,837$ |
| Total Count of Participants with a RIC surplus | 2,295 |
| Average RIC Surplus per month | $\$ 2,594$ |


| $1 / 1 / 2018-9 / 30 / 2018$ |  |
| :--- | ---: |
| Total Retirement Income Calculator Completions | 8,674 |
| Unique Completions | 7,530 |
| Contribution Rate Increase | 433 |

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/eligible participants that completed the retirement income calculator during the reporting period.

Contribution Rate Increases - Total number of active/eligible participants 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.

## North Carolina Total Retirement Plans

## 403(b) Plan Retirement Preparation Analysis

| 7/1/2018-9/30/2018 |  |
| :--- | ---: |
| Total Retirement Income Calculator Completions | 60 |
| Unique Completions | 47 |
| Contribution Rate Increase | 0 |


| Since Inception for Currently Active Participants as of 9/30/2018 |  |
| :--- | ---: |
| Average Balance, RIC Participant | $\$ 20,768$ |
| Average Balance, Non-RIC Participant | $\$ 11,487$ |
| Average Contribution Rate, RIC Participant | $21.37 \%$ |
| Average Contribution Rate, Non-RIC Participant | $13.54 \%$ |
| Total Count of Participants with a RIC Gap | 139 |
| Average RIC Gap per month | $\$ 2,852$ |
| Total Count of Participants with a RIC surplus | 42 |
| Average RIC Surplus per month | $\$ 3,738$ |

## 1/1/2018-9/30/2018

| Total Retirement Income Calculator Completions | 157 |
| :--- | ---: |
| Unique Completions | 127 |
| Contribution Rate Increase | 4 |

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/eligible participants that completed the retirement income calculator during the reporting period.

Contribution Rate Increases - Total number of active/eligible participants 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.

## North Carolina Total Retirement Plans

## Participant Service Center Statistics

| 401(k), 457 \& $403(\mathrm{~b})$ Quarterly Participant Service Center Statistics |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 3Q 2015 | 3Q 2016 | 3Q 2017 | 3Q 2018 |
| Service Center Calls | 38,553 | 36,824 | 39,788 | 41,802 |
| Service Percentage | 88\% | 78\% | 86\% | 83\% |
| Average Speed to Answer (seconds) | 16 sec | 15 sec | 11 sec | 11 sec |
| Abandon Percentage | 0.60\% | 0.40\% | 0.40\% | 0.30\% |


| 401(k), 457 \&403(b) YTD Participant Service Center Statistics |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | 2017 | 2018 |
| Service Center Calls | 115,263 | 110,905 | 111,391 | 127,803 |
| Service Percentage | 85\% | 78\% | 77\% | 84\% |
| Average Speed to Answer (seconds) | 17 sec | 20 sec | 22 sec | 11 sec |
| Abandon Percentage | 0.70\% | 0.90\% | 0.90\% | 0.30\% |

## North Carolina Total Retirement Plans

Retirement Security Education Information

| $\mathbf{4 0 1 ( k ) , ~ 4 5 7 ~ \& ~ 4 0 3 ( b ) ~ Q u a r t e r l y ~ R e t i r e m e n t ~ S e c u r i t y ~ E d u c a t i o n ~ T e a m ~ A c t i v i t y ~}$ |  |  |  |  |
| :--- | :---: | :---: | :---: | :---: | :---: |
| Meeting Activity | July 2018 | August 2018 | September 2018 | 3Q 2018 |
| Group Meetings - Number of Meetings | 262 | 359 | 250 | 871 |
| Group Meetings - Number of Attendees | 5,389 | 14,435 | 7,688 | 27,512 |
| Individual Meetings - Number of Meetings | 2,645 | 3,292 | 2,332 | 8,269 |
| Employer Meetings | 326 | 305 | 257 | 888 |
| Total On-Site Visits | 498 | 578 | 418 | 1,494 |
| Total Meeting Attendees | 8,034 | 17,727 | 10,020 | 35,781 |

401(k), 457 \& 403(b) YTD Retirement Security Education Team Activity

| Meeting Activity | 1Q 2018 | 2Q 2018 | 3Q 2018 | YTD 2018 |
| :---: | :---: | :---: | :---: | :---: |
| Group Meetings - Number of Meetings | 754 | 1,028 | 871 | 2,653 |
| Group Meetings - Number of Attendees | 20,413 | 29,279 | 27,512 | 77,204 |
| Individual Meetings - Number of Meetings | 7,539 | 9,870 | 8,269 | 25,678 |
| Employer Meetings | 852 | 747 | 888 | 2,487 |
| Total On-Site Visits | 1,430 | 1,416 | 1,494 | 4,340 |
| Total Meeting Attendees | 27,952 | 39,149 | 35,781 | 102,882 |

North Carolina disclaimers.

## North Carolina Total Retirement Plans

Retirement Security Education Information - Enrollment Activity by Quarter


## North Carolina Total Retirement Plans

## Employers Adopting the 401(k) Plan in 2018

Municipalities<br>Town of Cedar Point

## Other

West Jefferson ABC Board

## Employers Adopting the 403(b) Plan in 2018

Community College<br>Carteret Community College<br>Durham Technical Community College<br>Haywood Community College<br>James Sprunt Community College<br>Sandhills Community College<br>Surry Community College<br>Wilkes Community College

## Schools

Caswell County Schools
Cleveland County Schools
Columbus County Schools
Madison County Schools
Yadkin County Schools

## North Carolina Total Retirement Plans

## Employers Adopting the 457 Plan in 2018

## Community College

Craven Community College
Randolph Community College

## Schools

Caswell County Schools Clinton City Schools
Madison County Schools

## Charter Schools

Raleigh Oak Charter School

Municipalities
City of Roanoke Rapids
City of Thomasville
Town of Beaufort
Town of Carolina Shores
Town of Castalia
Town of Cedar Point
Town of Lake Lure
Town of Liberty
Town of Mars Hill
Town of Rural Hall
Town of Sedalia
Town of Stanley
Town of Sylva
Town of Vass
Town of Waxhaw
Village of Bald Head Island
Village of Marvin

## County

Caswell County Local Government
Davidson County
Surry County

## Other

Eastern Wayne Sanitary District
Goldsboro Wayne Trans Authority Kinston Housing Authority
South Granville Water \& Sewer Authority UNC Press
West Jefferson ABC Board

## North Carolina Total Retirement Plans

## Employers Adopting the 457 Plan in 2018

| 457 Additions |  |  |  |  |  |  |  |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Employer Type | 2015 | $\mathbf{2 0 1 6}$ | $\mathbf{2 0 1 7}$ | $\mathbf{2 0 1 8}$ | \# of <br> Eligible |  |  |
| CHARTER SCHOOL | 3 | 3 | 4 | 1 | 1,631 |  |  |
| COMMUNITY COLLEGE | 8 | 8 | 1 | 2 | 13,553 |  |  |
| COUNTY | 4 | 4 | 5 | 3 | 35,186 |  |  |
| MUNICIPAL | 9 | 9 | 9 | 17 | 14,193 |  |  |
| OTHER | 8 | 8 | 9 | 6 | 3,952 |  |  |
| SCHOOL | 5 | 5 | 4 | 3 | 129,008 |  |  |

## North Carolina Total Retirement Plans

## 401(k) Employers Making Changes in 2018

## 401(k) Employers Increasing Employer Contribution or Match

Asheville ABC Board increased their Employer Contribution from 2\% to 5\% across the board.
Bertie County increased their Employer Contribution from 2\% to 3\% across the board.
City of Statesville increased their Employer Match as follows: Employee 1\% - ER gives .50\%, Employee 2\% - ER 1.00\%, Employee 3\% - ER 1.50\%, Employee 4\% - ER 2.00\%, Employee 5\% - ER 2.50\%
Currituck County increased their Employer Contribution from $5.68 \%$ to $5.69 \%$ across the board.
Haywood County increased their Employer Contribution from 2\% to 3\% across the board. Indian Trail ABC Board increased their Employer Match to 2\%.

Town of Hope Mills increased their Employer Contribution from 3\% to 5\% across the board.
Town of Lucama increased their Employer Match to 3.5\%.
Town of Mount Gilead increased their Employer Match from up to 3\% to up to 5\%.
Town of Rutherfordton increased their Employer Contribution from $2.5 \%$ to $3 \%$ across the board.
Town of Seven Devils increased their Employer Match to 3\%.
Town of Warsaw increased their Employer Match from up to $2 \%$ to up to 5\%.

## North Carolina Total Retirement Plans

## 401(k) Employers Making Changes in 2018

## 401(k) Employers Adding An Employer Contribution and/or Employer Match

Cabarrus Health Alliance added a match up to $1 \%$.
City of Kannapolis added a match up to $1 \%$.
Pender County added a 2\% Employer Contribution across the board.
Town of Carolina Beach contributes $1 \%$ across the board (ATB), but will now match up to $2 \%$ for a total of $3 \%$ in employer contributions.
Town of Lewisville added a 1.2\% Employer Contribution across the board.
Town of Rural Hall added a match up to $3 \%$.

## 401(k) Employers Changing their Employer Contribution and/or Employer Match

McDowell County has changed from an Employer Match to an Employer Contribution of 2\% across the board.
Rutherford/Polk/McDowell DHD has changed from an Employer Match to an Employer Contribution of $\$ 60$ across the board.
Western Piedmont Council of Governments has changed their Employer Contribution and their Employer Match as follows: $4 \%$ match and a $4.2 \%$ employer contribution to plan of choice (002003 or 012003). 4.2\% employer contribution will default to plan 002003 if EE makes no election.

## North Carolina Total Retirement Plans

## 457 Employers Making Changes in 2018

## 457 Employers Increasing Employer Contribution or Match

Indian Trail ABC Board increased their Employer Match to 2\%.
Town of Hope Mills increased their Employer Contribution from 3\% to 5\% across the board.

## 457 Employers Adding An Employer Match and/or an Employer Contribution

 City of Asheville added an Employer Match dollar for dollar up to a 4\%.Raleigh Oak Charter School added a 4\% Employer Contribution across the board.
Town of Lewisville added a 1.2\% Employer Contribution across the board.

## 457 Employers Changing their Employer Contribution and/or Employer Match

McDowell County has changed from an Employer Match to an Employer Contribution of 2\% across the board.
Western Piedmont Council of Governments has changed their Employer Contribution and their Employer Match as follows: 4\% match and a 4.2\% employer contribution to plan of choice (002003 or 012003). 4.2\% employer contribution will default to plan 002003 if EE makes no election.

## North Carolina Total Retirement Plans

## Employers Adopting Contribution Accelerator in 2018

Municipalities<br>Town of Biscoe<br>Town of Cedar Point<br>Town of Pineville<br>Town of Sandy Creek<br>Town of Sedalia<br>Town of Wake Forest

Other
Caswell County Local Government
Charlotte Mecklenburg Library
Locust ABC Board
West Jefferson ABC Board

## North Carolina Total Retirement Plans

## Notes

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

## Communication Accomplishments 3Q 2018

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 DALE R. FOLWELL. CPA
## NC 401(k) \& NC 457 Communication Accomplishments 3Q ‘18

- MRS Follow Up Enrollment Campaign Cont.
- July $(6,011)$
- Aug $(4,616)$
- Targeted Emails to Nearing Retirees Cont.
- July - 251 delivered
- Aug - 264 delivered
- Sept - 247 delivered

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## NC 401(k) \& NC 457 Communication Accomplishments 3Q ‘18

Rebranding efforts

- Enroll Guide Updated with New 401(k)/457 Investment Flyer \& Revised Plan Highlights
- 401(k) Plan Highlights \& 457 Plan Highlights
- 403b Program Performance \& Fees Document Template
- Ducks in a Row Brochure
- 457 Pitch Flyer
- One Time Contribution Flyer

- Termination Flyer
- Cost of Waiting to Save \& Take Advantage of Employer Match Animations
- 401k/457 Enrollment Presentation
- 401k/457 EZ Increase Flyer


## Created

- 403b Investment Flyer \& 401(k)/457 Investment Flyer Created
- 403b EZ Enroll Created


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## North Carolina Total Retirement Plans

## Expiration Refresh

- Website Update (Landing, Enroll, Rep, Increase Savings, Investment Pages)
- Nearing Retirement Email
- 401(k) Plan Highlights Revised
- 457 Plan Highlights Revised
- 403b Program Participant Letter



## Investment Fund Change

- 401k/457 Investment Flyer Updated
- NC Small/Mid Fund Change Letter - 1,235 Mailed



## NC 401(k) \& NC 457 Communication Accomplishments 3Q ‘18

- Quarterly Signature Newsletter
- 266,810 total participant statements
- 132,273 direct mail
- Quarterly Statement Message
- 266,810 statements

- Quarterly Updates
- Q2 403(b) Performance \& Fee Flyer
- Q2 401(k)/457 Plans' Performance \& Fee Flyer
- Fund Fact Sheets


## Signature Newsletter 3Q 2018

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 DALE R. FOLWELL. CPA
# Signature <br> N E W S LETTER 

## $3^{\text {RD }}$ QUARTER 2018

> It's easy to put more money to work for your financial future.

The Department of State Treasurer offers the NC 401(k) and NC 457 Plans and the NC 403(b) Program to help public employees achieve the retirement they imagine. In this newsletter, you can discover how easy it is to put more money to work for yourself, starting today!

## In this issue...

Staying Connected:
A Valuable Tool for Your Financial Future

## Making \$en\$e:

Celebrate National Retirement Security Week

## Fund Facts:

Update on the NC Small/Mid Cap Core Fund


## A Message from North Carolina's State Treasurer

Participant costs continue to top the list of key concerns of defined contribution executives, according to a recent survey published by Callan, LLC, an industry consultant. That's certainly the case here when it comes to the NC Total Retirement Plans 401(k), 457 and 403(b). Fees that you are charged for participating in a supplemental retirement plan can play a critical role in your ability to meet your savings and retirement goals.

When I raised my hand to serve as North Carolina's 28th state treasurer, I promised to reduce investment fees and increase transparency and value to our members. To those ends, we work tirelessly to leverage our size to offer high-quality features and benefits of the NC 401(k), NC 457 and NC 403(b) Plans at very competitive costs.

Recently, we participated in a benchmarking survey to gauge where we stand on participant costs when compared to our peers across the country. The results show that the work of our staff and Board is paying off! Total annual recordkeeping and administrative fees per participant for the NC Total Retirement Plans 401(k) and 457 are approximately $\$ 47$ per participant, compared to our peers who charge an average of \$73 per participant. That represents millions of dollars per year to state employees and retirees. In the long run, the work we do to keep fees low means more potential savings for your retirement.

The plans continue to be a fantastic benefit for you, our participants, and for our state employers who are able to offer these as part of a competitive benefit package to recruit and retain high-quality personnel. Not only do you pay really low fees with these plans, you also have the ability to take advantage of our recently enhanced GoalMaker ${ }^{\circledR}$ asset allocation tool.

Thank you for all you are doing to save on your own for a secure retirement. I'll keep doing my part, as Keeper of the Public Purse, to keep our NC pension plans and our State Health Plan secure for the long road, too.

Tale TJBundecen
Dale R. Folwell, CPA
State Treasurer of North Carolina

## Staying Connected

## A VALUABLE TOOL FOR YOUR FINANCIAL FUTURE The myNCRetirement Statement (MRS)

One of the most valuable tools that can help you realize the retirement you imagine is already at your fingertips. The myNCRetirement Statement (MRS), formerly known as the Annual Benefits Statement, provides you with a snapshot of where you are toward meeting your retirement savings goals. The MRS consolidates the funds you have in the North Carolina pension system; your NC 401(k), NC 457 or NC 403(b) accounts; any outside assets you may have; and your projected Social Security income to tell you whether or not you are projected to be able to replace 80 percent of your pre-retirement income.

## Log in to ORBIT to download your customized statement

If you have worked for a state or local government for at least a full calendar year, you can log in to the Retirement Systems Division's secure member website, ORBIT. Just go to ORBIT.myNCRetirement.com and click on the "View myNCRetirement Statement" link.

## How to Access Your MRS

## 1

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

## 2 <br> Log in to ORBIT.

## 3

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

## Does your MRS show additional "outside" income in retirement?

Checkpoint 2 of your MRS, which projects your total estimated monthly income at retirement, can also include your "outside" (non-state) retirement savings account balances and any monthly income you may expect to receive from outside pensions and other monthly income - but only if you entered that information in Prudential's Retirement Income Calculator by logging in to your account before January 11, 2019.

Discover what an insightful tool the MRS is, and the valuable information it can reveal about your financial future today.

## Checkpoint 2

| 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 | $\$ 7,150$ |

Sample for Illustration Only

## CELEBRATE NATIONAL RETIREMENT SECURITY WEEK BY TAKING FULL ADVANTAGE OF THE PLANS

## NRSW is Oct. 21-27, 2018

National Retirement Security Week (NRSW) is a time each year that is designated for all of us to focus on the importance of saving for retirement. That means there's no better time to consider if you are doing all you can to take advantage of the high-quality NC 401(k) and NC 457 Plans and/or the NC 403(b) Program.

This year, why not take a little time during NRSW to take advantage of the various tools provided to all plan participants?

## What can you do during NRSW?

You can give yourself a greater chance to achieve your retirement savings goals by putting more money to work for your financial future in the plans. How can you do that? Let us count the ways!

## \#1: Contribute more!

No matter how much - or how little - you're contributing to the plans now, consider increasing your savings. Even small increases, over time, can make a big difference. And, if your employer matches your contributions, make sure you are "maxing the match" by contributing at least the full amount that your employer will match. That will help you ensure you're not leaving "free" money on the table.

The graphic on the right ("Tale of two savers") compares the retirement savings of a public employee contributing \$25 per week versus someone who contributes $\$ 50$ per week over a 40-year period.

## \#2: Roll money over to your plan account(s)

You can simplify your financial life by rolling over money from other qualified retirement plan assets into your low-cost plan account(s) at any time - even after you retire. You'll potentially save money, because the plans' strong-performing investments and easy-to-use features are all provided at a competitive cost.*

[^1]The plans' features and resources, combined with strong oversight from the Supplemental Retirement Board of Trustees and very competitive participant costs, mean you can get on track - and stay on track - for a more secure retirement.

## Tale of two savers

Each one contributes to the NC 401(k) Plan, but one contributes $\$ 25$ per week; the other, \$50 per week. Look what a difference the higher contribution can make over time:


The compounding concept is hypothetical and for illustrative purposes only and is not intended to represent performance of any specific investment, which may fluctuate. This example is based on a hypothetical rate of return of five percent compounded annually. No taxes are considered in the calculations; generally, withdrawals are taxable at ordinary rates. You can lose money by investing in securities.

## The kinds of retirement savings you can roll into the plans

Any money you have in:

- a former employer's retirement plan: 401(a), 401(k), 403(a), 403(b) or 457(b)
- an IRA (pre-tax money only)


## Making \$en\$e (continued)

## \#3: Make a one-time contribution

You may be able to contribute additional compensation or other amounts paid out on a one-time basis to your plan account(s), such as longevity payments or final payments for vacation and/or bonus leave when you separate from your employer or retire. For the forms you need to make this type of contribution, visit NCPlans.prudential.com.

It's easy to put more money to work for your financial future in the plans!

Visit NCPlans.prudential.com or call 866-NCPlans (866-627-5267) for assistance.

Check out these benefits when you roll money from other retirement savings accounts into your retirement account(s):

|  | Consolidated into <br> NC 401(k)/NC 457/NC 403(b) | Multiple <br> accounts |
| :--- | :---: | :---: |
| Money remains tax deferred | $\checkmark$ | $\checkmark$ |
| Avoid taxes and penalties | $\checkmark$ | $\checkmark$ |
| Convenience | $\checkmark$ |  |
| Potentially lower cost | $\checkmark$ |  |
| Easier to maintain proper asset allocation | $\checkmark$ |  |
| Access to NC Total Retirement Plan <br> investments | $\checkmark$ |  |

## Fund Facts

## NC 401(k) \& 457 PLANS: UPDATE ON THE NC SMALL/MID CAP CORE FUND

The North Carolina Supplemental Retirement Board of Trustees has made changes to the NC Small/Mid Cap Core Fund. The TimesSquare small-/mid-cap growth strategy within the fund is being replaced with the Russell $2500^{\circledR}$ Index Fund, which is a passive index strategy. The replacement took place on Sept. 17, 2018, at which time the fund's name changed to the NC Small/Mid Cap Fund to reflect the change in


#### Abstract

investment strategy. The total expense ratio of the NC Small/Mid Cap Core Fund was 0.55 percent. The total expense ratio of the NC Small/Mid Cap Fund is 0.40 percent. If you were invested in the NC Small/Mid Cap Core Fund, no action is required on your part - unless you want to select another investment strategy.


## PRUDENTIAL RETIREMENT® ${ }^{\circledR}$

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Participants using the Retirement Income Calculator should consider other assets, income and investments (e.g. equity in a home, Social Security benefits, individual retirement plan investments, etc.) when assessing the adequacy of the estimated income stream as provided by this tool. The Retirement Income Calculator is hypothetical and for illustrative purposes only and is not intended to represent performance of any specific investment, which may fluctuate. There is no assurance that retirement income objectives will be met. You can lose money by investing in securities.
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## Questions



## North Carolina Total Retirement Plans

## Notes

## Thank you



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## Thank you


[^0]:    North Carolina
    Total Retirement Plans

[^1]:    *BenchmarkDC Presentation for North Carolina Retirement Systems (for the 5 years ending December 31, 2016), CEM Benchmarking, Inc., located at nctreasurer.com, link named "Supplemental Retirement Plans' CEM Benchmarking Report," under the Sept. 21, 2017, meeting material. The plans' five-year total net return was 8.5 percent, compared to the peer average return of 7.8 percent.

