North Carolina Retirement Systems
2008 Annual Benefits Statement Frequently Asked Questions

April 2009

Statement Distribution

Q: When will my statement be available?

The 2008 Annual Benefits Statements will be made available on members' ORBIT accounts on May 10, 2009. The mailing of the Annual Statements will begin June 10 and will take approximately four weeks to complete. Most members will receive their statement by mid-July.

The statements will be mailed to members' home address in the following order:

- State agencies,
- Local agencies, and then
- Educational institutions (K-12, community colleges and universities)

Q: Where did the Retirement System obtain my mailing addresses? How do I correct my home address?

We pulled your address from ORBIT (Online Retirement Benefits through Integrated Technology). Your employer placed your address in ORBIT. The address used to mail this newsletter was verified by the U.S. Postal Service. If your address on the statement is different from the mailing address you use, please confirm your mailing address on file with your employer or through BEACON (for some state agencies).

Q: What is the estimated volume of the mailing?

About 426,000 statements will be mailed in June to members' personal mailing addresses. About 10,200 statements that were identified with incorrect addresses will be delivered in June directly to employers for distribution.

Q: If I do not receive my Statement in the mail and really need it, how can I get a copy?

Your full statement is available to view on or download from ORBIT at www.myncretirement.com. Follow the log-in or registration instructions. If you do not have access to a computer, please ask your employer to assist you with printing the statement. Retirement Systems staff do not have access to your statement.

Q: I misplaced my Statement, how can I get a copy?

Your full statement is available to view on or download from ORBIT at www.myncretirement.com. Follow the log-in or registration instructions. If you do not have access to a computer, please ask your employer to assist you with printing the statement. Retirement Systems staff do not have access to your statement.

Q: I left my government employer prior to 12/31/08, how would they get a statement if they want one?

Annual Benefits Statements were only generated for those who were actively contributing to the Retirement Systems as of December 31, 2008. If you left local or state employment prior to December 2008, you will not receive a statement. You may still see your account information and balance through ORBIT at www.myncretirement.com and select the "ORBIT" button. You will be directed to the log-in page where the registration or log-in process can be completed.

Q: I was on leave without pay in December. Will I get a statement?

If you were on unpaid leave and did not make a contribution to the Retirement System on December 31, 2008, you will not receive a statement. You can still see your account information and balance through ORBIT at www.myncretirement.com and select the "ORBIT" button. You will be directed to the log-in page where the registration or log-in process can be completed.

Q: I joined my agency in the middle of 2008 and worked less than one year. Will I get a statement?

Yes. As an employee with fewer than 12 months of service as of December 31, 2008, you will receive an Annual Benefits Statement. The statement, however, will not include a projected monthly pension benefit. After you have completed one full year of service, your future statements will include a pension benefit income and, therefore, a more accurate gap analysis.

Q: As a retiree who returned to work, I met my maximum [allowable annual contribution amount] for the LGERS around July in 2008. Does this mean I will not receive a statement?

You will not receive a statement. To receive a statement, you must have contributed to your retirement in December 2008. You can still see your personal retirement account information on ORBIT.

Statement Balances

Q: Will "Dual Account" participants in Cooperative Extension see both LGERS and TSERS accts even if they are not actively contributing to both?

"Dual Account" employees in Cooperative Extension will see account balances for both Local Governmental Employees' Retirement System (LGERS) and Teachers' and State Employees' Retirement System (TSERS).

Q: Where is the information on age first eligible for unreduced retirement benefit?

Members' age for eligibility for an unreduced retirement benefit is found under the "Notes and Assumptions" section on the side of Checkpoints 1 and 2. The third checkmark shows the members' age at retirement and is based on the years of service qualifications in the Retirement System.

Q: Am I correct that the Projected Monthly Income on "Checkpoint 2" is based on retirement at age 62? How can an employee that plans to retire earlier based on years of service figure out what their monthly income will be?

The Projected Monthly Income in "Checkpoint 2" is calculated to the first unreduced benefit for each retirement system. This means that the retirement age is based on years of service or years of service and age, which varies by retirement system. Members should refer to their "Retirement Handbooks" to understand the qualifications for retiring in their system. The Retirement Handbooks can be found at www.nctreasurer.com/dsthome/RetirementSystems/Benefits_Handbook.htm

Beneficiary Information

Q: Will employees be able to change a beneficiary through ORBIT or will this always need to be submitted on paper?

There are currently no plans to change the process for identifying a beneficiary. The Retirement Systems Division still needs the forms notarized, thus a paper form is needed.

Fire & Rescue

Q: Will the North Carolina Firemen's and Rescue Squad Workers' Pension Fund be listed as a retirement fund [on the statement]? And if so, will it indicate how much time they have such as number of years?

Only firefighters who are a part of the Local Governmental Employees' Retirement System will receive a statement. Firefighters in the NC Firemen's and Rescue Squad Workers' Pension Fund will not be included on the Annual Benefits Statement since the make-up of the pension plan is slightly different than the other systems managed by the NC Department of State Treasurer.

Statement Format

Q: How many pages will [the statement] consist of?

The Annual Statement is one page folded down to 5 ½" x 8 ½".

Member ID

Q: Will the member's identification number be on the statement?

Yes. The Member ID number is referenced in Checkpoint 1 of the statement. The Member ID number was added to enhance member security by reducing the use of Social Security numbers in correspondence with the Retirement Systems Division. We ask that you use this number in all correspondence with the Retirement System.

Supplemental Retirement

Q: If an employee contributes to both the traditional and Roth 401(k), will this be listed separately on the 401(k) information?

The Statement will show only the traditional 401(k) account balance as Roth has a different tax treatment and is reported separately.

Q: Are there any plans to add other 457 plans (such as Nationwide 457 or ICMA) to this statement?

No. Only savings plans administered by the North Carolina Department of State Treasurer are included on the Annual Benefits Statements.

Q: I am a local government employee, will I see a deferred compensation number listed for reference information?

Local government employees will see a 457 Deferred Compensation amount listed if the employer is a member of that state-sponsored plan and the employee is a participant in that plan.

ORBIT

Q: Can my employer log on to my ORBIT account and print my annual statement?

Employers will not have access to employees' statements or ORBIT accounts. Since employees may have other financial information in their statement such as supplemental savings or Social Security benefit information, we will provide the statements only to the identified member. You may ask your employer to assist you in printing out the statement after you type in your user ID and password to gain access to your ORBIT account.

Q: Are instructions concerning logging on to ORBIT included in the annual statement?

Due to the amount of information regarding members' retirement account, the ORBIT log-in instructions were not included in the annual statement. To access ORBIT, visit www.myncretirement.com and select the "ORBIT" button. You will be directed to the log-in page where the registration or log-in process can be completed.

Q: Can employees who are no longer working, but are vested and have contributions in the Retirement System, access ORBIT?

Yes. Members who no longer work in local or state government can access their account information and balance through ORBIT (Online Retirement Benefits through Integrated Technology). To access ORBIT, visit www.myncretirement.com and select the "ORBIT" button. You will be directed to the log-in page where the registration or log-in process can be completed.

Making Corrections

Q: How do I correct/change my beneficiary information?

If you wish to change, add or delete beneficiaries, you must complete and submit a Form 2C, *Designating Beneficiary(ies) for Retirement System Contributions and the Death Benefit*. You can print out a personalized form from ORBIT by going to www.myncretirement.com.

Q: What do I do if I find discrepancies in my statement information, such as years of service or age?

First go to your Human Resources representative to point out the incorrect information. In most cases your HR representative will be able to correct the information in their monthly reporting. If you find that the information cannot be corrected through your employer, please contact the Retirement System 1-877-627-3287 and (919) 807-3050 (Raleigh area only).