



RICHARD H. MOORE
Treasurer
State of North Carolina

July 2008

State Treasurer Richard Moore Announces Benefit Increase

Dear Teachers' and State Employees' Retirement System Member:

It is my pleasure to announce that a 2.2% cost-of-living adjustment (COLA) has been approved for all retirees in the Teachers' and State Employees' Retirement System. This increase in your monthly retirement benefit was included in the budget recently passed by the General Assembly.

The increase in your monthly benefit is effective July 1, 2008, and is included in your retirement check this month. Your allowance has been increased 2.2% if you received retirement benefits as of July 1, 2007, or a pro-rated portion of 2.2% if your retirement became effective between August 1, 2007 and June 1, 2008. On the back of this page, you will find a chart that provides more information on how the cost-of-living increase will affect your monthly benefits if you retired between August 1, 2007 and June 1, 2008.

As a retiree who served the citizens of our state, you deserve retirement benefits that are both fair and reliable. North Carolina's pension fund has been ranked among the best in the country for six years running. It also is one of only five state pension funds in the nation with funding levels greater than 100 percent. While our pension fund has not been immune to the current economic downturn, North Carolina's pension fund is performing better than its peers. Our conservative investment strategy is protecting your benefits, even during this difficult period. That means that you can count on your benefits to be there when you need them.

We will continue to advocate for meaningful cost-of-living increases that help your benefits keep pace with the rising costs of medical care, groceries and gas. And, we will continue to work with legislators to keep your pension fund strong.

I am proud to serve as your State Treasurer. Please visit our website at www.myncretirement.com to learn more about your retirement benefits.

Sincerely,

A handwritten signature in cursive script that reads "Richard H. Moore".

Richard H. Moore
Treasurer

Cost of Living Increase

<u>Effective Date of Retirement</u>	<u>Percent Increase</u>	<u>Effective Date of Retirement</u>	<u>Percent Increase</u>
July 1, 2007, and prior	2.2000%	January 1, 2008	1.1000%
August 1, 2007	2.0167%	February 1, 2008	0.9167%
September 1, 2007	1.8333%	March 1, 2008	0.7333%
October 1, 2007	1.6500%	April 1, 2008	0.5500%
November 1, 2007	1.4667%	May 1, 2008	0.3667%
December 1, 2007	1.2833%	June 1, 2008	0.1833%