



NORTH CAROLINA

OFFICE OF THE TREASURER

JANET COWELL, TREASURER

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TREASURER COWELL ANNOUNCES THE FUTURE OF RETIREMENT STUDY COMMISSION AT NCSU PRE-RETIREMENT PLANNING SYMPOSIUM

RALEIGH – State Treasurer Janet Cowell announced today the formation of a Future of Retirement Study Commission at the Pre-Retirement Planning and Workforce Symposium hosted by North Carolina State University. The Commission will be charged with evaluating and making recommendations for the retirement benefits of North Carolina state and local government employees hired in the future.

“It is important to have an in-depth study of the retirement system in order to respond to the changing economy and workforce,” Cowell said. “I hope the findings of the Commission will be used, not only for the state systems, but also as a reference nationally for public and private retirement systems.”

Retirement systems across the country have started to attract national attention during the financial crisis and warrant an increased awareness as funding levels drop and many private sector employees have been forced to delay retirement. This current environment provides North Carolina an opportunity to proactively address the need for change and design the right system for the future workforce of the state.

On Thursday, the Boards of Trustees of the Teachers’ and State Employees’ Retirement System and the Local Governmental Employees’ Retirement System directed the Treasurer to appoint an 11-member Future of Retirement Study Commission that will be making recommendations for future retirement benefits, including how to:

- Provide adequate retirement income at reasonable retirement ages after an acceptable period of employment.
- Effectively manage investment, longevity, inflation, and other retirement-related risks.
- Attract, retain, and manage the workforce needed by state and local governments as well as public education systems in the state.
- Assign responsibility for investment, contribution, and other retirement planning decisions to either employees or employers based on which is best able to make those decisions.
- Fund benefits in a sound manner that promotes intergenerational equity through an appropriate mix of reasonably stable employee and employer contributions together with a professionally managed investment earnings program.
- Comply with applicable laws, keep administration costs low, and be easy for stakeholders to understand.

Cowell’s speech at the NCSU symposium and the announcement of the Commission come just before National Save for Retirement Week. Congress recently designated October 18-24 as National Save for

Retirement Week seeking to increase personal financial literacy and raise public awareness of the retirement-savings vehicles available to all workers, including public- and private-sector employees, employees of tax-exempt organizations, and self-employed individuals.

Cowell concluded her talk at the symposium by reinforcing the importance of partnerships between her office and pension experts working in the public and private fields, stating, "Hopefully North Carolina can be a model for a how a public plan can evolve through these times and still have a strong, secure, and safe retirement for the people who lead a life of public service."

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About the Retirement Plan:

The North Carolina Retirement Systems is now the tenth largest public pension fund in the country. It provides retirement benefits and savings for more than 820,000 North Carolinians, including teachers, state employees, firefighters, police officers and other public workers. For more information visit www.nctreasurer.com