



July 30, 2020

TO: TSERS Board of Trustees

FM: Thomas G. Causey, Executive Director

RE: Closeout of the Legislative Retirement Fund, predecessor to the Legislative Retirement System

- The Legislative Retirement Fund (LRF) is a predecessor retirement system to the Legislative Retirement System (LRS). Both systems are governed by the TSERS Board of Trustees.
- The LRF was effectively closed to new entrants in 1973.
- The final surviving member of the LRF died on May 28, 2020\*.
- The balance in the LRF after the final benefit payment was \$1,310.81.
- The sole employing agency paying into the LRF and the LRS has always been the General Assembly.
- Retirement Systems Division Staff have consulted with the Legislative Services Officer and with Legislative policy staff and recommend that the balance of the LRF be effectively transferred to the LRS by using the remaining balance as an offset to the administrative expense fee charged to the LRS by the Department of State Treasurer to operate the LRS.
- This method is recommended for administrative simplicity.

**ACTION NEEDED:**

**Motion to direct the Executive Director of the Retirement Systems to use the remaining balance of the Legislative Retirement Fund to offset administrative expenses for the Legislative Retirement System.**

*\* The final member of the LRF was former Sen. Perry Martin of Hertford County who died at the age of 91. Mr. Martin served in the House, the Senate and as a Superior Court judge prior to his retirement. His benefit from the LRF was \$100 per month.*