



North Carolina
Total Retirement Plans



Dale R. Folwell, CPA
STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

**TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM
& LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES MEETING**

State Treasurer Dale R. Folwell, CPA, Chair

Wednesday, January 29, 2020

9:30 a.m.

Teleconference Information: (866) 434-5269, Access code: 6936334

LOCATION:

*Department of State Treasurer
Dogwood Conference Room, 1st Floor
3200 Atlantic Avenue
Raleigh, NC 27604*

Agenda Item

Presenter

GENERAL BUSINESS

(9:30 a.m. – 10:30 a.m.)

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| I. | Call to Order | <i>Dale R. Folwell, CPA,
Chair</i> |
| II. | Ethics Act <ol style="list-style-type: none">1. Ethics Awareness and Identification of Conflicts or Potential Conflicts of Interest2. Statements of Economic Interest
(Attachment: TSERS Cover Page w/SEI Evaluations) | <i>Dale R. Folwell, CPA,
Chair</i> |
| III. | Teachers' and State Employees' Retirement System Minutes from the October 31, 2019, Meeting
(Attachment: State Minutes)
ACTION REQUIRED: Approval of Minutes (State) | <i>Dale R. Folwell, CPA,
Chair</i> |
| IV. | Local Governmental Employees' Retirement System Minutes from the October 31, 2019, Meeting
(Attachment: Local Minutes)
ACTION REQUIRED: Approval of Minutes (Local) | <i>Dale R. Folwell, CPA,
Chair</i> |

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| V. | RSD Administration Update
(Attachment: Administration Update) | <i>Richard Lopez,
Director of Operations</i> |
| | | <i>Vicki Roberts,
Director of Member
Services</i> |
| | | <i>Patrick Kinlaw,
Director of Policy, Planning
& Compliance</i> |
| VI. | Annual Report on Supplemental Retiree Insurance
(Attachment: Annual Report on Supplemental Insurance Memo)
ACTION REQUIRED: Vote to accept report by State Board
ACTION REQUIRED: Vote to accept report by Local Board | <i>Thomas G. Causey,
Executive Director</i> |
| VII. | Update on the Investment Advisory Committee (IAC) Meetings | <i>Lentz Brewer and Greg
Patterson, IAC Members</i> |
| VIII. | Review and update on the 2019 Session of the North Carolina
General Assembly | <i>Sam Watts,
Legislative Liaison</i> |
| IX. | Increase in the Amount of Reemployment Earnings Before
Suspension of Retirement Allowance
(Attachment: Reemployment Earnings)
ACTION REQUIRED: Approval by State Board
ACTION REQUIRED: Approval by Local Board | <i>Thomas G. Causey,
Executive Director</i> |

STATE SYSTEM

(10:30 a.m. – 11:00 a.m.)

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| X. | Actuarially Determined Employer Contribution (ADEC)
Projections for State System
(Attachment: State ADEC Projections) | <i>Larry Langer and
Jonathan Craven,
Cavanaugh Macdonald
Consulting LLC</i> |
| XI. | Presentations on the 2020 Alternatives for the General Assembly
for: <ul style="list-style-type: none"> ▪ Teachers' and State Employees' Retirement System (TSERS) ▪ Legislative Retirement System (LRS) ▪ Consolidated Judicial Retirement System (CJRS) ▪ Disability Income Plan of North Carolina (DIPNC) ▪ Budget Recommendations for National Guard
(Attachment: State 2020 Alternatives) | <i>Patrick Kinlaw,
Director of Policy, Planning
& Compliance</i> |

LOCAL SYSTEM

(11:00 a.m. – 11:30 a.m.)

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| XII. | Actuarially Determined Employer Contribution (ADEC)
Projections for Local System
(Attachment: Local ADEC Projections) | <i>Larry Langer and
Jonathan Craven,
Cavanaugh Macdonald
Consulting LLC</i> |
| XIII. | Presentations on the 2020 Alternatives for the Local
Governmental Employees' Retirement System Board for: <ul style="list-style-type: none">▪ Local Governmental Employees' Retirement System (LGERS)▪ Firefighters' and Rescue Squad Workers' Pension Fund (FRSWPF)▪ Registers of Deeds' Supplemental Pension Fund (Attachment: Local 2020 Alternatives) | <i>Patrick Kinlaw,
Director of Policy, Planning
& Compliance</i> |
| XIV. | Court Cost Offset for Law Enforcement Officers
(Attachment: LEO Court Cost Offset) | <i>Thomas G. Causey,
Executive Director</i> |

STATE AND LOCAL – ESTABLISH RATES

(11:30 a.m. – noon)

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| XV. | Public comment – please sign in. | <i>Dale R. Folwell, CPA,
Chair</i> |
| XVI. | Setting of Employer Contribution Rates Effective July 1, 2020, and
Recommendations to the North Carolina General Assembly for: <ol style="list-style-type: none">1. TSERS Employer Contribution Rate
(Attachment: TSERS 2020 Alternatives)
ACTION REQUIRED: Decision by State Board2. LRS Employer Contribution Rate
(Attachment: TSERS 2020 Alternatives)
ACTION REQUIRED: Decision by State Board3. CJRS Employer Contribution Rate
(Attachment: TSERS 2020 Alternatives)
ACTION REQUIRED: Decision by State Board4. DIPNC Employer Contribution Rate
(Attachment: TSERS 2020 Alternatives)
ACTION REQUIRED: Decision by State Board5. National Guard Appropriation Recommendation
(Attachment: TSERS 2020 Alternatives) | <i>Dale R. Folwell, CPA,
Chair</i> |

ACTION REQUIRED: Decision by State Board

6. LGERS Employer Contribution Rate
(Attachment: LGERS 2020 Alternatives)
ACTION REQUIRED: Decision by Local Board
7. Firefighters' and Rescue Squad Workers' Pension Fund
Appropriation Recommendation
(Attachment: LGERS 2020 Alternatives)
ACTION REQUIRED: Decision by Local Board

BOARDS OF TRUSTEES COMMENTS

STAFF COMMENTS

APPENDIX

- 2019 NC Comprehensive Annual Financial Report
- Bona Fide Separation from Service Memorandum from Groom Law Group

DATES OF FUTURE MEETINGS

- Thursday, April 23, 2020 at 9:30 a.m. EST
- Thursday, July 30, 2020 at 9:30 a.m. EST
- Thursday, October 29, 2020 at 9:30 a.m. EST

ADJOURNMENT

(12:00 p.m.)

Agenda times are tentative, subject to change and are for Board use only. Questions relating to items on the Agenda should be addressed to the Department of State Treasurer, Retirement Systems Division by email at tsersboard@nctreasurer.com or lgersboard@nctreasurer.com.