

**TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM  
LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM**

**BOARD OF TRUSTEES MEETING**

**State Treasurer Janet Cowell, Chair**

**Thursday, October 23, 2014**

**9:30 AM**

*Department of State Treasurer*

*NC Museum of Natural Sciences*

*Nature Research Center*

*11 West Jones Street, 4<sup>th</sup> Floor*

*Raleigh, North Carolina*

**Agenda Item**

**Presenter**

**STATE & LOCAL**

(9:30 AM – 11:30 AM)

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| 1. | Call to Order  | <i>Janet Cowell, Chair</i>   |
| 2. | Ethics awareness and identification of conflicts or potential conflicts of interest  | <i>Janet Cowell, Chair</i>   |
| 3. | Adoption of Resolution of Appreciation for the Service of Chipp Bailey as a Member of the Local Governmental Employees' Retirement System Board of Trustees<br>(Attachment: Resolution)<br><b><u>ACTION REQUIRED: Adoption of Resolution</u></b> | <i>Janet Cowell, Chair</i>   |
| 4. | Review of Teachers' and State Employees' Retirement System Minutes from the July 17, 2014 Meeting<br>(Attachment: State Minutes)<br><b><u>ACTION REQUIRED: Approval of Minutes</u></b>   | <i>Janet Cowell, Chair</i>   |
| 5. | Review of Local Governmental Employees' Retirement System Minutes from the July 17, 2014 Meeting<br>(Attachment: Local Minutes)<br><b><u>ACTION REQUIRED: Approval of Minutes</u></b>  | <i>Janet Cowell, Chair</i>   |
| 6. | RSD Branding, Consumer Segmentation, and Implementation<br>(Attachment: SL 1)  | <i>Melissa Waller,<br/>Chief of Staff</i>                                  |
| 7. | Update on the Investment Advisory Committee Meetings   | <i>John Aneralla and<br/>Michael Mebane,<br/>Members of the<br/>Boards</i> |

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| 8.  | RSD Operations Update<br>(Attachment: SL 2)   | <i>Steve Toole,<br/>Director</i>                                  |
| 9.  | Retiree Supplemental Insurance Products Update<br>(Attachment: SL 2 continued)  | <i>Steve Toole,<br/>Director</i>                                  |
| 10. | 2014 & 2015 Legislative Sessions<br>(Attachment: SL 3)  | <i>Anthony Solari,<br/>Director,<br/>Government<br/>Relations</i> |
| 11. | Board Best Practices  | <i>Melissa Waller,<br/>Chief of Staff</i>                         |
| 12. | Update on the GASB Accounting Changes<br>(Attachment: SL 4)   | <i>Fran Lawrence,<br/>Chief Financial<br/>Officer</i>             |
| 13. | Presentation on Session Law 2014-88 that establishes an Anti-Pension-Spiking Contribution-Based Benefit Cap for members who retire on or after January 1, 2015<br>(Attachment: SL 5)  | <i>Steve Toole,<br/>Director</i>                                  |
| 14. | Adoption of factor(s) to be used to implement new Anti-Pension-Spiking Contribution-Based Benefit Cap as recommended by the Consulting Actuary<br>(Attachment: SL 5 continued)<br><b><u>ACTION REQUIRED: Vote on recommendation</u></b> | <i>Larry Langer and<br/>Michael Ribble,<br/>Buck Consultants</i>  |

## RECESS

(11: 30 AM – 12:15 PM)

## STATE SYSTEM

(12:15 PM – 1:30 PM)

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| 15. | Presentation by the Consulting Actuary on the Principal Results of Actuarial Valuations, as of December 31, 2013, by Buck Consultants for the Teachers' and State Employees' Retirement System (TSERS)<br>(Attachment: SS 1)<br><b><u>ACTION REQUIRED – Vote to accept report</u></b> | <i>Larry Langer and<br/>Michael Ribble,<br/>Buck Consultants</i>   |
| 16. | Presentation by the Consulting Actuary on the Principal Results of Actuarial Valuations, as of December 31, 2013, by Buck Consultants for the Consolidated Judicial Retirement System (CJRS)<br>(Attachment: SS 2)<br><b><u>ACTION REQUIRED – Vote to accept report</u></b>           | <i>Larry Langer and<br/>Michael Ribble,<br/>Buck Consultants</i>   |
| 17. | Presentation by the Consulting Actuary on the Principal Results of Actuarial Valuations, as of December 31, 2013, by Buck Consultants for the Legislative Retirement System (LRS)   | <i>Larry Langer &amp;<br/>Michael Ribble,<br/>Buck Consultants</i> |

(Attachment: SS 3)

**ACTION REQUIRED – Vote to Accept Report**

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| 18. | Presentation by the Consulting Actuary on the Principal Results of Actuarial Valuations, as of December 31, 2013, by Buck Consultants for the Disability Income Plan of North Carolina (DIPNC)<br>(Attachment: SS 4) | <i>Larry Langer and<br/>Michael Ribble,<br/>Buck Consultants</i> |
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**ACTION REQUIRED – Vote to accept report**

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| 19. | Presentation by the Consulting Actuary on the Principal Results of Actuarial Valuations, as of December 31, 2013, by Buck Consultants for the North Carolina National Guard<br>(Attachment: SS 5) | <i>Larry Langer and<br/>Michael Ribble,<br/>Buck Consultants</i> |
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**ACTION REQUIRED – Vote to accept report**

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| 20. | Board of Trustees' Implementation of legislative budget directive to provide for 403(b) Supplemental Retirement Plan startup cost from State System Qualified Excess Benefit Arrangement<br>(Attachment: SS 6) | <i>Steve Toole,<br/>Director</i> |
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**ACTION REQUIRED – Vote on recommendation**

**OTHER REPORTS**

(1:30 PM – 1:45PM)

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| 21. | Presentation by the Consulting Actuary on the Principal Results of Actuarial Valuations, as of December 31, 2013, by Buck Consultants for the Death Benefit Plan<br>(Attachment: OR 1) | <i>Larry Langer and<br/>Michael Ribble,<br/>Buck Consultants</i> |
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**ACTION REQUIRED – State & Local BOT vote to accept report**

**STATE SYSTEM ADJOURNMENT**

(1:45 PM)

**LOCAL SYSTEM**

(1:45 PM – 3:00 PM)

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| 22. | Presentation by the Consulting Actuary on the Principal Results of Actuarial Valuations, as of December 31, 2013, by Buck Consultants for the Local Governmental Employees' Retirement System (LGERs)<br>(Attachment: LS 1) | <i>Larry Langer and<br/>Michael Ribble,<br/>Buck Consultants</i> |
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**ACTION REQUIRED – Vote to accept report**

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| 23. | Presentation by the Consulting Actuary on the Stabilization of Employer Contribution Rates in the Local System<br>(Attachment: LS 2) | <i>Larry Langer and<br/>Michael Ribble,<br/>Buck Consultants</i> |
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| 24. | Presentation by the Consulting Actuary on the Principal Results of Actuarial Valuations, as of December 31, 2013, by Buck Consultants | <i>Larry Langer and<br/>Michael Ribble,</i> |
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for the Register of Deeds  
(Attachment: LS 3)

*Buck Consultants*

**ACTION REQUIRED – Vote to accept report**

25. Presentation by the Consulting Actuary on the Principal Results of Actuarial Valuations, as of December 31, 2013, by Buck Consultants for the Firefighters' and Rescue Squad Workers' Pension Fund  
(Attachment: LS 4)

*Larry Langer and  
Michael Ribble,  
Buck Consultants*

**ACTION REQUIRED – Vote to accept report**

26. Update on the Firefighters' and Rescue Squad Workers' Pension Fund Lapsed Member Data Audit Project  
(Attachment: LS 5)

*Larry Langer and  
Michael Ribble,  
Buck Consultants*

27. Applications of qualified political subdivisions of the State to become participating employers with the System

*Steve Toole,  
Director*

Avery County Fire Commission

(Attachment: LS 6)

**ACTION REQUIRED – Approval of New Local Employer**

**PUBLIC COMMENTS – Please sign in**

**APPENDIX**

- ❖ Board Member Roster
- ❖ Calendar of Upcoming Events
- ❖ Helpful Links

**DATE OF NEXT MEETING**

- ❖ Thursday, January 15, 2015 at 9:30 AM EST

**ADJOURNMENT**

(3:00 PM)

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](mailto:tsersboard@nctreasurer.com) or [lgersboard@nctreasurer.com](mailto:lgersboard@nctreasurer.com)