



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER



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

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

BOARDS OF TRUSTEES MEETING

State Treasurer Dale R. Folwell, CPA, Chair

Thursday, April 25, 2024

9:00 AM - 12:00 PM

Department of State Treasurer

Dogwood Conference Room

3200 Atlantic Avenue

Raleigh, NC 27604

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Agenda Item

Presenter

GENERAL BUSINESS

(9:00 AM – 10:30 AM)

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| I. | Call to Order | <i>Dale R. Folwell, CPA,
Chair</i> |
| II. | <p>Ethics Awareness and Identification of Conflicts or Potential Conflicts of Interest</p> <ul style="list-style-type: none">• Ethics Awareness and Identification of Conflicts or Potential Conflicts of Interest• Statement of Economic Interest• (Attachment: LGERS Cover Page w/SEI Evaluations)• (Attachment: TSERS Cover Page w/SEI Evaluations) | <i>Dale R. Folwell, CPA,
Chair</i> |

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| III. | Teachers' and State Employees' Retirement System Minutes from the January 25, 2024, Board of Trustees' Meeting
(Attachment: TSERS 1 25 24 Minutes)
ACTION REQUIRED: Approval of Minutes by State Board | <i>Dale R. Folwell, CPA,
Chair</i> |
| IV. | Local Governmental Employees' Retirement System Minutes from the January 25, 2024, Board of Trustees' Meeting
(Attachment: LGERS 1 25 24 Minutes)
ACTION REQUIRED: Approval of Minutes by Local Board | <i>Dale R. Folwell, CPA,
Chair</i> |
| V. | Operations, Member Services and Compliance Updates
(Attachment: Operations Update) | <i>Rick Lopez,
Director of Operations</i>

<i>Tonya Bass,
Director of
Member Services</i>

<i>Patrick Kinlaw,
Director of
Policy, Planning
& Compliance</i> |
| VI. | Update on the Investment Advisory Committee (IAC) Meetings | <i>Lentz Brewer,
IAC Member</i> |

LOCAL SYSTEM

(10:30 AM – 11:00 AM)

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| VII. | Applications of Qualified Political Subdivisions of the State to Become Participating Employers with the Local Governmental Employees' Retirement System
(Attachment: Summary of Local Unit Applications)
<ol style="list-style-type: none"> 1. Eastover Sanitary District 2. Swain County Tourism Development Authority ACTION REQUIRED: Approval by Local Board | <i>Patrick Kinlaw,
Director of
Policy, Planning
& Compliance</i> |
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STATE & LOCAL SYSTEMS

(11:00 AM – 11:30 AM)

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| VIII. | 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> |
| IX. | Inactive Employers – Reports under G.S. 135-5.5 and G.S. 128-23.1
(Attachment: Inactive Employers Annual Report to State & Local Board)
ACTION REQUIRED: Vote to accept report by State Board
ACTION REQUIRED: Vote to accept report by Local Board | <i>Patrick Kinlaw,
Director of
Policy, Planning
& Compliance</i> |

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| X. | <p>Presentation of Final Text of Administrative Rules regarding Session Law 2023-105 (House Bill 201) for Adoption (Attachment: Summary of Final Text of Administrative Rules concerning Session Law 2023-105)
 (Attachment: 20 NCAC 02B .0215 TSERS Overpayment Safe Harbor)
 (Attachment: 20 NCAC 02O .0104 Short-term Disability and Extended Short-term Disability Approvals)
 (Attachment: 20 NCAC 02O .0105 Short-term Disability Notification Date)
 (Attachment: 20 NCAC 02O .0106 Extended Short-term Disability Application Date)
 (Attachment: 20 NCAC 02C .0212 LGERS Overpayment Safe Harbor)
 ACTION REQUIRED: Approval and Adoption of Final Rule Text by State Board
 ACTION REQUIRED: Approval and Adoption of Final Rule Text by Local Board</p> | <p><i>Timothy M. Melton,
Assistant General
Counsel</i></p> |
| XI. | <p>Presentation of the Proposed Administrative Rules for Approval (Attachment: Summary of 2024 Administrative Rules Proposal)
 (Attachment: Proposal of Administrative Rule 20 NCAC 02C .0505 – LGERS Disability Retirement Reexamination Fiscal Impact Analysis and Rule Text)
 (Attachment: Proposal of Change to Administrative Rules 20 NCAC 02B .0401 and 20 NCAC 02C .0403 – TSERS and LGERS Refunds)
 (Attachment: Proposal of Administrative Rules 20 NCAC 02B .0216 and 20 NCAC 02C .0213 – TSERS and LGERS Inactive Employer Extension Request)
 ACTION REQUIRED: Approval of Proposed Rule Text from State Board
 ACTION REQUIRED: Approval of Proposed Rule Text from Local Board</p> | <p><i>Timothy M. Melton,
Assistant General
Counsel</i></p> <p><i>Taylor Matyi,
Policy Development
Analyst</i></p> |

OTHER

(11:30 AM – 12:00 PM)

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| XII. | PUBLIC COMMENTS | <p><i>Dale R. Folwell, CPA,
Chair</i></p> |
| XIII. | BOARDS OF TRUSTEES COMMENTS | <p><i>Dale R. Folwell, CPA,
Chair</i></p> |
| XIV. | ADJOURNMENT by LOCAL BOARD only | <p><i>Dale R. Folwell, CPA,
Chair</i></p> |
| XV. | <p>Executive Session (State Board members and required staff only)
 Approval of minutes from the July 27, 2023 executive session and consultation with legal counsel on Pension Spiking litigation matters, Hughes v. Board of Trustees Teachers' and State Employees' Retirement System, et al. and Talley v. Dale R. Folwell, et.al.
 Pursuant to N.C.G.S. §§ 143-318.11(a)(1), 143-318.11(a)(3), 135-6.1 and 128-33.1</p> | <p><i>Mary W. Scruggs,
Special Deputy
Attorney General</i></p> <p><i>Timothy M. Melton,
Assistant General
Counsel</i></p> |

ACTION REQUIRED: Vote to move into executive session from State Board

- XVI. Return to Open Session (State Board)
ACTION REQUIRED: Vote to move out of executive session and return to open session by State Board

*Dale R. Folwell, CPA,
Chair*

- XVII. STATE SYSTEM ADJOURNMENT (12:00 PM)

APPENDIX:

1. LGERS Employer Contribution Rates
2. Actuarial Review by GRS
3. Draft Investment Report
4. NCNGPF SCRSP Amended

UPCOMING MEETING SCHEDULE:

Thursday, July 25, 2024, at 9:00 AM EDT
Thursday, October 24, 2024, at 9:00 AM EDT

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.