

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

State Treasurer Janet Cowell, Chair

Thursday, January 15, 2015

9:30 a.m.

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

LOCATION:

NC Museum of Natural Sciences

Nature Research Center

11 West Jones Street, 4th Floor

Raleigh, North Carolina

Agenda Item

Presenter

STATE & LOCAL SYSTEMS

(9:30 a.m. – 10:30 a.m.)

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| I. | Call to Order | <i>Janet Cowell, Chair</i> |
| II. | Ethics Awareness and Identification of Conflicts or Potential Conflicts of Interest | <i>Janet Cowell, Chair</i> |
| III. | Introduction and the Swearing-in of Sheriff Carson H. Smith as a member of the Board of Trustees of the Local Governmental Employees' Retirement System | <i>Janet Cowell, Chair</i> |
| IV. | Teachers' and State Employees' Retirement System Minutes from the October 23, 2014, Meeting
(Attachment: State Minutes)
<u>ACTION REQUIRED: Approval of Minutes</u> | <i>Janet Cowell, Chair</i> |
| V. | Local Governmental Employees' Retirement System Minutes from the October 23, 2014, Meeting
(Attachment: Local Minutes)
<u>ACTION REQUIRED: Approval of Minutes</u> | <i>Janet Cowell, Chair</i> |
| VI. | Overview of Retirement Systems Division's (RSD's) Legislative Agenda for 2015 | <i>Anthony Solari, Director
Governmental Affairs</i> |
| VII. | RSD Operations & Retiree Supplemental Insurance Products Update
(Attachment: SL 1) | <i>Steve Toole, Director</i> |
| VIII. | 2014 Comprehensive Annual Financial Report
(Attachment: SL 2) | <i>Fran Lawrence,
Chief Financial Officer</i> |

- IX. Presentations on Audit Activity on the Retirement Systems:
- Report directed by the North Carolina Office of the State Auditor on the Statewide Financial Statement Audit Procedures in the Department of State Treasurer
 - Report directed by the North Carolina Office of the State Auditor on the Reliability of Pension Plan Participant Data in the Department of State Treasurer
 - Report directed by the North Carolina Office of the State Auditor and Cavanaugh Macdonald Consulting, LLC on an Actuarial Review of Accounting Disclosures for the North Carolina Retirement Systems
- (Attachment: SL 3)

Steve Toole, Director

- X. Increase in the amount of reemployment earnings before suspension of retirement allowance
(Attachment: SL 4)
ACTION REQUIRED: Approval of Increase

*Steve Toole,
Director*

STATE SYSTEM

(10:30 a.m. – 11:15 a.m.)

- XI. Annual Required Contribution (ARC) Projections for State System
(Attachment: SS 1)
- XII. Presentations on the 2015 Fiscal Year Alternatives for the General Assembly for:
- Teachers' and State Employees' Retirement System
 - Legislative Retirement System
 - Consolidated Judicial Retirement System
 - Disability Income Plan of North Carolina
 - Budget Recommendations for National Guard
- (Attachment: SS 2)

*Larry Langer & Michael
Ribble, Buck Consultants*

Steve Toole, Director

BREAK

(11:15 a.m. – 11:25 a.m.)

LOCAL SYSTEM

(11:25 a.m. – 12:00 p.m.)

- XIII. Annual Required Contribution (ARC) Projections for Local System
(Attachment: LS 1)
- XIV. Analysis of Stabilization of Employer Contribution Rates
(Attachment: LS 2)
- XV. Presentations on the 2015 Fiscal Year Alternatives for the General Assembly for:
- Local Governmental Employees' Retirement System
 - Firefighters' and Rescue Squad Workers' Pension Fund
- (Attachment: LS 3)

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Steve Toole, Director

XVI. Court Cost Offset for Law Enforcement Officers
(Attachment: LS 4)

Steve Toole, Director

XVII. Applications of qualified political subdivisions of the State to become participating employers with the System
(Attachment: LS 5)

Steve Toole, Director

Lexington Housing Authority

ACTION REQUIRED – Approval of New Local Employers

FISCAL YEAR ALTERNATIVES

(12:00 p.m. – 12:30 p.m.)

XVIII. Public comment by any association or organization that represents North Carolina public employees or retirees - please sign in.

Janet Cowell, Chair

XIX. Setting of 2015 Employer Contribution Rates and making recommendations to the North Carolina General Assembly for:

Steve Toole, Director

1. TSERS Employer Contribution Rate (State System)
2. LRS Employer Contribution Rate (State System)
3. CJRS Employer Contribution Rate (State System)
4. DIPNC Employer Contribution Rate (State System)
5. National Guard Appropriation Recommendation (State System)
6. LGERS Employer Contribution Rate (Local System)
7. Firefighters' and Rescue Squad Workers' Pension Fund Appropriation Recommendation (Local System)
8. Register of Deeds Benefit Increase (Local System)

(Refer to Attachments: SS 2 and LS 3)

ACTION REQUIRED: Decisions on State and Local Systems

APPENDIX

- ❖ Board Members
- ❖ Calendar of Board Meetings
- ❖ Helpful Links

DATE OF NEXT MEETING

- ❖ Thursday, April 16, 2015 at 9:30 a.m. EST

ADJOURNMENT

(12:30 p.m.)

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