



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

State Treasurer Dale R. Folwell, CPA, Chair

Thursday, January 25, 2018

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. – 11:00 a.m.)

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| I. | Call to Order | <i>Dale R. Folwell, CPA,
Chair</i> |
| II. | Ethics Awareness and Identification of Conflicts or Potential Conflicts of Interest | <i>Dale R. Folwell, CPA,
Chair</i> |
| III. | Teachers' and State Employees' Retirement System Minutes from the October 26, 2017, Meeting
(Attachment: State Minutes)
<u>ACTION REQUIRED: Approval of Minutes (State)</u> | <i>Dale R. Folwell, CPA,
Chair</i> |
| IV. | Special Meeting of the Teachers' and State Employees' Retirement System Minutes from the December 4, 2017 Meeting
(Attachment: Special State Minutes)
<u>ACTION REQUIRED: Approval of Minutes (State)</u> | <i>Dale R. Folwell, CPA,
Chair</i> |
| V. | Local Governmental Employees' Retirement System Minutes from the October 26, 2017, Meeting
(Attachment: Local Minutes)
<u>ACTION REQUIRED: Approval of Minutes (Local)</u> | <i>Dale R. Folwell, CPA,
Chair</i> |

- VI. Special Meeting of the Local Governmental Employees' Retirement System Minutes from the December 4, 2017 Meeting
(Attachment: Special Local Minutes)
ACTION REQUIRED: Approval of Minutes (Local) Dale R. Folwell, CPA,
Chair
- VII. RSD Operations Update
(Attachment: Operations Update) RSD Deputy Directors
- VIII. Update on the Investment Advisory Committee (IAC) Meetings Lentz Brewer and Greg
Patterson, IAC
Members
- IX. Legislative Enactment Implementation Arrangement (LEIA)
(Attachment: LEIA) Steve Toole, RSD
Executive Director
- X. Decennial Rules Review Final Report
(Attachment: Decennial Rules Report)
ACTION REQUIRED: Approval of Decennial Rules Review Final Report (State) Christina Strickland,
RSD General Counsel
ACTION REQUIRED: Approval of Decennial Rules Review Final Report (Local)
- XI. Increase in the Amount of Reemployment Earnings Before Suspension of Retirement Allowance
(Attachment: Reemployment Earnings)
ACTION REQUIRED: Approval of Increase Steve Toole,
Executive Director

STATE SYSTEM

(11:00 a.m. – Noon)

- XII. Actuarially Determined Employer Contribution (ADEC) Projections for State System
(Attachment: SS 1) Michael Ribble and
David Driscoll,
Conduent
- XIII. Presentations on the 2018 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) Steve Toole,
Executive Director
- XIV. Working Lunch/Closed Session (Tryon Conference Room) Pursuant to N.C.G.S. §143-318.11(a)(3)
ACTION REQUIRED: Vote to close the meeting pursuant to N.C.G.S. §143-318.11(a)(3) to consult with legal counsel regarding pending litigation involving the Johnston, Wilkes, Union and Cabarrus Boards of Education (State Board) Jody Newsome, NC
DOJ, Special Deputy
Attorney General
ACTION REQUIRED: Vote to reopen meeting

LOCAL SYSTEM

(Noon – 1:00 p.m.)

- XV. Actuarially Determined Employer Contribution (ADEC) Projections for Local System
(Attachment: LS 1) *Michael Ribble and
David Driscoll,
Conduent*

- XVI. Presentations on the 2018 Fiscal Year Alternatives for the Local Governmental Employees’ Retirement System Board for:
 - Local Governmental Employees’ Retirement System
 - Firefighters’ and Rescue Squad Workers’ Pension Fund
 - Register of Deeds’ Supplemental Pension Fund
 (Attachment: LS 2) *Steve Toole,
Executive Director*

- XVII. Court Cost Offset for Law Enforcement Officers
(Attachment: LS 3) *Steve Toole,
Executive Director*

- XVIII. Application of qualified political subdivision of the State to become participating employer with the System
(Attachment: LS 4) *Steve Toole,
Executive Director*

Town of Micro
Valdese ABC Board

ACTION REQUIRED – Approval of New Local Employer

STATE AND LOCAL – ESTABLISH RATES/DESIGNATE AN ACTUARY

(1:00 p.m. – 2:00 p.m.)

- XIX. Public comment – please sign in. *Dale R. Folwell, CPA
Chair*

- XX. Setting of 2018 Employer Contribution Rates and making recommendations to the North Carolina General Assembly for:
 - 1. TSERS Employer Contribution Rate (**State**)
(Attachment: SS 2)
ACTION REQUIRED – Decision on TSERS

 - 2. LRS Employer Contribution Rate (**State**)
(Attachment: SS 2)
ACTION REQUIRED – Decision on LRS

 - 3. CJRS Employer Contribution Rate (State)
(Attachment: SS 2)
ACTION REQUIRED – Decision on CJRS

 - 4. DIPNC Employer Contribution Rate (**State**)
(Attachment: SS 2)

ACTION REQUIRED – Decision on DIPNC

5. National Guard Appropriation Recommendation (**State**)
(Attachment: SS 2)

ACTION REQUIRED – Decision on National Guard

6. LGERS Employer Contribution Rate (**Local**)
(Attachment: LS 2)

ACTION REQUIRED – Decision on LGERS

7. Firefighters' and Rescue Squad Workers' Pension Fund
Appropriation Recommendation (**Local**)
(Attachment: LS 2)

ACTION REQUIRED – Decision on Fire and Rescue

8. Register of Deeds' Supplemental Pension Fund
Appropriation Recommendation (**Local**)
(Attachment: LS 2)

ACTION REQUIRED – Decision on Register of Deeds

- XXI. Pursuant to NCGS §§ 135-6 (l) and 128-28(m), the TSERS Board and the LGERS Board shall designate an actuary who shall be the technical advisor of the Board

*Steve Toole,
Executive Director*

ACTION REQUIRED – Approve the designation of the Boards' Actuary for TSERS

ACTION REQUIRED – Approve the designation of the Boards' Actuary for LGERS

BOARDS OF TRUSTEES COMMENTS

STAFF COMMENTS

APPENDIX

- 2017 NC Comprehensive Annual Financial Report
- Charter School Financial Review
- Board Members

DATES OF FUTURE MEETINGS

- Thursday, April 26, 2018 at 9:30 a.m. EST
- Thursday, July 26, 2018 at 9:30 a.m. EST
- Thursday, October 25, 2018 at 9:30 a.m. EST

ADJOURNMENT

(2:00 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.