Call to Order

Approval of Record of Proceedings of February 8, 2019

NASRA comparative plan data. Presenter: Dan Slack

Statewide Defined Benefit Plan supplemental study requests. Presenter: Dana Woolfrey, GRS Consulting

Deliberation regarding the Statewide Defined Benefit Plan

Statewide Death & Disability Plan. Presenters: Dana Woolfrey; Patti Seno

Adjournment
Call to Order

At 7:45 a.m., Co-chair Bower called the meeting to order and welcomed the task force. Introductions were made.

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Mr. Wheeler moved to approve the record of proceedings as amended to correct the attendance to include Kerry George. Co-Chair Feely seconded the motion. The motion passed.

NASRA comparative plan data

Mr. Slack provided highlights from the 2018 NCPERS Public Retirement Systems Study and encouraged the task force members to review the study. Mr. Slack noted that of the plans surveyed, more non-Social Security plans offer a guaranteed COLA than plans that participate in Social Security.

At 7:56 a.m., Mr. Bommer joined the meeting

Statewide Defined Benefit Plan supplemental study requests

At 8:04 a.m., Ms. Woolfrey presented the Statewide Defined Benefit Plan (SWDB
Plan) projections requested by staff and task force members. A combination of benefit and contribution changes were requested in the scenarios, including a hybrid approach and increase in the DROP period. Ms. Woolfrey stressed that projections are based on assumed investment returns.

At 9:03 a.m., Co-chair Bower called for a break.

At 9:23 a.m., the meeting reconvened. Mr. Cooley joined the meeting. Ms. Woolfrey continued with her presentation.

**Deliberation regarding the Statewide Defined Benefit Plan**

At 9:33 a.m., the task force discussed the projections and areas of concern.

At 9:41 a.m., Mr. Sutherland joined the meeting.

At 9:45 a.m., Chief Watkins disconnected.

Concerns of possibly heading into a recession, the competing need for additional funds to address the underfunded status of the Statewide Death and Disability Plan (SWD&D Plan), the disparity of benefits of a possible tiered benefit system, and the lack of excess funds for additional contributions in the employer’s budget were expressed during the discussion.

Mr. Lindahl noted that, unlike most other similar systems, FPPA’s defined benefit plan does not fund the death and disability plan.

The task force discussed whether moving SWDB Plan benefits to the SWD&D Plan benefits was possible when a member begins receiving SWD&D benefits and also how that would impact the SWDB plan. However, not all participants of the SWD&D Plan participate in the SWDB Plan.

The task force discussed possible solutions and will provide requested projections to GRS for the next meeting.

At 10:20 a.m., Messrs. Bower and Bommer left the meeting.

**Statewide Death & Disability Plan**

Ms. Woolfrey proceeded to where she left off during the February 8 task force meeting on her presentation on SWD&D Plan Funding Issues and then, also, presented SWD&D Funding Solutions.

The task force discussed possible solutions and concerns and the need for additional analysis.

Ms. Woolfrey noted that a lump sum payment into the SWD&D Plan would help today’s population of actives and retirees but would not fund the plan forever.
At 10:57 a.m., Mr. Slack left the meeting.

Ms. Seno provided SWD&D Plan statistics and also noted that changing the normal retirement age, as discussed, would affect the other FPPA plans.

Task force members discussed various SWD&D and SWDB Plan scenarios.

Ms. Wachter left the meeting.

At 11:13 a.m., Ms. Feely declared the meeting adjourned.

The machine recording the task force malfunctioned so no recording is available.