

NCRGEA 2020 Candidate Forum

Message from the Executive Director

For many of us, the decisions we make on November 3 will feel among the most important of our lives. As we continue a year packed with pandemic, financial, natural, and cultural disasters and chaos, we're now arriving at the pinnacle of this unsettling era: the 2020 General Election.

Wanting to contribute to the greater narrative and remove ourselves from the vitriol, your association is offering two opportunities for you to get to know candidates for the offices of governor, lieutenant governor and state treasurer. We chose these races because of how important the work of these offices are to our members.

The governor is the highest elected office in the state and for nearly six months, the governor has been on the front lines in the battle against COVID 19 through these uncertain times, bringing to the forefront the huge responsibility the office of governor carries to meet our critical needs. The lieutenant governor presides over the state senate. While this role may appear superficially benign, it could pave a run to the governor's mansion in 2024. Also, if the lieutenant governor and senate are of differing political parties, there could be parliamentary political theater to come.

But perhaps the most important elected position for our association is that of state treasurer. As you know, he oversees both North Carolina Retirement Systems' and also the State Health Plan.

Incumbent Dale Folwell has weathered the nasty storm of 2020. Pension values remain solvent, and he has been highly vigilant of the potential consequences on the pension systems because of the pandemic, civic unrest and market volatility. He has saved the state more than \$320,000,000 in brokerage fees and has closed many gaps where fraud and other nefarious acts could occur. Folwell is a certified public accountant who served four terms in the North Carolina House of Representatives prior to becoming treasurer.

Challenger Ronnie Chatterji views the Office of the State Treasurer through a



different lens, one embracing socially responsible investment strategies. Chatterji believes that the treasurer's office can be used to create exponential benefits such as improving the environment and increasing equity among North Carolinians. Chatterji is a professor of business and public policy at Duke University and a former senior advisor to President Barack Obama.

Your first chance to get to know these candidates better is inside this very issue. We hope you will find the dialogue with these candidates to be helpful in you deciding your vote. We have also included some guidelines on voting in 2020.

We are excited to share the next opportunity to get to know these candidates better. During the first two weeks of October, we are having webinar/teleconference candidate forums with each candidate. These forums are to provide candidates the opportunity to introduce themselves and discuss their platform and achievements, through a slate of questions that you, the members, submit.

At press time, forum dates were set but not confirmed, so visit our website at <https://www.ncrgea.com> to sign up and jot the dates on your calendars.

We wish you a great start to fall, safety and health as we hopefully begin to rebuild all our lives and all that was lost during the year.

2020 Election Update!

In October, NCRGEA will host a series of online candidate forums for you to “meet” candidates for governor, lieutenant governor and state treasurer. Visit <https://www.ncrgea.com> for dates and how to sign up.

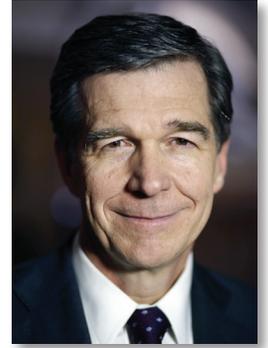
While at the website, please sign up to receive email updates and other important information.

Not able to reach the website? Call us at (800) 356-1190 or (919) 834-4652.

Candidates for Governor

Roy Cooper

Governor Roy Cooper is North Carolina's 75th governor. After earning a law degree from UNC-Chapel Hill, he went to practice law in Nash County. Cooper entered politics by running for and being elected to the NC House in 1986, moved up to the Senate in 1991, and then became Attorney General in 2000. His platform includes expanding access to Medicaid, increased funding for public schools, and tasking a Reentry Access Plan for those transitioning from a life behind bars. He is seeking a second term against current Lt. Governor Dan Forest.



Dan Forest

Lieutenant Governor Dan Forest is the 34th Lieutenant Governor of North Carolina and is running for governor of North Carolina. Forest graduated from UNC-Charlotte with two degrees from the College of Architecture. He served as president and partner of Little Diversified Architectural Consulting. Forest supports eliminating the state income tax in favor of replacing it with a tax based on consumption. As a voting member of the State Board of Education, Forest has expressed support for a school voucher program for all, regardless of income. Currently on his second term as Lt. Governor, Forest is challenging Governor Roy Cooper for Cooper's office this November.



Legacy—the Future

We often talk about the importance of leaving a legacy. As governor, what do you envision your legacy will be?

Roy Cooper: I'm not that concerned about a personal legacy as I am accomplishing my mission. I want a North Carolina where people are better educated, healthier and have more money in their pockets so people can live lives of purpose and abundance. Having been a public employee for over 30 years, I know how important it is to have great public employees to help accomplish that mission.

When I first became Governor, I organized the repeal of the discriminatory legislation known as HB2 that was hurting our people, our state and our economy. At the time, I described HB2 as “a dark cloud hanging over our great state.” It stained our reputation, discriminated against our people and caused great economic harm in many of our communities.

Fortunately, since then, we’ve worked to get North Carolina back on the right track. As Governor, I’ve fought for good-paying jobs, strong public schools, access to quality, affordable health care, and a more prosperous North Carolina.

During this pandemic, I will continue to make the tough decisions based on science and data while putting the health and safety of North Carolinians first. We are slowing the spread of the virus while helping the unemployed, our schools and teachers and our small businesses.

We have made progress, but there’s more work to do. I am committed to getting us through this pandemic, as well as rebuilding North Carolina even stronger than before.

Dan Forest: When people ask me what I’d like to be known for, I tell them that I’d like to be known as the Innovation Governor.

The world is getting smaller, but competition is getting bigger. Every state in America and every country in the world are competing for the same jobs.

North Carolina must compete. We need a new vision, a thoughtful plan, and the right team to lead us into the future.

But in the short term, I will be the Governor that replaced fear with hope in the midst of the current COVID crisis. Instead of being paralyzed with fear, we will act like Americans have always done: Figuring out how to move forward and overcome all challenges, not being paralyzed by fear.

Cost of Living Adjustment—Pensions

Over the last 12 years, retirees have received little in the way of cost of living adjustments. They need these adjustments now more than ever. What have you done to address this need and what are you willing to do to address it going forward?

Roy Cooper: As Governor, I have consistently put forward a cost of living adjustment for retirees. Last year, I proposed a cost-of-living adjustment of 2% for state employee retirees in my compromise budget compared to the 1% increase offered by the leadership in the General Assembly. I will continue to

fight for meaningful cost of living adjustments as well as working to maintain the state's full contribution to the retirement system to help keep it strong. One way to have the money to provide cost of living adjustments is to stop the legislature's sweeping tax cuts and tax breaks for the wealthy that deplete state funds.

What initiatives or goals will you have to help retirees reverse declining pension value and receive needed pension adjustments? As Governor, what will you do to address this need, and if the money is not there, how will you handle it?

Dan Forest: It is important to make good on the promises that we have made to our state employees, including those who are retired. Treasurer Folwell has done a great job managing the state retirement system, and that's especially evident when so many other states' financial funds took a much larger hit during the initial stages of the COVID-19 crisis.

The goal is, of course, for the fund to grow through investment to help meet cash-flow requirements, and usually the employer and state government contributions do so. In those years when the funding might not be where it needs to be, I will work with the Treasurer and the General Assembly to do whatever needs to be done, in whatever creative way, to make sure that our promises are fulfilled.

COVID

With the benefit of hindsight, are there things you would have done differently in managing the pandemic, protests, and riots? What would you have not done differently?

Roy Cooper: I've learned that you rely on science and data, particularly when you are in uncharted waters like a pandemic. I've learned that North Carolinians show up for one another when times are tough. I've witnessed people come together in so many inspiring ways. I've learned facts are more effective than political bravado, but this pandemic is not over. We have to continue to show up for each other by practicing the three W's: Wear a face covering when in public, Wait 6 feet apart, Wash your hands.

I will continue to make decisions based on science and data while putting the health and safety of North Carolinians first. No decision is easy, but science and data must lead the way on every one.

I've dealt with a lot of crises as Governor. What I try to do every day is listen to the health experts, the economic experts and the quality people I've chosen to have around me and get it right. If at any point there are adjustments to be made, I'm not afraid to do that either. Right now, we need measured and strong leaders who can hear everybody and who can be peacemakers in this state and this country, because our state and our country need healing. I've done my best to be that leader and will continue to in my next term.

Would you have handled our state's response to the pandemic, protests and riots the same as Gov. Cooper? If not, what would you have done differently?

Dan Forest: With more than half our state's COVID deaths occurring in nursing homes and similar congregate-care facilities, we've learned a tragic lesson on what happens if the state does not move swiftly to protect the most vulnerable. As Governor, I will immediately fix the critical situation that continues to put our seniors at risk.

We've also learned as a state that the rule of law becomes even more important during a time of crisis. I will cease the current administration's poll-driven coronavirus response and implement policies that are proven to keep people safe, within the state and U.S. constitutions, while freeing the rest of the state to get back to their lives.

Candidates for North Carolina State Treasurer

Dale Folwell

A graduate from UNC-Greensboro, Folwell is a certified public accountant and has worked as an investment advisor for Deutsche Bank. Treasurer Folwell is responsible for the seven retirement systems serving North Carolina's public sector retirees. He also oversees the State Health Plan, which provides medical benefits to current and retired public servants. North Carolina's retirement systems are among the best-funded pension plans in the country, and is one of the largest pension systems both in the United States and in the entire world, where it ranks as the 26th largest. Before his time as Treasurer, Folwell spent four terms in the NC House of Representatives.



Ronnie Chatterji

Ronnie Chatterji is a professor at Duke University for the Fuqua School of Business and Sanford School of Public Policy. He previously served as an economic adviser during the Obama administration. Chatterji serves on the NC First Commission, which is a bipartisan group tasked to deal with long-term strategies involving transportation investments in North Carolina. Receiving his undergraduate degree in economics from Cornell University and a Ph.D. from the University of California at Berkeley, Chatterji has received multiple teaching awards and recognitions, including being named as a "Top 40 Under 40" business school professor by Poets and Quants.



Pension Protection

Pensions throughout the country are in crisis, even before the pandemic and economic shutdown. What has your administration done to protect the value of our pension systems?

Dale Folwell: We have been loyal to those who teach, protect, and otherwise serve. Moody's just designated our plan number one in the country in terms of our ability to stay funded during an economic downturn, and we are proud to have earned this distinction.

The pension value is determined by employee/employer contributions and

after-expense profits from investments. In the last four years, we eliminated \$350 million in investment fees. That is \$350 million more that goes to retirees and not to middlemen.

We have asked for and received the full annual required contributions from the funders, the N.C. General Assembly and local governments. Furthermore, we have pursued or prosecuted any individual or group who either has not paid their bill or has received benefits they did not earn.

Our office and our management of the state pension systems of North Carolina have been completely transparent, both with stakeholder groups like NCRGEA and with anyone else. We believe in disclosure up front, instead of discovery. After all, it's your money.

Our policies have resulted in the pension plan increasing in value by \$18 billion dollars **after** paying out nearly \$23 billion in gross benefits.

If elected treasurer, what will your administration do to prepare and safeguard our state's public assets in the event another major crisis, such as another pandemic, should occur?

Ronnie Chatterji: We need a new approach in the Department of State Treasurer. It begins with an investment strategy that is based on best practices and teamwork. When elected, I will hire a permanent Chief Investment Officer and replace the employees who have recently departed to ensure that the Treasurer has the best possible team to manage our pension fund. Second, I will initiate a comprehensive review of our asset allocation and estimate the negative impact of the Treasurer's decision to hold billions of dollars in cash. Third, I will task my staff with incorporating environmental, social, and corporate governance concerns into our investment strategy. These steps will safeguard our assets for future crises and provide our state with a solid foundation to prosper during an economic recovery.

We must also shore up our healthcare system, by expanding Medicaid and avoiding further self-inflicted crises over access to healthcare for our state employees and retirees.

If COVID-19 does long-term damage to the economy and the level of unfunded liabilities in the pension system increases, would you be willing to consider reforms such as increased employer/employee contribution rates, or even changing the model from defined-benefit to defined-contribution?

Dale Folwell: I am committed to preserving and strengthening the plan in the form it has maintained for decades, and sustaining it for the next generation of public service workers.

That does not involve changing to a defined contribution plan. There are other, better ways to make our pension plan even stronger than it is now. I would like to create enough funding to do a small employer match to the 401/403/457 plans to increase the participation levels of state employees.

I have **never** thought of increasing employee contribution rates and have been advocating/receiving massive employer contribution rates for the last three years.

Fully funding the pension plan does not just help retired governmental employees. It also helps us maintain the state's coveted triple AAA bond rating.

Ronnie Chatterji: I will use my expertise as an economist to estimate the impact of COVID-19 on the North Carolina Retirement Systems. Once we understand the extent of the damage, we need to be innovative in crafting solutions to shore up our financial position. However, I would not advocate the shift from a defined benefit to a defined contribution plan. Our state employees and retirees have worked too hard for our leaders to break this promise to them. I will also not undertake steps that put disproportionate burdens on our state employees and retirees, who are not responsible for this economic downturn or the inadequate response from Washington D.C.

People as a Priority

What steps are you willing to take to insure not only that local and state government retirees can receive regular cost of living adjustments, but atone for nearly 18 percent in lost pension value since 2008?

Dale Folwell: The Treasurer is not able to make COLA recommendations absent statutory investment gains. The plan has not earned its assumed rate of return on average in 22 years. This isn't political, it's mathematical.

This is the reason for the lack of COLAs. Any answer to the contrary is emotional pandering to those that teach, protect or otherwise serve our state and communities.

Absent a significant economic turnaround which leads to the plan's investment portfolio making gains beyond assumed returns, any COLA will have to

come from an act of the General Assembly which provides funding for it.

Ronnie Chatterji: We need a fresh start at the Department of State Treasurer to make up these losses. We lack a permanent Chief Investment Officer and we are not following a coherent investment policy. Without the right team and the right strategy, our pension fund will not live up to the promise we make to our retirees and current employees.

We must hire a permanent Chief Investment Officer and set an investment strategy that is aligned with international best practices. That is what North Carolina's employees and retirees deserve. Once in place, we can create the value to make up the billions of dollars in lost value over the previous few years and provide the COLAs that our retirees deserve. In the next response, I discuss how I will fight for COLAs specifically.

I will also set an example by providing the employees of the Department of State Treasurer paid family leave. I hope this will inspire our General Assembly to take up this issue and expand this to everyone in our state. Putting people first isn't a slogan. The State Treasurer has the power to deliver for people in his own office and across the state.

Relief for Local Retirees

North Carolina has assumed a 7 percent return on investments for many years, and this goal has rarely been met, resulting in the pension fund declining from 111 percent capitalized to about 90 percent, over the last 19 years. How will you reverse this trend?

Dale Folwell: It is commonly known that this plan is facing tremendous headwinds. The plan has spent the last 20 years trying to recover from the economic fallout of 9/11 and the Great Recession. The plan was never designed for near zero interest rates, earlier retirements, higher Wall St. fees and longer life expectancies.

Of course, we are glad people are living longer and feel they can retire at a younger age, even if that creates a challenge for us. We are taking every lawful and ethical step to preserve the value of your pensions against the effects of investment fees; as I previously mentioned, we have eliminated \$350 million of such fees that would have otherwise gone to someone other than our retirees. An increase in interest rates will require that the national economy be stronger, but we are always vigilant in looking for risk-minimal investment opportunities

that can increase the value of our pension fund.

What I am **not** willing to do is take any steps that violate the law or otherwise jeopardize the funded levels for this or the next generation of public service workers.

Local government retirees have only seen a less than 1 percent adjustment in the past decade. What have or will you do to provide relief for local government retirees? How do you propose to have local and state government retirees retain pension value equitably?

Ronnie Chatterji: I will be a strong advocate for cost of living adjustments to our General Assembly. It has been too long since our retirees have received a COLA and I believe that a strong ally in the Department of State Treasurer can make a difference. I plan to make my case using data from other states and evidence on the impact that a cost of living increase could have on our state economy. I plan to make this presentation to not only our legislators, but to leaders all across the state to create strong support for this step. We need evidence, energy and engagement to get this done for our retirees.

Candidates for Lieutenant Governor

Yvonne Lewis Holley

Yvonne Lewis Holley is a Raleigh native and daughter of radio personality J.D. Lewis. She was one of the first minority students following desegregation at Enloe High School in Raleigh. Graduating from Howard University with a Bachelor's in Political Science & Government, Holley has previously worked for the Department of Administration, Division of Purchase & Contract, and as a Procurement & Contract Specialist before working as a state legislator. Holley is a supporter of safe and legal abortion as a women's healthcare issue, an advocate for education, and prison reform that includes improving re-entry programs.



Mark Robinson

Mark Robinson is a former factory worker, Army Reserve medical specialist, and former business owner from Greensboro. He describes his life as a "perfect example of the American Dream." In his younger years, he experienced extreme poverty, and has based his platform around ideas that he believes will help foster growth and success for those experiencing poverty today. He is running on a business-friendly, pro-life platform. He is of the opinion that reducing taxes will allow business owners to invest in their communities and hire more workers. The ninth of 10 children, Robinson is pro-life, and believes that all children are worthy and deserving of life. He is running against Yvonne Lewis Holley for the position of Lieutenant Governor.



Activism

You both have championed activist causes. How has your activist work prepared you to serve on the Council of State as Lieutenant Governor?

Yvonne Lewis Holley: My life of political activism came from my upbringing within the civil rights generation. I learned from an early age that a community's power does not come from an individual, but from the collective members focusing on implementing real solutions. These values taught me the importance of bringing people and communities together, because the problems facing our state are not just limited to one person or one community they are

spread across the state of North Carolina.

In order to be a successful Lt. Gov we have to focus on the collective good, and how we can improve the life of every North Carolinian. We need to work with every community to come up with common sense solutions to our modern-day problems.

Mark Robinson: My activist work has prepared me in several different ways, but perhaps the most important is that because of my grass roots efforts I have seen the struggles of North Carolinians. Not only have I seen them, I have lived through them: poverty, an abusive childhood, bankruptcy, and small business ownership are all things I have experienced in my life.

Both the challenges and successes I have had in my life had made me a grass roots champion for the people of North Carolina. I'm not someone who is a career politician, and I think that's a positive thing. We need individuals who will fight not for their self-interests, but for the people of North Carolina. Servants that will stand boldly to fight for the values of our state, not for what's politically expedient. I will always stand firm on my values and work for the people of our great state.

Vision, Priorities

If elected, what are your priorities as lieutenant governor?

Yvonne Lewis Holley: My first priority is to restore the professionalism and decorum to the office of Lt. Gov. I do not believe this office should be seen as a "steppingstone" for someone to run for a higher office. Whoever assumes this office next year must come into the office with an agenda that can help North Carolina families, and I have done that with my "Affordable Living Initiative" (ALI).

My ALI program focuses on rebuilding the safety net our families need, specifically in the areas of:

- Workforce Development
- Transportation
- Education
- Food Security

Mark Robinson: As Lt. Governor my priorities will be:

- Protecting the life of the born and unborn

- Defending our 2nd Amendment
- Promoting school choice and opportunity scholarships
- Standing up for our law enforcement
- Making North Carolina the gold standard for veterans care
- Fighting for common sense legislation like Voter ID

Pension Value/Quality of Life

If elected, what would you do to ensure that retirees receive needed cost of living adjustments?

Yvonne Lewis Holley: As a retired state employee, I know how important pensions are and I understand the anxieties when elected officials play politics with them. I will always support retirees and will work my hardest to push legislation that ensures state employees receive the needed cost of living raises. If a vote comes up in Senate, I will be the deciding vote for all retirees.

Mark Robinson: I would work to ensure that state resources were allocated properly, and that waste and unnecessary costs were reduced. To do this, I would prioritize transparency in all operations surrounding our state pension plans, and thwart policies that would create unexpected costs for them- especially when it came to healthcare.

I would advocate that our retirees who paid into pensions were not given undue and unexpected burdens from no cause of their own, including restructuring of pension plans that would be harmful for retirees. I would stand against policies that would jeopardize their ability to provide for themselves and leave them in a situation where they could not afford necessities. I would promote efficiency in all processes affecting our retirees so that resources were used more efficiently, allowing more resources to become available rather than being wasted.

2020 Voter How-to Guide

North Carolina is ahead of the game when it comes to getting ready for the November 3 General Election in the face of the COVID-19 pandemic. State and local officials have already put several provisions in place for online voter registration, securely voting by mail, and the early one-stop voting that has existed here for many years.

Online and by-mail voter registration—changes for 2020 due to COVID

Eligible voters with a valid North Carolina driver's license or DMV-issued identification card may register to vote, update their voter registration address, or update their party affiliation by simply going online. Visiting a DMV office is not necessary, and there is no charge for these services. However, you must register or make any changes at least 25 days before the election. After that date, applications cannot be processed until after the election. As an alternative, you may still register to vote in person using same-day registration in your county during the early voting period.

You may also register by mail to vote. Download and print the form at <https://www.ncsbe.gov/Voters/Registering-to-Vote> and mail it to your local Board of Elections office, whose address is provided on the application.

Voting by mail—here's what you need to do

If you're already registered to vote and wish to vote by mail, you may do so without needing any reason for not voting in person. Most people will be able to secure a mail-in absentee ballot by simply going online and requesting it. The rules for voting by mail are as follows:

- To receive a mail-in absentee ballot for an election, a voter or the voter's near relative (spouse, brother, sister, parent, grandparent, child, grandchild, mother-in-law, father-in-law, daughter-in-law, son-in-law, stepparent, or stepchild) or legal guardian, or any member of a multi-partisan assistance team (MAT) authorized to assist voters, must first use the State Absentee Ballot Request Form to request the ballot.
- Voters who are blind or disabled, or who cannot read or write may receive assistance in completing the request form. Effective July 1 for the 2020 general election, any member of a multi-partisan assistance team, or MAT team, may assist any voter in completing a State Absentee Ballot Request Form. MAT team members may also deliver a completed request form to the county board of elections and serve as a witness for the casting of an

absentee ballot. If the assistance is provided by someone other than a near relative or legal guardian, that person's name and address must be listed on the State Absentee Ballot Request Form.

The request for a ballot may be emailed, faxed or hand-delivered to the voter's county board of elections by the voter, near relative or legal guardian, or a member of a MAT team. The deadline is 5 p.m. on the Tuesday before the date of the election, or October 27 in this year.

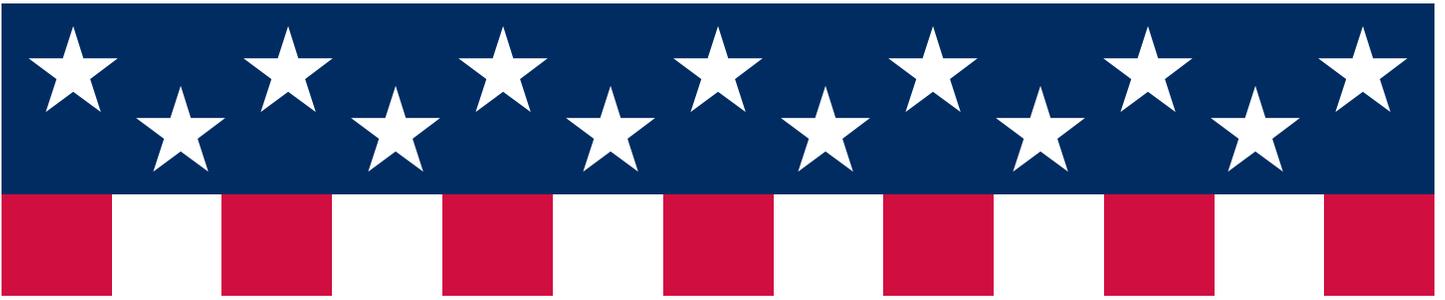
State law requires that mail-in ballots and instructions for them be ready for distribution 60 days prior to the election (Sept. 4 in 2020). They will be sent out to all voters who requested them in a timely manner following that date, or after having requested them prior to the Oct. 27 deadline.

One-stop early voting in person—begins Oct. 15

For those who wish to vote in person but do it using a one-stop early voting polling place, many North Carolina counties have already announced their schedules for early voting. The earliest date for one-stop voting is Thursday, Oct. 15, and early voting will be offered through Saturday, Oct. 31. Many polling places will be open every day of that period, but some will be closed on Sundays.

The State Board of Elections website is updating its list of early-voting sites in all 100 counties at <https://www.ncsbe.gov/Voting-Options/One-Stop-Early-Voting>, but you might also check with your own county's Board of Elections.

Regardless of how you choose to vote, a photo ID is not required. Although voters in North Carolina approved a change to the state Constitution in 2018 to require a photo ID, the amendment has been caught up in a court challenge and will not be enforced until it is upheld by the courts. Those who vote by mail will need the signature of one witness to their marking the ballot. The requirement used to be two witnesses, but the number was lowered to one by a vote of the General Assembly to facilitate voting during the COVID pandemic.



Election Day is Tuesday, November 3

Early Voting begins on October 15

Let your voice be heard!

