

What is your current discount rate?

Our current discount rate is 7.0%

Can you provide a copy of a recent investment performance report?

See the September report on the FRS Homepage.

Can you provide a copy of your current Investment Policy Statement?

See our full Investment Policy on the FRS Homepage.

When was the latest asset/liability study conducted? Can you provide a copy of that study?

The last asset liability study was performed August 10, 2016. See the study on the FRS Homepage..

What changes are currently under consideration by the Board (e.g., changes to asset allocation, implementation structure, strategy, etc.)?

The board has been considering an adjustment to its allocation in hedge funds for about a year. One of our two fund of funds is in the process of redeeming. The board will be deciding where to invest those funds and whether or not to stay invested in hedge funds.

Under the current investment consulting contract, are any tasks or services priced on a project basis, separate from the annual retainer?

Currently, the annual retainer takes into account all services.

How many in-person meetings can be expected of the consultant per year? Can you provide a schedule (or preliminary schedule) of the meetings for the upcoming year?

The consultant is expected to attend all monthly board meetings during the year. On occasion, like during valuation and audit review the board does excuse the consultant. The board schedules meeting from two to three months in advance. We currently have meetings scheduled for January 8th and February 5th.

What are the annual fees for the existing contract that the Board is paying to its current consultant and what are the services they provide for fees received?

Fees for the fiscal year ending September 30, 2018 were \$177,144. The yearly retainer covered:

- Investment Education Seminars and Perspective
- Investment Policy Development/Review/Revision
- Asset Allocation/Asset-Liability Modeling/Rebalancing
- Full Investment Manager Review and Search/Selection
- Quarterly Investment Performance Measurement and Attribution Analysis
- Professionals meeting regularly with Board and Staff to present performance reports and analysis
- Master Trust/Custody Review and Search/Selection
- Fund Efficiency Review (including review of management, custody, and trading costs, and revenue enhancing programs).

Do you currently use fund of funds or direct funds for your alternative investments?

FRS uses fund of funds for alternative investments.

Is the meeting schedule for 2019 available? If so, can you please provide it?

The board usually schedules monthly meeting two to three months out. The currently scheduled meetings are January 8th and February 5th. Meetings are generally scheduled for the first or second week of the month.

Can you please advise as to the expected contract duration?

Our previous contract was open ended with the ability of either party to exit the contract on short notice. Given the circumstances of the previous exit a minimum of three months' notice is desirable. However, additional options may be available upon negotiation with the board.

How many manager searches have been conducted each year, over the last 3 years?

Two searches conducted late 2015 with funding complete by Dec. 2015 and Feb. 2016. An overhaul to the Fixed Income portion of the portfolio with the onboarding of three new managers in June and July of 2017.

Is the scope outlined in the RFP consistent with the current consultant's contract? If not, what items are different?

We have tried to keep the scope outlined in the RFP consistent with the services we have received from our last consultant.