

MINUTES

North Dakota Public Employees Retirement System Tuesday, December 9, 2025 8:30 A.M.

Members Present: Mr. Jeffry Volk
Senator Dick Dever
Representative Greg Stemen
Representative Jason Dockter
Mr. Bryan Klipfel

Members by Teams: Senator Kyle Davison
Ms. Casey Goodhouse
Mr. Gerald Buck
Mr. Adam Miller
Mr. Tyler Erickson
Chairman Mike Seminary

Others Present: Ms. Rebecca Fricke, NDPERS
Mr. Derrick Hohbein, NDPERS
Ms. Katheryne Korom, NDPERS
Ms. Shawna Piatz, NDPERS
Ms. Lindsay Schaf, NDPERS
Mr. Jason Ostroski, UHY
Ms. Courtney Meyer, SHP

Chairman Mike Seminary called the meeting to order at 8:30 A.M. Roll call was taken, and a quorum was present.

MINUTES

Chairman Mike Seminary called for questions or comments regarding the October 29, 2025 and November 12, 2025, meeting minutes.

REPRESENTATIVE JASON DOCKTER MOVED TO APPROVE THE MINUTES OF THE OCTOBER 29, 2025, MEETING. THE MOTION WAS SECONDED BY SENATOR DICK DEVER. THE MOTION WAS UNANIMOUSLY APPROVED.

SENATOR DICK DEVER MOVED TO APPROVE THE MINUTES OF THE NOVEMBER 12, 2025, MEETING. THE MOTION WAS SECONDED BY MR. VOLK. THE MOTION WAS UNANIMOUSLY APPROVED.

CONFLICT OF INTEREST DISCLOSURE CONSIDERATION

None were submitted prior to the meeting, and none were verbally disclosed at the meeting.

PRESENTATIONS

External Auditor's Report – UHY

Mr. Jason Ostroski from UHY presented the final results of the June 30, 2025 financial statement audit. He reported a clean, unmodified audit opinion. He also discussed limited procedures, internal control over financial reporting, and compliance with required governance

communications. Discussion followed.

Sanford Health Plan Executive Summary 2025 Quarter 2

Ms. Courtney Meyer presented the 2025 Quarter 2 Executive Summary for the Sanford Health Plan. Ms. Meyer provided a membership summary, discussed average monthly premiums, medical and RX claims, utilization trends, high dollar cases, and pharmacy trends. She also provided an update on the Dakota Wellness program and preventive screening rates. Discussion followed.

DEFINED BENEFIT / RETIREE HEALTH INSURANCE CREDIT

Main Defined Benefit Plan Investment Policy Statement

Mr. Derrick Hohbein provided the updated Investment Policy Statement for the Main Defined Benefit Plan that was reviewed and updated at the November 25, 2025, meeting of the Investment Subcommittee. The revised Investment Policy Statement incorporates the adopted asset allocation that was approved at the September 2025 Board meeting.

MR. VOLK MOVED TO APPROVE THE MAIN DEFINED BENEFIT PLAN INVESTMENT POLICY STATEMENT AND AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT WITH RIO. THE MOTION WAS SECONDED BY MR. BUCK.

Ayes: Ms. Goodhouse, Senator Dever, Mr. Buck, Mr. Volk, Representative Stemen, Mr. Erickson, Senator Davison, Mr. Klipfel, Mr. Miller, Representative Dockter, and Chairman Seminary.

Nays: None

Absent: None

MOTION PASSED

Retirement Plan Actuarial and Consultant Contract Amendment

Ms. Katheryne Korom presented the contract amendment for actuarial and consulting services with GRS for the period of July 1, 2026 through June 30, 2028. The contract was renewed at the August board meeting.

REPRESENTATIVE STEMEN MOVED TO APPROVE THE CONTRACT AMENDMENT FOR ACTUARIAL AND CONSULTING SERVICES WITH GABRIEL, ROEDER, SMITH & COMPANY (GRS) FOR THE JULY 1, 2026, THROUGH JUNE 30, 2028, CONTRACT PERIOD AND AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT WITH GRS. THE MOTION WAS SECONDED BY SENATOR DEVER.

Ayes: Ms. Goodhouse, Senator Dever, Mr. Buck, Mr. Volk, Representative Stemen, Mr. Erickson, Senator Davison, Mr. Klipfel, Mr. Miller, Representative Dockter, and Chairman Seminary.

Nays: None

Absent: None

MOTION PASSED

DEFERRED COMPENSATION / DEFINED CONTRIBUTION

457 Companion Plan & 401(a) Plan 3rd Quarter 2025 Report

Mr. Derrick Hohbein provided the 3rd Quarter 2025 Investment Report for both the 401(a) Defined Contribution and the 457 Companion Plan. The report highlighted the growth in participants and assets. He also discussed the performance of the target date funds and the positive returns for the quarter. Discussion followed.

Legacy Empower Plan Float

Mr. Derrick Hohbein provided background on an amendment proposed by Empower to the Legacy 457 Plan agreement to align the treatment of "float" earnings with the approach currently in place for the Companion Plan. The Investment Subcommittee discussed two potential courses of action regarding the float earnings under the Legacy 457 Plan. NDPERS could retain the float earnings to support administrative expenses, which is consistent with the Companion Plan arrangement, or return the float earnings to participants, allowing them to benefit directly from the accrued interest. Discussion followed.

MR. VOLK MOVED TO APPROVE RETAINING THE FLOAT INTEREST EARNED ON THE LEGACY EMPOWER PLAN TO SUPPORT NDPERS ADMINISTRATIVE EXPENSES AS CONSISTENT WITH THE COMPANION PLAN ARRANGEMENT AND AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT WITH EMPOWER. THE MOTION WAS SECONDED BY REPRESENTATIVE STEMEN.

Ayes: Ms. Goodhouse, Senator Dever, Mr. Buck, Mr. Volk, Representative Stemen, Mr. Erickson, Senator Davison, Mr. Klipfel, Mr. Miller, Representative Dockter, and Chairman Seminary.

Nays: None

Absent: None

MOTION PASSED

GROUP INSURANCE / FLEXCOMP

Employer Request Regarding Health Insurance Plan Termination

Ms. Lindsay Schaf reported that NDPERS received an email from Glen Ulin Public School District on October 2, 2025 stating they had obtained a new insurance policy effective October 1, 2025 and requested to terminate their participation in the NDPERS health insurance plan as of October 1, 2025. The Administrative Agreement between NDPERS and the employer requires the employer provide at least a 60 day written notice prior to the effective date of termination. Given this was not provided, NDPERS terminated the group from participation in the NDPERS health insurance plan effective December 1, 2025 and provide notice of such to the employer. The employer submitted a request for the NDPERS Board to consider allowing an earlier termination date but later withdrew their request for Board consideration.

Therefore, this item did not require discussion or action by the Board. The group's termination of participation in the NDPERS health insurance plan is December 1, 2025.

LEGISLATION / ADMINISTRATIVE RULES

Proposed Administrative Rules

Ms. Rebecca Fricke presented the proposed administrative rules, which were prepared by legal counsel and reviewed by staff. The board reviewed a proposed timeline for the rules promulgation process, including the date for public notice, comment period, and final approval.

SENATOR DEVER MOVED TO APPROVE MOVING FORWARD WITH THE RULEMAKING PROCESS WITH THE PROPOSED ADMINISTRATIVE RULES. THE MOTION WAS SECONDED BY REPRESENTATIVE STEMEN.

Ayes: Ms. Goodhouse, Senator Dever, Mr. Buck, Mr. Volk, Representative Stemen, Mr. Erickson, Senator Davison, Mr. Klipfel, Mr. Miller, Representative Dockter, and Chairman Seminary.

Nays: None

Absent: None

MOTION PASSED

OPERATIONS / ADMINISTRATIVE

Ice Miller Engagement Letter and Rates

Ms. Katheryne Korom presented an engagement letter and fee schedule from Ice Miller. Ice Miller LLP provides legal counsel services to NDPERS with respect to its federal tax law matters. Discussion followed.

MR. ERICKSON MOVED TO APPROVE THE LETTER OF ENGAGEMENT AND FEE SCHEDULE FROM ICE MILLER FOR THE TERM OF JANUARY 1, 2026, THROUGH DECEMBER 31, 2027 AND AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT WITH ICE MILLER LLP. THE MOTION WAS SECONDED BY REPRESENTATIVE DOCKTER.

Ayes: Ms. Goodhouse, Senator Dever, Mr. Buck, Mr. Volk, Representative Stemen, Mr. Erickson, Senator Davison, Mr. Klipfel, Mr. Miller, Representative Dockter, and Chairman Seminary.

Nays: None

Absent: None

MOTION PASSED

Quarterly Consultant Fees

Mr. Derek Hohbein provided a quarterly report showing the consulting, investment, and administrative expenses paid during the 3rd quarter of 2025.

Audit Committee Report

Ms. Shawna Piatz provided a recap from the Audit Committee meeting held on November 24th, including the fiscal year 2025 audit report, Sanford settlement audit, retirement benefit payment report, and outstanding audit issues.

Operating Guidelines

Ms. Rebecca Fricke discussed the current NDPERS operating guidelines. The operating Guidelines distinguish the board responsibilities from staff responsibilities and was last approved by the Board in November 2020. The Board discussed the threshold in which the Executive Director can approve contracts. The \$10,000 threshold has been in place since the 1990s.

REPRESENTATIVE DOCKTER MOVED TO APPROVE INCREASING THE THRESHOLD IN WHICH THE EXECUTIVE DIRECTOR CAN APPROVE CONTRACTS FROM THE CURRENT \$10,000 TO \$15,000. THE MOTION WAS SECONDED BY REPRESENTATIVE STEMEN.

Ayes: Ms. Goodhouse, Senator Dever, Mr. Buck, Mr. Volk, Representative Stemen, Mr. Erickson, Senator Davison, Mr. Klipfel, Mr. Miller, Representative Dockter, and Chairman Seminary.

Nays: None

Absent: None

MOTION PASSED

Contracts Under \$10,000

Ms. Rebecca Fricke provided a monthly report on contracts under \$10,000 that had been signed since the last update.

Next meeting will be on Tuesday, January 13, 2026 at 8:30 a.m.

The meeting was adjourned at 10:34 A.M.

Submitted by:

Jan Lund
Assistant to the NDPERS Board