

MINUTES

North Dakota Public Employees Retirement System Tuesday, July 12, 2022 8:30 A.M.

Members Present: Ms. Kim Wassim
Mr. Adam Miller
Ms. Yvonne Smith

Members Via Teams: Chairperson Mona Rindy
Senator Dick Dever
Mr. Dirk Wilke
Ms. Claire Ness
Ms. Casey Goodhouse
Representative Pamela Anderson

Others: Mr. Scott Miller, NDPERS
Mr. Derrick Hohbein, NDPERS
Ms. MaryJo Anderson, NDPERS
Ms. Bonnie Wurst, Callan
Ms. Rachel Iverson, SHP
Ms. Audra Janke, SHP

Chairperson Mona Rindy called the meeting to order at 8:30 A.M. Roll call was taken, and a quorum was present.

Chairperson Rindy called for questions or comments regarding the minutes of June 14.

MR. ADAM MILLER MOVED TO APPROVE THE MINUTES OF THE JUNE 14, 2022, BOARD MEETING. THE MOTION WAS SECONDED BY MS. SMITH AND CARRIED BY VOICE VOTE. THE MINUTES WERE APPROVED.

PRESENTATIONS

Sanford Health Plan (SHP) Well-being Education Presentations

Ms. Rebecca Fricke introduced the staff from Sanford Health Plan. Ms. Rachel Iverson began the presentation with an overview of the many well-being online training sessions that SHP provides. She discussed several topics such as *Healthy Meals in a Hurry* and *Mindful Eating, Love Your Job*, and *Overcoming Stress*. She shared techniques to mitigate stress and how to find a technique that works for you. Ms. Iverson introduced new training topics: working from home that works, exercise without perfection, and nutrition and hydration.

Ms. Audra Janke reviewed a snapshot of a lengthier training entitled *Financial Flourishing – Growing Your Financial Well-being* that is available to health plan participants.

The virtual training programs discussed are on the Sanford Health Plan website with links to the training on the NDPERS website.

Discussion followed.

RETIREMENT

Actuarial Assumed Rate of Return Analysis

Mr. Scott Miller provided background regarding past changes to the assumed rate of return for the retirement plans. Mr. Miller introduced Ms. Bonnie Wurst from Gabriel Roeder Smith (GRS). GRS is an actuarial consulting firm under contract with NDPERS, not an investment firm. Ms. Wurst presented the detailed July 1, 2022 analysis of the assumed rates for all the NDPERS plans, and the recommended changes. Discussion followed.

MS. WASSIM MOVED TO ADOPT THE RECOMMENDED ASSUMED RATES OF RETURN FOR THE MAIN, HIGHWAY PATROL, RETIREE HEALTH INSURANCE CREDIT, AND JOB SERVICE PLANS EFFECTIVE JULY 1, 2022, FOR VALUATION PURPOSES, AND EFFECTIVE JANUARY 1, 2023, FOR PARTICIPANT PURPOSES, AND AGREEMENT OF THE COST PROPOSAL ASSOCIATED WITH CREATING THE TABLES FOR THE NEW RATES. THE MOTION WAS SECONDED BY MS. NESS.

Ayes: Mr. Wilke, Representative Anderson, Ms. Ness, Ms. Smith, Senator Dever, Ms. Goodhouse, Mr. Adam Miller, Ms. Wassim, and Chairperson Rindy

Nays: None

Absent: None

MOTION PASSED

Highway Patrol Indexing

Ms. MaryJo Anderson reviewed the process to annually review the Highway Patrol Final Average Salary for Indexing for deferred members of the plan. ND Highway Patrol Administration recommends an increase of 2% for 2022.

MS. SMITH MOVED TO AFFIRM THE HIGHWAY PATROL ADMINISTRATION'S RECOMMENDATION OF A 2 PERCENT INCREASE FOR DEFERRED MEMBERS OF THE PLAN. THE MOTION WAS SECONDED BY MR. ADAM MILLER.

Ayes: Mr. Wilke, Representative Anderson, Ms. Ness, Ms. Smith, Senator Dever, Ms. Goodhouse, Mr. Adam Miller, Ms. Wassim, and Chairperson Rindy

Nays: None

Absent: None

MOTION PASSED

GROUP INSURANCE

Wellness Renewal

Ms. Rebecca Fricke stated that the staff has completed the renewal process of the Employer-Based Wellness Program. The program qualifies the employers for a 1% health insurance premium discount. There are 174 employers electing to participate in the wellness program.

Legislative Diabetes Report

On June 16th, the Legislative Health Care Committee was presented with the 2022 diabetes report. The report, required by NDCC § 23-01-40, is a collaborative effort between the Department of Health, Department of Human Services, Indian Affairs, and NDPERS.

Insurance Consultant Contract

Mr. Hohbein reported that legal counsel has reviewed the contract with Buck for consulting services for the dental, vision, and life insurance plans.

MS. WASSIM MOVED TO APPROVE THE CONTRACT AND AUTHORIZE THE EXECUTIVE DIRECTOR TO SIGN THE AGREEMENT. THE MOTION WAS SECONDED BY MS. NESS.

Ayes: Mr. Wilke, Representative Anderson, Ms. Ness, Ms. Smith, Senator Dever, Ms. Goodhouse, Mr. Adam Miller, Ms. Wassim, and Chairperson Rindy

Nays: None

Absent: None

MOTION PASSED

MISCELLANEOUS

Legislative Relations

There were no topics of discussion this month.

Legislative Update

Mr. Scott Miller provided an overview of four bill drafts that were reviewed by the Employee Benefits Programs Committee and jurisdiction taken at the June 21, 2022 committee meeting. Several other bills received either a favorable or unfavorable recommendation, two bills had no action taken.

Scott briefly discussed the activities of the Retirement Committee, Health Care Committee, and the Legacy Fund Earnings Committee.

Quarterly Consultant Fees

Mr. Hohbein presented the final report of the fees paid for the fiscal year 2022 for consulting, investment, and administrative fees.

Ms. Ness left the meeting at 9:55 A.M.

Budget

Mr. Hohbein presented a final draft of the Base Budget for 2023-25 and the Optional Change Packages that were discussed at the May and June Board meetings. This is the first time an extension has not been requested to get the budget to OMB.

MS. SMITH MOVED TO APPROVE THE 2023-25 BASE BUDGET AND OPTIONAL PACKAGES TO BE SUBMITTED TO OMB. THE MOTION WAS SECONDED BY REPRESENTATIVE ANDERSON.

Ayes: Mr. Wilke, Representative Anderson, Ms. Smith, Senator Dever, Ms. Goodhouse, Mr. Adam Miller, Ms. Wassim, and Chairperson Rindy

Nays: None

Absent: Ms. Ness

MOTION PASSED

THE BOARD TOOK A SHORT BREAK FROM 10:12 A.M. TO 10:20 A.M.

MEMBER

Retiree Health Insurance Credit (RHIC) Appeal Case #752
This agenda item was noticed for Executive Session.

MS. SMITH MOVED TO ENTER INTO EXECUTIVE SESSION PURSUANT TO N.D.C.C. §44-04-19.2, §44-04-19.2(1) AND/OR §54-52-26 TO DISCUSS CONFIDENTIAL RECORDS OR CONFIDENTIAL MEMBER INFORMATION FOR APPEAL CASE NUMBER 752. THE MOTION WAS SECONDED BY MR. ADAM MILLER.

Ayes: Mr. Wilke, Senator Dever, Ms. Wassim, Ms. Goodhouse, Mr. Adam Miller, Ms. Smith, Representative Anderson, and Chairperson Rindy

Nays: None

Absent: Ms. Ness

MOTION PASSED

All members named above, attorney Allyson Hicks, NDPERS staff members Scott Miller, Rebecca Fricke, Derrick Hohbein, MaryJo Anderson, and Jan Lund were in attendance for the Executive Session (closed meeting, electronically recorded) which began at 10:23 A.M. and returned to Open Session at 10:28 A.M.

MS. WASSIM MOVED TO AFFIRM ASIFLEX DENIAL OF THE RETIREE HEALTH INSURANCE CREDIT (RHIC) BENEFIT PAYMENT FOR CASE NUMBER 752. THE MOTION WAS SECONDED BY MR. ADAM MILLER.

Ayes: Mr. Wilke, Representative Anderson, Ms. Smith, Senator Dever, Ms. Goodhouse, Mr. Adam Miller, Ms. Wassim, and Chairperson Rindy

Nays: None

Absent: Ms. Ness

MOTION PASSED

Chairperson Rindy called for any other business or comments. With no further business, the meeting was adjourned at 10:30 A.M.

Prepared by,

Jan Lund
Assistant to the Board