

## **MINUTES**

### **North Dakota Public Employees Retirement System Tuesday, May 13, 2025 8:30 A.M.**

Members Present: Chairman Mike Seminary  
Mr. Gerald Buck  
Representative Greg Stemen  
Representative Jason Dockter  
Mr. Bryan Klipfel  
Mr. Tyler Erickson  
Ms. Casey Goodhouse  
Mr. Adam Miller  
Senator Dick Dever  
Senator Kyle Davison

Members by Teams: Mr. Jeffry Volk

Others Present: Ms. Rebecca Fricke, NDPERS  
Mr. Derrick Hohbein, NDPERS  
Ms. Katheryne Korom, NDPERS  
Ms. Michaela Huntington, NDPERS  
Ms. Shawna Piatz, NDPERS  
Ms. Julie Bodenski, Humana  
Mr. Jesse Johnson, ND Pharmacy Association  
Ms. Kim Haug, SHP  
Ms. Courtney Meyer, SHP  
Ms. Gretchen Schilling, SHP  
Ms. Audra Ferguson, Ice Miller  
Mr. Robert Gauss, Ice Miller  
Mr. Aaron Birst ND Association of Counties

Chairman Seminary called the meeting to order at 8:32 A.M. Roll call was taken, and a quorum was present.

Chairman Seminary called for questions or comments regarding the April 4, 2025, meeting minutes.

**MR. MILLER MOVED TO APPROVE THE MINUTES OF THE APRIL 4, 2025, MEETING. THE MOTION WAS SECONDED BY MR. BUCK AND CARRIED BY A VOICE VOTE. THE MINUTES WERE APPROVED.**

#### **CONFLICT OF INTEREST DISCLOSURE CONSIDERATION**

None submitted prior to the meeting.

#### **AGENDA AMENDED**

Ms. Allyson Hicks indicated the North Dakota Century Code citation on the May 13<sup>th</sup> Board Agenda for item *Elected County Official Participation* for the Executive Session is

incorrect. This citation should read NDCC §44-04-19.1(5) and §44-04-19.1(6) and §44-04-19.1(2) to discuss attorney work product and to receive its attorney's guidance on legal risks, strengths and weaknesses of its options to resolve this issue which, if held in public would have an adverse fiscal effect on the entity.

**MR. ERICKSON MOVED TO APPROVE THE AGENDA AS AMENDED. THE MOTION WAS SECONDED BY REPRESENTATIVE STEMEN.**

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

**Nays:** None

**Absent:** Mr. Volk

### **MOTION PASSED**

Chairman Seminary announced that the board normally does not take public comment at meetings, however, in the case of today's agenda topic *Elected County Official Participation* an exception is warranted. Comments addressed to the board are reserved for employers, members, and Aaron Birst representing the North Dakota Association of Counties and must be directly affected by this matter. Comments will be limited to three minutes. Additionally, this exception is made in the best interest of the plan participants and in the board's service to its members. For those who are part of the Retirement Appeal cases to be heard in Closed Session, comments should be reserved to that time.

Ms. Fricke introduced Ms. Kirsten Tuntland. Ms. Tuntland is new to the Office of Attorney General and will serve as legal counsel to NDPERS.

### **DEFINED BENEFIT**

#### State Public Safety Plan Employer Contribution Rate

Ms. Rebecca Fricke provided background on how the employer contribution rates are set for Political Subdivision Public Safety, State Public Safety Plan, BCI, and National Guard Public Safety. She noted that the board had approved the employer contribution rate in November 2024 with a January 1, 2026 effective date, however, Gabriel, Roeder, Smith & Company (GRS) recommends an increase of 0.12% effective August 1, 2025 due to the passing of HB 1274. Discussion followed.

**SENATOR DEVER MOVED TO AFFIRM THE PROPOSED INCREASE FOR THE STATE PUBLIC SAFETY PLAN EFFECTIVE AUGUST 1, 2025 AND JANUARY 1, 2026 DUE TO THE PASSING OF HOUSE BILL 1274. THE MOTION WAS SECONDED BY MR. BUCK.**

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

**Nays:** None

**Absent:** Mr. Volk

## **MOTION PASSED**

### Elected County Official Participation

NDPERS recently received guidance from the federal tax consultant, Ice Miller, regarding a conflict between federal law and North Dakota state law specific to participation of non-state elected officials in the NDPERS retirement plans. Ms. Rebecca reviewed the information provided in the public board material related to the agenda topic Elected County Officials Participation.

### Background

NDCC § 54-52-02.11 allows for county elected officials to enroll in the retirement plan within the first six months of their term. This was codified into law during the 2003 legislative session as it had been the practice of NDPERS to administer the plan this way. The provision was previously administered since 1982 under NDAC § 71-02-02-01(5), which further allowed both an enrollment and waiver opportunity within six months of taking office, or at the beginning of a new term. When staff reviewed a separate issue with Ice Miller, NDPERS was advised that this law and administrative rule conflicts with federal restrictions on Cash or Deferred Arrangements (CODA), which prohibit allowing a waiver of participation once an employee has previously been eligible to participate in a retirement plan with the same employer in an eligible position requiring contributions on a pre-tax basis. Revenue Ruling ("Rev. Rul.") 2006-43. Applying the IRS' rulings regarding impermissible CODAs, employees may not receive a new election on whether to continue to make pre-tax contributions into the retirement plan if the employee remains with the same employer in an eligible position even if there is a break in service between the positions. Ice Miller referenced additional Federal Regulations that supersede North Dakota state law.

Based upon this guidance, as NDPERS becomes aware of a retiree record being impacted, NDPERS will research the retiree's benefit eligibility. Without a change to state law, if the benefit is not in compliance with federal law, NDPERS will be required to suspend the retiree's retirement benefit and retiree health insurance credit benefit and request for funds to be returned to ensure the NDPERS retirement plan remains compliant under federal law.

Ms. Fricke shared a scenario of an employment situation affected by the discrepancy in law. She described the communication efforts to provide notice to employers and participants, including the North Dakota Association of Counties, and a press release.

Next Steps – In-Service Distributions

The board discussed policy and procedural options to address the return-to-work/in-service distribution impact that this conflict has on individuals that have previously opted out of the retirement plan (due to state law provisions) and begun receiving distributions.

The board discussed promulgating Administrative Rules to address NDAC § 71-02-02-01(5) and to address whatever policy the Board adopts. There was also discussion regarding the possibility of promulgating emergency rules pursuant to NDCC § 28-32-03.

In addition, the board discussed drafting proposed legislation and working with the Chair of the Employee Benefits Programs Committee and Legislative Council to seek approval of the Committee during an Interim Meeting. The proposed legislation would be prepared for submission by the Board for the 2027-2029 legislative session by the April 1, 2026, deadline.

#### Next Steps – Impermissible Cash or Deferred Arrangements (CODA)

The board discussed policy options to address the state law conflict with CODA to provide participation requirements for elected officials of participating counties during the interim until the 70th Legislative Assembly can address this issue in law.

The board discussed promulgating Administrative Rules to address the conflicting language of NDCC § 54-52-02.11 and CODA. There was also discussion regarding the possibility of promulgating emergency rules pursuant to NDCC § 28-32-03.

In addition, the board discussed drafting proposed legislation and working with the Chair of the Employee Benefits Programs Committee and Legislative Council to seek approval of the Committee during an Interim Meeting. The proposed legislation would be prepared for submission by the Board for the 2027-2029 legislative session by the April 1, 2026, deadline.

Mr. Aaron Birst, ND Association of Counties provided remarks on the matter. A member affected by the issue also addressed the board.

This agenda item was noticed for Executive Session.

**MR. ERICKSON MOVED TO ENTER INTO EXECUTIVE SESSION PURSUANT TO NDCC §44-04-19.1(5) AND §44-04-19.1(6) AND §44-04-19.1(2) TO DISCUSS ATTORNEY WORK PRODUCT AND TO RECEIVE ITS ATTORNEYS GUIDANCE ON LEGAL RISKS, STRENGTHS AND WEAKNESSES OF ITS OPTIONS TO RESOLVE THIS ISSUE WHICH, IF HELD IN PUBLIC WOULD HAVE AN ADVERSE FISCAL EFFECT ON THE ENTITY. THE MOTION WAS SECONDED BY REPRESENTATIVE STEMEN.**

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

**Nays:** None

**Absent:** Mr. Volk

## **MOTION PASSED**

All members named above, Ms. Audra Ferguson and Mr. Robert Gauss, Legal Counsel Ice Miller, attorneys Allyson Hicks and Kirsten Tuntland, NDPERS staff members Rebecca Fricke, Derrick Hohbein, Aime Miller, Michaela Huntington, Marcy Aldinger, Shawna Piatz, and Brittany Berreth were in attendance for the Executive Session (closed meeting, electronically recorded) which began at 9:25 A.M. The meeting returned to Open Session at 10:00 A.M.

**MR. ERICKSON MOVED TO ALLOW IN-SERVICE DISTRIBUTIONS LIMITED TO ALL ELECTED COUNTY OFFICIALS IF THE OFFICIAL IS AT THE PLAN'S NORMAL RETIREMENT DATE WITH A RETROACTIVE EFFECTIVE DATE TO JANUARY 1, 2007 AND A SUNSET CLAUSE PROVISION OF AUGUST 1, 2027. THIS ELIMINATES CURRENT ELECTED OFFICIALS WHO WERE RECEIVING RETIREMENT BENEFITS TO NOT HAVE TO REPAY THE OVERPAYMENT OF BENEFITS AND WOULD ELIMINATE THE NEED FOR EMPLOYERS TO MAKE RETROACTIVE CONTRIBUTIONS BACK TO WHEN THE OPT-OUT PROVISION WAS GRANTED TO THE ELECTED COUNTY OFFICIAL. MOVING FORWARD, STAFF ADOPT THE MANDATING OF PARTICIPATION IF THE ELECTED COUNTY OFFICIAL MEETS THE MANDATORY PARTICIPATION REQUIREMENTS. IN ADDITION, STAFF WILL WORK WITH LEGAL COUNSEL ON PURSUING RULES AND LEGISLATION THAT MIRRORS THE INTERIM POLICY MOVING FORWARD. THE MOTION WAS SECONDED BY REPRESENTATIVE STEMEN.**

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

**Nays:** None

**Absent:** Mr. Volk

## **MOTION PASSED**

**Mr. Jeffry Volk joined the meeting at 10:17 A.M.**

## **MEMBER**

### Retirement Appeal Case #920

Chairman Seminary called for the board to move into Executive Session pursuant to NDCC §44-04-19.2, §44-04-19.2(1) and/or §54-52-26 to discuss confidential records or confidential member information.

All members named above, Ms. Audra Ferguson and Mr. Robert Gauss, Legal Counsel Ice Miller, attorneys Allyson Hicks and Kirsten Tuntland, NDPERS staff members Rebecca Fricke, Derrick Hohbein, Michaela Huntington, and Brittany Berreth were in

attendance for the Executive Session (closed meeting, electronically recorded) which began at 10:16 A.M. The meeting returned to Open Session at 10:21 A.M.

The member withdrew their request to appeal the monthly retirement benefit suspension/overpayment based on board discussion and action taken regarding the agenda topic Elected County Official Participation.

#### Retirement Appeal Case #921

Chairman Seminary called for the board to move into Executive Session pursuant to NDCC §44-04-19.2, §44-04-19.2(1) and/or §54-52-26 to discuss confidential records or confidential member information.

All members named above, Ms. Audra Ferguson and Mr. Robert Gauss, Legal Counsel Ice Miller, attorneys Allyson Hicks, and Kirsten Tuntland, NDPERS staff members Rebecca Fricke, Derrick Hohbein, Michaela Huntington, and Brittany Berreth were in attendance for the Executive Session (closed meeting, electronically recorded) which began at 10:22 A.M. The meeting returned to Open Session at 10:27 A.M.

The member withdrew their request to appeal the monthly retirement benefit suspension/overpayment based on board discussion and action taken regarding the agenda topic Elected County Official Participation.

## **PRESENTATIONS**

### About The Patient Diabetes Management Program

#### 2024 Annual Report

Pursuant to NDCC 54-52.1-16 and 54-52.1-17, NDPERS partners with the North Dakota Pharmacy Association to provide members with the About The Patient Diabetes Management Program. Ms. Rebecca Fricke introduced Mr. Jesse Johnson who presented the 2024 Annual Report.

The program optimizes treatment plans and adherence for individuals on the NDPERS health plan that are diagnosed with diabetes and hypertension. The calendar is divided into three blocks. When a visit occurs during a block, reimbursement is awarded for certain diabetes, hypertension, cholesterol medications, and certain testing supplies. Mr. Johnson provided background on the program and discussed key health indicators for diabetes and hypertension. He also shared information about member engagement, which increased 3% over last year, and a strong member satisfaction with the program. Mr. Johnson concluded the presentation by providing information about the budget status.

Discussion followed.

#### 2025-2027 Contract

Ms. Fricke provided additional background on the About The Patient Diabetes Management Program. The Pharmacists Association is seeking the Board's approval of the proposed cost to continue the program for the 2025-2027 biennium. An increase in the "not to exceed" amount is being requested in the amount of \$26,000. The current 2023-2025 biennium cost approved by the Board is not to exceed \$354,000.00. Discussion followed.

#### **CONFLICT OF INTEREST DISCLOSURE CONSIDERATION**

Representative Jason Dockter disclosed at this point in today's meeting, a conflict may exist regarding the contract for the ND Pharmacy Association and ND Pharmacy Service Corporation relative to his company who provides payroll services for both organizations. Representative Dockter stated he will recuse himself from voting on the matter. There were no questions from the board and no action was taken.

**MR. MILLER MOVED TO APPROVE THE ABOUT THE PATIENT DIABETES PROGRAM PROPOSED COST NOT TO EXCEED \$380,000.00 FOR THE 2025-2027 BIENNIUM. IF COST PROPOSAL ACCEPTED, APPROVE THE 2025-2027 CONTRACT FOR THE ABOUT THE PATIENT DIABETES MANAGEMENT PROGRAM. THE MOTION WAS SECONDED BY MR. BUCK.**

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

**Nays:** None

**Absent:** None

**Recused:** Representative Dockter

#### **MOTION PASSED**

#### Sanford Health Plan Updates

Ms. Courtney Meyer presented the Executive Summary for Quarter 4 2024. She compared membership data from Q4 2023 and Q4 2024. The annual membership summary indicated a change of +2.2% for state employees. She reviewed claims analysis data, high dollar cases, and highest paid diagnosis groups.

Ms. Gretchen Schilling discussed the pharmacy portion of the Executive Summary and noted utilization has increased by 469 and eligibility increased by 518. She also reviewed utilization management savings.

Ms. Julie Bodenski with Humana provided information about Employer Group Waiver Plans (EGWP) and highlighted data on average members per month, total specialty Rx, and specialty percentages of plan paid.

Ms. Meyer concluded the presentation by discussing wellness programs and the Stress Less Wellness Challenge, and preventive screening rates as part of the performance guarantees.

She also provided the Sanford Health Plan +Oscar 2024 Recap.

**Mr. Bryan Klipfel left the meeting at 11:04 A.M.**

## **GROUP INSURANCE / FLEXCOMP**

### Employee Assistance Program (EAP) Contracts

Ms. Katheryn Korom presented the contracts for the EAP providers who were approved by the board at the April 2025 meeting. The EAP providers for 2025-2027 are CHI St. Alexius Health, The Village, Bree Health (eni NexGen), and ComPsych.

**MR. ERICKSON MOVED TO APPROVE THE CONTRACTS AND BOARD CHAIRMAN'S SIGNATURE FOR THE EMPLOYEE ASSISTANCE PROGRAM WITH CHI ST. ALEXIUS HEALTH, THE VILLAGE, BREE HEALTH (ENI NEXGEN), AND COMPSYCH FOR THE JULY 1, 2025, THROUGH JUNE 30, 2027, CONTRACT PERIOD. THE MOTION WAS SECONDED BY MR. BUCK.**

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

**Nays:** None

**Absent:** Mr. Klipfel

## **MOTION PASSED**

**The board took a short break from 11:14 A.M. to 11:20 A.M.**

### Medicare Part D Plan Premium Projection and Request for Proposal (RFP)

Ms. Fricke shared the preliminary projected premium received from Humana for the 2026 Medicare Part D product. The preliminary projection for the 2026 premium is \$72.88 per member, per month (PMPM) which represents an increase of \$12.14 per month over the current monthly premium.

Ms. Fricke provided information regarding the Inflation Reduction Act (IRA) and its effect on Part D plans. As she informed the board at the April meeting, there are significant changes being made to all Medicare Part D plans for the 2026 plan year due to the Inflation Reduction Act (IRA).

Deloitte Consulting is analyzing the premium projection and will provide information at the August meeting should the Board elect to defer a final decision, Humana will provide the final premium offer for the Board's consideration by August 15<sup>th</sup> after CMS has released rate guidelines.

Discussion followed.

**MR. BUCK MOVED TO DEFER A DECISION REGARDING RENEWING OR GOING OUT TO BID FOR THE 2026 PLAN YEAR FOR THE MEDICARE PART D PLAN UNTIL**



**AFTER HUMANA PROVIDES THEIR FINAL RENEWAL PREMIUM IN AUGUST 2025.  
THE MOTION WAS SECONDED BY MR. ERICKSON.**

**Ayes:** Ms. Goodhouse, Senator Dever, Mr. Buck, Mr. Miller, Representative Stemen, Mr. Erickson, Senator Davison, Mr. Volk, Representative Dockter, and Chairman Seminary  
**Nays:** None  
**Absent:** Mr. Klipfel

**MOTION PASSED**

Sanford Health Plan Specialty Medication Dispensing Limit

Ms. Fricke informed the board of a request from Sanford Health Plan (SHP) regarding a change in the specialty medication dispensing limit from allowing a 100-day supply to a 30-day supply.

Ms. Kim Haug explained that this recommended change would reduce the risk of waste when a member fills more than a 30-day high cost specialty medication prescription. The medication may become ineffective requiring another medication to be prescribed to treat their condition resulting in the waste of the first prescribed medication. This change would require an update to the NDPERS Certificate of Insurance.

Ms. Gretchen Schilling stated that this is the industry norm for specialty medications in order to limit waste when medications must be changed.

Discussion followed.

**REPRESENTATIVE STEMEN MOVED TO APPROVE THE REQUEST OF SANFORD HEALTH PLAN TO REDUCE THE DISPENSING LIMIT ON SPECIALTY MEDICATIONS FROM A 100- DAY SUPPLY TO A 30- DAY SUPPLY EFFECTIVE JULY 1, 2025. THE MOTION WAS SECONDED BY MR. MILLER.**

**Ayes:** Ms. Goodhouse, Senator Dever, Mr. Buck, Mr. Miller, Representative Stemen, Mr. Erickson, Senator Davison, Mr. Volk, Representative Dockter, and Chairman Seminary  
**Nays:** None  
**Absent:** Mr. Klipfel

**MOTION PASSED**

Final Health Insurance Plan Design and Premiums

Ms. Fricke stated it is time to finalize health insurance plan design. She discussed recent passed legislation: House Bill 1114 (Cap of \$25 per month on the cost of insulin and diabetic supplies), House Bill 1216 (Prescription copayments for medications without generic equivalency apply towards out-of-pocket maximums/coupons apply towards out-of-pocket maximums), and House Bill 1322 (Ground ambulance service rate cap). The cost of House Bill 1216 and House Bill 1322 will need to be covered by reserves given the bills did not provide funding and will be discussed at a later meeting.

House Bill 1114 has an effective date of August 1, 2025 but the coverage provided from the pilot program as part of Senate Bill 2140 ends June 30, 2025. Discussion was held regarding providing the continued coverage effective July 1, 2025.

She also addressed health insurance premium rates. The total increases are 14.3% for active employees and 8% increase for retirees. This is based upon SHP's renewal proposal and are anticipated to change effective January 1, 2026 once the cost of House Bill 1216 and House Bill 1322 is finalized.

Discussion followed.

**MR. MILLER MOVED TO APPROVE THE COVERAGE PROVIDED THROUGH HOUSE BILL 1114 BE EFFECTIVE JULY 1, 2025 TO AVOID A GAP IN COVERAGE FOR MEMBERS AND APPROVE THE FINAL HEALTH INSURANCE PLAN RATES EFFECTIVE JULY 1, 2025. THE MOTION WAS SECONDED BY SENATOR DEVER.**

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

**Nays:** None

**Absent:** Mr. Klipfel

**MOTION PASSED**

#### **RETIREE HEALTH INSURANCE CREDIT**

##### Retiree Health Insurance Credit (RHIC) Combined Records

Ms. Michaela Huntington informed the board of a situation concerning combined Retiree Health Insurance Credit (RHIC) records. Staff discovered 5 accounts effecting 10 members that had their RHIC combined in error. She explained the process when RHIC accounts are combined. With these situations there is a risk of overpayments. Staff reviewed several scenarios with legal counsel and received recommendations from the Attorney General's office. Discussion followed.

**MR. ERICKSON MOVED TO APPROVE NDPERS STAFF CORRECTING ALL FIVE RHIC ACCOUNTS ONLY PROSPECTIVELY EFFECTIVE 4/1/2025, AS OF THE DATE OF THE CORRECTION ON THE NDPERS SYSTEM, AND WRITE OFF ANY PRIOR IMPROPERLY COMBINED RHIC ACCOUNTS DUE TO INEQUITY, LITIGATION RISK, AND THE ADMINISTRATIVE ISSUES ENUMERATED BY STAFF. THE MOTION WAS SECONDED BY REPRESENTATIVE STEMEN.**

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

**Nays:** None

**Absent:** Mr. Klipfel

**MOTION PASSED**

## **LEGISLATION / ADMINISTRATIVE RULES**

### Legislation Implementation Update

Ms. Fricke provided a summary of the bills that staff was tracking and that she reported on during the Legislative Session. She called attention to two bills in particular, House Bill 1113 (administrative expenses of the 457 Deferred Comp Plan) and House Bill 1602 (political subdivisions to opt out of the new DC 2025 for new hires) that require discussion for implementation.

Mr. Hohbein explained that House Bill 1113 gives PERS the authority to fund the administrative expenses of the 457 Deferred Compensation Plan directly from participant accounts. Currently, the administrative fees are covered by excess revenue collected by FICA savings employee's medical and dependent care FlexComp elections, but there is a shortfall. The board discussed covering the shortfall by pulling fees from participant accounts to and methods to assess the fees. The Investment Subcommittee will discuss it at their next meeting and bring forward a recommendation for the Board's consideration.

Ms. Fricke explained that House Bill 1602 allows participating political subdivisions to opt out of the Defined Contribution plan for their new hires, while allowing them to continue participation for their employees enrolled in the Defined Benefit plan prior to the plan closure of January 1, 2025. Staff will be preparing Administrative Rules specific to this as part of the rule-making process; however, because the bill is effective August 1, 2025, staff will need to communicate the provisions of House Bill 1602 and notify them of what action is needed if they wish to discontinue participation. The board discussed the process of receiving written notification to disenroll and a deadline for the request to make it consistent with other plans that NDPERS administers.

**MR. ERICKSON MOVED TO APPROVE THE PROCESS AND TIMEFRAME FOR A POLITICAL SUBDIVISION TO FOLLOW IF THEY WISH TO DISCONTINUE PARTICIPATION IN THE DEFINED CONTRIBUTION PLAN UNDER THE TERMS OF HOUSE BILL 1602. THE MOTION WAS SECONDED BY REPRESENTATIVE STEMEN.**

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

**Nays:** None

**Absent:** Mr. Klipfel

**MOTION PASSED**

## **OPERATIONS / ADMINISTRATIVE**

### Contracts Under \$10,000

Ms. Fricke presented an ongoing list of contracts over \$10,000 that she has signed.

Board Strategic Planning Meeting

Ms. Fricke provided background on the strategic planning meetings that are typically held in odd-numbered years as the November Board meeting. She reviewed the agenda from the last planning meeting. Discussion followed.

**MR. ERICKSON MOVED TO APPROVE THE BIENNIAL STRATEGIC PLANNING MEETING AS OUTLINED. THE MOTION WAS SECONDED BY MR. BUCK.**

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

**Nays:** None

**Absent:** Mr. Klipfel

**MOTION PASSED**

Quarterly Consultant Fees

The board reviewed the quarterly report that shows the consulting, investment, and administrative fees paid during the quarter ended March 2025.

2025–2027 Budget Overview

Mr. Derrick Hohbein provided a summary of the budget that was passed during Legislative Session. The board reviewed the adjustments to Salaries & Wages and Operating Expenses.

Mr. Hohbein stated he is aware of two anticipated retirements during the upcoming biennium and discussed strategy on how to handle the budgetary implications and the succession planning to ensure the continuity of operations and effective knowledge transfer. The board discussed the \$134,061 New & Vacant FTE pool money that was removed from the budget, and acknowledged the possible use of contingency funds to accommodate the succession planning in the upcoming biennium.

Discussion followed.

**SENATOR DAVISON MOVED TO APPROVE THE STAFF RECOMMENDATION OF THE TRANSITION STRATEGY FOR THE 2025-2027 BIENNIUM. THE MOTION WAS SECONDED BY REPRESENTATIVE STEMEN.**

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

**Nays:** None

**Absent:** Mr. Klipfel

**MOTION PASSED**

Executive Director Review and Salary Recommendation

On May 9<sup>th</sup> the Executive Director Performance Review and Compensation Subcommittee met to discuss the results of the 2024 Executive Director performance review and a salary recommendation. Committee Chairperson, Representative Jason Dockter, provided a summary and a salary increase recommendation of 3%.

**REPRESENTATIVE DOCKTER MOVED TO APPROVE A 3.0% PERFORMANCE SALARY INCREASE EFFECTIVE JULY 1, 2025 FOR THE EXECUTIVE DIRECTOR. THE MOTION WAS SECONDED BY MR. BUCK.**

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

**Nays:** None

**Absent:** Mr. Klipfel

**MOTION PASSED**

Next Meeting date: June 10, 2025

The meeting was adjourned at 12:27 P.M.

Submitted by:  
Brittany Berreth  
Assistant to the NDPERS Board