

MINUTES

North Dakota Public Employees Retirement System Tuesday, September 12, 2023 8:30 A.M.

Members In Person: Chairperson Mona Rindy
Ms. Casey Goodhouse
Rep. Greg Stemen
Mr. Gerald Buck
Mr. Jeffry Volk
Mr. Joe Morrissette
Rep. Jason Dockter
Sen. Dick Dever
Mr. Adam Miller
Mr. Tyler Erickson
Sen. Shawn Vedaa

Others: Mr. Scott Miller, NDPERS
Mr. Derrick Hohbein, NDPERS
Ms. Rebecca Fricke, NDPERS
Ms. Katheryne Korom, NDPERS
Mr. Dean DePountis, Office of Attorney General
Mr. Eric Chin, RIO

Chairperson 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 August 15, 2023, meeting minutes.

REPRESENTATIVE DOCKTER MOVED TO APPROVE THE MINUTES OF THE AUGUST 15, 2023, MEETING. THE MOTION WAS SECONDED BY SENATOR DEVER AND CARRIED BY A VOICE VOTE. THE MINUTES WERE APPROVED.

CONFLICT OF INTEREST DISCLOSURE CONSIDERATION

None reported.

PRESENTATIONS

Investment Performance Update

Mr. Eric Chin, Deputy CIO/Public Funds Management Retirement and Investment Office, presented an Executive Summary of NDPERS Investment and Performance for the fiscal year 2022-23. He provided comments on the impact of inflation, and bond and equity volatility. Mr. Chin discussed the market, PERS portfolio performance, and inflation factors.

Discussion followed.

DEFERRED COMPENSATION / DEFINED CONTRIBUTION

457 Companion Plan & 401(a) Plan 2nd Quarter 2023 Report

A summary of the 457 Companion Plan & 401(a) Plan 2nd Quarter 2022 Report was presented by Mr. Derrick Hohbein. The report was reviewed by the NDPERS Investment Subcommittee and is available on the website.

Mr. Hohbein stated that assets in both plans increased during the second quarter as did the number of participants. He also highlighted benchmarks and fund/investment news.

Investment Options Summary Book

The Investment Options Summary for the NDPERS 457 Deferred Compensation Plan has been updated and is available on the website. Ms. Katheryne Korom noted the booklet contains information on all the providers and investment options available in the plan.

Recordkeeper Request For Proposal (RFP)

Ms. Katheryne Korom provided an update on the proposal process.

GROUP INSURANCE / FLEXCOMP

Uniform Group Insurance Consultant Request For Proposal

Ms. Katheryne Korom reported that eight proposals were received by the deadline. The board will review the bids at the October meeting.

FlexComp Plan Document

Ms. Rebecca Fricke shared information about IRS changes that affects medical spending accounts. Staff has updated the FlexComp Plan Document to reflect this change. The updated plan Document was presented to the board for approval.

MR. ERICKSON MOVED TO APPROVE UPDATES TO THE NDPERS FLEXCOMP PLAN DOCUMENT EFFECTIVE JANUARY 1, 2024. THE MOTION WAS SECONDED BY MR. MORRISSETTE.

Ayes: Mr. Erickson, Mr. Volk, Mr. Buck, Mr. Adam Miller, Mr. Morrissette, Senator Vedaa, Representative Stemen, Senator Dever, Ms. Goodhouse, Representative Dockter, and Chairperson Rindy

Nays: None

Absent: None

MOTION PASSED

Medicare Part D Contract Amendment

Ms. Rebecca Fricke reviewed the contract amendment to renew the NDPERS Medicare Part D Plan with Humana for the 2024 calendar year.

REPRESENTATIVE STEMEN MOVED TO APPROVE THE CONTRACT AMENDMENT FOR THE NDPERS MEDICARE PART D PLAN FOR THE 2024

CALENDAR YEAR FOR SIGNATURE BY CHAIRPERSON RINDY. THE MOTION WAS SECONDED BY MR. BUCK.

Ayes: Mr. Erickson, Mr. Volk, Mr. Buck, Mr. Adam Miller, Mr. Morrisette, Senator Vedaa, Representative Stemen, Senator Dever, Ms. Goodhouse, Representative Dockter, and Chairperson Rindy

Nays: None

Absent: None

MOTION PASSED

MISCELLANEOUS

Legislation Implementation

Ms. Rebecca Fricke updated the board on work effort to implement the following bills passed during the past Legislative Session:

HB 1014 Industrial Commission splitting into two agencies

HB 1040 Closed Defined Benefit Plan to new hires, establishes a new Defined Contribution Plan

HB 1095 Comprehensive medication management program

HB 1183 Definition of peace officer for eligibility in the State Law Enforcement Plan

HB 1309 Benefit multiplier for BCI agents

HB 1411 Prosthetic repairs and replacements

HB 1501 Soybean Council privatization

SB 2140 Cap of \$25/month charged towards insulin and diabetic supplies.

SB 2158 CHAND Study – participation in a study to explore dissolving CHAND

Discussion followed.

REPRESENTATIVE STEMEN MOVED TO APPROVE THE USE OF \$250,000 FROM INSURANCE RESERVES FOR THE 2023-2025 BIENNIUM IN COMPLIANCE WITH SB 2140 TO COVER OUT-OF-POCKET EXPENSE APPLIED FOR MEMBERS THAT RECEIVE DIABETIC SUPPLIES; AND APPROVAL OF THE USE OF \$30,000 FROM RESERVES TO COVER THE EXPENSE OF THE REQUIRED MAILING. THE MOTION WAS SECONDED BY SENATOR VEDAA.

Ayes: Mr. Erickson, Mr. Volk, Mr. Buck, Mr. Adam Miller, Mr. Morrisette, Senator Vedaa, Representative Stemen, Senator Dever, Ms. Goodhouse, Representative Dockter, and Chairperson Rindy

Nays: None

Absent: None

MOTION PASSED

Audit Committee Minutes

Ms. Shawna Piatz provided an overview of the minutes of the May 8th meeting of the Audit Committee.

Litigation Update

There was no update.

Open Records Request

Mr. Scott Miller informed the board that Trustee Jeffrey Volk has requested a copy of the recording of the executive sessions on May 9 and May 12, 2023, where the Board discussed whether to initiate litigation against the Legislative Assembly regarding the Board makeup change and then considered what attorneys to retain. Allyson Hicks from the Attorney General's Office advised that those recordings are "exempt" records, which require Board action to approve the release.

Mr. Volk will be required to maintain the exempt status of the record in his possession if the Board releases the recordings to him.

Discussion followed.

MR. MORRISSETTE MOVED TO APPROVE ALL BOARD MEMBERS BE ALLOWED TO VOTE. THE MOTION WAS SECONDED BY REPRESENTATIVE STEMEN.

Ayes: Representative Stemen, Mr. Volk, Mr. Buck, Mr. Morrisette, Senator Vedaa, Senator Dever, and Representative Dockter

Nays: Mr. Erickson, Ms. Goodhouse, Mr. Adam Miller, and Chairperson Rindy

Absent: None

MOTION PASSED

MR. MORRISSETTE MOVED APPROVAL TO RELEASE THE AUDIO RECORDING OF THE CLOSED SESSIONS FROM THE MAY 9 REGULAR MEETING AND THE MAY 12 SPECIAL MEETING SOLELY TO MR. VOLK AND NOT TO ANYONE ELSE. THE MOTION WAS SECONDED BY MR. BUCK.

Ayes: Mr. Erickson, Mr. Volk, Mr. Buck, Mr. Adam Miller, Mr. Morrisette, Senator Vedaa, Representative Stemen, Senator Dever, Ms. Goodhouse, and Representative Dockter

Nays: Chairperson Rindy

Absent: None

MOTION PASSED

Mr. Volk was reminded that he is bound by the Exempt Status of the record.

Contracts Under \$10,000

Mr. Scott Miller provided an update on contracts less than \$10,000 that he has signed .

Legislative Relations Update

Mr. Scott Miller highlighted discussion from the Legislative Health Services and Health

Care Committee meetings held the end of August. He provided information regarding the Comprehensive Health Association of North Dakota (CHAND) study. CHAND offers health insurance to North Dakota residents who either are unable to find adequate health insurance coverage in the private market due to medical conditions or who have lost their employer-sponsored group health insurance.

The Board took a short break from 10:30 A.M. to 10:40 A.M.

MEMBER

Hardship Withdrawal Case #816

This agenda item was noticed for Executive Session to discuss confidential member information in a Closed Session.

MR. ERICKSON MOVED TO ENTER INTO EXECUTIVE SESSION PURSUANT TO N.D.C.C. §44-04-19.2 AND §44-04-19.2(1) AND/OR §54-52-26 TO DISCUSS CONFIDENTIAL RECORDS OR CONFIDENTIAL MEMBER INFORMATION. THE MOTION WAS SECONDED BY SENATOR VEDAA.

Ayes: Mr. Erickson, Mr. Volk, Mr. Buck, Mr. Adam Miller, Mr. Morrissette, Senator Vedaa, Representative Stemen, Senator Dever, Ms. Goodhouse, Representative Dockter, and Chairperson Rindy

Nays: None

Absent: None

MOTION PASSED

All members named above, attorney Dean DePountis, NDPERS staff members Scott Miller, Rebecca Fricke, Derrick Hohbein, MaryJo Anderson, Jan Lund, Brittany Berreth, were in attendance for the Executive Session (closed meeting, electronically recorded) which began at 10:45 A.M. The member was present by phone. The meeting returned to Open Session at 10:58 A.M.

SENATOR DEVER MOVED TO APPROVE THE HARDSHIP WITHDRAWAL REQUEST. THE MOTION WAS SECONDED BY MR. ADAM MILLER.

Ayes: Mr. Erickson, Mr. Volk, Mr. Buck, Mr. Adam Miller, Mr. Morrissette, Senator Vedaa, Representative Stemen, Senator Dever, Ms. Goodhouse, Representative Dockter, and Chairperson Rindy

Nays: None

Absent: None

MOTION PASSED

With no further agenda items to discuss, Chairperson Rindy adjourned the meeting at 11:00 A.M.

Prepared by,

NDPERS Board Meeting
September 12, 2023
Page 6 of 6

Jan Lund
Assistant to the Board