

**NDPERS INVESTMENT SUBCOMMITTEE
MINUTES
Wednesday, February 19, 2025
8:30 A.M.**

Members Present: Gerald Buck

Members By Teams: Chairperson Adam Miller
Tyler Erickson
Jeffry Volk

Members Absent: Rep. Greg Stemen

Staff Present: Marcy Aldinger
Derrick Hohbein
MaryJo Anderson
Rebecca Fricke
Janis Lund

Staff Absent: Katheryne Korom
AG Attorney

Others Present: Craig Chaikin - Callan
Scott Anderson - RIO
Dave Ramirez - Empower

Minutes

Chairperson Adam Miller called the meeting to order at 8:30 AM. A quorum was present.

Agenda was approved by voice vote.

I. Minutes – Tuesday, November 26, 2024

Chairperson Miller called for questions or comments regarding the minutes of November 26, 2024.

Jeffry Volk moved to approve the minutes of the November 26, 2024, Investment Subcommittee meeting. The motion was seconded by Gerald Buck.

Minutes were approved by voice vote.

II. Conflict of Interest Disclosure Consideration

None reported.

III. Defined Benefit Plans Performance Q4 (through November) 2024 Update – RIO

Scott Anderson gave an investment update on the PERS Defined Benefit plans as of November 30, 2024. Performance benchmark indices were reviewed. NDPERS' 10-year average fund return as of November 30, 2024, was 7.4% compared to the policy return of 6.9%. PERS actual and target asset allocations were reviewed. The year-to-date total PERS fund return of 10.8% less the policy benchmark return of 10.9% resulted in a total relative return of -0.1% as of November 30, 2024. The one-year total PERS fund return of 14.2% less the policy benchmark return of 14.8% resulted in a total relative return of -0.6% as of November 30, 2024. Total actual assets as of November 30, 2024, were \$4,647,227,636. Discussion took place.

IV. Market Update & Performance – Callan

Craig Chaikin presented a market update for the 4th quarter of 2024. The investment structure for the 457 and 401(a) plans was reviewed. The Active Manager Monitoring Summary was reviewed. Galliard has underperformed the benchmark, but ranks top decile among peers over the trailing 3- and 5-year periods. All of the target date funds had investment losses during the quarter, and six other funds also experienced losses. Three funds experienced positive gains during the quarter. Active Manager Performance Summary, Plan Performance Monitoring data, and Plan Investment Fees were reviewed.

V. Plan Review – Empower

Dave Ramirez with Empower presented the 4Q2024 plan review. The NDPERS 401(a) Defined Contribution plan has 191 members and assets of \$24,205,001. The NDPERS 457(b) Companion plan has 10,622 participants and assets of \$224,344,512. Overall, there are 10,813 plan participants with total assets of \$248,549,513. Participant Engagement data was reviewed, including the educational efforts that have taken place (including those for the new Defined Contribution plan). Discussion took place.

VI. Other Business

Derrick Hohbein provided statistics on the enrollments in the Defined Contribution plan, and what contribution levels they are making as well as the number of participants that are transferring from the Defined Benefit to the Defined Contribution plan.

Derrick Hohbein provided an update on the experience study and the expected timeline moving forward.

Craig Chaikin provided an update that Ben Taylor is leaving Callan at the end of June.

The next regular meeting will be on Tuesday, May 27, 2025.

The subcommittee adjourned at 10:17 AM.