

MINUTES

North Dakota Public Employees Retirement System

NDPERS Conference Room

Thursday, March 12, 2015

12:00 p.m.

Members Present: Mr. Mike Sandal
Ms. Arvy Smith
Mr. Thomas Trenbeath

Via Teleconference: Ms. Yvonne Smith
Ms. Kim Wassim
Ms. Casey Goodhouse
Chairman Strinden

Others Present: Mr. Sparb Collins, NDPERS
Ms. Cheryl Stockert, NDPERS
Ms. Sharon Schiermeister, NDPERS
Ms. Deb Knudsen, NDPERS
Ms. Kathy Allen, NDPERS
Mr. Bryan Reinhardt, NDPERS
Ms. Rebecca Fricke, NDPERS
Ms. MaryJo Steffes, NDPERS
Ms. Jan Murtha, Attorney General's Office

Chairman Strinden called the meeting to order at 12:00 p.m.

Legislation

Mr. Collins reviewed the provisions of House Bill 1080 with the Board. He discussed the proposed amendments which included reducing the multiplier from 2% to 1.9% and getting rid of the contribution increase. As this bill was originally proposed, the plan would become 100% funded in about 2035. As amended, it would be 100% funded in 2052. Both versions of the bill have a positive actuarial effect on the fund. Mr. Collins reviewed various options relating to the position PERS could take on the amended bill.

MR. SANDAL MOVED THAT PERS SUPPORT THE BILL AS ORIGINALLY PROPOSED AND OFFER AMENDMENTS TO RESTORE THE BILL BACK TO ITS ORIGINAL VERSION. THE MOTION WAS SECONDED BY MR. TRENBEATH.

The Board further clarified the motion.

Ayes: Ms. A. Smith, Ms. Goodhouse, Mr. Sandal, Ms. Y. Smith, Mr. Trenbeath, Ms. Wassim, and Chairman Strinden

Nays: None

MOTION PASSED

The Board discussed the fact that on page 5 of Engrossed House Bill 1080 it reads, "All retirees first enrolled before January 1, 2016" and that it should be clarified if this means newly retired or newly hired members. Mr. Collins indicated a technical amendment will be offered to make it consistent with other language in the law referring to newly hired members.

Mr. Collins reported that House Bill 1475 was submitted to, approved by and filed by the delayed bills committee yesterday. A fiscal note was requested and is being sent to Sanford. Mr. Collins reviewed the sections of the bill and offered suggested amendments that will be drafted by legal counsel. He indicated that staff is working with Deloitte to determine if these provisions are common provisions to be included in request for proposals, if it is feasible to administer, whether it will increase/decrease costs, whether it could increase/decrease competition going forward, whether it would reduce the carrier's negotiating leverage, and whether it was included in the RFP. Mr. Collins reviewed various options relating to the position PERS could take on this bill. After discussion, the Board concurred that Mr. Collins would present neutral testimony until the board has an opportunity to review the information that is being developed by staff, legal council and Deloitte.

There being no further business, the meeting adjourned at 12:30 p.m.

Prepared by,

Cheryl Stockert
Assistant to the Board