



RETIREMENT COMMITTEE

Wednesday, September 11, 2024
Roughrider Room, State Capitol
Bismarck, North Dakota

Representative Jason Dockter, Chairman, called the meeting to order at 10:00 a.m.

Members present: Representatives Jason Dockter, Jorin Johnson*, Mike Lefor*, SuAnn Olson, Mitch Ostlie*, Brandy Pyle*, Austen Schauer*, Greg Stemen*; Senators Randy A. Burckhard*, Dick Dever, Karen K. Krebsbach*, Dean Rummel*, Mark F. Weber*

Members absent: Representatives Scott Louser, Bernie Satrom; Senator Shawn Veda

Others present: Maik Mueller and Vasudevan Sridharan, Sagitec Solutions, LLC

See [Appendix A](#) for additional persons present.

**Attended remotely*

It was moved by Representative Stemen, seconded by Senator Dever, and carried on a voice vote that the minutes of the April 30, 2024, meeting be approved as distributed.

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Agency Update

Mr. Derrick Hohbein, Chief Operating and Financial Officer, Public Employees Retirement System, presented information ([Appendix B](#)) regarding the status of the closure of the main system defined benefit (DB) retirement plan and an update on transitioning to the new defined contribution (DC) retirement plan. He noted:

- Public Employees Retirement System (PERS) representatives met with developers working on political subdivision employer payroll development regarding the transition to the new DC retirement plan.
- The new DC retirement plan document has been finalized, along with the deferred compensation plan and deferred compensation companion plan documents.
- Enrollment forms for the DC retirement plan and deferred compensation plans have been finalized and the in-plan annuity options for the fund lineups have been approved.
- Testing was successfully completed on the state's central payroll reporting platform for the new DC retirement plan matching provisions, deferred compensation plan matching provisions, spillover provisions, and the actuarial determined employer contribution.
- The PERS Board has approved the administrative rules necessary to implement the DC retirement plan and the rules will be on the agenda of the Administrative Rules Committee in December 2024 for finalization.

Vendor Update

Mr. Vasudevan Sridharan, Executive Director, and Mr. Maik Mueller, Deputy Manager, Sagitec Solutions, LLC, presented an update ([Appendix C](#)) regarding the status of the PERS system upgrades, programming changes necessary to transition to the new DC retirement plan, the estimated completion date of the programming changes, and ongoing programming needs for the PERS system once the transition is complete. They noted:

- The fund transfer calculation for members transferring from the main system DB retirement plan to the new DC retirement plan has been partially completed and communications with PERS are ongoing to develop a one-time process for communicating with eligible members.

- System validation of the actuarial determined employer contribution rates for the DB retirement plan is partially completed for employer reporting.

Ms. Rebecca Fricke, Executive Director, Public Employees Retirement System, noted a few areas may require legislative intervention during the upcoming session, including the eligibility and participation provisions for political subdivisions in the new DC retirement plan and the potential budgetary challenges for nonlegislatively funded state entities if the employees of those entities opt to transfer to the DC retirement plan during the special election window.

OTHER

It was moved by Representative Olson, seconded by Representative Pyle, and carried on a voice vote that the Chairman and the Legislative Council staff be requested to prepare a report and to present the report to the Legislative Management.

It was moved by Senator Burckhard, seconded by Representative Pyle, and carried on a voice vote that the committee be adjourned sine die.

No further business appearing, Chairman Dockter adjourned the committee sine die at 10:52 a.m.

Beth Dittus
Counsel

Levi Kinnischtzke
Senior Fiscal Analyst

ATTACH:3