

A photograph of the Century Center building, a modern structure with a large glass facade and a stone base. The building is set against a clear blue sky with a few wispy clouds. In the foreground, there is a green lawn with several blue light poles. To the right, a stone wall features the text 'CENTURY CENT' and '1600 E CENTURY AVENUE'. Three flags are flying on poles in front of the building: the American flag, the North Dakota state flag, and a blue flag with a white emblem.

# ND PUBLIC EMPLOYEES RETIREMENT SYSTEM

Budget – 69<sup>th</sup>  
Legislative Assembly



Mike Seminary  
Chair



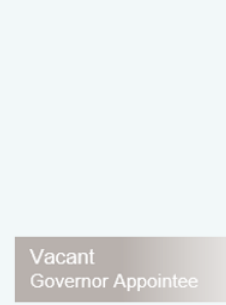
Casey Goodhouse  
Member Elected



Adam Miller  
Member Elected



Tyler Erickson  
Member Elected



Vacant  
Governor Appointee



Jeffrey Volk  
Governor Appointee



Gerald Buck  
Governor Appointee



Representative  
Greg Stemen



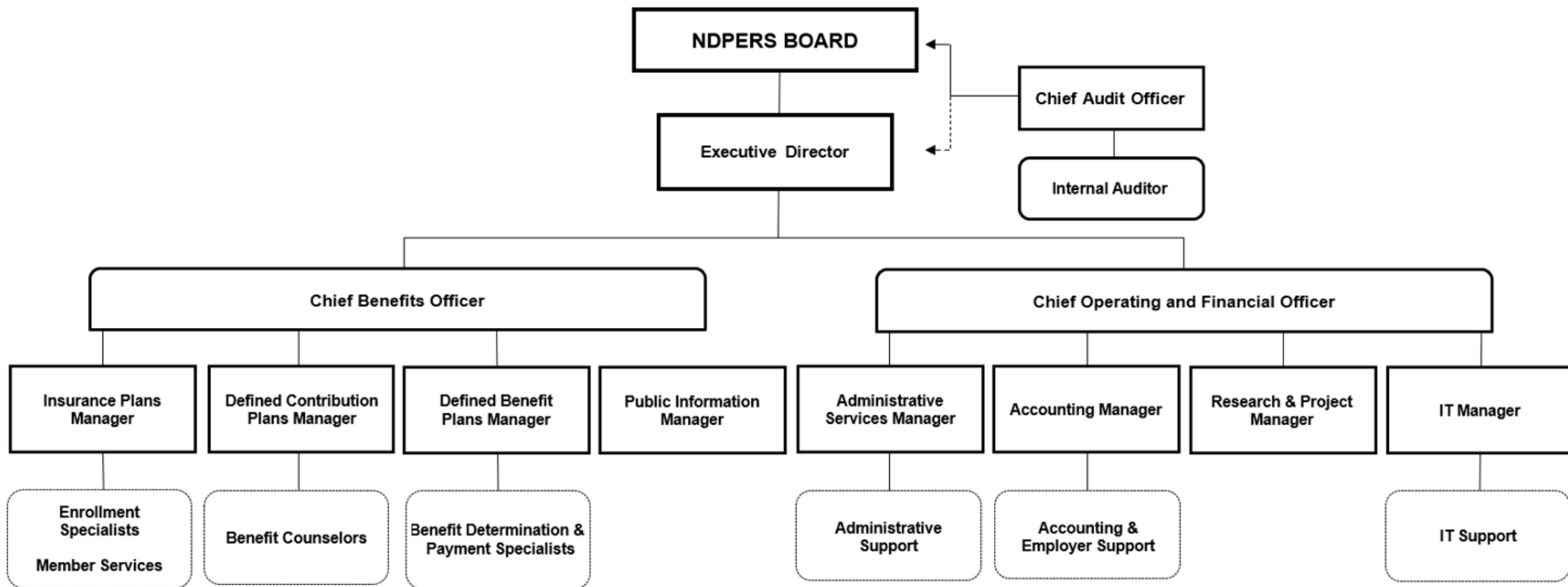
Representative  
Jason Dockter



Senator  
Kyle Davison



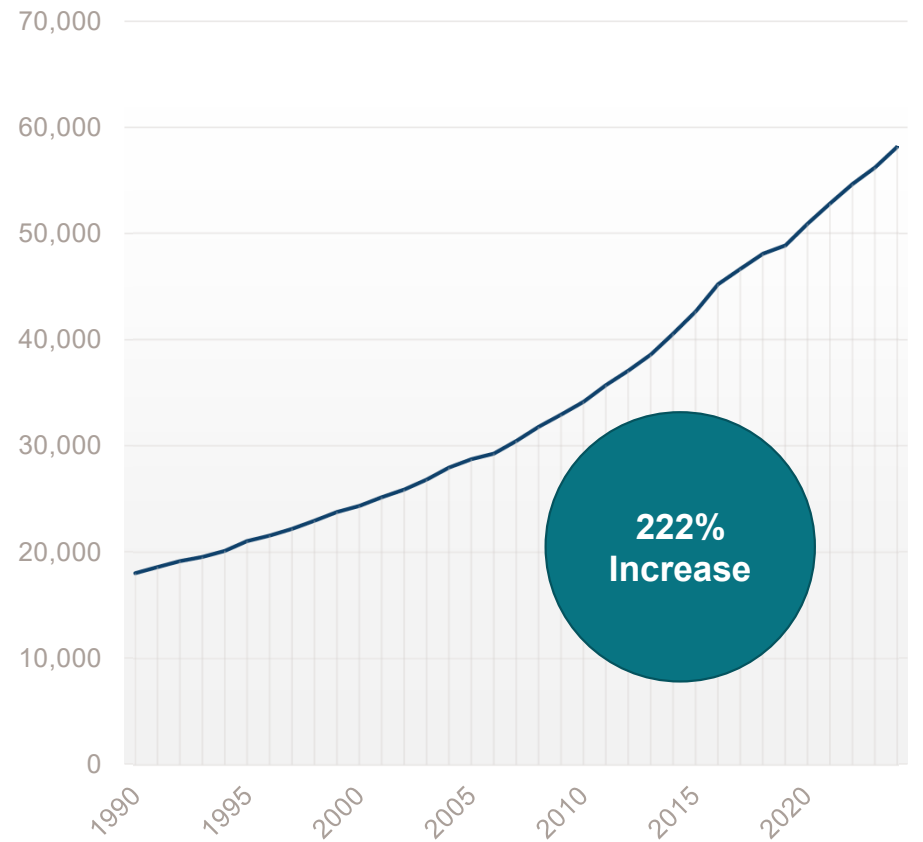
Senator  
Dick Dever



January 2025	RETIREMENT PROGRAMS MANAGED AND ADMINISTERED BY NDPERS								
	<i>TOTAL</i>	<i>Main</i>		<i>Public</i>	<i>Highway</i>	<i>Job</i>	<i>DEFINED</i>	<i>DEFERRED</i>	<i>HEALTH</i>
	<i>RETIREMENT</i>	<i>System</i>	<i>Judges</i>	<i>Safety</i>	<i>Patrol</i>	<i>Service</i>	<i>CONTRIBUTION</i>	<i>COMP</i>	<i>CREDIT</i>
									<i>(RHIC)</i>
<b>PARTICIPATING EMPLOYERS</b>									
State	100	100	1	2	1	1	99	101	100
Counties	52	52		41			49	30	52
School Dist	132	132					116	42	132
Cities	102	102		32			87	62	102
District Health Units	21	21					20	16	21
Others	75	75		6			51	50	75
TOTAL	<b>482</b>							<b>301</b>	<b>482</b>
<b>EMPLOYEES</b>									
State	10,834	10,443	58	84	165	1	83	7,626	6,955
Counties	4,444	3,468		975			1	846	2,979
School Dist	7,638	7,637					1	127	3,442
Cities	3,079	2,389		689			1	571	1,958
District Health Units	267	267						200	175
Others	699	671		28				176	344
Subtotal	<b>26,961</b>	<b>24,875</b>	<b>58</b>	<b>1,776</b>	<b>165</b>	<b>1</b>	<b>86</b>	<b>9,546</b>	<b>15,853</b>
Retirees	14,598	14,119	44	177	119	109	30		14,131
Subtotal	<b>41,559</b>	<b>38,994</b>	<b>102</b>	<b>1,953</b>	<b>284</b>	<b>110</b>	<b>116</b>	<b>9,546</b>	<b>29,984</b>
Deferred Members	18,867	17,898	4	821	57	0	87	8,916	14,835
TOTAL	<b>60,426</b>	<b>56,892</b>	<b>106</b>	<b>2,774</b>	<b>341</b>	<b>110</b>	<b>203</b>	<b>18,462</b>	<b>44,819</b>

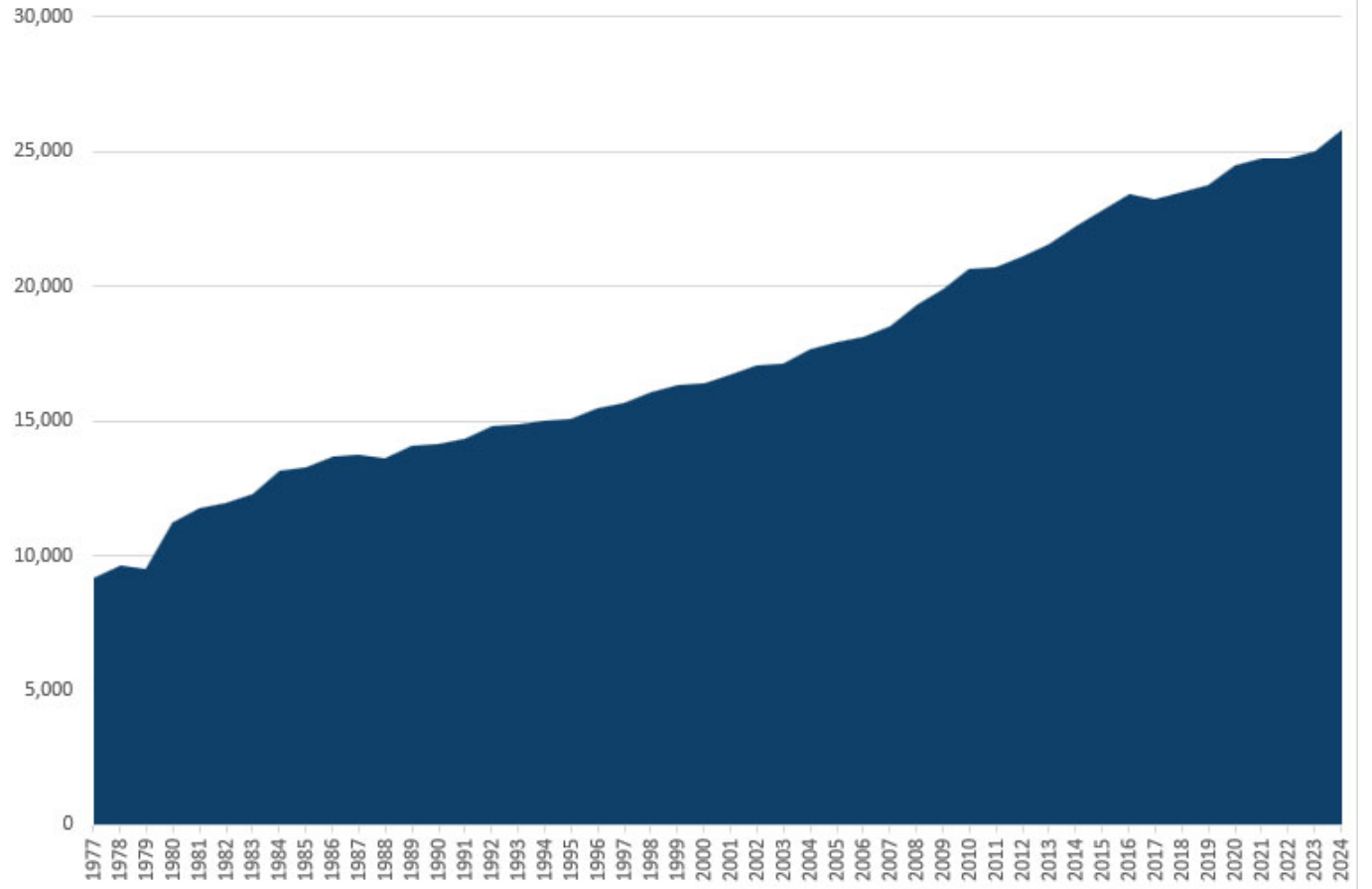
# RETIREMENT PLAN MEMBERSHIP

*Includes actives, inactive, retirees, and beneficiaries*



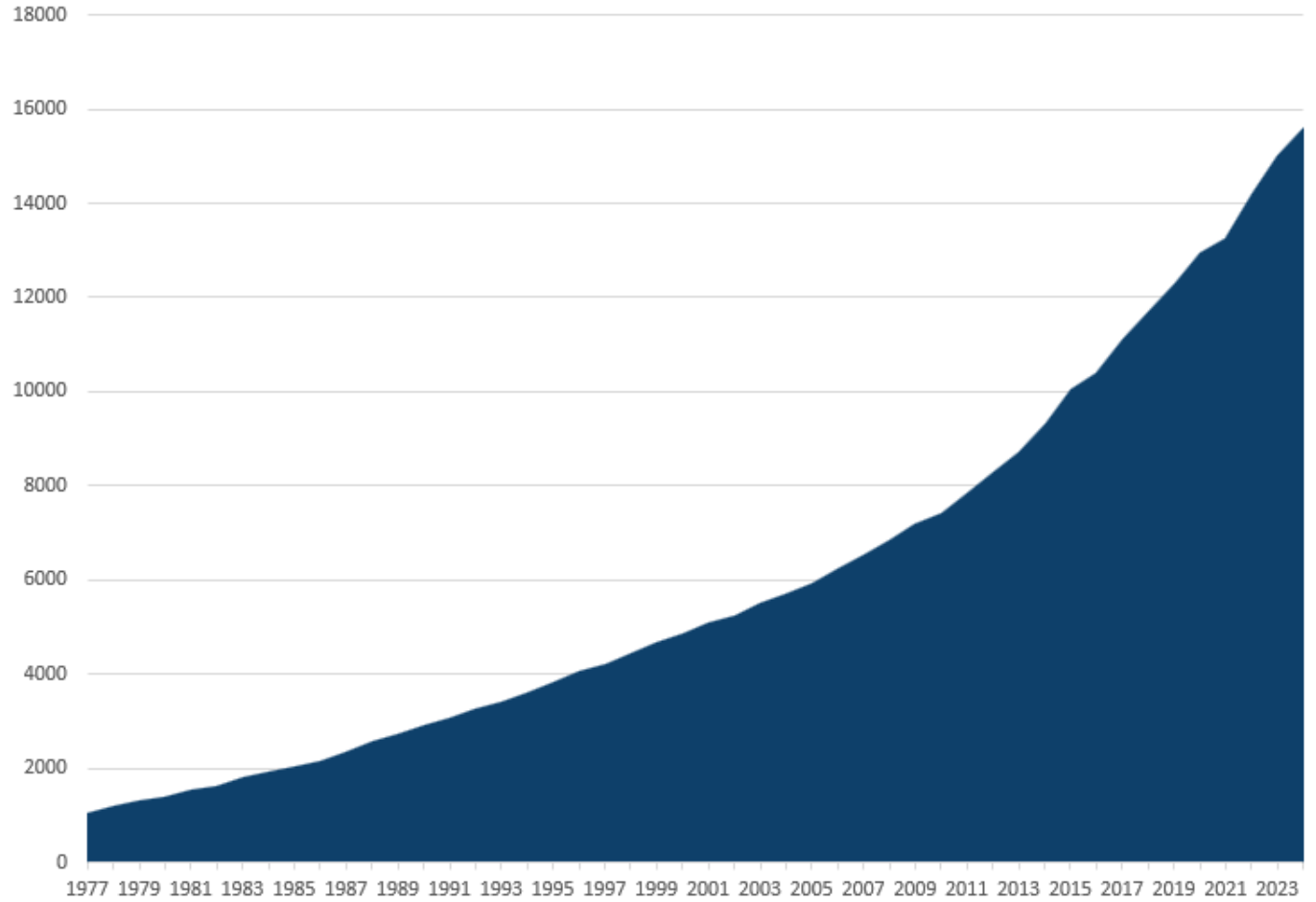
**ACTIVE  
MEMBERS IN  
NDPERS  
RETIREMENT  
SYSTEM**

*Includes members in Main, Judges, and Public Safety*

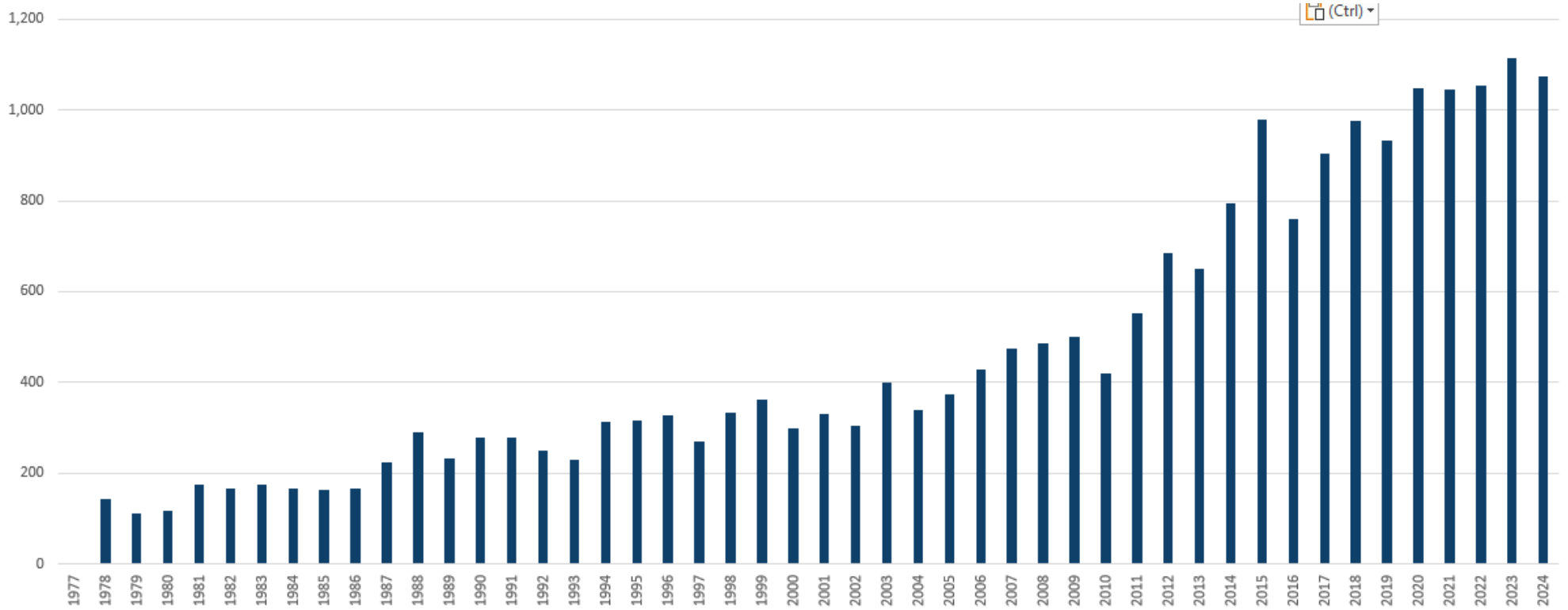


**RETIREES IN  
NDPERS  
RETIREMENT  
SYSTEM**

*Includes members in Main, Judges, and Public Safety*



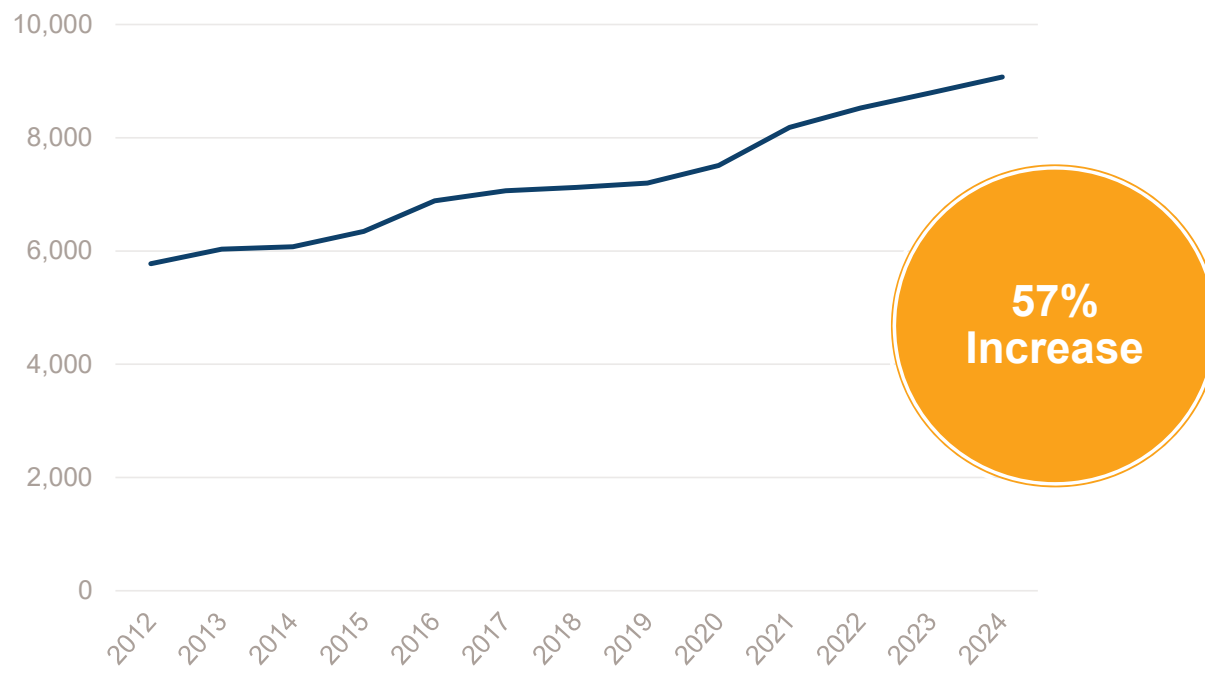
*Includes members in Main, Judges, and Public Safety*





Members of  
the Main  
System  
Eligible to  
Retire in the  
Next Five  
Years

	Age 65	Rule of 85	Total
Currently eligible as of June 2024	1,168	1,011	2,179
Newly eligible as of June 2025	323	249	572
Newly eligible as of June 2026	330	260	590
Newly eligible as of June 2027	345	284	629
Newly eligible as of June 2028	379	251	630
Newly eligible as of June 2029	386	264	650

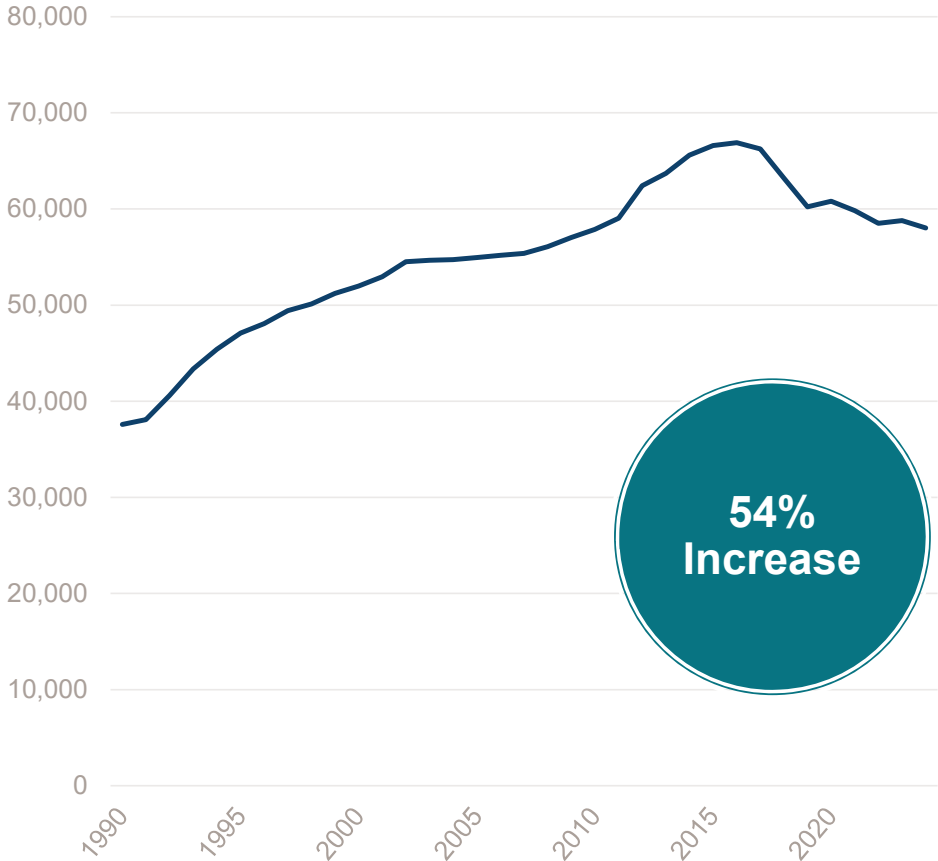


January 2025

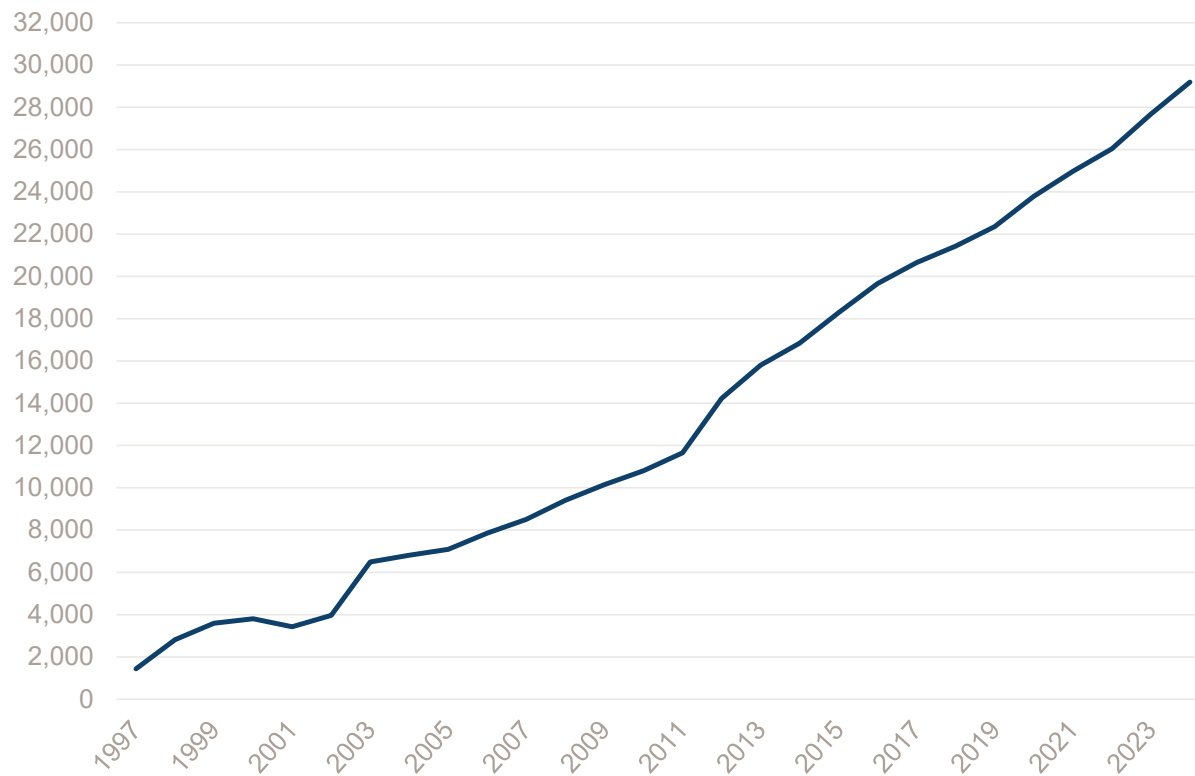
## GROUP INSURANCE PROGRAMS MANAGED AND ADMINISTERED BY NDPERS

	<i>HEALTH</i>	<i>LIFE</i>	<i>DENTAL</i>	<i>VISION</i>	<i>EAP</i>	<i>FLEXCOMP</i>
<b>PARTICIPATING EMPLOYERS</b>						
State	101	100	101	101	99	89
Counties	26	33				
School Dist	14	5				
Cities	28	28				
District Health Units	19	21	21	21	21	5
Others	32	18				
<b>TOTAL</b>	<b><i>220</i></b>	<b><i>205</i></b>	<b><i>122</i></b>	<b><i>122</i></b>	<b><i>120</i></b>	<b><i>94</i></b>
<b>EMPLOYEES</b>						
State	14,964	15,893	10,438	10,391	15,932	2,802
Legislators	117	134				
Counties	1,395	3,003				
School Dist	703	98				
Cities	658	259				
District Health Units	218	268	108	112	267	57
Others	249	187				
Retirees	6,585	3,083	4,791	4,554		
COBRA	106		50	42		
<b>TOTAL</b>	<b><i>24,995</i></b>	<b><i>22,925</i></b>	<b><i>15,387</i></b>	<b><i>15,099</i></b>	<b><i>16,199</i></b>	<b><i>2,859</i></b>
<b>Covered Lives</b>	<b><i>59,116</i></b>					

# HEALTH PLAN MEMBERSHIP

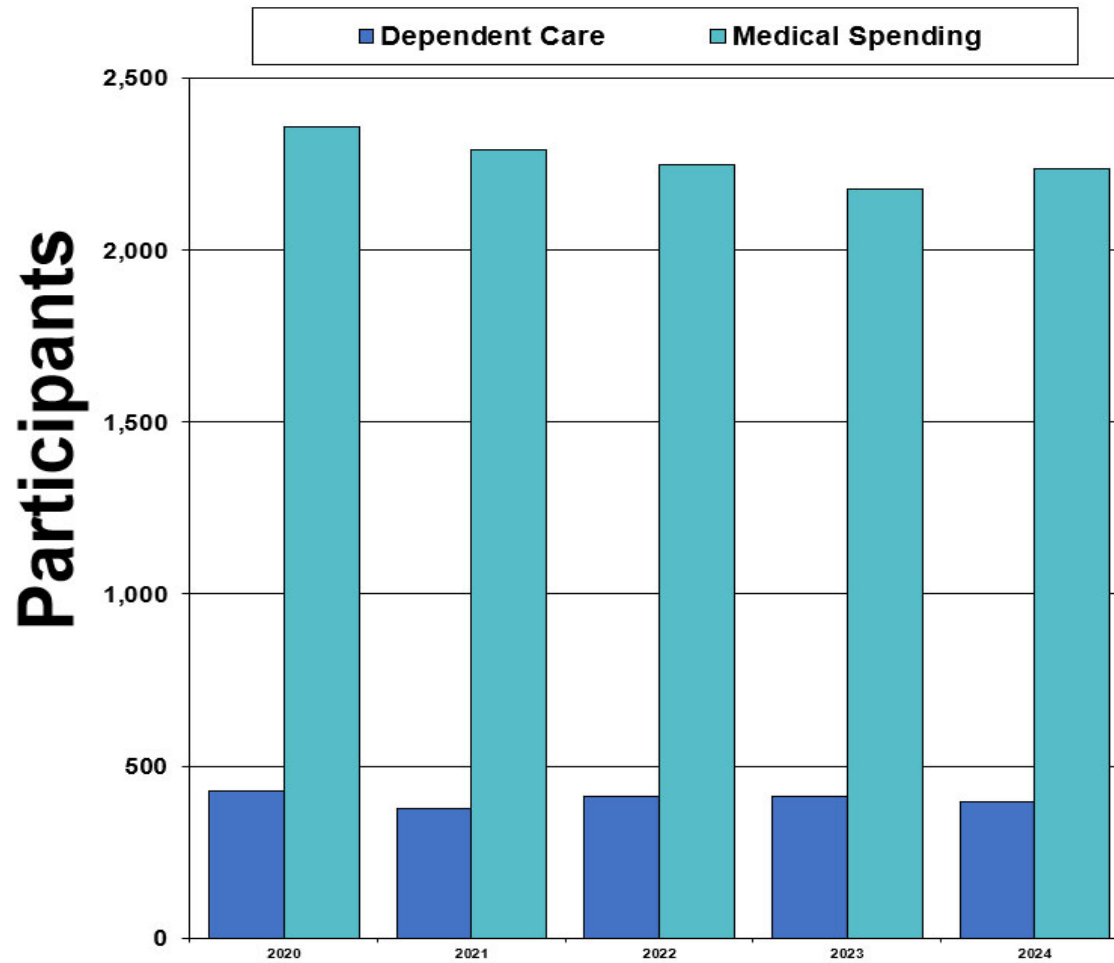


# Dental & Vision Insurances Membership

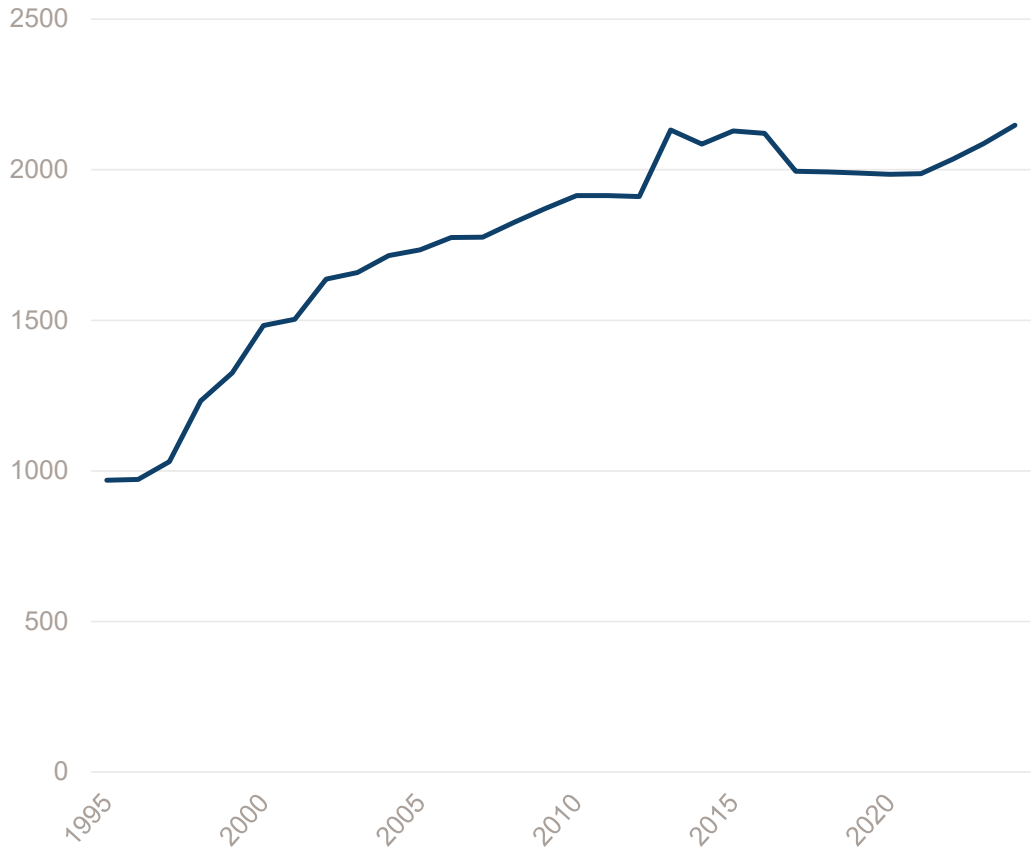


**1,933%  
Increase**

# NDPERS Flexcomp Participation



# TOTAL Participating Employers in NDPERS Plans



Year	# of responses	Courtesy received from NDPERS Staff.	Promptness of NDPERS response.	Information was properly explained.	Information easy to understand.
2015	464	3.82	3.67	3.73	3.62
2016	478	3.83	3.73	3.75	3.62
2017	540	3.83	3.76	3.69	3.58
2018 Sent via email	1,084	3.76	3.59	3.63	3.56
2019	2,392	3.75	3.48	3.63	3.59
2020	2,066	3.76	3.51	3.66	3.62
2021	2,268	3.74	3.49	3.60	3.56
2022	2,017	3.72	3.48	3.59	3.53
2023	2,287	3.78	3.56	3.69	3.64
2024	2,259	3.77	3.60	3.67	3.63

## MEMBER EXPERIENCE



# NDPERS' Three Year Strategic Plan

Goal	Division(s) Involved	2024	2025	2026	2027
Accuracy Improvement	All NDPERS Staff	In Process	X	X	X
Procedure Manual Documentation	All NDPERS Staff	In Process	X	X	X
Renewal/RFPs			X		X
Vision			X		X
RHIC	Executive Director	DONE	In Process	X	X
Medicare Part D	Benefits		In Process		X
EAP	Research & Planning	DONE		X	
Consultant - Actuary	COO/CFO		X		X
Consultant - Health Plan		DONE		X	
Health		DONE		X	
Dental	More staff involved and larger work effort for RFP process vs rebid.			X	
457/DC Third Party Administrator			X		X
Flexcomp Third Party Administrator		DONE		X	
Consultant - Dental, Vision, Life				X	
Consultant - Investment		DONE		X	
Life		DONE		X	
Education Campaign					
Employers		DONE	X	X	X
Legislators		DONE	X	X	X
Members		DONE	X	X	X
Succession Planning:					
Admin Services	All NDPERS Staff	In Process	X		
CFO		X	X		
CBO		X	X		
Educational Videos for Website	Communications/Benefits	In Process	X	X	X
Correspondence Embedding	Benefits & IT	In Process	X		
Electronic Records Cleanup	Admin Services/IT	In Process	X		
Develop an Employee Handbook	Admin Services	X	X		
Comprehensive Wizards	All NDPERS Staff	In Process	X		
System Enhancement Backlog	All NDPERS Staff	In Process	X	X	X
Workflow Redesign (BPM)	All NDPERS Staff	X	X	X	X
Lifecycle Training Recordings	All NDPERS Staff	In Process	X	X	
OCR for Scanning Efficiencies	Admin Services/IT	X	X		
Redefining Mission Statement	All NDPERS Staff	DONE			
Death Processing Accuracy Improvement	All NDPERS Staff	In Process	X		
Board Committee Charter & Bylaws Creation	All NDPERS Staff	DONE			
DB Closure Initiative	All NDPERS Staff	In Process	X		
Secure 2.0 & Roth 457 Provisions	All NDPERS Staff	X	X		
Create Board Operational Policies	All NDPERS Staff		X	X	

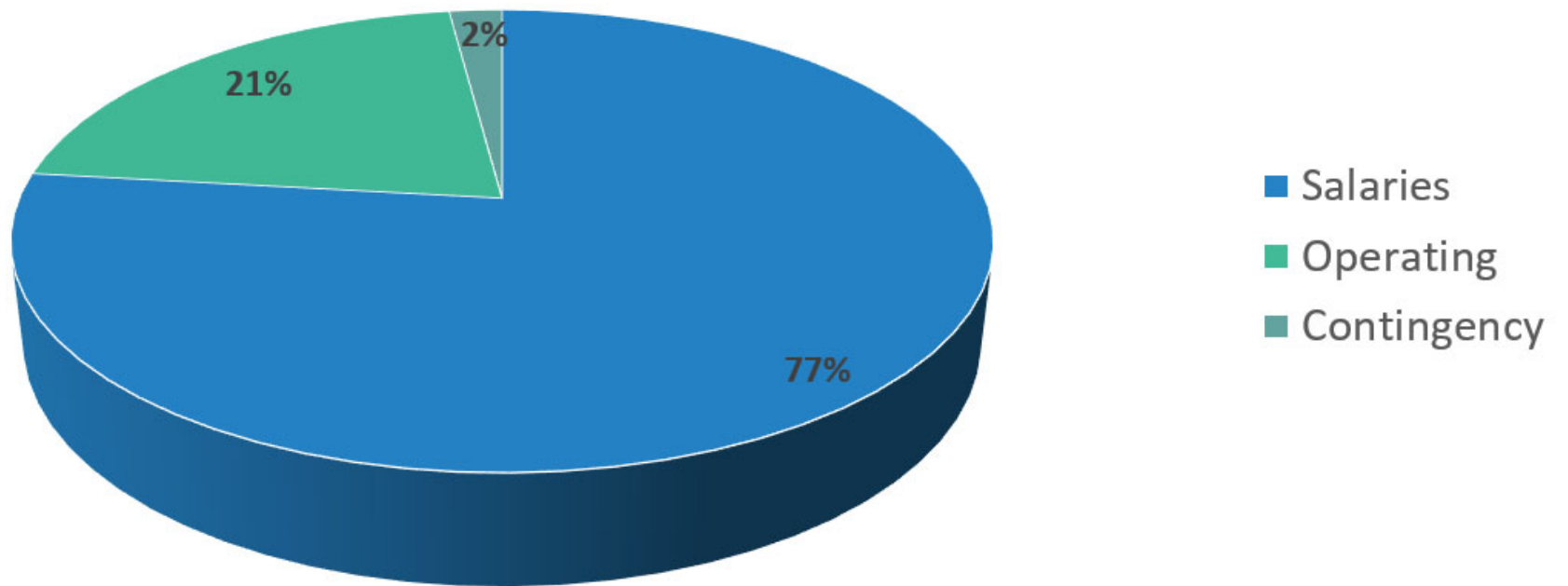


# NDPERS BUDGET

	<b>2023-25 Appropriation</b>	<b>One-Time Expenditures</b>	<b>Adjustments</b>	<b>2025-27 Legislative Base Budget</b>
Salaries & Wages	7,738,479	-	494,013	8,232,492
Operating Expenses	2,542,712	(128,000)	1,450	2,416,162
D.B. Plan Closure	372,027	(327,000)	(45,027)	-
Contingencies	250,000	-	-	250,000
Total Special Funds	10,903,218	(455,000)	450,436	10,898,654
FTE	40.5			40.5

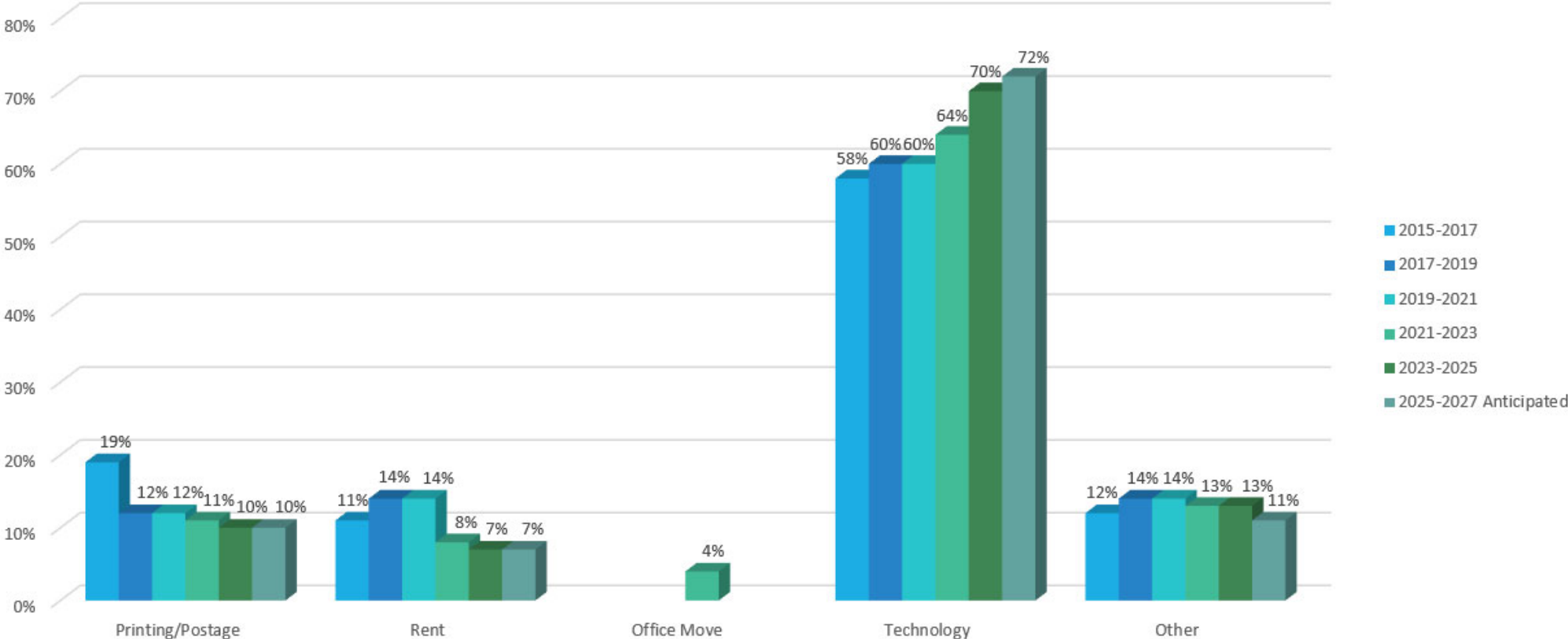
# NDPERS Budget Allocation

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# Budget: Operating Expenses

## Biennium to Biennium Comparison





PROS	CONS
Streamline internal operations	Significant member disruption (~11,000 participants)
Increase “buying power” of the Companion Plan	Unknown participant impact
Ensures Fiduciary oversight of participant funds	Some are annuity products



## Pros & Cons of 3% Reduced Budget Proposal

# EXECUTIVE RECOMMENDATION

	<b>2025-27 Legislative Base</b>	<b>Executive Recommendation Adjustments</b>	<b>2025-2027 Executive Recommendation</b>	<b>% Increase/ (Decrease)</b>
Salaries & Wages	8,232,492	2,069,275	10,301,767	25.1%
Operating Expenses	2,416,162	850,501	3,266,663	35.2%
Contingencies	250,000	-	250,000	
Total Special Funds	10,898,654	2,919,776	13,818,430	26.8%
FTE	40.5	0.0	40.5	

# SUMMARY OF EXECUTIVE RECOMMENDATION

## **Wages of \$2,069,275:**

- FTE Pool Restoration - \$1,201,247
- Salary increases funded at 4% the first year, and 3% the second year - \$440,169
- Restore full temporary funding - \$130,644
- Health insurance premium increase - \$252,215
- Add intern & Legislator funding - \$45,000

## **Operating Expenses of \$850,501**

- Cost to continue NDIT - \$64,617
- Cost to continue operational increases - \$246,289
- Sagitec Project Manager & Two Developers - \$539,595



# SUMMARY OF PROPOSED CHANGES TO EXECUTIVE RECOMMENDATION

## 1) FTE Requests:

- Accounting FTE for Employer Support - \$239,016 of salary appropriation & \$3,750 of ongoing operational appropriation
- Enrollment FTE for Enrollment Support - \$203,648 of salary appropriation & \$3,750 of ongoing operational appropriation

## 2) Targeted Compensation Adjustments:

- Executive Management Compensation Adjustments - \$110,848



**QUESTIONS?**