

Professional Fire Fighters of North Dakota

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House Government and Veterans Affairs Committee

Mr. Chairman and members of the Government and Veterans Affairs Committee,

My name is Darren Schimke, President of the Professional Fire Fighters of North Dakota (PFFND) representing 415 professional firefighters across our great state. We appreciate the opportunity to provide testimony in support of SB 2046.

The defined benefit pension plan through the NDPERS retirement system has been, and continues to be, an excellent aid to participating municipalities for recruitment and retention of firefighters across our State. This statement has been reinforced by the many plan participants statements given to me during zoom meetings the past 4 months.

My employer, the City of Grand Forks, joined the NDPERS retirement system defined benefit plan approximately 13 years ago. We came from a defined contribution plan. As our Local President at that time, my involvement with City Government was quite high and we were witnessing a mass exiting of employees for a number of years prior. The Police Department was having the most trouble with this and the Fire Department started to see the same thing as well. The number one reason given for ceasing their employment with the City during exit interviews was more attractive defined benefit plans. Once the City made the change to NDPERS defined benefit, the recruitment and retention issue improved greatly!

The PFFND and its plan participating member's support making the incremental contribution increases to the plan that are suggested within the actuarial reports and part of a recovery plan that was implemented approximately 10 years ago during Legislative Session. It has been said by employees and employers that incremental contribution increases are recognized as "needed" to address the unfunded liability and to sustain the plan well into the future. These smaller increased are more palatable for financial planning purposes on both sides as well.

With that being said, this bill, in its original form, is a necessity. The ½ % increase to permanent employees and ½ % increase to the employer is felt to be insufficient based on data presented by NDPERS during past Legislative sessions. The PFFND requests that SB 2046 be amended to its original 1% increase for both permanent employees and employer for the reasons stated above.

Thank you for the opportunity to submit our testimony and your hard work. Please consider a Do Pass recommendation on SB 2046 with it amended back to 1% increase for permanent employees and 1% increase to the employer.

Darren Schimke