



TESTIMONY ON SENATE BILL 2239
House Government and Veterans Affairs Committee
March 10th, 2023

Maureen Storstad, Finance and Administrative Services Director
City of Grand Forks, ND

Mr. Chairman and members of the committee, this testimony is written on behalf of Tangee Bouvette, Human Resources Director and myself, Maureen Storstad, Finance and Administrative Services Director for the City of Grand Forks. I want to thank you for the opportunity to provide testimony and express support of this legislation.

The NDPERS retirement system is an excellent defined benefit pension plan, and it is our top retention and recruitment tool for the City of Grand Forks. This plan has been a cornerstone of the benefit package offered to our employees. It is increasingly difficult to remain competitive with the private sector. The NDPERS defined benefit pension plan has proven to be an essential tool in recruiting and retaining skilled, qualified employees.

The City of Grand Forks, in general, has supported previous efforts to support the NDPERS plan to bring this plan to a healthier funding percentage level, and we would continue to support the NDPERS plan if the State were to consider keeping this plan open to new employees. The City of Grand Forks has supported past legislation to incrementally increase contribution rates over the last 12+ years as the City has been able to manage these incremental increases through budget planning.

We appreciate this bill and its efforts to not only keep this plan open, but to also place this plan on better footing, as we agree with the need to improve the funding of this plan. As stated, we are supportive of incremental increases, in which we can put together a budget and a plan. This bill includes a one-time cash infusion along with a 1% contribution increase for both the employee and employer. It also contains an increased contribution based on the ADEC calculation. A concern we have is with the unknown that would be presented with the computation of the ADEC percentage and what amount needs to be budgeted in future. We would ask for consideration of all that is included within this bill with the exception of the ADEC. The plan could then be monitored to see the effects of these changes on the trajectory of funding.

The City of Grand Forks supports this bill and the effort to bring the NDPERS main pension plan to a healthier funded level. We support making incremental contribution changes to the NDPERS plan and monitoring funding every two years, in order to get this plan on a positive trajectory toward healthier funding. It is for the reasons stated above that we support the efforts of Senate Bill 2239, Thank you for your time and consideration. We respectfully ask for a DO PASS on Senate Bill 2239.