



ND PUBLIC EMPLOYEES RETIREMENT SYSTEM

Budget – 69th
Legislative Assembly

NDPERS BOARD



Mike Seminary
Chair



Casey Goodhouse
Member Elected



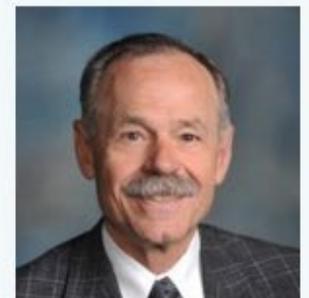
Adam Miller
Member Elected



Tyler Erickson
Member Elected



Bryan Klipfel
Governor Appointee



Jeffrey Volk
Governor Appointee



Gerald Buck
Governor Appointee



Representative
Greg Stemen



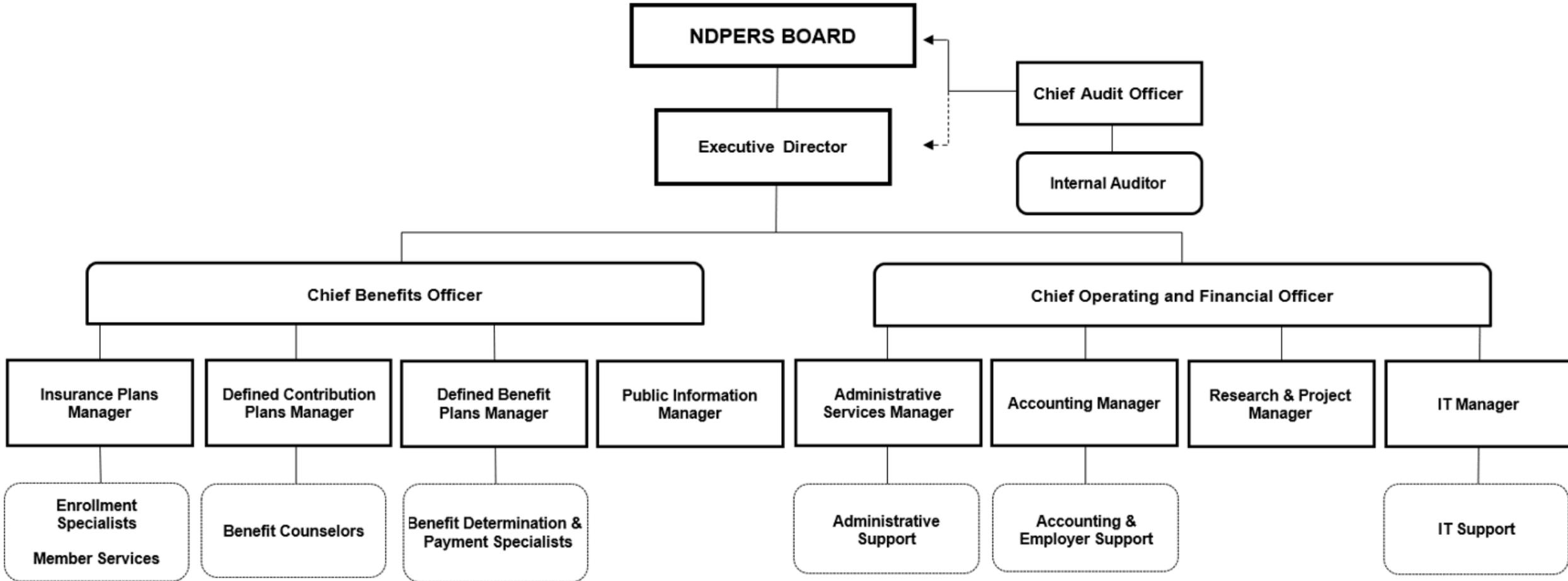
Representative
Jason Docket



Senator
Kyle Davison



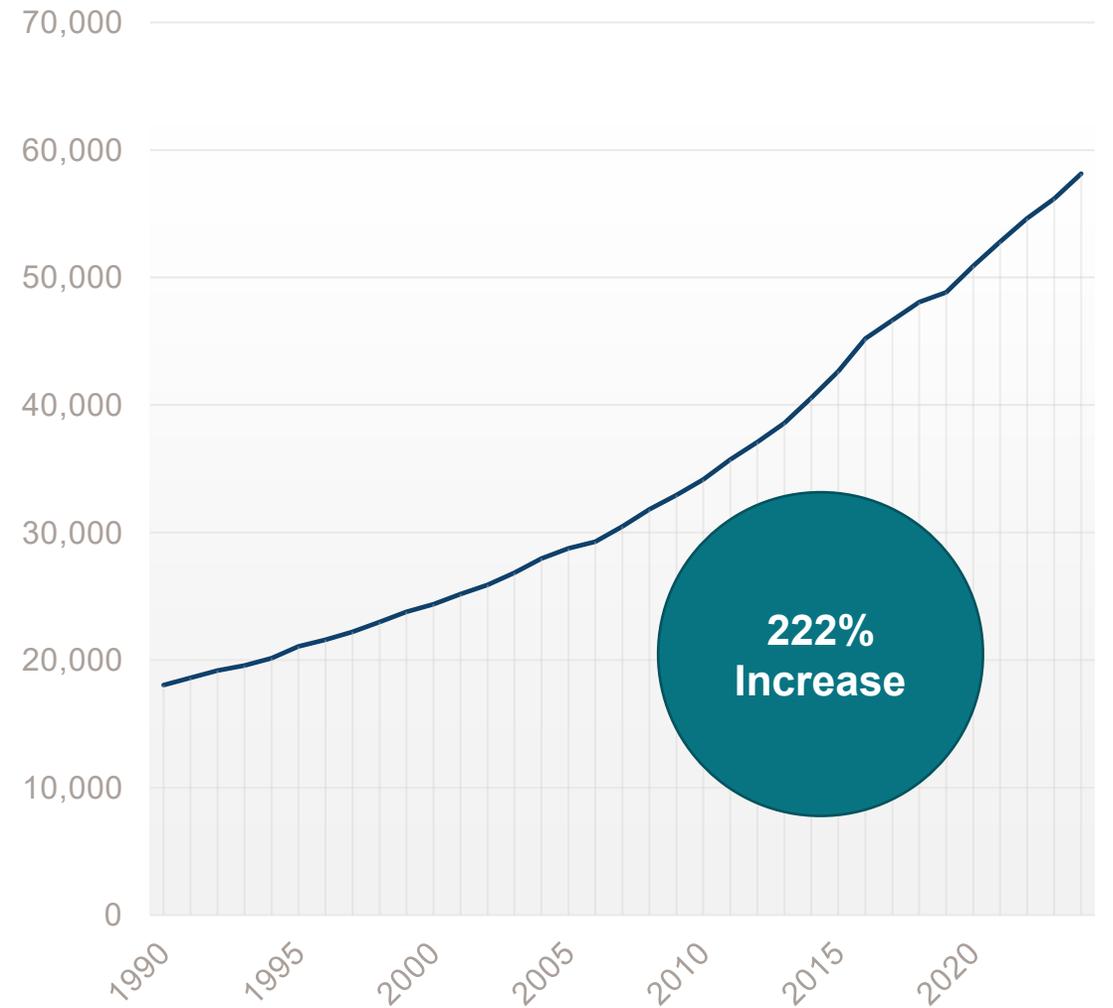
Senator
Dick Dever



January 2025	RETIREMENT PROGRAMS MANAGED AND ADMINISTERED BY NDPERS								
	<i>TOTAL RETIREMENT</i>	<i>Main System</i>	<i>Judges</i>	<i>Public Safety</i>	<i>Highway Patrol</i>	<i>Job Service</i>	<i>DEFINED CONTRIBUTION</i>	<i>DEFERRED COMP</i>	<i>HEALTH CREDIT (RHIC)</i>
PARTICIPATING EMPLOYERS									
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	482							301	482
EMPLOYEES									
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	26,961	24,875	58	1,776	165	1	86	9,546	15,853
Retirees	14,598	14,119	44	177	119	109	30		14,131
Subtotal	41,559	38,994	102	1,953	284	110	116	9,546	29,984
Deferred Members	18,867	17,898	4	821	57	0	87	8,916	14,835
TOTAL	60,426	56,892	106	2,774	341	110	203	18,462	44,819

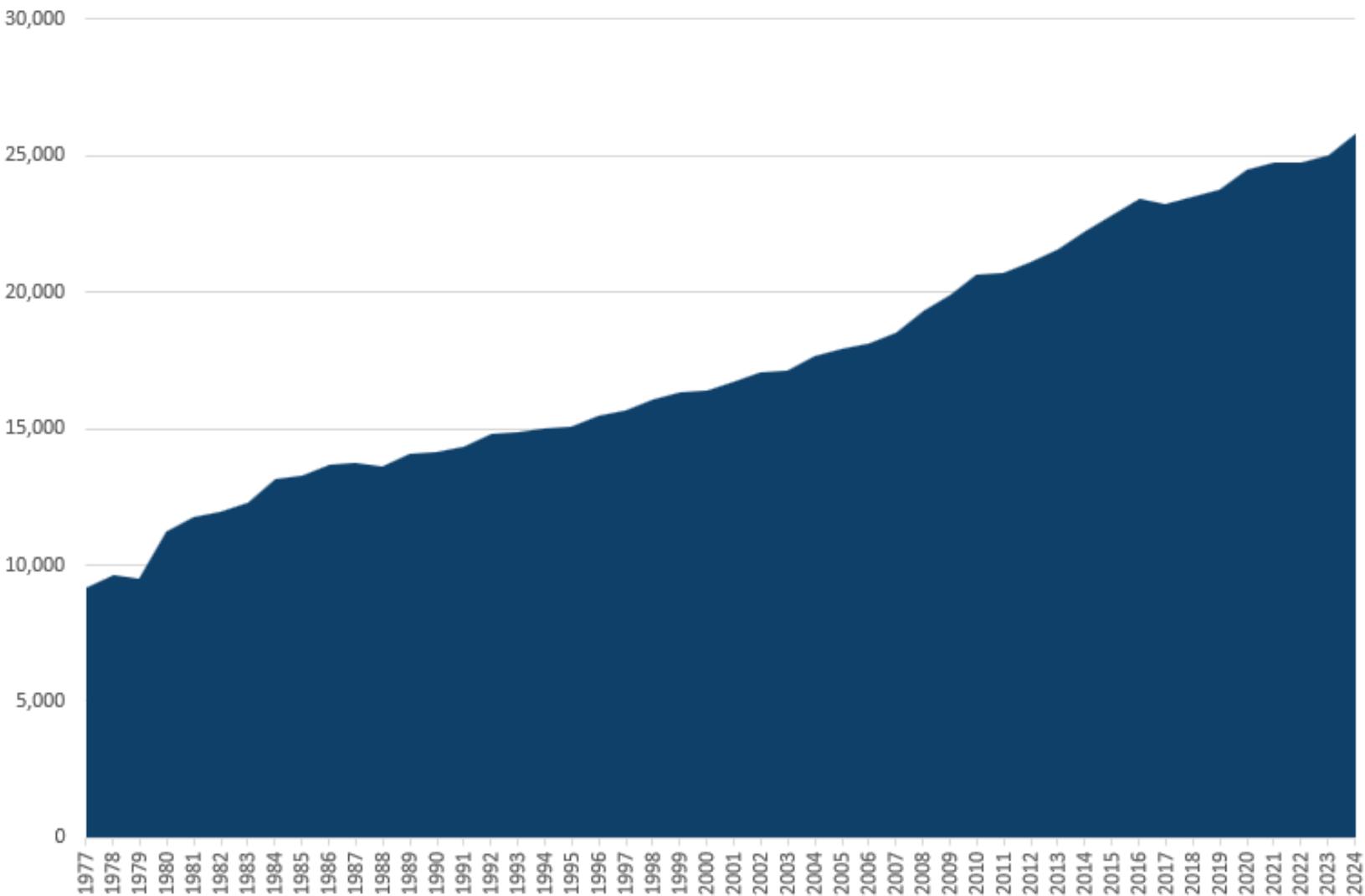
RETIREMENT PLAN MEMBERSHIP

Includes actives, inactives, retirees, and beneficiaries



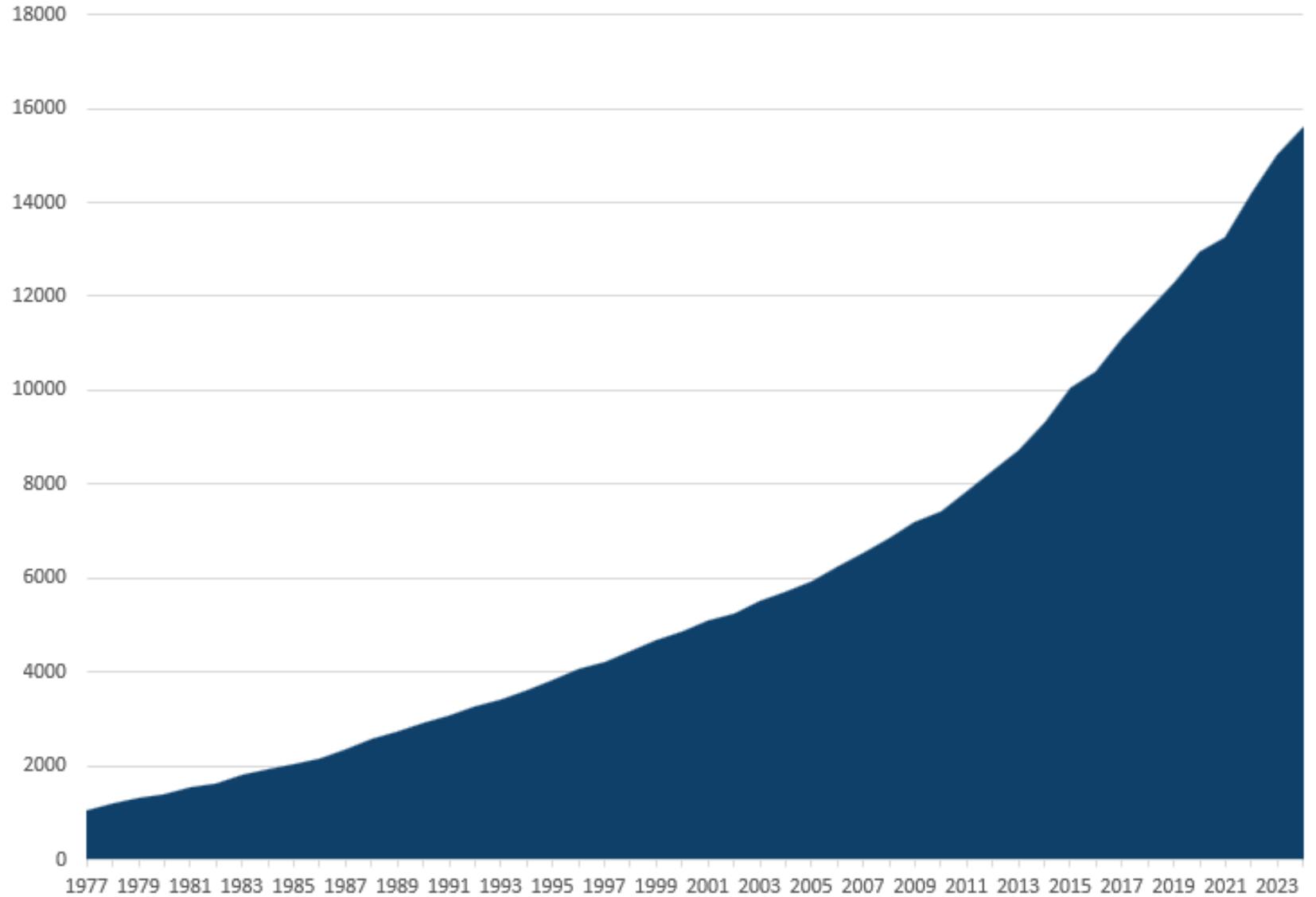
Includes members in Main, Judges, and Public Safety

**ACTIVE
MEMBERS IN
NDPERS
RETIREMENT
SYSTEM**



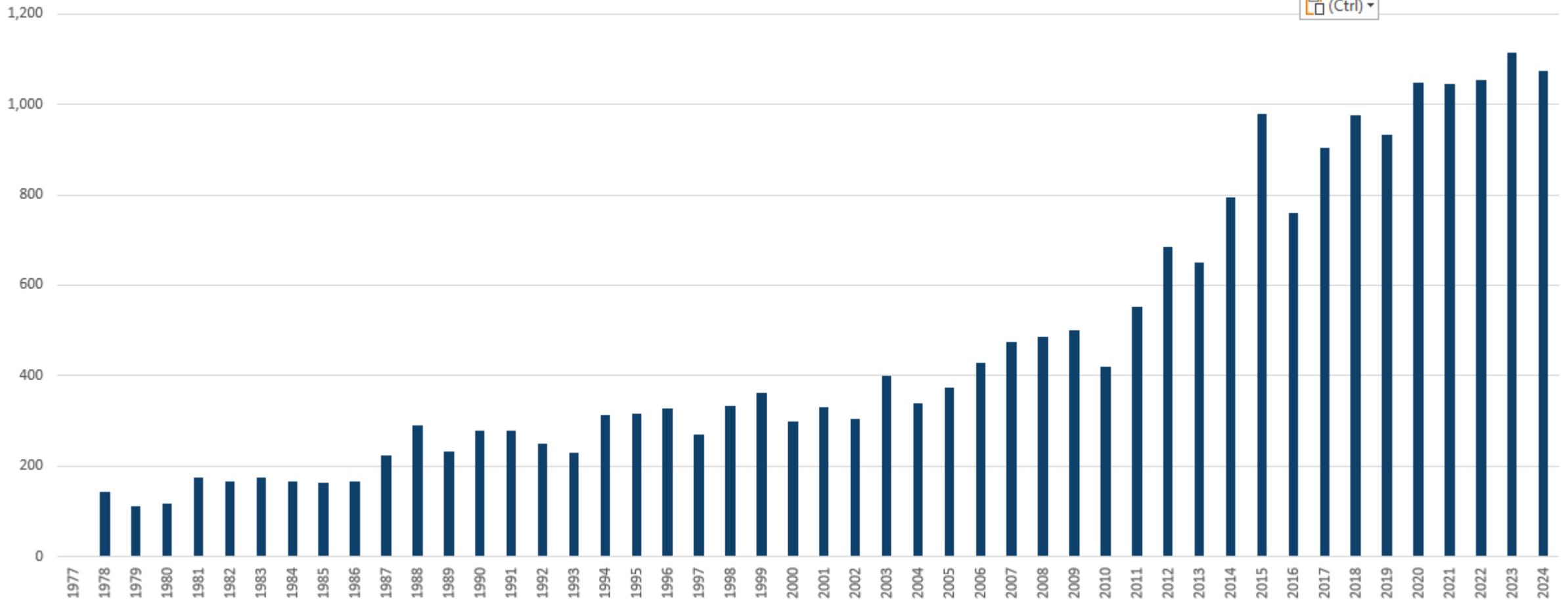
Includes members in Main, Judges, and Public Safety

**RETIREES IN
NDPERS
RETIREMENT
SYSTEM**



New Pensioners

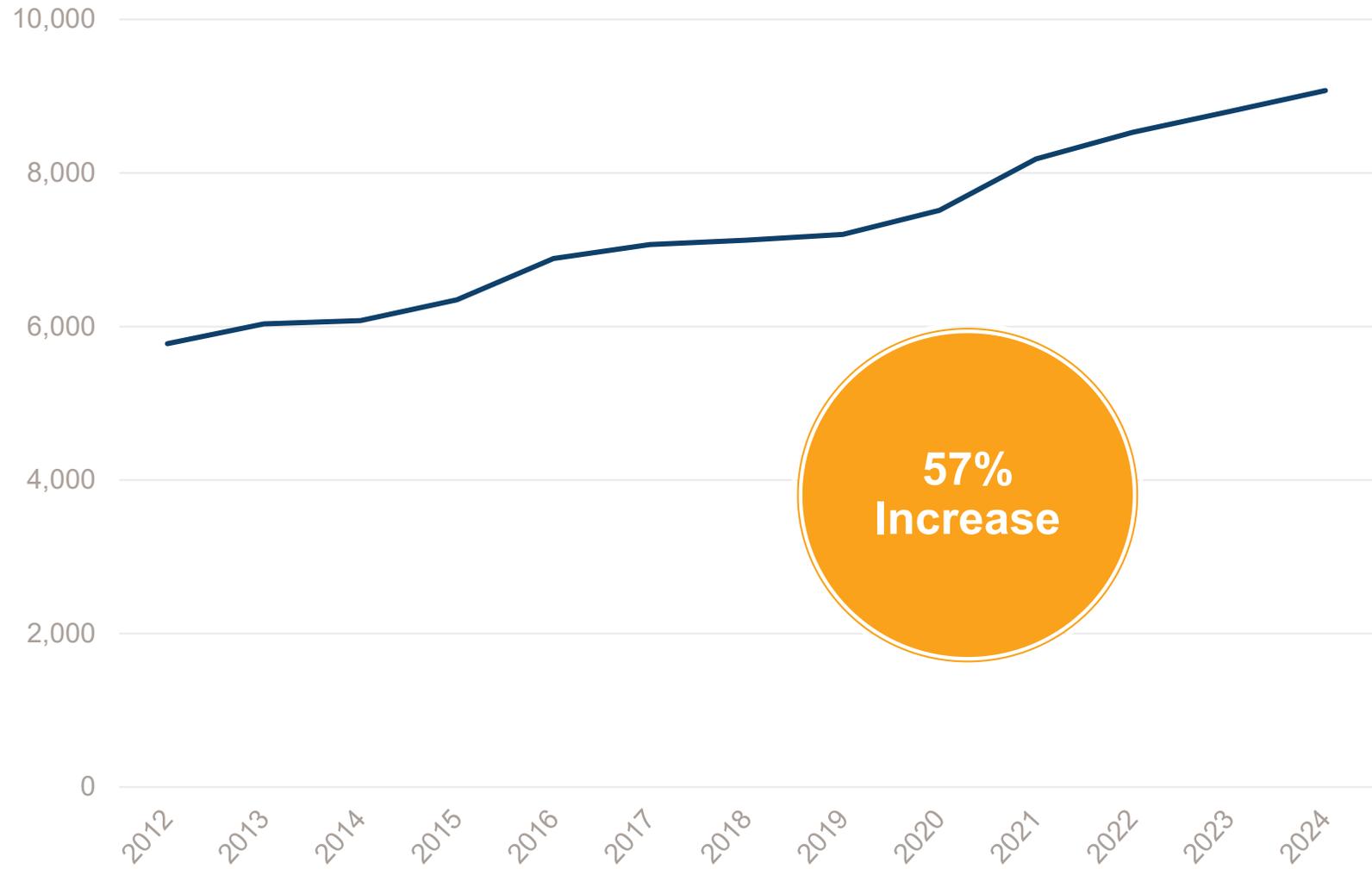
Includes members in Main, Judges, and Public Safety



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

**ACTIVE
MEMBERS IN 457
DEFERRED
COMPENSATION
PLAN**

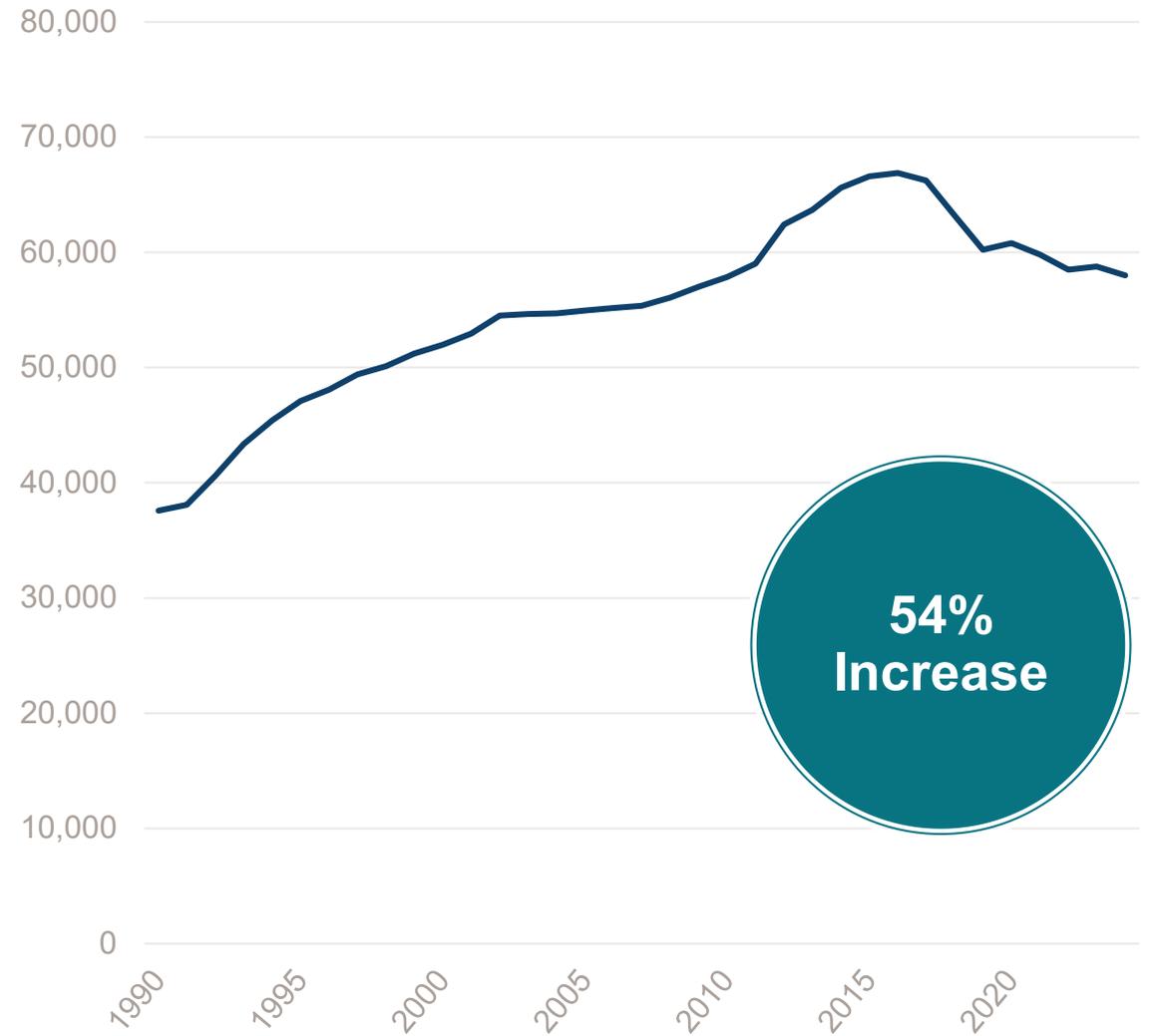


January 2025

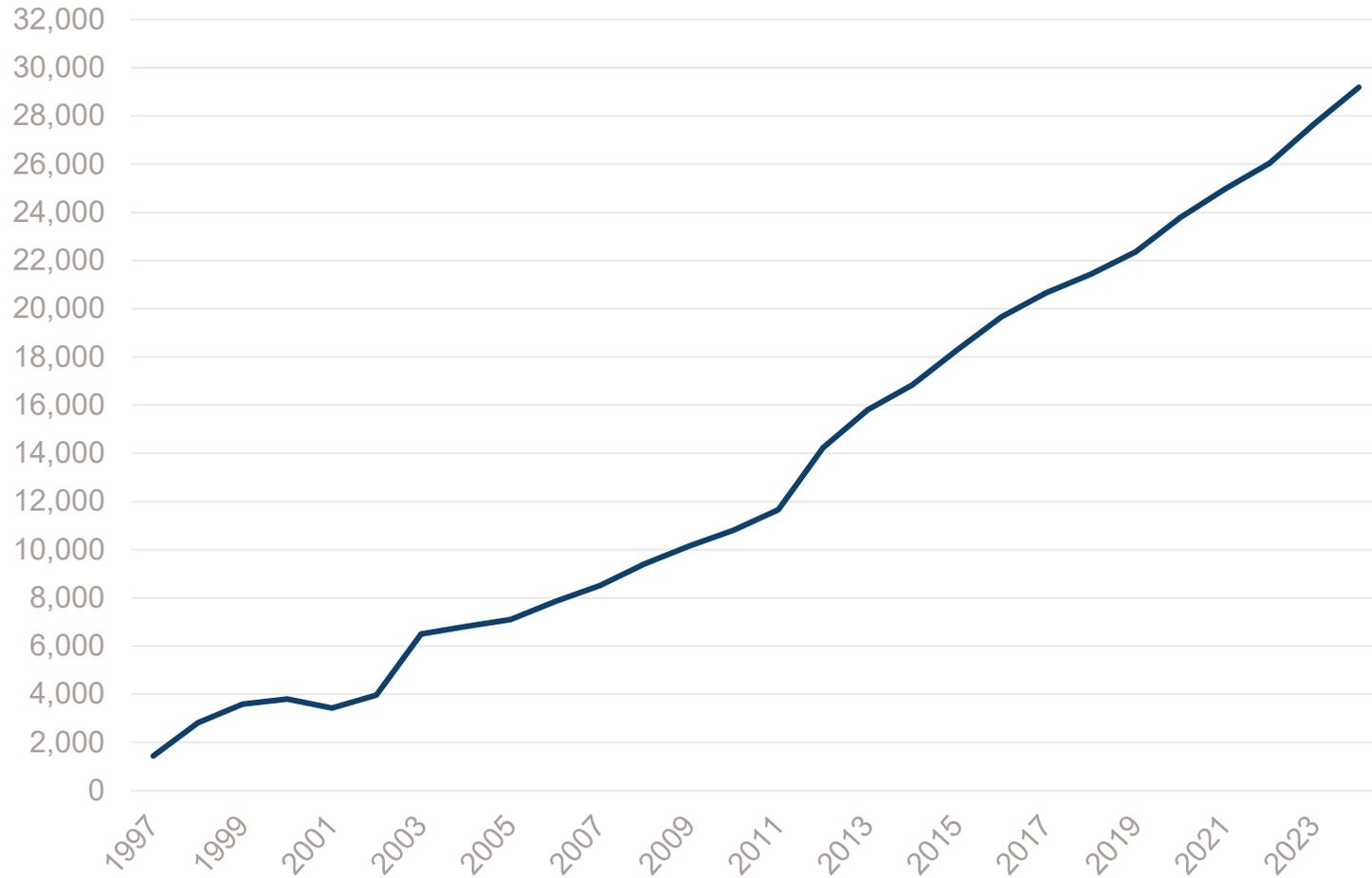
GROUP INSURANCE PROGRAMS MANAGED AND ADMINISTERED BY NDPERS

	<i>HEALTH</i>	<i>LIFE</i>	<i>DENTAL</i>	<i>VISION</i>	<i>EAP</i>	<i>FLEXCOMP</i>
PARTICIPATING EMPLOYERS						
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				
TOTAL	<i>220</i>	<i>205</i>	<i>122</i>	<i>122</i>	<i>120</i>	<i>94</i>
EMPLOYEES						
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		
TOTAL	<i>24,995</i>	<i>22,925</i>	<i>15,387</i>	<i>15,099</i>	<i>16,199</i>	<i>2,859</i>
Covered Lives	<i>59,116</i>					

HEALTH PLAN MEMBERSHIP

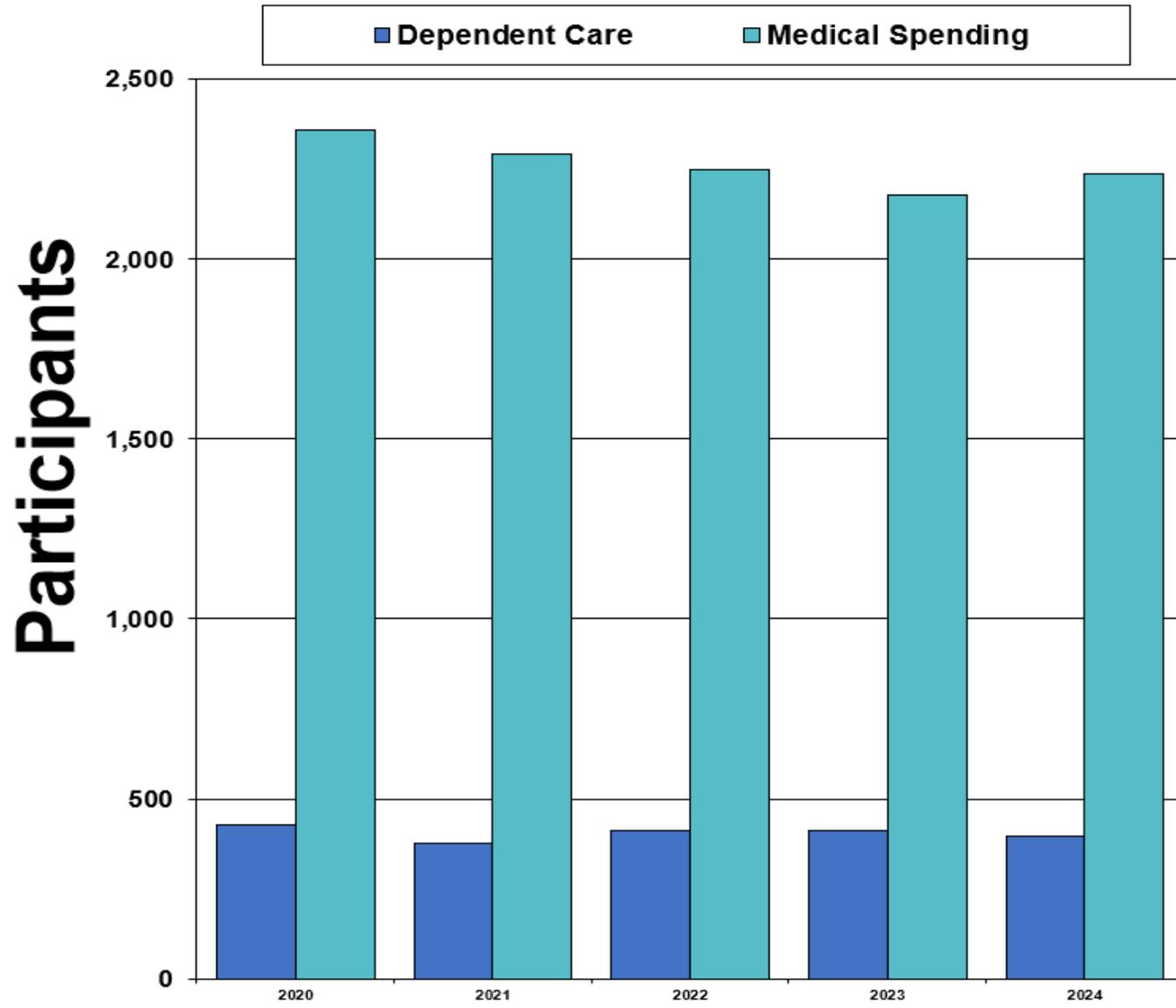


Dental & Vision Insurances Membership

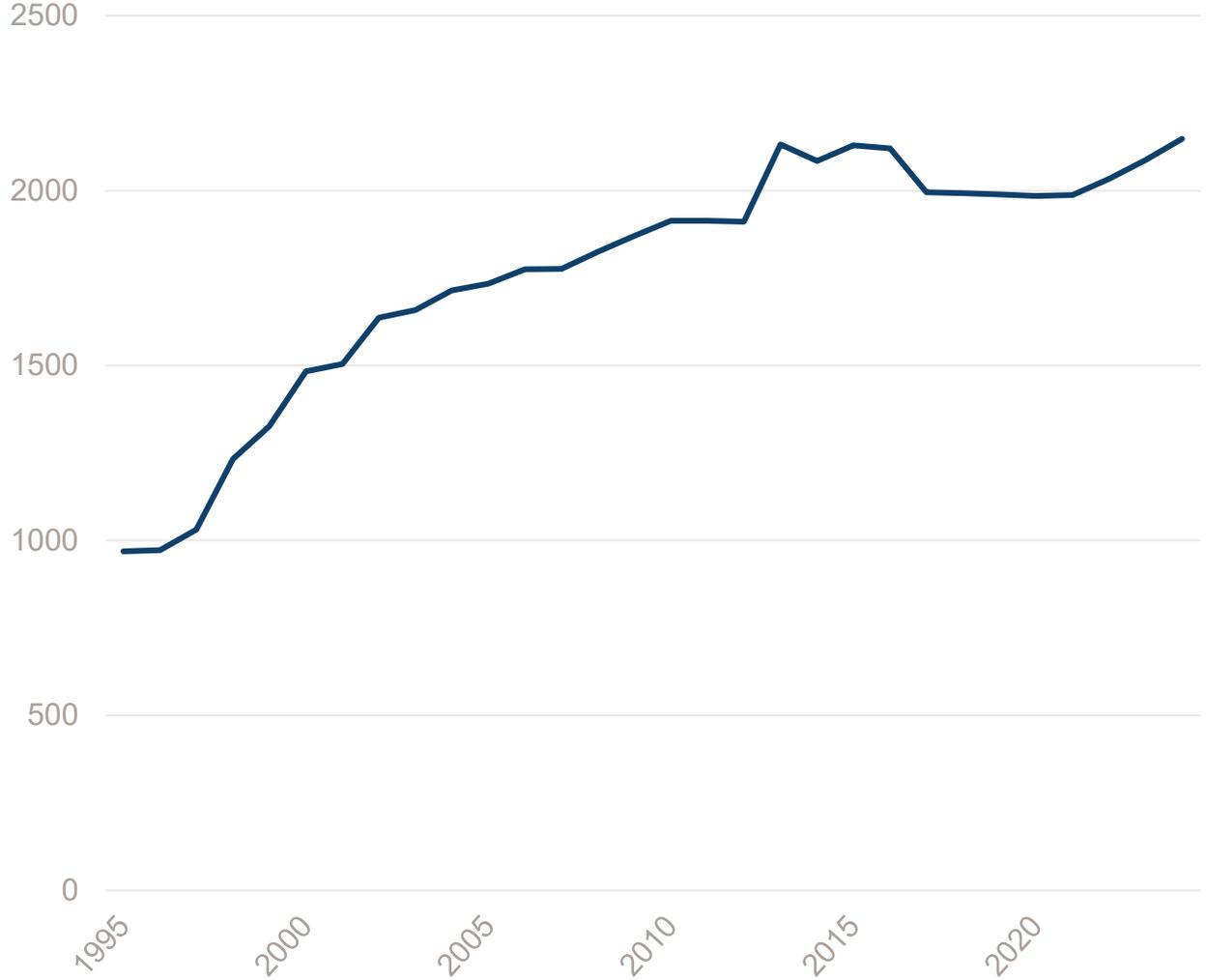


**1,933%
Increase**

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					
Vision			X		X
RHIC			X		X
Medicare Part D	Executive Director	DONE	In Process	X	X
EAP	Benefits		In Process		X
Consultant - Actuary	Research & Planning	DONE		X	
Consultant - Health Plan	COO/CFO		X		X
Health		DONE		X	
Dental		DONE		X	
457/DC Third Party Administrator	More staff involved and larger work effort for RFP process vs rebid.		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	

An aerial photograph of the North Dakota State University campus. The central focus is a tall, modern, light-colored building with a grid of windows. To its left is a large, curved lawn with the words "NORTH DAKOTA" written in red flowers. Two circular logos are visible on the lawn. The campus is surrounded by green trees and parking lots. The text "NDPERS BUDGET" is overlaid in large white letters across the center of the image.

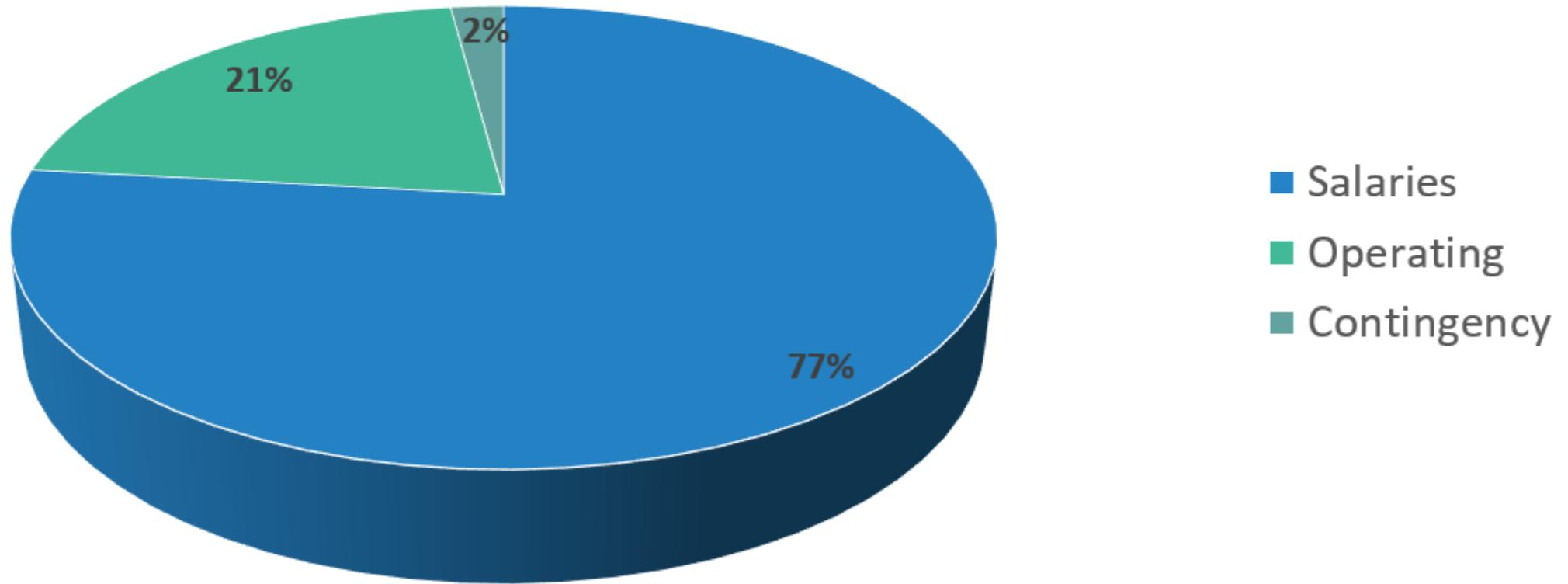
NDPERS BUDGET

ONE-TIME FUNDING THIS BIENNIUM

Work Effort:	Spent to Date:	Addl. Spend to Biennium End:	Anticipated Total Spend:
Developer	\$ 93,750	\$ 31,250	\$ 125,000
HB 1040 Developer	93,750	31,250	125,000
HB 1040 Temp Salaries	7,641	30,228	37,869
HB 1040 Permanent Salaries	25,466	40,000	65,466

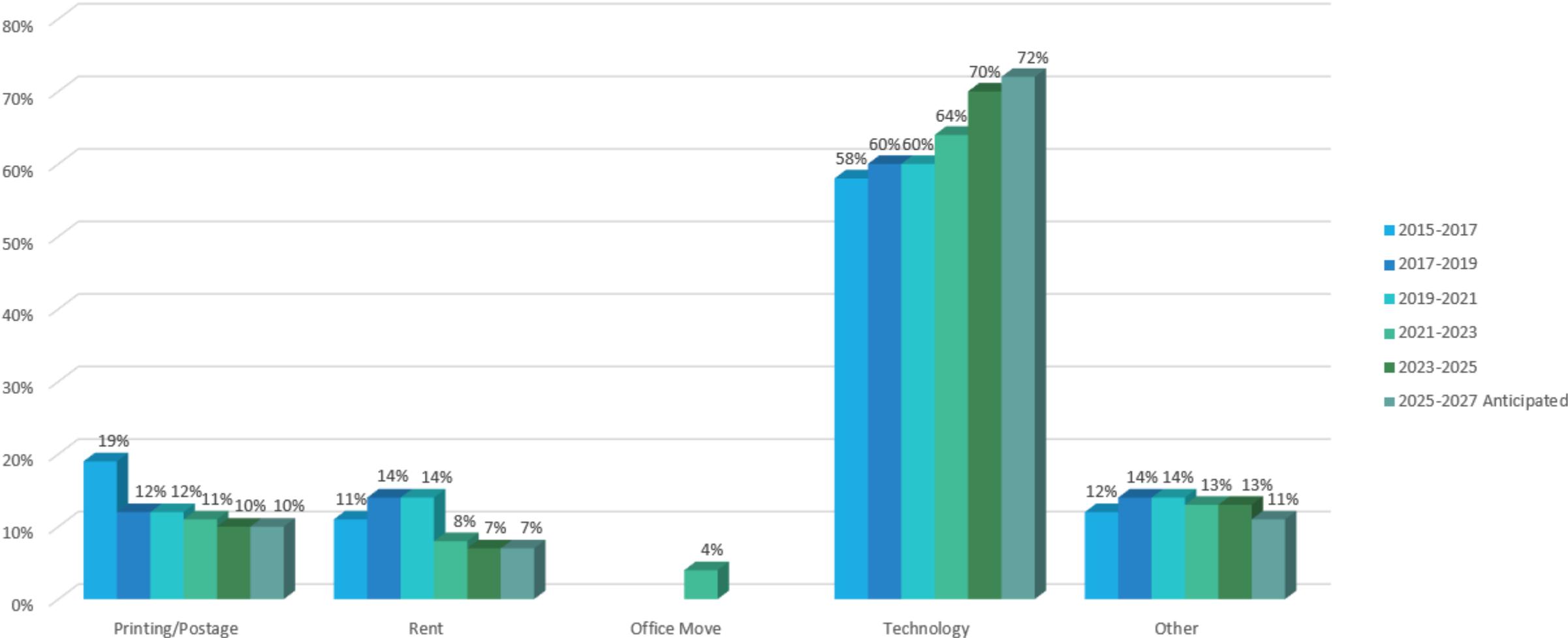
	2023-25 Appropriation	One-Time Expenditures	Adjustments	2025-27 Legislative Base Budget
Salaries & Wages	7,738,479	-	494,013	8,232,492
Operating Expenses	2,542,712	(128,000)	1,450	2,416,162
D.B. Plan Closure	372,027	(327,000)	(45,027)	-
Contingencies	250,000	-	-	250,000
Total Special Funds	10,903,218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

NDPERS Budget Allocation



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

	2025-27 Legislative Base	Executive Recommendation Adjustments	2025-2027 Executive Recommendation	% Increase/ (Decrease)
Salaries & Wages	8,232,492	1,988,906	10,221,398	24.2%
Operating Expenses	2,416,162	850,501	3,266,663	35.2%
Contingencies	250,000	-	250,000	
Total Special Funds	10,898,654	2,839,407	13,738,061	26.1%
FTE	40.5	0.0	40.5	

SUMMARY OF EXECUTIVE RECOMMENDATION

Wages of \$1,988,906:

- FTE Pool Restoration - \$1,201,247
- Salary increases funded at 3% the first year, and 3% the second year - \$359,837
- Restore full temporary funding - \$130,600
- Health insurance premium increase - \$252,222
- 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

HOUSE AMENDMENT

	2025-27 Legislative Base	House Adjustments	House Amendment	% Increase
Salaries & Wages	8,232,492	2,297,507	10,529,999	27.9%
Operating Expenses	2,416,162	858,001	3,274,163	35.5%
Contingencies	250,000	-	250,000	
Total Special Funds	10,898,654	3,155,508	14,054,162	29.0%
FTE	40.5	2.0	42.5	

SUMMARY OF HOUSE AMENDMENT

Wages of \$2,297,507:

- Existing FTE Pool restoration - \$1,201,247
- New & Vacant FTE Pool allocation - \$(134,061)
- Salary increases funded at 3% the first year, and 3% the second year - \$359,837
- Restore full temporary funding - \$130,600
- Health insurance premium increase - \$252,222
- Add intern & Legislator funding - \$45,000
- Accounting FTE - \$239,015
- Enrollment Specialist FTE - \$203,647

Operating Expenses of \$858,001

- Cost to continue NDIT - \$64,617
- Cost to continue operational increases - \$246,289
- Sagitec Project Manager & Two Developers - \$539,595
- NDIT costs for New FTE - \$7,500



QUESTIONS?