

**NORTH DAKOTA TEACHERS' FUND FOR RETIREMENT  
MINUTES OF THE  
JANUARY 23, 2025, BOARD MEETING**

**BOARD MEMBERS PRESENT:** Dr. Rob Lech, President  
Mike Burton, Vice President  
Kirsten Baesler, State Supt. DPI  
Thomas Beadle, State Treasurer  
Scott Evanoff, Trustee  
Cody Mickelson, Trustee  
Alexis Rasset, Trustee

**STAFF PRESENT:** Scott Anderson, CIO  
Jayme Heick, Retirement Spec.  
Rachel Kmetz, Interim CFO/COO  
Missy Kopp, Exec. Assistant  
Denise Leingang-Sargeant, Retirement Spec.  
Sarah Mudder, Communications/Outreach Dir.  
Chad Roberts, DED/CRO  
Sara Seiler, Internal Audit Supvr.  
Jodi Smith, Interim Exec. Director  
Rachelle Smith, Retirement Program Admin. Assistant  
Tami Volkert, Retirement Compliance Spec.  
Denise Weeks, Retirement Program Mngr.

**OTHERS PRESENT:** Paul Wood, GRS  
Members of the Public

**CALL TO ORDER:**

Dr. Lech, President of the Teachers' Fund for Retirement (TFFR) Board of Trustees, called the meeting to order at 1:00 p.m. on Thursday, January 23, 2025. The meeting was held in the WSI Board Room, 1600 E Century Avenue, Bismarck.

**THE FOLLOWING MEMBERS WERE PRESENT REPRESENTING A QUORUM:  
TREASURER BEADLE, MR. BURTON, MR. EVANOFF, DR. LECH, MR. MICKELSON, AND  
MS. RASSET.**

**ACCEPTANCE OF AGENDA:**

The Board considered the agenda for the January 23, 2025, meeting.

**IT WAS MOVED BY MR. BURTON AND SECONDED BY TREASURER BEADLE AND  
CARRIED BY A VOICE VOTE TO APPROVE THE AGENDA AS DISTRIBUTED.**

**AYES: MR. MICKELSON, MR. EVANOFF, TREASURER BEADLE, MR. BURTON, MS.  
RASSET, AND PRES. LECH**

**NAYS: NONE**

**ABSENT: SUPT. BAESLER**

**MOTION CARRIED**

**ACCEPTANCE OF MINUTES:**

The Board considered the minutes for the November 21, 2024, TFFR Board meeting.

**IT WAS MOVED BY MR. BURTON AND SECONDED BY TREASURER BEADLE AND CARRIED BY A VOICE VOTE TO ACCEPT THE NOVEMBER 21, 2024, MINUTES AS DISTRIBUTED.**

**AYES: MR. MICKELSON, MR. EVANOFF, TREASURER BEADLE, MR. BURTON, MS. RASSET, AND PRES. LECH  
NAYS: NONE  
ABSENT: SUPT. BAESLER  
MOTION CARRIED**

Supt. Baesler joined the meeting at 1:05 p.m.

**EDUCATION:**

**Cash Balance Pension Plans - GRS:**

Mr. Paul Wood, GRS, provided education on cash balance pension plans, covering key concepts such as their purpose, defined benefit vs. defined contribution plans, and practical examples. The presentation also included an illustration of the future impact of adaptable benefit provisions and the challenges associated with them. Board discussion followed.

**GOVERNANCE:**

**2024 GASB Report:**

Mr. Wood, GRS, reviewed the GASB 67 and 68 Report for the fiscal year (FY) ending June 30, 2024. GASB established accounting and financial reporting standards for US state and local governments. GASB 67 and 68 address accounting and financial planning for pension plans and focus on the employers' pension obligation. It is used by TFFR participating employers and their auditors to fulfill certain accounting and disclosure requirements for their financial statements. Mr. Wood reviewed the comparison of net pension liability results from 2023 and 2024, pension expense, deferred outflows, and cost-sharing. Board discussion followed.

**IT WAS MOVED BY MR. BURTON AND SECONDED BY TREASURER BEADLE AND CARRIED BY A ROLL CALL VOTE TO APPROVE THE 2024 GASB REPORT.**

**AYES: MR. EVANOFF, MR. MICKELSON, SUPT. BAESLER, MS. RASSET, TREASURER BEADLE, MR. BURTON, AND PRES. LECH  
NAYS: NONE  
MOTION CARRIED**

**2025 Legislative Session Update:**

Ms. Smith introduced herself and highlighted her experience and connection with the State Investment Board. The bill tracking list for all bills RIO staff are monitoring was provided. Ms. Smith reviewed the bills that have an impact on the TFFR program. Board Discussion followed.

Mr. Roberts reviewed HB 1285 that would transfer \$49.2M from the General Fund to TFFR to provide a one-time supplemental payment to TFFR retired members. The language has been refined to explain the funding source. Discussion highlighted concerns about the structure outlined in the draft and a desire for further clarification. If advanced, an amendment will be recommended by staff to provide direction for the payment distribution. GRS will provide an actuarial analysis for the bill. The Committee is willing to assist in drafting the bill amendment language. Mr. Roberts provided information on HB 1117 the TFFR Required Minimum Distribution bill which amends the language to be in compliance with the IRS. HB 1117 passed the House. Board discussion followed.

#### Executive Search Committee Update:

Dr. Lech said the RFP is out for Executive Search Service which is the process that has been used in the past. They will review the firms and make a decision regarding the search for the Executive Director and CFO/COO positions. Appreciation was expressed for Ms. Smith's willingness to serve in the interim role.

#### Pioneer Project Update:

Mr. Roberts provided an update on the PAS project. We are now in phase 4 and will go live February 10. The last few problem incident reports (PIR's) are being wrapped up, Business Partners lost access to the existing system on January 15 and will resume on February 10. RIO staff has excelled in communicating with Business Partners, providing written materials, video recordings, and live sessions to ensure effective engagement. Some employers have remained disengaged. The vendor will offer a demonstration to the Board in March. The project is under budget. Board discussion followed.

#### Summary of WEP/GPO Social Security Act Impact:

Mr. Roberts provided a brief overview of Congress's passage of the WEP/GPO Social Security Act legislation, which is the government pension offset. A FAQ is available on our website, and an email blast was sent to our membership. This Act does not impact TFFR pension benefits but may affect Social Security benefits for both primary recipients and beneficiaries. Eligibility varies, so the impact will differ for each member. Board discussion followed.

### **REPORTS:**

#### Annual Retiree Reemployment Report:

Mr. Roberts presented the Return to Teach Report (RTT), highlighting trends in return-to-teach participation, salary ranges, contracted hours, position type, reemploying employers by size, and overall employer participation. Key takeaways include a decline in retirees returning to the classroom, a decreasing number of those opting to suspend benefits, steady RTT participation in critical shortage areas, a continued decline under the general rule, an increase in contracts exceeding 700 hours, a decline in administrative RTT, and the predominance of small employers as reemploying entities. Board discussion followed.

The Board recessed at 2:37 p.m. and reconvened at 2:54 p.m.

Quarterly Outreach Report:

Ms. Mudder shared updates on media responses, agency meetings and interactions, outreach efforts, and publications through GovDelivery. She also provided engagement metrics, highlighting YouTube education as the top performer. Additionally, she presented a copy of the letter sent to 23 employers who will be out of compliance with the July 1, 2025, model change, an FAQ sheet for the legislative session, and TFFR Fast Facts. Appreciation was expressed for the valuable additional information provided by the Communication and Outreach Director. Board discussion followed.

Quarterly TFFR Ends Report:

Mr. Roberts provided the report for the second quarter of the year ending December 31, 2024. The report includes exceptions to the TFFR program's normal operating conditions from October 1, 2024, to December 31, 2024. Board discussion followed.

**IT WAS MOVED BY MR. EVANOFF AND SECONDED BY MR. MICKELSON AND CARRIED BY A ROLL CALL VOTE TO ACCEPT THE ANNUAL RETIREE REEMPLOYMENT, QUARTERLY OUTREACH, AND QUARTERLY TFFR ENDS REPORTS.**

**AYES: TREASURER BEADLE, MS. RASSET, MR. EVANOFF, MR. BURTON, MR. MICKELSON, AND PRES. LECH**

**NAYS: NONE**

**ABSENT: SUPT. BAESLER**

**MOTION CARRIED**

**OTHER BUSINESS:**

Board Resolution:

ND Teachers' Fund for Retirement  
In Appreciation of  
Jan Murtha

WHEREAS, Jan Murtha has served as the leader of the North Dakota Retirement and Investment Office since 2020; and

WHEREAS, Ms. Murtha diligently carried out his duties and responsibilities for the TFFR program, the Retirement and Investment Office in the general population of the State of North Dakota; and

WHEREAS, Ms. Murtha has been a valued and dedicated state employee and helping to maintain the integrity and stability of the TFFR program; and

NOW THEREFORE, BE IT RESOLVED that Ms. Murtha be duly recognized by TFFR for her years of unselfish dedication.

DATED this 23<sup>rd</sup> day of January 2024

**IT WAS MOVED BY TREASURER BEADLE AND SECONDED BY MR. BURTON AND CARRIED BY A VOICE VOTE TO APPROVE THE BOARD RESOLUTION.**

**AYES: MS. RASSET, MR. MICKELSON, TREASURER BEADLE, SUPT. BAESLER, MR. BURTON, MR. EVANOFF, SUPT. BAESLER, AND PRES. LECH**  
**NAYS: NONE**  
**MOTION CARRIED**

**ADJOURNMENT:**

With no further business to come before the Board, Dr. Lech adjourned the meeting at 3:03 p.m.

Prepared by,

Rachelle Smith, Assistant to the Board