

**NORTH DAKOTA TEACHERS' FUND FOR RETIREMENT
MINUTES OF THE
APRIL 24, 2025, BOARD MEETING**

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

BOARD MEMBER ABSENT: Kirsten Baesler, State Supt. DPI

STAFF PRESENT: Jayme Heick, Retirement Spec.
Rachel Kmetz, Interim CFO/COO
Missy Kopp, Exec. Assistant
Denise Leingang-Sargeant, Retirement Spec.
Sarah Mudder, Communications/Outreach Dir.
Matt Posch, Portfolio Manager
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.
Susan Walcker, Sr. Financial Accountant
Denise Weeks, Retirement Program Mngr.

OTHERS PRESENT: Paul Wood, GRS
Dana Woolfrey, 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, April 24, 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 April 24, 2025, meeting.

**IT WAS MOVED BY MR. MICKELSON AND SECONDED BY MR. BURTON AND CARRIED
BY A VOICE VOTE TO APPROVE THE APRIL 24, 2025, 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 March 24, 2025, TFFR Board meeting.

IT WAS MOVED BY MR. MICKELSON AND SECONDED BY MR. EVANOFF AND CARRIED BY A VOICE VOTE TO ACCEPT THE MARCH 24, 2025, MINUTES AS DISTRIBUTED.

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

NAYS: NONE

ABSENT: SUPT. BAESLER

MOTION CARRIED

GOVERNANCE:

Plan Management Policy Update:

Mr. Paul Wood and Ms. Dana Woolfrey, GRS, discussed the updated plan management policy score. A plan management policy provides an advanced warning metric regarding plan sustainability. There are five scoring metrics that are used to arrive at the policy score: current funded ratio, downside funded ratio in 2030, target funded ratio in 2040, improvement in funded ratio over a 10-year period, and the ability to recover from or withstand a market downturn. Mr. Wood reviewed the approach used to arrive at the new policy score, and asset allocation and capital market assumptions used. Based on the July 1, 2024, valuation, the new policy score is 10 which is up one point from the previous year. The increased score is a result of an increase in the current funded ratio. Looking forward some metrics will have a different meaning as time lapses. GRS recommends reevaluating the policy in late 2026. Board discussion followed.

Experience Study Results:

Mr. Wood and Ms. Woolfrey presented the experience study results and assumption recommendations for the period ending June 30, 2024. The purpose of the study is to use new information and changing knowledge along with changes in patterns to update assumptions. TFFR last completed an experience study five years ago. GRS reviewed how assumptions factor into decisions and the experience study process. Guidelines for the assumption setting process are set by the Actuarial Standards of Practice. The assumptions were reviewed. After the Board moves to adopt the valuation assumptions, the next steps based on the results of the study will be to evaluate the discount rate post-asset allocation. While a change is unlikely, the evaluation is recommended. It is recommended that the Board adopts this assumption set for first use in the June 30, 2025, valuation. Board discussion followed.

IT WAS MOVED BY MR. BURTON AND SECONDED BY MR. MICKELSON AND CARRIED BY A ROLL CALL VOTE TO ACCEPT THE ACTUARY'S RECOMMENDATIONS FROM THE PLAN MANAGEMENT POLICY UPDATE AND THE EXPERIENCE STUDY.

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

NAYS: NONE

**ABSENT: SUPT. BAESLER
MOTION CARRIED**

Legislative Update:

Ms. Smith provided an update on the legislative session. RIO's budget bill was heard in conference committee this week which removed all the Senate amendments except for funding for the TFFR member education initiative. Board discussion followed.

Executive Search Committee Update:

Ms. Smith provided an update on the Chief Financial/Operating Officer (CFOO) position. The posting closed last week and CBIZ is reviewing applicants. There is a small number of qualified candidates so the application will be reopened while staff move forward with the interview process. With the resignation of the Interim CFOO, staff are working on options to provide coverage until replacements are hired.

Dr. Lech provided an update on the Executive Director (ED) position. The job posting is still open. The Committee expects to start initial interviews in May. Board discussion followed.

2025-26 Board Calendar & Education Plan:

The Board received the proposed board calendar and education plan for fiscal year (FY) 26. The Board discussed possible timeframes for the upcoming board retreat.

IT WAS MOVED BY MR. MICKELSON AND SECONDED BY MR. EVANOFF AND CARRIED BY A VOICE VOTE TO ACCEPT THE 2025-26 BOARD CALENDAR AND EDUCATION PLAN.

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

NAYS: NONE

**ABSENT: SUPT. BAESLER
MOTION CARRIED**

The Board recessed at 2:15 p.m. and reconvened at 2:33 p.m.

REPORTS:

Annual Pension Plan Comparison Report:

Mr. Roberts presented the annual Public Pension Plan Comparison Report comparing TFFR to the FY 2023 Public Fund Survey conducted by the Nation Association of State Retirement Administrators (NASRA). The survey provides information on key characteristics of most of the nation's largest public retirement systems including actuarial funding levels, membership, cash flow, contribution rates, investment returns, actuarial assumptions, and asset allocation. Board discussion followed.

Quarterly TFFR Ends:

Mr. Roberts provided the TFFR Ends report for the quarter ending March 31, 2025. The new pension administration system was launched, and staff have run three payrolls so far which have been successful. The Governance and Policy Review Committee continued their review of the governance manual. Staff are actively involved in the legislative session. Mr. Roberts reviewed the leadership changes that occurred during the quarter. Board discussion followed.

Quarterly Outreach Update:

Ms. Mudder provided the outreach update for the quarter ending March 30, 2025. The report includes media inquiries, meetings attended by RIO staff, and TFFR employer education efforts. Ms. Mudder reviewed the TFFR engagement metrics. Staff have added a lot of educational content related to MyTFFR to the agency's YouTube. Board discussion followed.

Write Off of Uncollectable Member Accounts:

Mr. Roberts reviewed the memo board members received concerning uncollectible TFFR accounts. As staff work on cleaning up accounts, they have identified payments that should have been collected but staff have not been able to. Staff recommend establishing a procedure for identifying uncollectable accounts. They can be brought to the Board annually then be turned over to the Attorney General's Office who will determine if it is possible for them to collect the amounts. The write-off of these accounts is an accepted accounting practice under GASB guidance. Board discussion followed.

IT WAS MOVED BY MR. EVANOFF AND SECONDED BY MR. BURTON AND CARRIED BY A ROLL CALL VOTE TO ACCEPT THE ANNUAL PENSION PLAN COMPARISON, QUARTERLY TFFR ENDS, QUARTERLY OUTREACH, AND WRITE OFF OF UNCOLLECTABLE MEMBER ACCOUNTS REPORTS.

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

NAYS: NONE

ABSENT: SUPT. BAESLER

MOTION CARRIED

ADJOURNMENT:

With no further business to come before the Board, Dr. Lech adjourned the meeting at 3:02 p.m.

Prepared by,

Missy Kopp, Assistant to the Board