ASSOCIATION OF MONTANA RETIRED PUBLIC EMPLOYEES

Board Minutes

100 North Park Avenue, MPERA Conference Room

October 17, 2017

CALL TO ORDER

The board meeting of the Association of Montana Retired Public Employees was called to order by Mike O’Connor at 9:30 A.M.

BOARD MEMBERS PRESENT

Mike O’Connor, Lyle Manley, James Driggers, Jim Lewis, Patty Mott, Cathy Kendall, Jan Brown, Dale Boespflug and Kim Hoxie (staff). John McEwen was excused.

GUESTS

Marilyn Bartlett, Administrator for the Health Care & Benefits Division, State of Montana

Amy Jenks, Operations Bureau Chief for the Health Care & Benefits Division, State of Montana

MINUTES

Cathy Kendall made a motion to approve the minutes, Jan Brown seconded the motion and the September minutes were approved unanimously.

**Montana Public Employees Retirement Association Update**

Dore Schwinden, Executive Director of MPERA, was unable to attend the meeting today.

NEW BUSINESS

**PER BOARD Open Position**

Sheena Wilson is stepping down from the PER Board and her Retiree position is open**.**

Mike O’Connor stated that there are 7 Board members and some of the Board’s responsibilities are reviewing employee disability determination cases and contested disability cases, to review and approve the MPERA budget.Experience/knowledge of actuaries is not a requirement for the Board position. Applications are in the Governor’s Office and the Board member is appointed by the Governor for 5 years.

Lyle Manley made a motion to have the AMRPE Board send a recommendation letter to the Governor for any AMRPE Board member that decides to apply for the PER Board position. Jan Brown seconded the motion and the motion to have the AMRPE Board send this recommendation letter was approved unanimously.

**AMRPE Board Succession Planning**

Lyle Manley stated that he met with John McEwen and John has decided not to re-apply for his Board position. Patty Mott and James Driggers gave verbal agreements that they will re-apply for Board positions. Lyle stated that he will put together a Board position opening notice to e-blast to members. There was discussion of contacting potential candidates to see if there is interest in serving on the Board.

Lyle reminded the Board that any interested candidates must submit a letter of interest to the nominating committee, then the committee will meet with each candidate. The nominating committee will provide a recommendation for the Board in December.

The Board will vote on a slate of Officers and Board members at that time. If current Board members are interested in holding an office next year please let him know.

REPORTS

**Treasurer’s Report**

Cathy Kendall made a motion to approve the September Treasurer’s Report. Jim Lewis seconded the motion. The September’s Treasurer’s Report was approved unanimously.

**Membership Committee**

Patty Mott reported that there are 112 new members from the “First Year Free Membership” promotion. AMRPE acquired 14 lifetime members and many members paid for an additional year long membership (or more) for a total of $3,700 received. The Board will be signing thank-you postcards today to send out to all of our new members.

**Bylaws Committee**

James Driggers stated that the Bylaws Committee has been reviewing the bylaws. The Board had a discussion regarding the objectives related to healthcare and health insurance and decided these two issues are important to remain as objectives because they are important to the AMRPE membership. The Board discussed some additional wording in the bylaws involving check writing, acting as a spokesperson for AMRPE, and honorary memberships. James asked the Board to research when the desk manual was last updated and Jan Brown volunteered. James Driggers stated that the bylaws will be ready for review at the December Board meeting.

**Health Benefit Plan Update**

Marilyn Bartlett stated that retirees received their open enrollment information packets and her office has been busy giving presentations. 65 retirees watched the pre-recorded presentation and 400 attended a webinar. Open enrollment closes on November 3rd.

Marilyn reported that there are 337 pre-Medicare retirees and 1,637 Medicare retirees on the State plan. Amy Jenks gave a summary of the changes to the Health Insurance for 2018. Insurance premiums for the State plan will not increase this year, and there will be no increases to the co-pay and out-of-pocket expenses. Two positive changes for retirees is cholesterol medication is now at a zero co-pay and the specialty drug co-pay has been dropped to $50 and the user is eligible for the coupons and rebate programs.

Amy Jenks stated that the presentations also reminded retirees to use in-network providers in non-emergency events; that retreat rights have been removed; and that there are no survivor benefits. In the case that the State retiree passes away after the age of 65, the spouse is not able to stay on the state plan and must seek insurance either from COBRA or Medicare.

**Public Employees Retirement Board Meeting**

Mike O’Connor stated that the evaluation for the Public Employees’ Retirement Board’s Experience Study was reviewed. The Experience Study looks for system trends and makes demographic and economic assumptions for future actuarial valuations. The report reduced the investment assumptions to 7.65%. With the new assumptions the Unfunded Liability is still able to be paid off in 30 years or less. This means that the Fund is still financially sound.

James Driggers moved to adjourn. Cathy Kendall seconded. The meeting adjourned at 11:15 A.M.

The next meeting will be held in the MPERA conference room at 100 North Park Avenue in Helena on November 21, 2017at 9:30 A.M.