ASSOCIATION OF MONTANA RETIRED PUBLIC EMPLOYEES

Board Minutes

100 North Park – PERA Office, 2nd Floor Conference Room

March 20, 2018

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, Jan Brown, Patty Mott, Jim Lewis, Dale Boespflug and Cathy Kendall and Kim Hoxie (staff). Connie Welsh and James Driggers were excused.

GUESTS

Tim and Julie Reardon

MINUTES

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

REPORTS

**Treasurer’s Report**

Mike O’Connor stated that James Driggers would like the Board to review and discuss the expense categories for the financial statement. Patty Mott distributed copies of the CMS invoice and the new financial statement with the revised categories for the Board to review. Jim Lewis commented that when an organization’s revenue is more than $50,000, the tax return becomes very detailed. The Board agreed on the new expense categories for the financial statement provided that the categories will be detailed enough to prepare tax returns and provide useful historical data to recruit new contract services if needed.

Cathy Kendall moved to approve the March financial report. Dale Boespflug seconded the motion and the motion was approved unanimously.

MPERA Update – Dore Schwinden, Executive Director

Dore Schwinden stated the Legislative Audit Committee completed their audit and had no findings to report.

He thanked the Board for the op-ed in the Helena IR supporting the letter written by MPERA and TRS in response to Representative Burnett’s letter to the editor in the Bozeman Chronical.

Dore Schwinden stated he did not attend the SAVA meeting but PERA staff that attended commented that there was a panel discussion regarding state pension plans. Two important points came from the presentation: (1) is that it is very difficult to compare state retirement systems because every system is set up differently and (2) a review of a pension plan cannot be done based on one indicator.

The next PERA Board meeting is in April and Dore Schwinden stated that he has contacted the Governor’s Office requesting a decision on the retiree board position. He also commented that Mike McGinley’s board position expires in April and Mike has expressed interest to retain his position.

REPORTS continued

**Membership**

Patty Mott reported that as of March 19, 2018, 898 members have renewed their membership in the following categories;

57 or 6% new lifetime, 632 or 70% one year, 107 or 12% two year, and 102 or 11% three year memberships. The follow-up reminder letter will go out in May.

Patty Mott stated that she will be making changes to the renewal reminder letter and the envelope indicating that checks should be written to AMRPE and to please select the dues and donation options.

OLD BUSINESS

**Broadcasting Meetings**

Skype for Business is ready for use at board meetings. There is no charge for this service. Dale Boespflug stated that he will be out of town for the next board meeting and would like to call in to listen to the meeting.

Tim and Julie Reardon will also be listening to the board meeting on Skype to give the Board feedback on how it works for members listening to the meeting.

**Audit Committee Update**

Mike O’Connor stated the audit committee, made up of Jim Lewis, Cathy Kendall and himself, completed the audit. The audit committee recommends that the contact information for the treasurer be changed with the Secretary of State office and the IRS to continue receiving correspondence from these organizations.

**AMRPE Editorial Response**

Mike O’Connor stated the editorial that he wrote, on behalf of AMRPE, in response to the editorial by Representative Tom Burnett was in the Helena IR on February 25, 2018. The Bozeman Chronicle and the Missoulian were not willing to run the editorial because it was a similar response to the editorial written by PERA and TRS.

NEW BUSINESS

Patty Mott, on behalf of James Driggers, presented the research regarding converting the Bank CD’s on maturity date to mutual funds. Patty Mott advised that the Board has a fiduciary responsibility to the membership, a mutual fund investment is normally 3-5 years and each mutual fund has a different blend of bonds and stocks that changes the risk of the investment. Jim Lewis stated that he was against investing in mutual funds and Dale Boespflug cautioned the Board to be careful when considering this option for membership funds. The board reviewed and discussed the information provided and decided to form a committee to discuss if investing in mutual funds is a positive option and further study the information provided by James Driggers. The committee will be made up of Mike O’Connor, Patty Mott, Lyle Manley and James Driggers.

Cathy Kendall asked if there were any actions needed on the contract with the association’s lobbyist. Mike O’Connor stated that the contract comes up for renewal in September 2018.

Cathy Kendall moved to adjourn the meeting. Jim Lewis seconded the motion. The motion to adjourn was approved unanimously. The meeting adjourned at 10:45 A.M.

The Executive Committee approved, through email, to cancel the April Board meeting due to lack business. The next meeting will be held in the MPERA conference room at 100 North Park Avenue in Helena on May 15th, 2018 at 9:30 a.m.