

ASSOCIATION OF MONTANA RETIRED PUBLIC EMPLOYEES
Board Minutes
100 North Park – PERA Office, 2nd Floor Conference Room
February 19, 2019

CALL TO ORDER

The board meeting of the Association of Montana Retired Public Employees was called to order by Lyle Manley at 9:30 a.m.

BOARD MEMBERS PRESENT

Lyle Manley, Patty Mott, Cathy Kendall, Jan Brown, James Driggers, and Kim Hoxie (staff) and excused are Leo Hudetz, Dale Boespflug, Jim Lewis and Connie Welsh.

GUESTS

Tim & Julie Reardon
Jeff Sillick
Dore Schwinden, Executive Director, MPERA

MINUTES

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

MPERA UPDATE

Dore Schwinden had several updates from the legislative session. First, there was an amendment proposed to increase the employee contribution to the Game Wardens' and Peace Officers' Retirement Systems funding bill, but then the bill was tabled. Second, Representative Tom Burnett is working on a bill to combine TRS and MPERA. This bill is an effort to save costs, however one of the challenges with this idea is TRS and MPERA work on different IT systems. Third, the appropriation committee approved the Highway Retirement Systems funding. Dore Schwinden also noted that the member portal is on hold until some issues with the new computer system are fixed.

LEGISLATIVE SESSION:

The board reviewed an email provided by Dave Galt, lobbyist for AMRPE. Legislative session does not appear to be having any meaningful discussion on retirement legislation.

REPORTS

Treasurer's Report

James Driggers presented the February financial statement and noted that the statement does not reflect recent deposits for membership renewals.

Patty Mott made a motion to approve the February financial statement, Cathy Kendall seconded the motion, and the February financial statement was approved unanimously.

James Driggers recommended not to pursue treasury notes as this time because the rate of return is the same as CDs. He recommended dividing up the current available funds into three separate CD's that have expiration dates of three, two and one years. This would create a cycle of available funds every year. If funds are not needed in the year the CD expires, the CD will be reinvested for three years.

Patty Mott made a motion to approve the three-year cycle of funding by tiering CDs into one, two, and three-year CDs to insure funds are available every year. Jan Brown seconded the motion was approved unanimously.

Membership

Patty Mott stated that the renewal letter went out at the end of January. The total breakdown of renewals is as follows: Lifetime, 31(3 %); 1 year, 492 (54%); 2 year, 182 (20%); 3 year, 206 (23%).

After a lengthy discussion regarding incentives to promote members to renew for multiple years the board asked the membership committee to come up with some ideas to present to the board. Jan Brown and Julie Reardon will also be included in the meeting.

Telecommunications during Board meetings

The board discussed the options for enhancing the telecommunication capabilities. Cathy Kendall will research the costs of options and report back to the board next meeting.

State Employment Recruitment issues

Jeff Sillick approached the board with the idea of helping to promote the benefits of working for the State to young people. Jeff Sillick is a retiree from MDT and he said it was difficult to recruit young people to work at MDT. Talented young people are looking at the progressive companies for work. This comes with long work days and good benefits. However, working for the State with its benefits of health care, pension and perhaps a more 8am-5pm work style is a huge benefit in the long term. An informal group was formed of Jeff Sillick, James Driggers and Julie Reardon to discuss ways to help promote working for the State with young people.

Hotel workers and the Board of Investments

The board reviewed and discussed the information regarding a hedge fund that the Board of Investments has invested in that is trying to sell a hotel in California at a loss because of the hotel's ongoing labor dispute. Mike O'Connor did send a letter in December on behalf of the board to Maggie Peterson, PER Retiree Board Member, that AMRPE is concerned about an investment being sold at a loss. Lyle Manley will send a follow up letter to the Board of Investment to ask what decision was made.

James Driggers moved to adjourn the meeting. Cathy Kendall seconded the motion. The motion to adjourn was approved unanimously. The meeting adjourned at 11:41 A.M.

The next meeting will be held March 19th, 2019 at 100 North Park – PERA Office, 2nd Floor Conference Room.