ASSOCIATION OF MONTANA RETIRED PUBLIC EMPLOYEES

Board Minutes

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

April 16, 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 and Kim Hoxie (staff) were present in the board room. Leo Hudetz and James Driggers were present by conference call. Jan Brown, Dale Boespflug, Jim Lewis and Connie Welsh were excused.

GUESTS

Tim & Julie Reardon

Mike O’Connor

Dore Schwinden, Executive Director, MPERA

Bill Holahan, Senior Counsel to the Director, MPERA

Brian Thompson, AMRPE Lobbyist

Natalie Peeterse, MPERA Trainer

MINUTES

Cathy Kendall made a motion to approve the March minutes, Patty Mott seconded the motion, and the March minutes were approved unanimously.

MPERA UPDATE

Dore Schwinden and Bill Holahan presented legislative updates. Senate Joint Resolution 29, a bill that is asking for a study of public employee pension funding and options, is on its 2nd reading in the Senate but still has to go the House. House Joint Resolution 39, a bill that is asking for a performance audit to combine administration of MPERA and TRS, has passed the House and is waiting for executive action in the Senate.

Dore Schwinden stated that Senate Bill 352 was quickly approved by the house. There is an amendment to take money from the Highway Patrol recruitment fund to fund the Highway Patrol retirement fund. Another amendment attached to this bill is to reduce the state supplemental contribution to PERS from $31.9 million to $16.39 million with employee contributions increased to make up the difference. However, MPERA has calculated that the employee contributions will not make up the difference. Employee contribution increases would be July 2019 and July 2020. Local governments around the state are very concerned with this amendment but it is expected to be defeated.

Dore Schwinden stated that the Governor appointed Dave Severson to the MPERA Board replacing Timm Twardoski.

LEGISLATIVE SESSION:

Brian Thompson agreed with comments by Dore Schwinden and Bill Holahan on Senate Joint Resolution 29 and Senate Bill 352. He suggested the board follow the lead of MPERA on Senate Bill 352 and no additional action is needed at this time.

REPORTS

**Treasurer’s Report**

James Driggers presented the April financial statement. He noted several of the CD’s do not show the interest accrued on the financial statement. The banks are working to correct the error on the monthly statements so he can report it on the financial statement.

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

**Membership**

Patty Mott stated the total breakdown of renewals is as follows: Lifetime, 45(4 %); 1 year, 687 (54%); 2 year, 276 (22%); 3 year, 254 (20%).

Patty Motty stated that the membership committee is purposing not to increase dues until 2021. The recommended membership dues breakdown is: 1 year - $20.00; 2 year - $35.00; 3 year $45.00. Lyle Manley suggested waiting to vote on the membership dues until a future board meeting.

OLD BUSINESS

**State Employment Recruitment issues**

Lyle Manley stated that he would like to discuss this with the board on a later date.

**Suspicious Emails**

Lyle Manley stated that board members are continuing to get emails that are not generated from him. Please call him if you get an email that seems suspicious. Patty Mott stated that any suspicious emails can be forwarded to spam@uce.gov and they will look into the source of the emails.

NEW BUSINESS

**Database**

Cathy Kendall stated that she had a meeting with CMS to discuss the membership renewal mailing error.

The database has been reviewed by Dave Cooper and he made some changes to the database and did training with the CMS staff on maintenance of the database. It was also decided that Dave Cooper will do an annual maintenance check on the database prior to sending out January renewal letters.

**Audit Schedule**

Leo Hudetz stated that he and Dale Boespflug will be completing the transaction testing after the completion of the board meeting on May 21st.

**State Employee Group Benefits Advisory Council**

Jim Lewis attended the SEGBAC meeting but was not at the board meeting. He asked Lyle Manley to give the following comments. The SEGBAC discussed that 2% of the members incur 30% of the cost of the health insurance. Cancer is the most expensive claim and doctors can now design a drug specific to an individual tumor. Lastly, the reserves are healthy through 2020.

Lyle Manley adjourned the meeting at 10:43 A.M.

The next meeting will be held May 21st, 2019, 9:30am at 100 North Park – PERA Office, 2nd Floor Conference Room.