

Montana Teachers' Retirement System Board Meeting August 5, 2021

BOARD MEMBERS PRESENT

Kari Elliott, Chair
Scott Dubbs, Vice Chair
Daniel Trost, Member
Jeff Greenfield, Member
Daniel Chamberlin (*virtual*)

STAFF PRESENT

Shawn Graham, Executive Director
Tammy Rau, Deputy Executive Director (*virtual*)
Denise Pizzini, Legal Counsel
Nolan Brilz, Accounting/Fiscal Manager
Darla Fitzpatrick, Communication Manager
John Noble, IT Manager

OTHERS PRESENT

Jim Kerins, Communication & Management Services, LLC
Sarah Piper, Montana Federation of Public Employees
Mandy Rambo, Montana Department of Administration (*virtual*)
Kathy Milodragovich, Montana Retired Educators Association (*virtual*)

Call to Order

Chairperson Kari Elliott called the meeting to order at 8:33 a.m.

Adoption of the Agenda

Chairperson Elliott requested a motion to adopt the agenda.

Motion/Vote: Vice Chair Scott Dubbs moved to adopt the agenda and Member Daniel Trost seconded the motion. It was approved by all members present.

Approval of Minutes

Chairperson Elliott requested a motion to approve the minutes from the May 7, 2021 meeting.

Motion/Vote: Member Jeff Greenfield made a motion to approve the minutes as written. Vice Chair Dubbs seconded the motion, which was approved by all members present.

Public Comment on Board Related Items

Chairperson Elliott provided an opportunity for members of the public to comment on any public matter not on the agenda and within the jurisdiction of the Board.

Sarah Piper of MFPE appreciated being asked to participate in the stakeholder survey and was pleased to help promote participation in the TRS member survey as well.

Strategic Planning

Long Range Planning

Jim Kerins of CMS provided an overview of the strategic planning process, which now is familiar to Board members and has been used successfully for the last several years.

Members of the Board agreed the current TRS mission, vision statement, and guiding principles remain valid and well crafted. No changes were recommended. Executive Director Shawn Graham then reviewed several important objectives on the commitment worksheet developed in the fall of 2019 that TRS has achieved. Other objectives are of an ongoing nature and will be carried over to the 2021 commitment worksheet. Mr. Kerins complimented the Board and staff on accomplishing so much over the last two years, especially given the challenges imposed by the pandemic.

Planning and budgeting for ongoing system maintenance and enhancements will be a focus area for discussion. The major phases of the M-Trust project were completed successfully, but further gains in productivity and service could be achieved through additional enhancements. Results from the recent member survey indicated a strong preference for automating more services and business processes, such as the retirement application process. While survey responses indicated that retirees are more likely to use *My TRS* (the secure online member portal), current educators generally have higher expectations for conducting business online.

Mr. Kerins then reviewed the results of the TRS staff survey. Overall, staff are proud of low turnover, strong leadership and high level of expertise within the organization and the high-quality service they provide to members and employers. The group then reviewed and discussed survey results from external stakeholders, which also were largely positive and supportive.

Public Comment

Sarah Piper of MFPE said their members appreciate everything TRS does to keep their retirement system healthy.

Strategic Planning – *Continued*

After a short break, Mr. Kerins continued with a review of strengths, weaknesses, challenges and opportunities for TRS, and he made refinements to the list based on input from the group. Many of the items listed in each category came from Board, staff, and stakeholder surveys and will help TRS to prioritize goals and objectives over the next biennium.

Public Comment

There were no comments.

At 11:48 a.m. the group adjourned for lunch.

Disability Applications

Closed Meeting

Executive Session to Discuss Disability Applications

The meeting resumed at 1:00 p.m. and was closed to the public, as a disability applicant's right to privacy clearly exceeds the merits of public disclosure.

Deputy Director Rau presented three application for disability retirement benefits.

Open Meeting

The meeting was reopened at 1:15 p.m.

Motion/Vote: Chairperson Elliott requested a motion on the disability retirement application for member L.E.B. Member Greenfield moved to approve the application, which was seconded by Member Trost. It was approved by all members present.

Motion/Vote: Chairperson Elliott requested a motion on the disability retirement application for member J.B.N. Vice Chair Dubbs moved to approve this application and Member Greenfield seconded it. The motion was approved by all members present.

Motion/Vote: Chairperson Elliott requested a motion on the disability retirement application for member D.T. Member Trost moved to approve the application and the motion was seconded by Vice Chair Dubbs. It was approved by all members present.

Public Comment

There was no public comment.

Strategic Planning – *Wrap-up*

Mr. Kerins reviewed the list of potential goals and objectives identified by the TRS management team prior to this meeting. Mr. Graham said that developing an online retirement application should be a high priority. John Noble, TRS IT manager, stated the Governor's Office has an initiative called "Digital First" and this type of enhancement would fit that guidance well. After discussion, Board members offered support for including a reasonable set of system enhancements in TRS's annual budget request.

Another TRS leadership priority is to modernize the TRS public website and secure online portals by applying what's known as "responsive web design." Rather than a static, menu-driven layout, a responsive website adjusts the display automatically for the type of device being used (e.g., cell phone or desktop computer). This will become more important as paper-based processes are converted to online services.

The group discussed a number of other business process improvements, communication objectives, and outreach opportunities for Board and staff. As in previous years, some respondents to the stakeholder survey would like TRS to loosen existing limitations on working retirees. Mr. Graham

asked whether the Board was interested in examining what other states are doing, such as offering phased retirement programs or otherwise allowing employers greater flexibility in hiring retirees into positions reportable to the retirement system. The Board's duty is to protect the stability of the system and they want to be well prepared for any legislative pressure to adopt such changes.

Mr. Kerins will consolidate the goals and objectives discussed today into a strategic planning document and commitment worksheet for final Board approval at the October 2021 meeting.

Public Comment

There was no comment.

Administrative Rule Review

Review Proposed Rule Revisions

Chief Legal Counsel Denise Pizzini reviewed a list of proposed revisions to TRS Administrative Rules. These revisions are being made to reflect changes made in statute as well as to clarify TRS's application of law. Upon Board approval, the rules will be published in the Montana Administrative Register for public comment.

Public Comment

Sarah Piper of MFPE thanked Ms. Pizzini for reviewing these rule changes, as MFPE staff do receive related questions from their membership.

Motion/Vote: Member Trost moved that the Board adopt the proposed rule revisions. Vice Chair Dubbs seconded the motion, and it was approved by all members present.

Administrative Business

Tentative 2021 Meeting Dates

Tentative dates for the remaining meetings in 2021 are October 8 and December 3, 2021. The October 8 meeting was confirmed, and a request was made to move the December meeting to Thursday, December 2, 2021.

Public Comment

There were no comments.

Next Meeting

The next meeting will be held Friday, October 8, 2021.

Adjournment

With no other business before the Board, Chairperson Elliott requested a motion to adjourn.

Motion/Vote: Member Greenfield moved to adjourn the meeting and Member Trost seconded it. The motion carried and the meeting was adjourned at 3:08 p.m.

Chairperson /s/ Kari Elliott

Executive Director /s/ Shawn Graham