

# Montana Teachers' Retirement System Board Meeting

## August 10, 2023

### **BOARD MEMBERS PRESENT**

Kari Elliott, Chair

Daniel Trost, Member (*virtual; departed meeting at 11:46 a.m. and returned at 1:05 p.m.*)

Daniel Chamberlin, Member

Dee Brown, Member

*Two Board seats currently are vacant*

### **STAFF PRESENT**

Shawn Graham, Executive Director

Tammy Rau, Deputy Executive Director

Denise Pizzini, Chief Legal Counsel

Nolan Brilz, Accounting/Fiscal Manager

Darla Fitzpatrick, Communication Manager

John Noble, Information Systems Manager

### **OTHERS PRESENT**

Jim Kerins, Consultant, Communication and Management Services, LLC

Larry Crowder, Montana Rural Education Association

Marilyn Hamer, Montana Retired Educators' Association

Ben Ternes, Governor's Office of Budget and Program Planning (*virtual*)

Jordan Krause, Active TRS Member (*virtual*)

### **Call to Order**

Chairperson Kari Elliott called the meeting to order at 8:31 a.m.

#### **Adoption of the Agenda**

Chairperson Elliott requested a motion to adopt the meeting agenda.

*Motion/Vote:* Member Daniel Chamberlin moved to adopt the agenda. Member Dee Brown seconded the motion, which was approved.

#### **Approval of Minutes**

Chairperson Elliott requested a motion to approve the minutes from the May 5, 2023 meeting.

*Motion/Vote:* Member Brown moved to approve the May 5, 2023 minutes as written, with Member Chamberlin seconding. The motion was approved by all members present.

### **Public Comment on Board Related Items**

This is an opportunity for members of the public to comment on any public matter not on the agenda and within the jurisdiction of the Board.

There was no public comment.

## **Strategic Planning**

### **2023-2025 Long Range Planning**

Jim Kerins of Communication and Management Services (CMS) explained that every two years, he works with the Board and management team review the organization's achievements over the previous two years and to update the strategic plan for the next two years. This iterative process involves an operational and environmental assessment to establish overarching goals and to prioritize specific objectives and strategies to achieve them. Board, staff, and stakeholder surveys also provide valuable input to this process.

Mr. Kerins led the group through a review of a strategic planning "primer" document, based on the 2021-2023 plan with the TRS management team's suggested revisions for 2023-2025. Members of the Board discussed but recommended no changes to the TRS mission, vision, guiding principles, or to the organization's three longstanding goals. Specific objectives and strategies are developed and prioritized with those overarching goals in mind. Mr. Graham tracks each objective on a "commitment worksheet" and provides a status report at each meeting. Board members reviewed and discussed each objective listed on the commitment worksheet and agreed with staff's proposed revisions.

Mr. Kerins reminded the Board that some staff members are eligible to retire and he suggested that succession planning should remain a priority. In addition, he noted that many of the Board's goals highlight the need for increased communication and outreach to TRS members, employers, and stakeholder groups, and he asked Mr. Graham and TRS Communication Manager Darla Fitzpatrick to speak to the challenges they may face in these areas.

TRS traditionally has operated as a lean organization, achieving quality work with a small staff (currently 22 FTE). This approach keeps administrative costs very low, but as Mr. Graham explained, each team at TRS performs specialized tasks, with certain positions also requiring an advanced degree or a specialized skillset. These factors often preclude delegation to other staff, who already are fully tasked. In addition, planned activities occasionally must be set aside because an unanticipated regulatory or legislative change has required significant staff time to address.

Ms. Fitzpatrick commented that, in addition to external communication and outreach activities, she is responsible for many necessary internal tasks such as forms and document management, web content management, and technical writing (e.g., online help systems). She also has been involved in user interface design for several system enhancements, a process which takes a significant amount of time. Because the volume of work continues to exceed capacity, Mr. Graham recommends that TRS add a staff person to take over some of those duties. Board members voiced their support and directed Mr. Graham to bring a budget amendment to provide spending authority to hire an additional communications FTE to the October Board meeting for approval.

Other suggestions and preferences were reviewed, such as whether the Board wants a periodic audit report from Chris Fish, who filled TRS's new external/internal auditor position last year. Board members recognize the value of Ms. Fish's work and requested an annual summary of findings.

Mr. Kerins then presented the draft commitment worksheet for the next biennium. Aside from exploring ways by which TRS might encourage active TRS members to participate in optional savings programs, no significant revisions were made to the list of goals and objectives.

Mr. Graham will present the updated 2023-2025 strategic plan to the Board for final review at the October meeting. Once approved, a summary document will be posted on the TRS website. Chairperson Elliott thanked the representatives of stakeholder groups for their input.

### Public Comment

Marilyn Hamer of the Montana Retired Educators' Association commented that she appreciates TRS's work and finds the member newsletter to be helpful. Larry Crowder of the Montana Rural Education Association said he was pleased to have observed and participated in the process.

With the Strategic Planning portion of the agenda having concluded early, it was agreed that the Administrative Business topic would be moved ahead of Disability Applications.

### Administrative Business

#### Draft Policy – Requests for Public Information or Public Records – Fees

Chief Legal Counsel Denise Pizzini reported that Senate Bill 232 modified certain requirements for public information requests. TRS's existing policy is similar in many ways, but revisions are needed with respect to the timeframes within which TRS must respond. These provisions take effect October 1, 2023, and Ms. Pizzini asked the Board to review the draft revisions for adoption at the next meeting.

Another provision, which will require agencies to maintain an online archive of public information requests and responses, will not take effect until November 1, 2024. Mr. Graham believes the State may centralize that function and TRS will revise its policy again when details are known.

#### Tentative 2023 Meeting Dates

Members of the Board discussed their availability for the meetings scheduled for October 6 and December 1, 2023. No conflicts were reported.

#### Out of State Travel Request

Mr. Graham presented a request for Nolan Brilz, TRS Accounting/Fiscal Manager, to attend the annual Public Pension Financial Forum (P2F2) conference in Denver, Colorado.

*Motion/Vote:* Member Chamberlin moved to approve the out-of-state travel request for Mr. Brilz. Member Brown seconded the motion and it was approved by all members present.

Board members then considered requests for Mr. Graham and Ms. Fitzpatrick to attend the annual conference of the National Council on Teacher Retirement (NCTR) in La Jolla, California.

*Motion/Vote:* Member Brown moved to approve the request for two staff to attend the NCTR conference. Member Chamberlin seconded the motion and it was approved by all members present.

Finally, Mr. Graham recommended the Board authorize travel for a certain number of Board members to attend the annual NCTR conference.

Motion/Vote: Member Chamberlin moved to allow up to four Board members to attend the NCTR conference, with Member Brown seconding the motion. It was approved by all members present.

#### Next Meeting Date

The next Board meeting will be held on Friday, October 6, 2023, with actuaries from Cavanaugh Macdonald scheduled to present results of the 2023 TRS actuarial valuation.

#### Public Comment

Jordan Krause, a teacher from Missoula, commented that she is interning with MFPE for the summer and appreciates the work done by TRS board and staff to support members.

At 11:56 a.m. Chairperson Elliott announced the meeting would pause for lunch before proceeding with disability retirement applications.

#### Disability Applications

##### ***Closed Meeting***

##### Executive Session to Discuss Disability Applications

The Board began its executive session at 12:45 p.m. to review two applications for disability retirement benefits. This session was closed to the public, as a disability applicant's right to privacy clearly exceeds the merits of public disclosure.

##### ***Open Meeting***

The meeting was reopened to the public at 1:22 p.m.

##### Approval of Application for Disability Retirement Benefits

Motion/Vote: At 1:00 p.m. during the closed session, member J.G. had provided verbal testimony related to the TRS consulting physician's review of the member's medical records. Member Chamberlin moved to table the Board's decision pending the consulting physician's review of that testimony. Member Brown seconded the motion, and Chairperson Elliott concurred. Three Board members constitute a quorum and the motion carried 3-0. (Member Trost abstained from voting as he had been absent for a portion of the closed session.)

Motion/Vote: Chairperson Elliott asked for a motion on the disability retirement application of member L.T. Member Brown moved to approve the member's request for disability benefits and Member Chamberlin seconded. With Chairperson Elliott concurring and Member Trost abstaining, the motion carried 3-0.

#### Public Comment

No members of the public were present.

#### Adjournment

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

Motion/Vote: Member Chamberlin moved to adjourn the meeting and Member Brown seconded. The meeting was adjourned at 1:24 p.m.

Chairperson                                          /s/ Kari Elliott                    

Executive Director                                  /s/ Shawn Graham