

**Faculty/Staff Benefits Committee
Meeting Minutes
Tuesday, June 12, 2012**

Members Present

Randy Truman	John Vande Castle	Frances Wilkinson
Hans Barsun	Carolyn Hartley	Sharon Scaltrito
Suzanne McConaghy	Karin Retskin	Rita Abeyta for Melissa Vargas
Elaine Phelps	Helen Gonzales	

Members Absent

Elena Plis	Jacquelines Zander-Wall	Cenissa Martinez
Carol Bernhard	Josie Abeyta	

Members Excused

Loretta Serna

Guests

Kathy Meadows	Ann Rickard	Naomi Hanauer
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Meeting called to order at 3:02 pm

Agenda for this meeting, and minutes from last month's meeting were approved.

ERB

Discussion began with a survey that HR, along with faculty and staff leadership designed with the idea of sending out to the UNM community. Before that could be done, ERB approached us about using a survey that had been designed by NMSU. Once that survey (hereinafter referred to as the NMERB survey) was reviewed, the UNM committee felt that it was not philosophically aligned with the one created in-house. Helen Gonzales brought copies of both surveys for review and input by this committee.

The state has several major stakeholder groups with interests in both the ERB and PERA pension plans. These include, but are not limited to several unions, NEA, UNM, and NMSU.

It cannot be argued that pension reform is necessary and that multiple scenarios must be employed in order to maintain the solvency of the fund. Both UNM's and NMERB's surveys are seeking to determine which scenarios are most agreeable to the individual affected by the proposed changes. Option #4 on the NMERB survey most closely resembles the UNM-backed choice on the original survey.

Hans commented that the scenarios in the NMERB survey closely resemble those proposed by them several months ago. Suzanne suggested considering combining scenarios for the best outcome.

UNM is not the largest employer, but hopes to convince NMERB to choose a scenario that considers philosophical positions. HR hopes to publish their survey in the next week.

At Frances' suggestion, discussion of the scenarios ensued. Clarification of the "grandfather" clause – if an individual is eligible to retire within the time frame of the grandfather clause, then the changes, except for the COLA don't apply.

Karin commented that "retirement age" means eligible to receive benefits. This verbiage should be repeated in questions in the survey.

Randy and Helen discussed the NMERB surveys v. actuarial surveys on ways to meet solvency requirements.

Randy suggested labeling the scenarios alphabetically so that they can be ranked numerically without causing too much confusion.

Scenarios that take the state's contributions above the 13% legislatively-mandated rate are not really practical. All scenarios are based on a 7.75% investment return rate and the question was asked – how practical is that rate?

Karin commented that more than just ERB must be funded by the state, and Suzanne said she's be interested to see a PERA proposal that brings the state's contributions to that plan down to be equal with the contributions to ERB.

Hans posed the question – what happens if the fund's investment returns fall flat? He also posited that the minimum retirement age is a burden to younger employees.

Helen contemporaneously reported that research she'd seen (from 2008 forward) showed that over 800 individuals had retired from the University in that time frame and that the average age was not lower than 59. She said she'd email the hard data to the group later in the week, including drilling down a bit on the age groups.

Consensus is that there is no broad support for raising the minimum retirement age.

CAT Leave

Hans commented that, given the disparity between how CAT leave was awarded under the old policy vs. how it's being awarded under the new policy, UNM must decide how the CAT leave program should work.

Policy 3430 governs the CAT leave program.

Sharon suggested a method of review – comparing the old policy to the new policy AND comparing the University's program to the hospital's.

Ann Rickard, a guest for this month's meeting, offered an example of a person who can't get CAT leave due to the stringent criteria for approval.

The current criteria for CAT leave allows for individuals who need extra time off for medical situations to fall through the cracks. A less stringent policy should be developed.

Health Insurance

Elaine shared stats on the open enrollment period and includes numbers on those dropping coverage. Karin commented that an individual must be enrolled in UNM insurance for 5 years to be eligible to carry it into retirement and suggested that perhaps those dropping the coverage should be contacted regarding that requirement.

Elaine reported that costs are being kept down by bids on the administrative portion and by wellness initiatives.

The Loveless billing issue has been resolved (for the most part).

Short Term Disability – 13.3% of benefits –eligible employees signed up for it; 20% needed – quota set by insurer – and we have one year to make that minimum.

New President

Dr. Frank remains basically an unknown, but by all accounts, appears to be data driven. Have the numbers to back up your claims.

Karin reported that Barbara Gabaldon is the new Benefits Committee member for ???

Meeting was adjourned at 4:12 pm.