



## Faculty and Staff Benefits Committee

**Final**

### Minutes

Tuesday, July 14, 2020

3:30PM to 5:00 PM

Via zoom

*Attendees: (taken from sign-in sheet – for those who signed in)*

Fran Wilkinson	FSBC Co-Chair; University Libraries & Learning Sciences
Mark Maddaleni	FSBC Co-Chair; Arts & Sciences
Shawn Berman	Anderson School
Leslie Easom	UNM Retiree Association
Joey Evans	Human Resources
Gene Henley	Public Administration
Scott Sanchez	Alumni Relations
Trudi Flynn	Payroll
Marcia Sletten	Health Science Center
Elizabeth Elia	School of Law
Jodi Perry	College of Pharmacy
Sidney Mason-Coon	Business and Finance

*Excused:* Dimiter Vassilev Mathematics/Statistics

*Absent:*

Theresa Ramos	Faculty Contracts
Anil Shetty	Plastic Surgery
Dorothy Anderson	Human Resources

*Guests:* N/A

*Minutes:* Felisha Martinez Office of University Secretary

**Meeting called to order @ 3:33 PM.**

### **Agenda:**

Quorum was met. Motion to approve agenda for 7/14/20 made and seconded. Approved by unanimous decision. Later in the meeting, Policy Office report was suggested prior to Retiree Association report.

### **Minutes:**

Quorum was met. Motion to approve meeting minutes for 6/9/20 made and seconded. Approved by unanimous decision.

### **UNM Lobo Health Strategy**

*Fran Wilkinson and Mark Maddaleni*

Mr. Maddaleni stated there has not been a recent meeting of the group since the last FSBC meeting in June 2020. He reported the initiatives previously discussed continue to be under way. No additional steps to discuss currently.



## **Faculty and Staff Benefits Committee**

### **Voluntary Employee Beneficiary Association (VEBA) Committee Meeting**

*Fran Wilkinson*

No updated report as the group has not met since previous FSBC meeting.

### **Budget Leadership Team (BLT) Meeting**

*Gene Henley*

Mr. Henley stated there has been one BLT meeting a few weeks prior. He reported BLT reviewed the outcome of special session. Mr. Henley reported the state was faced with \$1.6 billion deficit due to COVID-19 and decline in oil revenues. He went on to explained for the university, this caused I&G to be cut by 6.6% for main campus, HSC received a 5.9% cut, and branch campuses received a 6.5% cut. The compensation increase was eliminated, which was expected to occur. Overall a 6.4% cut was made for next year's budget. Mr. Henley stated the original budget in Spring 2020 was projected to have a 7% decline in tuition and added an additional amount for a buffer for predicted decline. Enrollment decline is now projected for 10%. The Board of Regents meeting occurred on 7/14/20 in which the budget was presented at Provost and HSC level with assumptions of 10% decrease in student credit hours and 6.4% cut in appropriations. It was requested of the regents to approve the budget request which would then go to HED. Mr. Henley stated it would then be up to the Provost and HSC to determine if cuts will be allocated in units. Communication regarding unit cuts would come from the deans of each school/college. Mr. Henley reported everyone is projecting another round of cuts in January and cuts in next year's budget. The likely outcome is the university will continue to see cuts at university, department and program level for the next 2-3 years. Mr. Henley went on to explain that the university, state and other entities received federal government funds due to COVID-19, which offset the funds the university received from the budget. He stated the university has seen loss of revenue for food, housing, etc. and will most likely continue to experience a decline in revenue. Costs have gone up for other support such as facility cleaning and assistance for online classes. Mr. Henley reported positive news in that the university will be right sizing for enrollment and needs for demographic population.

One committee member asked about program consolidation and serving demographic as well as right sizing. They wondered if this would occur or if this goal lacked traction. Mr. Henley went on to discuss how he saw this as occurring, however could see some push back from certain constituents. He stated no program can sustain a 6% cut and reserves do not exist in those numbers.

### **Policy Office**

*Sidney Mason Coon*

Ms. Mason Coon reported minor changes related to IT, websites and links, as well as benefit changes discussed in June 2020 meeting. She also stated there are Title 9 updates set for August 19, 2020, however, is unsure if this will occur exactly at that time as they still need to go out for 30-day campus comment. Ms. Mason Coon reported more changes are to come and updates for next month. She stated there will be future trainings and webinars regarding Title 9.

### **Retiree Association**

*Leslie Easom*

Dr. Easom reported the Retiree Association had their annual meeting via zoom and had 50 participants. She stated the Provost spoke with them regarding the reopening of the university. Dr. Easom reported they also reviewed the information provided by Mr. Joey Evans regarding long care insurance premium increases and are looking at strategies to address these premium increases for the group (i.e., partnering with AARP). Following report, there was a short discussion regarding the reopening of the university.

### **Human Resources**

*Joey Evans*



## Faculty and Staff Benefits Committee

Mr. Evans reported the university moving toward retirement plans core line up with Fidelity and implementing Roth source for both plans. They are working on communication to go out end of July regarding Roth plans. Mr. Evans stated they are pulling back on Fidelity core line up due to various reasons. There should be no disruptions so they can continue to invest, however there were a couple of glitches. Mr. Evans stated the university was finding issues with certain plans and making it difficult for participants to invest with brokerage link. He said they will be on hold for now and evaluations will take place in 2020 or 2021. Mr. Evans went on to discuss how the decision was made regarding the core line up. He stated there was the retirement investment plan committee which conducted fund reviews and admin provisions. Mr. Evans said this was to ensure, in the evolving world, the regulations passed in the last decade were included and best practices implemented in retirement plans. The recent goal was to restate documents, which was done this last spring. Mr. Evans reported the university was trying to identify what appropriate oversight of plans are necessary given they are voluntary plans and there are no university funds in the plans. He stated there has been a hands-off approach in the past because there are more compliance requirements and lawsuits towards private institutions. He stated there were too many options which made it difficult for participants to choose which fund they wanted to participate in. Mr. Evans reported in 2018 the decision was made to move towards core fund lineup, but were until to do so until the document, as previously mentioned, had been completed. Both university legal counsel as well as external legal counsel were utilized. The university is working towards addressing oversight for plans and making recommendations for plan reviews. Mr. Evans said he is unsure of how many employees utilize the additional retirement plans, however, estimates 1,400-1,500 individuals. He reported the plans are additional contributions where the pension plans are a required contribution.

Mr. Evans reported some positive news regarding renewals for Post65 retirees Medicare plans. So far, the Presbyterian advantage plan will receive no new increases, both BlueCross and Humana plans are decreasing, Aetna is increasing by less than \$4 a month. The supplemental United Healthcare renewal plan increase is unknown at this time as they filed in their own state. October 2020 is the projected timeframe in which the information will become available. However, the trend last year was a 5% increase.

Mr. Evans reported some modeling has be done by Aeon regarding COVID-19. It was estimated this public health crisis could add \$1 million in healthcare costs, however could be offset by recent lower utilization. He stated there has been a decrease in utilization from the months of April to June so far.

### **Next Meeting:**

August 11, 2020

3:30 PM

Via Zoom

**Adjourn: 4:35 PM**