

## Minutes

### Retiree, Health and Other Benefits Advisory Committee

May 17, 2017

Doris Littrell called the meeting to order at 12:00 noon in 159 Ellis Library. Those present included: Peter Wilden, Lisa Wimmenaur, Kee Groshong, Anne Barker, Joe Shaefer, Catherine Mohesky, Marjorie Leavene and special guest, Erik Smetana from the Total Person Program.

Cynthia Crawford was unable to attend the meeting and sent a written update on the on-line course, *How to Get an A in Retirement*. The course is exceeding expectations on all four campuses and at the system level.

Erik Smetana confirmed that the deadline for retirement category changes for current employees is December 28, 2017. Accrued vacation and sick leave time will affect an individual's deadline date. The system is not encouraging employees to take retirement; they are just trying to provide the necessary tools for educated decisions. Those tools include math calculators, a system web site with social security and Medicare information, budget planning for financial wellness. Fidelity is offering a 12-session seminar about retirement and retirement medical. Currently 25% of current MU employees are eligible for retirement. A ballpark goal of 80-85% of an employee's current salary will be needed in retirement, depending on individual lifestyles. Because future needs should be reviewed on a case by case basis, all eligible employees are encouraged to visit the Total Reward office to discuss their personal situations.

Clarification was sought regarding the retirement cut-off date for faculty appointments. According to MU policy, notification must be made 60 days in advance of semester end.

Questions were raised with regard to capping the salary categories for the defined contribution plan? What not add a 3% level of contribution for employees making in excess of \$50,000?

There is no possibility for an additional early retirement buy-out in the foreseeable future.

Have supervisors been given the names of people within their programs who may be eligible for retirement under the current changes? This information was dispersed during previous cut backs and proved to be a valuable planning asset in the past. According to IRS rules, supervisors may not talk to employees 62 years of age and older, about the possibility of future part time employment after retirement. This ruling does not prevent a supervisor from talking to the employee about his retirement plans.

Talks have begun at the system level regarding possible changes to the pension plan. Currently, the plan is actuarially funded at 86%, a slight uptick from previous years. UM is better funded than most institutions: The state of Missouri is funded at 78%, the state of Illinois

is funded at 36%. A consultant, Bridgewater, has been hired to assess trends and future asset allocations.

Committee members discussed possible morale boosters that could be offered to current employees. Two options available to university employees: AT&T will offer a 15% discount on cell phones, Fidelity offers a significantly reduced student loan rate.

The next committee meeting will be in the Fall semester, 2017.

The meeting adjourned at 1:20 p.m.

Respectfully submitted,

Marjorie Leavene