

McMaster University Retirees Association

9/1/92

MINUTES

ANNUAL GENERAL MEETING

Wednesday, May 20, 1992, 7.30 p.m.  
Recreation Room Divinity College

The President, Charlie Cook welcomed the 34 who attended the 7th Annual General Meeting and reported the following.

1. Jim Walker sends his regrets.
2. A number of our members have passed away during the year.
3. We have appointed two persons to the President's Planning Committee on the new University Centre and the names of Dorothy Jacobs and Jim Walker have been submitted to Mary Keyes.
4. Blythe Williams and Charlie Cook have been meeting with Fred Hopkinson and Bob Tangney of Personnel every two months. They have been advised that the new Benefits Package would be ready by April 30th. They will pressure Personnel for the information.
5. Les Prince and Bill MacPherson and Charlie Cook will attend as many of the Pre-retirement sessions as possible.
6. Chip Inkster from Nova Scotia has written us re Medical coverage. Nova Scotia only pays 25% to a maximum of \$400. She wondered if McMaster's Major Medical would cover them. She will be advised to send claims to Personnel and Sun Life can assess her claim.
7. Copies of Courier are deposited in various libraries in the area. It appears they are being picked up.
8. Our Newsletter will be published as before and Gil Murray will continue for another year. He has requested that we find a replacement by next June.
9. OSCE will not require our services this year. They will use their own students.
10. Our "Annual Picnic" will be held on June 17th at the Dundas Driving Park at 11.30. We have reserved Kitchenette #4.
11. Our annual barbeque will be held the last week in August in the President's yard. The date will be confirmed with the President's office.
12. Canterbury Hills has been reserved for September 10th. Sherry at 5.30 and dinner at 6.30.
13. Our Christmas lunch at the Schwaben Inn will take place on Monday, December 14 at 12.30.
14. We have been advised that there is new medical coverage. Council has received two copies in mid-April, but Bob Tangney of Personnel advises that they would prefer to send copies to our members directly.

## AGM (2)

15. Moved by Bill MacPherson and seconded by Ian Nelson that the minutes of the 1992 AGM be approved. Carried.
16. Financial statement as of April 30, 1992 showed Cash on Hand as \$3,113.01. Total Income \$3,603.48. Total expenditures \$5080.77. We have two Term deposits, one for \$2,000 at 9% interest, maturing February 16, 1992 and one for \$1,000 at 8.25% interest, maturing August 30, 1992.

Moved by Les Prince seconded by Joy Baby that we accept the Financial statement. Carried.

17. Dr. Gerry King, our representative on the Pension Trust Committee gave a brief report on the past year. The fund is in good shape and a 5.61% increase for our retirees and a 3.8% for Faculty has been approved.

Dr. King's status is still as observer on the Pension Committee. Our Council has written to the President a year ago last February, but were asked to wait for a vote.

Moved by Bill MacPherson, seconded by Les Prince that we arrange a meeting with President Dr. Kenney-Wallace, and that Dr. King attend the meeting to discuss the possibility of voting privileges for him. Carried.

18. It was reported that we have a total of 756 retirees--222 Faculty, 404 staff, 139 hourly workers and 46 survivors, but we have only 190 paid up members. This is a drop of about 50%. We will have to have a membership drive.
19. Question arose about the \$300 award for a full-time Gerontology student approved at our last Annual General Meeting. President Charlie Cook advised that it will be awarded momentarily. \*

20. Motions submitted by Council

Motion #1.

Janet Fawcett presented a motion that we establish an award for a part-time Gerontology student.

Moved by Marg Westoby, seconded by Jack Evans that the McMaster Retirees Association establish an award of \$100 annually for a part-time student in the Gerontology programme. Carried. \* Geronto

Motion #2.

Presentation for a medication pump for the VON was made by Win Cramm. The request was for a CADD PCA Infusion Pump. A new one costs \$4,000, but a reconditioned one at \$1,000 would be adequate.

Moved by Bill MacPherson, seconded by Joy Baby that the McMaster University Retirees Association purchase a reconditioned CADD PCA Infusion Pump for the VON. Carried. \*

Motion #3

Carm McMullen presented a request for a computer for use by the Council. John Evans suggested that there are many computers on campus not in use and the University may be willing to donate one to the Retirees.

Moved by Carm McMullen, seconded by Blythe Williams that the McMaster University Retirees Association purchase a computer suitable to maintain the records of the Association and provide the data required for the on-going operation of the Association, up to \$1,000. Carried.

Motion #4

Motion by Blythe Williams, seconded by Brian White that the McMaster Retirees Association approve the amendments to the Constitution as submitted. Carried.

21. The proposed slate of officers were submitted to the AGM for approval.

President:	Blythe Williams
Vice-President	Open for nomination
Council	Three to be elected from the following:
	Ruth Byles
	Dorothy Jacobs
	Lou Sentesy
	John Williamson
	Marion Welton

The following were elected to Council:

1. Dorothy Jacobs (3 years)
2. Marion Welton (3 years)
3. John Williamson (2 years) to replace Craig McIvor

Charlie Cook thanked Lou Sentesy and Ruth Byles for allowing their names to stand for election and requested that ballots be destroyed.

The following were appointed by Council:

Honourary President	Dr. Harry Thode
Past President	Charlie Cook
Secretary	Fumi Miyasaka
Treasurer	Joy Baby
Newsletter editor	Gil Murray for one more year

22. Charlie Cook thanked Council and volunteers for all their help during the Past year and introduced Blythe Williams as the new President.
23. Blythe Williams accepted the Presidency and requested suggestions for new programmes or new ideas for fund raising for future donations and for ways to attract new members.
24. Presentation of a gift certificate was made to Dorothy Jacobs to thank her for seven years of service and a lap top desk was presented to Charlie Cook as retiring President.

There being no further business, meeting adjourned and everyone invited for refreshments and the social part of the evening.

*Fumi Miyasaka Secretary*

## PENSION TRUST COMMITTEE

### MURA Observer's Report, May 1992

During 1992, the market value of our Pension Fund increased by \$31.9M, from \$454.7M to \$486.6M. This is a healthy increase, although less than the increase of \$77.4M which occurred in the previous year 1991. On July 1st 1992, the funding surplus, which is the value of the Fund minus what the actuaries estimate as the liabilities to all present and future pensioners, was a comfortable \$38.6M.

At the present time, the contributions coming in to the Fund are still greater than the money paid out in pensions. In 1992, there were over 3000 people currently working at McMaster who contributed a total of \$7M to the Pension Fund from their salaries. The University contributed an additional \$12.5M, giving a total contribution of some \$19M. There are currently about 660 pensioners, and the Fund paid out \$10M to these last year. Over the course of time, as more of the large number of people hired in the Sixties and Seventies retire from working at McMaster and become pensioners instead, the money paid out will start to balance the contributions from those still working. This will cut into the surplus. It will not, of course, affect your pensions. But it does mean that the University, which has been undercontributing its share, will have to put more money into the Fund.

Last year, the Board of Governors agreed that the Fund should gradually diversify by investing up to 10% of its assets internationally, that is, outside North America. This diversification abroad, especially into the Pacific rim countries and Europe, will help spread the risks involved in investing pension funds. The Pension Trust committee has now picked two managers for this overseas money, Templeton Management Ltd and Brinson Partners, Inc. Starting this May 1st, \$23M will be transferred to these two managers over a one-year period.

The performance objectives for the Fund managers have also been changed. Before, the Fund was expected to generate a rate of return each year equal to the CPI increase plus 3%. This was a simple goal, but it did not help much in judging how well the managers each performed in different investment areas. We have now introduced a system of performance benchmarks in each area related to the various market indices, such as the TSE 300. These benchmarks make it much easier to see how well the managers are handling the pension money.

The average increase in the Consumer Price Index during the year 1992 was 1.5%. The rate of return on the fixed income part of the Pension Fund, that is, the bonds and certificates, was 9.91%. We have to take 4.5% off this as the long-term interest rate that the Fund expects to get back, and this leaves 5.41%. Our annual increase this year is the lesser of this 5.41% or the 1.5% increase in the CPI: we will therefore get a 1.5% increase on July 1st. This may not seem much compared to the increases in past years, but it is about the same as the average of what most wage-earners are receiving now.

Respectfully submitted,

Gerald W. King