



MCMaster UNIVERSITY RETIREES ASSOCIATION

1280 Main Street West
Hamilton, ON, L8S 4L8, Canada
Tel: (905) 525-9140 ext. 23171
E-mail: mura@mcmaster.ca
<http://www.mcmaster-retirees.ca>
Kathy Overholt, Secretary
overhol@mcmaster.ca
Home: (905) 521-0303

THE 29th ANNUAL GENERAL MEETING Of the McMaster University Retirees Association Tuesday June 4, 2014, Celebration Hall, Kenneth Taylor Hall

The meeting was preceded by a light lunch starting at noon.

Susan Denburg, Associate Vice President (Academic), Faculty of Health Sciences and Strategic Advisor to President Deane, was the guest speaker. Susan provided an update on the progress and priorities stemming from Deane's directional document entitled '**Forward with Integrity**' (FWI) and the subsequent Advisory Group paper, '**The Emerging Landscape**'. Susan framed the update by posing a number of questions to indicate the impact of FWI on the University's strategic direction.

Who are we? McMaster is a research-focused, student-centred institution. We are a massive, flourishing, complex organization with strong roots and a foundation of educational innovation and research excellence.

What do we want to do? McMaster will "educate for capability" and seek opportunities to integrate our research intensity into our educational mission. We will enhance our connections with communities, both locally and globally, and foster a thriving culture of research distinction.

How are we going to do it? We need to dream of where we want to be, but remain grounded in reality and be cognizant of our environment. We will promote integrity, civility, openness and flexibility. We will strengthen our internal community and our connections with external partners. We will make sure that our enabling platforms are functioning and that our research excellence is not compromised. We will work to ensure that our students are prepared to engage with our world.

How will we evaluate our success? We have a strong foundation to build on, and we need to continually assess our progress towards our tangible goals to remain top ranking, educate students to function in a complex environment, and ensure that research permeates everything we do, from the classroom to the laboratory. Under the title 'Stoking the Creative Impulses', Susan described the disbursement of 76 starter grants to support creative ideas from faculty, staff and students that were consistent with the priorities and goals of FWI and focused on enhancing the student experience or initiating interdisciplinary research collaborations. Susan showed a video in which fund recipients shared updates on their projects and reflected on the impact that the FWI funding had on their work. Susan noted that the engagement of retirees in the strategic direction of the University has been the subject of several conversations during the initial years following the letter. There are many potential roles for MURA members within this program, such as participation in the development and implementation of the Learning Portfolio, an online tool that allows students to plan, record and reflect on a range of educational experiences: academic, extra-curricular and experiential. Retirees might become involved by

enhancing the Portfolio through mentorship, helping establish the most effective means of mentoring students and participation in community-campus partnerships.

For more information, see <http://studentsuccess.mcmaster.ca/students/learning-portfolio.html> or contact Laura Harrington (905-525-9140, Ext 28658; harrinl@mcmaster.ca)

Business Meeting

1. Approval of minutes

Moved by Marianne Van der Wel, **seconded** by Brian Beckberger

"that the 2013 AGM minutes be approved as distributed"

Carried.

2. President's Report (Marianne Walters)

MURA is one of the very largest university retiree associations in Canada. As of mid-May we had 2226 members. Two aspects of our organization undoubtedly contribute to this. All retirees are members, and members pay no fees. Some university retiree associations are composed of only faculty and in some universities there are separate retiree associations for faculty and for staff.

We have no fees because current employee groups fund us. They provide funds in proportion to the number of retirees from each group. We are most grateful for this support. The largest retiree group, staff retirees are funded by UNIFOR5555, faculty retirees by MUFA, and management retirees by the President's office. This year a new Memorandum of Agreement was signed between MURA and the three funding groups, and is in place for 2015 – 2017.

Speaking of money –

I want to thank those members who moved from mailed to electronic receipt of *MURAnews*. The printing and mailing of the *MURAnews* is our largest budget item. Since we put out the word about the effect on our budget of the increase in postage rates for mailed copies of MURA news we have had 127 members switch to electronic receipt. We hope that even more members will make the switch.

MURAnews, which is published 4 times a year, is our main way of communicating with members. In addition there is a MURA website which has much useful information and is updated regularly. E-mails are also sent to members to advise them of volunteer opportunities as well as other events and activities.

Recognizing that the cost of a university education keeps rising, last fall we initiated a drive to increase our fund for Academic awards by \$10,000 over the next 2 years. Our goal is to increase our annual MURA Gerontology Scholarship from \$1250 to \$2000 and the MURA Gerontology part-time student prize from \$350 to \$550. I am pleased to report that we have thus far this year received \$7,200.

Our Pension & Benefits Committee is there to assist you individually with any concerns you might have in this area. We are pleased that we have excellent cooperation from Human Resources in the person of Michelle Leroux in answering your concerns. The committee is now working on providing updated information to help you in decision making about private travel medical insurance in addition to your group \$10,000 insurance.

A number of MURA day trips occurred over the past year – theatre at Stratford and Niagara on the Lake and St. Jacobs Playhouse – a visit to the Port Stanley Terminal Rail and Octoberfest in Kitchener; each including wonderful lunch stops. Still to come this summer is a trip to Cambridge for a performance of Les Miz at the new Dunfield theatre, stopping for lunch at the Cafe Troy and a visit of Don Zver Pottery. Shari Mercer with the assistance of Kathy Heywood has organized and overseen so admirably these well received trips. (Shari Mercer 905-336-5568, or mercerc@mcmaster.ca).

This year MURA agreed to host the College and University Retiree Associations of Canada (CURAC) 2014 National Conference. Mary Johnston was chair of the Organizing Committee. Early in the process a partnership was worked out with Mohawk College and all aspects of the conference were planned by our two groups. I think the best way to give you a sense of what was involved and how it was perceived is to read a part of an e-mail sent by the President of CURAC to the Organizing Committee the day after the close of the conference.

“Just a note to thank you all once again for the absolutely fabulous CURAC conference we have all just attended. I found it impossible to come up with a single suggestion for change. Every aspect of the entire conference was perfect from the accommodations at the Staybridge Suites, to the transportation arrangements, to conference venues, to the delicious snacks and meals, to the banquet entertainment, to the provision of preliminary materials, to the efficiency of registration, to the individualized assistance and helpfulness of everyone on the committee, to the technical assistance, and last but far from least to the truly interesting, innovative and relevant conference presentations which provided a wealth of material which will be put to good use in the home environments of our members. It was indeed a memorable event.”

I should mention that the hosts were also responsible for providing the funds to cover the cost of the conference. Fundraising was successful and we actually have a surplus which will be shared between the host associations and CURAC. Even the weather cooperated.

I would also like to thank Mary, the Organizing Committee, members of the Sub-Committees and especially the volunteers who provided wonderful assistance on the days of the conference, for making this event such an outstanding success.

We are always looking for retirees interesting in participating more fully in the work of MURA, whether as a Council member or a member of a Committee of Council. Please keep that in mind as you think of how to invest your time and efforts in the future. For some years the University President hosted a reception for new retirees and invited MURA Council members to attend. This gave us the opportunity to meet and talk with the new retirees about MURA and to try to identify those who expressed interest in becoming involved. That reception has been discontinued, but the President who has always partially subsidized our Christmas Lunch will now in addition fully subsidize the lunches for new retirees at this event. It is our hope that a free lunch will attract them; and by identifying the new retirees who attend with special name tags, we can use this event as an opportunity to introduce ourselves and MURA to them.

MURA Council meets once a month except for July and August, and all council members and representatives to University committees are volunteers. I thank all of you for your service and contributions over the past year – your committed activity is what makes MURA work so well.

Now I would like to recognize the people who will be leaving council this year –

Harold Siroonian – who is leaving after one 3-year term on council. Many thanks for your faithful attendance and participation and for your always thoughtful input.

Kathy Heywood, also leaving after one 3-year term on Council – Kathy has been involved as a member of the Volunteer Network Committee, the Trips Committee and the Cards Committee. Thank you Kathy for all your contributions.

Janice Rischke, who is also leaving after one 3-year term on council. Janice has carried a heavy load for MURA. She was this year's editor of MURA news and for the past two years she took on the responsibility for planning and overseeing both the Christmas Lunch and the AGM meeting. We will miss you, Janice; you did a superb job.

Wayne Rouse, resigned as Secretary at the end of the year after providing outstanding service for several years. He certainly made my job as president easier. Thank you, Wayne. Wayne will continue with MURA as news editor of the *MURAnews*. We are grateful that Kathy Overholt accepted the appointment as Secretary as of January.

Joe Laposa who is completing his term as Past President and Chair of the Nominating Committee was on Council for 6 years. We will miss your wise input, your good humour and your trade-mark puns, as well as your commitment to helping out MURA whenever the need arose.

I want also to thank McMaster Parking for providing free parking for our events, as well as accessible parking for those who need it.

Finally I would like to thank all of you for your support of MURA events and for being here today.

3. Treasurer's Report (Beth Csordas)

Treasurer Beth Csordas outlined the MURA financial statements for the year ending April 2014, as circulated to attendees. She pointed out that the excess of Income over Expenses for the 2013/2014 fiscal year was \$1,571.76 and Total Members' Equity at April 30, 2014 was \$47,522.26. Questions on the financial statement were solicited but there were none.

Moved by Cliff Andrews, **seconded** by Diane Kennedy

"that the MURA Financial report be accepted as circulated"

Carried.

4. Auditor's Report (Bob West)

The Auditor's Report was circulated in the package given to the AGM attendees. For the year ending April 30, 2014, Bob West reports that he has examined MURA's financial statements and all supporting documents that he deemed necessary. He finds everything gives a fair representation of our finances and is in order.

Marianne Walters requested a motion to accept the MURA Auditor's report.

Moved by Helen Barton, **seconded** by Gail Britton

"that the MURA Auditor's report be accepted as circulated"

Carried.

5. Reports on Pensions

5.1 Salaried Plan (Bob West)

What is the financial condition of our pension plan?

The last actuarial valuation of the pension plan on July 1, 2011 showed a deficiency of approximately \$168 million. This is a large amount but not out of line with many other pension plans. There are several reasons for the deficiency, among them:

- The fallout from the 2008/2009 world financial crisis which saw negative investment returns of -11.69% in 2008 and -3.98% in 2009
- The artificially low interest rates (which still prevail today) that were used to calculate the plan liabilities (lower rates equates to higher liabilities) and thus the higher assets needed by the plan
- The good news, retirees are living and collecting pensions for a longer time.

How is this being dealt with?

- The University is required and has been making substantial additional contributions to the plan. Because of the unusual situation, the Province has allowed these payments to be spread over a longer period
- The University has negotiated changes to the early retirement "Rule of 80" up to a new "Rule of 90" for some employees
- The Province has proposed consolidating the assets of Ontario University pension plans to reduce costs and provide access to a wider range of investments to improve investment returns. The plan was outlined in the "Morneau" report in the fall of 2012 but no legislation to enact its recommendations has yet been introduced

The success of these measures will be determined by the next actuarial valuation due as of July 1, 2014.

To its credit, the University is attempting to keep a defined benefit pension plan when other employers have converted to a defined contribution plan which has much less certainty for employees.

What are the prospects for pension increases in the future?

The January increase (if any) each year is calculated as the excess of the average investment returns for the 5 years ended the previous June, over 4.5%. No pension increases have been given from 2010 to 2013 as the 5 year average includes the negative returns in 2008 and 2009. Any increase is restricted to the average increase in the Consumer Price Index over the 12 months ended the previous June 30. For UNIFOR retirees hired after May 2, 2010, the excess average return on investments over 5% is used in the calculation.

With the negative return of -11.69% for the 2009-10 year dropping out of the 5 year average return calculation and replaced by a projected double-digit positive return for 2013-14, a pension increase for January, 2015 equal to the change in Consumer Price Index is assured. The increase in CPI should be around 2%. Regular increases beyond January, 2015 are probable.

The 5 year average investment return at June 30, 2014 should be above the 4.5% threshold plus the estimated 2% increase in CPI. What happens to the excess investment return? In the late 1990's, the Pension Plan was adjusted to provide for a Supplementary Pension Increase in such circumstances. The excess investment return can be used to provide a

supplementary increase to capture the CPI increases of the past 3 years which were not paid because of the lower investment returns in those years.

January, 2012 CPI increase was 2.53% and no pension increase was paid

January, 2013 CPI increase was 2.39% and no pension increase was paid

January, 2014 CPI increase was 0.97% and pension increase was 0.97%

Thus, a supplementary increase of up to 5.52% is possible. To receive the full 5.52%, an average investment return of approximately 12% would be required. The actual average investment return will be less than 12%.

Conclusion is that a meaningful increase in pensions in January 2015, the total of the regular increase and supplementary increase, is probable.

5.2 Hourly Plan (Cliff Andrews)

Cliff reported that it is possible that the hourly pensioners will receive an increase of 3.1%. Investment results have been very good.

Over the past year, the plan text has been rewritten—it is very important to keep this text up-to-date. There is a desire to get the actuarial assessment reduced but the University has made it clear that this will not occur until the deficit has been reduced.

6. Nominating Report (Joe Laposa)

Joe Laposa, chair of the 2014 Nominating Committee, presented the Nominating Report for 2014-2015 which was circulated to the members present. The members of the Nominating Committee were Phyllis DeRosa-Koetting, Linda Grocott, Les King, Joe Laposa (chair), and Kathy Overholt. Joe explained that the Nominating Committee report as included in the agenda package was approved by Council in March and published in the Spring *MURAnews*. Kathy Heywood, who is finishing her first term on council, withdrew her nomination recently. Joe asked the members of the committee to approve Heather Grigg as a substitution for her. Joe now asked for a motion to approve the addition of Heather Grigg as a nominee.

Moved by Brian Beckberger, **seconded** by Shari Mercer

"that Heather Grigg be nominated until 2017"

Carried.

Our constitution permits new nominations to be made up to 7 days before the AGM. No further nominations were received. The nomination list as circulated is:

| | |
|---------------------------|--------------------------------|
| President: | Mary Johnston (One year term) |
| Vice-President: | Betty Ann Levy (One year term) |
| Councillors (until 2017): | Dianne Bird |
| | Heather Grigg |
| | Pam Penny |
| | Peter Sutherland |

The constitution also permits nominations from the floor and requires that the question be asked three times. Joe Laposa asked three times if there were additional nominees from the floor. There were none.

Moved by Les King, **seconded** by Harold Siroonian

"that nominations be closed"

Carried without discussion

7. Election of Executive and Council (Joe Laposa)

Moved by Marianne Van Der Wel, **seconded** by Janice Rischke

"that the slate of nominees be accepted as presented"

Carried without discussion

8. Incoming President's Address (Mary Johnston)

Mary thanked Marianne Walters for all of the hard work she has done over the past two years as President. She also thanked Kathy Overholt, someone who has worked for MURA in the background for several years —on Council, as chair of the newsletter committee, monitoring the office voice-mail box, and selling fundraising cards.

Mary said that MURA works very well and she is looking forward to maintaining that success over the coming year. So, Mary wants to continue to focus our efforts on pensions and benefits, seeking new volunteer opportunities for retired faculty and staff, and communicating with members via the newsletter

9. Other Business

9.1 Travel Insurance

Cliff Andrews wanted to stress to all members that it is extremely important that, when purchasing travel insurance, you must be completely accurate in reporting your medical history and all of your medicines (including ones that you may no longer be taking).

9.2 Ellen Ryan's panel discussion

Those at the meeting were reminded that, following the MURA AGM, they were invited to a free panel discussion organized by Ellen Ryan on **Aging in Community - Seniors' Options for Creating Mutual Support and for Cohousing** at 3:30 pm in MCDL 3024.

Moved by Brian Beckberger

"that the meeting be adjourned"

Carried at 3:02 pm