

ASSOCIATION OF DALHOUSIE RETIREES AND PENSIONERS

THE NEWSLETTER

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Welcome to the fourth edition of the 2007 Newsletters. I am sure you will find the information we pass along to you is of interest. It is indicative of the hard and ongoing work of the Board of Directors. Without their time and energy there would be no need for a Newsletter!

President's Report – Philip Welch

First the good news. The ADRP's initiation of a Seniors' College has been enormously successful. (See SCANS Report on page 3) I anticipate that this vigorous fledgling organization will gather further strength and expand its activities in 2008. My hearty congratulations to the hardworking ADRP sub-committee that has pulled this off - Bob Rodger, Blanche Potter, Sid Sodhi, and Colin Stuttard, with the invaluable assistance of Jack Potter, co-opted community member.

Now for the bad news. I am sorry to report that we have made little progress on the matter of pensioners indexation shortfall, which still stands at 7%. The Superintendent of Pensions seems to be in agreement with our interpretation of the Pension Plan document, but unwilling to pass on her views to the University Administration.

The DFA launched a grievance on this matter, which was turned down at the informal stage: a formal grievance is now in process.

Correspondence and dialogue with the V.P. Finance and Administration seems to have ceased from lack of interest by V.P. Ken Burt.

Earlier in this process, the ADRP representative on the Retirees Trust Fund Trustees was summarily dismissed by the University. By way of further background, you may recall that the ADRP has been repeatedly denied representation on the University Benefits Committee.

With regard to our struggle to retain the Blue Cross health care provisions of particular importance to retirees, our efforts to question the legal validity of the quiet deletion from the Blue Cross plan of financial help with Nursing Home care, also seems to have been ignored. Meantime, over the last eight months, the University Administration, with help and input from Blue Cross and the University benefit consultant, have succeeded in producing a clearly flawed, and probably inaccurate set of blue information sheets regarding Blue Cross benefits for retirees. An ADRP offer to help with this review and rewrite was declined.

Despite this rather depressing litany of apparent setbacks, I would not wish readers to conclude that all possible avenues to secure fair and equitable treatment for pensioners and retirees in these matters have now been exhausted. Stronger measures to promote and bring forward our concerns to attention are planned.

**Your ADRP membership dues for 2008 are now due! See page 7 of this Newsletter for payment details. We need your support!
Uncertain of your current membership status? Call Blanche Potter at 454-5554.**

Benefits Committee Report – Om Kamra, Chair; John Anderson, Co-Chair

- **Nursing Home Care:** Nursing Home care will no longer be provided under the Dalhousie Blue Cross Plan. At the June 2007 meeting of the Employees Benefit Committee (EBC), the University decided to delete the Nursing Home Care provisions that had been in the Plan but had not been publicised. You may recall that the ADRP has not been given membership on this important University Committee, although we have repeatedly sought membership status, in order to serve our retirees. Last year, we met with the University EBC, not only to request retention of Nursing Home care benefits, but also to publicize its availability to members in the Plan by rewriting the "Blue Sheet". The University had not informed members of the Plan about this deletion in the "Blue Sheet" since it was never mentioned in the first place as a benefit in the "Blue Sheet". This may not be the last word on this important issue. According to the current DFA Collective Agreement, the provisions of the Dalhousie Blue Cross Plan cannot be changed without the agreement of the DFA. To the best of our knowledge, such agreement has neither been sought nor given on this matter. Stay tuned for further developments.

The ADRP Benefits Committee has looked into Nursing Home care provisions of plans offered by CARP (Canadian Association of Retired Persons) and the CAA (Canadian Automobile Association). Our impression is that these plans are very complex, with high premiums and, in the case of CARP, there are numerous medical exclusions, so that only very healthy seniors could enter the plan. These plans may be studied in detail on both the CARP and CAA websites.

Warning: We urge ADRP members not to withdraw from the Dalhousie Blue Cross Medical Plan before fully investigating alternate Medical Plans that meet their needs.

- **Blue Sheet:** The University EBC has recently produced a new version of the "Blue Sheet" which it is not sending to all retirees and pensioners enrolled in the Blue Cross Medical Plan. It will only supply this document to those who request a copy. We urge all members of the Plan to obtain a copy from the Dalhousie Benefits office. If you do not fully understand this document (we don't) – call the Dalhousie Benefits Office (494-1122) and voice your concerns.
- **Blue Cross Medical Contract:** We have asked the University for a copy of the current Blue Cross Medical Contract so that we may compare it to the older version to pick up any deletions or modifications not known to us at present. Stay tuned for additional developments.

Seniors' College Association of Nova Scotia (SCANS) Report – Bob Rodger, Task Force Chair

The above is the official name of the new College, adopted by its 102 members at the

formation General Meeting on 16 November. That meeting also approved a set of By-Laws, elected a 12-person Board of Directors, decided to register as a non-profit association under the Societies Act, and set a fee of \$120 for membership in the College for 2008. Membership allows attendance at as many courses in 2008 as one wishes, without extra cost. Some courses may be restricted in size.

The SCANS Board has five ADRP Members. Two of them (Sid Sodhi and Colin Stuttard) were actually appointed by the ADRP Board, as required by SCANS By-Laws. Sid Chairs the SCANS Membership/Publicity Committee and Bob Anderson Chairs the Curriculum Committee. Blanche Potter fills the post of Past President and Shirley Dean is First Vice-President.

The SCANS Board and its committees are working hard to set up the program of courses for 2008. Blanche Potter (454-5554) has been collecting the names of people interested in joining for 2008, as well as suggestions for course topics, and names of people interested in leading/instructing courses.

The ADRP Board and its webmaster have agreed to continue a Seniors' College information item on ADRP's web page at <http://retireesandpensioners.dal.ca> where you may monitor developments.

The ADRP Task Force on Seniors' College has, therefore, completed its task. The enthusiasm of the new SCANS Board and of SCANS members generally, augurs well for the future success of the College.

<p><u>Seniors' College Looking for Instructors</u> The Seniors' College Association of Nova Scotia is now a fully incorporated association with its own board of directors, elected at their November General Meeting. We are now planning courses for 2008 and will have an outline for the first term out to you shortly. We are looking for course ideas and instructors for a possible two more terms. If you have a course you would like to teach that would be of interest to seniors, please contact Bob Anderson, Curriculum Chair, at 422-9296. The courses run once a week for two hours for a period of 8 to 10 weeks.</p>

Pension Advisory Committee Report – Robert MacKay

1. Post Retirement Interest Assumptions (PRIA).

At the May Pension Advisory Committee meeting, a motion was approved to raise PRIA from 4.55% to 5.05% and to remove the holdback of 0.5%.

At retirement, a transfer of funds is made to the Retirees Trust Fund (RTF) from the Pension Trust Fund (PTF) in order to provide for a member's pension. The amount transferred to the RTF is based on the PRIA presently 4.55%, and life expectancy assumptions. By increasing PRIA, transfer of funds from the PTF to the RTF can be reduced. An increase in the interest rate i.e. PRIA, may produce the same pension results but with less funding.

Pension indexing is based on the RTF investment yield in excess of PRIA (4.55%) and subject to an additional holdback of 0.5%. Therefore, the RTF must make more than this threshold of 5.05% in order for indexation to take place. Although the motion raises PRIA to 5.05%, the holdback of 0.5% is removed so the threshold for indexing purposes remains the same. The long term effect, however, is that lesser amounts will be transferred into the RTF, which could have a detrimental effect on the surplus generated by the fund, and thus adversely affect catch-up indexing.

The motion was circulated to employee groups but was not approved by the NSGEU and the DFA. Other possible indexing arrangements are now being looked at which include indexing arrangements based on plan surpluses, a modified excess interest formula, as well as the present system.

2. Pension Simulator and Administration System.

The existing Pension Simulator and Administration system is being replaced. This is a major project as it needs to integrate with other systems such as Banner. Five bids were received from a number of companies and that has now been narrowed down to three proposals. A recommendation is expected sometime in November or December. All three proposals will support pension information.

3. The Pension Valuation as of June 30, 2006 and as of June 30, 2007

In May, the Actuary reviewed the June 30, 2006 valuation of the Dalhousie Pension Plan. He reported the Plan passed the solvency test. The University is presently trying to get an exemption or to modify the rules regarding the solvency test applied to our Plan and required by the Province. Together with 3 other Universities, Dalhousie is making a presentation to the Nova Scotia Government. They hope to at least get the same rules that are now applied to Nova Scotia Municipalities, and which are far more generous.

Actuarial Valuation as of 30 June 2006

Assets		Liabilities	
Market Value			
PTF	\$427,264 *		\$459,610
RTF	<u>215,096</u>		<u>181,684</u>
Total	642,360		641,294
Adjustments to reflect asset smoothing		Actuarial surplus (unfunded liability)	
PTF	(4,420)		(36,748)
RTF	<u>(3,575)</u>		<u>29,837</u>
Total	(7,977)		(6,911)
Actuarial value		Total actuarial liabilities plus actuarial surplus (unfunded liability)	
PTF	422,862		422,862
RTF	211,521		211,521
Total	\$634,383		\$634,383

*(000)

Note that as of June 30, 2006, the PTF had a deficit of \$36.748 million and the RTF had a surplus of \$29.837 million. In late October, PAC received the financial statements of the two trust funds, which included an extrapolation of results to June 30, 2007, by the Actuary. At that date, the extrapolation showed the PTF deficit had shrunk to below \$30 million and the RTF surplus had expanded to over \$40 million. Consequently, the PAC passed a motion to have the Actuary do a complete actuarial valuation of the Plan as of June 30, 2007.

4. Pension Indexation

The Dalhousie Retirees' Trust Fund Annual Report to Retirees for the year ended June 30, 2007, was recent circulated to Dalhousie pensioners. The report stated that full indexing was not possible over the four previous years due to insufficient returns and at the last Actuarial Valuation (June 30, 2006) the Plan was still in a deficit position.

It should be noted that the report is considering the returns and surplus/(deficit) of the Retiree's Trust Fund and the Pension Trust Fund together as one plan. At the June 30, 2005 valuation, the PTF had a deficit of \$46.2m and the RTF a surplus of \$22.5m. The June 30, 2006 valuation showed a deficit of \$36.7m for the PTF and a surplus of \$29.8m for the RTF. In both years the RTF had enough surplus to fund catch-up on missed indexation.

The Plan does provide for catch-up indexing, rule 9 (f) Discretionary Use of Surplus states "Should the investment yield on the Retirees' Trust Fund in excess of PRIA be insufficient in any year to index pensions by the maximum amounts permitted under sub-rule 9(b), the Trustees of the Retirees' Trust Fund may, in their discretion, use up to a maximum of one half of a surplus, if any, identified in the Actuarial Valuation to make up the insufficiency."

Our missed indexation for eligible pensioners is approximately 7% and would require about \$10 to \$11 million from the RTF surplus to fund our catch-up indexation.

Treasurer's Report – Bob Rodger

The good news is that ADRP not only continues to pay its bills on time, it has also managed to save some money. That saving was invested in the fall in a guaranteed fund paying 4.1% per annum. Your Treasurer considers that nest egg to be a crucial part of ADRP's financial health. I hope that extreme circumstances requiring expenditure of the saved money (to protect members' interests) do not arise but, if they do, we should be ready.

The bad news is that a clear majority of ADRP members have not been paying their dues on time. Being months late means that the minority prompt-payers are, in effect, subsidizing the late-payers. Furthermore, it costs money and effort to contact the late-payers. Although those who've volunteered to make those contacts never complain about all this extra work, late dues payment is unfair to them as well as to the prompt-payers.

Some people might think that delayed payment means that this majority of Members are simply not very interested in what ADRP is working to maintain and achieve for its members. I do not believe that, and Blanche Potter's Membership Report makes disinterest

implausible. Among other things, ADRP Members represent well over 5,000 years of service to Dalhousie University. The Dal Administration and Board need an organization to remind them of that, and to improve retiree options.

I think the delays come mostly from people simply forgetting to send in the payment. Who among us does not forget things now and again? Since the ADRP due date is 1 January 2008, I urge you to write a cheque or money order for \$20 to ADRP right now and send it to one of the addresses that Blanche Potter gives in her report.

"A Workshop on Compassionate Yoga" by Polly Sodhi, 5 December 07 – submitted by Om Kamra

Polly Sodhi conducted a two hour hands on workshop on all aspects of yoga for the ADRP members. The meaning of Yoga is union with yourself. The purpose of yoga is to discover your inner self, to be aware of your emotions and to live in peace and harmony; always in the present. She explained in great detail the various forms of yoga, the many types of breathing techniques and Asanas (postures). She led the assembled group into achieving relaxation of the body and mind through practical demonstrations including "Laughing Yoga". The two hour workshop ended with meditation.

Polly is a highly accomplished person. Currently she is teaching and conducting workshops on yoga.

We are very grateful to Polly for taking time to share her knowledge of the practice of yoga with our members.

MEMBERSHIP DUES – 2008

Membership dues for 2008 are now due.

They may be mailed directly to the Membership Chair, Blanche Potter, 2623 Fuller Terrace, Halifax, N.S. B3K 3V8, or to the ADRP Office, Rm. 2831 LSC, Dalhousie University, Halifax, N.S. B3H 4J1.

Please make cheque or money order payable to the ADRP in the amount of \$20.00. A strong membership gives us a strong voice, not only in our dealings with the administration of Dalhousie University on matters relating to such important things as indexation of our pension plan and Blue Cross benefits, but also with outside organizations such as the Senior Citizens' Secretariat.

Your support is very important to us.

It is what helped to make the Seniors' College such a great success. We hope you will continue that support by renewing your membership now.

Communications Committee – Barbara Prime-Walker, Chair,

Carol Smillie, Co-Chair

Correspondence was sent to the families of three former ADRP members regarding possible eligibility for a University policy entitlement on death.

Our ADRP Website is operational, thanks to Webmaster, Randy Barkhouse. It provides an informative profile of the organization. Addition of a link for the Seniors' College is being developed. We encourage all members to review the site and provide feedback to Randy. (e-mail address: randy.barkhouse @dal.ca)

Caring and Sharing Sub-Committee

Greetings:

- Thinking of you – 1
- Sympathy -3
- Birthday – 1
- Home visit and gift basket -1

Holiday Project

Once again we will be delivering potted amaryllis or festive treats, and mailing greeting cards to acknowledge senior members of ADRP during the holiday season. Please contact Carol Smillie (429-6655), Barbara Prime-Walker (422-4230) or Blanche Potter (454-5554), if you know of members who would enjoy hearing from us. We are a diversified group so we do not want to miss anyone.

As 2007 comes to an end, we wish you all the best for a Merry Christmas Holiday and a Happy New Year. And remember: Medical specialists for seniors advocate the best way to maintain health as age reaches seniority, is to stay active, both physically and intellectually. Keep your old friends AND attend gatherings to meet new friends.

Emerson A. Moffitt
Editor

Jan Scott
Associate Editor

The Editorial Board, under the ultimate direction of the ADRP Board, takes responsibility for the contents of The Newsletter. Signed contributions will take the form of short articles and letters to the Editor. These will represent the opinions of the author and need not represent the views of the ADRP. Anonymous material will not be considered for publication. The Editorial Board retains the right to edit or reject contributed material and to elicit similar and opposing views surrounding any issue raised. You can reach us in the

following manner: Editor – Dr. Emerson Moffitt, 902-429-0385, Associate Editor – Jan Scott at janscott@primus.ca or our Office Manager, Dianne Prosser at prosserconsult@ns.sympatico.ca. To access our web site go to <http://www.dal.ca.adrp>