

MINUTES (approved 14 Jan. 2020)  
ADRP BOARD OF DIRECTORS MEETING  
Tuesday 2019-11-19

Monaghan Square West Board Room, 6140 Young St, Halifax

Present: Phil O’Hara, Marilyn Klein, Randy Barkhouse, Glenda Butt, Grace Paterson, Ed Leach, David Tindall, Marek Kujath, Richard Apostle, Oriel MacLennan, Heather Schellinck, David Mercer, Peter Wallace, and David McNeil.

Phil O’Hara called the meeting to order at 2 pm. The agenda was approved.

1) Approval of the Oct. 2019 ADRP Board Minutes

A draft copy of the minutes of the last ADRP Board meeting was published in the latest *Newsletter*. Peter Wallace commented that it was probably not a good idea to publish unapproved minutes because doing so might perpetuate errors and compromise confidentiality. There were a few corrections to the *Newsletter* and the minutes. MOVED (Apostle/Leach) that the ADRP Board minutes of October 2019 be approved. CARRIED.

2) Matter Arising from the Minutes

Ed Leach reported on a development from the Sept. 30 Aging 2.0: Global Innovation Showcase (GIS)—specifically the “aging-focused” start-up pitch challenge. The Halifax winner was Paraglide a company that produces an automatic positioning system for wheelchairs. The World Health Organization has developed an “aging-friendly” designation for cities, and Ed Leach is supposed to have discussions with innovation NS officials about trying to make Halifax an aging-friendly city. According to Ed, the Governor of Massachusetts, Charlie Baker, has said that with the major Aging Conference to be held in Boston in 2020, he would like to see New England become a hub for research and activity on aging.

Randy Barkhouse asked whether \$2,100 from the 2019 ADRP budget had been transferred to the Bursary Fund. Ed Leach indicated that it had been.

### 3) President's Report.

Phil congratulated Marilyn Klein on the latest issue of the *Newsletter*. Marilyn commented on some outstanding problems having to do with the membership list. Phil had contacted Jenny White of Dalhousie about some incorrect addresses but did not receive a response. Heather remarked that the university had a policy against releasing female contact information.

Phil then reported that he had received very good feedback regarding the new website, especially on making archived records and *Newsletters* available. There were some negative questions concerning the new website having to do with whether non-members should be allowed to make posts, or even to read posts.

Phil also suggested that the December 17<sup>th</sup> AGM be held in conjunction with Neptune's annual *A Christmas Carol* show. There followed a general discussion of the successful summer barbecue held in conjunction with Shakespeare by the Sea and other possibilities. It was generally agreed that December was already a very busy month and that we should keep a summer social event but have the December AGM in University Hall as usual.

### 4) Treasurer's Report

Ed Leach began by saying that "we have money." Heather Schellinck responded, "I have [ADRP] bills." After the laughter died down, Heather clarified that a number of bills were given to her by the university. Ed then said that ADRP had cash deposits of about \$13,000 and investments approximately at \$30,000 which will become due in the next few months. Since rates for 30-month deposits paid the best interest right now (i.e., 1.9 %), Ed recommended that the investments be rolled over into 30-month deposits.

Randy Barkhouse wanted to know when the Treasurer drew up the budget for the next year and suggested that provision be made for any socials. The budget is usually drawn up in April (for the next calendar year). In response to another question, Grace said that the ADRP books were audited last year by Dick Sutherland.

### 5) Benefits Report

Peter Wallace commented on two issues that have come to his attention. The first is how the extended health plan is restricted for under-65 retirees by something known as the 5/10/10 rule. To qualify for the extended health plan, under-65 retirees must: 1) be in the extended health plan for 5 years prior to retirement; 2) be employed at Dalhousie for at least 10 years; and 3) be within 10 years of the normal retirement age. There are problems for employees who may have been employed at the university at different times and for those who may have been on a plan that their partner had rather than the Dalhousie Plan.

Marilyn Klein remarked that the onus to inform employees of this rule is on Human Resources; she added that the rule should be brought up at any hiring or retirement information meetings. David Tindall pointed out that the issue was a consequence of the fact that about 10-15 years ago a change was made so that the extended plan was no longer compulsory for new employees. Marilyn Klein wondered about how informed about the 5/10/10 rule the employees of the Agricultural College were.

Ed Leach related how his wife was not advised about signing up for insurance until 24 months into her contract as a full-time employee at Dalhousie, which ultimately meant that she did not meet the criteria.

The second issue that Peter raised was that the last Benefits Committee meeting was delayed so that he could ask the ADRP board about its opinions regarding a proposal from Blue Cross to make changes to its Tier 1 and Tier 2 lists of covered medications (Tier 1 drugs being covered at a higher percentage than Tier 2 ones). Blue Cross anticipates that there would be a 5-6% savings (or \$150,000-200,000) if the changes were implemented. What exactly to do with this savings is what Blue Cross needs approval for.

General discussion ensued. Grace Paterson pointed out that a complication with this proposal was that Pharma-care may be made universal; also, each province has differences in the number of drugs that are covered and at what percentages. Peter Wallace remarked that Blue Cross must have a history of how many people were on what medications and for how long. David McNeil wondered if the Tier 1 and 2 lists were made public. He and David Tindall (who determined that the Blue Cross Tier 1 and 2 lists were online) wondered what body was responsible for making decisions about what drugs would be on each list. Marilyn Klein remarked that drug coverage was only part of the issue and that drug availability was another

problem. What good is it if a drug is covered but not available from the manufacturer? It was generally agreed that the so-called “savings” would actually come at the expense of some participants in the plan.

Peter Wallace followed up with the observation that any changes in coverage should not come at the expense of a given group, just as pension improvements should not come solely from higher premiums for new employees. He then reported that there were only 111 or 112 under-65 retirees, and most of these were within two years of 65.

There was also general agreement that Peter Wallace should consult with the DFA representatives of the Benefits Committee to see what their opinions were on the matter, and that Phil O’Hara check with members from the Agricultural College to see what input they might have. When asked, Marek Kujath said that to his knowledge, most retirees from the Agricultural College were on the government plan.

Phil O’Hara wondered who benefited from the fact that there were different rules for those who retired younger than 65 and those who retired at 65 or older? Why were there different rules for these groups? If there wasn’t a rationale for the division, then it could be argued that the system was not operating as efficiently as it would if there were no division. Randy Barkhouse said that universities were forced to split the retirees into these groups, or else establish an additional liability if they allowed under-65 retirees to continue in the extended plans.

## 6) Communications

Marilyn Klein asked members to consider making a submission to the *Newsletter*. Reports on trips were popular and useful items. She also remarked that the more members submitted items for inclusion, for more others might also consider doing so.

## 7) Membership

Heather Schellinck reported that membership in the ADRP stood at 648 (plus or minus 1). It was important that the HR department of the university (which unfortunately seems to suffer from a lot of turnover) give new retirees an ADRP membership form with their final pension package. It was also important to make sure that dues were deducted properly, and that board members check both the ADRP mailslot and HR for any correspondence. Marilyn Klein raised the subject

of how to handle requests for contact information. The board agreed that it was best for requests to be forwarded to the individuals concerned and that those individuals could decide for themselves if they wished to respond. In cases where there was no e-mail address available for a member, perhaps some kind of notice could be published in the *Newsletter*.

#### 8) Pension Advisory Committee

Randy Barkhouse began by referring to the Dalhousie Retiree/Pension Trust Fund(s) Report (July 1, 2018 – June 30, 2019) he circulated to ADRP board members a week ago. The PAC met on Nov. 6<sup>th</sup>, and he has now seen the Actuary's Report which goes up to March 31, 2019.

At that date, the number of pensioners and survivors was 1,331 with about 35 added from then to June 30. The RTF surplus has improved from 25 to 30 million. The 30 million included the cost of the 2.02 percent indexation. Despite this increase the fund is still only funded at 105% (i.e., going-concern basis), and trustees have taken the position that it would have to be at least 110% before any catch-up indexation could be considered. The bulk of the meeting was taken up with discussions of changes the administration has proposed to the plan. One of these proposals was the cessation of transfers between the two funds (pensioners and retirees), which had been considered by a subcommittee for eight months prior. When communication of the proposals was made to the DFA executive, the DFA said that their representatives would not attend any more meetings in which such proposals were discussed. The NSGEU representatives were issued the same directive by their executive. Hence, Randy said he was one of the few to be present at the first of three scheduled meetings, which was very short; there have not been any subcommittee meetings since.

Randy said give a summary of the general discussion that did occur at the last full PAC meeting. Although the administration seems to have dropped discussion of the possible cessation of transfers between the two funds, they have returned to a previous topic—changing the presumed rate of interest with the funds. The actuary said that the PTF assumed an increase of 6%, while the RTF was 5.05% (the actuaries are bound by certain principles they must operate under with regard to increases). The actuary had repeatedly said that any changes to these rates would probably not be acceptable to the Superintendent of Pensions. Surprisingly, he now commented that he could go as high as 6.3 % for the PTF and maybe even the same for the RTF.

Randy then said that he reviewed several previous reports and found that the 5.05% for the RTF was based on two assumptions: 1) that the plan will earn 4.55% [this was made in 1982 when interest rates were higher than that]; and 2) that the additional .5% was for future indexation. If you raise these rates, smaller transfers would occur between the two funds. Hence, this proposal could be construed to mean that the university is no longer even planning to make provision for future indexation.

On the horizon are possible new regulations from the Superintendent of Pensions (perhaps spring 2020); these apparently stem from a white paper that came out in 2017, followed by an updated call for comments in 2018. One of the possible new regulations may be a “Provision for Adverse Deviation (PfAD)” requiring that pension plans carry a surplus of 110-120% to protect against temporary dips in asset values. (In 2010 or thereabouts the Canadian Revenue Agency dropped its rule that plans could not exceed 105% surplus; now plans cannot exceed 125% surplus.) As a consequence, provinces are now adjusting their regulations (Quebec, and Ontario have already done so, and BC might be moving to somewhere between 106-110% surplus).

It has been estimated that for Dalhousie to reach the level of 120% surplus it would need to commit an additional 21 million per year. Randy further commented that one large question raised by ADRP’s Faye Woodman was why did the university unilaterally go to the Superintendent of Pensions about the PfAD requirement, when ten years ago the university and the DFA approached the Superintendent jointly? In his opinion it could be said that so-called efforts to strengthen defined-benefit plans in Nova Scotia would actually result in killing them due to unaffordability, or at least in Dalhousie’s case make future indexation very unlikely. Hopefully, the university and the DFA will be able to make a joint response to whatever new regulations are proposed.

Richard Apostle wondered if the delay by the Superintendent was connected with a possible provincial election. Randy responded by saying that the Superintendent was not a particularly political appointment. David Tindall added that timing was a factor in how the province seemed to make announcements about things like the Yarmouth ferry.

## 9) SCANS (Seniors College Association of Nova Scotia)

Heather Schellinck reported that SCANS is in the process of coding a membership survey regarding demand. Registration for the Winter Term classes will occur in early January, and courses begin in early February.

Dr. David Gardner will be giving a lecture entitled, “Insomnia keeping you up? Sleeping pills getting you down?” next Monday (November 25<sup>th</sup> 1:30-3:30 pm) at the Captain William Spry Centre. There has been some discussion about a lecture at the next ADRP AGM, and Dr. Gardner was one possibility. It was suggested that another good topic would be house renovation as it pertains particularly to seniors. It was understood that Heather would look into the possibility of getting Don Shiner to make a presentation at the AGM on December 17<sup>th</sup>.

Randy Barkhouse said that it might be better to schedule the AGM for one of the rooms in the Rowe Building since the acoustics in University Hall were not very good. Grace Paterson mentioned that she has ordered 60 tool kits for deprescribing for the December 17<sup>th</sup> AGM; so it would be very fitting if Dr. Gardner were to give a presentation, even if it were only a ten-minute one. It was also suggested that a pre-recorded presentation (e.g., from YouTube) could be used if we could not secure a speaker. Some examination of such materials was necessary to ensure that they were not sponsored by Big-Pharma (e.g., WebMD).

## 10) CURAC

Grace Paterson said that the Halifax conference resulted in \$4,741 going back to CURAC. The 2020 CURAC Conference will be in Vancouver, May 13-15. There are some funds available to send delegates from ADRP. Grace Paterson said she was involved in writing a paper on medication effectiveness. Randy Barkhouse said that he participates in CURAC teleconferences about every 6-8 weeks and that recently there was an emphasis on informing members about travel insurance and other affinity partner benefit availability. Phil O’Hara said that ADRP could facilitate communication about such matters in the *Newsletter* and website.

## 11) AOB

Marilyn Klein said that information was lacking on the positions held at Dalhousie of some new board members (p. 3 of *Newsletter*). Details about these positions was gathered by Phil O'Hara. David McNeil asked about the fees charged by Dalplex to former Dalhousie employees; he was surprised that there was no special rate for former employees. Randy Barkhouse provided some history on this subject and pointed to the dissatisfaction of other ADRP members about Dalplex rates. David Tindall believed that there was a clause in the Collective Agreement to the effect that Dalhousie retirees should be paying the same rate as regular Dalhousie employees. Phil O'Hara agreed to assist David McNeil in looking into the matter.

MOVED (Barkhouse/MacLennan) that the meeting be adjourned. CARRIED.

David McNeil  
Secretary