

ASSOCIATION OF DALHOUSIE RETIREES AND PENSIONERS QUARTERLY NEWSLETTER VOLUME 2, NUMBER 2, 2003

MARK YOUR CALENDARS - don't miss the following!

February 10, 2004, 7-9 pm - Update on income tax issues by Canada Customs and Revenue Agency.
Tupper Building, Floor 6, Room L1.

MEMBERSHIP

Those who have not yet paid 2003 membership dues, and those who wish to pay 2004 membership dues can do so by sending a cheque for \$20.00 for each year payable to ADRP to:
Blanche Potter, 2623 Fuller Terrace, Halifax, N.S., B3K 3V8, or drop it by the ADRP Office, Room 2831, Life Sciences Centre, Dalhousie University.

LETTER FROM THE PRESIDENT - Blanche Potter.

It is with great regret that the board of ADRP accepted the resignation of Tarun Ghose as president. Tarun explained his decision to resign was the result of burn-out. This is easily understood for, as founding director of ADRP, he has worked tirelessly to promote and develop our association for the benefit of all Dalhousie retirees and pensioners. For the past year he has also been very involved in the founding and inauguration of CURAC, the national body of university retirees. Thankfully Tarun will remain on the board as past president and also continue to serve on the executive of CURAC. It is with quite a bit of trepidation that I take over as interim president. My consolation is in the continued presence of Tarun and the support of the hard working members of our board and committees. With this help and encouragement I will do my best to work for the improvement of benefits for our membership and the promotion and growth of our association.

TWO ITEMS ON BENEFITS - Philip Welch, Chair of the Benefits Committee.

There has been much concern and agitation regarding auto insurance. As many Members are aware, Dalhousie has an arrangement with Johnson Insurance to promote their services for auto and home insurance. My own vehicle and home insurance is currently with Johnson Insurance.

It recently came to my attention that the firm of Maloche-Monnex offers discounted (15 percent) auto and home insurance to a number of groups, including Dalhousie alumni and the Medical Society of Nova Scotia members. Since I am a member of the Medical Society, I called the Maloche-Monnex representative (420-1112) and obtained a quote of auto insurance for the three cars which I currently insure through Johnson. The three Maloche-Monnex quotes were \$150-250 below my present premiums.

We are presently exploring the possibility that ADRP might be recognised as a defined group with Maloche-Monnex, making our Members eligible for the discount.

It is recognised that good insurance should include good service. If any Members have had insurance with either of the aforementioned firms and have comments to offer on the service received, please e-mail me with the details (welchip@auracom.com).

We have been exploring the provision of health/dental insurance to the pensioners of other universities and it appears that a significant minority of Canadian universities provide some monies to defray the health/dental costs to their pensioners.

I have identified four Canadian universities who, it seems, provide this kind of support, and have identified the key person for each of these universities who should be able to provide details.

At this point, I am seeking an able and interested volunteer from our Membership to take on the task of contacting these individuals and gathering the detailed information, to ascertain whether a similar provision might be put in place for Dalhousie pensioners.

Anyone willing to take on this task should e-mail me (welchjp@auracom.com) and we will take it from there. The ADRP is a self-help group and I value your support and assistance.

Note- Those who wish to view A Comparison of Post Retirement Health Benefits compiled by John R. Meyer may do so on the CURAC website at www.curac.ca. Editor.

PERFORMANCE OF THE RETIREES' TRUST FUND AND ITS IMPLICATIONS - Paul Huber, Chair of Pension Committee.

The Retirees Trust Fund had about \$152 million of net assets as of 30 June 2003. It earned 2.54% last fiscal year (1 July 2002-30 June 2003) before expenses and 2.196% after expenses. Excellent returns in the period April through June produced this positive result for the year, after a dismal first nine months. The three-year average return of the RTF was only 0.074% because returns in the two preceding fiscal years were negative 1.26% and negative 0.68% respectively. Returns in the first four months of the current fiscal year have been quite good; if they continue, earnings in the current fiscal year could exceed twelve percent. Over the last fifteen months, RTF investment performance ranks among the top third of Canadian pension funds, a ranking that has been relatively stable over the last four years.

Note that administrative costs were only 0.31% per annum. Compare that to a typical mutual fund, which burdens itself with a management expense ratio of about 2.3%! Such a difference in administrative costs means that the RTF can be expected to outperform balanced mutual fund management by about 2 percent annually. This is a major reason for thinking twice before you take your money out at retirement: a 2.0 percent difference cumulated over one's life expectancy of about 20 years at retirement is enough to offset nearly 15% greater value of entitlements if taken out of the PTF (Pension Trust Fund) and invested in a RRIF versus being transferred to the RTF.

Last year, the three-year average return was insufficient to index pensions fully. The indexation shortfall was about 0.95%. Under the rules of the Pension Plan, in order to provide any indexation, the RTF three-year average earnings must normally exceed 5.05%. Furthermore, any shortfall in earnings in one year has to be made good before indexation resumes.

Implications.

1. No indexation will take place in January 2004. (Inflation was 2.60% in the last year.) Thus the overall indexation shortfall will increase to 3.55%. However, the RTF still enjoys a small surplus (at market value) of about six million dollars, which is four percent of its net assets.
2. To index at all in January 2005, three-year average return would have to exceed 5.05% plus the 4.97% return shortfall in the current year, i.e., a return of over 10% on average. Because of the low

returns in the past two years, this implies a return of over 30% in the current fiscal year. Such a result is not impossible, but it is unlikely. Hence, do not plan of any indexation in January 2005 either.

3. The actuary projects returns for the RTF at 7.5% annually. If such results are achieved in each of the next four years, cumulative earnings in excess of the indexation threshold would be sufficient to pay off the return shortfall and resume indexation in 2008. Returns above the 7.5% average level would accelerate the resumption of indexation; returns below 7.5% would delay it.

REPORT FROM THE KEEPING IN TOUCH COMMITTEE- Dorothy Moore, Chair.

Marilyn Davies MacDonald, Public Relations, honoured at the 14th annual Women of Excellence awards dinner, Wednesday 22 October, 2003, in the category Communications and Public Affairs.

St. Francis Xavier University honoured legal scholar **Ronald St. John MacDonald**, Law, with an honorary degree at the spring convocation of the university's 150th year, on May 4, 2003.

Paul (Economics) and Eva Huber published their book *European Origins and Colonial Travails, The Early Settlement of Lunenburg*, in 2003. The German title is *Steiniger Weg in Die Neue Welt*. The book is in 8 x11 inch format, is 200 pages and contains 250 coloured pictures of eighteenth century buildings and objects in the originating communities of the settlers. Price is \$36 for softcover, and \$48.15 for hard.

Andrew MacKay, Law, received an honorary degree at the Fall Convocation of Dalhousie University which took place on Saturday, October 18, 2003.

IN MEMORIAM

The following members have died since the last ADRP Annual General Meeting. We wish to send condolences to their friends and relatives.

Stanley Wainwright, Biochemistry, died September 15, 2003.

John Filbee, Radiology, died August 2, 2003.

Andreas Makrides, Registrar's Office and other locations within the University throughout his career, died April 22, 2003.

Jonathan Ewart Blanchard, Physics, died August 22, 2003.

Gwenyth Barbara Ling, Library Sexton Campus, died August 23, 2003.

Hugh Sproule, English, died May 17, 2003.

Amy Elizabeth Densmore, mother of Janet Densmore, Social Work.

MISCELLANEOUS ISSUES- Editor.

Garth McIssac, Manager of the University Club gave the following information about membership to Man Vohra. As of July 1, 2003 any retirees of Dalhousie who wish to become a member of the University Club at anytime throughout the club's fiscal year will have prorated dues apply (annual dues \$75.00). For example if someone decides to join part way through our year they will pay only for the remaining months \$6.25 per month plus HST.

NOMINATIONS FOR THE BOARD OF DIRECTORS (DRAFT DOCUMENT)

- Dorothy Moore, Chair of Nominations Committee.

(Note-The following information regarding the Nominations procedure is for information only.

There will be a general meeting in the new year to discuss and decide the changes. Please send your opinions on the two draft documents to Dorothy Moore c/o ADRP office, Room 2831, Life Sciences Centre, Dalhousie University, Halifax, N.S., B3H 4J1 or to dorothy.moore@dal.ca as soon as possible. Editor.)

SPECIAL RESOLUTION in accordance with Article I, Item 7, to amend Article IV Items 2 and 3, concerning the Terms of Office of Board members, and the Nominations procedure.

PREAMBLE

The present Board of Directors has discussed the need to provide a more open nomination process for members of the Association, and also the necessity for 'staggered' terms of office for Board members in order to ensure continuity of the Board itself, as well as of the business in hand at any given time. Three Board members were asked to propose changes for consideration at the General Meeting in December, 2003.

Therefore, we wish to propose:-

"Be it resolved that Article IV, Item 2, TERM OF OFFICE, be amended as follows:-

Each member of the Board shall serve for two years, but may be re-elected for a term of two years. However, the President shall not normally hold office for more than two consecutive terms (four years). Each member of the Board shall serve until the end of the AGM at which new officers/directors are elected for his or her position. Should an executive position on the Board be vacated through resignation of the incumbent or other cause, the Board may elect one of its remaining members to fill the position until the next Annual General Meeting."

"Be it resolved that Article IV, Item 3, NOMINATIONS, be amended as follows:-

At least four months prior to the Annual General Meeting, the Board shall appoint a Nominating Committee which shall notify Association members of forthcoming vacancies on the Board, and invite nominations to fill the vacancies at the the Annual General Meeting.

Any member of the Association, including a person already serving on the Board, is eligible for nomination. If there are insufficient nominations by a given deadline, the Nominating Committee shall canvas members to fill the remaining vacancies. There shall be no barrier to the same individual being elected to serve concurrently as Secretary and as Treasurer. The list of nominees proposed shall be circulated to the membership with the notice of the AGM; and said list shall include the address, status, and consent of each nominee, and the name of her or his nominator. At the AGM, additional nominations may be made by any member of the Association, with the prior consent of the nominee."

(Item 4, ELECTION PROCEDURE at the AGM, remains the same.)

CONCLUSION

If these amendments are accepted, the Association could begin a transitional year of 'staggering' the Board's membership. Vacancies would be filled with two-year terms at the AGM in 2004, while present members remaining on the Board continue for a further one-year term. Of course, when that year ends in 2005, they can be nominated for a further two-year term, if willing.

ASSOCIATION OF DALHOUSIE RETIREES AND PENSIONERS

NOMINATIONS FOR THE BOARD OF DIRECTORS (DRAFT DOCUMENT)

The present Board of Directors has discussed the need to provide a more open Nominations process for members of the Association; and also the necessity for 'staggered' terms of office for Board members, in order to ensure continuity of the Board itself, as well as the business in hand at any time. Nominee and nominator must be paid-up members of ADRP. All members of the Board will normally serve for a two-year term. But since this is a transition year for changes in the process, current members of the Board who have not resigned will serve one further year automatically, and then be eligible for nominations if desired, in 2005.

Positions on the ADRP Board are as follows:-

1. President
2. Up to four Vice-Presidents in order of precedence
3. Secretary
4. Treasurer
5. Up to four Directors-at-Large
6. Persons chairing ADRP Standing Committees:-
 - a. Benefits Committee
 - b. Communications Committee
 - c. Complaints Committee
 - d. Liaison Committee
 - e. Membership Committee
 - f. Social Committee

Positions Vacant:-

1. President
2. Chair Communications Committee
3. Other?

Nominee's name

Nominee's address

Position proposed

ADRP membership status

Nominee's signature

Nominator's name

Nominator's signature

ADRP membership status

If you wish to nominate more than one person for positions, please photocopy this form for each additional nomination (or ask us for additional copies).

The ADRP Nominations Committee intends to circulate the list of nominations received, with the Notice of the AGM. Additional nominations can be made at the Meetings, with the prior consent of the nominee. Where there are two or more nominations for a position, voting will be by paper ballot at the AGM. Nomination forms should be sent to the ADRP, Room 2831, Life Sciences Centre, Dalhousie University, Halifax, N.S. B3H 4J1.

Nominations Committee: Dorothy Moore, Chair; Tarun Ghose; Marilyn MacDonald.

UNAPPROVED MINUTES OF THE GENERAL MEETING held December 10, 2003- Hermann Wolf, Secretary.

(Note-With the exception of the Treasurer's Report, the content of the appendices is included in the main body of the Newsletter. Editor.)

Association of Dalhousie Retirees & Pensioners

Minutes of General Meeting

Location: Senate Board room, MacDonald Building, Dalhousie University

Date: 15:00, 10 December 2003

Present: 31 members

At 15:07 Blanche Potter called the meeting to order and introduced herself as the Acting President of ADRP. She reported that ADRP lost two members since the Annual General Meeting in April, Stanley Wainwright (well-known Biochemist, retired 1992), and Angela Martin (Administrative Secretary in the Advanced Management Centre, retired 1983). Blanche Potter asked for two minutes of silence in memory of our two colleagues.

- . **Approval of Agenda:** The Board is withdrawing item 7 of the agenda "Approval of Special Resolutions". Alastair Sinclair moved and Mary Simms seconded adoption of the updated agenda. Motion passed.
- . **Approval of Minutes of the Annual General Meeting of April 10, 2003:** Paul Huber moved, Kate MacDonald seconded the motion to approve the minutes as circulated. The motion passed without discussion.
- . **Business arising:** Blanche Potter indicated that the open items from the minutes will be covered by the reports.
- . **Report by President:** Blanche Potter reported that Tarun Ghose had submitted his resignation as President of ADRP to the Board on October 2, 2003. On December 4, 2003 the Board elected her, in accordance with the By-Laws, as Acting President until the election at the Annual General Meeting in 2004. Blanche Potter paid tribute to the achievements of Tarun Ghose in getting ADRP off the ground, guiding it through the period of growth, and promoting the concerns for the welfare of the Dalhousie retirees. He was not only devoted to the local retirees association but was also one of the driving forces in the establishment of CURAC, the College and University Retirees Association of Canada. He now serves on the Executive Committee of CURAC to enhance cooperation between retirees organisations. At the invitation of Blanche Potter, the assembly thanked Tarun Ghose with applause. Tarun Ghose will remain on the Board as our first Past-President.

Man Vohra, another long-serving member of the Board of ADRP, also resigned in October 2003. He was instrumental in setting up the office of ADRP in the Life Sciences Centre and thanks to his efforts, the office has become well-equipped with data processing technology. Man single-handedly set up the ADRP web site and keeps it current, thus providing the ADRP with a window to its far-flung membership. The assembly thanked Man with a round of applause.

In response to Blanche Potter's question, Tarun said he had nothing substantive to add to her report and he thanked the assembly for the kind words of appreciation.

- . **Report by Treasurer:** The report by Roy George is attached. In a verbal comment he emphasized that, while our budget this year is in reasonable shape, the drop in membership will cause budgetary problems in the future.

Committee Reports

- a. **Report on the Retirees Trust Fund:** Paul Huber's report is appended.
- b. **Report by the Communications Committee:** Man Vohra, the chair, reminded the membership of the ADRP web site and invited frequent visits to it. The committee had again issued the quarterly Newsletter, produced by Rosemary MacKenzie. In the future, the Newsletter will have a special column listing special events such as honours received by members. The chair of the caring subcommittee, Barbara Blauvelt, had resigned and he asked for volunteers to replace her. The Keeping-In-Touch Committee is chaired by Dorothy Moore. Man thanked all members of his committee for their devoted work and the

assembly joined him with a round of applause. He also appealed to the membership for feedback and input to the Communication Committee.

- c. Report by the Social Committee: The report of Kate MacDonald is appended.
 - d. Report by the Benefits Committee: The report of Philip Welch is appended. During discussion of the report Paul Huber reported that the University had bought life insurance for some employees. He questioned whether a RTF surplus could be used to buy life insurance for all retirees. With increasing life expectancy, the life insurance fund would become more valuable as the pension fund loses some of its value, thus providing some form of compensation. Philip Welch reported that the life insurance program no longer exists, it had been withdrawn without much fanfare. Man Vohra wanted to know what would happen to retirees who had withdrawn their funds from the RTF, if health/dental benefits were negotiated. Philip Welch thought that they would not be eligible, if the benefits were financed through RTF surplus.
 - e. Report by the Complaints Committee: David Lewis as chair reported that there were no complaints.
 - f. Report of Nominating Committee: Dorothy Moore reported that the Board had elected a Nominating Committee consisting of Dorothy Moore (chair), Marilyn MacDonald, and Tarun Ghose. She then explained briefly the history of the two Special Resolutions that had been withdrawn from the Agenda of the General Meeting. The Board had charged a subcommittee, i.e. Bill Charles, Dorothy Moore, Blanche Potter, to develop strategies for improved involvement of the membership in the nominating process and to enhance continuity of the Board. The work of the subcommittee resulted in the two resolutions. However, technical difficulties were discovered when the implementation of the resolutions was discussed at the Board meeting. The membership is encouraged to compare the two resolutions with the sections of the By-Laws that they are to replace (Text of By-Laws can be found at the ARDP web site, <http://www.dal.ca/~adrp>). The Newsletter will be used for the improved nominating process.
- Bill Charles added that the whole Board was in favour of a more open nominating process. He is hopeful that the next Board meeting will be able to solve the sticky problem of the staggered terms of office.
- g. Report by the Membership Committee: Blanche Potter reported that last year 70 persons had not renewed their membership. Recently, they had been pursued one more time. Some renewed, some indicated they no longer wanted to be members, and other did not reply. The committee will increase its efforts to recruit new members, especially from the newly retired.
 - h. Report of Liaison Committee: Alastair Sinclair had invited representatives of local universities to the CURAC conference in the hope that retirees associations would be formed, but this seed has not yet germinated, although there signs of a positive move at Mount Saint Vincent. The process is ongoing. Liaison with the very active association at Acadia is well functioning.

. **Other business.**

- . Blanche Potter recognized the excellent work of Diane Prosser, our office manager and indicated that the operation of the Board is dependent on her dedicated and precise work. The assembly joined in the appreciation with a round of applause. Bill Charles questioned Diane about her difficulty of finding members to staff the office. She replied that the main, and persistent, problem is the lack of parking space.
 - . Tarun Ghose reported that CURAC will hold next May its 2nd meeting in Winnipeg. The agenda is still being developed. For a more detailed description of CURAC activities the members are referred to the last Newsletter.
 - . Paul Huber reminded the assembly that retirees who have become U.S.A. residents and maintain an RRSP in Canada may have file certain forms with the Internal Revenue Service. He offered to provide assistance to any ADRP member regarding IRS filings.
- . **Adjournment**: On a motion by Man Vohra/seconded by Alastair Sinclair the meeting adjourned at 16:05.

Appendices

REPORT OF TREASURER TO GENERAL MEETING, 8 DECEMBER 2003

Until well into the following January, it is of course never possible to predict precisely what the final accounts for the current year will look like. Also, this year, our accounting is a little complicated because of the CURAC conference we hosted in May.

Ignoring for the moment the financial impact of that conference, it looks as if our expenditure will be roughly in line with our budget. However, our income from dues is about \$1200 less than expected because of a fall in our membership. In year 2002, it had been 370. Our 2003 budget assumed it would be 350 this year but, in the event, we received dues from only 290.

As a consequence of this drop in dues (virtually our only source of ordinary revenue), we seem likely to end up with a small deficit on our revenue & expenditure account. (This is after transferring 20% of dues to the reserve account in accordance with the decision made at the 2002 AGM, at the time fees were increased from \$10 to \$20 per annum.)

Fortunately, the conference ended up with a surplus greater than budgeted due to the receipt of more donations than expected. At the moment, that surplus stands at about \$2750 but, because I am not yet sure I have received all the invoices relating to the conference, I cannot give you a precise figure.

At our last AGM, you instructed the Board (Resolution #2) to decide the disposition of any surplus). It decided that our association and CURAC should share the surplus, each receiving one half.

After adding in our one-half share of the conference surplus, our accounts for 2003 will likely show a surplus of a few hundred dollars.

So, for the moment, our financial situation seems to be satisfactory. But the fall in our membership is worrying. Perhaps you may wish to discuss this matter.

Roy George

EDITORIAL POLICY.

The ADRP intends to publish the Newsletter every three months. It is hoped the Newsletter will serve the following purposes:

1. To provide pertinent information;
2. To provide a forum for the free exchange of views on issues relevant to our Membership;
3. To serve as a documentary record of matters relating to the ADRP.

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 which will normally 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.

Editors: Rosemary MacKenzie, Dee Purvis. Editorial Board: Rosemary MacKenzie, Dorothy Moore, Dee Purvis; ex-officio: Blanche Potter, Man Vohra. Contact us: phone: 902-494-7174; email: ADRP@dal.ca; post: ADRP Office, Rm 2831 Life Sciences Centre, Dalhousie University, Halifax, N.S. B3H 4J1.