

# UGRA NEWSLETTER

University of Guelph Retirees Association

## IN THIS ISSUE

2)

Report from your President  
Fall Lectures  
Another Benefit for Retirees

3)

Curac News Brief

4)

Financials

5)

Give to Guelph  
Retirement Income

Oral History

6)

List of 2004 Retirees

Important Retiree  
Information Sources

7)

RRSP's – Are they good  
for Retirees?

8)

Report of the Pensions  
Subcommittee

## NOTICE OF MOTION

At the UGRA Annual Meeting on June 22, you will be asked to vote on the following motion:

Resolved that the UGRA membership fee be increased from \$15.00 to \$20.00 starting at the date of the annual meeting. *UGRA*

## NOTICE

### THE UGRA ANNUAL MEETING

WILL BE HELD ON WEDNESDAY, JUNE 22, 2005

TIME: 9:30 A.M. – 11:30 A.M.

LOCATION: TOWN HALL, EAST RESIDENCES, UNIVERSITY OF GUELPH

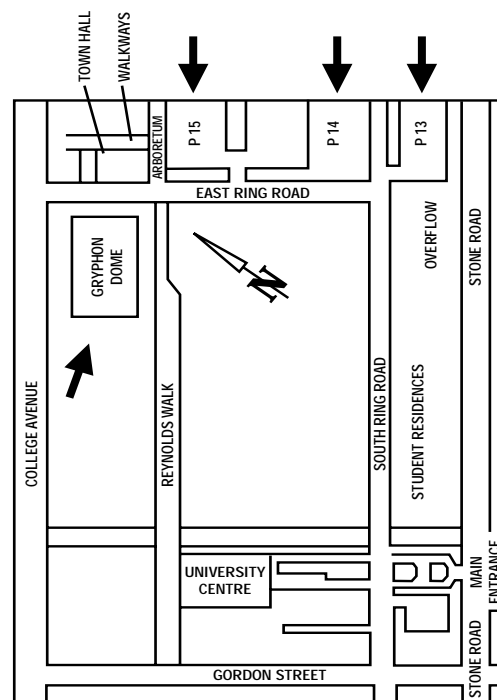
#### Special Guest Speaker:

**Claude Macorin,**  
Office of Investment  
Management,  
University of Guelph

#### Topic: Review of the 2004 Pension Plan Performance

The Town Hall is located on the second floor of the East Residence complex at the corner of the Arboretum Road and the East Ring Road. Parking is available across from the Child Care Centre and Alumni House. Follow the yellow directional signs to the Town Hall. (See map)

Refreshments will be available at 9:00 a.m. The President's Luncheon will be held in the Gryphon Dome across the East Ring Road from the Town Hall. *UGRA*



## ANNUAL MEETING AGENDA

1. Approval of the agenda.
2. Approval of the minutes of the 2004 annual meeting.  
(Printed copies will be available at the meeting registration desk.)
3. Business arising from the minutes.
4. President's report.
5. Treasurer's report.
6. Fee increase motion.
7. Committee reports:
  - Pension committee
  - Benefits committee
  - Scholarship committee
  - Web site committee
8. CURAC report and invitation.
9. Oral history project.
10. New business.
11. Nominations for 2005 – 2006.
12. Election of executive.
13. Transfer of office.
14. New President's remarks.
15. Nomination of auditor.
16. Adjournment.

## REPORT FROM YOUR PRESIDENT

Several meetings of your UGRA Executive Committee have been held, the highlights of which follow:

- Met with Mr. Vic Reimer, recently retired Associate Vice President – Human Resources concerning his current study of the ‘Pension Plan Governance’ situation. UGRA concerns were expressed and extensive discussion was held concerning the overall governance of the pension plan. The draft report was expected to be completed by May, 2005.
- Your President and Vice-President, Wayne Marsh, attended a presentation in Toronto by Bob Rae concerning the Rae Commission Report. Considerable corporate support for the Commission’s recommendations was noted. UGRA had earlier supported the University of Guelph submission to the Commission. We also met with Elizabeth Sandals, our local representative at Queen’s Park concerning the Rae Report. We

reinforced the importance of implementing the Rae Commission recommendations.

- The establishment of two UGRA scholarships, one for undergraduate degree students of \$ 1,000.00 and one for Associate Diploma students of \$500.00, was approved. The establishment of an endowment fund for scholarships was suggested with further discussion to take place at the annual meeting of UGRA on June 22, 2005.
- An oral history project in which UGRA original organizers would be interviewed was discussed and approved. This came as a result of a recommendation from Rick Richards at the Fall ‘04 Dialogue seminar.
- After considerable discussion, a motion was passed concerning the United Way approach to fundraising. Other than an initial letter to UGRA members, it was decided that there should be no further solicitation or

action by the Retirees concerning the UW campaign.

- Met with Vince Pellegrino and Lillian Wilson of Human Resources to discuss the increases concerning health and dental benefits. A letter concerning the increases will be sent to retirees in early May.
- Travel support of \$150.00 was approved to send a delegate to the CURAC meeting in Vancouver in May.
- A motion requesting more UGRA involvement in benefit decisions by the University was also passed.
- Plans were discussed and a committee named to make arrangements for the UGRA Annual meeting to be held on **Wednesday, June 22, 2005 starting at 9:30 a.m. in the Town Hall, East Residences.** UGRA

Mark Waldron.

*UGRA President 2004/2005*

## FALL LECTURES

This fall, Third Age Learning – Guelph will offer two series of continuing education lectures for retired people in and around Guelph.

On Wednesday mornings, “Iraq and the Middle East” will be the topic, with speakers from the University of Guelph and the University of Waterloo addressing history, art and architecture, religious and ethnic relations, Islam, the Gulf War and the current scene in that region.

Wednesday afternoon’s course, entitled

“Ontario Heritage”, will cover the contributions of First Nations, immigrants, the Mennonites, small towns and women to Ontario’s heritage, in the context of the natural and architectural environments. Speakers will come from the University of Guelph, Wilfrid Laurier University, the University of Waterloo and Toronto.

The morning course runs from 10 to 12 and the afternoon session from 1:30 – 3:30 starting Wednesday, September 21<sup>st</sup>.

Lectures are held at the Arboretum Centre. Each course lasts eight weeks. Each course costs \$30.00 or \$5.00 per lecture.

For further information and course details, please visit our website at: [www.thirdagelearningguelph.ca](http://www.thirdagelearningguelph.ca). Registration can be completed on-line. Third Age Learning also broadcasts selected past lectures on CFRU-FM (93.3) on Thursday mornings at 11:30. UGRA

## ANOTHER BENEFIT FOR RETIREES

Free and half price parking on campus for retirees who are volunteering on-campus is now available. If you are

volunteering for one day, a free parking pass is available from Parking Services for the day. If you are volunteering over a

longer period of time, the half price parking fee is \$ 53.82 for a semester and \$ 161.46 for a year. UGRA

# CURAC NEWS BRIEF

## APRIL, 2005

The Annual General Meeting and 2005 Conference of CURAC/ARUCC will be held May 11-13 at the University of British Columbia. (Robson Square) and Simon Fraser University (Harbour Centre) in downtown Vancouver.

With CURAC/ARUCC's third annual meeting coming up this May it is instructive to consider how far we have come in a relatively short period of time. During the 1990's, associations of retired faculty had sprung up at a number of Canadian universities, mainly in response to concerns about pensions and other retirement benefits. Such common interests led to gatherings of representatives from these local associations in conjunction with meetings of the Learned Societies beginning at Calgary in 1994. Perfunctory discussions about a national organization continued until May, 2002 when, with the impetus provided by a major dispute over pension funds at the University of Toronto and through the efforts of Peter Russell, Germaine Warkentin, and Ken Rea, a meeting was held at Victoria College which resulted in the founding of CURAC/ARUCC a year later.

Despite having similar concerns it soon became obvious that academic retiree associations were extremely diverse in a number of ways. They differed in size from fewer than fifty to over a thousand and in purpose from being mainly social to activist. They ranged in structure from single university or college groups to umbrella organizations of same. But most importantly they varied across the spectrum from only faculty retirees to all retirees of particular institutions. The decision was taken to be inclusive in principle though in practice the CURAC/ARUCC agenda has tended to focus on faculty matters.

The first Annual General Meeting was held May 25-27, 2003 at Dalhousie

University in Halifax where a proposed constitution was debated and, after several amendments, was adopted unanimously. In order to clarify executive liability and enhance our credibility with other organizations a motion to incorporate was passed. These measures along with the creation of a comprehensive website as a basis of communication established CURAC/ARUCC as a viable institution representing the concerns of academic retirees.

By the time of the 2004 Meetings jointly hosted by the University of Winnipeg and the University of Manitoba, it was already able to demonstrate its capacity to facilitate communication and exchange of information among its members. In particular surveys of the relations between local associations and their relevant academic institutions and the details of medical benefits available to individual retirees were reported on and discussed in depth. The 2005 Meetings in Vancouver promise to be just as informative and useful as previously as we build on our past accomplishments. A more detailed history of CURAC/ARUCC will be found on its website.

A tentative agreement at the University of Toronto between the Faculty Association and the administration will have widespread effects in Canadian academia, if ratified. As usual the devil is in the details with various complex clauses regarding the ending of current retirement options and procedures relating to early retirement before age 65. One other important aspect is the willingness of the University to provide retirement centres and support for continuing research by retirees. Since the financial and institutional ramifications of these proposals would be far reaching, members of CURAC/ARUCC can become aware of the details also by accessing its website. *UGRA*

## THANK YOU

A great big thank you from the United Way goes to all those retirees who contributed money and time to make the 2005 campaign the most successful in history. Your contributions helped the University of Guelph exceed the United Way goal as well as helped many community organizations and agencies reach their own service targets. The contributions from so many help to make this community a better place in which to live. Thank you. *UGRA*

## FOR TRAVELLERS

If you have plans to travel to other provinces and to other countries and you have benefits from the University of Guelph, then be sure you read the coverage concerning health benefits in the benefit plan documents. A separate brochure has an identification card titled **Medi-Passport** from Sun Life Financial to be carried with you with details concerning emergency travel assistance. Write your name, the contract number and your ID number on the card, get it laminated and carry it with you on your travels. The card has important contact numbers and information about what to do in case of a medical emergency. If you need more information, contact Human Resources at the University. *UGRA*

## CURAC INVITATION

Bob Liptrap is representing us at the CURAC annual meeting in Vancouver in early May. While there, he is inviting CURAC to hold its Annual Meeting, in 2006, in this region. The invitation is being extended by retiree organizations from Guelph, Waterloo and Wilfrid Laurier. Details will be available in the Fall '05 UGRA Newsletter. *UGRA*

April 24, 2005

Allan W. McInnis, Treasurer  
 University of Guelph Retirees Association  
 34 Karen Road, Guelph, Ontario  
 N1G 2N9

EXAMINER'S REPORT

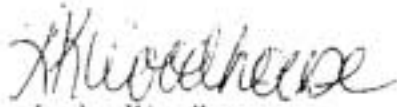
I have examined the Statement of Receipts and Disbursements for the University of Guelph Retiree's Association for the period April 1, 2004 to March 31, 2005.

My examination included, on a test basis, evidence supporting the disbursements made.

Due to the nature of collection of fees I was not able to verify their validity.

Subject to the foregoing, the Statement of Receipts and Disbursements is presented fairly.

Regards,



Lesley Woodhouse  
 President  
 In The Black Bookkeeping Inc.

**University of Guelph Retiree's Association**  
**Statement of Receipts and Disbursements**  
**For the Year Ended March 31, 2005**

	2004 - 2005	2003 - 2004
<b>RECEIPTS</b>		
Member's Fees	9,825	8,576
<b>DISBURSEMENTS</b>		
Newsletter - Printing	5,280	
- Envelopes	387	
- Fact Sheet	144	
	5,811	2,070
Meeting Co - Director's Monthly	940	
- AGM	287	
- Forum	122	
	940	901
CLRAC	300	300
Miscellaneous	647	647
Travel	64	223
Web Site	875	1,712
Questionnaire	0	367
Scholarship Program	1,000	0
Public Service	2,000	0
<b>TOTAL DISBURSEMENTS</b>	<b>14,666</b>	<b>5,708</b>
<b>NET RECEIPTS (DISBURSEMENTS) FOR THE YEAR</b>	<b>(4,720)</b>	<b>2,868</b>

**YEAR END ASSET POSITION**

	2004 - 2005	2003 - 2004
Cash in bank - April 1	19,176	16,304
Less: Transferred to: Share in Credit union	(20)	0
Party Cash Float	(20)	0
	18,936	16,304
Net Receipts (Disbursements) for the year	14,720	7,036
<b>Cash in Bank at March 31</b>	<b>14,325</b>	<b>10,178</b>
Share in Credit Union	50	0
Party Cash	50	0
<b>ASSETS AT MARCH 31</b>	<b>14,425</b>	<b>10,178</b>

*Signed/By: A.W. McInnis, CA, Treasurer* April 28, 2005

**University of Guelph Retiree's Association**  
**Proposed 2005/2006 Budget**  
**For the Year Ended March 31, 2006**

	2005 - 2006 BUDGET	2004 - 2005 ACTUAL
<b>RECEIPTS</b>		
Member's Fees	11,882	9,825
<b>DISBURSEMENTS</b>		
Newsletter	5,500	5,811
Postage	1,500	0
Meeting Costs	1,190	940
CLRAC	300	300
Miscellaneous	647	647
Travel	290	64
Scholarship Program	1,000	1,000
Public Service	0	2,000
Web Site	0	875
<b>Total Disbursements</b>	<b>11,000</b>	<b>14,666</b>
<b>Net Receipts (Disbursements) for the Year</b>	<b>792</b>	<b>(4,730)</b>

**YEAR END ASSET POSITION**

	2005 - 2006 BUDGET	2004 - 2005 ACTUAL
Cash in Bank - April 1	14,325	10,178
Add: Net Receipts for the year	792	(4,730)
<b>Cash in Bank at March 31</b>	<b>15,117</b>	<b>14,325</b>
Share in Credit Union	50	50
Party Cash	50	50
<b>TOTAL ASSETS AT MARCH 31</b>	<b>15,117</b>	<b>14,425</b>



# GIVE TO GUELPH AND INCREASE RETIREMENT INCOME

By Ross Butler, Alumni Affairs and Development

**W**ell, there is a way that you can “have your cake and eat it too”! It's called the **Charitable Insured Gift Annuity**. This strategy involves three components -- a gift to the University of Guelph, a prescribed annuity, and a life insurance policy. Compared to traditional interest-bearing investments, such as GICs and T-bills, this approach can significantly increase your after-tax income and guarantee it for life!

Here is a situation. Elizabeth Goodheart is 70 years young and in good health. She has 3 grown children, and was recently widowed. Her retirement income is made up of work pensions (both hers and her husband's), a RRIE, GICs, T-Bills, a moderate equity portfolio, Old Age Security and Canada Pension Plan. Her income was reduced after her husband passed away as there was a 60% survivor benefit on his work pension and his CPP. Her husband's OAS payment ceased at his death. Elizabeth would like to make a sizeable donation to the University of Guelph but would have to give up a good portion of interest income in order to do so. From a \$150,000 GIC Elizabeth holds, it produces \$6,000 interest per year (4.00% return) and with an approximate marginal tax rate of 36.98%, she nets \$3,781.20 after-tax.

Elizabeth called upon her financial advisor to explore her options. After a few meetings and much discussion, her financial advisor recommended a **Charitable Insured Gift Annuity** because she felt that the gift plus annuity with insurance back-up would realize Elizabeth's goals:

- Elizabeth will give an immediate gift

of \$37,500 (\$150,000 x 25%) to the University of Guelph and receive a donation receipt to offset income tax. If all of the donation receipt cannot be utilized at one time, she can carry it forward for 5 years.

- This donation will generate a tax credit for Betty of approximately \$15,060.00.
- She will receive an increased lifetime after-tax income of \$5,264.31\* from a prescribed annuity with the capital of \$112,500 (\$150,000 - \$37,500) being preserved for her children by the use of a life insurance plan.
- The annuity will make up part of her fixed income portfolio to stabilize her annual income.
- A \$112,500 GIC would give Betty an annual after-tax income of \$2,835.90. The Charitable Insured Gift Annuity produces \$2,428.41 more after tax

income than the \$112,500 GIC and \$1,483.11 more after tax income of the original \$150,000 GIC.

- In comparison, a GIC would have to yield 7.43% in order to equal the after-tax income of the Charitable Insured Gift Annuity. This return is guaranteed for life.
- Elizabeth finds great satisfaction in making her gift to Guelph during her lifetime.

Be sure to consult with a professional financial advisor experienced with these issues before entering into a Charitable Insured Gift Annuity.

For more information about Planned Giving to the University of Guelph contact:

**Ross Butler**  
 Director for Gift Planning  
 University of Guelph  
 519-824-4120 ext. 56196 *UGRA*

Elizabeth's Average Interest Rate: 4.00%		
Marginal Tax Rate: 36.98%		
Capital Used: \$150,000.00		
	GICs	Insured Gift Annuity
Total Capital	\$150,000.00	\$150,000.00
Gift to Charity	\$37,500.00	\$37,500.00
Donation Tax Credit	\$15,060.00	\$15,060.00
Capital Used for Income	\$112,500.00	\$112,500.00
Gross Annual Income	\$4,500.00	\$9,797.01
Taxable Portion	\$4,500.00	\$2,444.07
Tax Payable	-\$1,664.10	-\$903.82
Sub-total:	<u>\$2,835.90</u>	<u>\$8,893.19</u>
Life Insurance Premium:	\$ -	-\$3,628.88
<b>After Tax Return:</b>	<b>\$2,835.90</b>	<b>\$5,264.31</b>
<b>Capital to Heirs in Estate:</b>	<b>\$112,500.00</b>	<b>\$112,500.00</b>
Annual Income Advantage over GIC:		\$2,428.41
Rate of Return Required to equal the Insured Annuity:		7.43%

\*All quotes as of March 07, 2004 and are subject to change without notice.  
 Life insurance rates quoted are standard rates and are subject to the approval of the underwriting department of the life insurance company.

## ORAL HISTORY PROJECT

**A**t last fall's UGRA seminar, Rick Richards suggested the idea that it seemed important to capture the thoughts and ideas from the early organizers of the UGRA organization about how the concerns and ideas of many faculty and staff needed to be orchestrated in a common identity. He suggested a mini research type project in which the founding ideas could be related and published, in some form, for

future retirees and the general university community.

As a result of the suggestion and after considerable discussion, it was decided to proceed with an oral history project in which early UGRA organizers would be interviewed and the interviews transcribed into written form and used as a basis for production of a brochure for all current and future retirees. The

interviews would be stored in the University Archives in the Library. In addition, summaries would be published in the UGRA Newsletter.

The experience of the Alumni in Action volunteer oral history project would be used in completing this UGRA project. A motion was passed supporting the project; watch for further action in the coming months. *UGRA*

# LIST OF RETIREES

## RETIRED AFTER DECEMBER 31, 2004

NAME	DEPARTMENT	NAME	DEPARTMENT
John Auld	Marketing and Consumer Studies	Alan Male	Library
John Benson	Economics	Gerald Manning	Arts
Robert Braham	Biomedical Sciences	Judith Martin	History
Peter Brigg	English and Theatre Studies	Eleanor Martin	Human Resources
George Brinkman	Ag. Economics and Business	Allen McBurney	OMAF Research Stations
Barbara Brohman	Secondary School Liaison	Wayne McDonell	Clinical Studies
Nigel Bunce	Chemistry and Biochemistry	Dolores McLachlan	OAC Access
John Burger	Biomedical Sciences	Pearl Milne	Library
Muriel Burke	Population Medicine	Jim Moggy	Library
Johanna Campagnolo	Library	Ellen Morrison	Library
Dennis Craven	OMAF Research Stations	Michael Moss	Geography
Andrew Curtis	OMAF Research Stations	Kenneth Pepper	Student Housing
Douglas Dodd	Athletics	Lana Phillips	Environmental Biology
Stephanie Douthwaite	VTH – Nursing Care	Jean Sharo Price	Zoology
Starr Ellis	Admissions	Douglas Prior	Bradford
Kenneth Fisher	Biomedical Sciences	Herb Rauscher	OVC – Educational Unit
Bruce Fleming	Physical Resources	Richard Reader	Botany
Patricia Gentry	Biomedical Sciences	Jessie Reid	Vineland
Rodney Gentry	Math and Statistics	Mary Ann Robinsons	Library
Jill Gill	English and Theatre Studies	Bruce Ryan	Family Relations and Applied Nutrition
Terry Gillespie	Land Resource Science	Norma Seibert	Advancement Services
Saul Goldman	Chemistry and Biochemistry	Roger Shantz	OMAF Research Stations
Madge Grant	CCS – Director's Office	Brian Smith	Physical Resources
Kenneth Grant	Economics	Gary Smith	OVC – Educational Services
Linda Hanshaw	VTH – Medical Records	James Snell	History
David Hattle	Physical Resources – Locksmith	Donald Stevens	Zoology
Bryan Henry	Chemistry and Biochemistry	Peter Stonehouse	Ag. Economics and Business
Edward Herold	Family Relations and Applied Nutrition	Barb Stuart	Family Relations and Applied Nutrition
Gordon Hines	Math and Statistics	John Sutton	Environmental Biology
Pat Hoare	Financial Services	Robert Sweetman	Land Resource Science
Patrick Holland	English and Theatre Studies	Olga Vrablic	Biomedical Sciences
Bruce Holub	Human Biology and Nutritional Sciences	Sheila Ward	Student Housing Services
Hendrik Horn	Fine Art and Music	Margaret White	Accounts Payable
Florita Ison	Library	Leonard Wiley	PA – Bovey Building
Kenneth Jeffrey	Physics	Thomas Wilson	Comp. and Info. Science
Beverly Kay	Land Resource Science	Brian Wilson	Human Biology and Nutritional Sci.
Patricia Keeler	Student Housing Services	Kenneth Cooke	Classroom Technical Support
Frances Keen	Marketing and Consumer Studies	Ron Elmslie	CCS – Director's Office
Wilma Kennedy	Hospitality Services	Colette Ma Tracy	KC – Academic
Mary Konstantareas	Psychology	Guiseppina Facchini	Hospitality Services
Larry Kreager	OMAF Research Stations	William Harris	Biomedical Sciences
Elizabeth Lamont	Open Learning	Margaret Hedley	Family Relations and Applied Nutrition
Jimmy Law	Physics	Elizabeth Ina Hutchings	Psychology
George Loney	Library	Sharon Franchetto	Physical Resources
Neil MacKinnon	Sociology and Anthropology		

# IMPORTANT RETIREE INFORMATION SOURCES

### University of Guelph Human Resources

(519) 824-4120

- Jackie James, Pension questions .....ext. 56595
- Claim forms, address changes .....ext. 53374
- e-mail ..... [jjames@uoguelph.ca](mailto:jjames@uoguelph.ca)
- retiree benefit information ..... [www.uoguelph/HR/retirees/](http://www.uoguelph/HR/retirees/)

### Canada Pension Plan and OAS

1 (800) 277-9914

[www.hrdc.gc.ca/isp/common/home.html](http://www.hrdc.gc.ca/isp/common/home.html)

### University Pensions, Banking changes,

### Tax slips, Deductions

- Royal Trust (7:00 a.m. – 8:00 p.m., Mon. – Fri.) ..... 1 (800) 668-1320
- e-mail ..... [benefpay@rbc.com](mailto:benefpay@rbc.com)
- Fax ..... 1 (416) 955-2631

### Health and Dental Benefit Questions

- Sun Life Policy # 82010 ..... 1 (800) 361-6212
- e-mail ..... [askus@sunlife.com](mailto:askus@sunlife.com)
- Claim forms, track claims ..... [www.sunlife.ca/member](http://www.sunlife.ca/member)

## RRSP's – ARE THEY GOOD FOR RETIREES?

By Larry Porter, UGRA Past President

**T**he answer to that question is Yes, No, Maybe. In other words it depends on your situation.

RRSP's (Registered Retirement Savings Plans) are an invention of the government, to attempt to get Canadians to save for their own retirement, so that the social assistance burden on the government is reduced. To accomplish this they offer a tax deferral on the money invested in an RRSP thereby allowing the taxpayer to reduce taxes paid in a particular year. Further, any growth in the investments in an RRSP is not taxed until it is withdrawn from the RRSP. The key is that it is only a tax deferral and the government continues to take steps to insure that they get YOUR MONEY in the end.

The major device is legislation which requires you to convert your RRSP's into a RRIF (Registered Retirement Income Fund) by December 31 of the year you turn 69. The only loophole in this law is that married people with a younger spouse can use their spouse's 69th birthday year end, as the conversion date. The major difference between an RRSP and a RRIF is that there are NO requirements on withdrawing money from an RRSP while a RRIF has a schedule of escalating withdrawals based on a percentage of the money in the fund, that are required each year. These withdrawals are taxed at your marginal tax rate, hence if you can delay the process, it is to your benefit, as any increase in the value of the fund is not taxed until withdrawal.

To get back to the title question let me offer three examples to illustrate the point.

**Example 1. YES** - A professor or senior administrator who had high earnings during their career and is retiring with maximum pension. – This person can benefit from RRSP's and may wish to continue to contribute to their RRSP to offset additional income that they may continue to earn after retirement.

**Example 2. NO** - This person had a lower paying job and may not have worked for the university for a long time and so has a very modest pension. RRSP's may actually work against this person, since government instituted CLAWBACKS may actually reduce your retirement income, and restrict you from other benefits, to which you would otherwise be entitled.

**Example 3. MAYBE** - This person had a fairly good position and has a reasonable pension and reasonable savings. The answer for them is in the tax rates and trying to ensure that your retirement income is taxed at the lowest possible rate. So maybe Yes or maybe No.

An additional important RRSP strategy is income splitting which allows the higher earner to transfer money to a Spousal RRSP so that in retirement, income is more equal which is the most advantageous situation from a tax perspective.

As you can see the issues are not simple and each case needs careful investigation to prevent the taxman from getting any more of your money than the minimum, to which he is entitled! The Canadian Association of Retired People – CARP – had a special finance issue of their magazine 50Plus in December, 2004 which covered many of these issues in detail and I would recommend that you get a copy and read it. Finally find your self a good Financial Advisor to review your situation. It will be money well spent. *UGRA*

## DEAR UNIVERSITY OF GUELPH RETIREES' ASSOCIATION

**I** write to express my sincere thanks for your part in the advocacy associated with the Rae Review of Ontario's postsecondary education system through to yesterday's 2005 Ontario budget announcements. The tremendous University of Guelph effort in this advocacy campaign was clearly evident in the many letters written to elected officials and the various meetings held by groups and individuals with MPPs. University of Guelph students, faculty, staff, alumni, Board members, alumni, retirees as well as other friends and supporters of the University all played a part. For this I am deeply grateful and, once again, overwhelmed by the incredible capacities of the University and its supporters to pull together in pursuit of shared goals.

Sincerely, Alastair J.S. Summerlee, President and Vice-Chancellor

## UGRA SCHOLARSHIPS

Approval to create a scholarship of \$1,000. for family members of retirees was reached at the AGM in June 2004. Since then the Board has been developing the detailed terms and conditions for these awards together with the Senate Committee on Awards. A separate award of \$500. has been created to extend this opportunity to family members of retirees at the Alfred, Kemptville, and Ridgetown campuses.

These awards now have Senate approval and are to be given in semester two (January) with financial need used to determine the recipients from amongst the eligible candidates. Eligible candidates for the degree scholarship must have an A admission average from high school and Diploma candidates must have a minimum of B as their admission average. Eligible candidates will be children, grand children, or great grand children of a retiree and must have the retiree's support.

A total of \$1,000 was allocated in 2004-5 and transferred to the University but not spent as the first awards cannot be made until January 2006. There will be a discussion at the AGM in June 2005 to consider using these funds to begin an endowment fund from which these awards could eventually be paid. Additional contributions may in future be made by individual retirees. A fully funded endowment of \$35,000 will be required to sustain these awards at the current level in perpetuity. The UGRA is presently prepared to fund these scholarships in its annual operating budget. *UGRA*

# REPORT OF THE PENSIONS SUBCOMMITTEE

By Robin Ollerhead

Since the "Fall Forum" which was reported in the previous Newsletter, there have been two meetings of the Pensions and Benefits Committee of the Board of Governors ("Pens & Bens") and four meetings related to the Professional Pension Plan Advisory Group (PPPAG). There have been no meetings of the Pension Bargaining Council (PBC), presumably because the bargaining groups are engaged in negotiations with the University Administration.

Pens & Bens R. Ollerhead attended a meeting on December 16, 2004, at which the performance of the pension fund as of June 2004 was reviewed. Some new investment policies and procedures have been introduced. Experts in the financial community are providing advice through an "investment management committee". A report on post-employment benefits was presented, indicating that the cost of retiree benefits has increased, and models predict that increases will be significant in future years. Ways of limiting these costs will be examined, but will not affect the benefits of those who have already retired.

At a meeting on April 6, 2005, Claude Macorin presented a Review of 2004 Pension Plan Performance as of December 31, 2004. Fund returns annualized for 1, 2, 3, and 4 years were 8.0%, 11.0%, 4.8%, and 2.9%, reflecting weak market performance in past years and better performance in recent years. John Miles presented an overview of audited pension plan statements.

PPPAG R. Ollerhead arranged an information meeting with representatives from

the Faculty Association (Robin Davidson-Arnott) and the Professional Staff Association (Doug Blain) on January 18, 2005, to discuss the purpose and functioning of the PPPAG. As a result, the first formal meeting of the PPPAG was held February 2 with representatives from the University Administration, including Nancy Sullivan, VP Administration. Doug Blain was selected as Chair of PPPAG, and the mandate and operating procedures were reviewed. Vic Reimer presented an overview of the roles and responsibilities of a surprisingly large number of bodies involved in pension governance, ranging from plan members (who ultimately receive pension benefits) through the plan sponsor (U of G), the plan administrator (Pens & Bens), the custodian/trustee (Royal Trust), actuary (Towers Perrin), auditor (Price Waterhouse Cooper), investment managers, advisory groups, and government regulators (in particular the Financial Services Commission of Ontario). Vic is preparing a report on pension governance which will be available later this year.

At a meeting on March 16, John Miles discussed drafts of the audited financial statements for each of the pension plans, and commented on fees and expenses associated with the plans (as requested at a previous meeting). At a brief meeting on April 20, the final version of the terms of reference for PPPAG were approved, and Claude Macorin presented the summary of pension fund performance which had been submitted previously to Pens & Bens. *UGRA*

## EXECUTIVE COMMITTEE MEMBERSHIP LIST

2004 – 2005

Larry Porter  
*Past President, Newsletter  
Editor*

Mark Waldron  
*President*

Peggy Coghlan  
*Secretary*

Allan McInnis  
*Treasurer*

Ted Burnside  
*Chair, Benefits Committee*

Trish Halley  
*Chair, Scholarship Committee*

David Hull  
*Member, Pensions Committee*

Mike Jenkinson  
*Member, Scholarship  
Committee*

Bruce Koenig  
*Chair WWW Committee*

Bob Liptrap  
*CURAC Representative*

Wayne Marsh  
*Vice President*

Robin Ollerhead  
*Chair, Pensions Committee*

Carolyn Pawley  
*Special Events Committee*

Jim Shute  
*Newsletter Committee*

Sally Stoddart  
*Special Events Committee*

George Taylor  
*Pensions Committee*

## UNIVERSITY OF GUELPH RETIREES ASSOCIATION,

P.O. Box 4916,  
University of Guelph, Guelph, ON  
N1G 2W1

