



UGRA'S PRESIDENT'S MESSAGE



Dale Lockie

It is my privilege to serve as the President of the University of Guelph Retirees Association for the 2010-11 year, and work with the Executive Committee elected at the Annual General Meeting in June. In addition to the members from last year, Ron Downey, Peter Landoni, Eric Reiche and Carole Stewart were elected to their first term at the AGM. A full list of Committee members and their responsibilities are outlined elsewhere in the Newsletter.

Given the poor financial conditions of pension plans in general and the University of Guelph plans in particular (excluding the Non-Professional Plan) it is likely that when the actuarial valuation is completed for the Professional and Retirement Plans, very significant "wind-up" deficits will exist. This is due to the state of the global equity markets but it is also related to the low interest rate environment, which is a key determinant of the plans' liabilities. Therefore, the possibility for any "ad hoc" inflation protection in the short-term is extremely remote; however, we will continue to press for improvements for members of the Non-Professional Plan, which have the lowest pensions of the three plans, and in all likelihood this plan will show a significant surplus when the actuarial valuation has been completed.

One of my goals for this year will be to initiate programs to make UGRA more helpful to all of its constituents and also to encourage more retirees to become involved. In that regard, an event is currently being planned for late March or early April 2011 that should be of interest to all members. The time and location will be announced in an upcoming Newsletter and you will also be notified by email. Therefore, if we don't have your email address on file please forward it to us (no third parties will receive your information).

Dana Paramskas is currently working diligently to update the UGRA website and you are encouraged to visit the site and give us your feedback.

Once again this year, the UGRA executive is lending support for the Guelph Wellington United Way campaign and all retirees are encouraged to give as they are able. Given we have more retirees this year; hopefully we can improve upon the very generous \$55,000 which UGRA members gave to last year's campaign.

Your UGRA executive meets once a month between September and June, culminating with the AGM in June. If you have any questions or have items of interest to the membership as a whole, please do not hesitate to contact any of us.

Dale Lockie, President



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UGRA

www.ugra.ca

UGRA AGM, June 17, 2010

The 2010 Annual General Meeting of the University of Guelph Retirees Association was held at the Arboretum Centre on June 17. About 35 members were in attendance.

The first part of the meeting was devoted to a presentation made by John Miles, Associate Vice President-Finance and Services at the University of Guelph. John addressed the financial health of the University's pension plans. Using many charts and graphs, he gave those in attendance a very detailed picture of the fiscal and regulatory situation facing the University with respect to pensions. He pointed out that the Province requires that all plans be tested under two conditions. First, the plans are examined to see if they can meet their obligations to retirees under the assumption that the University continues in business and that both the University and current employees sustain their contributions to the plans. This is called the 'going concern valuation'. Second, they are examined to see if the plans can meet their obligations to retirees should the University go out of business and cease contributing to the plans. This is called the 'solvency valuation'.

He noted that under the tests, the U of G plans readily pass the going concern valuation but appeared to be unlikely to pass the solvency valuation test, which was scheduled to take place on August 1, 2010. As he observed, given that the University will be a continuing ongoing concern, retirees should have no worries about the capacity of the plans to meet

their pension payment obligations. The solvency valuation requirements, however, are another matter. While they are not a threat to retirees, they present the University with very difficult choices.

The remainder of his presentation was directed at the various choices facing the institution as it struggles to satisfy the solvency valuation demands. He pointed out that some easing of rules by the provincial government would be helpful and that the University Presidents were working with the province to find solutions. Finally, he entertained questions from those in attendance. The ensuing discussion was lively and informative.

The usual AGM business was conducted in the second part of the meeting. Members approved a set of changes to the UGRA Constitution intended to clarify director terms of office and to simplify the language describing which directors would be designated as officers. The amended Constitution is now posted on the UGRA website.

Ken Grant, acting as Treasurer, presented the financial statements for the Association. Our finances remain in good health although there was a sharp drop in Contributing Membership fee income in the past year. Luckily, our costs were also lower so that the deficit was minimal. The membership approved a new budget for 2010-2011, as presented in the Spring UGRA Newsletter.

Ken Grant, in his role as Chair of the Nominating Committee, presented the

slate of nominees comprised of 8 returning directors (Gary Fankie, Bonnie Hamilton, John Holt, Dale Lockie, Phil Keddie, Dana Paramskas, Brue Ryan, Mark Sears) and 4 new nominees (Ron Downey, Peter Landoni, Erich Reiche, Carole Stewart).

The slate was deemed elected when no other nominations were received from the floor. The officers for 2010-2011 are Bruce Ryan (Past President), Dale Lockie (President), Gary Frankie (Vice President), John Holt (Treasurer), Carole Stewart (Secretary).

The meeting ended after the new President (Dale Lockie) took the floor and outlined what he saw as the challenges facing the Association over the next year.



No Increase to Pension Payments for 2010-2011

There will be no increase to pension payments this September as the increase in the Consumer Price Index for Canada (CPI) did not exceed 2% over the past year. The increase in CPI has been calculated at .52%. In accordance with plan terms, this amount has been determined based on the average level of the CPI index during the May 2009 - April 2010 period compared to the average level of the index during the May 2008 - April 2009 period.

Questions can be directed to Vince Pellegrino at extension 56595 or Margaret McLeod at extension 56594, Human Resources, University of Guelph



Third Age Learning in Guelph: Lecture Program for Winter 2011

Third Age Learning - Guelph will be holding their Winter 2011 Series of lectures on Wednesdays from January 19 to March 9, 2011 at the Arboretum Centre, University of Guelph.

The morning series of eight lectures, starting at 10:00 am, is on *The Impact of the Economic Crisis and the Global Shift of Wealth and Power*. These lectures will be given by professors from the universities of Guelph, Toronto (Munk), Laurier and Waterloo (CIGI), amongst others.

The afternoon series of eight lectures, starting at 1:30 pm is on *Exploring the Changing Character of World Cities*. These lectures will be given by Gil Stelter, Professor Emeritus in the History Department, University of Guelph.

The fee for each eight lecture series booked in advance is \$30, or \$5 per lecture at the door, on a first come basis. Ticket sales will begin December 1. Make cheques payable to and mail to Third Age Learning - Guelph, PO Box 1862, Guelph, ON N1H 7A1.

TAL-Guelph has presented over 90 such lecture series over the past 20 years. For more information you can visit their web site at www.thirdagelearninguelph.ca.



Important Notice for UGRA Members Holidaying in Cuba



A few months ago, Sun Life, our health insurance carrier, notified us of a change in health insurance coverage requirements for all visitors to Cuba: As of May 1, 2010, Cuba requires visitors to carry proof of medical insurance.

The notification from Sun Life goes on to say:

Foreign citizens who have temporary residence in Cuba must also have medical insurance that covers them for the duration of their stay. The Travel Health Insurance Association (THIA) has been advised that Cuban authorities will accept either a Provincial Health Insurance card or proof of private travel insurance coverage as

sufficient proof to meet this requirement. Without either of these forms of proof visitors will be required to buy insurance from Cuban companies upon arrival.

Members and dependents should be prepared to present the following proof of medical coverage:

1. Provincial Health Insurance card. Each member of the family should travel with their own personalized card. Even though Provincial Health Insurance Plan coverage may gain you entry into Cuba, you should not rely on it as your only form of emergency medical coverage.
2. Sun Life Financial Coverage card including the Travel Card portion. The Europ Assistance logo should be clearly visible on the card as proof of the travel assistance provider.
3. Copy of covered expenses under your emergency travel assistance benefit. Copy the section of your plan member booklet, which describes your out-of country and travel coverage.

As an option, members travelling alone or with families to Cuba can contact the Sun Life Group Benefits Customer Care Centre at 1-800-361-6212 to obtain a letter outlining their coverage and listing any covered dependents.

UGRA Executive Committee/Officers 2010-2011



Left to Right: Gary Frankie (Vice President), Eric Reiche, Dana Paramskas, Peter Landoni, John Holt (Treasurer), Dale Lockie (President), Mark Sears, Bonnie Hamilton, Phil Keddie, Carole Stewart (Secretary), Bruce Ryan (Past President).
Missing: Ron Downey.

CURAC Conference 2010

The Annual CURAC Conference at York University in May 2010 had the theme "Pensions, Benefits, and Beyond," I will try to briefly cover some of the highlights.

A major presenter was Harry Arthurs, former president of York and chair of the Ontario Commission on Pensions. He sees problems in the control, the actuarial assumptions made, and the governments' regulation of the funds. For universities, he proposes moving to a higher safety margin, and improved transparency and equality in the governance of plans. The teachers' and civil servants' plans are examples of pension plans that universities could copy. Arthurs predicts that in the short term there will be a decline in pension benefits and in the longer term university pension plans will be switched to a hybrid benefits and contributions scheme.

Hervoje Lakota, an actuary with Mercer LTD, noted that in general defined benefit plans (like Guelph's) have fared better than defined contribution plans. He links the overall decline in pension plans to poor investment strategies, decreased expectations of future interest rates, longer living by retirees, and high rates of salary increases in recent years. This all leads to a lower pension solvency valuation. Lakota advocates that this solvency - assumption (will universities go bankrupt?) is the big problem in Ontario, other provinces have exempted universities. Lakota also believes there will be a push by universities to reduce benefits and switch to some version of a hybrid plan.

There was discussion of retiree privileges involving such matters as computer and library access, free perks such as parking and gym use, and office/meeting space for the retiree organization. My impression is that across universities, Guelph is somewhere in the middle range of such benefits. Other discussion centered around extended health and other benefits. Ann Schramm of Morneau Sebaco Funds warned that we live longer so that we should be planning for twenty to twenty-five years beyond. She pointed

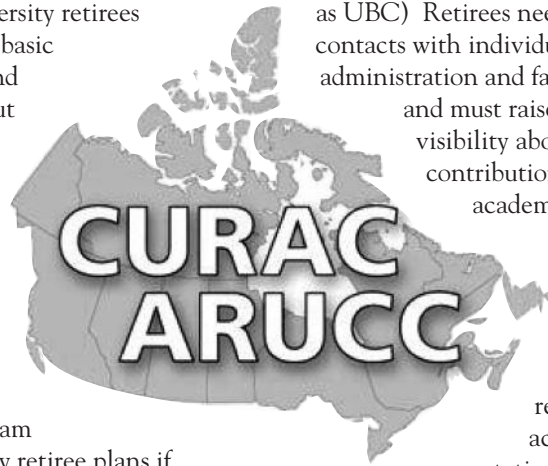
out that most university retirees have some form of basic extended health and dental coverage, but we need to be more aware of what other coverage to consider. For example, medication not usually covered by the Ontario Drug Benefit Program could be covered by retiree plans if medically necessary. She recommended becoming knowledgeable about community services for in-home assistance, long term care, and assisted living facilities.

A broader talk on retirement considerations was given by Judith Hall, a retired medical faculty member from UBC. She provided simple examples of do's (occasionally sleep in) and don'ts (race for deadlines) that should govern our lives. She talked about other activities in retirement, including continued involvement in the university (but some universities are not as amenable

as UBC) Retirees need to develop contacts with individuals in the administration and faculty associations, and must raise their own visibility about their contributions to the academic community.

Another large portion of the conference was devoted to sessions on retiree association activities and presentations of surveys of retirees' wishes. One distinctive contribution here was from the Association of Retirees of Higher Education (AROHE) who presented data from their conferences and surveys in the U.S and Canada. The ideas and lists from the CURAC conference sessions would be too long for this space, but some of the more popular undertakings in Canadian universities were yearly social events (luncheons, cocktail hours), workshops on retirement, and speaker forums on various topics.

Gary Frankie, UGRA Vice-President and CURAC Representative



United Way Campaign 2010

University of Guelph Retirees contributed nearly \$55,000 toward the university's 2009 campaign total of \$519,000. Thank you to everyone who supported the campaign – with your help the United Way of Guelph and Wellington was able to support over 77 programs across the city of Guelph and the County of Wellington as well as an additional 7 programs in Dufferin County and Orangeville.

This year's United Way mailing will be out soon and your support is once again greatly appreciated. If you would like more information or would like to make a donation, you can visit the United Way of Guelph & Wellington online at www.unitedwayguelph.com or contact Grace Correia at the United Way office at 519-821-0571 ext. 33.

Your donations will go a long way in making our community a better place to live, work and play.



President Summerlee's Retirees Social 2010

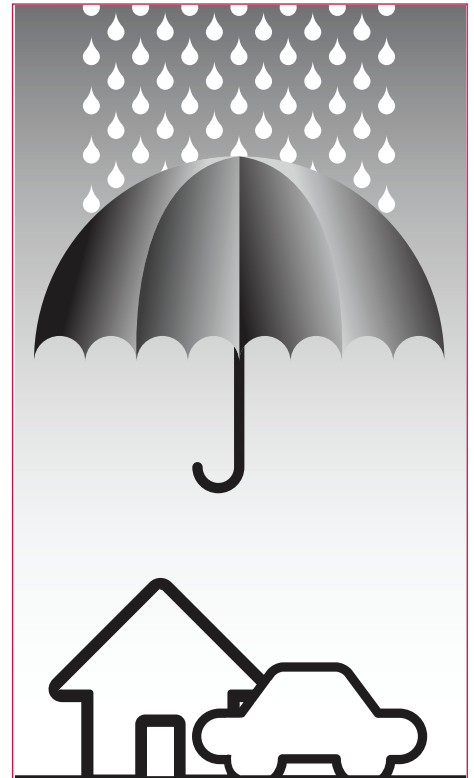
On September 2, President Alastair Summerlee hosted a Dessert Social for members of the UGRA. This year's Social was held in the University Club in the University Centre. About 25 retirees spent a relaxing two hours enjoying delicious desserts along with coffee and tea while they caught up on old times with friends not often seen. President Summerlee spoke to the attendees about developments at the University and his plans for the future.

Among the topics President Summerlee talked about was the very important BetterPlanet Project the details of which can be seen at: www.thebetterplanetproject.ca. Under the aegis of the project the University plans to raise 200 million dollars to support a wide range of initiatives aimed at to helping to improve the quality of food, environment, health and communities here and around the world.

President Summerlee directly addressed the security of the pension plans and assured the audience that the University is obligated and is able to pay to current retirees the benefits to which they are entitled under the provisions of the plans.

He further noted that the provincial government had introduced measures that likely will result in pension changes for those not yet retired. However, any such changes cannot be made retroactive; current retirees will continue to receive the payments they now receive and under the same conditions.

President Summerlee also described the various building projects going on around the campus including the very extensive upgrading of the Axelrod Building. In order to bring the building up to current energy efficiency standards, the building is getting an entire new skin so that appropriate insulating materials can be installed. He also described a particular satisfaction with the recent demolition of the old Textiles Building that was constructed as a temporary building in WW II. Despite the efforts of several Presidents of the University of Guelph who declared the building's immanent end, it repeatedly found new albeit temporary uses. President Summerlee observed that he was beginning to worry that the Textiles Building would also outlast his tenure as President.



Waterloo Insurance Offer Through Our CURAC Connection

If, before December 17, 2010, you obtain a property or auto insurance no-obligation quote from Waterloo Insurance you stand the chance of winning a \$5000 prepaid MasterCard that can be used anywhere. In addition, everyone who asks for a quote will receive a \$5 Tim Horton's gift card. This is an offer that is open to UGRA members through our Association's membership in the College and University Retiree Associations of Canada. CURAC has negotiated discounted group rates with Waterloo Insurance. The agreement with CURAC provides no interest or service fees on monthly payment plans and a 24-hour claims service. If you would like to seek a property and/or auto insurance quote, call 1-866-247-7700. Additional information about the contest rules and insurance plans can be found on their website at www.waterlooinurance.com.



Recent Retirees

February 1, 2010

Pauline Corcoran CSAHS Dean's Office
Susanne Desautels Academic Programs
Susan G. McGinnis Arts - Dean's Office
Doreen McDooling Phys Res-Admin
Janet Swinton LSD-Animal Hlth Labs
Lajos Szabo CCS-Univ Systems

March 1, 2010

Isobel Heathcote Dean - Grad Studies
Peter V. Landoni Student Finance
Joan Lyver Student Housing Serv
Kok-Ying Lee LSD - Regulatory Serv
Sofie Tatarski LSD-Animal Hlth Labs
Pamela Varga Comp & Info Science
Joanne Waechter Fam Relns & App Nutr

April 1, 2010

Malamin Barrow LSD-Animal Hlth Labs
Patricia MacPherson Sch Fine Art & Music
James Rahn VTH Nursing La1
Patricia Richards Athletics

May 1, 2010

Robert Atkinson CCS-Univ Systems
Diane Boyd Office of the CIO - Library
Helen Checkley Hospitality Services
Nelson Cole VTH - Animal Housing
Lloyd Cummins Phys Res - Bldg Mech
Patricia Dawkins Graduate Studies
Johanna Drenters Hospitality Services
Casey Gielen Chemistry
Ella Gregorio Office of the CIO - Library
Leslie Huber Pathobiology
Tajinder Kang Office of the CIO - Library
Mary Magyar Human Resources
Nancy Mammoliti PR/SHS Environ Serv
Anna Mandolesi Child Care Services
Francesca Marra Hospitality Services
Lynda McCreery Career Services
Donna Mokren CSAHS Dean's Office
Elizabeth J. Murison Office of the CIO - Library
Mary Nairn Learning Technology
Joyce Scherer Phys Res-Admin
Rita Sciscione Office of the CIO - Library
Jaroslav Sindelar OMAFRA Research Stns
Judith Stoffman Mktg. & Consumer Stdy
Rhonda Taylor Office of the CIO - Library
Vernon Thomas Integrative Biology
Margaret Torrance CCS - Univ Systems

June 1, 2010

Dana Allen Clinical Studies
Anne Bolger Economics
Kathleen Cameron PR/SHS Environ Serv
Brenda Crowley CCS - Oper Personnel
Cheryll Ann Franchetto Purchasing Services
Janis MacPherson Athletics
Charles Nixon CCS - Oper Personnel
Susan Norman Academic Programs
Tom Parker Pathobiology
Helen Thompson Hospitality Services
Sandi Tovell Office of the CIO - Library

July 1, 2010

Deborah Douglas Hospitality Services
Ronald J. Fleming RC-Academic
Larry Fraser Phys Res - Bldg Mech
Josef Hoedl Phys Res - Mechanical
Marlene Jackle Human Resources
Douglas McCalla History
Peter Robertson OMAFRA Research Stns
Jo Lynn Saunders AVP Research
Ruth Switzer Academic Records
Angelina Trivett PA-Bovey Bldg
Lorna Wojcicki Population Medicine

August 1, 2010

Levi Cox PR/SHS Environ Serv
M. Krystyna Czernicki Chemistry
Dalchan Persaud Envir Health&Safety
Joanne Poluch Student Finance

September 1, 2010

Ian Barker Pathobiology
Daniel Chouinard Sch of Langs & Lit
Terence Crowley History
Stewart Hilts Land Resource Sci
Steve Howie CCS - IT Academic Su
Bruce Hunter Pathobiology
Norman Lindsay OMAFRA Research Stns
Esther Martin Chemistry
Kenneth Menzies Sociology&Anthropol
Kenneth Moyer VTH - Nursing Lab
Margaret Ruth Nagle Cont Ed-OOL
William Nickling Geography
David Powell Phys Res - Mechanical
Paulette Samson Ann & Planned Giving
Robert St. Amant Alfred - Academic

Passings

Phyllis Parkinson
January 1, 2010

Harley Gray
February 3, 2010

Audrey Jones
March 6, 2010

Bertha M Beaton
March 14, 2010

Kathleen N Bennett
April 4, 2010

Thomas D Burgess
April 6, 2010

Helen Power
April 10, 2010

Alexander M Ross
April 16, 2010

George Mike Jenkinson
April 19, 2010

Sheila McCutcheon
May 14, 2010

Virginia Gray
May 18, 2010

Warren Stickland
May 27, 2010

Eleanor Seifried
June 30, 2010

Mary E Bell
July 15, 2010

Kenneth T Noakes
July 23, 2010

Frederick Ross Hallett
August 6, 2010

Samuel Sidlofsky
August 6, 2010

Hugh Alton
August 10, 2010



Moving?

If you move to a new home, please remember to notify Human Resources at the University of your new mailing address. This will ensure that you receive your pension cheques and other correspondence, including the UGRA Newsletter.

There are three ways you can let Human Resources know about your address change. You can phone **519-825-4120 x53374** or you can email hr@uoguelph.ca or you can go on the HR website at www.uoguelph.ca/hr/addresschange/.

Human Resources will inform CIBC Mellon, the pension administrator, of the change.



Letters to the Editor

Do you have comments or concerns regarding topics in this newsletter or about UGRA itself that you would like to offer? We welcome our ideas, suggestions and comments.

Please write to us at:

president@ugra.ca or go to our **website at www.ugra.ca** and use one of our message posting facilities or you can do it the traditional way:

Newsletter Editor
University of Guelph Retirees Association
P.O. Box 48-4916
University of Guelph
Guelph, ON N1G 2W1



Be a Contributing Member of the UGRA (2010-2011)

All retirees are automatically members of the University of Guelph Retirees Association, but our capacity to operate effectively on behalf of retirees depends on members volunteering to become Contributing Members. This money covers the costs of the newsletter, scholarships, meeting room rentals and support for a member of the UGRA to attend the annual meeting of the College and University Retirees Association of Canada.

Please use the attached Contributing Membership Form to send with your Contributing Membership payment. We have asked for a contribution of \$20 but always appreciate those members who add some extra funds to help us carry on the work.

We have also provided a place on the form for those who might wish to contribute more actively to the UGRA either by a willingness to serve on the Executive or by working on a committee or task group to carry out short term projects.

UGRA University of Guelph Retirees Association Contributing Membership Form (2010-2011)

YES! I want to help promote the welfare of retirees and to foster a mutually beneficial relationship between retirees and the University. Please accept my cheque for \$20 as my contribution to the UGRA's administrative costs.

Name..... Date.....

Address

City/Province Postal Code.....

E-mail

Amount of your contribution:

I would like to receive more information about serving on the Executive of the UGRA or on one of its committees. Yes No Maybe Later (Please circle one)

If Yes, please provide a phone number:

Please make cheques payable to: University of Guelph Retirees Association

Mail this form with your cheque to: University of Guelph Retirees Association
University of Guelph
Guelph Ontario, N1G 2W1

The Pension Plan Situation as of October 28, 2010

Facing proposed provincial legislation, the University of Guelph is reviewing options for restructuring its pension plans. In August, Ontario universities were granted the opportunity to receive temporary, conditional relief from making significant pension solvency payments that had been scheduled to begin under current legislation. For U of G, existing requirements would have meant increasing its pension plan contributions from the current payment of \$22 million a year to between \$70 million and \$100 million every year for the next five years.

To qualify for relief, sponsors of underfunded pension plans have been told by the province to develop strategies to provide for the long-term financial viability of their plans. The government has suggested that options could include moving U of G's defined-benefit plans from single-employer plans (plan is solely sponsored by the employer) to jointly sponsored pension plans (members and

the employer share responsibility) or a combination of increasing pension contributions from both employees and employers and reducing benefits.

As provincial regulations are still forthcoming, the extent of any expected "relief" is unknown. But should U of G qualify, it's expected it would have to pay an estimated \$40 million a year for the three-year period. To be considered for relief, the University must file a plan for changing its pensions at the beginning of 2011. The plan will be shared with members and employee groups.



U of G has been meeting with employee groups to inform people about the situation. A number of options are being discussed, including increasing contributions from both the University and employees and reducing benefits such as permanent early retirement options. A town hall meeting on pension plans is being planned for November.

The benefits of current retirees would not be affected.

Excerpted from U of G News Release

PUBLICATIONS MAIL AGREEMENT NO. 40064673

RETURN UNDELIVERABLE CANADIAN ADDRESSES TO: ITEMS TO
UNIVERSITY OF GUELPH RETIREES' ASSOCIATION
P.O. BOX 4916
UNIVERSITY OF GUELPH
GUELPH, ONTARIO
CANADA N1G 2W1

