MINUTES OF THE TWENTY-SEVENTH MEETING
OF THE
CONCORDIA UNIVERSITY PENSIONERS' ASSOCIATION
HELD ON
TUESDAY, OCTOBER 31, 2000
IN ROOM H-767 OF THE HALL BUILDING (SGW CAMPUS)

27.1 Call to Order and the President's Remarks

The President John Hall called the meeting to order. The President welcomed the new members to the Association and noted with regret the death of several of our members since the last meeting. In addition, he reported that the telephone tree was in the final stages and hoped to have it in place by the spring. Appreciation was expressed to Guy Gervais and Earl Hutton for their efforts in setting it up.

27.2 Approval of the Agenda

The President reported that, under Committee Reports, an additional item would be 5.5 Seminar Committee report. A motion by Kurt Jonassohn to approve the agenda as amended was seconded by John Fiset. Motion carried.

27.3 Minutes of the Meeting of April 27, 2000

The minutes of the April 27, 2000 meeting were distributed. A correction to the minutes was noted under the Pension and Benefits Committee report regarding the splitting of the Pension Plan. The statement should read "...no *unilateral* decisions will be made..." Bruce English moved approval of the amended minutes. Seconded by Larry Bessner. Motion carried.

27.4 Business arising from the Minutes

The President provided the following update on the CUPA Scholarship: Following the last meeting, a sub-committee was formed consisting of Susan Drysdale, Katherine Waters, Larry Bessner, Geof Adams and John Hall. Points requiring clarification were: the terms of reference, the commitment, source of the funding and administration of the fund.
The group met with the Financial Aid Office and the University Advancement office to discuss these issues. The following were resolved;

- Shuffle money contributed by CUPA members could not be redirected.
- If a scholarship, a commitment of $4500 in advance would be required ($1500 annually for three years).
- No discriminatory terms would be accepted (age, etc.)
- Financial aid office would select the recipient.
- If a bursary, it would be awarded based on proof of financial need.
- If an endowment, it would require a large monetary gift put into trust.

Many of these issues remain to be resolved; in addition, a number of options remain to be studied by the sub-committee. Negotiations are continuing. A definite report will be issued at a later date.

27.5.1 Alliance of Quebec Seniors Report

Mr. Beaudoin reported that he had attended their meetings and that the new President was Ann Gagne. The group continues to be involved in the area of assisting retirees with problems and would maintain their stand as a lobbying group for issues related to housing and pensions. CUPA has maintained contact with this group for over ten years and it is considered to be most worthwhile.

27.5.2 Programme Committee Report

Bob Pallen reported that three activities seem to have the greatest support, they are: the Day at the Races, the Annual Luncheon and the Big Band dance in the spring. Therefore, these three will again be repeated this year.

27.5.3 Secretary-Treasurer's Report

Audrey Williams presented the Statement of Income and Expenses for the period June 1, 1999 to May 31, 2000. The Total Income for the year was $9506.90 and expenses for the same period were $5071.83 leaving a closing balance as of May 31 of $4435.07. As shown by the report, the expenses for the events held during the past year more than paid for themselves. The biggest costs remain the postage and printing which are normal.

The membership was reported to be 423. However, this number may be reduced as there are number of unpaid members who have been contacted several times without response. In fairness to the remaining members, these individuals may be regretfully dropped from our list.

A plea was put forth to the members to assist us in contacting recent retirees to join CUPA. A more effective manner of recruiting new members is needed so as to build on our membership roster. Suggestions from members to the Executive would be greatly appreciated. The size of our membership could be an important factor in the forthcoming CSN Class Action Suit.

27.5.4 Seminar Committee Report:

Howard Fink reported that the information session held recently on car purchase, leasing and maintenance and repair was well received. The featured speakers were senior experienced management of the Gabriel Automobile Group. A repeat of this seminar will be held in the future.

27.5.5 Pension and Benefits Committee Report:

Howard Fink and John Hall jointly presented the following report.

a) Pension Committee:

The Annual General Information Meeting held earlier in the month was reported on briefly. The report on the performance of the fund showed a

market value gain of about $33.5 million in the twelve months ended December 31, 1999. This was based partly on the excellent performance of the Fund investments: 12% in 1999 against the objective of 6.6%, and an annual average over the last five years of almost 14% gain as against the Plan's average objective of 5.6%.

Mr. Richard Bissaillon, the plaintiff in the class-action suit against the University, was elected to the Committee.

Amendments to the Plan itself in 1999 included an increase of 0.2% of pensionable earnings to YMPE in the benefits formula, while the federal government's intention to index the maximum pension starting in 2005 was added to the actuarial liabilities of the Plan. Additional amendments to the plan in 2000 included changing the formula from the best 60 consecutive months to the best 36 consecutive months, as well as the addition of another choice for the survivor's percentage of the member's pension – 66 2/3%. Most of the above benefits reduced the surplus; thus the surplus was shared in 1999 between the members and the University. However, only the active members enjoyed these benefits. With the exception of the 1999 catch-up indexing of retirees' pensions to CPI, retirees have not shared in the surplus, while retires and vested members now own some 53% of the liabilities in the whole pension fund and by logical extension should enjoy the benefit of the same proportion of the surplus!

As a result of the above, the CUPA representatives tabled a motion to discuss the refining of the indexing formula to make it less dependent on the current performance formulas. However, in relation to the excellent performance of the Fund, the current indexing formula continues to provide full indexing to CPI.

The number of retired members, surviving beneficiaries and deferred vested members in the Plan increased by 22 to 1,177 by January 1, 2000 while the number of full-time active members (faculty and staff) increased by 80 to 1,872. Part-time employees increased by one to a total of 833.

The University Pensions sub-committee met during the summer and made a number of changes to the asset mix, namely reducing the fixed income holdings from 45% to 40% and adding 5% to the EAFE (Europe, Australia and Far East) investment thus increasing our foreign holdings from 15% to 20%. A review of the fund managers was also completed and based on a number of criteria established by the Committee; Bailey Gifford was chosen to handle the EAFE portion of the fund.

b) Benefits Committee

Class-Action Suit:

The CSN lawyers *re*opened the case last spring, after a hiatus of nearly a year. The CUPA lawyers examined Mr. Bisaillon and all the lawyers made statements of contestation. The CSN lawyers requested an examination with John Hall and Howard Fink. The meeting with John Hall was held in mid-October and lasted for over four hours. Mâitre Evangeliste was unable to shake John Hall's clear statements and as a result, Mâitre Evangeliste decided not to interview Howard Fink. It now appears that the other lawyers are beginning to support the CUPA arguments that include our contention that the democratic representation and decision-making processes of the Benefits and Pensions Committees severely contradict the class action's accusation of unilateral decisions and spending by the University.

One further item of interest; the CSN-supported Inter-Union Council has asked CUFA to consider talks related to the splitting of the Pension Fund.

Demutualization of Mutual Life to Clarica

No final recommendations have been made to date regarding the partitioning of the funds between the University and the employees. Intensive discussions relating to increasing the employees' share have been taking place. The Chairman of this Committee recently left the University and the Committee is waiting to be recalled for further discussions.

Health Insurance Plan

The major problems with the recently instituted changes to the Group Health Insurance Plan relate to the out-of–province travel that involves both active and non-active members. The original sub-committee that had proposed the changes has been reconvened and is trying to resolve the situation. We have gained along with the actives parity for the one million dollar lifetime limit on claims. However, the length of continuous protection while traveling has been reduced from 180 days to 60 days. In addition, there is a new regulation that the committee did not approve that there must be a 30-day waiting period before the next 60-day travel period can be covered. Attempting to obtain top up travel insurance for over 60 days was either very expensive or next to impossible to obtain from another carrier. The sub-committee has been asked to look into obtaining a new carrier for the out-of province travel and removing the 30-day waiting period. Discussions are on going; hopefully new information will be available in the near future.

27.6 Other Business

Carl Goldman, a member and Montreal representative for CARP (Canadian Association of Retired Persons) outlined some of the activities of this organization such as their magazine "Fifty-Plus" and their Web site. Issues such as health, travel, and financial items, etc. are discussed in these publications. They are affiliated with a large insurance company Marsh McLennan. Further information is available.

27.7 Guest Speaker: Mr. Michael DiGrappa, Vice-Rector Services.

Mr. Di Grappa addressed the group on the topic "New Structures and the Status of Buildings on both Campus". (A summary of the presentation will be found in the Newsletter Vol.10 No.1 January 2001) Following the presentation, Mr. DiGrappa responded to a number of questions.

27.8 Adjournment

The meeting adjourned on a motion by Zuzana Jirkovsky and seconded by Carl Goldman.