



"The Voice for Ontario CAAT Retirees"

NEWSLETTER

www.ocraretirees.ca

OCRA is an organization that advocates for its members on issues of concern to community college retirees

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In This Issue

From the President 1

Membership Matters.....2

CAAT Funding Task Force.....3

OCRA General Meeting Report4

Pension Trivia5

Retiree CAATNIPS6

Retiree Associations.....6

FROM THE PRESIDENT
Linda Choptiany
president@ocraretirees.ca

Best wishes from OCRA for a healthy and happy 2011!

Congratulations to Joan Cunnington

Joan is the newly appointed retired academic representative on the CRGIAC (CAAT Retirees Group Insurance Advisory Committee). This committee acts as an advisory body and assists the Council in the appropriate benefit design and cost effectiveness of the group insurance benefit plans available to all retirees. Joan was a member of the working committee that developed the revised benefit plans in 2005 when the CRGIAC was established. She has created a much-valued Comparison of Extended Health Benefit Plans available upon request by email to our members. Joan is a Seneca retiree and the OCRA Communications director.

Loss of pension indexing

It is a serious concern for retirees that the CAAT Pension Plan, after 2014, may decide not to fund indexation for years of college service prior to 1992. Many retirees' pensions will be affected. OCRA and its members have telephoned and sent letters and emails to Derek Dobson, CEO of the CAAT Pension Plan, protesting this potential loss of future income. The announcement of the Plan's decision will be made soon. See the CAAT Plan's article in this newsletter about the upcoming report of their Funding Task Force.



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Editor: Joan Cunnington

Calculating your potential loss - OCRA has been working on a pension calculator to demonstrate the difference in your pension if you lose indexing for pre-1992 years of service. The pension calculator will show you the amount of your pension in 2015 with indexation and without it. The calculator will be available soon.

Board Business

New directors - Welcome to Ruth Tracy (St. Lawrence) and Rod Rork (Humber) who were elected at OCRA's General Meeting held October 28, 2010, at Mohawk College.

Meetings - Your Board met five times in 2010 in addition to the General Meeting. A review of the General Meeting is provided elsewhere in this newsletter.

In May, I was invited to speak at Durham College Retirees Association General Meeting and at the CURAC (College and University Retiree Associations of Canada) National Conference and Annual General Meeting held at York University. On both occasions I updated attendees on the issues OCRA is addressing.

In August, I met with Diane Posterski, Executive Director of OCASA (Ontario Colleges Administrative Staff Association) in August to explore ways in which OCRA and OCASA can work together for the benefit of their members.

Strategic direction for 2011

At our December meeting, the OCRA Board discussed several goals for 2011. We will be designing a membership survey for our members to ask for their concerns and how OCRA can address them. If you have survey experience and would like to volunteer your skills, please contact me at the email address above.

OCRA has received complaints from retirees about the lack of communication from their college human resource departments. Your Association believes there are ways to improve the communication paths for retirees and we will be looking at the options. Algonquin College's Human Resources Department website is an example of one way to provide good communications for retirees. Additional comments and specific details for accessing this website can be found on page 7. I am interested to hear how your college handles communications with retirees. You can contact me at (905) 209-9435 or president@ocraretirees.ca

MEMBERSHIP MATTERS

Jennifer Moore, Membership Co-ordinator
membership@ocraretirees.ca

Renewal notices for 2011 membership were sent out in December, and if you haven't returned your renewal yet, please send it in as soon as possible. Revenues from membership fees help to keep OCRA strong and growing and cover its operating expenses throughout the year. Maintaining your membership means OCRA will continue to keep you informed about developments in areas such as pensions and benefits. If your renewal notice hasn't arrived, please give me a call at (705) 743-2072 or send me an email at membership@ocraretirees.ca

Five college retiree associations collect the OCRA fees and forward the funds directly to OCRA for their members: **Centennial, Lambton, Mohawk, St. Clair and St. Lawrence.** Membership cards are sent out as soon as your information is received by OCRA. If you are not sure if the OCRA membership fee has been paid on your behalf, please contact your local association. If you have already received your membership card, you'll notice that it is now a permanent laminated one with an *issue* date rather than an *expiry* date.

To help keep our records up to date, please be sure to send us an update if you have a new telephone number, street address or email address. Making sure that our records are current is especially important if you are a life member since you do not receive the annual renewal notice.

Our thanks to all members who have renewed for 2011 or who have taken out a life membership. Please encourage your fellow CAAT retirees to join OCRA. Our website (www.ocraretirees.ca) as a membership form on it, as well as annual and life membership details on line. I can be reached at:

Jennifer Moore
OCRA Membership Co-ordinator
266 Charlotte Street, Suite 244
Peterborough, Ontario K9K 2V4

In response to OCRA's request for articles from organizations of importance to CAAT retirees, we received the following contribution from Diane Smith, the Communications Manager of the CAAT Pension Plan. Thank you, Diane!



COMING SOON: REPORT OF THE FUNDING TASK FORCE

Diane Smith, CAAT Plan Communications Manager

(416) 673-9018 www.caatpension.on.ca

After almost a year of reviewing Plan provisions, the Funding Task Force is preparing its report to the Board of Trustees. Once any resulting changes are approved, possibly in early March, an announcement will appear on the Plan's website (www.caatpension.on.ca). An article in the Pensioner Newsletter will follow.

The Task Force has been looking at ways to eliminate the deficit the Plan has as of January 1, 2011. There are three tools available to do this:

Contribution increases – The Plan has in recent years raised contribution rates by 3% for both employees and employers. This 3% represents "stability contributions" – the cost of managing the Plan's deficit. The Plan is still managing the deficit caused by historical low long-term interest rates and the public market losses of 2008. "Basic" contribution rates

paid by both members and colleges (currently about 8% of earnings each) represent the approximate cost of securing the benefit when there is no deficit. Any changes to contribution rates would have no effect on retired members.

Changes to benefits – A reduction to benefits that have not yet been earned is another possible deficit reduction tool. There is a general sense that members increasingly understand the high value of their pension, and that preservation of benefit provisions is of key importance. It should be noted that changes to future benefit accruals would have no effect on retired members.

Changes to actuarial assumptions – These assumptions, developed by the Pension Plan's Actuary, measure the value of assets and the costs of benefits over the long term. They cover such things as investment return, interest rates, and frequency of retirements, along with life expectancy. Longevity of Plan members continues to rise. This has created a need to set aside additional funds to make the expected additional pension payments. Some changes here would improve the security of promised benefits. This would have a positive impact on all members, both active and retired. The Task Force's recommendations will support a disciplined framework that strikes a balance between maintaining a financially stable and secure Pension Plan, and delivering fair value to all members in terms of what they pay into and receive from the Plan.

OCRA GENERAL MEETING REPORT

Joan Cunningham

communications@ocraretirees.ca

By far the largest number of Ontario community college retirees ever came to **Mohawk College** in Hamilton for the **OCRA General Meeting on October 28, 2010**. Well over 100 retirees representing colleges in Kingston, Peterborough, Belleville, Oshawa, the Greater Toronto Area, Hamilton, Niagara, London, Sarnia and Windsor filled the meeting room to capacity. Staff from the colleges' extended health insurance plan, the Ontario Colleges Administrative Staff Association, and the CAAT Pension Plan were also present. Maureen Adamson, Vice President of Corporate Services at Mohawk College, extended a warm welcome to retirees.

Two excellent speakers provided updates in two important areas. Dr. Tony Tilly, president of Fleming College (Peterborough) and chair of the Committee of Presidents, reviewed the provincial government's recent structural reorganization of the way the colleges are governed and administered. He also brought the retirees up to date on the current challenges and opportunities in the Ontario college system.

Derek Dobson, CEO of the CAAT Pension Plan, explained the current financial situation of the pension plan, and discussed the activities of the Plan's Funding Review Committee. One likely result of this committee's recommendations will be the discontinuance in 2014 of "ad hoc" indexation increases to pensions based on service prior to 1992. It has become clear that there are three classes of pensioners under the CAAT Plan:

- Pensioners with pre-1992 service who receive "ad hoc" indexation;
- Pensioners with service from 1993-2007 who have indexation guaranteed for life on those years of service;
- Pensioners with post-2007 service who may receive indexed increases if the Plan can afford to pay them.

Mr. Dobson patiently answered many questions but indicated that indexation for pre-1992 service will continue after 2014 only if the Pension Plan has the funding available. OCRA will continue to communicate with Mr. Dobson regarding the retention of indexation for pre-1992 service.

The meeting included the election of new directors Rod Rork of Humber College and Ruth Tracy of St. Lawrence College.

OCRA would like to express sincere thanks to Mohawk College for hosting the General Meeting, providing lunch, room facilities and parking. The support of the Retirees Association of Mohawk College is much appreciated and this group is to be congratulated on the large number of its members who came to this meeting.

SHORTS



Very brief bios of OCRA's new directors -

Rod Rork had a 30-year career in finance and administration at Sir Sandford Fleming and Humber Colleges. At Humber he was the project co-ordinator for the implementation of the integrated college and university program between Humber College and the University of Guelph. Since retiring in 2000, Rod has provided consulting services and financial and facility reviews. A personal interest is the care and maintenance of several antique motorboats and canoes. We welcome Rod and his expertise in the administrative area is much appreciated.

Ruth Tracy has an extensive background in education studies and she joined St. Lawrence to teach business subjects as a "charter member" in 1967. As a member of the St. Lawrence retirees group, she takes a particular interest in pensions, having played a major role in at least one brief that was submitted to the Ontario Expert Commission on Pensions. There is an example of Ruth's wide-ranging knowledge of all things relating to pensions in the "Pensions Trivia" article, and we value her experience and knowledge in this area.

PENSION TRIVIA

Ruth Tracy

Historically, the military were the first larger group of employees to be put on a pension plan. The British military set up a formalized plan in the seventeenth century – two hundred years before other occupational groups benefited.

The Superannuation Act of 1870 provided pensions for Canadian civil servants. No attempt was made to hide the intent of the Act: "This pension legislation is not for the benefit of employees, but for the protection and benefit of the public and to enable the Government to get rid of persons who have arrived at a time of life when they can no longer perform their work efficiently." - Sir Francis Hinks, Minister of Finance

Even so, the terms of the 1870 Act were more generous than those of our CAAT Pension in several respects. Benefits were based on the average salary for the last three years of service – ranging from 20% after ten years to a maximum of 70% after 35 years. Employees forced by physical or mental disability to retire before they were eligible for superannuation could claim a month's pay for each year of service.

The 1920s saw a long list of corporations enter the pension field. "Pensions are not deferred wages," insisted one CEO, "they are a legitimate management device to inspire loyalty from employees, to cut labour turnover, and to make it easier to dispose of older, less efficient workers." When other provincial pension plans incorporated indexing, they made indexing retroactive to include past service as well as service from those dates onward. 7.05% was the average annual inflation rate between 1970 and 1988.



"RETIREE CAATNIPS" **Joan Cunnington**

Just when I thought that all possible puns and other word plays on the acronym for Colleges of Applied Arts and Technology had been exhausted long ago, I was surprised to discover an innovative revival of the art of punning in the retiree benefits renewal package sent by my college in December. Along with the usual announcement of my premiums for 2011 and other information, the package contained the first edition of "Retiree CAATNIPS" which provided an encouraging start to the provision of essential information for plan subscribers from those who administer our benefits.

As we all know, it isn't always easy to find answers to benefits questions when we need them. From time to time OCRA receives requests from members for assistance in solving a benefits problem, usually after the retiree has tried other avenues of enquiry without a satisfactory result. The arrival of "Retiree CAATNIPS," which is sponsored on behalf of the CAAT Retirees Group Insurance Committee (CRGIAC), should help clear up some areas of confusion for retirees. For example, the first issue explains "how our extended health care plans integrate with your provincial health care plans." There are six pages of helpful information explaining which items are covered by the provincial plan, and which items should be claimed under the CAAT plan.

Congratulations to the CRGIAC for this initiative! However, there is one fly in the ointment; as of publication time for this newsletter, not all plan members have received this package

because their college hasn't sent it to them. If your package hasn't arrived, please do the following:

1. Call your college's Human Resources Dept. and ask when they will send the package;
2. Send an email to or telephone Linda Choptiany so we can follow up.

The "Retiree CAATNIPS" is available now on The Council's website at <http://www.thecouncil.on.ca/download/11791> If you haven't received the CAATNIPS yet and want to read it right now, you can also find it on the Algonquin College website. Please go to www.algonquincollege.com/humanresources/documents/RETIREECAATNIPSVOLUME1

THOUGHTS ON THE ROLE AND VALUE OF RETIREE ASSOCIATIONS

Jim Martin

I have the pleasure of participating in three different Retiree Associations: a very active St. Clair College Retirees Association, the local chapter of the Retired Teachers of Ontario, and OCRA. To each I pay my dues. From each I get a newsletter.

In addition, I have the fun of participating in many social events organized by our College retirees' Association: field trips to wineries, bus trips to musicals with dinner, guest speakers, trips to local historical sites, BBQs and luncheons, and College events. In turn, we play bridge, trivial pursuit, visit Mexico or the Caribbean, help our local community, and play with our grandchildren. We contribute to our College by managing an extensive history of the College, including many newspapers, photos, videos, and artefacts. Retirees also volunteer to assist at student elections, and College fund-raising events. What is truly felt is that although we may be gone, we are not forgotten, and we are still friends. It is also wonderful to see and chat with many people with whom we have so much shared experience. It is a very positive, fun, warm world.

My social relationship with RTO is quite limited. Although my pension is with the OTPP (Ontario Teachers Pension Plan), and my health benefit plan is with RTO, it is more by historical accident than conscious choice. However, it does provide me with an opportunity to see the differences between the CAAT pension, and health benefit plan, and mine. I have been approached by several of my retired colleagues over the past years for my experience with the RTO health plan. (CAAT retirees are welcome to join provided they also become a member of RTO).

I have had the privilege of being on the OCRA executive for a few years. OCRA focuses on ensuring that their members' interests and concerns are voiced to the various decision-making bodies involved with pension and health benefits. ***There still burns a dream that we may be able to get a seat on these decision-making Boards.*** In the meantime, the concerns of our members are being gathered, analysed, reviewed, and forwarded to these bodies to ensure as much awareness and relevance as possible in their decision making. I have now experienced three Annual Meetings of OCRA. It became very clear that the considerable support of the local retiree association at the Colleges where they were held helped make the annual meetings very successful. One of OCRA's major objectives is to help any college retiree group to grow its association and to make retirement a more pleasant experience, and maybe even a more productive one. Let us know if we can help you to bring this about.

In Peace and Love,

Jim Martin jasmartin@cogeco.ca 519-969-3073

MISCELLANEOUS

Joan Cunnington

BOOKMARKS????? If anyone would like to receive more of the OCRA bookmarks to hand out to prospective members, please write to me at communications@ocraretirees.ca If you wish, I can send you the PDF file so you can print your own, or I can send you a supply (but that way you have no choice of which brilliantly coloured paper the bookmarks will be printed on.)

Like my family doctor who hates losing patients, OCRA hates losing members, but it happens, often because we lose touch with some members. Despite the best efforts of Membership Coordinator Jennifer Moore, after each mailing and emailing a number of envelopes are returned to the corporate office and a much larger number of emails bounce back to my inbox. (You might be surprised to find out how many) It would save Jennifer and others time and effort if members would remember to let Jennifer know their new mail and/or email address.

In the past, there has been some difficulty with emails from me, and I apologize for that; however, I now have a new computer and software so email distribution of communications should be much improved. I hope you will let me know if there are any problems this time around. Since more and more communications go out by email these days and many email programs have sophisticated spam detectors, the chances are good that a bulk email like the notice we send to let you know the latest newsletter is now posted on the website will be classified as spam. Please check your spam inbox from time to time to make sure you haven't missed anything important like the OCRA newsletter or a bulletin. Also please remember to leave room in your inbox for incoming email - a full box is another reason why emails bounce back.

It is always good to hear from our members. If you would like to make your views known about a particular point, please email either Linda Choptiany, president@ocraretirees.ca or me, communications@ocraretirees.ca

OCRA BOARD 2011

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