

CCRetirees Organization 10th Annual General Meeting

November 14th 2018

Today's Full Agenda

- **Introduce Current Board of Directors**
- **Formal Annual General Meeting (AGM)**
 - **Approval of Agenda**
 - **Approval of Minutes of 2017 AGM**
 - **Chair's Report**
 - **Approval of Annual Financial Statements**
 - **Appointment of Public Accountant**
 - **Election of Directors**
 - **Continuance under the new CNFP Act**
 - **Other Business**
 - **Annual Meeting Adjournment**
- **Break**
- **Chairman's Remarks**
- **Pension Status Report**
- **Membership/Recruiting & Communications**
- **Guest Speakers** – Collette Travel: **Ron Lonsdale** - VP – Canada & **Todd Bridges** - VP Business Development & Partnerships
- **Summary**
- **Q&A**

First

A Few Housekeeping Items

A MOMENT OF SILENCE FOR OUR 2017/2018 DECEASED MEMBERS

Gunnel	Gord	Masse	Stuart
Cuthbert	John	Hammett	Wayne F.
Rowntree	Ken	Shaw	Ken
Larue	James C	Fox	Mary
Bennet	Gary	Malley	Danial
Pollitt	Richard	Lewsaw	George
Wilson	Brian	Malcolm	Donald G
Crozier	Grant	Tofflemire	Merv
Deslippe	Jean	McAuliffe	Larry
Raymont	Betty	Horton	Duane
McKee	Jeff	Francis	Eleanor
Jablonski	Wesley	Berthiaume	Pat
Wells	Gerry	Pierre	Marcel
Denomey	Doug	Steeves	Audrey
Hanson	John	Don	MacLean

Current Directors

- **Cody Cooper** – Board Chair & President
- **Jim Dunn** – Vice Chair & Vice President
- **Kathy Hartig** – Past assistant Treasurer
- **Lou Ienna** – Membership & Communications
- **Tim Hebert** – Finance/Pension status
- **Ron Sitarz** - Director
- **Joe Bevacqua** – Secretary
- **Ivo Spadotto** - Director
- **Don Kreibich** - Director
- **Anna Petrozzi** - Treasurer
- **Walt McCall** – Social Events
- **Dan Minello** - Director
- **Andy Moro** - Director
- **Gary Roe** - Assistant Treasurer

CCRetirees Committees

Membership, Recruitment & Communications

- Lou Ienna – Chair
- Don Kreibich
- Joe Bevacqua
- Andy Moro
- Ivo Spadotto
- Ron Sitarz
- Walt McCall

Nominations Committee

- Cody Cooper

Finance Committee

- Anna Petrozzi - Chair
- Kathy Hartig
- Gary Roe

Social Events

- Walt McCall - Chair
- Don Kreibich
- Andy Moro
- Ron Sitarz

Regulatory & Strategy

- Cody Cooper - Chair
- Jim Dunn
- Tim Hebert

Field Representatives

Atlantic	Dan Pambrun
Quebec	Richard Leblanc
GTA	Dan Minello (BoD)

Approval of AGM Agenda

- **Approval of Agenda**
- Approval of 2017 AGM Minutes
- Chair's Report
- Approval of Financial Statements
- Appointment of Public Accountant
- Election of Directors
- Other Business
- Annual Meeting Adjournment

Approval of 2017 AGM Minutes

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Chair's Report

Cody Cooper

Selected Accomplishments

- **Communication through** E-mail, Direct Mail, Facebook, Website, AGM and Townhalls in Windsor and Georgetown.
- **Continued political contacts and correspondence through CFP and alliances with NFP and CARP**
- **Maintained solid membership status**
- **Continued receipt of current Pension Funding Information**
- **Ride & Drive Events**

Approval of Annual Financial Statements

Anna Petrozzi

Financial Statement Audit

MCO Partners Chartered Professional Accountants

- a Windsor Based Firm with U.S. & Canadian Tax and small business services expertise
- Auditor of our Financial Statements since inception
- **Re-Appointed at the last AGM to audit the financial statements as at and for the fiscal year ended April 30, 2018**

Opinion

*“... these financial statements **present fairly**, in all material respects, the financial position of **CC Retirees Organization** as at **April 30, 2018** and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.”*

Balance Sheet

as at April 30, 2018

	2018	2017
ASSETS:		
Current Assets		
Cash in bank	\$ 34,029	\$ 36,049
Accounts receivable	2,000	3,875
Prepaid expenses	3,850	250
Capital Assets		
Intangible asset	<u>1,539</u>	<u>3,079</u>
TOTAL ASSETS	<u>\$ 41,418</u>	<u>\$ 43,253</u>
LIABILITIES		
Current Liabilities		
Accounts Payable & Accrued Liabilities	3,277	3,277
Deferred Revenue	<u>1,110</u>	<u>1,575</u>
TOTAL LIABILITIES	4,387	4,852
NET ASSETS: Unrestricted from Operations	<u>37,031</u>	<u>38,401</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 41,418</u>	<u>\$ 43,253</u>

Income Statement

for the year ended April 30, 2018

	2018	2017
REVENUE:		
Membership dues	\$ 15,369	\$ 16,592
EXPENSES		
Queen's Park Advocacy Day	3,934	-
AGM expenses	1,998	1,567
Insurance	1,781	1,781
Memberships	667	552
Office	824	811
Amortization	1,540	1,540
Professional Fees	3,277	5,277
Shipping	150	733
Travel	1,554	2,601
Website	1,014	661
TOTAL EXPENSES	<u>\$ 16,739</u>	<u>\$ 15,523</u>
NET SURPLUS (DEFICIT)	<u>\$ (1,370)</u>	<u>\$ 1,069</u>

Motion to Approve the Annual Financial Statements

Motion:

that the audited financial statements as at and for the year ending April 30, 2018 be received and approved by the members.

Appointment of Public Accountant

Anna Petrozzi

Compilation Engagement

The Board recommend to the members that we engage MCO as Public Accountants (instead of Auditor)

- Permitted under the Canada Not-for-Profit Corporations Act, under which we have been continued
 - Given the size and lack of complexity of our activities, as well as the limited types of users, an audit or review engagement is not required
- Cost savings opportunity
- Recommend that MCO perform a Compilation engagement
 - Financial records are not audited or verified
 - No assurance is provided
 - No note disclosure

Notice to Reader

“On the basis of information provided by management, we have compiled the statements We have not performed an audit or review engagement express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.” 17

Appointment of Public Accountant

Motion:

- That “MCO Partners Chartered Professional Accountants” be appointed as the Organization’s **Public Accountant** for the fiscal year ending April 30, 2019 and engaged to perform a **compilation engagement**.

Appointment of Public Accountant

MCO Partners Chartered Professional Accountants is a Windsor Based Firm with U.S. & Canadian Tax and small business services expertise

Motion to Appoint:

- That “**MCO Partners Chartered Professional Accountants**” be appointed as the Organization’s auditors for the fiscal year ending April 30, 2019.

Election of Directors

Cody Cooper

Candidates for Directors (Three Year Terms)

- Pearl Davies – **New**
- Jim Dunn (Re-election)
- Dan Minello (Re-election)

Other Business

Adjournment

15 Minute Break

Part #2

Information Session

Board Chair's Remarks

Cody Cooper

CCRetirees Major Objectives

Maintain over 50% of NBU Retirees
Achieved and Sustainable

Legislative Change at Federal and Provincial Level
Unachieved and at Risk

**Promised Consultation on Pension Security has
been deferred by Federal Liberals**

PENSION PLAN UPDATE

FCA Canada Inc.

**Salaried Employees' Retirement Plan
(SERP)**

Tim Hebert

Latest Actuarial Valuation for SERP

The last actuarial valuation of the plan was as of Jan 1, 2017 (next valuation Jan 1, 2020)

The valuation was prepared by Mercer under three different scenarios with different assumptions:

Going Concern - assumes the company continues to make normal contributions

Solvency - assumes no further funding from the company

Hypothetical Wind-up - assumes all available assets are paid out to members less administrative and legal costs

SERP Actuarial Valuation - Jan 1, 2017

Pension Benefits Act of Ontario – Section 14(1),14(3)

- If Solvency Ratio is greater than 85 percent, the actuarial valuation may be prepared every 3 years
- If Solvency Ratio is less than 85 percent, actuarial valuation must be prepared annually

FCA Canada elected not to prepare a valuation for Jan 1, 2018

- Met Solvency Ratio test of greater than 85 percent
- Cost savings for the company
- FCA Canada provided internal financial reporting information on SERP for Jan 1, 2018

Funded status of SERP as of Jan 1, 2018

Going Concern (normal business and mkts.)	106% (108% prior yr)
Solvency (conservative funding rules)	97% (92% prior yr)
Hypothetical Wind-Up (pay-out via liquidation)	93% (88% prior yr)

Going Concern

\$ millions

	<u>Jan 1, 2018</u>	<u>Jan 1, 2017</u>
Assets (smoothed)	\$823	\$795
Future pensions	<u>780</u>	<u>736</u>
Surplus / (deficit) <i>Funded Position</i>	\$43 106%	\$59 108%

On a going concern basis the SERP has a surplus of **6%**.

Solvency

\$ millions

	<u>Jan 1, 2018</u>	<u>Jan 1, 2017</u>
Assets (Jan. 1 st)	\$867	\$832
Future pensions & costs	<u>899</u>	<u>907</u>
Surplus / (deficit) <i>Funded Position</i>	\$(32) 97%	\$(75) 92%

The company is required to fund **\$75 million** (present value of solvency deficiency as at Jan 1, 2017) over the subsequent 7 years with annual payments of \$5-16 million. These payments may be reduced by any special funding payments made by the company in this period.

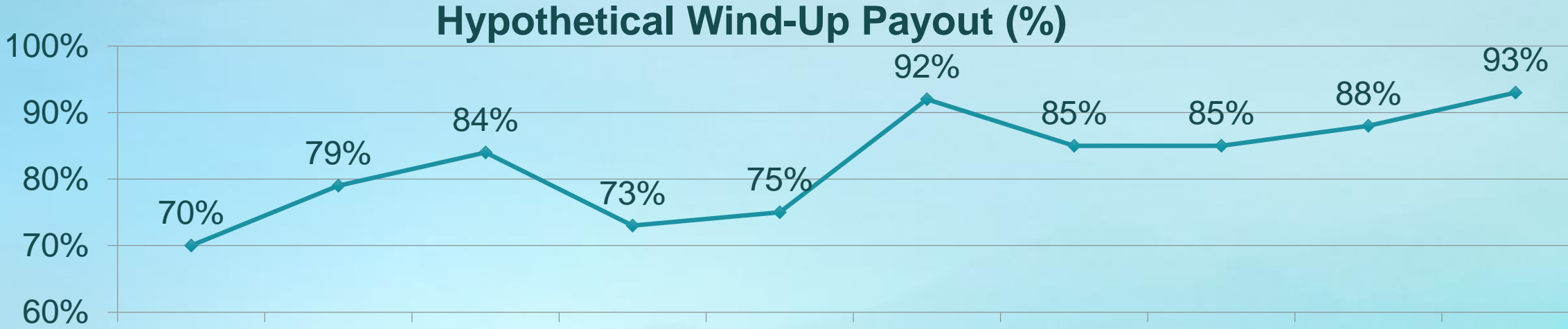
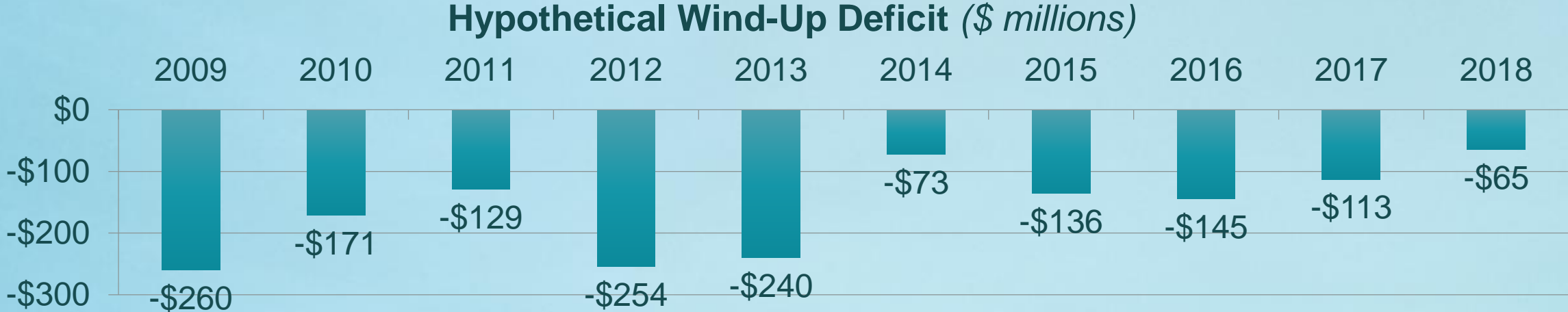
Hypothetical Wind-up

\$ millions

	<u>Jan 1, 2018</u>	<u>Jan 1, 2017</u>
Assets (Jan. 1 st)	\$867	\$832
Future pensions & costs	<u>932</u>	<u>945</u>
Surplus / (deficit) <i>Funded Position</i>	\$(65) 93%	\$(113) 88%

If the plan was hypothetically wound-up, as of Jan 1, 2018, you would get **93%** of your current pension.

Hypothetical Wind-Up Deficit Tracking



What happened to SERP assets last year?

<i>\$ millions</i>	2017	2016
Assets – Beginning of Year	\$832	\$846
Employer contributions	5	2
Employee contributions	-	-
Market gains	78	40
Administration & investment fees	(3)	(3)
Pension payments & lump sums	<u>(45)</u>	<u>(53)</u>
Assets – End of Year	<u>\$867</u>	<u>\$832</u>

**The plan had a net return of 9.1% for the year ending Dec 31, 2017.
(4.6% for year ending Dec 31, 2016)**

What is the asset mix of SERP?

<i>As of Jan 1</i>	<u>2018</u>	<u>2017</u>	<u>Target(min-max)</u>
Public Equity	25%	30%	30% (10-50)
Fixed income*	64%	58%	65% (45-90)
Other**	7%	10%	5% (0-10)
Cash	<u>4%</u>	<u>2%</u>	<u>0%</u> (0-10)
Total	100%	100%	100%

* *Primarily Long-Duration Fixed Income*

** *Includes Currency Forward Contracts, Private Equity Limited Partnerships & Hedge Funds*

The plan maintains a conservative asset mix.

What are the SERP demographics?

<u>Group</u>	<u>Number of members</u>	<u>Average Age</u>
Retired	1,501	75
Surviving spouses	395	82
Active	828	49
Other (Disabled & Deferred)	<u>442</u>	56
Total	3,166	

As of Jan 1, 2018, there were 1,896 retirees & surviving spouses, which is 60% of total plan members

In Summary

- The funded position of the plan has improved:
 - **Asset returns 9.1% vs. 4.6% last year**
 - **Solvency deficit of \$32 million vs. \$75 million last year**
 - **Hypothetical Wind-Up deficit of \$64 million (93% funded) vs. \$113 million (88% funded) last year**
 - **Next valuation will be Jan 1, 2020**

Membership, Recruitment and Communications 2018

Lou Ienna

Membership/Recruitment & Communications/Social Committee

Committee Members

- Lou Ienna – Chair
- Don Kreibich
- Joe Bevacqua
- Andy Moro
- Ivo Spadotto
- Ron Sitarz
- Walt McCall

GTA Support

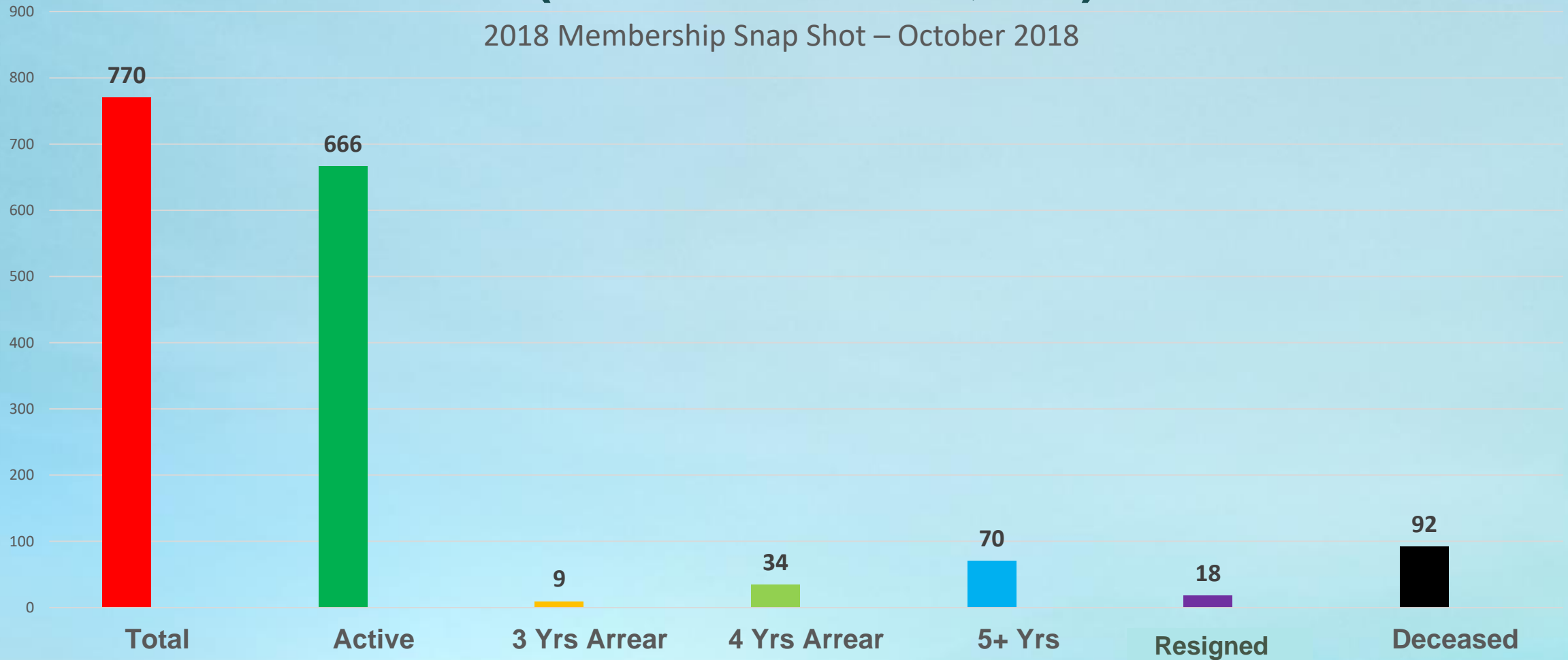
Dan Minello

Social Committee

- Walt McCall - Chair
- Don Kreibich
- Andy Moro
- Ron Sitarz

Membership Status (Retirees total 1,501)

2018 Membership Snap Shot – October 2018



2018 total of 770 represents **51.3%** of our retirees (1,501)
and **41%** of available retirees (1,896), including surviving spouses (395)
Active members 666 represent **44.3%** of retirees (1,501)

Membership & Communications Actions

- Continue displays in Service Garage with business cards
- Expanded facebook page for CCRetirees members has 150 followers
- Held our 4th membership golf outing (May 2018)
- Development of our new Web page completed.
- Had 3 major communication blitz for the provincial election.
- **Merged with Social committee for transparency interface**
- **Created partnership with Collette Travel**
- **Held 3 social luncheons**

Planned for 2019

- **NO ANNUAL DUES FOR MEMBERS TURNING 85 & OVER AS OF JAN 1st 2019**
- Fifth annual golf outing – May 2019
- Continue to pursue non-members to join
- Expand Committee membership (need new volunteers).
- Pursue CCRetirees specific Travel deals
- Continue with social events

How can you help as a member

- Promote the Organization to your friends
- Tell them the advantages of being a member
 - We are a point of contact with the company
 - Frequent information distribution on Chrysler and Government Legislation that will affect your future pension status
 - Not all pensions are fully funded, this is a cause for concern
- Discount on insurance (HUB) and other businesses
- Get involved in our events (social & non social)
- Use the Web site to convey messages to politicians

**Guest Speakers
From
COLLETTE TRAVEL**

**RON LONSDALE
VP – Canada**

**TODD BRIDGES
VP Business Development & Partnerships**

SUMMARY

- **The promised Federal Consultation has been delayed by Minister Bains.**
- **We have communicated with the new Minister for Seniors (Tassi).**
- **Government complacency is our biggest problem.**
- **The Ontario regulations which control our pension in respect of funding, accountability and transparency are insufficient in terms of requirements to fund your pension and/or provide a backstop if there are problems.**
- **Companies are only doing what is required by the government.**
- **Politicians, not the bureaucrats are holding us back.**

Questions & Answers