

CCRetirees Organization

Town Hall

May 4, 2018

Fogolar Furlan Club

Today's Agenda

- **Post-AGM Update**
- **New developments – Federal**
- **New developments – Ontario**
- **Election Planning**
- **What You Need To Do**
- **Questions & Answers**

Post- AGM Update

Current Directors

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

CCRetirees Committees

Membership, Recruitment & Communications

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

Nominations Committee

- Cody Cooper

Finance Committee

- Anna Petrozzi - Chair
- Kathy Hartig
- Gary Roe

Member Programs

- Jim Kenney
- Guy Simmons

Social Events

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

Regulatory & Strategy

- Cody Cooper - Chair
- Jim Dunn
- Tim Hebert
- Pearl Davies

Accomplishments

- **Timely and relevant Member communications** (*E-Mail, Direct Mail, Facebook & Website*)
 - Advocacy updates related to Ontario Solvency Funding and Federal Policy Priorities
 - Group Discussion thread for cross border commuter retirees
 - Call for new members
- **Member meetings**
 - AGM in Windsor on November 8, 2017 including Estate Planning presentation by BMO
 - GTA Update in Georgetown on April 13, 2018
 - Town Hall in Windsor on May 4, 2018
 - 2018 FCA Meeting – pending

Accomplishments (cont'd)

- **Social Events**

- Luncheon at Caboto Club on February 22, 2018, with focus on cross border commuter retiree benefits
- Ride & Drive – 2019 Ram 1500 Pickups, 2018 Jeep Wrangler, 2019 Jeep Cherokee on April 12, 2018
- 4th Annual Golf Tournament at Rochester Place on May 24, 2018

- **New Member Discounts**

- Certified Windows & Doors – 5%
- Collette Travel - \$100 off any Collette tour

Accomplishments (cont'd)

- **Active membership in Canadian Federation of Pensioners (CFP)**
 - Cody and Jim participate in monthly conference calls and face to face meetings on behalf of CC Retirees Org
 - Attendance at CFP Day of Advocacy at Queen's Park, October 17, 2017
 - Attendance at CARP National Call for Action in London, February 21, 2018
 - CFP has recently established a "war chest" to fund activities that promote the interests of defined benefit pensioners and advocate on their behalf for changes to federal and provincial legislation
 - CC Retirees has contributed \$3,500 (approx. \$5/member)
- **Continued political contacts per our strategic plan**
 - Meetings with party representatives and bureaucrats
 - NDP Town Hall: End Pension Theft in Windsor on November 14, 2017
 - Wynne Town Hall in Windsor on February 15, 2018
 - NDP Seniors Town Hall in Essex on April 27, 2018

CCRetirees Organization Ontario Political Advocacy Contacts

Damerla, Dipika (Liberal) Mississauga East-Cooksville
Delaney, Bob (Liberal) Mississauga- Streetsville
Del Duca, Steve (Liberal) Vaughn
Dhillon, Vic (Liberal) Brampton West
Dong, Han (Liberal) Trinity Spadina
Fedeli, Vic (PC) Nipissing
Fife, Catherine (NDP) Kitchener-Waterloo
Flynn, Kevin (Liberal) Oakville
Hatfield, Percy (NDP) Windsor-Tecumseh
Horvath, Andrea (NDP) Hamilton Centre
Gelinas, France (NDP) Nickel Belt
Levac, Dave (Liberal) Brant
Mahli, Harinder (Liberal) Brampton Springdale
Mangat, Amrit (Liberal) Mississauga-Brampton South
McGarry, Kathryn (Liberal) Cambridge
McMahon, Eleanor (Liberal) Burlington

McMeekin, Ted (Liberal) Ancaster-Dundas-Flamborough-
Westdale
Miller, Paul (NDP) Hamilton East-Stoney Creek
Naidoo-Harris, Indira (Liberal) Halton
Natyshak, Taras (NDP) Essex
Nicholls, Rick (PC) Chatham-Kent-Essex
Pettapiece, Randy (PC) Perth-Wellington
Sandals, Liz (Liberal) Guelph
Scott, Laurie (PC) Haliburton-Kawartha lakes –Brock
Singh, Jagmeet (NDP) Bramalea-Gore-Malton
Sousa, Charles (Liberal) Mississauga South (Cara
O’Hagan and Nick Daube)
Takhar, Harinder (Liberal) Mississauga-Erindale
Vanthof, John (NDP) Timiskaming-Cochrane
Walker, Bill (PC) Bruce-Grey-Owen Sound
Wynne, Katherine (Liberal) Don Valley West

Lib (17), NDP (8), PC (5)

Focus on governing party and Finance Committee Members

Membership Status



2017 total of 866 represents **57%** of our retirees (1,525)
and **45%** of available retirees (1,910), including surviving spouses (385)
Active members 712 represent **47%** of retirees (1525)

Pension Landscape

- Continued movement from Defined Benefit Pension (FCA Canada Salaried DB Plan was frozen Jan 1, 2015)
- May 2017 – Ontario Government announced proposed reforms to funding requirements.
- Dec 2017 – Bill C177 was given royal assent effectively reducing solvency funding requirements.
- Feb 2018 – Regulations proposed to reduce solvency funding from 100% to 85% and increasing PBGF from \$1,000 per month to \$1,500 per month.
- March 2018 - Ontario Budget confirmation of their agenda

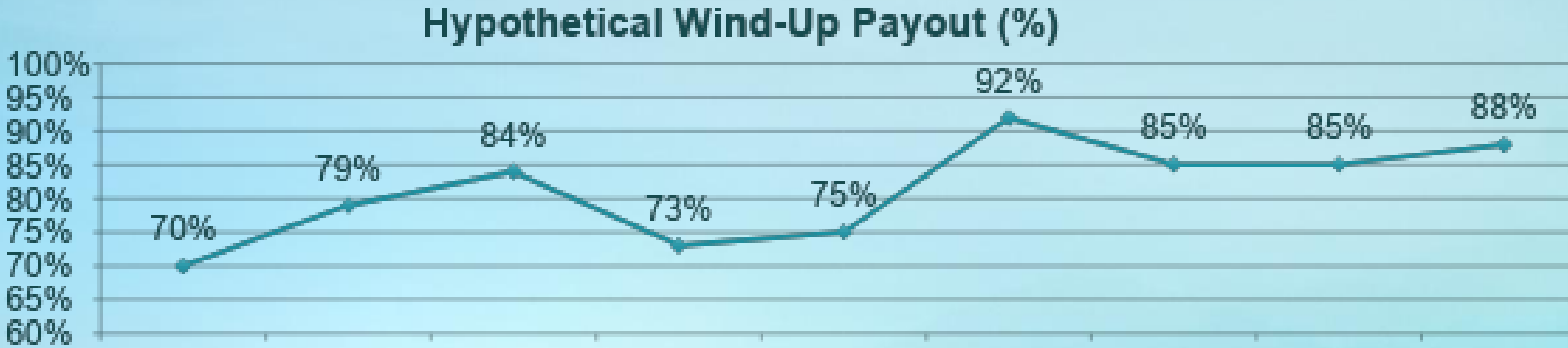
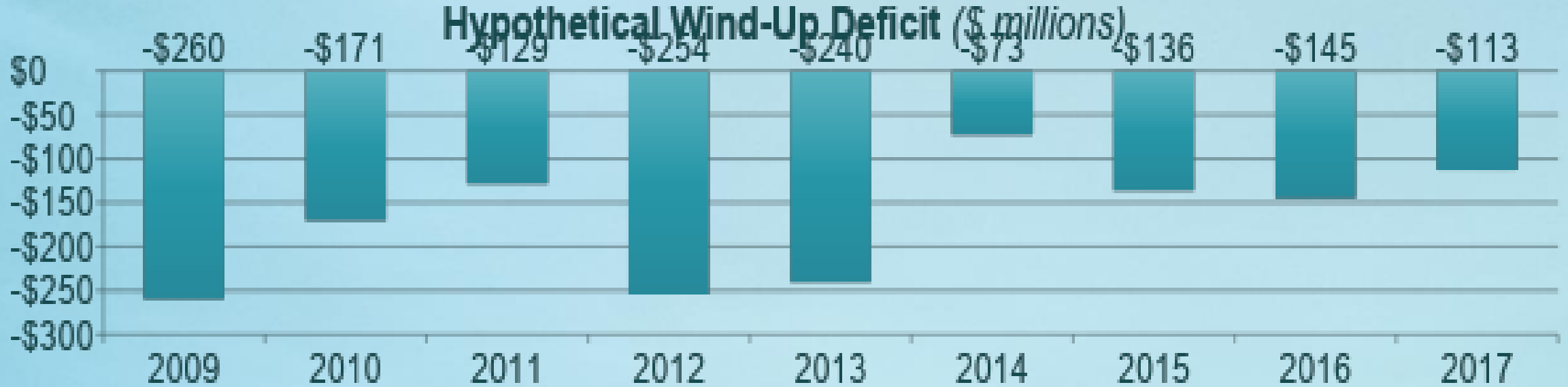
Funded status of SERP as of Jan 1, 2017

Going Concern (normal business and mkts.) **108%** (108% prior yr est.)

Solvency (conservative funding rules) **92%** (89% prior yr est.)

Hypothetical Wind-Up (pay-out via liquidation) **88%** (85% prior yr est.)

Hypothetical Wind-Up Deficit Tracking



**“Above data was based on 100% solvency funding,
can only expect deteriorating experience with 85% solvency funding”**

New Developments

Federal

Federal Government Developments

- Sears bankruptcy brought attention to weak bankruptcy laws for pensioners
 - Participated in CARP Day of Action – February 21, 2018
 - Continuing pressure on MP's and possible plank in Liberal policy platform.
 - Arguments why pensions should not be fully funded are contrary to why pensioners should be given 'super-priority'. (Mike Powell's ACPM letter points)
 - Our relationship with CARP - participated in petition for Minister of Seniors
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New Developments

Ontario

Ontario Government Developments

- New Framework for Defined Benefit Plans - reduced solvency funding to 85% (understand rationale but need to protect what we were promised)
- Proposal to raise PBGF to \$1500/month still leaves many pensioners at risk at the next downturn – Ontario budget proposed retroactivity to May/2017 to help Sears pensioners
- Above changes ignored CFP's proposal to require plan sponsors to use 5% of \$1.4 billion in plan funding reductions to fully fund PBGF and protect all pensioners.
- Government has not met with us to discuss their rationale
 - Wynne promised a meeting with Sousa at Windsor Town Hall – still no response
 - Ken Lewenza meeting to discuss CFP proposal – was to get meeting with Finance Dept but to no avail.

Pension Benefit Guarantee Fund

Sample Calculations

- PBGF only kicks in when there is a plan holder insolvency
- The PBGF cap of \$1,000 per month cap would be applicable prior to January 1, 2019
- The \$1,500 per month cap would be applicable January 1, 2019 and after, based on the proposed legislation changes. (retroactive to May 2017 to be applicable to Sears retirees)
- The sample calculations provided by FSCO provide greater clarity on how the PBGF benefit calculations would be applied
 - Only fully protects pensioners at or below the cap.
 - Those above will receive a benefit equal to the unfunded percentage times the PBGF cap, up to the PBGF cap.

\$2,500 Monthly Pension with 75% funding at insolvency

Plan Shortfall is 25%	Under \$1,000 Cap	Proposed \$1,500 Cap
Your Plan $\$2,500 \times 75\%$	\$1,875	\$1,875
PBGF $\$1,000 \times 25\%$	\$250	
PBGF $\$1,500 \times 25\%$		\$375
Total Pension Received	\$2,125	\$2,250

\$2,500 Monthly Pension with 60% funding at insolvency

Plan Shortfall is 40%	Under \$1,000 Cap	Proposed \$1,500 Cap
Your Plan $\$2,500 \times 60\%$	\$1,500	\$1,500
PBGF $\$1,000 \times 40\%$	\$400	
PBGF $\$1,500 \times 40\%$		\$600
Total Pension Received	\$1,900	\$2,100

\$5,000 Monthly Pension with 80% funding at insolvency

Plan Shortfall is 20%	Under \$1,000 Cap	Proposed \$1,500 Cap
Your Plan $\$5,000 \times 80\%$	\$4,000	\$4,000
PBGF $\$1,000 \times 20\%$	\$200	
PBGF $\$1,500 \times 20\%$		\$300
Total Pension Received	\$4,200	\$4,300

\$5,000 Monthly Pension with 80% funding at insolvency – CFP proposal

Plan Shortfall is 15%	Under \$1,000 Cap	Proposed \$1,500 Cap	AT 100% - CFP Proposed
Your Plan \$5,000*80%	\$4,000	\$4,000	\$4,000
PBGF \$1,000/\$1500*20%	\$200	\$300	
PBGF \$5,000*20%			\$1,000
Total Pension Received	\$4,200	\$4,300	\$5,000

Other Ontario Budget Highlights

- To look at 'Disclosable Events' as part of Pensions Benefits Act – in response to Sears Sale of assets and special dividends with underfunded pension plan
- New FSRA Board to establish Committee to look at adequacy of PBGF after 3 years – CCRetirees has taken lead on CFP committee to respond to this
- Distressed Pension Plan Workout Scheme – included in above committee commitments
- Continuing discussion on conversion of defined pension benefits to targeted benefits for Multi-Employer Plans (if adopted, single employer plans would be next)

Election Planning

Election Planning

- Let your MPP know NOW you are not happy with your pension being put more at risk. Our Company is not our enemy – they will do what they are allowed to do.
- Letters, e-mails, phone calls are all effective. Copy to Wynne and/or Sousa OK
- CFP are developing prepared questions to be used when addressing a candidate – use them to find out where they stand (many candidates may know little about these issues but if their parties are hearing these questions often, they will know it is important to be addressed)
- CFP also developing each parties' position as it relates to this issue of solvency funding and pension security

Last two items will be sent to you as they become available

Local Candidates – Contact List

	NDP Candidate	Liberal Candidate	PC Candidate
Windsor West	LISA GRETZKY (Incumbent)	RINO BORTOLIN	ADAM IBRAHIM
Website	www.lisagretzkympp.ca	www.rinobortolin.ca	windsorwestpc.nationbuilder.com
Email	LGretzky-co@ndp.on.ca	votebortolin@gmail.com	
Telephone	519 977 7191	519-419-1433	
Address	Unit 5,321 Tecumseh Rd. E Windsor,ON N8X 2R5	1501 Howard Ave, Unit 102 Windsor, ON N8X 3T5	
Windsor Tecumseh	PERCY HATFIELD (Incumbent)	REMY BOULBOL	MOHAMMAD LATIF
Website	www.percyhatfield.com	www.remyboulbol.ca	winsortecumsehpc.nationbuilder.com
Email	PHatfield-CO@ndp.on.ca	info@voteremy.ca	om
Telephone	519 251 5199		
Address	5452 Tecumseh Rd E, Unit 1 Windsor, ON N8T 1C7	4749 Wyandotte St E Windsor, ON N8Y 1H8	

Local Candidates – Contact List

	NDP Candidate (Incumbent)	Liberal Candidate	PC Candidate
Essex	TARAS NATYSHAK (Incumbent)	TBD	Christopher Lewis
Website	www.tarasnatyshak.com		essexpc.nationbuilder.com
Email	tnatyshak-co@ndp.on.ca		
Telephone	519 776 6420		
Address	3116 Talbot St. N Essex, ON, N8M 2E1		
Chatham-Kent- Essex	JORDAN McGRAIL	TBD	RICK NICHOLLS (Incumbent)
Website	https://jordanmcgrail.ontariondp.ca/		www.ricknichollsmpp.ca
Email			rick.nichollSCO@pc.ola.org
Telephone			(519) 326-3367; Toll free: 1-800-265-3992
Address			111 Heritage Rd, Suite 100 Chatham, ON N7M 5W7

What you need to do....

What You Need To Do

- All CFP member organizations are advising their members of these issues and where the parties stand. If pensions are a priority to you, vote strategically
- Attend town halls, all candidate meetings, or ask candidates directly where they stand on the issue of reduced pension security. Remember, increase in PBGF to \$1500 per month only provides security to those earning a pension of \$1500 or less. All others are at risk.
- Check our website (www.ccretirees.org) and join our Facebook page (CCRetireesOrganization)
- Keep fellow CCRetirees aware of feedback you receive
- Our membership needs to grow – please encourage friends and colleagues who are not members to join.

Questions & Answers