

**CCRetirees Organization  
11th  
Annual General Meeting**

**October 16<sup>th</sup>, 2019**

# Today's Full Agenda

- **Introduction of the Board of Directors**
- **Formal Annual General Meeting (AGM)**
  - **Approval of Agenda**
  - **Approval of Minutes of 2018 AGM**
  - **Chair's Report**
  - **Approval of Annual Financial Statements**
  - **Appointment of Public Accountant**
  - **Election of Directors**
  - **Other Business**
  - **Formal Annual Meeting Adjournment**
- **Break**
- **Chair's Remarks**
- **Pension Status Report**
- **Membership/Recruiting/Social & Communications**
- **Guest Speaker – Glenn Gorick from FCA**
- **Summary**
- **Q&A**

# A Few Housekeeping Items

# A MOMENT OF SILENCE FOR OUR 2018/2019 DECEASED MEMBERS

Hammett Wayne F.

Shaw Ken

Fox Mary

Malley Danial (Dan) A

Lewsaw George

Malcolm Donald G

Tofflemire Merv

McAuliffe Michael

Horton Duane

Francis Eleanor

Berthiaume Pat

Pierre Marcel

Steeves Audrey

MacLean Don

Ascott Jim

Hillman Wayne

Mackey Orville

Baldwin George

Bull Gordon

Lambert Serge

VanKregten James

Prymack Donna

Sharron Ted

Wegner Arthur

Cooper Grace

Harper Colin

Knowler Brian

McLister John

Smith Ronald

Messier Jacqueline

Hassard Robert C

Pye Jane

# Current Directors

- **Cody Cooper** – Board Chair & President
- **Jim Dunn** – Vice Chair & Vice President
- **Lou Ienna** – Membership & Communications
- **Tim Hebert** – Finance/Pension status
- **Ron Sitarz** – Director **(Retiring)**
- **Joe Bevacqua** – Secretary **(Retiring)**
- **Kathy Hartig** – Past Treasurer **(Retiring)**
- **Anna Petrozzi** – Secretary & Treasurer
- **Dan Minello** – Director GTA **(Retiring)**
- **Andy Moro** – Director
- **Gary Roe** - Assistant Treasurer
- **Ivo Spadotto** - Director
- **Pearl Davis** - Director

# CCRetirees Committees - 2019

## Membership, Recruitment & Communications

- Lou Ienna – Chair
- Andy Moro
- Ivo Spadotto
- Ron Sitarz
- Joe Bevacqua

## Nominations Committee

- Cody Cooper

## Finance Committee

- Anna Petrozzi - Chair
- Kathy Hartig
- Gary Roe

## Social Events

- Andy Moro
- Lou Ienna
- Ivo Spadotto
- Ron Sitarz

## Regulatory & Strategy

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

# Field Representatives

Atlantic	Dan Pambrun
Quebec	Richard Leblanc
GTA	Dan Minello

# Approval of AGM Agenda

- **Approval of Agenda**
- Approval of 2018 AGM Minutes
- Chair's Report
- Approval of Financial Statements
- Appointment of Public Accountant
- Election of Directors
- Other Business
- Annual Meeting Adjournment



# **Approval of 2018 AGM Minutes**

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## **Chair's Report**

Cody Cooper

# Selected Accomplishments

- **Communication (email, postal, Facebook, Website, AGM, town halls)**
- **Political activity, contacts and correspondence - CFP/NFP/CARP**
- **Relationship with Lytton Communications**
- **Maintained solid membership status - age- based exemption**
- **FCA contacts and current Pension Funding Information**
- **Ride & Drive Events**

# **Approval of Annual Financial Statements**

**Anna Petrozzi**

# Unaudited Financial Statements

- **MCO Partners Chartered Professional Accountants** is a Windsor Based Firm with U.S. & Canadian Tax and small business services expertise
- Appointed as **Public Accountant** at the last AGM for the fiscal year ending April 30, 2019 and engaged to perform a **compilation engagement**, as permitted under the Canada Not-for-Profit Corporations Act.
  - Previously, auditor of annual financial statements (since inception through fiscal year ended April 30, 2018)

# Compilation Engagement

- Highlights of a Compilation Engagement
  - Financial records are not audited or verified
  - No assurance is provided
  - Note disclosure not required, but may be included
  - Notice to Reader signed by Public Accountant accompanies the financial statements
- 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
- Actual Annual Cost savings versus an audit - **\$1,977**

## Notice to Reader

*“On the basis of information provided by management, we have **compiled** the balance sheet of CC Retirees Organization as at April 30, 2019 and the statement of operations for the year then ended.*

*We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express **no assurance** thereon.*

*Readers are cautioned that these statements may not be appropriate for their purposes.”*

# Key Highlights

	2019	2018
<b>Balance Sheet:</b>		
Cash in bank	\$ 37,425	\$ 34,029
Net Assets	40,026	37,031
<b>Statement of Operations</b>		
Revenue	\$ 13,139	\$ 15,369
(Note - 2019 is net of waived dues of \$1,900 for members aged 85+)		
Total expenses	<u>\$ 10,144</u>	<u>\$ 16,739</u>
Net Surplus (Deficit)	<u>\$ 2,995</u>	<u>\$ (1,370)</u>

# Balance Sheet

## as at April 30, 2019

	2019	2018
<b>ASSETS:</b>		
<b>Current Assets</b>		
Cash in bank	\$ 37,425	\$ 34,029
Accounts receivable	1,650	2,000
Prepaid expenses	2,901	3,850
<b>Capital Assets</b>		
Intangible asset	-	1,539
<b>TOTAL ASSETS</b>	<u>\$ 41,976</u>	<u>\$ 41,418</u>
 <b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable & Accrued Liabilities	\$ 1,300	\$ 3,277
Deferred Revenue	<u>650</u>	<u>1,110</u>
<b>TOTAL LIABILITIES</b>	1,950	4,387
 <b>NET ASSETS: Unrestricted from Operations</b>	 <u>40,026</u>	 <u>37,031</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 41,976</u>	<u>\$ 41,418</u>



# Income Statement

## for the year ended April 30, 2019

	<b>2019</b>	<b>2018</b>
<b>REVENUE:</b>		
Membership dues	\$ 13,139	\$ 15,369
<b>EXPENSES</b>		
Queen's Park Advocacy Day	-	3,934
AGM expenses	2,493	1,998
Insurance	1,781	1,781
Memberships	320	667
Office	629	824
Amortization	1,539	1,540
Professional Fees	2,214	3,277
Shipping	344	150
Travel	370	1,554
Website	454	1,014
<b>TOTAL EXPENSES</b>	<u>\$ 10,144</u>	<u>\$ 16,739</u>
 <b>NET SURPLUS (DEFICIT)</b>	 <u>\$ 2,995</u>	 <u>\$ (1,370)</u>

# Motion to Approve the Annual Financial Statements

## **Motion:**

that the unaudited financial statements as at and for the year ending April 30, 2019 be received, as presented, and approved by the members.

# **Appointment of Public Accountant**

**Anna Petrozzi**

# 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, 2020 and engaged to perform a **compilation engagement**, as permitted under the Canada Not-for-Profit Corporations Act.

# **Election of Directors**

**Cody Cooper**

## **Retiring Directors**

- Kathy Hartig
- Joe Bevacqua
- Ron Sitarz
- Dan Minello

## **Candidates for Directors (Three Year Terms)**

- Tim Hebert
- Anna Petrozzi

# 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**  
**At Risk with trend to 85% and priority status quo**  
**Minor beneficial reforms after the Consultation on Pension Security**

# **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, 2019

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, 2019**

## **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 to prepare a valuation as at Jan 1, 2019**

# Funded status of SERP as of Jan, 1, 2019

<b>Going Concern</b> (normal business and mkts.)	<b>112%</b> (106% prior yr)
<b>Solvency</b> (conservative funding rules)	<b>93%</b> (97% prior yr)
<b>Hypothetical Wind-Up</b> (pay-out via liquidation)	<b>90%</b> (93% prior yr)

## Going Concern

*\$ millions*

	<u>Jan 1, 2019</u>	<u>Jan 1, 2018</u>
Assets ( <i>smoothed</i> )	\$831	\$823
Future pensions	<u>745</u>	<u>780</u>
<b>Surplus / (deficit)</b> <i>Funded Position</i>	<b>\$86</b> 112%	<b>\$43</b> 106%

On a going concern basis the SERP has a surplus of **12% (previously 6%)**.



## Solvency

*\$ millions*


	<u>Jan 1, 2019</u>	<u>Jan 1, 2018</u>
Assets	\$802	\$864
Future pensions & costs	<u>860</u>	<u>896</u>
Surplus / <b>(deficit)</b> <i>Funded Position</i>	<b>\$(58)</b> 93%	<b>\$(32)</b> 97%

On a solvency basis the SERP is **93%** funded (previously 97%).

## Hypothetical Wind-up

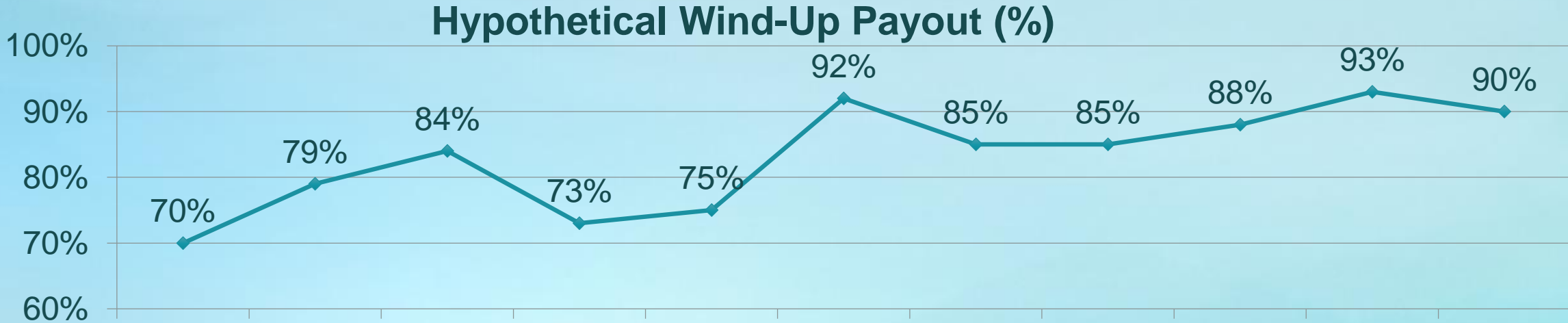
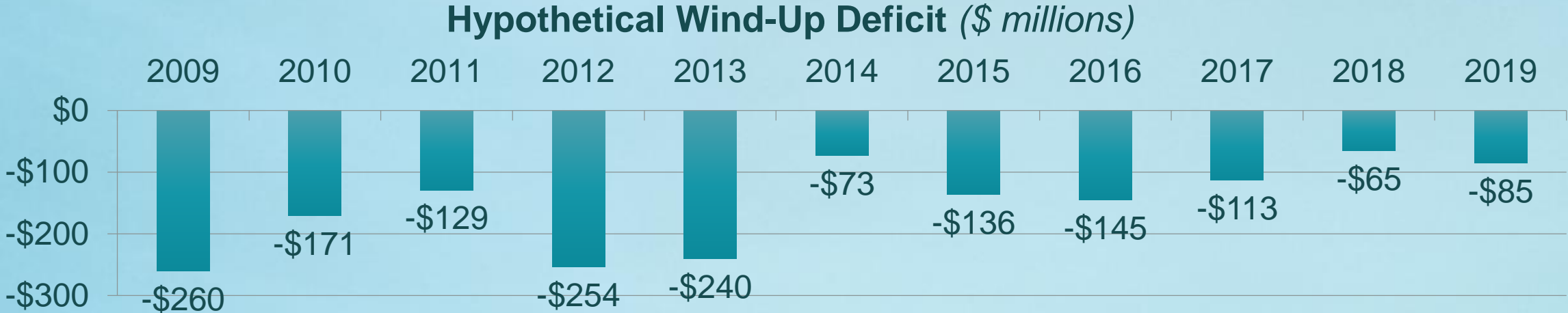
\$ millions

	<u>Jan 1, 2019</u>	<u>Jan 1, 2018</u>
Assets	\$805	\$867
Future pensions & costs	<u>890</u>	<u>932</u>
Surplus / <b>(deficit)</b> <i>Funded Position</i>	<b>\$(85)</b> 90%	<b>\$(65)</b> 93%



If the plan was hypothetically wound-up, as of Jan 1, 2018, you would get **90%** of your current pension (previously 93%).

# Hypothetical Wind-Up Deficit Tracking



# What happened to SERP assets last year?

<i>\$ millions</i>	2019	2018
Assets – Beginning of Period(Jan 1)	\$867	\$832
Employer contributions	2	5
Employee contributions	-	-
Market (losses) / gains	( 15)	78
Administration & investment fees	( 3)	( 3)
Pension payments & lump sums	<u>( 46)</u>	<u>( 45)</u>
Assets – End of Period(Jan 1)	<u>\$805</u>	<u>\$867</u>

**The plan had a net return of -1.6% for the year ending Jan 1, 2019.  
( +9.1% for year ending Jan 1, 2018 )**

# What is the asset mix of SERP?

	<u>2019(Jan 1)</u>	<u>2018(Jan 1)</u>	<u>Target(min-max)</u>
Public Equity	19%	25%	30% (10-50)
Fixed income*	72%	64%	65% (45-90)
Other**	8%	7%	5% (0-10)
Cash	<u>1%</u>	<u>4%</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	1,483	75
Surviving spouses	391	82
Active	774	50
Other (Disabled & Deferred)	<u>441</u>	57
Total(Jan 1, 2019)	3,089	

**As of Jan 1, 2019, there were 1,874 retirees & surviving spouses, which is 61% of total plan members**

# In Summary

- The funded position of the plan has improved:
  - **Asset returns -1.6% vs. +9.1% last year**
  - **Solvency deficit of \$58 million vs. \$32 million last year**
  - **Hypothetical Wind-Up deficit of \$85 million (94% funded) vs. \$65 million (93% funded) last year**
  - **Next required valuation date is Jan 1, 2022**

# **Membership, Recruitment Social and Communications 2019**

**Lou Ienna**



# Membership/Recruitment & Communications/Social Committee

## Committee Members

- Lou Ienna – Chair
- Joe Bevacqua
- Andy Moro
- Ivo Spadotto
- Ron Sitarz

## GTA Support

Dan Minello

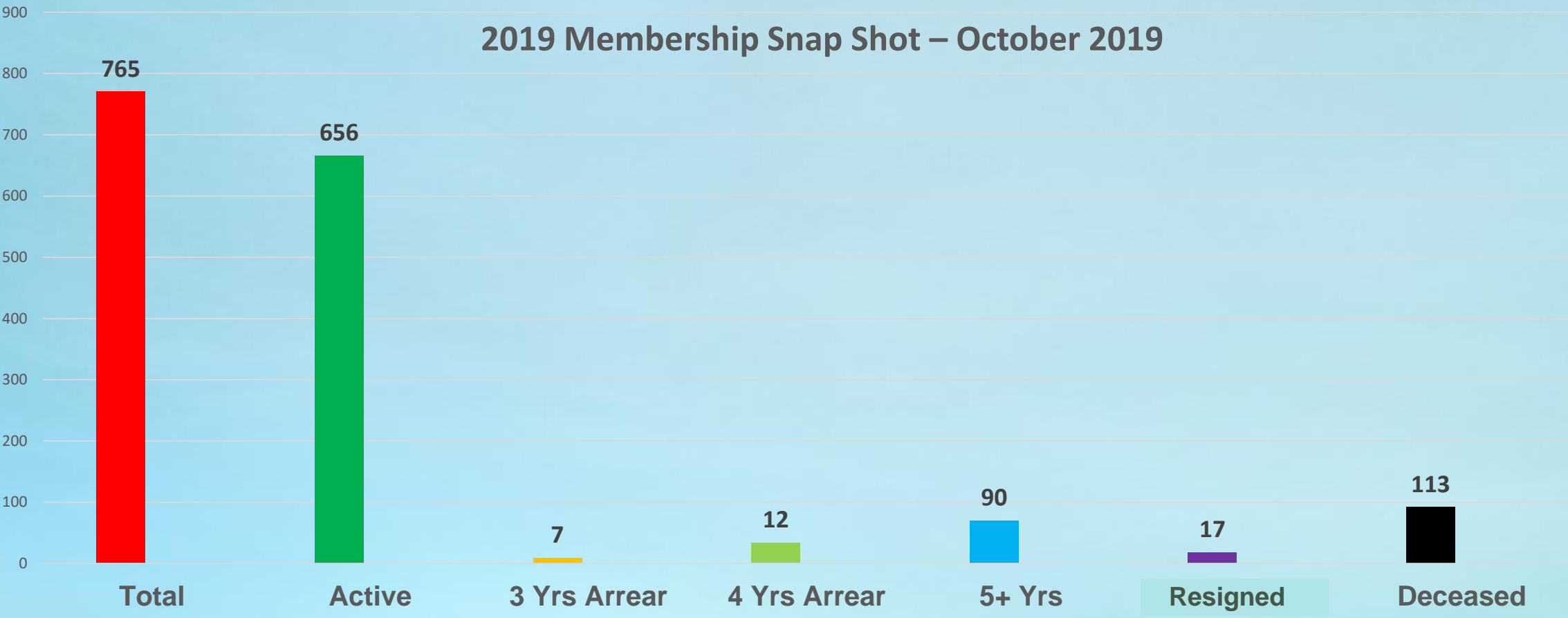
## Social Committee

- Andy Moro
- Lou Ienna
- Ron Sitarz
- Ivo Spadotto

# Membership Status (Retirees total 1,483)

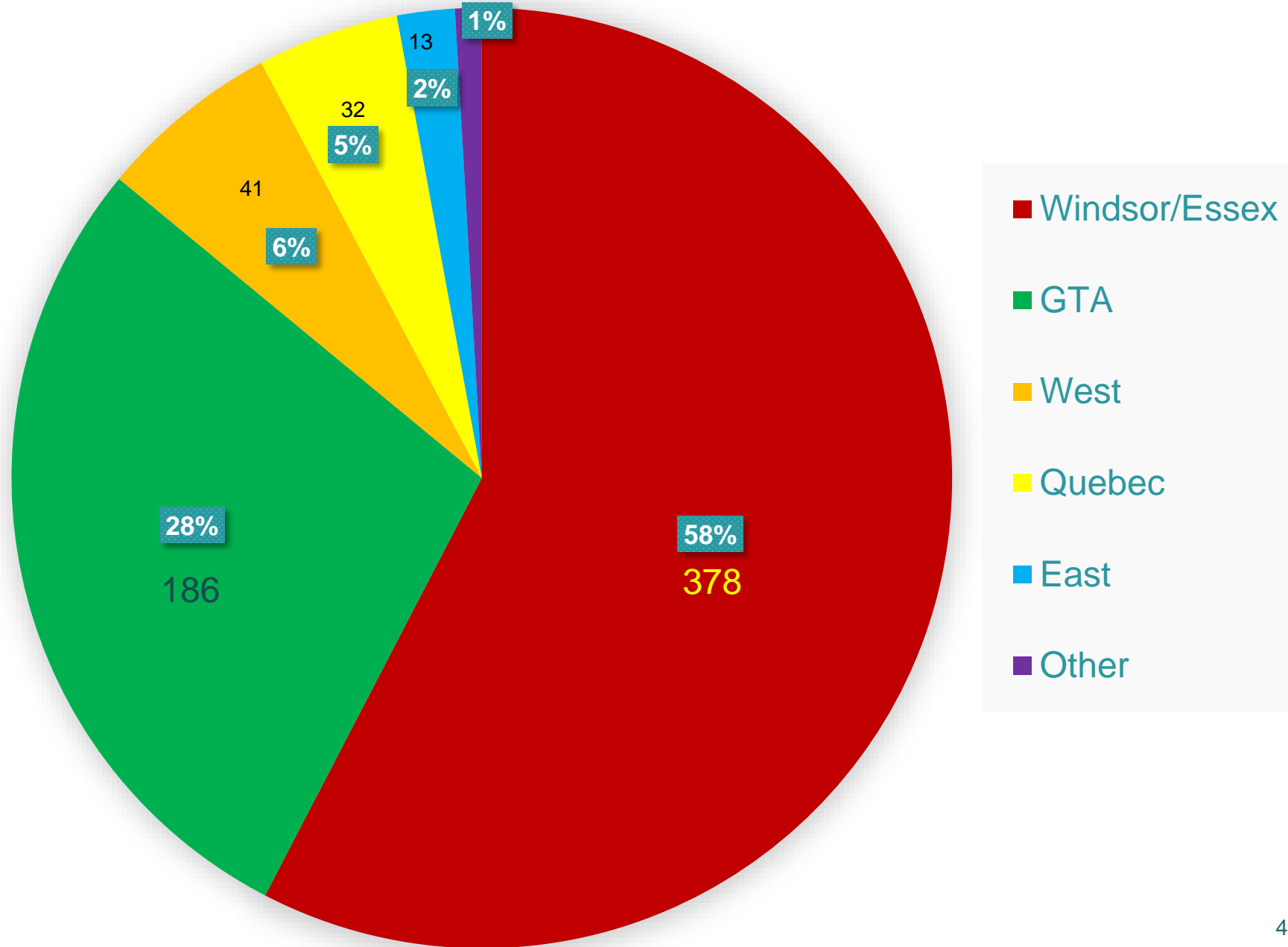
## Grand total who have held membership 890 (60%)

2019 Membership Snap Shot – October 2019



2019 total of 765 represents **51.5%** of our retirees (1,483)  
 and **40.8%** of available retirees (1,874), including surviving spouses (393)  
 Active members 656 represent **44%** of retirees (1,483)

# Membership Demographics



# Membership & Communications Actions

- Continue displays in Service Garage with business cards
- Expanded facebook page for CCRetirees members has 160 followers
- Held our 5th membership golf outing (May 2019)
- Update of our new Web page.
- Had 3 major communication blitz for the federal election.
- Created partnership with Collette Travel
- Held 3 very successful social luncheons
- **NO ANNUAL DUES FOR MEMBERS TURNING 85 & OVER – IN PLACE**

## Planned for 2020

- Sixth annual golf outing – May 2020
- Continue to pursue non-members to join
- Expand Committee membership (need new volunteers).
- Pursue CCRetirees specific Travel deals
- Continue with social events
- Expand political communication process

# How can you help as a member

- Promote the Organization to your friends and family
- Tell them the advantages of being a member
  - We are a point of contact with the company
  - Frequent information distribution on FCA 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 Speaker**

**Glenn Gorick**

**Fiat Chrysler Automobiles**

# SUMMARY

- **The Federal Consultation led to minor but beneficial reforms.**
- **Government complacency at both levels is our biggest problem.**
- **The Ontario regulations are insufficient in terms of funding requirements and providing a backstop for inadequacy.**
- **Federal rules don't protect us in bankruptcy/restructuring**
- **Companies are only doing what is allowed by governments.**
- **Politicians are holding us back. They only listen if spoken to.**
- **We are agnostic on the solution needed for our protection. Just do it!**

# Questions & Answers