

SFU Retirees Association

Newsletter September 2008

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PRESIDENT RECEIVES PRESTIGIOUS AWARD

This is an excerpt from the website of the Canadian Association of Geography:

“Dr. Evenden is a worthy recipient of the CAG Award for Service to the Profession of Geography. Throughout his distinguished professional career, he has actively promoted the particular insights that come from the geographical imagination. He has a stellar record of service within Simon Fraser University, which he moved to in 1966 ...Len has been tireless in his support of the discipline and the CAG, where he has been active, both nationally, and within the Western Division. While many scholars shrink from such engagementsIn 1997, the WDCAG acknowledged his long service and support at a Divisional banquet.”

We extend our hardest congratulations to Len

NEW MEMBERS

James Cavers Engineering Science
Rosena Davison French Department
L. Joan Foster Psychology
Bretislav Heinrich Physics
James C. Hseih Business Administration (Coop Educ)
Rozina Janmohamed Application.Integration Support Group (AISG)
Michael Stephens Statistics and Actuarial Science
John Stubbs History

PASSAGES

Margaret Sawyer Registrar's Office

EVENTS

By Evelyn Palmer

This September begins the fifth year of our SFU Retirees Association Seminar Series.

Our presentations are given by our retired members and are free and open to the entire SFU community, alumni, and friends.

SFURA SEMINAR SERIES

Tuesday September 16, 2008, 12:00 noon, 126 Halpern Centre

Janet Blanchet: "R. M. Patterson, A Life of Great Adventure"

This is the tale of a young man who turned his back on a stable and promising career in banking in the City of London, and instead went to Canada, to seek a totally different life. In Canada he spent three years on a homestead in the Peace River country, went exploring up the Nahanni River in the North West Territories by canoe, and ran a cattle ranch in the Alberta foothills before he finally moved to southern Vancouver Island. There he wrote numerous articles and had five books published, the best known of which is Dangerous River, which is an account of the adventures he had on the Nahanni.

Tuesday September 30, 2001, 12:00 noon, 126 Halpern Centre

Maurice Gibbons: "Keeping a Working Journal for Self-directed and Lifelong Learning"

The working journal is clearly illustrated by the notebooks of Leonardo da Vinci which are filled with ideas, sketches and plans for the many enterprises that he undertook. He--along with such other productive people as Charles Darwin, Robert Bateman, JK Rowling and many others, both famous and not--kept journals not only to record and develop his ideas, but also because the journal is a companion and assistant in the successful pursuit of any enterprise. We can use their approaches to the journal to enhance our own work, the work which becomes even more important as we age. This is a how-to-do-it and why kind of presentation.

Tuesday October 21, 2008, 12:00 noon, 126 Halpern Centre

Marilyn Bowman: "Tibet: The colours of change"

Tuesday November 18, 2008, 12:00 noon, 126 Halpern Centre

Larry Weldon: "Exploring Randomness - Delusions and Opportunities"

Tuesday December 9, 2008, 12:00 noon, 126 Halpern Centre

June Sturrock: "Dandies, Beauties and the Issue of Good Looks in Jane Austen's *Persuasion*"

RETIREE CENTRE

by Marvin Wideen

In July 2006, the Executive Board released a proposal for a Retiree Centre at SFU and circulated it to members. The idea underlying the proposal, which involved creating an umbrella organization to serve both the University and retirees, had been examined at the CURAC Conference held at UBC the previous year. In developing the proposal, we examined pertinent literature, and undertook a trip to University of Washington to view their Centre. The resulting proposal, which had been discussed at a general meeting of our members, was reviewed positively by the SFU administration and led to SFURA having confirmed office space on campus.

A retiree centre designed to occupy this or some other space provided to us could provide the infrastructure needed to support different programs and provide a meeting place for a range of activities. Support on campus appears quite strong. This next while we plan to revisit the literature on retiree centres, and perhaps update the proposal.

If you have any further thoughts on the concept contact Marv Wideen or any member of the Executive Board.

SOCIAL EVENTS

By Evelyn Palmer

At the present time the SFURA does not have a Social Chair. Members who would like to organize an event should contact a member of the Executive Board. We will help you with the planning process and with announcing the event.

We are aware that many members who do not use email may miss announcements of activities. Elizabeth Michno, the past Social Chair, has generously offered to take your telephone calls to advise you of events planned after the Newsletter is published periodically. You may phone her at: 604-461-1945 to receive an update of activities.

On September 5, 2008, 30 members and guests were treated to A Day in the Country; visits to Annie's Orchard, where retired Biosciences Professor Jim Rahe and his wife Mary Ann own and operate an apple orchard, and to Larry Albright's fish farm. Larry, also a retired professor from Biosciences, presented a seminar for SFURA in the spring and at that time he proposed a tour where members could see his operation. We decided to wait until fall, and we combined it with a visit to Annie's Orchard and a picnic on the Fraser River. We called it A Day in the Country.

We were pleased to be able to purchase apples from Annie's and trout from Larry's. Annie's Orchard is open for sales of their 60 varieties of apples from 10:00 am to 5 pm Monday to Saturday, August to November. They are located at 4092 - 248th Street Aldergrove, Phone: 604.856.3041 email: rahe@sfu.ca

Our next event: September 26, 2008, will be called A Day in the Suburbs, following the success of the day in the country. It will be a walk on the shore of Deer Lake in central Burnaby. We will hear more SFU retirees from the Department of Biosciences in their areas of expertise; Robert Brooke will talk about the plants of the park and Jay & Carolyn Burr will identify birds and bird calls. The leaves on the trees are turning to their autumn colors and should be close to their best. Robert, assisted by Leigh & Evelyn Palmer will also talk about the historic houses of the Deer Lake Park area.

Meet at 10:00 AM Friday September 26 at the Shadbolt Centre parking lot, 6450 Deer Lake Avenue in Burnaby. Go around the building to the plaza on the south wall of the building, looking out over the lawn and lake. We will begin the walk there, noting the older houses which are now city offices and recreational buildings, and then go down to the lake and walk along the shore and on Sperling Avenue. The walk will include a visit to the Land Conservancy office in the Eagles Estate and part of the south shore.

We will return to the lawn below the Shadbolt Centre for lunch about 12:30. Members can bring their own picnic lunches or purchase lunch and drinks at Encores, the cafe in the Shadbolt Centre. If it rains we can eat in the Shadbolt Centre.

For more information, call Evelyn or Leigh at 604 299-3731 or email: evelyn@sfu.ca. We would like to have approximate numbers of those coming, but it's ok to change your plans on the morning of September 26.

GET INVOLVED WITH YOUR FORMER DEPARTMENT

By Tom Poiker

Ever so often, I hear faculty retirees complaining that they have so much to offer but their Departments don't use them. To test the validity of such a statement, I went to my former chair and complained. He immediately passed me on to a colleague who passed me on to the student who organizes monthly talks. And next week, I will give a presentation to the students. It's not going to be a scholarly talk that will define my academic career. The title "The Glory and Disappointment of GIS Research" and the leading motto - An academic has a 10% chance of being remembered for what she would like to be remembered - say it all. But I hope that it will entertain the students and give them some idea of what's behind all the grandstanding.

What was amazing was the organizer's reaction: She wrote yesterday:

"I am looking forward to your fast approaching talk. We have not had a retired SFU Geog prof as a speaker in the two years I have been in the department."

That made me think. Maybe it is not the Department's fault that we are not used more. Maybe we ought to offer our services rather than wait for them to ask us.

I would be interested in other retirees' experiences with working - other than giving courses - in their former departments.

MENTORS NEEDED AT IMMIGRANT SERVICES SOCIETY OF BC

By Bob Horsfall

Immigrant Services Society of B.C. is seeking potential mentors for new (skilled) immigrants to Canada. The professional immigrants with whom ISS deals frequently find themselves isolated in their effort to make connections with Canadian professional systems.

What do mentors do?

Mentors meet with mentees (skilled immigrants) at convenient times and locations. Mentors help mentees by discussing topics such as:

- * Canadian workplace culture
- * professional development opportunities and licensing requirements
- * job search and networking techniques
- * technical English vocabulary

Mentors are NOT expected to find employment for mentees; rather, they give advice and encouragement for a period of 2 to 6 months. Mentoring connections are flexible, designed to fit the individual schedules of our mentors and mentees.

Who are potential mentors?

As a mentor, you are an individual with knowledge and work experience, and can share this expertise with others. You are an active or retired professional, have strong interpersonal skills, and enjoy learning and teaching. SFU retirees and their spouses and friends are invited to consider mentorship.

You are:

- * A professional with at least two years of experience in your field in Canada
- * Willing to share your knowledge and insights with a newcomer
- * A successful individual who is willing to commit to a mentoring relationship
- * Willing to contact or be contacted by our staff

What do we at ISS do?

- * Provide support and guidance to both mentors and mentees.
- * Match each mentor with a mentee who has similar training, professional experience and career goals.
- * Select mentees who are eager to learn and make the most of the mentoring opportunity
- * Provide a wide range of resources to help mentees succeed, including career counseling, job search centres, and English classes.

For more information about how to become a mentor, please contact:

Camilla Dietrich: camilla.dietrich@issbc.org

The Immigrant Services Society of BC was incorporated in 1972 as the first immigrant-serving agency in the province. Since that time, ISS has grown to be the largest, multicultural immigrant-serving agency in western Canada. The society provides a variety of services to Lower Mainland immigrant and refugee communities and works with over 23,000 clients per year. ISS has a volunteer Board of Directors, a paid staff of over 200, and more than 600 active volunteers.

TRAVEL INSURANCE

Norman Reilly's article on travel insurance in the last newsletter has inspired thoughtful reactions and some questions. Here are two of them:

From Marilyn Bowman:

I suppose further coverage in our group Pacific Blue Cross Extended Medical plan would be about the only category of interest to me. I understand there are additional services that are theoretically available under the PCBC Extended medical plan. In my case I buy an additional annual Travel Package that includes Medical plus Trip Cancellation and Trip Insurance. I do a lot of travelling so I don't know if there would be any interest in seeking some extension of our group plan to include that or some of that....

Another category might be worth considering enhancement: dental services. Root canals are a feature of our stage of life, and we have to pay quite a bit out of pocket for them.

Perhaps the first step in considering the choices here is to check what your balance is in the Pacific Blue Cross Extended Health Benefit (henceforth - EHB). You can do that either by phoning PBC (their number is on your card 604-419-2600) and asking, or by registering in their "cares-net" program. You can do that by going to the PBC web site and clicking on "Register" and following instructions. Once you are registered, you can sign in and then follow the links "Find out how much of a benefit I have used or is remaining", scroll down to "Plan limits" and click on "View". It is worth a visit to the site as it gives all the details of the coverage under our plan.

Another correspondence with Alan Aberbach:

Dear Alan,

You addressed your email inquiry regarding the comments in the May Newsletter about travel insurance to Norman [Swartz], so I hope that you don't mind receiving an answer from a different Norman.

You wrote:

"This past year, after seeing that you recommended Medoc, I decided to go with them. But the Newsletter article seems to warn against a non first payor plan, and I gather this applies to Medoc. Their letter to me states: "If you are retired and Your former employer provides an extended health insurance plan with a lifetime maximum of (A) \$100,000 or less we will not coordinate payment with such coverage (I assume that means that under these conditions Medoc is a first payor plan); (B) more than \$100,000 we will coordinate payment only in excess of \$100,000."

Perhaps the first step in considering the choices here is to check what your balance is in the Pacific Blue Cross Extended Health Benefit (henceforth - EHB). You can do that either by phoning PBC (their number is on your card 604-419-2600) and asking, or by registering in their "cares-net" program. You can do that by going to the PBC web site and clicking on "Register" and following instructions. Once you are registered, you can sign in and then follow the links "Find out how much of a benefit I have used or is remaining", scroll down to "Plan limits" and click on "View". It is worth a visit to the site as it gives all the details of the coverage under our plan.

OK, so assume that you know your balance and it stands at \$140,000, just for illustration purposes. Now suppose that you fall over a cliff in the Alps and are hospitalized for two weeks in Europe. Medoc will then make sure that all your expenses are covered (to the limit of the coverage that you have with them). They will then seek to recover up to \$40,000 from your EHB with PBC. If your covered expenses were \$25,000 then they will seek to recover \$25,000 from your EHB and the balance in your EHB will now be \$115,000. So, you may ask, what was the point of having the Medoc coverage in the first place, if your EHB is going to pay in the end anyway.

Good question. I put it to Lynda Stewart, Senior Consultant, Johnson Inc. (the provider of Medoc) by email. She was out of town and passed the enquiry to Sandy Surette, GBA Branch Supervisor, Plan Benefits Service Johnson Inc. Here is her reply:

"One of the advantages of being covered under the Medoc plan is that it will pay the care provider directly wherever possible so that the claimant does not have to pay for the medical expenses up front and then wait to be reimbursed as is the case with many extended health plans. This can be of tremendous assistance in situations where access to large amounts of foreign currency can be very difficult. Another advantage is the fact that Trip interruption and trip cancellation coverages are included with Medoc. It is most unlikely that your Extended health plan would cover you for either of these items."

She makes two points: (1) Medoc will pay the provider directly. I contacted PBC regarding their procedures under EHB or travel insurance and was advised that provided you report a problem to their "Medi Assist" within 24 hours, then they will deal directly

with any hospital, doctor etc. I also contacted Alan Black and he said that "We have had numerous "Medi-Assist" claims and we have not received, as far as I know, any complaints". (2) Medoc includes Trip interruption and trip cancellation. I don't believe that PBC Travel insurance or EHB covers that. However, it can be purchased separately.

Of course, if the balance in your EHB is below \$100,000, then Medoc would not seek to recover any benefits paid and none of the above discussion nor the comments in the May Newsletter would apply. In addition, if hospitalization abroad in the above example cost \$70,000, then your EHB would end up paying the first \$40,000 and Medoc would pay the balance of \$30,000.

In addition, travel insurance plans have a whole list of items covered and items not covered. I have not done a thorough comparison of all the detailed provisions. There may be something in the plan from a second payor, that is very attractive to you for some special reason, which is not available from a first payor. All the May Newsletter is saying, as the above illustrates, is that if the balance in your EHB is over \$100,000, then any travel insurance that you purchase from a "second payor" may not be giving you as much coverage as you think and perhaps you should examine what you are getting rather more carefully.

In the end the choice is yours and there may be circumstances where a second payor appeals to you. I can't rule that out.

Incidentally, Alan Black also wrote:

"I met with Pacific Blue Cross a couple of weeks ago to see if they could improve on their Travel Insurance. We have agreed to offer "First payor" Emergency Travel Insurance (new product) with a 20% premium discount to all SFU employees and Retirees. From what they told me it is a very competitive and the coverage is more extensive." He said that he would keep me posted.

I hope all that helps more than it confuses. Kind Regards, Norman.

SFU PENSION FUND

This is a letter by Konrad Colbow to Susan Stevenson of the Faculty Association.

By Agreement dated August 1, 1990, between the University and the SFU Faculty Association it was agreed to refund a pension surcharge levied against "Closed Group" members of the Plan between 1973 and 1988, if and when the actuarial valuation of the Formula Retirement Benefit Plan (FRB) indicated that funds were available. In 1992, the initial refund of this surcharge was set at 63.3% of the amount levied, and the amount was credited to the member's Money Purchase Account (MPA). After the 1999 triennial Actuarial Valuation of the Plan by Leong & Associates it was determined that the FRB Account of \$9,950,000 was again in a surplus position of approximately \$3,841,000. Therefore, a further 25.9% of the original levied amount plus capital appreciation was credited to each eligible member's MPA, approximately \$25,000 for a typical faculty member. Thus a further 10.8% of the levied amount is still to be refunded, amounting to about 10,000 plus capital appreciation for each faculty member. The actuarial valuation as of December 31, 2006, signed off December 2007 after resolving several irregularities, showed the FRB Account of \$20,847,630 to be in an actuarial surplus position of 4,085,700. This surplus is larger than in 1999, and the remaining refund (10.8% plus capital appreciation) is smaller than in 1999. Also, as of December 2006 there were only 14 Active Members left (4 above age 65, and 10 between 60 and 65), which gives greater certainty to an actuarial valuation. Thus I believe the University had a contractual obligation to refund in 2007 the remaining 10.8% plus capital appreciation, but did not do so. I am requesting a forthwith resolution of this matter, certainly before the next actuarial valuation in December 2009.

Sincerely, Konrad Colbow Professor Emeritus (Physics) Past Chair SFU Pension Trustees Tel 604 9262730
email: konradcolbow@shaw.ca

EXPECTED NUMBERS OF RETIREES AT SFU

Walter J. Wattamaniuk, July 8, 2008

This is a report on expected numbers of retirees at SFU over the next two decades. The results are provided to facilitate SFURA planning. Thanks to Alan Black and Miranda Brown from SFU Human Resources who have generously provided me with statistical data on current employees and retirees at SFU.

I discovered at the outset that age profiles and age-retirement patterns differ significantly for academic vs admin/union employees. I therefore provide statistics for each of two groups where available; those belonging to the Academic Pension Plan and to the Admin/Union Pension Plan. I believe that SFURA participation rates may be different for the two groups as well.

First some facts:

CURRENT EMPLOYEES (See Chart)

1. There are about 2,630 employees at SFU vested in one of the two pension plans; 1,570 Admin/Union, 1,060 Academic.
2. The average age of employees at SFU is 46.0 years. Admin/Union employees are 44.9 years old on average, Academic employees 47.7 years.
3. The age profile of SFU employees includes 403 of age 51-55, 370 of age 56-60 and 218 of age 61-65. For Admin/Union employees in age groups (51-55, 56-60, 61-65) the population is (255, 217, 88). For Academic employees it is (148, 153, 130).
4. Statistics from the Office of Institutional Research and Planning Office indicate that the number of SFU employees has grown by at least 30% over the last decade as a result of the addition of SFU Surrey as well as student growth in domestic and in international programs on the main campus.

RETIREMENTS

1. Under mandatory retirement, members of the Academic group generally worked until age 65 before retiring....unlike members of the Admin/Union group who took advantage of early retirement starting at age of 55. In fact, over half of Admin/Union employees retired before the age of 65 and retirement age was more or less uniformly distributed over the interval 55 to 64 years. Only one quarter of Academic employees retired before 65. The average age at retirement historically is 61.6 for Admin/Union, 63.9 for Academic.
2. The number of employees retiring each year has steadily increased, averaging 53 per year in 1998-2007, 26 per year in 1988-1997, and 10 in 1977-1987. The increase is due mainly to the fact that SFU is a relatively young institution and many of the young staff and faculty members hired in 1965-70 only reached retirement age in the last decade. Because of the continuing growth of SFU since 1970, and the addition of significant numbers of new staff and faculty each year, the number of new retirees will continue to increase each year over the next 20 to 30 years.
3. The removal of mandatory retirement will alter the retirement patterns of Academic employees who reach age 65. It is expected they will continue to work on average 2 to 3 more years after 65. This will have the effect of delaying and slightly dampening the number of retirements each year from what would have been expected under the mandatory regime. The larger Admin/Union group is not expected to change its retirement habits significantly although some of the employees who reach 65 may continue working beyond 65 for several years.

CURRENT RETIREES

1. There are 760 living SFU retirees according to Human Resources records. Of these 477 are Admin/Union, and 283 Academic.
2. SFURA has about 380 members which obtains a participation rate of about 50%. I do not have participation statistics by group although I suspect that participation in SFURA from academic retirees is higher than from the non-academic side.
3. The average age of SFU retirees is currently 70.5 for Admin/Union and 73.1 for Academic.
4. Mortality has not significantly decimated the ranks of retirees. Records indicate only 105 Admin/Union and 32 Academic retirees have expired so far. Average retiree mortality over the last five years was roughly 13 per year but is rapidly rising and will probably double over next five years.

PROJECTIONS AND FUTURE TRENDS

It is already evident from the facts above that the pool of retirees will continue to increase. The number of employees retiring each year is on average 50-55 and will continue to grow. Mortality amongst retirees is about 10-15 per year and is expected to double to 20-25 per year in a few years. So in the short term one can expect that the pool of retirees will grow by about 25-30 per year (about 3-4% annually).

A longer term projection requires a somewhat more rigorous actuarial-type calculation which takes into account age specific information for employees and retirees, life/mortality tables, assumptions about retirement rates and employee age hiring pat-

terms, and assumptions regarding the growth of SFU. With statistics received from Human Resources and Statistics Canada, I was able to construct a simple model which provided me with some quantitative estimates and trends.

First I assumed that the complement of employees at SFU, both academic and admin/union, stays constant. To provide for the replacement of deceased or retired admin/union employees, I chose to hire into age 20 to 50 with probability of hiring increasing slowly from age 20 to 35 then diminishing symmetrically to age 50. For academic employees, I assumed that there was an equal chance of hiring into any age between 30 and 45. I used the most recent Statistics Canada Life tables to estimate mortality rates for both employees and retirees. Since I did not have statistics for SFU employees and retirees by gender, I chose to use the life tables for males.

The retirement model I developed uses historic patterns of retirement at SFU under mandatory retirement for ages 55 to 64, then assumes that employees from both groups who reach 65 work an average of two years beyond 65.

SUMMARY

The simple model I described above leads to a number of observations:

1. The number of retirees in both groups will grow in a more or less linear fashion out to 2025 by about 3% per year, reaching a total of 1,250 retirees, about 65% more than today.
2. Beyond 2025, the number of retirees increases at a lower rate and reaches a steady state level of about 1,650 retirees in the year 2050.
3. Of course, if SFU grows, the number of retirees will be larger than under the steady state model .
4. I tested the model for sensitivity to different hiring rates, retirement patterns and mortality rates and the conclusions do not change substantially. In each case the number of retirees is expected to increase by about 40% over the next decade and about 75% over the next two decades. Had I accounted properly for gender mix, growth in the number of retirees would have simply been retarded by a few years owing to the lower mortality rates for females.

