



MUNICIPAL RETIREES ORGANIZATION ONTARIO

ANNUAL REPORT

June 2018

In December of 2015, the MROO Board of Directors adopted its Strategic Plan for 2016-2018. What are we trying to do, why, how and for whom?

Each year, an annual workplan is adopted in order to implement the three-year plan. At its quarterly meetings, the Board reviews the workplan to monitor progress and confirm we are on track. In 2018, the Board will begin the process of developing its strategic plan for the 2019-2021 period.

The key objectives of MROO's 2016-2018 plan are the organizing principle for this annual report.

STRATEGY #1

Continue to improve current services to members and develop new services identified in the member survey

Initiative: Continue to survey our members every three years re existing services and potential new services

Report: This initiative was undertaken in spring of 2018, in advance of the 2019-2021 strategic planning, with members able to complete the survey either on-line or at this spring's zone meetings. The results showed members' satisfaction with MROO services - particularly zone meetings, newsletter, and website - as well as the MROO health and travel insurance programs managed by the ENCON Group. Members showed interest in a broad range of future possible member services,

It is also clear from feedback on Facebook and at zone meetings that members appreciate the several relationships MROO has formed with commercial partners over the past few years, including Merit Travel, Loblaw Optical, and SimplyConnect.



Initiative: Continue to use all available methods to increase attendance at Spring and Fall zone meetings

Report: The nine zone meetings in the spring of 2018 attracted approximately 1750 members and spouses, a slight increase from previous years. A variety of recent technological improvements were applied to this year's registrations. The website made on-line registration and assignment to zones easier, a new telephone system facilitated registration by phone, broadcast e-mails two weeks before meetings served as useful reminders to members.

It is still the case, of course, that the activities of busy retirees divert some from attending and that some members may no longer be physically able to attend. Most of our zones are so large that a meeting in any one location cannot be attended by many, which is why the Board has initiated morning coffee meetings in several locations over the past two years.

Nonetheless, given that MROO membership now exceeds 22,000 and is steadily rising, the Board has not met its 2018 target of 10% of membership attending meetings each year.

Initiative Organize local coffee/muffin morning meetings for members and prospective members

Report: This initiative will enable MROO to serve members in smaller centres where all-day zone meetings are not feasible, in larger centres where more meetings with members can be held at minimal cost, and in existing local retiree groups, such as retired firefighters. Each director has an allocation in the MROO budget to expedite local meetings.

Over the past year, MROO has organized morning meetings in Brockville, Cornwall, and Port Perry, and has provided support for the meetings of several other retiree groups, including firefighter, police officer and hydro retirees. These efforts will increase, both as a service to members and to build greater awareness about MROO.

Initiative Periodic broadcast emails to members with links to educational or advocacy content

Report: This initiative is intended both to increase the frequency of communication with members and to provide additional useful information on matters related to



retirement. Nearly one-half of members have an e-mail account, a number which is growing steadily. Together with the updating of our website, MROO has improved its capacity to send broadcast e-mails.

Over the past year, nine broadcast e-mails were sent to all members (in addition to those sent to geographically limited areas of the province with regard to zone meetings). While many dealt with member services such as Merit Travel and SimplyConnect cellphone discounts, others informed members about the shameful treatment of Sears Canada retirees, the need to change Canada's bankruptcy laws to protect pensioners, and the Ontario Government's unfortunate reduction to the funding requirements for company pension plans.

Initiative Arrangements with one or more travel/tour firms to offer travel discounts to MROO members and/or arrange trips for MROO members

Report: MROO selected Merit Travel as its preferred travel partner in 2016. Merit's 10 offices offer semi-annual open houses for MROO members, and Merit has offered useful travel tips in the MROO newsletter. In 2018 Merit is promoting two tours specifically for MROO members (one in Europe, one in Quebec). Merit representatives meet annually with the Board to get feedback and iron out any issues identified.

Initiative: Sponsor or arrange local special interest programs / courses / events in partnership with other local organizations

Report: This initiative is intended to respond to members' consistently expressed interest in speakers and special events of a social and educational nature at the local level, in addition to zone meetings. In many cases, the most expeditious way to offer this service would be to work with other local organizations and /or offer to co-sponsor events with them.

With funding from the federal government's "New Horizons for Seniors" program, MROO undertook a major educational initiative over the summer and fall of 2017. Eleven seminars - four of them in French - were presented in smaller Ontario communities, in four zones, using a combination of professional speakers and volunteer speakers from credit unions and local police forces. These "Financial safety and support for seniors" seminars attracted both MROO members and other local retirees to hear about sources of retirement income, prevention of financial fraud, and good financial housekeeping.



While attendance was disappointing, feedback confirmed the outstanding quality of the seminars. Support was provided by several credit unions and caisses populaires, by several municipalities, by the Canadian Association of Credit Unions, by the Canadian Centre for Fraud Prevention, by several OPP detachments, by the Centre Charles-Emile Claude in Cornwall, and by Revera Retirement Living in Hanover.

Initiative: Based on advice from ENCON Group and Mitchell Abbott Group (MAG), continue to seek affordable improvements to MROO-sponsored retiree insurance programs

Report: Based on advice from ENCON Group, the Board approved enhancements each year to the MROO Health Insurance Plan and optional Annual Travel Emergency Medical Insurance plan. The number of policyholders continues to grow and the proportion of those that enroll in the optional annual travel insurance also continues to grow.

Several innovations over the past three years have contributed significantly to this growth.

-) The “YourNurse” service offers practical advice from experienced nurses to MROO Health Plan members and their families, in order to help them navigate the health care/home care field and to advocate for them when necessary.
-) The Alliance Pharmacy Group on-line pharmacy is now offering low-cost pharmaceuticals by home delivery to MROO members.
-) Participants in the Annual Travel Medical Emergency option now have the option to choose a coverage for individual out-of-province trips of up to 180 days, including 30, 45, 60, 90, 120, and 150 day options.

MROO is grateful to the ENCON Group for their continued professional advice and their energetic efforts to promote the Health Plan.

Tom Graves and the Mitchell Abbott Group continue to offer excellent advice to MROO members on home and auto insurance, popular presentations at MROO zone meetings, and low-cost insurance options.



Initiative: Continue to promote retirement planning seminars and provide current retirement planning information

Report After several years providing approximately 20 MROO retirement planning seminars per year to approximately 400 employees, we are on track in 2018 to provide more than 25 seminars to approximately 500 soon-to-retire employees. The seminars continue to receive very positive reviews from both participants and the host employers. Recently and for the first time, these employers have included not only municipalities but also police services and public health boards. Again, we are grateful to the host employers and to OMERS Training and Education staff for their participation and support. Several counties, cities, and regional municipalities host one or more seminars each year.

This success is owed largely to Phil Hollins, the architect of the seminar format and the organizer and chief presenter at each seminar since the inception of the program in 2009. Phil has indicated his intention to scale back his involvement in 2019 and thereafter. Therefore, planning is now underway for the evolution of this program, keeping its successful elements while investigating other formats such as webinars and "lunch-and-learn" options.

In addition to the seminars, MROO provides retirement planning information to members through its regular Twitter feed, Facebook and website. Through presentations and newsletter articles, we also provide valuable information to members of the Ontario Municipal Human Resources Association. The Retirement Planning Guide given to seminar participants was updated in 2017.

STRATEGY #2

Continue advocacy on behalf of OMERS retirees

Initiative: Maintain our current level of advocacy with OMERS

Report: MROO played a significant role over the past few years in OMERS' decision to permit its AVC (Additional Voluntary Contributions) account holders to keep their accounts past age 71 (until then, members had been required to withdraw their AVC funds, given the Income Tax Act requirement that RRSP accounts be closed at age 71). However, the option to retain their AVC accounts does not



apply to Locked-in Funds, about 10% of the funds invested in OMERS AVCs. MROO has encouraged OMERS to keep searching for ways to allow these Locked -in funds also to remain in AVC accounts past age 71.

Over the past year, the OMERS Sponsors Corporation has embarked on a comprehensive review of the design of the pension plan. The background of this review is the series of "headwinds" which will face OMERS, and most pension plans, over the next 20-30 years. These include

-) the ever-increasing longevity of pensioners
-) the more or less stagnant number of contributing employee members in the OMERS Plan
-) the rapidly approaching milestone when the Plan will have as many retired members as contributing employee members
-) The already very high contribution rates faced by active employee members and employers
-) The imminent increase in the contribution rate to the Canada Pension Plan by employees and employers, and the eventual improvement in the Canada Pension paid.
-) The anticipated slowdown in worldwide growth and the resulting sluggishness of, and increasing competition for, stable investment opportunities

The OMERS SC and its staff has involved stakeholder organizations, including MROO, in several sessions to outline these medium-term headwinds, preview the broad array of potential plan changes, and seek feedback on potential changes. Removing the guarantee of inflation indexing (as the Ontario Teachers and the Hospitals of Ontario Pension Plans have already done) is one of the options being presented but not the only one.

To date MROO has made three points to the SC:

-) we acknowledge the medium-term issues that OMERS anticipates and therefore the need to review the Plan Design
-) the SC should be slow and deliberate in this process. If it identifies a need for change in the benefits guaranteed by the OMERS Plan, it should not make changes until it has obtained input not only from stakeholder organizations but also from members, and educated them about the issues facing the Plan.



) it should be mandatory for all part-time, seasonal, and contract employees of OMERS employers to become Plan members

Initiative: Non-partisan participation in federal and provincial elections

Report: MROO was proud, during the lead-up to the October 2015 federal election, to have obtained statements from the four national parties on a series of questions related to pensions and retirement income, and to have included a summary and comparison of the four parties' positions in our July 2015 newsletter.

We attempted to do similarly in 2018 with respect to the June 2018 Ontario election, publishing the policy comparison in our March 2018 newsletter. However, the resulting comparison was less satisfactory. The Ontario PC party position on retirement income issues could not be included, because the party had changed its leader during the run-up to the election and no policy had yet been enunciated.

Initiative: Advocate on behalf of defined benefit pension plans and expansion of the CPP

Report: MROO has advocated for years for the expansion of the Canada Pension Plan; so, although it was a more modest expansion than we felt was needed, we were pleased that the federal and provincial governments came to agreement on a CPP expansion.

In our correspondence with the federal government, MROO continues to urge better treatment of pension funds and pensioners in the event of company bankruptcy. Seeing the evasion of responsibility to pensioners by employers such as Sears Canada, the latest in a long line, should justify a change to federal laws to better protect pensions. Both the Canadian Federation of Pensioners and CARP have mounted high-profile campaigns, but so far the federal government has refused to better protect pensioners in these circumstances.

During the past year, we opposed the Ontario Government's ill-advised reduction of the solvency funding requirement for single-employer pension plans, since the government refused to make the necessary enhancement to the company-funded Pension Benefits Guarantee Fund in order to fully protect pensioners.

MROO continues to benefit from the outstanding expertise among the other member organizations in the Canadian Federation of Pensioners. In 2017, MROO made a significant financial contribution to the advocacy work of the CFP.



Initiative: Survey members on advocacy and retirement issues

Report: MROO has undertaken an e-survey annually over the past several years, most recently asking in 2017 about our members' financial experiences and concerns in retirement. In the meantime, more members are responding individually to issues raised in our newsletter and on Facebook.

STRATEGY #3

Increase membership and improve membership communication methods

Initiative: Increase membership

Report: From the beginning of 2016 to this date, MROO has gained 4000 net new members. Clearly, our varied efforts to make OMERS pensioners and pensioners-to-be aware of MROO are bearing fruit. Much is due to the work of our directors, alternates and ambassadors; to the marketing undertaken by the ENCON Group, to the support from over two dozen employers and union locals who purchase MROO memberships for their retiring employees/members, to the cooperation from OMERS, and to the support of other retiree groups such as the Police Pensioners Association and Retired Professional Firefighters Association. More members means a bigger voice for our advocacy and a broader base for our programs.

It is worth noting, however, that OMERS now has about 160,000 retired members and is adding pensioners at a rate of 8000-10,000 per year. MROO's 2018 objective for membership growth was 25,000. Despite successes in growing our membership, more remains to be done.

Initiative: Improve our website

Report: Largely due to the leadership of Max Sutton, the past three years have seen a complete transformation of MROO's on-line presence. The website is now a valuable resource for news about MROO, about pensions, and about resources for retirees. www.mroo.org now has a very professional feel and very attractive look, with a wealth of information. New functionalities such as zone meeting registration and new member enrolment, are being added regularly. MROO's social media presence also includes an active Facebook account, with 1300 followers and about 70 posts over the past year. This regular updating of



material, combined with more discounts and other services for members, is steadily increasing page-hits on our website and followers on Facebook.

The website contains regular new content in the form of messages taken from the MROO Twitter account. The MROO Twitter, 135 followers, draws attention to articles and studies related to pensions and retirement.

The Board's strategic objectives for an active digital presence have clearly been met and further enhancements will continue.

Initiative: Improve newsletter delivery methods

Report: The MROO newsletter, or a link to it, is being distributed electronically to their members by the Ontario Municipal Human Resources Association, the Ontario Municipal Administrators Association, and the Ontario Association of School Business Officials.

In the November 2017 newsletter, we offered our 22,000 readers the option of receiving an electronic copy instead of the printed edition. Fewer than 100 members have selected that option.

Initiative: Make more human resource departments aware of MROO

Report: Our long-time sponsorship of the Ontario Municipal Human Resources Association has yielded an unquestionably greater awareness of MROO among the municipal sector. Over the past two years, we have also arranged to make presentations on behalf of MROO to HR officials in the school board sector, the electricity distribution sector, the public health sector, and some police services boards.

We will continue to make contact with associations of OMERS employers in other sectors and pursue local contact with major employers.

Initiative: Continue to work with OMERS to make OMERS members aware of MROO

Report: During the past three years, MROO representatives have attended all but a very few of the 40 or more retiree information sessions presented annually across the province by OMERS Training and Education staff. As such, this has been a major commitment for MROO and an excellent opportunity to reach pensioners. Our short introductions to MROO often succeed in generating follow-up questions by those attending. Increasingly, MROO representatives are staying for the 5:30



session with active employees, in order to introduce ourselves informally and distribute materials.

We are grateful to OMERS for having provided contact information for MROO to its 160,000 retired members in a recent edition of its retiree newsletter.

Initiative: Make and retain contact with the largest OMERS employers

Report: The objective in developing or cementing our relationship with the largest OMERS employers (those employing more than 500 OMERS members) is to optimize our efforts to enlist the help of employers to make retiring employees aware of MROO. For maximum efficiency, we have concentrated on the large employers in the Golden Horseshoe. We already enjoy a good relationship with several of these employers, primarily among the 25 municipalities. These relationships - the County of Wellington and Regional Municipality of York, to name just two - have proven very efficient at building awareness.

Primarily through the work of Dianne Hern and John Fleck, the HR personnel of several larger employers in the OMERS plan have been made more aware of MROO. In the future, we intend to approach 17 Golden Horseshoe school boards, and a variety of other employers such as the Municipal Property Assessment Corporation and Metrolinx.

STRATEGY #4

Increase support for representatives to better serve members and promote MROO

Initiative: Increase usage of existing tools and develop new tools and guidelines as needed

Report: The recently-formed Marketing and Communications Committee of the Board has recently developed and mass-produced a multi-fold, pocket-sized "For a Better Retirement": brochure, which provides a basic "who are we and what do we do" introduction to MROO. Dianne Hern has also produced a one-page "About MROO" digital letter which has proven useful in contacting employers.

Initiative: Improve training for representatives at the zone level

Report: Attracting more volunteers across the province is critical for MROO's future success both in launching local activities and building awareness among local



retiree groups, union locals and associations, and employers. Ensuring that new volunteers have good training will build their confidence.

Two full-day orientation sessions have been held for directors and alternates over the past two years, and every zone director has been asked to hold at least one meeting of MROO volunteers/representatives in his/her zone. As more ambassadors are recruited, training and orientation will remain critical.

Initiative: Provide director training in areas of identified priority

Report: Training priorities were identified by a survey of directors in 2015. Director training is being incorporated into regular quarterly Board meetings.

Initiative: Share successes, ideas, issues and resources with other Zone Directors

Report: A portion of each June Board meeting is devoted to sharing ideas and experiences for zone activities and the implementation of strategic plan initiatives. In addition, the formalization of the Executive committee of the Board, and the Marketing and Communication committee of the Board, provides opportunities for Board members to be directly involved and develop common approaches.

Initiative: Increase the number of Ambassadors to assist Directors to arrange local services, events, and partnerships and to provide zone coverage

Report: No initiative is more important for MROO's future success than the recruitment of MROO ambassadors in local communities and in the various sectors of OMERS membership. In 2018, MROO has eleven active ambassadors, more than ever before. Directors continue to recruit.

Nonetheless, we remain far short of our objective to have at least one ambassador in each major centre of population and at least one from each major employee association and union in the OMERS Plan.

Initiative: Ensure that adequate resources/ support service personnel are in place as needed to achieve preceding goals and in keeping with available funds

Report: Office Manager Jen Cook began with MROO in September 2016 and has rapidly demonstrated responsiveness to director requests and a flair for developing efficient ways to do things. MROO has never been busier. So, her hours worked in a typical week have increased very significantly. Further thought is being given to adding administrative resources.



Long-time executive director Bill Winegard has indicated his intention to scale back his MROO activities in 2019 and beyond. Accordingly, a recruitment process for a replacement executive director is now underway and an orientation program will be undertaken in 2018.

On a very effective but informal basis, alternate director Max Sutton has undertaken the role of coordinating MROO's social media presence and development. It is expected that the new executive director will formalize this role and recruit accordingly.

Under the leadership of Treasurer Penny Allen and Book-keeper Jacqueline Newton, the Board continues to develop financial comptrollership policies that continue to maintain value and accountability in our activities and expenditures. Each year's audit confirms the effectiveness of our financial practices.

MROO remains well-funded, with the means to make significant progress toward our strategic objectives. Our commitment to strategic planning and to annual workplans helps to ensure that our use of resources is aligned with our goals and the best interests of our members. Our directors are confident that, subject to accountability and reporting, funds are available to accomplish their initiatives.

Our Thanks

MROO has a number of important relationships that extend our reach and our access to important information. These include OMERS, the ENCON Group and MitchellAbbott, of course, but also the Police Pensioners Association Ontario, the Retired Professional Firefighters Association Ontario, the Canadian Federation of Pensioners, the Ontario Municipal Human Resources Association, Ontario Municipal Administrators Association, the Ontario Association of School Board Officials, the Electrical Distributors Association, and CUPE Ontario, among others. We are grateful for their support.

Our retiree health insurance plan, and our rewarding relationship with the ENCON Group, are now in their fourth decade. We remain proud of that pioneering accomplishment and grateful to Don MacLeod and Ted Stephens for their foresight.

We appreciate the support of our members who attend zone meetings, visit our website and Facebook page, respond to our surveys, endorse our advocacy concerns, praise our newsletter, and help us to spread the word about MROO.



MROO

Municipal Retirees
ORGANIZATION ONTARIO

www.mroo.org

Our directors, alternates, ambassadors, volunteers, and partners have brought us to where we are today, each new year takes us further.

William Harford, President, on behalf of the Board of Directors

Mississauga, Ontario June 2018