

Association of Eircom Pensioners

Annual Meeting Report 2017

The Annual Meeting of the Association of eircom Pensioners will be held on Wednesday April 19, 2017 at 13.30 hrs in the eircom Head Office, 1 Heuston South Quarter, St. John's Road, Dublin 8. The usual refreshments will be served before the meeting from 13.00hrs.

You are cordially invited to attend

Agenda for AGM:

Standing order report No. 1

1. Address of welcome by – Seamus Browne, Chairperson
2. Silent Prayer in Honour of deceased members
3. Address by Guest Speaker – Mr Brian McCann, eircom Superannuation Fund Administrator
4. Minutes of Annual Meeting 2016
5. Honorary Secretary's Report
6. Adoption of Memorandum & Articles of Association
7. Motions

Standing order report No. 2

1. Election of Officers and Committee
2. Open Forum
3. Closing Address by the Chairperson

A large attendance of members is requested

Denis .J Fahey
Honorary Secretary

Important Notes:

Nominations are sought for the committee for the coming year. The expectation is that all committee members will be proactive especially to lead the recruitment campaign in their respective Districts. From within the nominations an Officer Board of four will be elected: - Chairman, Vice-Chairman, Secretary and Treasurer. The committee of no more than twenty other members is required. Each District is confined to two committee members with the exception of Dublin and in the event of more than two nominations being received from any District only members from that District will be permitted to vote.

District nominations (2) are to be submitted to the Secretary no later than Wednesday April 12, 2017 for due process.

Transport to 1 Heuston South Quarter:

Take the Luas from Abbey Street Lower to Heuston Station. The eir Head Office is only 100 metres from the Heuston Station stop.

This is a wonderful opportunity for pensioners to see the new eir Head Office on what was the historical site of the St. John's Road Factory Depot.

We remember our deceased Colleagues:

Masses will be held in Whitefriar Street Church, Dublin 2 on Wednesday April 26, 2017 @ 11.30 a.m. and Wednesday November 8, 2017 @ 11.30 a.m.



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We care! It's not about the money, it's about YOU!

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- Members have control over their own finances
- We have members not customers
- No hidden fees or charges
- You have a say in the running of the credit union
- Free Loan protection
- Death Benefit Insurance:

We provide all qualifying members with a Death Benefit Insurance, we automatically insure all members who have joined before the age of 70 and have a minimum share balance of €250 at the time of their death with a death benefit insurance.

During the life of the insured it gives the family added security and reduces worries about the future.

Remember regardless of economic conditions, it makes perfect sense to put something away for a future financial need. No matter how small, savings and deposits will build up and make a difference.

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Call us today on 01-6792344 and speak to a member of staff on how you can benefit from being a member.

1 The Minutes of the Annual Meeting Thursday April 21, 2016:

The meeting commenced at 14.00hrs and was presided over by the Chairman, Seamus Browne who welcomed all present including our Guest Speaker, Mr Brian McCann, Fund Administrator eircom Limited. The key message emphasised by the Chairman was the building and development of the Association of eircom Pensioners on the former District structure of Telecom Eircom. The records show the progress made since last year to 4,182. He also acknowledged the very good communications and a strong working relationship with Mercer through Sheila Mullett & her team. Mercer manages the pension payments on behalf of eircom Superannuation Division. Mercer's Q&A details that are published on our website has proven to be very helpful to pensioners. He also thanked Emma Lusk & her team in ESCCU for assistance in maintaining our account and the special effort in assisting with identification issues that arose during the past year. He thanked ESCCU for availing of the circulation of our report to include their advert. This sponsorship is most welcome. Attendance record shows over two hundred members attended and a number of apologies were noted.

We had two manned information stands at our meeting - ESCCU and Mercer. The latter conducted a survey of all in attendance and presented a prize from a draw of participants. The feedback from the two organisations was very positive.

2 Silent Prayer in Honour of deceased members:

Prayers were offered for all our deceased members. Sadly the total deceased over the twelve months amounted to **187. RIP.**

3 Address by Guest Speaker:

The Chairman invited Brian McCann eircom Superannuation Fund Administrator to address the members and in doing so thanked Brian & his team particularly in facilitating our meetings over the past twelve months. Brian McCann, Fund Administrator eir Ltd., gave a Power Point Presentation on both Pension Funds as outlined hereunder:-

Eircom Funds Trustees

Main Fund

Brian Duncan (Chairman)
Jim Foley
Brian Loughran
Jim Browne
Paul Callan
Frank O'Brien
Gerry Nolan

No. 2 Fund

Joe Maher (Chairman)
Jim Foley
Brendan Clahane
Kevin Conlon
Paul O'Rorke
Frank O'Brien
Ray Lawlor
Michael Perkins
Mick Scully

Investment and Financial Team

Ciaran Naughton
Investment and Finance Manager

Investment and Financial Team cont

Patrick Kirby
Accountant
Margaret Atunbase
Accounts Assistant

Pensions Administration Team

Brian McCann
Scheme Administrator
Ian Fox
Superannuation Specialist
Angie Heffernan
Superannuation Specialist
Louise Gunnery
Superannuation Specialist
Vacant Position
Superannuation Specialist

Trustee Administration Team

Brian McCann
Scheme Administrator
David Bradley
Fund Operations Manager

	31/08/15	31/10/2015	31/01/16	31/03/16
Employees	2,436	2,430	2,411	2,398
Preserved Pensioners	6,094	5,980	5,826	5,682
Pensioner Totals	8,197	8,287	8,421	8,551
Males With Spouses	5,151	5,198	5,275	5,353
Males Without Spouses	234	232	229	231
Females With Spouses	318	325	331	337
Females Without Spouses	1,162	1,197	1,235	1,279
Widows / Widowers	1,250	1,251	1,266	1,270
Dependents	82	84	85	81
Total Membership	16,727	16,697	16,658	16,631

Summary of Members – Main Fund

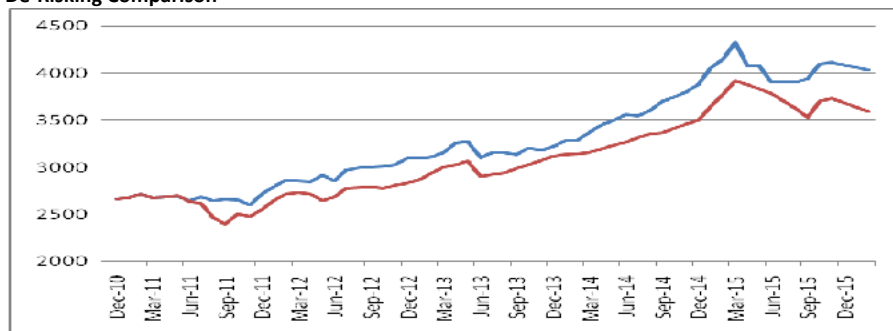
Pensioners Payroll

- Pensioners in Payment Currently – 8947
- Payroll costs in the region of €180m P.A. (both Funds)
- 60 to 90 New Pensioners being added to Payroll each Month
- Approx 900 to 1000 new pensioners will be added to the Payroll each year for the next 6 years or so and then this will begin to peter out
- Payroll Costs Increasing circa €1.5m each Month

Main Fund Current Asset Value

- €4,191bn
- Currently Meets the Minimum Funding Standard Under Pension Authority Regulations
- Assets and Liabilities Projected into the future are more or less in balance
- Contributions from Company and Employees Currently Running at about €15m P.A.
- Fund De-Risking Programme undertaken in 2011
- The Fund is Currently Invested in Fixed Income Assets – 67.6% and Growth Assets – 32.4%
- Triennial Valuation of the Fund Due at the end of September, 2016

De-Risking Comparison



No. 2 Fund Current Asset Value

- €347m
- Large Deficit on the Fund
- Assets will be Depleted in the next 4 to 5 Years
- Currently no Contributions being paid into Fund
- Fund also De-Risked
- Triennial Valuation carried out 01/10/2015

No. 2 Fund Future Funding

- Trustees, Company and Government Departments Currently Engaged in Talks
- Agreement reached to move to a Pay As You Go Arrangement
- The Trigger Point will be when the Fund hits a Particular Value
- Trustees will at all times have 3 Months Pension Benefits on Hand
- Legal Representatives Currently Working on the Scheme and Trust Deed Amendments
- Trustee Board will Remain in Place

Pensions Accord – 2010

- Main Fund €410m Deficit
- Company and Trade Union Alliance Agreement – Pensions Accord
- Pensionable Pay Freeze and Increases Limited from January 2015 to the Lowest of

The % Increase in Actual Pay Awarded in the Year

or

The % Rate of the Annual Increase in the Consumer Price Index (Prior Year)

or

A Max Annual Increase of 4% in each of 2015, 2016 and 2017, 3.25% in each of 2018, 2019 and 2020 and 2.5% in each year thereafter

Government Pension Levy

- Introduced in the Finance Act of 2011
- 2011 - 0.6%, 2012 - 0.6%, 2013 - 0.6%, 2014 - 0.75% and 2015 - 0.15% Reductions in Asset Values
- Both Funds Depleted to a total of €95m (€83m and €12m)
- Trustees Adopted a Wait and See Approach and Members were Informed
- Main Fund Trustees have Decided to Recover the Levy from Members
- No. 2 Fund Trustees have informed the Minister that it is not their intention to pass on the levy to the members.
- Members will be Communicated with in the future

Pension Increase

- Average Rate of C.P.I. in 2014 was 0.2%
- Serving Staff Received Salary increase August 2015 – Only 0.2% of Increase Pensionable
- Trustees Requested Approval for Pension Increase – 0.2% Company Approval has been Received
- Currently Awaiting Response from Dept. of Communications, Energy & Natural Resources and Dept. of Finance
- If Approval Granted

- Main Fund Trustees will withhold Increase and offset against the Government Pension levy

- No. 2 Fund Trustees will pass on the Increase to Members

Contact Details

- | | | | |
|--------------------------|-------------|-------------------------|-------------|
| • Brian McCann | 01 701 3916 | • Ian Fox | 01 701 3834 |
| • brian.mccann@eir.ie | | • ian.fox@eir.ie | |
| • Angie Heffernan | 01 701 3922 | • Louise Gunnery | 01 701 3914 |
| • angie.heffernan@eir.ie | | • louise.gunnery@eir.ie | |

Brian thanked the Association for the invitation and invited questions from the floor. He expressed concern in the “short comings” in the office in delay in responding to members calls. This was mainly attributable to staffing levels and hopefully going forward this will be resolved. He thanked those members for their feedback.

4 Motions:

In total fifteen motions were submitted for consideration at our Annual Meeting 2016. They were addressed under the following headings:- USC, Health, Pension Levy, Living Alone Increase, Local Property Tax, Water Charges, Household Package, Change of Rules, Thresholds for Capital Acquisition Tax, Restoration of Christmas Bonus, State Pension Contributory and Representation on the Pensions Board. All relevant motions were presented to the various Ministers at our pre-budget - October 2016 – submission. A debate emerged from the floor concerning the non pension increases since 2010 Accord. This was referred to the incoming committee with a view to opening dialogue with the unions involved in the agreement.

5 The impact of budget 2017 on pensioners is outlined hereunder in summery commentary:-

Our Association always make pre-budget submissions to various Government Ministers based on motions passed at the Annual Meeting.

Our 2017 pre-budget submissions to the Government covered issues such as Universal Social Charge, Water Charges, Health, Pension Levy, Living Alone Increase, Local Property Tax, Household Package, Thresholds for Capital Acquisitions Taxes, restoration of the Christmas Bonus and Contributory State Pension.

So what happened in Budget 2017 and will Eircom pensioners feel any benefits?

Universal Social Charge – Each of the three lower rates have been reduced by one half of one percent.

1. The 1% rate falls to 0.5% on the first €12,012 of eligible income
2. The next band has come down to 2.5% from 3% for income between €1,203 and €18,772
3. The third USC band is reduced to 5% from 5.5% on incomes between €18,773 and €70,004.
4. The top rate remains as it was in 2016
5. An exemption applies to persons whose total income is under €13,000

The benefits can only be described as ‘relatively small’.

The State Pension – The State Pension and other Social Welfare payments have been increased by €5 per week but unfortunately this benefit has been delayed until March 2017

Water Charges – While there was no announcement on budget day in relation to water charges it now appears that water charges could be described as “Dead in the Water”

Inheritance Tax – the Category A Threshold, which covers inheritance transfers from parent to son/daughter will increase to €310,000 from €280,000. This new threshold still falls far short of the United Kingdom level of approx. £1m sterling.

Categories B and C remain unchanged which can only be described as “insulting”.

Our Association together with the NFPA must continue to press Government for major improvements in all 3 categories.

Christmas Bonus – An 85% Christmas Bonus will be paid in December 2017 to persons on Social Welfare payments. This compares to 75% payment in December 2016.

Just imagine a pensioner on partial Social Welfare payment of €70 per week getting an extra Christmas Bonus from the Minister in December 2017 of €7. “Don’t book the holiday in Florida”.

Income Tax – Age Exemption – Persons aged 65 years and over are exempt from Income Tax if their gross income is under €18,000 (single) and €36,000 (married).

Dirt Tax – The DIRT Tax Rate has been reduced from 41% in 2016 to 39% in 2017. The Finance Minister further proposes to reduce this tax by 2% in each of the years 2018, 2019 and 2020 bringing the rate down to 33%. We will have to wait and see if the Minister keeps his promise.

Living in the other World – Finance Minister and Public Expenditure Minister and many other ministers were quick to paint the Budget in glowing terms using words like “Fair” and “Socially Just” but in the weeks following the budget we learned that our beloved parliamentarians were to become eligible for rather generous pay increases.

TDs will be eligible to receive an increase of €2,707 per annum on 1st April 2017 with a further €6707 on 1st January 2018.

Ministers will be eligible to receive an increase of €3,911 per annum on April the 1st 2017 with a further €3911 on April 1st 2018 and a further €3,911 on April 2019.

Note that the increases are on April Fool’s Day. Is there a message in this for pensioners who will get a maximum of €5 per week while not having any perks like our parliamentarians? Do they know that in our Capital City alone there will be more than 2000 children homeless at Christmas 2016 and there are over half a million Irish people on Medical care waiting lists.

6 Elections of Officers and Committee:

The Secretary confirmed receipt of nominations for the committee for Annual Meeting 2016 and invited all the nominees to rise and identify themselves and advised that all are prepared to stand for election as follows:- Seamus Browne, Denis J. Fahey, Frank Kavanagh, Margaret Duggan, Jim McNicholas, Frank Coghlan, Terry O’Friel, Elizabeth Deans, Tommy Commons, Pat O’Shaughnessy, Tony McGee, John A O’Malley, Pat Doyle, and David Lee.

The committee was elected individually with both a proposer and seconder in compliance with the requirement as outlined on page one of this Annual Meeting Report. The Chairman thanked all for their endorsement and advised that we are looking for new blood from within the District structure, as we embarked on increasing our membership.

7 Open Forum:

The Chairman advised that the annual subscription of €5.00 will be deducted from fortnightly and monthly paid pensions in mid September. We rely on deferred pensioners to complete the Standing Order Form that is available in hard copy as well as on-line through our website. The PayPal facility now active on our website is the preferred option. This process is a “one-stop-shop” as it facilitates membership details and payment of annual membership.

Members queried where they can get their pension number? Mercer will provide same and the contact number is on the payslip.

Discussion on possible pension increase followed. Brian McCann provided a copy of the “accord 2010” to the committee for information.

Mary Dowling, who was a committee member for over twenty years, wished to record her thanks to the committee for their dedication and wished the incoming committee every success in the future.

8 Conclusions:

The meeting concluded with the Chairman thanking all for their attention and Brian McCann in particular and asked Brian to convey the Association’s thanks to his team and the Superannuation Staff for all their assistance to all eircom pensioners during the past year.

He assured the meeting that all resolutions will be addressed in the coming weeks and the Secretary will prepare/furnish submissions on same to the relevant Government Ministers. He also thanked

Emma Lusk and her team from ESCCU and Sheila Mullett and her team from Mercer providing helpful advice at their respective information desks.

He concluded by thanked the Catering Staff for looking after the hospitality end of the business and thanked all of attending and wishing them a safe journey home and closed the meeting at 15:40.

2 Hon. Secretary's Report to AGM April 19, 2017

Since our 2016 Annual Meeting at which over 200 attended, the Association has held eight full committee meetings. A Finance sub-committee under Frank Kavanagh, Treasurer, Pierce Butler and Liam Caldwell was formed in January this year with the aim to regularise budgeting, recommending annual accounts for approval and administration.

In July 2016 it was decided to formalise the Association into a Company Limited by Guarantee and become fully compliant with corporate governance and to satisfy the Revenue Commissioners regulation. We did try to get Charitable Status for the Association but without success on this occasion. The Association is a not for profit organisation therefore all administration is conducted voluntarily and only out of pocket and vouched expenses are reimbursed. We engaged the services of a specialist company - OmniPro to guide us through this process and prepare Memorandum and Articles of Association (Constitution). In order to satisfy the Companies Registration Office we had to obtain a letter of declaration from all agents that used the word 'Eircom' in their name. At this time it must be mentioned the support received through Mr Brian McCann for his guidance with our engagement with the Company Solicitors to satisfy this particular requirement.

Recruiting is a "work in progress" and initially we used the facility of both Standing Order and PayPal to enable retirees pay their annual subscription of €5.00. Only deferred retirees will still have the above two options available to pay their annual subscription in future.

In September 2016 the Association sought to rectify the 'week 54' or '27th payment' for fortnightly paid pensioners and in December 9, 2016 Mercer notified all impacted of the adjustment both from Revenue and healthcare deductions.

On receipt of an invitation from the Rowland Hill Foundation to consider the appointment of two fulltime employees it was determined to invite Mr Liam Kirwan, Director to address the committee at our October meeting.

We have actively engaged, through the year with politicians from all sides of the "house" at their clinics. The aim of this action was to encourage all political persuasions to take up the unjust treatment of pensioners' pension funds. The Association welcome the draft bill by Mr Willie O'Dea T. D. that attempts to prevent future governments from imposing levies on private pension funds.

The use of the eir Auditorium for our Annual Meeting for the members is provided by the Company at no cost to the AOEP as is the Board Room of the Superannuation Division for our Committee meetings during the year. A big thank you goes to Brian McCann and his very helpful team for accommodating us and for their tolerance throughout the year.

The Committee met in Leitrim House on eight occasions since our Annual Meeting April 2016. The meetings are always well attended - on average 14 members attended and meetings were always business-like.

1 Deceased Colleagues:

It is with great sadness that we note the passing of **187** of eircom pensioners since our Annual Meeting in April 21, 2016. May they Rest in Peace.

The Committee acknowledges the monthly notification from the Superannuation Division of deceased members. In that regard AOEP have **given** an undertaking that it will advise the Division of the demise of any eircom pensioner that we are made aware of. This information is to be communicated centrally through the **Association Secretary**. We confirm the specific details on the **www.rip.ie** website before relaying the details. All members are earnestly asked to co-operate with this sensitive initiative.

2 Sub-Committees:

The aforementioned Finance Committee of Frank Kavanagh, Liam Caldwell and Pierce Butler and the advisory Sub-Committee under the guidance of Seamus Browne, comprises of the following members: - Margaret Duggan, Frank Kavanagh, Tommy Commons, Pat Doyle and Denis Fahey convened meetings in the past twelve months and made recommendations to the full committee on numerous matters. The sub-committee meetings were held in Dublin. Matters deliberated on included pre-budget submission, website design & content, Program for Government paper, recruitment strategy, Corporate Compliance and the process of election to this committee.

3 Web Site – www.aoep.ie

A three person group was initially setup to develop and propagating our website. This group comprises of Pat Doyle, Liz Deans and Denis Fahey. We recommended the use of the internet as a method to disseminate information to and from our members. The setting up of a Facebook page is a new innovation that is in its infancy but has already given the Association more world wide exposure. Members with expertise in this area are most welcome to become involved.

The Association provides an on-line application form and also an on-line payment system to accommodate the payment of our annual membership fee of €5.00. The hosting Company, Register365, provides statistical information that assists in the management process of the site. The various enhancements have made the site very consumer friendly. It has proven to be of assistance to members, their spouses, solicitors, trustees and carers. In future this medium will prove invaluable for promoting social events and related matters. Districts have begun to promoted their Annual Services for deceased pensioners.

4 Register with Company Regulator Office:

As mentioned previously the Association is not registered with the Charities Regulatory Authority at this time but may in the future. It is now registered with revenue and the Companies Regulator Office. The four officers constitute the board of trustees – Seamus Browne, Margaret Duggan Denis Fahey and Frank Kavanagh.

Today we will be debating the replacing of our existing rules with a constitution (Memorandum and Articles of Association) for our Association. AOEP is registered as a CLG. This is a requirement of all voluntary organisations.

5 Recruitment:

Recruitment is an ongoing process - hereunder is a table of potential membership by 2017.

Type of retiree (approx numbers)	Totals
Deferred pensioners	5,191
Pensioners post and pre 1984	7,855
Potential membership	13,046
Allow for 50% to affiliate by 2016	6,523
Association of eircom Pensioners -	4,500
Minimum membership	11,023

Organising our membership based on the old Telecom Eireann District structure facilitates local communication with members via their local representatives in addition to the regular formal communications they receive via email, text and postal service. Therefore it is critical that the AOEP is afforded a high level of co-operation within the membership base on the ground across the country that will make for a very constructive national organisation.

The Association works diligently and with some success for its membership both on an eir (company) directly with eir and on a National basis through its affiliation to the National Federation of Pensioners Association to represent its members concerns and provide them with a voice which otherwise may not be heard at National level as well as on the political level.

The Association organisation is two pronged - a business element and a social element. The latter element promoted through social interaction – bridge clubs, golf societies, social clubs, policy group,

media group etc., etc., over time the membership will drive this agenda by active participation locally and nationally.

Arising from our Annual Meeting notification last year it emerged that some of our members had changed their home address and also their financial institution. The latter impacted on the payment of their annual membership fee of €5-00 where their Standing Order was cancelled by default. We appeal to those members to attend to this matter as soon as possible. (see covering letter enclosed)

6 Motions for Annual Meeting 2017:

Repeal FEMPI (NFPA)

1. The Annual Meeting of the Association of eircom Pensioners calls on the Government to Repeal FEMPI as it only applies to Civil Servants

Minister for Older People

2. The Annual Meeting of the Association of eircom Pensioners calls on the Government to appoint a "Full Minister" to represent the rapidly expanding "Older Person Category of Voters"

Congress of Trade Unions

3. The Annual Meeting of the Association of eircom Pensioners calls on the Congress that since the Congress of Trade Unions claim that Pensions are outside their remit then Pensioners should not be bound by Trade Union Agreements.

Taoiseach/Government

4. The Annual Meeting of the Association of eircom Pensioners calls on the Department of the Taoiseach/Government to formally recognise the "Older Person Category of Voters" to offer them "Right of Representation and Equal Voting Rights at All Major and/or relevant Forums/Negotiations that directly or indirectly affect them.

Dirt Tax Liability

5. The Annual Meeting of the Association of eircom Pensioners calls on the Minister for Finance to exempt pensioners whose earnings are less than €70,000.00 from Dirt Tax liability

Health

6. The Association of Eircom Pensioners at their Annual meeting calls on the Minister for Health and the HSE to make extensive use of the Private Hospital facilities to eliminate the scandal of the Public Hospital waiting lists.
7. The Association of eircom Pensioners at their Annual Meeting calls on the Minister for Finance and the Minister for Health to restore the full medical-card to all persons over 70 years of age.

Home Care Packages

8. The Annual Meeting of the Association of eircom Pensioners calls on the Minister for Finance to review and extend HSE Home Care Packages and Grants to maximise potential to enable and facilitate elderly people remaining in their homes for as long as possible.
9. The Association of eircom Pensioners calls on the Minister for Finance to restore all the original benefits of the household package. (e. g. as telephone allowance, ESB, Gas and TV etc., etc.).

Universal Social Charge

10. The Annual Meeting of the Association of eircom Pensioners calls on the Minister for Finance to completely cease the Universal Social Charge over a 3 year period and to exempt pensioners from this charge which was originally introduced as a temporary measure.

Pension Levy

11. The Association of Eircom Pensioners calls on the Minister for Finance to refund the Levy taken from Private Pension Funds over the period 2011 to 2015. This is necessary to assist securing the

Funds, many of which are in deficit and in danger of becoming insolvent. Will the State pay the pensioners in the event of any fund becoming insolvent?

12. The Annual Meeting of the Association of eircom Pensioners calls on the Minister for Finance to return all monies to the Pension Fund's which were taken by the Government Levy.

Living Alone Increase

13. The Annual Meeting of the Association of eircom Pensioners calls on the Minister for Finance to bring the Living Alone Increase to at least €20 per week.

Local Property Tax

The Annual Meeting of the Association of eircom Pensioners calls on the Association to make representations to the Ministers for the Environment and Finance to exempt Pensioners with incomes less than €70,000 per annum from the Local Property Tax on their main residence.

Water Charges

14. The Association of eircom Pensioners calls on the Minister for the Environment to completely abolish all water charges.
15. The Association of Eircom Pensioners calls on the Taoiseach, Minister for Environment and the Government to hold and support a referendum stating "that the Irish Nations Water Resources be held in Public ownership and not privatised"

Thresholds for Capital Acquisition Tax:

16. The Association of Eircom Pensioners calls on the Minister for Finance to restore the thresholds for Capital Acquisition Tax to the 2008 levels.
17. Group A - The threshold for Son/Daughter transfer now stands at €310,000 compared to €542,544 in 2008 or 52% of the 2008 level.
18. Group B – Siblings, Nieces, Nephews, Grandchildren. The Threshold now stands at €32,500 compared to €43,400 in 2008.
19. Group C – Strangers-in-blood. The Transfers is €16,250 compared to €21,700 in 2008.

Restoration of Christmas Bonus:

20. The Association of Eircom Pensioners at their Annual Meeting calls on the Minister for Social Protection to restore the full Christmas Bonus for pensioners on Social Protection Pensions in the October 2018 Budget.

State Pension Contributory:

21. The Association of Eircom Pensioners requests the Association makes representations to Government to have the qualification standards for a contributory state pension introduced by legislation in 2012 reversed.

7 AOEP is affiliated to the National Federation of Pensioners Associations:

The AOEP affiliated to the National Federation of Pensioners Associations in 2015. NFPA was founded in 1976 and currently has twenty Pensioners Associations affiliated to it, who represent in the region of 29,000 pensioners with a broader pensioners reach of 150,000 people. The Federation represents pensioners from the Public Service, Semi-State Bodies and from Private industry. The Federation is unique in that all of its members are in receipt of occupational pensions. The Federation is a pensioner focused body made up of like-minded Affiliates with much in common. It is an independent voluntary body with a National Executive Committee comprised of pensioners, all of whom, including its officers, serve in an honorary capacity. The Federation is funded by subscriptions from its Affiliated Associations and a small grant from the Department of Health.

Two of the permanent representatives from the AOEP - Margaret Duggan, Liz Deans and Liam Caldwell attend monthly meetings and report back to our committee after each meeting.

The January meeting of the NFPA was held in Galway at which additional AOEP members attended including Pierce Butler, other AOEP members in attendance were Liz Deans and Margaret Duggan.

Similar to the AOEP the NFPA makes a pre-budget submission each year, emphasizing the needs of older people in the matters of Health, Finance/Tax, Social Welfare and other concerns that arise. Pensioners Associations affiliated to the NFPA include:- Arco, CIE, Dublin City Council, CIE, ESB, Garda, Guinness, Civil and Public Service, Secondary Teachers, Southern Health, Dublin Fire Brigade, British Rail/Sealink, Eircom, ERVA(Bord Gais) and Irish Aviation Authority

The National Federation like the AOEP are endeavouring to pro actively pursue and champion issues pertinent to all Pensioners and the pension fund sector in general. The NFPA has achieved a notable amount of success in progressing issues initially raised by the AOEP on foot of AOEP AGM Motions Adopted, such as Increased Capital Gains/Inheritance Thresholds In 2016's Budget.

The NFPA is also continuing to aggressively pursue the return of the monies taken from the combined pension funds during the recent financial crisis and the establishment of an Official Right of Representation Channel for pensioners.

8 The eircom No. 2 Pension Fund and the eircom Superannuation Fund for Y/E 31/03/2016:

The eircom No. 2 Pension Fund

The return on the Fund's investments for year ending 31/03/2016 was -3.8% as equity markets fell during the year.

This Fund was established in December 1999 when the Minister for Finance provided an advance funding contribution of approximately €1.02B in respect of his liability to provide for the pre-vesting day pension payments for staff who transferred from the former Department of Post and Telegraphs to Telecom Eireann on the 1st January 1984. €928.3m in benefits have been paid out of this Fund since it commenced making pension payments in April 2000. Members do not contribute to the Fund and accordingly it will continue to reduce over time. The Telecom Eireann/eircom Superannuation (Amendment) Scheme 1999 provides that the Minister, in addition to the Trustees, will cause periodic investigations of the Fund to be carried out and if the solvency of the Plan is threatened pay any additional contributions recommended by the investigation. In particular it provides that "the Minister for Finance" shall in any event immediately pay to the Trustees any amount which they immediately require in order to discharge the Specified Benefits as they fall due. As this Fund is currently in deficit, the Trustees have been progressing discussions with the Department of Finance and Public Expenditure and Reform in relation to the future funding of the Fund and agreement in principle has been reached whereby when a particular level of funding has been reached the Departments will move the funding of the scheme benefits to a "pay as you go" arrangement.

An Actuarial valuation of the Fund was carried out as at 1st October 2015 and showed a deficit of €986.9m. The next valuation by the Actuary of the Fund is due as at 1st October 2018

The net assets of the Fund at year ending 31st March 2016 were €351m which is a decrease of €89m on year ending 31/03/2015. Withdrawals for the period totalled €74m, the Pension levy €0.6m, and the net return on investments was -€14.3m.

The eircom Superannuation Fund

During the year ending 31/03/2016 the Fund's investments saw a return of -0.8% as equity markets fell slightly during the period.

The contribution arrangements agreed between the Fund Actuary, the Trustees and the Company as part of the Defined Benefits Accord, continued until the 31st December 2013, i.e. a Company annual minimum contribution of €20m with active employees contributing 5.3% of pensionable earnings, in addition to their contribution to the Spouses' and Children's Scheme of 1.5% of basic pay. Following the triennial valuation of the Fund as at the end September, 2013 the Fund Actuary recommended a Company Contribution rate of 8.5%. This was agreed by both the Trustees and the Company and commenced with effect from January 2014. The member contribution rate remains unchanged. The last Actuarial Funding Certificate was issued on 30th September 2013 and the Actuary was satisfied

that the scheme “satisfies the funding standard”. The Actuary has reviewed the financial position of the Plan as at 31st March 2016 and is reasonably satisfied that if he had prepared a Funding Certificate at that date that the Plan satisfied the “Funding Standard”. He is also satisfied that the Fund at that date also meets the “Reserve Funding Standard”. The next full Actuarial Valuation of the Scheme is due as at 30th September 2016.

The value of the Fund’s assets at the 31st March 2016 was €4.193B which was a decrease of €128m from 31st March 2015. Withdrawals totalled €85.5m, the Pension levy €5.8m and the net return on investment was €36.4m.

Under the provisions of the Superannuation Scheme, approval to grant a pension increase was requested by the Trustees from the Company and the relevant Government Departments during the year ending 31/03/2016. A reply was still awaited from the Department at year end.

The Trustees have also informed the Minister for Finance that it is not their intention to pass the cost of the No.2 Pension Fund Levy of €12.3m on to the members of the Fund.

eircom Superannuation Funds Y/E 31st March 2011, 2012, 2013, 2014, 2015

Fund	ROI	Benefits	Net Assets
No. 2 Fund	2011 €22m	2011 €66m	2011 €532m
	2012 €15m	2012 €67m	2012 €478m
	2013 €50m	2013 €67m	2013 €458m
	2014 €38m	2014 €69m	2014 €424m
	2015 €90m	2015 €71m	2015 €440m
	2016 €14.3m	2016 €74m	2016 €351m
Superannuation Fund	2011 €81m	€2011 €67m	2011 €2655m
	2012 €236m	2012 €69m	2012 €2839m
	2013 €360m	2013 €71m	2013 €3142m
	2014 €307m	2014 €80m	2014 €3378m
	2015 €1037m	2015 €86m	2015 €4321m
	2016 €36.4m	2016 €85.5m	2016 €4193m

Combined eircom Superannuation Funds

31 st March 2011	€ 3.187 B
31 st March 2012	€ 3.317 B
31 st March 2013	€ 3.600 B
31 st March 2014	€ 3.802 B
31 st March 2015	€ 4.761 B
31 st March 2016	€ 4.544 B

New Risk Reserve Requirements

As part of the Social Welfare and Pensions Bill 2012, a revised funding standard and new risk reserve requirements have been introduced for Defined Benefit Schemes. The New Risk Reserve Requirements are required to be fully introduced by 2016. In a signed statement dated 27th May 2015 the Actuary has said that he is satisfied that if he were to have prepared a “Funding Standard Reserve Certificate” having an effective date 31st March 2016, he could certify that the Plan satisfied the Funding Standard Reserve Requirement on that effective date.

Government Pension Fund Levy

A Government Pension Fund levy was introduced in 2011 under Finance (no.2) Act 2011. The Levy is payable as an annual stamp duty of 0.6% of the market value of the Fund’s Assets each year over a four year period. The Finance (no.2) Act 2013 increased the Levy to 0.75% of Assets in 2014 (up from 0.6%) with a reduced levy of 0.15% applying in 2015. The Government Levy amount paid out from the Eircom no.2 Superannuation Fund year ending 31/03/2016 was €0.6m while the Eircom Superannuation Fund paid out €5.83 in the same period. The chart shows the Government Levy

amounts paid out during the years 2012, 2013, 2014, 2015 and 2016.

Year ending	No. 2 Pension Fund Levy	Superannuation Fund Levy
31 st March 2012	€3.138m	€15.876m
31 st March 2013	€2.719m	€17.099m
31 st March 2014	€2.623m	€18.606m
31 st March 2015	€3.168m	€25.375m
31 st March 2016	€0.6m	€5.83m
Totals	€12.248m	€82.786m
Combined Totals	€95.034m	

The Effects of the Government Pensions Levy on eircom Pensions Funds and Eircom Pensioners

The eircom no. 2 Superannuation Fund paid out €12.248m during the years ending 31st March 2012, 2013, 2014, 2015 and 2016. A reduced levy of 0.15% applied in 2015. The effect of the Levy payments will be to bring forward the expected date when the Fund falls to a value at which the Minister will be required under the Superannuation Scheme provisions to meet ongoing Fund liabilities arising.

The Trustees have informed the Minister that it is not their intention to pass the cost of the Levy on to the members of the Scheme.

The eircom Superannuation Fund paid out €82.786m during the years ending 31st March 2012, 2013, 2014, 2015 and 2016. A reduced levy of 0.15% applied in 2015. The Trustees have decided to offset the cost of the Levy which for the five years amounts to €82.786m, against future pension increases.

The Minister for Finance in his budget speech of the 5th Dec 2012 confirmed that the Levy would cease after the four year period. However the Minister for Finance in his budget speech of the 15th October 2013 increased the Levy to 0.75% an increase of 0.15% for 2014 and the new levy of 0.15% continued to year 2015. The Minister said the new “tax” will provide funds to continue support for the job creation programme. It will also “make provision for the potential state liabilities which may emerge from pre-existing or future pension fund difficulties”.

The Minister in his Budget speech of 13th October 2015 said that “The pension Fund Levy has done its job and is no longer needed to fund the 9% VAT rate (in the hospitality industry) and the additional 0.15% rate introduced in 2014 and 2015 will not apply in 2016. The Levy has raised over €2.2 billion in the past 5 years.

Over the past three years the Association of Eircom Pensioners has made pre-budget submissions to the Taoiseach and Finance Minister not only to cease the Pension Levy but as the economic position improves to restore €95m taken from the eircom Pension Funds over a five year period. We have suggested that this could be done over a five year period at a rate of €20m per annum.

We have no doubt that the imposition of a Levy on Private Pension Funds may cause many Funds to reach very low levels where pensions may be seriously reduced or may even collapse. In such cases the Department of Social Protection would then have to pick up the bill.

An obvious case of short term gain for the State could become a long term loss for the State. In the case of the eircom Pension Levy amounting to €95m not alone is this sum lost to the Funds and the pensioners but the Return on Investment that this amount could earn year on year well into the distant future is also lost.

Danger on the Road Ahead

Now that the Government has seen that imposing a Levy on Private Funds is an easy source of revenue there is no guarantee that politicians will not impose similar measures in the future on assuming power only to drop them again in the budget before a General Election.

Trustees Notice to Members

The Trustees of both Funds wrote to all members on 14 Dec 2011 advising that this tax imposed on the Scheme by the legislation has been deducted from the pension Funds and may have to be recovered from members by reduction of benefits in the future.

The trustees have also decided to offset the cost of the Superannuation Fund Levy, €82.8m against future pension increases.

Our Appreciation

The eircom pensioners appreciate the efforts and achievements of the eircom Company, the Fund Administrator, eircom Superannuation Division, the Boards of Trustees and all concerned in maintaining the Funds in such a strong state in a very difficult financial climate.

9 eServices and Communications Credit Union Ltd:

The dedicated Credit Union for Eircom Staff and Pensioners and their families held their Annual General Meeting on Tuesday 13th December 2016.

There was a fine turnout of members at this year's meeting and the Board of Directors were delighted to report that after a very good year they were pleased to recommend a dividend of 1%.

A rebate of 10% was agreed on interest paid on loans for the year 2016.

Again we would recommend that all members ensure that the Nominee on their account is up to date and that the Credit Union has up to date information on members accounts in the form of photo identification and proof of address.

We are delighted to announce that the Credit Union now has a dedicated phone app which can be downloaded to smart phones. This is another great addition to our services and more information can be found about this and all our other services on www.sccuu.ie.

We encourage all our members to register for on line access on www.esccu.ie.

Members can also follow us on our Facebook page or should you wish to contact the office by phone you can reach us at 01 679 2344.

10 Thanks:

It would be remiss of me not to acknowledge the support and co-operation that I received from my fellow Officers and Committee and Sub-Committees during this past year.

I also acknowledge the wonderful encouragement that I received from members and potential members throughout the length & breadth of the country during the year. I will be relying on this same encouragement when we progress with the continued formation of the District structures, which are already established.

I acknowledge the work of Brian McCann, Fund Administrator and his team in the Superannuation Division in accommodating **our** meetings and his tolerance in dealing with our short-comings during the year in perusing our activities on behalf of the Association of eircom Pensioners. This is very much appreciated.

11 Recruitment Message

At the Inaugural Meeting of the Association of Eircom Pensioners on August 14th 2014 in Eircom Head Office the Chairman of the Association Seamus Browne advised that one of the key priorities for the Association is "**Recruitment**" of additional members.

A recruitment campaign was launched immediately in all former Eircom Districts and was led by committee members with support from existing members throughout the country. Significant numbers were recruited bringing the total membership today to 4,800 and rising.

I'd like to take this opportunity to express my thanks and appreciation to those who are involved in the recruitment drive. However this is only the start and recruitment will be "work in progress". We can all assist in increasing our membership. You may well ask yourself how I can assist with recruitment. The challenge is for each existing member to recruit one new member in the current year. While this may seem daunting it is not unachievable.

New members can join on-line at www.aiep.ie or any member of the National Committee will be very willing to assist with the recruitment process.

12 The Rowland Hill Memorial Fund of Ireland:

Rowland Hill, an administrator and reformer of British Post Office affairs was born in 1792. He is best known as the initiator of the Penny Post. In tribute to his work the Rowland Hill Fund was established in Britain in 1882. An independent organisation was founded in Ireland in 1928, under a Deed of Trust approved by the High Court of Justice.

Today, the Rowland Hill Memorial Fund of Ireland provides financial assistance for serving or retired staff of An Post and eir, and their dependants. It also provides financial assistance for retired staff, of the former Department of Posts and Telegraphs, Telecom Éireann and eircom, and their dependants. Assistance may be given to those who find themselves in need due to age, poverty or infirmity. The Rowland Hill Memorial Fund of Ireland is managed by a voluntary committee of Trustees. Subscriptions may be deducted from your pay. The suggested subscription is 50c per week. Further details can be had by writing to Liam Kirwan, The Secretary, Rowland Hill Memorial Fund of Ireland, c/o An Post, G.P.O., O'Connell Street, Dublin 1 or by emailing rhillfund@eircom.net

13 Association of eircom Pensioners: Outgoing Committee 2016

Position	Name	Address	Phone	Mobile
Hon Chair	Seamus Browne	Drumraney, Athlone, Co. Westmeath	0906485182	0872393355
Hon Vice Chair	Margaret Duggan	68 Grace Park Meadows, D9	018319297	0851744742
Hon Sec	Denis Fahey	Farrenwick, Curranstown, Clonmel, Co Tipperary	0526135130	0872793290
Hon Treasurer	Frank Kavanagh	172 Balally Drive, Dundrum, D16	012956279	0872571276
Committee	Jim McNicholas	32 The Crescent, Mill Brook Lawns D24		0872558784
Dublin	Liam Caldwell	26 Broadford Avenue, Ballinteer D16		0872595963
	Frank Coghlan	29 Eastham Court, Bettystown, Co Meath		0852426949
	Terry O'Friel	Milverton, Skerries, Co Dublin	018491299	0873110912
	Elizabeth Deans			0858193593
Provinces	Tommy Commons	Rockmarshall, Jenkinstown, Dundalk	0429376136	0872444376
	Pat O'Shaughnessy	15 Ashleigh Heights, Drogheda	0419836089	0872562650
	Tony McGee	Lorandel, Tonaphubble, Sligo	0719145678	0872382129
	John A O'Malley	Church Road, Ballina, Co Mayo	09670757	0872865577
	John C Murray	3 Kildalton Close, Piltown, Co Kilkenny	05164388	0860874249
	Pat Doyle	Hanover Cross, Blackbog Road, Carlow	0599132233	0872459950
	Portlaoise	Additional Representative required		
	Pierce Butler	28 Cloonarkin Dr., Oranmore, Co Galway	091794710	0872559438
	David Lee	Scart, Kildorrery, Co Cork	02225595	0870904646
	Cork	Additional Representative required		
	Denis K O'Brien	23 Mulcaire Rd., Raheen Heights Limerick	061229359	0872663613
	Eamon P. Quaid	81 Gouldavoher Est., Fr Russel Rd., LK	061301558	0871388238