Statement to AFICS/NY Annual Assembly by John P. Dietz, President
Monday, 25 June 2018

First of all, as President of AFICS/NY, I would like to welcome everyone to this extremely important Annual General Assembly, both those of you who are here in person and those watching the live streaming on the web. We also thank Ms. Lopez for her interesting and informative statement and for representing the Secretary-General here. We know that he, together with his entire senior management team, appreciate the contributions that retirees have made and still make to the UN system and are committed to providing the vital services from the organization that retirees continue to depend on, particularly in the areas of pensions and health insurance. As already mentioned, we regret that the President of the General Assembly, Mr. Miroslav Lajcak, was at the last minute unable to participate in this important meeting.

I can report to you that, with the help of the Association's Governing Board and Standing Committees, and particularly the two Vice-Presidents, Debbie Landey and Jay Karia, who have worked very closely with me ever since I became President, AFICS/NY has continued to protect the interests of UN retirees through discussions with senior management across the UN system, raising with them the key issues that are of concern to UN retirees. As could be expected, our discussions covered primarily matters within the areas of pension administration, Pension Fund investments and health insurance.

We met and communicated repeatedly with the Deputy CEO of the Pension Fund, Paul Dooley, and the new RSG for the Pension Fund's investments, Sudhir Rajkumar; soon you will be hearing from both of them directly. We also met with a number of senior officials in the UN and UNDP administrations. I remain absolutely certain that working constructively with Pension Fund and UN-system officials at all levels is the most effective pathway to advancing and protecting the vital interests of the UNJSPF retirees and beneficiaries whom AFICS/NY represents.

Now some good news. As those affected no doubt already know, UNJSPF monthly pension benefits payable on the US-dollar track under the Pension Fund's two-track Pension Adjustment System increased by 2.2% as from April 2018. This followed on the heels of the 3.6% increase of US-dollar track pensions implemented exactly one year earlier, as from April 2017.

With respect to pension administration, the main subjects we discussed included the time required by the Pension Fund to process new pension benefits; clear and accurate information on the nature and size of the backlog in pension benefit processing; the need for systematic follow-up in incomplete cases with both the employing organizations and the Pension Fund participants concerned; the need for the employing organizations to transmit all the required separation documentation to the Pension Fund much more rapidly, particularly from field duty stations; practical application of the lessons learned from the end-to-end review of the entire pension benefit process, for both standard and complex cases; and improvement in client servicing and generally in communications with Fund participants and beneficiaries. The persistent gap in the leadership of the

Pension Fund secretariat has also been unsettling: the CEO has been on continuous sick leave since last Fall and the Deputy CEO expects to retire in August! Most recently we also expressed serious concerns about the ongoing OIOS audit of the Pension Fund's governance and stressed the need for effective substantive participation and input both by the Pension Board and by the Pension Fund's stakeholders before any decisions or actions are taken on any OIOS recommendations. On the investments side, we stressed: the need to remain conservative and very cautious with so-called alternative investments, always bearing in mind the fundamental criteria for investments applied since the inception of the Pension Fund; the need for an effective Investments Committee to provide advice to the RSG; and meeting long-term the actuarial assumption of a real, net-of-inflation return of 3.5 per cent on the Fund's investments.

As already mentioned, you will be receiving detailed and updated information shortly, from the Deputy CEO of the Pension Fund and the RSG for the Pension Fund's investments. But before that, I have asked Warren Sach to summarize the significant developments concerning the Pension Board and the Pension Fund's investments. Warren is a member of the AFICS/NY Governing Board, Vice-President of FAFICS and member of the Pension Board's ALM (Assets and Liabilities Management) Committee; he has also been one of the FAFICS representatives on the Pension Board.

With regard to health insurance, we have continued to draw the concerns of UN retirees to the attention of top officials in the UN administration. Furthermore, AFICS/NY is represented on the UN's HLIC (Health and Life Insurance Committee) by two very experience Governing Board members, Jay Karia and Frank Eppert. They are very active participants in all meetings and discussions of the HLIC, striving for the best possible coverage at the lowest cost to retirees under ASHI (After-Service Health Insurance). I have asked Jay Karia to report on developments concerning health insurance, including the work of the HLIC, client services to retirees and the resolution individual cases brought to our attention. Within the UN, ASHI administration is the responsibility of the Insurance and Disbursements Service (IDS); soon you will also hear the latest about ASHI from two key staff members of IDS, Sunitha Korithiwada and Elma Witherspoon.

Turning now to the functioning of AFICS/NY itself, we provided advance notice to the membership of the upcoming election for six members on the Governing Board. In fact there was enhanced interest, resulting in 12 nominated candidates for the six slots, including one candidate who was nominated through petition. The election results will be announced later today.

Based on input from Committee Chairs, Officers and Governing Board members, an Workplan is now prepared annually for the Governing Board as a working document and modified as appropriate during the year. There are now six established Standing Committees of AFICS/NY: Pensions; Insurance; Membership; Aging Smart; IT; and Social and Other Events. We continue to make strong efforts to make all the Committees more active and to involve more members in their work; please consider joining any Committee of interest to you and become an active participant in its work - we welcome both new members and new ideas. We are now an integral part of the UN Pre-Retirement

Seminars, resumed in no small part because of our successful lobbying efforts with senior UN officials; we provide advice to retiring staff members on how to prepare for the transition and what they need to do with regard to receiving their pensions and ASHI enrollment. Work has continued to develop a new website for AFICS/NY and we hope go live with it some time in September; we are also exploring establishing a presence on social media, like Facebook. I believe for the first time, AFICS/NY participated in the activities of UN Staff Day on 8 September 2017. We continue working with the UNFCU to assist them in improving the services they provide to retirees - in that regard, I would like to thank the UNFCU for its generous financial assistance to AFICS/NY in this and past years, for its activities.

With regard to social activities, led by Barbara Linardo we have continued with our very successful Fall and Spring Luncheons and look forward, with those of you who have registered and paid, to the Reception tonight in the new Zaika Restaurant. On 17 April 2018 the Aging Smart Committee, chaired by Mac Macchiuli, organized a successful and well-attended workshop on the subject "Get Healthy, Stay Healthy" and is planning to hold similar events in the future. Two issues of our Bulletin were issued, thanks largely to the efforts of its long-time editor, May Lynn Hanley. Among the documents for this meeting you will find an information flyer about our library, administered by Dawn Gautier.

Before closing, I would like to thank the Officers who have worked with me closely over the past year: Vice-Presidents Debbie Landey and Jay Karia, Treasurer Angel Silva and Secretary Marianne Brazak-Metzler. I would also like to thank the Committee Chairs and Co-Chairs, all the members of the Governing Board, and the volunteers who helped us with all the mass mailings from the office (especially the ageless Barbara Boynton and Irma Cerni).

In closing, I would like to wish all of you a long and happy retirement and hope that many of you will remain, or become from now on, active members of AFICS/NY.