



Mr Michael MacNamara  
Secretary National Executive  
ESB Retired Staff Association  
Ebilou  
Loughlinstown  
Celbridge  
Co Kildare.

*Recd 13/04/17*

12<sup>th</sup> April 2017

Dear Michael,

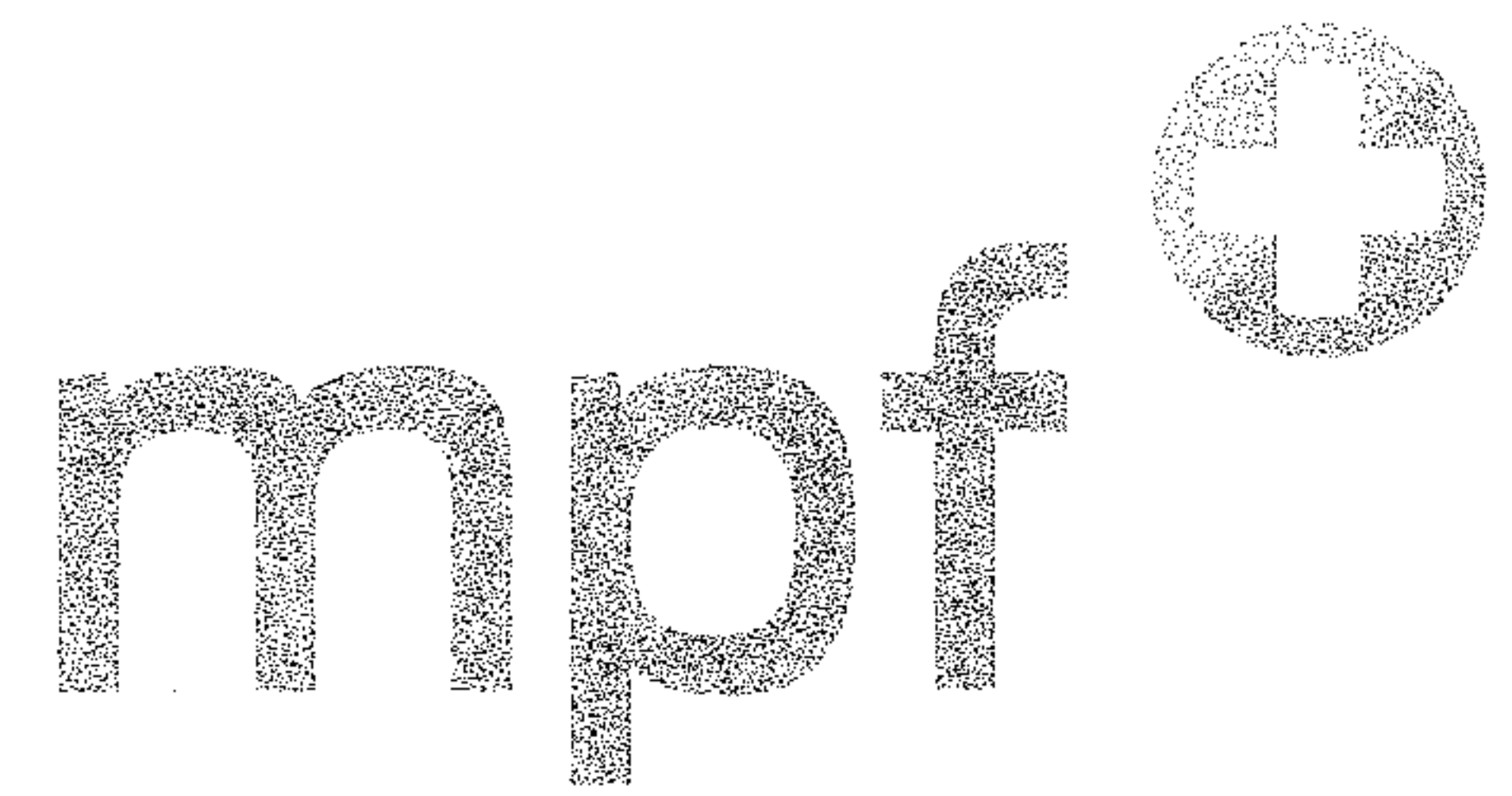
Thank you for your correspondence dated 29<sup>th</sup> March 2017, which was discussed at the Trustee meeting of 6<sup>th</sup> April 2017.

Whilst the subscription review and associated correspondence with members followed the same timeline as previous years, the timing of April 1<sup>st</sup> in respect of weekly/fortnightly pay/pensions gave shorter notice than usual to this group of employees/pensioners. The Trustees accept that the notice period in any event is insufficient and will endeavour to bring forward the subscription review in 2018 to allow for a more satisfactory notice to all members.

In setting subscription rates for each year, the Trustees intend to balance claims with income. In the event of an operating deficit for a given year, this has not been carried forward when determining subscription rates for the following year. Operating deficits since 2014 are as follows:

2014 €247,399  
2015 €1,363,271  
2016 €2,154,868

Effectively, the Fund has been drawing from the Reserve to cover these losses totalling €3.8m, which in real terms has meant subsidising subscription increases for our members. Otherwise subscription rate increases would have been greater. Indeed in setting rates for 2017, even at 9.8%, it is likely that the fund will continue to have an operating deficit at the end of 2017.



As previously advised the Trustees are happy to assist in improving your members understanding of the complex issues associated with endeavouring to ensure the long term viability of the Fund for all members and should the MPF be prioritised as a Forum topic the Trustees will of course attend and provide whatever clarifications are required.

Yours Sincerely,

Belinda O'Conaill  
Fund Manager