



# Fund of the Retirement Plan for Non-Teaching Employees of the St. James-Assiniboia School Division

## Report to Members

### Recent Events

- Investment performance in 2017, 2016, and 2015 was favourable. The gross rate of return of the Fund was 9.00% in 2017 (based on unaudited financial statements), 9.01% in 2016, and 5.95% in 2015.
- The School Division is exempt from the solvency and transfer deficiency provisions of the Manitoba Pension Benefits Act and Regulation under the Solvency Exemption for Public Sector Pension Plans.
- Nevertheless, the School Division has contributed an additional \$1.8 million in the last 10 years above matching employee contributions. These additional contributions will revert back to the School Division at such date as a corresponding surplus is revealed.
- Sustainability of the current defined benefit Plan in the midst of the current global financial markets presents challenges. Possible future Plan design changes to promote Fund stability may be considered.
- Effective July 1, 2014, the required contribution rates are 8.20% on eligible Canada Pension Plan earnings, and 9.80% on earning in excess of eligible Canada Pension Plan earnings.
- The Office of the Superintendent – Pension Commission Manitoba is now a unit of The Department of Finance (it was formerly a unit of The Department of Labour and Immigration).
- In 2017 the Plan Members and the St. James-Assiniboia School Division each contributed \$1,551,675 to the Fund.

### Relationship Breakdown

#### *What happens to my pension if my marriage/common-law relationship breaks down?*

The Manitoba Pension Benefits Act states that the pension benefit earned during the period of your marriage/common-law relationship must be equally divided between you and your spouse/common-law partner, if there is:

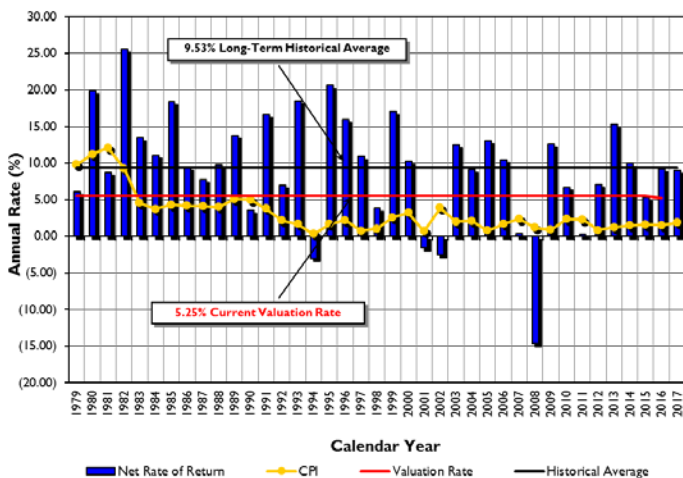
- a court order under The Family Property Act requiring the division of marital property, or
- a written agreement between you and your spouse/common-law partner about the division of family assets, or
- a court order from another Canadian jurisdiction requiring the division of the pension benefits, or
- your common-law partner receives an Order of Queen’s Bench requiring the division of the pension benefits.

#### *Is there any way to avoid the mandatory 50/50 division of pension when a marriage/common-law relationship breaks down?*

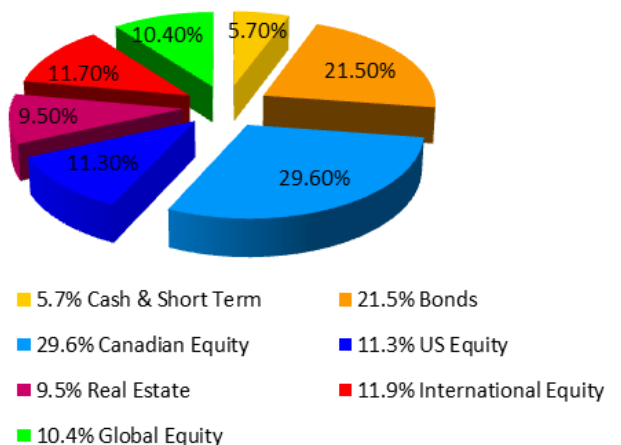
You and your former spouse/common-law partner may agree to waive the 50/50 division of benefits, but both of you must:

- receive a statement from the pension plan consultant providing the information required under the Manitoba Pension Benefits Act such as the amount of entitlement and payment options, and
- receive independent legal advice, and
- sign a written agreement that waives the right of the spouse to the pension.

### Historical Rates of Return (ROR) and Inflation (CPI): 1979-2017



### Asset Mix at December 31, 2017



## Plan Benefits

### Retirement Dates

- You may retire and receive an unreduced pension if you are:
  - age 65 and older, or
  - age 60 or older and have completed at least 10 years of Service, or
  - age 55 or older and your age plus years of Service total 80 or more.
- You may retire and receive a reduced pension if you are:
  - Between the ages of 55 and 65 and have not satisfied the above criteria.

### Retirement Benefits

- Annual Pension =
  - 1.4% of the average of your 6 years of highest Canada Pension Plan earnings (chosen from your last 12 years of Service)  
**PLUS**
  - 2% of the average of your 6 years of highest earnings, if any, which are in excess of the Canada Pension Plan earnings (chosen from your last 12 years of Service)  
**MULTIPLIED BY**
  - Your years of Contributory Service

### Termination of Employment

- A termination benefit is paid to you if your employment Service with the School Division ceases prior to your attainment of age 55.
- You will be offered the following 3 options from the Plan:
  - A deferred pension payable from the Plan, and/or
  - A transfer, out of the Plan, of the value of the pension you accrued to the date your Service ceased. This benefit may be transferred to a locked-in account established in your name, or to a registered pension plan of your subsequent employer, and/or
  - A taxable lump-sum cash payment equal to those contributions which are not locked-in.

### Death Prior to Retirement

- If you die prior to retirement, a death benefit will be paid from the Plan.
- If you have a Spouse, your Spouse will receive a monthly pension or a locked-in transfer of the commuted value of the pension you accrued to your date of death.
- If you do not have a Spouse, the value of your monthly pension will be paid as a taxable lump-sum cash payment to your beneficiary or estate.

***All rights and benefits are determined in accordance with the Plan Text.***

## Member Services

The following services are offered to members and their families:

- ◆ Individual Meetings
- ◆ Personal and General Enquiries

You may make an appointment to view Plan documents including, but not limited to, the following at the Administration Office:

- ◆ The Plan Text and any Amendments
- ◆ The latest Actuarial Valuation Report
- ◆ The Statement of Investment Policy and Procedures

If you have any questions, please contact the Administration Office:

**Ellement Consulting Group**  
**503 – 1780 Wellington Avenue**  
**Winnipeg MB R3H 1B3**

Telephone: 204.954.7300  
Fax: 204.954.7310  
Toll-Free: 888.840.1045  
E-mail: [contact.us@ellement.ca](mailto:contact.us@ellement.ca)

## Retirement Plan Committee Members

**Joan McEachern, Chair**  
M.A.N.T.E. Representative

**Mike Friesen**  
Secretary-Treasurer

**Randy Palmer**  
C.U.P.E. Representative

**Bruce Chegus**  
School Board Trustee

**Cindy Labaty**  
Manager, Human Resources

**John Mulligan**  
School Board Trustee

## Professionals

**Actuary:** Ellement Consulting Group

**Auditor:** PricewaterhouseCoopers

**Custodian:** Canadian Western Trust

**Investment Consultant:** Ellement Consulting Group

### Investment Managers:

- ◆ Addenda Capital Inc.
- ◆ Jarislowsky, Fraser Ltd.
- ◆ BlackRock Asset Management Canada Ltd.
- ◆ Letko, Brosseau & Associates Inc.
- ◆ GWL Investment Management Ltd.

## TOTAL MEMBERSHIP COUNT AS AT DECEMBER 31, 2017

	<u>Male</u>	<u>Female</u>	<u>Total</u>
Retired Members	77	213	290
Active Members	163	334	497
Inactive Members	5	16	21
Deferred Members	<u>77</u>	<u>112</u>	<u>189</u>
	322	675	997