

Staff Pension Plan Report

TFEU Membership Meeting October 16, 2012.

Below is a copy of the verbal report provided at the Membership Meeting October 16, 2012.

Pension report

As a result of the federation's cash flow and the staff pension plan solvency deficiency the BCTF EC has advised management to explore a new direction. The employer reps on the SPPAC (Laurence, Chris and Walt) did make it very clear that the federation is very committed to a defined benefit (DB) plan. They will be looking into joining either the Municipal or the Teachers pension plan. Both plans have expressed interest in having our active membership join their plan. Current retirees would stay on our current plan.

The attraction to these plans is that they are both very good DB plans and neither are required to meet the solvency valuation. We think for the long term future stability of a DB plan this will provide better protection for our members. The BCTF EC will be asked to formalize a request for proposal to both the MPP and the Teachers' plan at their meeting this week.

There will be a system set up for questions and answers once a plan has been chosen. If members have questions please send them to a member of the committee and we will do our best to provide an answer. Many of the questions will require an answer from Walt, Adam Reinson, our Actuary or Lanie Smith, our contact at the BC Pensions Corporation.

The federations' intent is to at least have a plan of action in place by next budget year, July 1, 2013. We have five meetings scheduled between now and Christmas break to review and discuss the status of the new direction.

There are many questions on the transition and how it will affect our members. We anticipate there will be information meetings held as more information is available and will do our best to ensure our members are kept informed.

Respectfully,
Jenny Adams, Barb Dodds, Sheila Jones, Belva Lee