

Staff Pension Plan Advisory Committee

TFEU Report May 22, 2012

Purpose of the committee:

The Staff Pension Plan Advisory Committee oversees the administration of the plan and communications with plan members, and recommends plan design and financing to the BCTF Executive Committee.

Composition:

Four persons appointed by the Federation

Four persons elected by the union (Three with voting rights and one serving as an alternate)

One person appointed by the retired members of the plan

The committee normally meets three to four times a year. The last regular meeting was held April 25, 2012. The next scheduled meeting is June 13, 2012.

Actuarial Services

The Staff Pension Plan Advisory Committee reviewed the “Request for Proposals” for new services. The interview for the short list of actuarial firms selected took place on March 15. The Staff Pension Plan Advisory Committee on approval from the BCTF Executive Committee are happy to report that effective April 2, 2012 PBI Actuarial Consultants Ltd have been hired to work on behalf of the staff pension plan and their members.

Funding Policy

Adam Rennison our new actuary from PBI attended our April 25 meeting. Adam explained the funding policy objectives and needs to consider when developing the funding policy. He will prepare a draft policy based on our discussion and bring back to a future meeting for further discussion and consideration. This still remains a priority for the committee. The purpose of this policy is to seek to maintain full funding with sufficient margins to eliminate any solvency deficiency and restore indexing. This strategy is intended to smooth out solvency deficiencies over the long term and protect our defined benefit plan.

Phased Retirement

Adam explained that phased retirement is an additional benefit, therefore an additional cost to the plan and would require approval by FICOM. The committee has been told by FICOM that no plan improvements with a cost can be implemented while the plan is in solvency deficiency.

Staff Pension Plan Booklet Update

The booklet has been updated to reflect all regulatory changes and plan amendments to-date. An electronic copy has been sent to active plan members and hard copies are available in Human Resources.

Pension Training Sessions

The committee with the support of the federation are providing pension training session for plan members. In an effort to ensure department have adequate staff coverage and allow all interested plan members the option of attending a session, two sessions are planned with the first being held on May 23 and the second on May 29. The sessions facilitated by Arnie Lambert aim to assist plan members in understanding their pension plan and prepare for retirement.

Pension Fund Manger

The pension fund manager is Foyston Gordon & Payne. The fund performance for the first quarter to March 31, 2012 was 2.8%. The growth since fund inception June 2003 is 7.37%. The fund value at March 31, 2012 was \$36,755,454.

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