

Member Matters

CITY OF FREDERICTON SHARED RISK PLAN MEMBER NEWSLETTER



The Board of Trustees is delighted to present *Member Matters* – a newsletter published exclusively for members of the City of Fredericton Shared Risk Pension Plan (“Plan”).

Member Matters keeps you informed on the latest Plan information and what you can expect from your pension in the near future – *because members matter.*

Your Board of Trustees

Member matters are the Trustees’ matters

The Trustees are responsible for overseeing the Plan. They operate independently from the City and CUPE locals but maintain open and ongoing communication with them to ensure your concerns are addressed.

Trustees appointed by the CUPE locals (3864, 1709, 1783 and 508)



RICHARD DIGIACINTO

KRISTA GRANT

DON KELLY

JAKE WAUGH
NEW CHAIR

Trustees appointed by the City (one of whom must be a retiree)



CHANTAL GAUTHIER
NEW TRUSTEE

GREG ERICSON

MARVEN GRANT

CANDICE MCINTYRE
NEW VICE-CHAIR

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LifeWorks is now TELUS Health

Our Plan administrator has changed its name from LifeWorks to TELUS Health to reflect their recent acquisition.

No action is required. While they have changed their name, the services they provide the Plan and our members have not changed.

Plan members can continue to contact TELUS Health (formerly LifeWorks) at **info@frederictonsrp.org** or by calling **1-855-201-7830**, 9:00 a.m. to 4:00 p.m. (AT), Monday through Friday (excluding statutory holidays).

COMING THIS FALL

Member session

Our annual Plan member information session will be held in the fall. Members are encouraged to attend. More information will be provided as the session approaches. To watch a recording of last year’s session, visit the Plan member website: **frederictonsrp.org**.



The fund's interest rate



What you need to know

The pension fund's investment return for 2022 was -2.50%. The negative return for 2022 is not out of line in comparison to what other pension plans and market investors would have experienced given the market volatility over the period. As a result, the negative interest rate will be applied to member contributions in the year 2022.

Members who are impacted

Non-vested members...	Vested members...
...who terminate prior to retirement...	
...receive a refund of contributions with interest (CWI) , in which the -2.50% rate will be applied for 2022.	...may leave their benefits in the Plan and withdraw their pension when eligible, or their termination value, which will not be lower than their total member contributions with interest.

Members who are **NOT** impacted

- **Active members** who retire from the Plan and draw a pension
 - Accumulated contributions do not form part of the pension formula
- **Retired members** and **deferred members**

How is interest on member contributions for each Plan year calculated?

Members receive 50% of the annual rate of return (net of expenses)* in the year the contributions were made, and the full rate of return* in future years.

EXAMPLE

Regular active member

Date of entry into Plan: Jan. 1, 2018

Year	Earnings	Member contributions (9%)	Interest rate	Interest earned	Accumulated CWI at year-end
2018	\$50,000	\$4,500	0.67%	\$15	\$4,515
2019	\$51,000	\$4,590	11.05%	\$753	\$9,858
2020	\$52,020	\$4,682	5.77%	\$704	\$15,243
2021	\$53,060	\$4,775	8.82%	\$1,555	\$21,574
2022	\$54,120	\$4,871	-2.50%	-\$600	\$25,844

*Pro-rated if the period of membership during the Plan year is less than 12 months.

While not unexpected given the overall market performance in 2022, this is the first negative interest rate since the Plan's conversion. As shown in the chart below, investment returns have fluctuated year-over-year, and will continue to do so.

Year	Rate of return (net of expenses)
2013	1.65%
2014	16.49%
2015	7.09%
2016	4.60%
2017	9.94%
2018	0.67%
2019	11.05%
2020	5.77%
2021	8.82%
2022	-2.50%

The 10-year average rate of return is 6.36%.

The fund's rate of return (net of the expenses paid by the fund) is determined as of the end of each Plan year. The next rate of return will be valued at December 31, 2023.



A review of our Purchase of Service Policy

Transferring into the Plan and unpaid leaves

Members can **purchase a period of service during which they were on an approved unpaid leave of absence** if the election to purchase is made within 12 months of their return to work.

Members can **transfer a period of service with a prior employer**, subject to certain conditions, if the election to transfer is made within 12 months of joining the Plan.

The cost to purchase or transfer in a period of eligible service is based on the actuarial cost of the benefit being purchased. Members wishing to purchase service must pay the entire actuarial cost. The Plan will cover the cost of calculating and processing the purchase.

If you have a period of service you would like to purchase or transfer, it is important to initiate the process as quickly as possible after joining the Plan or returning from a leave of absence. Please contact TELUS Health (formerly LifeWorks), at info@frederictonsrp.org or **1-855-201-7830**.

Review the Purchase of Service policy for more information on the Plan member website: frederictonsrp.org



REMINDE RS

What to do in the event of a spousal relationship breakdown

In the event of a spousal relationship breakdown, please contact TELUS Health (formerly LifeWorks) as soon as possible in order to process this change. It is important to complete any division of assets prior to retirement to avoid additional complexities. Email info@frederictonsrp.org or call **1-855-201-7830**.

Active Plan members: Annual Pension Statements are coming in September

In September, you will receive your Annual Pension Statement, which includes important details about your pension benefit.

Questions about the Annual Pension Statements? Please contact TELUS Health (formerly LifeWorks) at info@frederictonsrp.org or call **1-855-201-7830**.

Check out our microsite!

▶ Learn about how the Plan works, including:

- How your pension grows
- Cost of living adjustments

▶ Stay connected to the Plan in retirement

▶ See what you need to know about:

- The steps to take if you experience a life event
- Taking an approved leave of absence
- Survivor benefits
- Keeping your beneficiaries up-to-date



Scan the QR code to visit the microsite:



Or go to frederictonSRPguide.org

Contact information and resources



GO HERE...

Member website

frederictonSRP.org

TO DO THIS...

- ▶ Use the pension projection tool
- ▶ View your annual pension statements
- ▶ Access official Plan documents
- ▶ Find links to other sources of information

Logging into the member website for the first time?

- Go to: frederictonSRP.org
- Username: Your employee ID
- Temporary password: The first time you log in, your temporary password is your birth date (YYYYMMDD format), followed by the **last three digits** of your Employee ID.
- **Example:** If your birthday is March 8, 1970, and your Employee ID is 123456, your initial password will be 19700308456.
- The site will automatically prompt you to change your password and choose your challenge questions the first time you log in.

GO HERE...

Plan microsite

frederictonSRPguide.org

TO DO THIS...

- ▶ Learn about your pension through all the stages of your membership
- ▶ Review the Plan's governance structure
- ▶ Access forms, such as the *Request for Change of Information* form
- ▶ Read previous *Member Matters* newsletters

Questions?

If you have questions about the Plan and your benefits/statements, please contact TELUS Health (formerly LifeWorks):



Phone: 1-855-201-7830
9:00 a.m. and 4:00 p.m. (AT)
Monday through Friday
(excluding statutory holidays)



E-mail: info@frederictonSRP.org



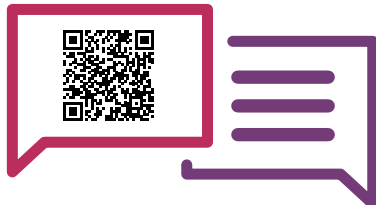
Mail: 40 Crowther Lane,
Suite 300 Knowledge Park
Fredericton, New Brunswick
E3C 0J1

If you are a retired member or a beneficiary of a retired member and have questions about pension payments, please contact CIBC Mellon:



Phone: 1-800-565-0479
9:30 a.m. and 7:00 p.m. (AT)
Monday through Friday

Do you have a question or topic you'd like us to cover in a future issue?



Let us know! Scan the QR code or visit surveymonkey.com/r/SRPnewsletter

