



Pension Newsletter
Issue 22, February 2013

Results of the Pension Plan Changes: Good News

About this time last year, members and employers (pastoral charges and other ministry units) in the United Church's pension plan received the bad news: contributions would be increasing, and pension benefits accruing after December 31, 2012 would be lower. A letter was sent directly to all plan members and employers explaining that because of recent economic changes, along with underlying cultural and demographic challenges, the plan would need to change to keep it sustainable into the future.

Since then, an actuarial valuation of the plan has been completed. Results show that steps taken by the Pension Board to implement these changes were both needed, and have had the desired effect.

There are two ways the valuation measures the sustainability of our pension: as a 'going concern' and on a 'wind up basis.' The first assumes the plan will continue operating; the second assumes that the pension plan closes, and all the money owed so far will be paid out to members in the best way possible. As a 'going concern,' the plan is fully funded and has a 6 percent cushion. This calculation takes the changes into account as it looks into the future operations of the plan. It is hoped that this cushion will help the plan weather future financial bumps in the road without further plan change.

Had the plan wound up at the date of the valuation, December 31, 2011, there would have been a \$38 million shortfall in what the plan owes to its members, or about 3 percent of the fund's liabilities.

Decisions made to date demonstrate prudent planning for the future, and the Pension Board will continue to assess and evaluate the sustainability of the pension plan.

Pension Communications:

Generating Good Understanding of your Pension Plan

It remains a focus of the Pension Board to provide timely and clear information to you about your pension plan and the value that it provides. The most important information is always sent directly to our members, pastoral charges, and other ministry units through a letter.

General information about the pension plan is communicated through the Foresight newsletters, the annual report, and the pension plan summary. For specific issues such as retirement planning or the recent pension plan changes, other strategies have been used such as conference calls, and most recently, web seminars.

The alternatives made available to members to help access the sometimes complex concepts behind the design of our plan can only assist with the goal of creating a good understanding of the value of our pension plan for both members and employers.

Web Seminars for Pre-Retirement and Pension Information

Some members will know our colleague in Ministry and Employment, Susan Jones, has retired. Susan's 14 years of service to our members was invaluable, and her expertise will be missed, particularly for the pre-retirement seminars she presented in various formats for the past ten years. Using Susan's presentation notes, and recent experience with web seminars, pre-retirement seminars are being updated to include recent changes to the plan and to incorporate technology offered by United-in-Learning.com, the continuing education service in the Communities in Ministry unit.

It's challenging to minimize administrative costs associated with communications while providing information in the most appropriate and accessible format. Please let staff at Ministry and Employment know in advance about any group events: we are happy to provide resource materials.

To get more information about the updated pre-retirement seminar schedule and presentation details, please go to **www.united-church.ca/minstaff/pension**, or call Ministry and Employment directly. Stay tuned for future issues of Foresight which will provide more in-depth information about other life events, such as the issues surrounding pension division in the unfortunate event of marriage breakdown.

Updated Resources

The recent **Pension Changes Web Seminar** has been recorded in both English and French. Go to www.united-church.ca/minstaff/pension to download the seminar.

The **Pension Calculator** on the United Church Benefits Resource website is updated to reflect the 2013 changes. Go to <http://ybrcanada.hewitt.com/ucc> and follow the links to the Pension Calculator.

Address Updates?

Active Members: Contact your treasurer or payroll administrator, who will do one of the following:

- **Complete the New/Change Employee sheet and fax it to the payroll service provider (ADP).**
- **Contact the Benefits Centre directly to update the address (if not using the payroll service).**

Pensioner Members: Contact the Benefits Centre directly at 1-866-859-5025.

E-mail Notification

To receive e-mail notification about *Foresight* (three annual e-mails, plus one for the annual report), please ensure your current e-mail address is correctly noted in your Benefits Centre profile.

Pensioner Members: Call the Benefits Centre at 1-866-859-5025.

Active Members: Call the Benefits Centre, or go online at <http://ybrcanada.hewitt.com/ucc> and update the field directly.

Questions about the Plan

Policy and governance questions are welcome at 1-800-268-3781 ext. 3161; or send your query by e-mail to PensionBoard@united-church.ca.

For specifics of your pension, call the **Benefits Centre** at 1-866-859-5025.

Pensioners only, direct benefit payment questions to **RBCDexia** at 1-800-668-1320.