

The Pensioner

NEWSLETTER FOR PENSIONERS OF THE UBC STAFF PENSION PLAN

December 2021

2022 Cost of Living Increase to your Pension

On January 1, 2022, your pension will increase by 1.35%. This increase will automatically be applied to your pension, beginning with your January payment. If you retired in 2021, you will receive a prorated increase.

The lifetime pension you are receiving from the UBC Staff Pension Plan (SPP) may be increased on an annual basis if the plan funding is able to afford it. This is known as post-retirement indexing or a Cost of Living Adjustment (COLA). Increases, when granted, are provided to all pensioners and are based on a percentage of inflation. Inflation is measured by the year-over-year increase in the Consumer Price Index (CPI). Since 2011, an increase to your pension has been granted of 50% of inflation (CPI) each year. The most recent SPP actuarial valuation determined that the Plan can afford to keep increases at this level for the next three years (2021 to 2023).

You may have seen the recent news headline *"Canada's inflation rate hits 4.7% in October, highest level since 2003."* This rate was based on the change in CPI from October 2020 to October 2021, making the calculation of the 4.7% inflation rate quite different than the calculation used for pension plans such as the SPP and the Canada Pension Plan (CPP).

How is the COLA calculated for the SPP?

In order to calculate the COLA for the SPP, we use the average of the CPI for the 12-month period ending in October, and compare it to the average for the same period the previous year. For example, here is how we calculate the increase to your SPP benefit on January 1, 2022:

Step 1: We determine the inflation rate by looking at the average CPI from November 2020 to October 2021, compared to the average CPI from November 2019 to October 2020. This is the same method that the Government of Canada uses to determine the increase that will be applied to your CPP benefit on January 1, 2022.

Step 2: Multiply the rate determined in Step 1 by the level of indexing confirmed in the most recent actuarial valuation for the SPP. As mentioned earlier, this level is currently 50% of inflation.

The COLA that the SPP can afford to pay on pensions is based on the financial status of the Plan. The Plan uses inflation protection as a lever to keep the Plan sustainable and to protect the lifetime pension that you receive from the SPP. The SPP Board's ultimate goal is to provide 100% post-retirement indexing, subject to the Plan's ability to finance it, in a stable and sustainable manner, making this area an ongoing priority for the SPP Board.

What is the Consumer Price Index (CPI)?

Developed by Statistics Canada, the CPI is a measure of the rate of price change for goods and services bought by Canadian consumers. Each month, the CPI is obtained by determining the cost of a fixed basket of goods. The basket of goods consists of food, shelter, clothing, transportation, health care and other household expenditures.



2022 Pension Payments

Tuesday, January 4*
Tuesday, February 1
Tuesday, March 1
Friday, April 1
Monday, May 2*
Wednesday, June 1
Monday, July 4*
Tuesday, August 2*
Thursday, September 1
Monday, October 3*
Tuesday, November 1
Thursday, December 1

*Note: This is the first business day of the month; however, depending on your financial institution, your pension payment may be deposited earlier than this date.

If you have any questions regarding your pension payments, please contact Northern Trust at 1-800-711-1101.

Missed the SPP Annual Update?

The SPP held an online update on June 10, 2021. The presentation was designed to give members an update on how the Plan performed in 2020, membership and financial highlights, 2021 initiatives, and Plan investment information. If you weren't able to attend, you can view the presentation on our website at:
staff.pensions.ubc.ca/resources/presentations

Are you a member of the UBC Retirement and Survivor Benefits (RSB) Program?

If you have questions about your RSB benefits, please contact the UBC Benefits team. Visit hr.ubc.ca/benefits/contact-benefits for contact information. Information about this program can be found at hr.ubc.ca/benefits/benefit-plan-details/retirement-survivor-benefits.

Member Profile Information Update

At the end of September, we mailed to you a *Member Profile Information Update* form to help us confirm that your records are up to date. If you have not yet returned this form to us, please do so by early January 2022. Instructions on how you can return your form are provided on the form. If you retired in 2021, you would not have been on our mailing list this year, but we will include you in a future mailing.

Can't find your Member Information Profile Update form?

Please email spp@hr.ubc.ca and we can mail you a new one. Our Member Services team contact information is also shown under *How to contact us* on page 4 of this newsletter.





myPension: Your pension information 24/7

Log in to myPension to do the following:

- View your pension information and beneficiaries
- Update your communication preferences
- Add or update your email address to stay connected with the SPP
- View and print a current or past annual retiree statement
- Contact the SPP Member Services team

For more information and to log in, visit staff.pensions.ubc.ca/mypension

Forgot your login information, or not sure if you have a login? No worries — instructions on how to retrieve your login are provided at the web page above.

Pension Office Holiday Closure

The UBC Pension Administration Office will be closed from December 25, 2021 to January 3, 2022 inclusive. The office will reopen on Tuesday, January 4, 2022.

If you have an urgent pension inquiry during the holiday closure, please leave a message at 604-822-8119. These messages will be monitored over the holiday period.

The SPP Board, management and staff wish you and your family a safe and happy holiday.



Your statements from Northern Trust

The Plan's custodian, Northern Trust, administers your pension payments. In December 2021, Northern Trust will mail you a statement with a summary of your 2021 pension payments. This statement is different from your T4A slip. Northern Trust will mail your T4A slips, for income tax purposes, by the end of February 2022.

If there are changes to your mailing address or banking information, please contact Northern Trust at 1-800-711-1101, or the SPP Member Services team (see *How to contact us* on page 4).

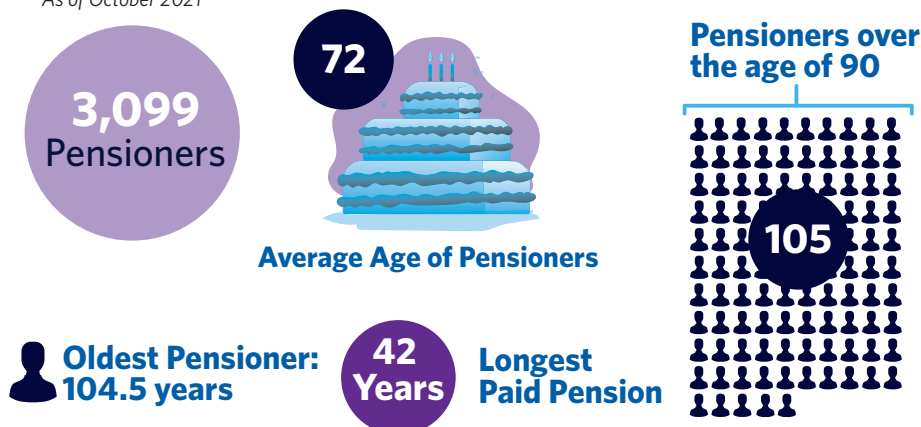
We're celebrating 50 years!

The SPP will celebrate 50 years of operation in 2022. The Plan was established on January 1, 1972 with 1,105 members and in its first year had \$2.6 million in assets. Over the last five decades, the Plan has grown to almost 16,000 members and currently has \$2.2 billion in assets.

Watch your email for the next *SPP Update* newsletter and the 2021 Annual Report (available in the first half of 2022), where we will share the key milestones for the Plan over the last 50 years. Make sure you are subscribed to our *SPP Update* e-newsletter by visiting myPension and reviewing the Communication Preferences tab. See page 3 for how to log in to myPension.

Pensioner Facts

As of October 2021



Share your Retirement Knowledge with your Fellow Members

Whether you retired a while ago or within the last year, you probably have some great insights about preparing for retirement and the overall retirement experience. We would love to receive any tips and advice you are willing to share with your fellow SPP members (the ones that haven't retired yet!) about what they can do to prepare for retirement. Think of things you wish you had known before you retired.

Visit staff.pensions.ubc.ca/RetirementTips to fill out our short survey by January 30, 2022. We will share your retirement tips and advice anonymously with all SPP members in a future newsletter.

Keep your information up to date

It is important to keep your information up to date with the Pension Administration Office especially if there are changes to your mailing address, contact or banking information, power of attorney, beneficiaries and marital status. Our contact information is listed in the section below.

How to contact us

UBC Staff Pension Plan
Pension Administration Office
201 - 2389 Health Sciences Mall
Vancouver, B.C. V6T 1Z3 Canada

Please contact your Member Services representative below:

Last Name A-E

Carol Brodie carol.brodie@ubc.ca
604-822-6008

Last Name F-K

Betty Jay betty.jay@ubc.ca
604-822-8883

Last Name L-Q

Carol Liao carol.liao@ubc.ca
604-822-8646

Last Name R-Z

Jill Fayant jill.fayant@ubc.ca
604-822-2167

For hours of operation and directions to our office, visit:
staff.pensions.ubc.ca/contact