



SPP Actuarial Valuation as at December 31, 2022

How will the results affect SPP Members?

ACTIVE MEMBERS

You are an active member if you are currently making contributions to the SPP.

At present, the **basic pension benefit** you have earned, and will continue to earn, can be paid by the SPP. You can be assured that the money you contribute to the SPP is creating financial security and going towards giving you a stable lifetime pension at retirement. You may also have the opportunity to benefit from cost-of-living adjustments (COLA) before and after you retire, subject to the Plan’s ability to pay in the future.

PENSIONERS

You are a pensioner if you are currently receiving a pension payment from the SPP.

Your monthly SPP pension, also known as the **basic pension benefit**, continues to be stable and will be paid for your lifetime. You will not outlive your pension. On January 1st for the next three years, you will receive a cost-of-living adjustment (COLA) of 70% of inflation (CPI) that will become part of your basic pension benefit each year.

Example:

At the end of 2023, Mei Yee will have a monthly pension of \$1,400. The table below illustrates the effect that cost-of-living adjustments will have on her monthly pension for the next three years. For illustration purposes, we have used hypothetical inflation numbers for each year, which would be based on the change in the average monthly CPI between November and October for the previous two years.

Year	Inflation (CPI)	SPP COLA	Increase in Dollar Amount	Mei Yee's Monthly Pension
2024	4%	70% of 4% CPI = 2.8%	$\$1,400 \times 2.8\% = \39.20	\$1,439.20
2025	3.5%	70% of 3.5% CPI = 2.45%	$\$1,439.20 \times 2.45\% = \35.26	\$1,474.46
2026	3%	70% of 3% CPI = 2.1%	$\$1,474.46 \times 2.1\% = \30.96	\$1,505.42

Cost-of-living adjustments will increase increase Mei Yee’s monthly pension from \$1,400 in 2023 to \$1,505.42 in 2026. Each year, the cost-of-living adjustment becomes part of her basic pension benefit going forward.

DEFERRED MEMBERS

You are a deferred member if you are no longer employed at UBC and/or no longer make contributions to the SPP. You still have your pension benefit in the SPP and are not yet receiving a pension.

The [basic pension benefit](#) you have earned in the SPP is creating financial security and will be available for you when you need it, before or at retirement. In the meantime, your basic pension benefit will have a cost-of-living adjustment (COLA) applied of 70% of inflation (CPI) on January 1st for the next three years.

Example:

Sasha left UBC in 2010 and decided to leave their money in the SPP as a deferred monthly pension. At the end of 2023, they will have earned a deferred monthly pension of \$1,000. The table below illustrates the effect that cost-of-living adjustments will have on Sasha's monthly pension for the next three years. For illustration purposes, we have used hypothetical inflation numbers for each year, which would be based on the change in the average monthly CPI between November and October for the previous two years.

Year	Inflation (CPI)	SPP COLA	Increase in Dollar Amount	Sasha's Deferred Monthly Pension
2024	4%	70% of 4% CPI = 2.8%	$\$1,000 \times 2.8\% = \28	\$1,028.00
2025	3.5%	70% of 3.5% CPI = 2.45%	$\$1,028 \times 2.45\% = \25.19	\$1,053.19
2026	3%	70% of 3% CPI = 2.1%	$\$1,053.19 \times 2.1\% = \22.12	\$1,075.31

Cost-of-living adjustments will increase Sasha's deferred monthly pension from \$1,000 in 2023 to \$1,075.31 in 2026. Each year, the cost-of-living adjustment becomes part of their basic pension benefit going forward.