

Report to Members



FINANCIAL HIGHLIGHTS

**Contributions from active members
and employers** (\$ million)

\$1,075

75,821 active members

103 employers

Funding ratio

113.4%

Net assets (\$ million)

\$44,850

2024 investment return: 7.1%

5-year annualized return: 7.7%

10-year annualized return: 8.1%

**Net assets available for inflation
adjustments** (\$ million)

\$9,900

Pensions paid to retired members
(\$ million)

\$1,410

Average pension in pay

\$26,100

A MESSAGE FROM YOUR TRUSTEES

Great planning pays off

You can feel confident your future pension is secure

Your pension plan is a recognized leader in Canada for its modern design, strong governance and long-term value for members and employers. As reported in the latest *Annual Report*, the plan continues to be well funded and well managed. At the fiscal year-end, March 31, 2024, the plan's one-year investment return was 7.1 per cent. The plan's fund increased by almost \$2.5 billion.

The plan also had an actuarial valuation done as of March 31, 2023. A valuation is an independent review conducted

at least once every three years. Valuations assess the financial position of the plan and its funding requirements.

The 2023 valuation determined the plan's Basic Account, which pays lifetime pensions, had actuarial assets of about \$38.0 billion and actuarial liabilities of about \$33.5 billion, resulting in a surplus of about \$4.5 billion. The plan's funded ratio is 113.4 per cent. This is great news, because it means the plan has enough money in reserve to pay pension benefits to current and future retirees.

The plan for surplus funds

The plan's Joint Trust Agreement provides clear guidance on how we may use surplus funds. In keeping with this guidance, we have decided to:

- **Use a portion of the surplus funds to maintain existing contribution rates.**

After the 2020 valuation determined the plan had a surplus, we kept contribution rates less than the required normal cost by using surplus funds. We will use surplus funds again from the 2023 valuation to continue maintaining these rates.

- **Keep the remaining surplus in the Basic Account.** Your pension is paid out of this account. Holding the surplus

funds in reserve helps us build a strong and resilient Basic Account. We made this decision as part of our commitment to the long-term sustainability of pensions and inflation adjustments during economically uncertain times.

The plan is well positioned to deal with downturns in the financial markets.

Check out the upcoming *Annual Report* this fall for more information. The 2023 valuation report is available at pspp.pensionsbc.ca.

MEMBERSHIP HIGHLIGHTS

New members to your plan

6,340

7% increase from 2023

Members

157,686

75,821 active

56,528 retired

25,337 inactive

Ratio of active to retired members

1.34 to 1

All figures are as at March 31, 2024. All highlights in this report are unaudited. The 2024 Annual Report with audited financial statements will be posted to the plan website in fall 2024.

PLAN RULE AND POLICY CHANGES

Updated definition of “ambulance paramedic” and various housekeeping amendments

Definition of “ambulance paramedic”—effective January 23, 2023; plan rule amendment no. 59—effective December 15, 2023

The definition of “ambulance paramedic” was amended to clarify that members must be employed in a public safety occupation as defined in the *Income Tax Act* regulations. This update ensures the enhanced early retirement provisions apply only to members employed in public safety occupations.

Build your pension knowledge

The *Learning resources* section of the plan website has videos, online courses and articles on a range of topics for everyone from new plan members to those getting ready for retirement.

You can also register for an instructor-led webinar with one of our pension experts.

Visit the plan website to learn more today: pspp.pensionsbc.ca.

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“When I retire, I know I did my best, and I can pass on the feather.”

Souie Gorup,
plan member