



Non-Academic Pension Plan

ANNUAL NEWSLETTER TO MEMBERSHIP

JUNE 2023

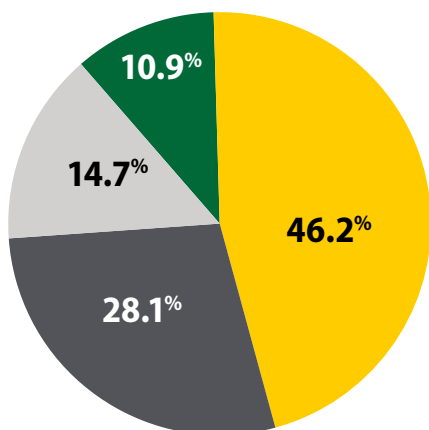


THE PRIMARY PURPOSE OF THIS NEWSLETTER IS:

- to review the actuarial valuation information and contribution requirements of the Non Academic Pension Plan as at December 31, 2022
- to review investments and investment performance of the Plan in 2022

Pension Plan Information at December 31, 2022

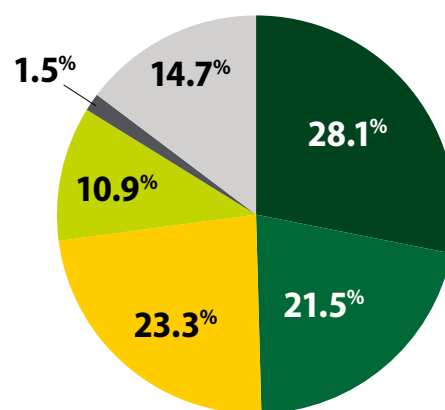
MARKET VALUE OF PENSION PLAN ASSETS



Asset Classes	2022
Canadian Equities	\$36,691,551
US and Global Equities	\$155,173,307
Total Equities	\$191,864,858
Bonds	\$94,432,218
Real Estate	\$49,447,222
Total Fixed Income	\$143,879,440
Total Market Value	\$335,744,298

Distribution of Assets Among Investment Managers

Investment Manager	2022
Phillips, Hager & North Investment Management	\$94,432,218
Harding Loevner	\$72,002,240
TD Asset Management Epoch	\$78,304,009
TD Greystone Managed Investments	\$49,447,222
Connor, Clark & Lunn Financial	\$36,691,551
BlackRock Asset Management	\$4,867,058



INVESTMENT PERFORMANCE

The long-term investment goal of the Plan is to achieve a minimum annualized rate of return of **6.05%**. To achieve this goal, the Plan has adopted an asset mix that has a bias in favour of equity investments.

The responsibility for investing the assets of the Plan has been delegated to six professional investment fund managers with different mandates to ensure adequate investment diversification.

The Plan's Return Benchmark is a performance standard developed by the Investment Consultant, Aon. The Board of Governors have approved the benchmark. The investment fund managers of the Plan are expected to meet or surpass the benchmark.

Investment Performance	2022	Last 4 years	Last 10 years
Plan Return*	-9.8%	7.2%	8.1%
Plan return Benchmark	-10.1%	6.8%	7.5%

*Gross of fees

Actuarial Valuation at December 31, 2022

MEMBERSHIP DATA

Active Members

Pensioners and Beneficiaries

Other Members
(deferred, pending transfers, transfer deficiency holdbacks)

Total Membership



+



+



=



940

1,121

231

2,292



GOING-CONCERN FINANCIAL POSITION OF THE PLAN

The financial position of the Plan on a going-concern basis is measured by comparing the actuarial value of assets to the actuarial liabilities assuming the Plan is continuing for the long-term.

The following table outlines the results of the actuarial valuation performed as at December 31, 2022. Comparative numbers as at December 31, 2021 are also provided.

Going-Concern Financial Position	2022	2021
Actuarial value of assets	\$369,877,100	\$439,632,800
Actuarial liability	\$366,632,400	\$416,090,300
Surplus (Deficit)	\$3,244,700	\$23,542,500
Funded Ratio	1.01	1.06

CONTRIBUTION AND FUNDING REQUIREMENTS

The plan last filed a valuation report with the regulators at December 31, 2022. The valuation report has revealed a going concern surplus of **\$3,244,700** and therefore no special payments are required.

HYPOTHETICAL WIND-UP (SOLVENCY) POSITION OF THE PLAN

The Pension Benefits Act (Saskatchewan) requires the University to review whether the assets of the Plan would be sufficient to cover the liabilities of the Plan in the event of a plan wind-up and is required for transfer deficiency hold back when plan members leave the university (see page 5). The following table outlines the wind-up position of the plan at December 31, 2022. Comparative numbers as at December 31, 2021 are also provided.

Hypothetical Wind-Up Financial Position	2022	2021
Actuarial value of assets	\$369,377,100	\$439,132,800
Actuarial liability	\$429,852,600	\$540,602,000
Surplus (Deficit)	\$(60,475,500)	\$(101,469,200)
Solvency ratio (assets/liabilities)	86%	81%



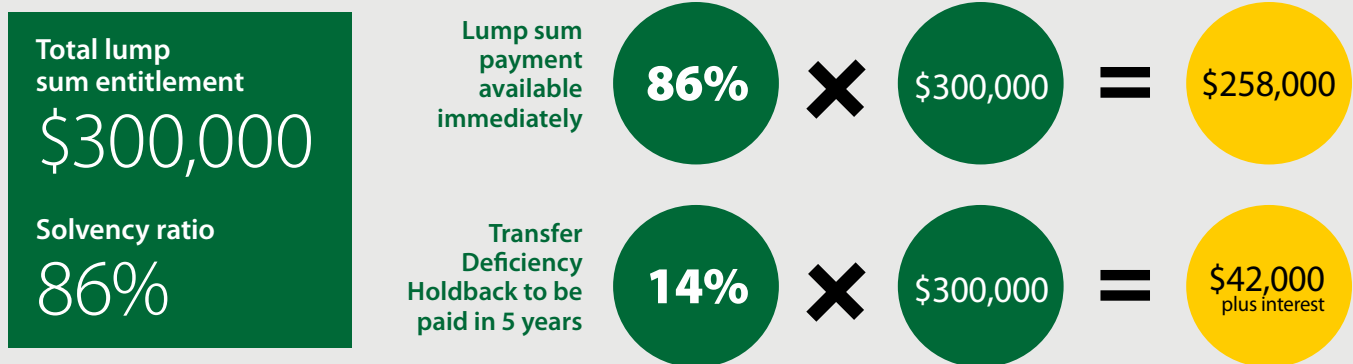
Please contact the Pension Office at pension@usask.ca if you have any questions about the items covered in this newsletter.

TRANSFER DEFICIENCY REQUIREMENTS

As the Plan has a solvency ratio of **86%** (determined in the last filed valuation at December 31, 2022, it is necessary to withhold **14%** of any lump-sum payments. The amount withheld, referred to as the “transfer deficiency”, will be paid out with interest at the end of the five-year period following the date of original pay-out (or earlier in the event of plan surplus). This provision does not impact members retiring and commencing a pension from the Plan.

TRANSFER DEFICIENCY PAYOUT EXAMPLE

Applies to individuals who terminate employment and elect to transfer the lump sum value of their entitlement out of the Plan.



Non-Academic Pension Plan Information

PLAN DOCUMENTS

Copies of the following documents are on file in the Pension office. They are available for inspection by any member of the Plan during regular working hours by prior arrangements.

- Plan Text
- Financial Statements
- Actuarial Reports
- Auditor’s Report

OTHER AGENTS OF THE PLAN

Actuary: Aon , Saskatoon
Investment Consultant: Aon , Calgary
Custodian: CIBC Mellon

USASK PENSION



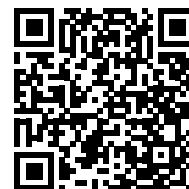
PENSION ADMINISTRATION AND SUPPORT

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