

June 2024 Pension Committee Report

In person meeting was held May 28 at headquarters in Montreal with the AC pension department and IAMAW representatives. State of the AC DB pension was discussed. The DB pension is currently well funded. The pension fund dropped slightly from 135% to 133% in solvency basis and is at 155% down from 165% on a going concern basis. This was attributed to a decrease in discount rates on liabilities as part of the plan funds. The Ac DB master pension fund has a 4.3 billion surplus as of March 31 2024. Consent was also extended for early retirement at age 55 with an unreduced pension provided the "Magic 80" has been reached. Of active membership, 68% of employees are now in the MEPP and 32% are in the Defined Benefit.

It was the IAMs turn to go under a pension audit this year. A total of 7705 retirees and survivors were audited. These members were selected if they had not traveled within 1 year timeline. The purpose of the audit was to make sure information is up to date and payments were being processed correctly. The next audit for our members will not be for at least 3 years.

DB pension statements are being finalized, expected to be completed before the June 30th cutoff and will appear in mailboxes and electronic delivery later in the summer. Members can now update their contact info and delivery preferences through the Alight website and mobile app amongst other improvements made to the platform. MEPP statements were sent out earlier in the spring, and should have arrived to the postal address or email provided to the MEPP administrator.

There is a financial planner that is now being offered through Manulife called Plan Right. All employees are able to take advantage regardless of pension plan enrolled in. This no cost to the member program will be offered virtually through Teams and will offer advise on savings and investments. The program launched in January 2024 to select areas and will be expanded in June to cover all employees. Look out for an email from the Pension department and the Daily in June for more information.

Some disappointing news on the Share Trust. It is now expected no payments will occur until the end of 2025 at the earliest. It appears that the pension department has known this for some while and has kept everyone in the dark. A request was made that the pension department communicate this to employees and retirees as soon as possible as many have put their retirement on hold while waiting for this news. It was communicated to us that the Share Trust has stalled at the Minister of Finance office. CRA is said to be in agreement on the terms of the Share Trust, however they can not approve it until the Minister signs off. It was suggested that members who would be affected by the Share Trust to write to Chrystia Freeland and her office in an effort to have her sign off.

End of report