



A Few Moments of Your Time

The Civil Service Superannuation Board

Pensioner Newsletter • Volume 18 - 2010

Greetings

Welcome to our pensioner newsletter, **A Few Moments of Your Time**. In this edition, we bring you up-to-date with news that we feel is important to our pensioners.

In This Issue...

Front

- ▶ Board Employee Representatives Elected
- ▶ Giving Made Easy
- ▶ Online Services
- ▶ Direct Deposit Dates for 2010

Back

- ▶ Market Developments
- ▶ The Civil Service Superannuation Amendment Act Receives Royal Assent
- ▶ Pre-payment of Life Insurance
- ▶ Questions? Comments?

Giving Made Easy

Looking for a simple way to make a difference in your community? The CSSB is pleased to work with the All Charities Campaign to help you do just that. Pledge forms are available in the Forms section of the CSSB website.

For further information contact Debra Laturnus at the ACC office at 204-945-5621 or e-mail debra.laturnus@gov.mb.ca.

Board Employee Representatives Elected

This past fall, The Civil Service Superannuation Board (CSSB) held its election for employee representatives to sit on the Board.

The CSSB would like to welcome its newest Board members, Ms Denise Hickson and Mr. Stephen Watson. Ms Hickson was elected as the Manitoba Hydro employee representative while Mr. Watson joins re-elected members Mr. Ray Erb and Ms Monica Girouard as employee representatives for the Government Employee Group. Their terms will become effective January 1, 2010.

Ms Hickson replaces Mr. Ryan Wiebe as the Manitoba Hydro employee representative on the Board and Mr. Watson replaces Mr. Chris Kowalski as an employee representative.

The CSSB would like to thank Mr. Wiebe and Mr. Kowalski for their time spent on the Board and various Committees. Plan members, the Board, and Board staff benefited from their dedication and knowledge.

Their commitment and hard work in serving the members of the Plan was greatly appreciated.

Online Services

If you haven't already used our Online Services, please contact our office or visit www.cssb.mb.ca to register; it's simple, secure and free!

Online services include:

- ▶ Year-to-date pension and deduction amounts
- ▶ Manitoba Blue Cross information, if applicable (rates, forms and information)
- ▶ Personalized Group Insurance information
- ▶ Pension payment history
- ▶ Monthly pension statements
- ▶ T4A's

Direct Deposit Dates For 2010

Pension recipients using direct deposit will have their CSSB pension payments deposited on the dates shown in the table below in 2010.

Thursday	January 28
Thursday	February 25
Tuesday	March 30
Thursday	April 29
Friday	May 28
Tuesday	June 29
Thursday	July 29
Monday	August 30
Wednesday	September 29
Thursday	October 28
Monday	November 29
Thursday	December 30

Market Developments

The most recent valuation of the Civil Service Superannuation Fund was done for December 31, 2007. The Fund was in a neutral position, with neither a surplus nor unfunded liability, but held a reserve in excess of 10% of its assets for unforeseen adverse market events - like the one that occurred in late 2008 and early 2009. The Fund had negative returns of just over 17% for 2008, the worst in its history. In 2009, we've seen an improvement in returns.

With world market turmoil not seen since the Great Depression, the 2007 valuation has probably become less meaningful than any report within its usual three year lifespan.

As a result, the Board is having a valuation done for December 31, 2009, which is prior to the statutory requirement for a report in 2010.

This report will provide a better picture of how recent events have affected the Fund, although it likely wouldn't be available until mid-2010.

Pre-payment of Life Insurance

Pensioners who are diagnosed as terminally ill may qualify to receive an advance payment of up to 50% of their life insurance death benefit, up to a maximum of \$25,000. Call Cheryl at 204-946-3212 if you have questions on how to apply for this benefit.

Don't forget you can visit us online 24 hours a day at www.cssb.mb.ca.

The Civil Service Superannuation Amendment Act Receives Royal Assent

The Civil Service Superannuation Act was amended in 2009, with the majority of the changes being made effective October 8.

The most significant changes to the Act include:

► Indexing Reserve Transfer to Superannuation Adjustment Account

The Plan's actuary has for some time reported that the Superannuation Adjustment Account is not expected to be able to provide cost-of-living increases of $\frac{2}{3}$ of the increase in the Canadian Consumer Price Index (CPI) on a long-term basis, unless future experience is more favorable than expected or additional funding is provided for.

The 2004 actuarial report on the Superannuation Fund identified a surplus of approximately \$145 million. The 2007 report allocated \$145 million to an indexing reserve. That amount has now been transferred to the Superannuation Adjustment Account.

Estimates now suggest that cost-of-living increases of up to $\frac{2}{3}$ of the increase in the CPI should be sustainable over the next decade if the CPI increases by no more than 3% per year. The Bank of Canada target for inflation is currently 3% or less, and the most recent Superannuation Fund valuation assumes inflation of 2.5%. Should inflation reach higher levels, cost-of-living increases could be expected to be less than $\frac{2}{3}$ of the increase in the CPI.

The indexing reserve transfer increases funding for future cost-

of-living payments, but sustainable indexing is still not expected in the long-term without further changes to the program.

The next Superannuation Adjustment Account actuarial report will provide a better picture of how recent events such as this transfer and market fluctuations have affected this program. That report will likely be available in late June 2010.

► Enabling Legislation for Manitoba Hydro enhanced benefits.

The Lieutenant Governor in Council may make regulations to provide enhanced pension benefits for Manitoba Hydro employees and pensioners. *No such regulation has been made at this time.* The legislation does not provide for any enhanced benefits or administrative costs to be funded by the current Civil Service Superannuation Fund.

It is not within the Board's mandate to negotiate pension benefits. The Board would simply administer any regulation which provides for enhanced benefits. Any questions regarding enhanced benefits should be directed to either Manitoba Hydro or, where applicable, your union representative.

Questions? Comments?

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