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July 1, 2016 Cost-of-Living Adjustments

The Board approved a 1.07% Cost-of-Living Adjustment (COLA) for eligible pension recipients and members with a deferred account, effective July 2016.

This increase is equal to 2/3 of the increase in the Canadian Consumer Price Index for 2015.

COLA is limited to the extent that the COLA Account is, in the opinion of our actuary, able to pay for approximately one half of the increases. The employer pays for the remainder of the increases. The Board is concerned that the COLA Account will not be able to continue to provide increases of 2/3 of the increase in the Canadian Consumer Price Index. Concerned members should contact the Pension and Insurance Liaison Committee.

Prenuptial Agreements

The Court of Appeal of Manitoba has indicated (*Dundas v Schafer*) that a valid prenuptial agreement can make the division of pension provisions under The Family Property Act and The Pension Benefits Act inapplicable.

If a spouse or common-law partner waives entitlement to an equal sharing of a member's pension benefits in an enforceable prenuptial agreement that was entered into before the commencement of the relationship, it is our understanding that the spouse or partner would have no entitlement to the member's pension benefits.

The court did not address whether an enforceable prenuptial agreement could also impact pre-retirement survivor entitlements for a surviving spouse or partner, or the minimum survivor pension rights at retirement.

We will keep any agreements submitted to the Board on file. As each such agreement must be considered based on the specifics of the member's situation at the applicable time, we will only consider whether an agreement is valid if and when it becomes relevant for determining actual benefit entitlements. Members may want to seek financial and legal advice regarding prenuptial agreements.

Power of Attorney

A Power of Attorney (POA) is a legal document in which a person (the donor) grants another person or persons (the attorney or attorneys) the authority to act on his or her behalf with regard to financial affairs.

Unless the POA contains restrictions, the Board can interact with a named attorney in much the same way as we would interact with the donor. A named attorney can receive information and act on behalf of the donor in dealing with pension and insurance issues, but cannot designate or change a beneficiary for pension or insurance purposes.

For a POA to be **enduring**, it must contain a clause that specifically indicates that it continues if the donor becomes mentally incompetent. It must also meet certain other criteria, such as who can witness the donor's signature.

The Board will follow the Public Guardian and Trustee of Manitoba publication, *Enduring Power of Attorney, A Guidebook for Donors and Attorneys*, in determining the validity of an enduring POA executed in Manitoba. For a POA executed outside of Manitoba, the legislation of that jurisdiction will be reviewed to determine its validity.

We will require a copy of the POA before we share information or accept direction from a named attorney.

Members who have prepared a POA may provide the Board with a copy at any time.

Keep Your Online Profile Up-To-Date

To ensure that you continue to receive relevant information from the CSSB, please remember to keep your Online Services contact information current. This includes keeping your Primary email address and home mailing address up-to-date using the Online Services Edit My Profile feature.

If your Primary email address for Online Services is still your work email, please take a moment to change it to your home email address.

Possible Suspension of Pension Payments

From time to time the Board will send declaration forms to a sampling of our pensioners to confirm pensions are being paid properly. If a declaration form is not returned or Canada Post returns mail sent to a pensioner as undeliverable, we may suspend the pension until we are confident that the member has not passed away and the pension is still payable.

Please ensure that you notify the Board of any change in mailing address, either in writing or by updating your profile through your Online Services account.

Questions or Comments?

If you have any question or concerns, please contact

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