

Pension Life

Your connection to the College Pension Plan

COLA cap and COVID-19 updates

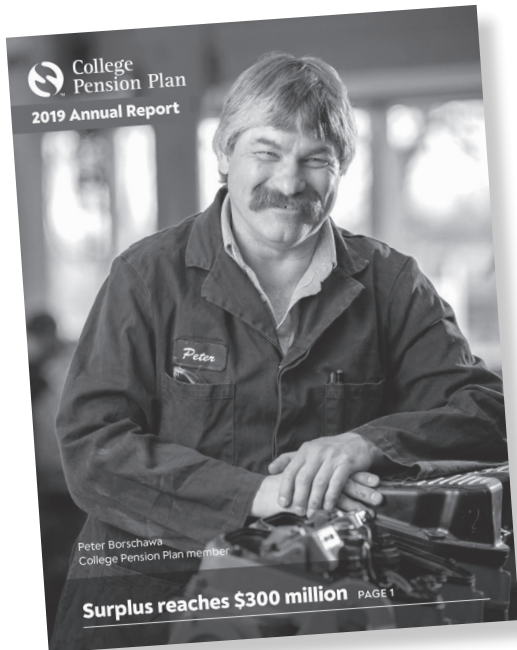
You may have questions about your pension in light of the COVID-19 pandemic and its impact on the financial markets. Your pension is a defined benefit pension and is secure. The amount of your pension payment is not dependent on the performance of the financial markets.

In addition, there is other positive news for our retired members. First, as a result of the August 31, 2018, actuarial valuation, the cost-of-living adjustment (COLA) cap has been lifted. Second, for those members who use the College Pension Plan's (plan's) health coverage, extended health care (EHC) and dental premiums have been temporarily reduced since retired members have largely been unable to access these services during the COVID-19 pandemic.

Removal of COLA cap

How do COLAs work?

Plan rules allow the College Pension Board of Trustees (board) to grant an annual COLA. While not guaranteed, COLAs help maintain the purchasing power of your pension by increasing your monthly payment. Once granted, COLAs become part of your basic pension and, if applicable, your bridge benefit and temporary annuity for as long as you receive them.



• Check out the [2019 College Pension Plan Annual Report](#)



Pension payments 2020

July	30	October	29
August	28	November	27
September	29	December	23

For banks outside Canada, direct deposit dates may vary.

• Sign up for direct deposit at [myaccount.pensionsbc.ca](#)

COLAs come into effect January 1 each year and are based on the annual change in the average Canadian consumer price index (CPI) in the 12 months up to and including October 31 of the preceding year. The last COLA granted was 1.9 per cent, effective January 1, 2020. This matched the annual change in CPI.

What has not changed?

The COLA benefit is not guaranteed, although once you receive a COLA, it becomes part of your guaranteed lifetime benefit. The board regularly reviews the inflation adjustment account (IAA), the account from which COLAs are paid, and, if required at a future date, will restore a cap on COLAs to protect their sustainability.

What has changed?

Previously, the amount of the COLA granted each year was subject to a cap. As a result of the August 31, 2018, actuarial valuation, the board is pleased to announce that the cap on the COLA has been lifted.

This is good news. How did this happen?

The valuation showed an actuarial surplus of more than \$300 million. The board transferred the majority of this surplus to the IAA. With the additional funds, it is expected that the IAA now has enough money available to pay COLAs on all earned and future pension benefits based on the full rate of inflation.

What other changes happened as a result of the valuation?

Apart from strengthening the funding for COLAs, the board transferred money to a new rate stabilization account. This account will help prevent future rate increases for active members in the case of a future funding shortfall.

In addition, contribution rate changes for active members tied to contractual pay increases have been eliminated.

Active member contribution rates remain unchanged.

Results of the August 31, 2021, valuation will be announced in 2022.

EHC and dental premiums

For members participating in the plan's optional EHC and dental coverage through Green Shield Canada (GSC), there will be a temporary 8 per cent reduction to EHC premiums and a 75 per cent reduction to dental coverage premiums. These temporary premium reductions will be automatically applied to your July, August and September 2020 pension payments.

Do more in My Account

- Opt in to receive digital communications
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- View your pension payments and payment history
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Cameron McRobb: driving pension solutions



In Cameron McRobb's experience, being a member of the College Pension Board of Trustees (board) is a lot like his day job as an automotive technician. Both roles require an analytical mind and specialized knowledge. They also require someone who knows how to ask the right questions to uncover solutions,

a perfect fit for a skilled problem-solver like Cameron.

As an instructor in the Motor Vehicle Trades program at Okanagan College in Kelowna, Cameron takes pride in sharing his knowledge and experience with students. He remembers his own days as a student and sees the potential in those he teaches. "I just want them to experience some of what I've had the pleasure of experiencing during my career," he says.

Cameron was inspired to become a trustee by former board member Danny Bradford, who served from 2001 to 2016. Seeing Cameron's potential, Danny invited him to observe a board meeting. "After the first meeting, I was hooked!" Cameron says. He's been a trustee now for eight years. "I really enjoy the challenge of investing successfully for the long term," Cameron says.

Keeping the plan fully funded and sustainable takes careful planning and plenty of teamwork between the board and BC Investment Management Corporation. It also takes a thorough understanding of the plan and, as Cameron says, "the confidence to ask the tough questions if necessary."

Outside of work, Cameron focuses on giving back to his community. He's a member of the Kelowna branch of the cheekily named group "100 Heroes Who Give a Damn!" Four times a year, more than 140 group members gather

Retirees' association

Join the Association of British Columbia College Pension Plan Retirees (CPPR), the group that advocates for your interests. Access discounted group insurance plans covering home, travel and trip interruption.

Sign up for automatic dues deduction, and your first year's membership is free!

Web: BCCollegePensionPlanRetirees.ca
Toll-free: [1-844-655-6565](tel:1-844-655-6565) (BC)

to donate \$100 each to a deserving charity. The catch? Three local charities have five minutes each to pitch their cause, after which group members vote for their favourite. The winning charity brings home all the donations—over \$14,000 in cash.

It's no surprise that community involvement is an important part of Cameron's life. He's lived in the Okanagan region since he was born, the last 17 years in Kelowna. "The best part of living in the Okanagan is the summer," Cameron says. When he can, he takes his wakeboarding boat onto Okanagan Lake to cool off—that is, when he's not busy helping guide plan investments or teaching a new generation of automotive technicians about everything from disc brakes to drivetrains.

Update your pension account for electronic funds transfer

Pension payments from July 2020 onward will only be sent electronically.

If you live in Canada, sign up for direct deposit in My Account.

If you live in the United States, complete and send us the [U.S. direct deposit authorization](#) form.

If you live outside Canada or the United States, register for electronic fund transfer. Visit the [Apply for direct deposit to an overseas account](#) page on the plan website.

• college.pensionsbc.ca

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Contact Green Shield Canada for specific questions about your health care and dental coverage.

Web: greenshield.ca Toll-free: 1-888-711-1119

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Contact BC Pension Corporation through Message Centre in My Account. Your messages and the corporation's replies are saved for easy reference.

Update your information in My Account

Keeping your contact information updated is easy and it helps us administer your pension.

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When contacting the plan, please include your Person ID number (found on your pension statement).

Web: college.pensionsbc.ca
Toll-free: [1-866-322-8277](tel:1-866-322-8277) (Canada/U.S.)
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