

Bylaw No. 8226

**The City of Saskatoon
General Superannuation Plan Bylaw, 2003**

**Codified to Bylaw No. 9224
(September 22, 2014)**

Bylaw No. 8226

The City of Saskatoon General Superannuation Plan Bylaw, 2003

The Council of The City of Saskatoon enacts:

Title

1. This Bylaw may be cited as The City of Saskatoon General Superannuation Plan Bylaw, 2003.

Purpose

2. The purpose of this Bylaw is to adopt a re-worded version of The City of Saskatoon General Superannuation Plan (the “Superannuation Plan”). The Superannuation Plan is a re-statement of “The General Superannuation Plan for City of Saskatoon Employees not covered by the Police and Fire Departments’ Superannuation Plans”, enacted pursuant to Bylaw No. 6321. The Superannuation Plan has been re-stated to clarify the benefits provided by the Plan and to remove obsolete wording. In addition, the following amendments have been included in the re-statement of the Superannuation Plan:
 - (a) amendments to include in the Superannuation Plan certain employees who are members of The Canadian Union of Public Employees, Local No. 859 who were previously excluded from the Superannuation Plan;
 - (b) amendments to provide for service continuity for certain employees of The Saskatoon Public Library Board involved in a labour dispute in the year 2002 and who will retire in the next five years; and
 - (c) an amendment to the maximum retirement benefit provision as a result of recent changes to the *Income Tax Act*.

Superannuation Plan Continued

3. The General Superannuation Plan for City of Saskatoon Employees not covered by the Police and Fire Departments’ Superannuation Plan established by Bylaw No. 6321 is continued under this Bylaw in accordance with the provisions of Schedule “A” annexed hereto and forming part of this Bylaw.

Superannuation Plan to Take Effect

4. The Superannuation Plan contained in Schedule "A" shall take effect in accordance with the tenor thereof.

Rights and Obligations Continued

5. All rights and obligations existing under Bylaw No. 6321 on the date of its repeal are continued under the provisions of the Superannuation Plan contained in Schedule "A".

Bylaw No. 6321 Repealed

6. Bylaw No. 6321 is repealed.

Coming Into Force

7. This Bylaw comes into force on the day of its final passing but is retroactive and is deemed to have been in force and effect on and from January 1, 2003.

Read a first time this 23rd day of June, 2003.

Read a second time this 23rd day of June, 2003.

Read a third time and passed this 23rd day of June, 2003.

"James Maddin"

Mayor

"Janice Mann"

City Clerk

"SEAL"

Schedule “A”

Bylaw No. 8226

General Superannuation Plan
for
City of Saskatoon Employees
not covered by the
Police and Fire Departments’
Superannuation Plans

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Effective From: January 1, 2003

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for City of Saskatoon Employees
not covered by the Police and Fire Departments’
Superannuation Plans

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SECTION 1
ESTABLISHMENT AND CONTINUING OPERATION OF THE PLAN

1.01 Purpose

- (1) The purpose of the Plan is to provide retirement and related benefits for and on behalf of all eligible Employees who become Members of the Plan on and after the Effective Date.

1.02 Effective Date

- (1) The Plan was established effective July 1, 1964.

1.03 Registration

- (1) This Plan has been approved as a registered pension plan in accordance with the Applicable Legislation and it is intended that the registered status of the Plan will be maintained thereafter.

1.04 History of the Plan

- (1) In 2001, the following changes were made to the Plan:
- (a) Effective January 1, 1992, the contribution rate for Linemen was retroactively reduced from 5.8%/7.4% to 4.8%/6.4%, and the over-contributions refunded;
- (b) Effective January 1, 2001:
- the 7.2% indexing provision for active members was extended from pre-1998 service to pre-2001 service;
 - pensioners received an additional 1.35% indexing provision;
 - Spouses that are transferring their benefits out of the Plan as a result of marital breakdown can now purchase a pension commencing at the earlier of age 55 or the Early Retirement Date provided for under the Plan (previously limited to age 55); and

- the limitations on exercising buybacks have been relaxed and the deadlines have been removed.
- (c) Effective July 6, 2001, the definition of Spouse was amended to include same-sex spouses, in accordance with the Pension Benefits Act.
- (2) Effective January 1, 2003, this Plan was re-stated to clarify the benefits of the Plan and to remove obsolete wording with the intention that no Member's rights or benefits under the Plan are changed. In addition, the definition of "RRSP" was amended as per recent Pension Benefits Act changes. This consolidation of the Plan incorporates all prior amendments contained in the previous Bylaw No. 6321, codified to Bylaw No. 7984 (November 6, 2000), as well as the amendments outlined above.
- (3) Effective March 17, 2003, the Plan was amended to allow for buy backs of past service by certain members of The Canadian Union of Public Employees, Local 859, to allow for buy backs of service which had not been properly credited to Plan members, and to make various minor corrections as required by the Superintendent of Pensions.
- (4) Effective November 1, 2004, the Plan was amended to provide for an additional 15-year guarantee period for retirees choosing survivor pensions, to provide additional options to surviving spouses upon the death of members who qualified for unreduced early retirement, to delete the provision for reciprocal transfer agreements and to provide for certain housekeeping changes.
- (5) Effective June 1, 2005, the Plan was amended, as per changes to the *Pension Benefits Act*, to permit a Member's Spouse to waive entitlement to pre-retirement death benefits, to allow a surviving Spouse to receive pre-retirement death benefits in cash, and to revise the small benefit provisions. The Plan was also amended to provide for certain housekeeping changes.

- (6) Effective January 1, 2006, the Plan was amended to provide for buy-back of post-1989 service for members re-employed after one year, to recommend rather than require annual meetings with employee organizations, and to clarify the Plan text wording regarding allowable investments to be consistent with wording contained in *The Pension Benefits Act, 1992*.
- (7) Effective April 1, 2007, the Plan was amended to increase Active Member required contribution rates by 0.90% on each of April 1, 2007, January 1, 2008 and January 1, 2009. As well, the 2% benefit formula was extended for an additional 5 years to December 31, 2013 from December 31, 2008.
- (8) Effective November 17, 2007, as a consequence of the elimination of mandatory retirement in the Province of Saskatchewan, the Plan was amended to permit continued contributions and benefit accruals up to the latest date permitted under the *Income Tax Act*.
- (9) Effective August 26, 2008, the Plan was amended to increase the Plan's contribution to the City's cost of administering the Plan to \$39.50 for each Active Member and \$2.10 for each pension payroll cheque or direct deposit drawn on the Fund.
- (10) Effective January 1, 2014, the Plan was amended to:
 - (a) increase Active Member required contribution rates by 0.30% on each of January 1, 2014, January 1, 2015 and January 1, 2016;
 - (b) remove the option for Members to transfer out the Commuted Value of their entitlement once eligible for an immediate pension in accordance with the provisions of the Plan;
 - (c) set the annual maximum reimbursement from the Plan for the City's costs associated with administration of the Plan at \$250,000 per year starting in 2014, increased each year thereafter by the general economic increase granted to Active Members in the Plan for the year;

- (d) for Contributory Service after 2014:
 - (i) change the normal form of pension for married Members to be actuarially equivalent to the normal form of pension for single Members;
 - (ii) change the date at which a Member is eligible for an unreduced pension to the earlier of age 62, 35 years of Contributory Service or the date when a Member's age plus Contributory Service is equal to 85 (ie. rule of 85); and
 - (iii) change the definition of Final Earnings to be based on the highest average 60 consecutive months of base Earnings, plus the highest average 84 consecutive months of overtime earnings (excluding overtime earnings prior to January 1, 2015).

SECTION 2 DEFINITIONS

For the purposes of this Plan, the following definitions are made.

- 2.01** “**Active Member**” means a Member of the Plan who is earning Contributory Service and where contributions are being made to the Plan on behalf of the Member.
- 2.02** “**Actuarial Equivalent**” means a benefit of equivalent value when computed on the basis of interest, mortality and/or other rates and tables adopted by the Board for such purposes on the advice of the Actuary, and in effect on the date such determination is made.
- 2.03** “**Actuarial Value**” means the cost to the Plan determined in accordance with the actuarial assumptions, methods and rates of interest used in the most recent actuarial report filed with the regulatory authorities under the Applicable Legislation. For Members who were active in the Plan as at December 31, 2000, the cost to the Plan shall include the value of indexing as provided for in Subsection 9.01(3).
- 2.04** “**Actuary**” means the person designated by the Board to be the Actuary for the Plan and such person shall be a Fellow of the Canadian Institute of Actuaries.
- 2.05** “**Administrator**” of the Plan means the Board of Trustees.
- 2.06** “**Applicable Legislation**” means any legislation governing pension plans and their registration, including the Pension Benefits Act and the Income Tax Act.
- 2.07** “**Board**” means the Board of Trustees of the Plan appointed in accordance with Section 12.02.
- 2.08** “**Canada Pension Plan**” means the *Canada Pension Plan*, Statutes of Canada and the Regulations thereunder, as amended from time to time.

2.09 “**City**” means The City of Saskatoon and the following associated employers:

- (1) Saskatoon Public Library Board;
- (2) Saskatoon Centennial Auditorium Foundation;
- (3) Saskatoon Gallery and Conservatory Corporation;
- (4) Saskatchewan Place Association Inc.

2.10 “**City Council**” means the Council of The City of Saskatoon.

2.11 “**Commuted Value**” means the lump sum present value of a stream of pension payments, determined by the Actuary in accordance with accepted actuarial practice. For the purpose of determining commuted values under Section 5.04, the indexing provision granted under Subsection 9.01(3) will be recognized.

2.12 “**Consumer Price Index**” means the *Consumer Price Index* for all of Canada as published by Statistics Canada under the authority of the *Statistics Act (Canada)*.

2.13 “**Continuous Service**” means the period of uninterrupted active service rendered on a regular, permanent basis by a Member to the City, from the Member’s date of employment to the date of the Member’s termination of service, death or retirement, whichever first occurs. Continuous Service shall not be broken by:

- (1) any leave of absence of an Employee from the Employee’s duties with the consent of the City;
- (2) any sick or accident leave of an Employee from the Employee’s duties;
- (3) any leave of absence for service in the Armed Forces in periods of national emergency;

- (4) temporary layoff due to lack of work; or
- (5) any absence by an Employee from the Employee's duties while on strike or while locked out.

Service occurring before a break in Continuous Service shall not constitute Continuous Service.

If all or any part of a leave is unpaid, the maximum period of unpaid leave which can be credited as Continuous Service is five years of equivalent full-time service for non-parental leaves, plus an additional three years of equivalent full-time service for parental leaves, where parental leaves are as defined under the Income Tax Act.

2.14 **“Contributory Service”** means the following service, including fractions for completed months:

- (1) all service with the City for which the Employee has contributed to the Plan on a Permanent Full-Time basis;
- (2) the full-time equivalent of all service for which the Employee has contributed on a Permanent Part-Time or Job-Sharing basis;
- (3) any period of time during which the Employee, while a member of the Plan, received disability benefits from the City's Disability Income Plan; and
- (4) for the Employees who are members of CUPE Local 2669 who retire between March 1, 2003 and February 28, 2007, Contributory Service will include the period of work stoppage while on strike during which the Employees were away from their duties and where they would otherwise have been at work between September 25, 2002 and November 26, 2002.

2.15 “Credited Interest” means:

- (a) in respect of the Member’s Required Account and the Member’s Transfer-In Account, the rate of interest calculated on the basis of the average of the yields of five-year personal fixed term chartered bank deposit rates, published in the Bank of Canada Review as CANSIM Series B-14045, over the most recent period for which the rates are available, with an averaging period equal to the number of months in the period for which interest is to be applied to a maximum of 12 months, rounded downwards to the next full 1/10 of 1% where that calculation would result in a fraction of 1% that is expressed other than as a multiple of a full 1/10 of 1%;
- (b) in respect of the Member’s Voluntary Account, interest at the rate earned by the Fund as reported by the Fund’s Measurement Service less one-half of one percent (0.5%) per annum, provided however that when the value of the Member’s Voluntary Account is required to be calculated for any period of time before the Fund’s Measurement Service’s report is available, interest at the rate earned by the Fund for that period of time as shown on the Fund Custodian’s report less one-half of one percent (0.5%) per annum.

2.16 “Custodial Agreement” means any agreement entered into by the Board and the Trustees that provides for the custody of the pension Fund.

2.17 “Disability Income Plan” means a disability income replacement plan sponsored by the City providing income replacement to Members of the Plan, including sick leave, short-term disability, sick bank and long-term disability and shall include *Saskatchewan Workers’ Compensation*.

2.18 “Disabled Member” means an Active Member who subsequently became entitled to disability benefits from the Disability Income Plan.

2.19 “Early Retirement Date” means:

- (1) For reasons other than ill health, a Member who is Vested may elect to retire early and receive a benefit in accordance with Section 5.02 on the first day of any month on or after the earlier of:
 - (a) the day which is 10 years prior to the Member’s Normal Retirement Date;
 - (b) the Member’s 60th birthday;
 - (c) the day on which the Member has completed 35 years of Contributory Service; or
 - (d) the day on which the sum of the Member’s age and years of Contributory Service equals 80.

- (2) For reasons of ill health, where ill health is based on grounds of total and permanent disability as defined in the Income Tax Act, a Member who is Vested may elect to retire early and receive a benefit in accordance with Section 5.03 on the first day of any month in the 10-year period prior to the Member’s Normal Retirement Date, subject to the following conditions:
 - (a) the Member must provide the Board with a certificate from a physician licensed to practice medicine in a province or territory of Canada;
 - (b) the Board may secure whatever additional medical advice deemed necessary to substantiate the Member’s entitlement to early retirement on such grounds; and
 - (c) the decision of the majority of the Board shall be deemed final and binding in regard to the health status of the Member relating to the question of early retirement on such grounds.

2.20 “Earnings” means the remuneration received by the Member, or deemed to be earned by the Member in the case of a Disabled Member or in the case of Employees who are members of CUPE 2669 and who retire between March 1, 2003 and February 28, 2007 in respect of the period from September 25, 2002 to November 26, 2002, as determined by the Administrator for the purposes of the Plan. Earnings may include prescribed compensation as permitted and described in the Income Tax Act but excludes vacation pay payouts and allowances.

Earnings for an Employee who is in either a Permanent Part-Time or a Job-Sharing position, where contributions are being credited to the Plan on behalf of the Member, shall be the annualized earnings as if the Employee was on a full-time basis, calculated using the actual number of days worked each year.

2.21 “Effective Date” means July 1, 1964.

2.22 “Employee” means:

(1) All employees of the City holding Permanent Full-Time, Permanent Part-Time and Job-Sharing positions except:

- (a) employees within the provisions of the Police Superannuation Plan;
- (b) employees within the provisions of the Fire Department Superannuation Plan; and
- (c) employees engaged as seasonal employees until they have been engaged as year-round employees.

2.23 “Family Property Act” means the *Family Property Act*, Statutes of Saskatchewan and Regulations thereunder, as amended from time to time.

2.24 “Final Earnings” means:

- (1) for Contributory Service prior to January 1, 2015, the average full-time Earnings of the Member for the 48 consecutive months of employment with the City during which the Member’s Earnings were the highest; and
- (2) for Contributory Service after December 31, 2014, the sum of:
 - (a) the average full-time Earnings of the Member, excluding any earnings related to overtime as determined by the Administrator for the purposes of the Plan, for the 60 consecutive months of employment with the City during which the Member’s Earnings were the highest; and
 - (b) the average of any overtime earnings of the Member, as determined by the Administrator for the purposes of the Plan, for the 84 consecutive months of employment with the City after December 31, 2014 during which the overtime earnings were the highest. For greater clarity, such 84-month period shall not include any period of employment with the City prior to January 1, 2015.

If a Member has less than the number of consecutive months of employment with the City as set out above, being 48 months under Subsection 2.24(1) and 60 or 84 months under Subsection 2.24(2), Final Earnings means the total full-time Earnings during the Member’s service divided by the number of years and months of Contributory Service during this period.

When calculating the highest consecutive 60 months of Earnings pursuant to Subsection 2.24(2)(a), the Administrator shall only consider Earnings for employment after December 31, 2014.

Notwithstanding the above, Final Earnings with respect to Contributory Service determined pursuant to Subsection 2.24(2) cannot be greater than Final Earnings with respect to pre-2015 Contributory Service determined pursuant to Subsection 2.24(1).

- 2.25 “Final YMPE”** means the average of the YMPE for the calendar year in which the Member retires or terminates and for the two calendar years immediately preceding the Member's date of retirement or termination, whichever first occurs.
- 2.26 “Fire Department Superannuation Plan”** means the City of Saskatoon Fire and Protective Services Department Superannuation Plan.
- 2.27 “Fund”** means the total assets of the Plan including all contributions by any Member and by the City and all investment earnings thereon.
- 2.28 “Fund Custodian”** means such insurance, trust or other company or legal entity as the Board may appoint to hold the pension Fund.
- 2.29 “Inactive Member”** means a person who was an Active Member and who, upon termination of employment with the City, left part or all of their contributions in the Fund, and by so doing remains entitled to a benefit under the provisions of the Plan.
- 2.30 “Income Tax Act”** means the *Income Tax Act*, Statutes of Canada and the Regulations thereunder, and where applicable includes the provisions of Information Circular 72-13R8 issued by the Canada Revenue Agency, as amended from time to time.
- 2.31 “Insurance Business”** means a corporation authorized to carry on life insurance business in Canada.
- 2.32 “Investment Agency”** means such insurance, trust or other company or legal entity as the Board may appoint to manage the investment of the pension Fund.
- 2.33 “Investment Agreement”** means any agreement entered into by the Board that provides for investment of the pension Fund.
- 2.34 “Job-Sharing”** means a Permanent Full-Time position equally shared by two Employees co-ordinating their activities as if they were one.

- 2.35 **“Lineman”** means an Employee who normally works as a Lineman, troubleman/Lineman, line foreman or apprentice Lineman.
- 2.36 **“Measurement Service”** means an independent comparative measurement service as hired by the Board.
- 2.37 **“Member”** means any Employee who has joined the Plan and remains entitled to benefits under the Plan
- 2.38 **“Member’s Required Account”** means a Member’s monthly contributions in accordance with Subsection 4.01 accumulated together with Credited Interest.
- 2.39 **“Member’s Transfer-In Account”** means contributions transferred into the Plan on a Member’s behalf in accordance with Section 10.
- 2.40 **“Member’s Voluntary Account”** means Member’s monthly voluntary contributions in accordance with subsection 4.02 accumulated together with Credited Interest.
- 2.41 **“Normal Retirement Date”** means the first day of the month following the Member’s 65th birthday.
- 2.42 **“Pension Benefits Act”** means *The Pension Benefits Act, 1992*, Chapter P-6.001, Statutes of Saskatchewan and the Regulations thereunder, as amended from time to time.
- 2.43 **“Pension Benefits Committee”** means the committee established by City Council whose purpose, in respect of this Plan, is to review benefits available under the Plan and to recommend benefit improvements to this Plan.
- 2.44 **“Permanent Full-Time”** means a permanent position which is filled for the full negotiated work week.
- 2.45 **“Permanent Part-Time”** means a permanent position which is filled for less than the negotiated work week but for a minimum of one-half the negotiated work week.

- 2.46** “**Plan**” means the General Superannuation Plan for City of Saskatoon Employees not covered by the Police and Fire Departments' Superannuation Plans.
- 2.47** “**Police Superannuation Plan**” means the Retirement Plan for Employees of the Saskatoon Board of Police Commissioners.
- 2.48** “**Postponed Retirement Date**” means the first day of any month following the Normal Retirement Date. A Member may elect to retire and receive a benefit in accordance with Section 5.01 on the first day of any month after the Member’s Normal Retirement Date but shall in any event be deemed to retire for the purposes of the Plan not later than the first day of December of the calendar year in which the Member attains age 71.
- 2.48.1** “**Pre-2015 Contributory Service**” means Contributory Service prior to January 1, 2015.
- 2.49** “**Retired Member**” means an Active Member who subsequently retired from the Plan and who has commenced receiving retirement benefits in accordance with the Plan.
- 2.50** “**RRSP**” means a retirement savings plan which is registered pursuant to the provisions of the Income Tax Act.
- 2.51** “**Spouse**” means:
- (1) a person who is married to a Member or former Member; or
 - (2) if a Member or former Member is not married, a person with whom the Member or former Member is cohabiting as a spouse at the relevant time and who has been cohabiting continuously with the Member or former Member as his or her spouse for at least one year prior to the relevant time.

In regard to a Retired Member, a spouse is the person who was the Member’s spouse at the date of retirement.

- 2.52** “**Surplus**” means the excess of the Plan assets over the Plan liabilities, if any, as determined in accordance with an actuarial valuation of the Plan prepared by the Actuary.

- 2.53** **“Trust Agreement”** means a written agreement entered into by the City and the Board establishing a trust to hold the pension Fund.
- 2.54** **“Vested”** means the unconditional entitlement of a Member to receive a benefit under the Plan and occurs when the Member satisfies the vesting requirements under Applicable Legislation. This occurs upon the earlier of the date when:
- (1) the Member completes two years of Continuous Service; or
 - (2) the Member attains the Normal Retirement Date; or
 - (3) the Plan is terminated.
- 2.55** **“YMPE”** means the "Years Maximum Pensionable Earnings" as defined and established by the Canada Pension Plan.

**SECTION 3
PLAN MEMBERSHIP**

3.01 Eligibility

(1) Full-Time Members

Subject to Section 3.01(3), an Employee who renders services to the City in a Permanent Full-Time position shall be enrolled in the Plan on the date permanent employment commences.

(2) Part-Time Members

Subject to Section 3.01(3), an Employee who renders services to the City in either a Permanent Part-Time or a Job-Sharing position shall be enrolled in the Plan on the date permanent employment commences.

Employees who are working less than full-time who do not qualify under the definition of Permanent Part-Time may be eligible to join the Defined Contribution Plan for Seasonal and Non Permanent Part-Time Employees of the City of Saskatoon.

(3) Alternative Membership Conditions

Notwithstanding the foregoing provisions of Section 3.01(1) and 3.01(2), an Employee who is within one month of the end of the calendar year in which the Employee attains 71 years of age shall not be eligible to join the Plan.

3.02 Requirements to Join the Plan

- (1)** Each Employee shall sign and deliver to the City a written application for participation in the Plan on a form or forms provided by the City and approved by the Board. Such application shall include an agreement to be bound by all terms of the Plan.

3.03 Maintenance of Membership

- (1) Once an Employee becomes a Member, membership shall be maintained even though the hours worked or the Earnings, as applicable, may fall below the levels stipulated for eligibility to become a Member of the Plan.
- (2) A Member whose employment was terminated for any reason other than retirement and who is re-employed as an Employee within one year from the date of such termination shall be entitled to re-instatement of the Member's Contributory Service accumulated prior to the termination. Such re-instatement shall be subject to the terms outlined in Subsection 10.03(1).
- (3) A Member whose employment was terminated for any reason other than retirement and who is re-employed as an Employee after one year from the date of such termination shall have the right to buy back any period of service during which the Employee was previously a Member. Such buyback shall be subject to the terms outlined in Subsection 10.03(2).

SECTION 4 CONTRIBUTIONS

4.01 Employee Required Contributions

(1) Active Employees

- (a) For Contributory Service for periods prior to April 1, 2007, each Active Member shall contribute by payroll deduction the sum of:
 - (i) 4.8% of Earnings, other than deemed Earnings, up to the YMPE; and
 - (ii) 6.4% of Earnings, other than deemed Earnings, in excess of the YMPE.

- (b) Effective April 1, 2007, each Active Member shall contribute by payroll deduction the sum of:
 - (i) 5.7% of Earnings, other than deemed Earnings, up to the YMPE; and
 - (ii) 7.3% of Earnings, other than deemed Earnings, in excess of the YMPE.

- (c) Effective January 1, 2008, each Active Member shall contribute by payroll deduction the sum of:
 - (i) 6.6% of Earnings, other than deemed Earnings, up to the YMPE; and
 - (ii) 8.2% of Earnings, other than deemed Earnings, in excess of the YMPE.

- (d) Effective January 1, 2009, each Active Member shall contribute by payroll deduction the sum of:
 - (i) 7.5% of Earnings, other than deemed Earnings, up to the YMPE; and
 - (ii) 9.1% of Earnings, other than deemed Earnings, in excess of the YMPE.

- (e) Effective January 1, 2014, each Active Member shall contribute by payroll deduction the sum of:
 - (i) 7.8% of Earnings, other than deemed Earnings, up to the YMPE; and
 - (ii) 9.4% of Earnings, other than deemed earnings, in excess of the YMPE.

- (f) Effective January 1, 2015, each Active Member shall contribute by payroll deduction the sum of:
 - (i) 8.1% of Earnings, other than deemed Earnings, up to the YMPE; and
 - (ii) 9.7% of Earnings, other than deemed Earnings, in excess of the YMPE.

- (g) Effective January 1, 2016, each Active Member shall contribute by payroll deduction the sum of:
 - (i) 8.4% of Earnings, other than deemed Earnings, up to the YMPE; and
 - (ii) 10.0% of Earnings, other than deemed Earnings, in excess of the YMPE.

(2) Disabled Employees

A Disabled Member shall cease making contributions as at the date they are no longer receiving remuneration directly from the City.

(3) Leaves of Absence

A Member on an approved leave of absence without pay shall cease making contributions during the period of leave.

4.02 Employee Voluntary Contributions

(1) Except as otherwise provided herein, each Member may make voluntary contributions to the Fund in respect of service with the City subsequent to the Member's date of participation in the Plan. Such voluntary contributions shall be made by payroll deduction, shall not cause the contribution limits in the Income Tax Act to be exceeded, and shall not cause the Member's Pension Adjustment, as defined in the Income Tax Act, from exceeding the limits on Pension Adjustments contained in the Income Tax Act.

(2) Voluntary contributions by the Member shall be deposited monthly in the Fund and shall be credited to the Member's Voluntary Account, together with Credited Interest.

4.03 Employer Contributions

(1) The City shall contribute to the Fund:

(a) an amount equal to the Member required contributions under Subsection 4.01(1); plus

(b) all other amounts as are determined necessary by the Actuary to maintain the Fund at a level to meet the minimum funding requirements prescribed by Applicable Legislation.

- (2) Such contributions by the City shall be deposited in the Fund at regular intervals as required by Applicable Legislation.

4.04 Contributions from Surplus

- (1) If the required contributions as determined in Subsections 4.01(1) and 4.03(1)(a) are not adequate to cover the normal cost for current service as determined by the Actuary, any shortages in such funding may be covered out of the accumulated Surplus under the Plan as long as the long-term funding remains adequate to cover the cost of benefits provided by the Plan.
- (2) In the event that a valuation of the Plan discloses that Surplus is at a level exceeding the permissible amount under Section 147.2(2) of the Income Tax Act and if the Plan is not amended so as to comply with Section 147.2(2) of the Income Tax Act within 90 days of the date the Actuary presents the results of the valuation to the Board, the City contribution rate as defined under Section 4.03 shall be adjusted so that the contribution level will comply with Section 147.2(2) of the Income Tax Act.

4.05 Permissible Contributions and Limits

- (1) For the purposes of this Section, contributory Earnings shall not exceed the contributory Earnings amount which will provide the maximum benefit entitlement permitted under the Income Tax Act in the year for which the contribution is made.
- (2) No contribution or gift may be made to or under this Plan except as herein provided.
- (3) The aggregate amount of current service contributions made by a Member shall not exceed the lesser of:
 - (a) 9% of the Member's total compensation for the year from the City; and

- (b) the aggregate of \$1,000 and 50% of the aggregate of all amounts each of which is the amount that would be the Member's pension credit (that is, the annual pension accrual times a factor of 9) for the year with respect of the City without applying the reductions applicable under the transition rules in Regulations 8302(2)(b) and 8302(3)(g) under the Income Tax Act.

Notwithstanding the above, Member current service contributions may exceed the limits described herein when permission to do so has been granted under the Income Tax Act.

- (4) Contributions shall be returned to the contributor if it is found that the contribution maximums have been exceeded and the Plan's registration could be placed in a revocable position.

Such return of contributions to a contributor who is a Member that are in respect of that Member's required contributions shall result in an equal amount being returned to the City.

Such return of contributions to a contributor who is the City that are in respect of the City's required contributions shall result in an equal amount being returned to the Members.

SECTION 5
RETIREMENT BENEFITS

5.01 Normal and Postponed Retirement Benefit

(1) Subject to Section 5.07, the monthly retirement benefit payable to a Member who retires on either the Member's Normal Retirement Date or on the Member's Postponed Retirement Date shall equal the sum of:

(a) for Contributory Service for periods prior to January 1, 1966, from January 1, 1990 to December 31, 1993, and after December 31, 2013:

(i) 1.4% of the Member's Final Earnings up to the Final YMPE, multiplied by the Member's years of Contributory Service for the periods noted above; plus

(ii) 2% of the Member's Final Earnings in excess of the Final YMPE multiplied by the Member's years of Contributory Service for the periods noted above;

plus

(b) for Contributory Service for periods from January 1, 1966 to December 31, 1989 and from January 1, 1994 to December 31, 2013, 2% of the Member's Final Earnings multiplied by the Member's years of Contributory Service.

5.02 Early Retirement Benefit

(1) Calculation of Unreduced Benefit

Subject to Section 5.07, the monthly retirement benefit payable to a Member who elects to retire on the Member's Early Retirement Date for reasons other than ill health shall be calculated as follows:

- (a) from the month immediately following the date of the Member's retirement until the month in which the Member attains the age of 65, the Member shall receive a monthly retirement benefit equal to 2% of the Member's Final Earnings multiplied by the Member's years of Contributory Service;
- (b) from the month immediately following the month in which the Member attains the age of 65, an amount calculated as follows:
 - (i) for Contributory Service for periods prior to January 1, 1966, from January 1, 1990 to December 31, 1993, and after December 31, 2013:
 - (A) 1.4% of the Member's Final Earnings up to the Final YMPE, multiplied by the Member's years of Contributory Service for the periods noted above; plus
 - (B) 2% of the Member's Final Earnings in excess of the Final YMPE multiplied by the Member's years of Contributory Service for the periods noted above;

plus

- (ii) for Contributory Service for periods from January 1, 1966 to December 31, 1989, and from January 1, 1994 to December 31, 2013, 2% of the Member's Final Earnings multiplied by the Member's years of Contributory Service (including fractions for completed months).

(2) Calculation of Reduced Benefit

(a) Other than Linemen

The monthly retirement benefit calculated in accordance with Subsection 5.02(1) for a Member who is not a Lineman shall be reduced by the following:

- (i) for benefits earned with respect to Pre-2015 Contributory Service, the monthly retirement benefit shall be reduced by 0.3% for each month by which the Member's Early Retirement Date precedes the earlier of:
 - (A) the Member's 60th birthday;
 - (B) the day on which the Member would have completed 35 years of Contributory Service had the Member continued in employment; and
 - (C) the day on which the sum of the Member's age and years of Contributory Service would equal at least 80, assuming the Member did not continue in employment.
- (ii) for benefits earned with respect to Contributory Service after December 31, 2014, the monthly retirement benefit shall be reduced by 0.3% for each month by which the Member's Early Retirement Date precedes the earlier of:
 - (A) the Member's 62nd birthday;
 - (B) the day on which the Member would have completed 35 years of Contributory Service had the Member continued in employment; and

- (C) the day on which the sum of the Member's age and years of Contributory Service would equal at least 85, assuming the Member did not continue in employment.

(b) Linemen

The monthly retirement benefit calculated in accordance with Subsection 5.02(1) for a Member who is a Lineman shall be reduced by the following:

- (i) for benefits earned on or before December 31, 1991, the monthly retirement benefit shall be unreduced.
- (ii) for benefits earned with respect to Pre-2015 Contributory Service on or after January 1, 1992, the monthly retirement benefit shall be reduced by 0.3% for each month by which the Lineman's Early Retirement Date precedes the earlier of:
 - (A) the Lineman's 60th birthday;
 - (B) the day on which the Lineman would have completed 35 years of Contributory Service had the Lineman continued in employment; and
 - (C) the day on which the sum of the Lineman's age and years of Contributory Service would equal at least 80, assuming the Lineman did not continue in employment.
- (iii) for benefits earned with respect to Contributory Service after December 31, 2014, the monthly retirement benefit shall be reduced by 0.3% for each month by which the Lineman's Early Retirement Date precedes the earlier of:
 - (A) the Lineman's 62nd birthday;

- (B) the day on which the Lineman would have completed 35 years of Contributory Service had the Lineman continued in employment; and
 - (C) the day on which the sum of the Lineman's age and years of Contributory Service would equal at least 85, assuming the Lineman did not continue in employment.
- (iv) Notwithstanding the above, the monthly retirement benefit earned on or after January 1, 1992, and calculated in accordance with Subsections 5.02(2)(b)(ii) and 5.02(2)(b)(iii) for a Member who is a Lineman shall not exceed the monthly retirement benefit for benefits earned on or after January 1, 1992, calculated in accordance with Subsection 5.02(1), reduced by $\frac{1}{4}\%$ per month for each month that retirement precedes the earlier of age 60, 30 years of Continuous Service (assuming the Lineman continued in employment) or the day on which the sum of the Lineman's age and years of Continuous Service would equal at least 80 (assuming the Lineman continued in employment).

5.03 Disability Retirement Benefit

- (1) Subject to Section 5.07, the monthly retirement benefit payable to a Disabled Member who retires on the Member's Early Retirement Date on grounds of ill health shall be calculated as follows:
- (a) from the month immediately following the date of the Member's retirement until the month immediately before the month in which the Member attains the age of 65, the Member shall receive a monthly retirement benefit equal to 2% of the Member's Final Earnings multiplied by the Member's years of Contributory Service;
 - (b) from the month in which the Member attains the age of 65, an amount calculated as follows:

- (i) for Contributory Service for periods prior to January 1, 1966, from January 1, 1990 to December 31, 1993, and after December 31, 2013:
 - (A) 1.4% of the Member's Final Earnings up to the Final YMPE, multiplied by the Member's years of Contributory Service for the periods noted above; plus
 - (B) 2% of the Member's Final Earnings in excess of the Final YMPE multiplied by the Member's years of Contributory Service for the periods noted above;

plus

- (ii) for Contributory Service for periods from January 1, 1966 to December 31, 1989 and from January 1, 1994 to December 31, 2013, 2% of the Member's Final Earnings multiplied by the Member's years of Contributory Service.

5.04 Excess Contributions

(1) Calculation of Benefit

The Member's Required Account with Credited Interest shall not be used to offset more than 50% of the Commuted Value of the pension earned by the Member with respect to all of the Member's Contributory Service, but excluding any Contributory Service credited to the Member with respect to the purchase of any prior service under the Plan in accordance with Section 10.

When the Member's Required Account with Credited Interest exceeds one-half of the Commuted Value of the pension, these excess contributions shall be paid to the Member.

(2) Transfer Options

The Member shall have the following options with respect to the excess contributions:

- (a) the Member may take the excess contributions in cash; or
- (b) the Member may transfer the excess contributions to an RRSP, subject to Applicable Legislation.

5.05 Voluntary Contributions

- (1) In addition to the retirement benefits described herein, the Member may elect to receive the amount in the Member's Voluntary Account as a lump sum cash refund or transfer to an RRSP.

5.06 Transfer of Benefit (Repealed – Bylaw No. 9224 – September 22, 2014)

5.07 Maximum Retirement Benefit

- (1) The maximum annual pension from this plan shall not exceed the lesser of the following:
 - (a) \$1,722.22 times the number of years of Contributory Service, as a proportion of full-time employment; and
 - (b) an amount that is the product of 2% per year of Contributory Service, as a proportion of full-time employment, and the highest average compensation as defined under the Income Tax Act.
- (2) For years after 2003, the \$1,722.22 amount cited in Subsection 5.07(1)(a), shall be revised to become the greater of \$1,722.22 and one-ninth (1/9) of the money purchase limit for the year as established pursuant to the Income Tax Act.

- (3) The maximum annual pension in (1) and (2) above shall be reduced by $\frac{1}{4}$ of 1% for each month that the Member's pension commencement date precedes the earlier of the date on which:
- (a) the Member will attain age 60;
 - (b) the Member's age plus Contributory Service would equal 80 assuming the Member continued in employment and made contributions to such date; and
 - (c) the Member would have completed 30 years of Contributory Service assuming the Member continued in employment and made contributions to such date.
- (4) The additional amount provided by Subsections 5.02(1)(a) and 5.03(1)(a) before age 65 in excess of the amount provided by Subsection 5.02(1)(b) shall not in itself exceed:
- (a) the maximum annual amount of benefits payable under the Canada Pension Plan at the time of retirement, multiplied by the lesser of 1 and the ratio of the average of the highest three calendar years of Earnings paid by the Member to the Final YMPE; plus
 - (b) the maximum amount of *Old Age Security* payable at the time of retirement;
- providing however:
- (c) if the Member has **not attained age 60**, the amounts determined above in this Subsection 5.07(3) shall be reduced by $\frac{1}{4}$ of 1% for each month between the time the benefit commences to be paid and the time the Member will attain age 60; and
 - (d) if the Member has not completed 10 years of Contributory Service, the amounts determined above in this Subsection 5.07(3) shall be prorated in the same proportion as the years of Contributory Service bears to 10 years.

- (e) The total amount provided prior to age 65 cannot exceed \$1,722.22 times the number of years of Contributory Service and an amount determined by the product of: $\frac{1}{35} \times 0.25 \times$ the Final YMPE \times Credited Service after December 31, 1965.

- (5) The foregoing pension maximums apply to all pension benefits at the time of their commencement, including any distribution of Surplus and any amount paid out to the Member's Spouse as a result of marriage breakdown, whether upon retirement, termination of employment, or termination of the Plan.

SECTION 6
PAYMENT OF RETIREMENT BENEFITS

6.01 Normal Form

(1) Members Without a Spouse at Retirement

Provided that an election in accordance with Section 6.02 has not been made, and subject to the requirements set out in the following paragraph, the retirement benefit of a Member without a Spouse at the date of retirement shall be payable monthly during the Member's lifetime.

When a Member who is receiving a monthly retirement benefit under this Plan dies before the Member has received 120 such monthly payments, the Commuted Value of the remaining monthly payments shall be paid as a single lump sum payment to the Member's designated beneficiary, and if no beneficiary has been named, to the Member's estate.

(2) Members With a Spouse at Retirement

Provided that an election in accordance with Section 6.02 has not been made, and subject to the requirements set out in the following paragraphs, the retirement benefit of a Member with a Spouse at the date of retirement shall be payable monthly during the Member's lifetime.

(a) When a Member who is receiving a monthly retirement benefit under this Plan dies and is survived by a Spouse, the Spouse shall be entitled to receive under this Plan for life a monthly payment equal to 60% of the monthly retirement benefit the Member would have received if living, but such payments shall not commence until the 60 payments referred to in the following paragraph have been paid.

- (b) When a Member who is receiving a monthly retirement benefit under this Plan dies before the Member has received 60 such monthly payments and the Member is survived by a Spouse, the monthly retirement benefit which the Member would have received if living shall be paid to the Spouse. Upon the Spouse's death, the Member's designated beneficiary, and if no beneficiary has been named, the Member's estate shall receive as a single lump sum payment the Commuted Value of the payments remaining to reach a total of 60 monthly retirement benefit payments paid from the Plan since the date of the Member's retirement.
- (c) For benefits earned in respect of Contributory Service after December 31, 2014, the monthly pension payable as described above shall be adjusted to be the Actuarial Equivalent of the pension payable to a Member without a Spouse at the date of retirement, as described in Subsection 6.01(1).

6.02 Optional Forms

(1) Members Without a Spouse at Retirement

A Member shall have the right, prior to the Member's retirement, to elect to receive as an alternative retirement benefit a pension guaranteed for 15 years which is the Actuarial Equivalent of the benefit set out in Subsection 6.01(1).

The Member shall give notice prior to the Member's retirement of the intention to make such an election.

(2) Members With a Spouse at Retirement

A Member shall have the right, prior to the Member's retirement, to elect to receive an alternative retirement benefit which is the Actuarial Equivalent of the benefit set out in Subsection 6.01(2), as follows:

- (a) a pension guaranteed for 10 or 15 years rather than 5 years as otherwise provided in Section 6.01; or

- (b) a pension payable monthly for the lifetime of the Member and, on the death of the Member, continuing to the Member's Spouse for his or her lifetime, guaranteed for either 0, 10 or 15 years, at:
 - (i) 100% of the Member's payment; or
 - (ii) 75% of the Member's payment.

The Member shall give notice prior to the Member's retirement of the intention to make such an election.

6.03 Payment of Benefits

- (1) The monthly retirement benefits determined in accordance with Section 5 shall commence on the last day of the month containing the Member's date of retirement and shall be payable on the last day of each month thereafter in equal monthly payments, (except as allowable in the Income Tax Act with respect to joint and survivor elections, integration with *Old Age Security* and/or Canada Pension Plan, indexing, bridging and small pensions), so long as the Member shall live and, if necessary, thereafter until the amounts guaranteed under Sections 6.01 and 6.02 have been paid.
- (2) The monthly retirement benefits determined in accordance with Section 5 shall be payable directly from the Fund.
- (3) The monthly retirement benefit determined in accordance with Section 5 shall commence to be paid no later than December 31 of the year in which the Member turns age 71.
- (4) If the Member's retirement date is other than the first day of a month, the amount of the first monthly payment shall be prorated in proportion to the number of days from the Member's retirement date to the end of the month, divided by the number of days in the month.

SECTION 7
DEATH BENEFITS

7.01 Death of Member Prior to Retirement

(1) Calculation of Benefit

Upon the death of a Member prior to retirement, the amount of the death benefit shall be equal to the greater of:

- (a) two times the Member's Required Account with Credited Interest at the date of death,

plus

- (b) the Member's Transfer-In Account with Credited Interest at the date of death;

or

- (c) the Commuted Value of the Member's accrued pension at the date of death where such Commuted Value is determined excluding the value of indexing as provided for in Section 9.

(2) Payment of Benefit

(a) Members Without a Spouse at Death

The death benefit shall be paid as a single lump sum amount to the designated beneficiary of the Member, or to the Member's estate, if there is no such beneficiary.

(b) Members With a Spouse at Death

The Member's Spouse shall elect to receive the death benefit described under Section 7.01(1) as:

- (i) a cash refund;
- (ii) a transfer to another registered pension plan, provided that the plan permits such a transfer;
- (iii) a transfer to a prescribed RRSP;
- (iv) a transfer to an Insurance Business to purchase a non-commutable pension commencing immediately or some such later date that is not later than December 31 of the year in which the Spouse would attain age 71; or
- (v) various combinations of the above;

where such payment or transfer shall be the last payment to be made by the Plan to the Member's Spouse.

(c) Member With a Spouse and Eligible for Unreduced Retirement Benefit

Where the Member was eligible for an unreduced retirement benefit at the Member's date of death, pursuant to section 5.02(1), in lieu of receiving the death benefit in accordance with subsection 7.01(2)(b) above, the Member's surviving Spouse may elect to receive an immediate monthly pension for the Spouse's lifetime, payable from the Plan. The Spouse may choose from the following monthly pension amounts:

- (i) the amount of pension that can be provided by the Commuted Value of the Member's accrued pension at the date of death, determined in subsection 7.01(1)(c), where such pension is payable for the Spouse's lifetime, with no guarantee period; or

- (ii) the amount of pension that is the Actuarial Equivalent of the pension described under paragraph (i) above, where such pension is payable for the Spouse's lifetime and is guaranteed for 5, 10 or 15 years.

(3) Member's Voluntary Account

Upon the death of a Member prior to retirement, the Member's Voluntary Account shall be paid as a single lump sum amount to the designated beneficiary of the Member, or to the Member's estate, if there is no such beneficiary. If the Member has a Spouse at death, in lieu of receiving a lump sum payment, the Spouse may elect to transfer the Member's Voluntary Account to the Spouse's RRSP or paid as a lifetime pension if the Spouse opted for such payment for the death benefit payable in Subsection (2)(d) above.

7.02 Death After Retirement

- (1) Upon the death of a Retired Member after the commencement of payment of pension benefits, any further benefit payments, if any, shall be continued in accordance with the benefit payment option(s) elected by the Member at the time of retirement.

7.03 Death Benefit Beneficiary

- (1) A Member may, by written notice given to the Administrator, designate a person to receive benefits payable under the Plan in the event of the Member's death and also, by written notice to the Administrator, may alter or revoke such designation from time to time, subject always to the provisions of any annuity, insurance or other contract or law, which may be applicable governing the designation of beneficiaries.

- (2) Subject to Subsection 7.03(4), a Member's designated beneficiary shall be:
 - (a) if the Member has a Spouse, the Spouse; or
 - (b) if the Member has no Spouse, the person or persons designated by the Member.
- (3) In the absence of the designation of a beneficiary, and if there is no surviving Spouse eligible to receive benefits pursuant to Section 6.01 upon the Member's death, benefits payable under the Plan, if any, shall be paid to the Member's estate.
- (4) A Member's Spouse may waive entitlement to the death benefit payable pursuant to Section 7.01, any time prior to the death of the Member, by providing the Administrator with a signed waiver form, as prescribed by the *Pension Benefits Act*. The Spouse may also revoke any previous waiver, prior to the death of the Member, by advising the Administrator in writing of such revocation.

Where such a spousal waiver is in effect on the Member's date of death, the death benefit payable shall be paid to the Member's designated beneficiary or, if none, to the Member's estate.

7.04 Non-Suspension of Spouse's Pension

- (1) A pension that is being paid to a surviving Spouse shall continue unaltered subsequent to any remarriage.

SECTION 8
TERMINATION BENEFITS

8.01 Termination Before Becoming Vested

(1) Calculation of Benefit

A Member, upon termination of employment for any reason other than retirement, before becoming Vested, shall be entitled to a termination benefit equal to:

- (a) the Member's Required Account with Credited Interest; plus
- (b) the Member's Transfer-In Account with Credited Interest.

(2) Transfer Options

The termination benefit shall be refunded to the Member in cash or transferred to an RRSP.

8.02 Termination After Becoming Vested

(1) Calculation of Benefit

A Member, upon termination of employment for any reason other than death or retirement after becoming Vested, but prior to the date when the Member would be eligible for a monthly retirement benefit under the Plan, shall be entitled to a deferred retirement benefit commencing at the Member's Normal Retirement Date determined in accordance with Section 5.01 and payable in accordance with Section 6.01. In lieu of receiving a deferred retirement benefit, the Member shall receive the following termination benefit as a lump sum transfer in accordance with Section 8.02(2) below. The transfer amount shall be equal to the greater of:

- (a) the amount “X” times the contributions and Credited Interest in the Members’ Required Account at the date of termination, where “X” is determined as follows:

Years of Contributory Service	X
At least 25	2.0
At least 24, but less than 25	1.9
At least 23, but less than 24	1.8
At least 22, but less than 23	1.7
At least 21, but less than 22	1.6
At least 20, but less than 21	1.5
Less than 20	1.0

or

- (b) the Commuted Value of the pension, excluding any portion of such pension purchased in accordance with Section 10, accrued to the Member in the normal form at the date of termination, and excluding the value of indexing as provided in Section 9.

plus

- (c) the Member’s Transfer-In Account with Credited Interest.

(2) Transfer Options

The Member shall have the following options with respect to the termination benefits:

- (a) transfer to another registered pension plan, providing that the plan permits such a transfer;
- (b) transfer to a prescribed RRSP;

- (c) transfer to an Insurance Business to purchase a deferred pension that is not commutable and that may commence after the Early Retirement Date under the Plan but prior to the end of the calendar year in which the Member attains age 71;
- (d) potential combinations of (a), (b) or (c);
- (e) In the event that the Member does not elect to make a transfer within 120 days of the date option forms were sent to the Member requesting such an election, the Administrator may make a transfer of the whole of the transfer value in respect of the Member to an Insurance Business to purchase a deferred pension for the Member in accordance with 2(c) above;
- (f) On making a transfer pursuant to this Subsection 8.02(2), a Member is not entitled to further benefits with respect to their membership in the Plan.

8.03 Excess Contributions

(1) Calculation of Benefit

The Member's Required Account with Credited Interest shall not be used to offset more than 50% of the Commuted Value of the pension earned by the Member with respect to all of the Member's Contributory Service, but excluding any Contributory Service credited to the Member with respect to the purchase of any prior service under the Plan in accordance with Section 10 and where such Commuted Value is determined assuming commencement of the accrued pension on the Member's Normal Retirement Date, and excluding the value of indexing as provided in Section 9.

When the Member's Required Account with Credited Interest exceeds one-half of the Commuted Value of the pension, these excess contributions shall be paid to the Member.

(2) Transfer Options

The Member shall have the following options with respect to the excess contributions:

- (a) the Member may take the excess contributions in cash; or
- (b) the Member may transfer the excess contributions to an RRSP, subject to Applicable Legislation.

Provided however, if any or all of these excess contributions pertain to years after 1990 and this results in the maximum transfer value as defined by the Income Tax Act Regulations being exceeded, then the amount of the excess which gives rise to exceeding the maximum shall be refunded to the Member in cash.

8.04 Voluntary Contributions

- (1) Upon termination of employment for any reason other than retirement or death, the Member shall transfer the Member's Voluntary Account to an RRSP or the Member may elect to receive the Member's Voluntary Account as a lump sum cash payment.

SECTION 9
BONUS PENSION

9.01 Bonus Pension

- (1) Bonus pensions were awarded to all persons then receiving a monthly retirement benefit at the effective date of such a declaration made by the Board on the advice of the Actuary.

Bonus pensions were calculated in accordance with the following formula:

$$\text{Bonus Pension} = \frac{B/100}{100} \times PR \times \frac{CPIC}{CPIR} - PC$$

B = The amount determined in Subsection 9.01(2) (which shall in no case exceed 1.0), fixed by the Board on the recommendation of the Pension Benefits Committee and on confirmation by the Actuary that the recommended amount will not impair the financial integrity of the Plan. (The factor shall be uniform for everyone receiving a monthly retirement benefit);

PR = The pension payable to a Member at retirement;

CPIC = The average Consumer Price Index for the year immediately preceding the date as of which the bonus pension is declared;

CPIR = The average Consumer Price Index for the year in which a person commenced receiving monthly pension benefits;

PC = The amount of pension benefit received by a person immediately prior to the declaration of the bonus pension.

- (2) The amount B mentioned in Subsection 9.01(1) was:
- (a) on January 1, 1991, 0.0676;
 - (b) on January 1, 1993, 0.10676;
 - (c) on January 1, 1994, 0.3343;
 - (d) on January 1, 1995, 0.2187;
 - (e) on January 1, 1996, 0.7732;
 - (f) on January 1, 1997, 1.0;
 - (g) on January 1, 1998, 1.0;
 - (h) on January 1, 1999, 1.0; and
 - (i) on January 1, 2000, 1.0.
- (3) (a) In respect of a Member who was active in the Plan as at December 31, 2000, and who retires from employment on or after January 1, 2001, bonus pensions determined in accordance with paragraph (b) of this Subsection shall commence to be paid on each January 1st on or after the date on which the Member has been retired for at least one full year. A bonus pension that commences on any January 1st shall be paid in the same form as the pension being paid to the Member from the Plan.
- (b) Subject to paragraph (c), the amount of the bonus pension referred to in paragraph (a) of this Subsection that commences on the January 1st of a given year shall equal:

$P \times I$; where

P is equal to the pension being paid to the Member immediately prior to the January 1st of the given year; and

I is equal to the percentage increase in the Consumer Price Index for the year immediately preceding the January 1st of the given year.

- (c) The bonus pension calculated in paragraph (b) of this Subsection for a given year and Member shall not result in the following expression being less than nil:

A-B-C

where:

A is equal to 7.2% accumulated with interest from the date of retirement to the January 1st of the given year at the going-concern interest rate multiplied by the ratio of the Contributory Service accrued prior to January 1, 2001 to all Contributory Service;

B is equal to the aggregate of the percentage increases as defined in I of paragraph (b) of this Subsection in respect of years prior to the given year accumulated with interest at the going-concern interest rate from the appropriate January 1st to the January 1st of the given year; and

C is equal to the percentage increase as defined in I of paragraph (b) of this Subsection in respect of the January 1st of the given year;

where the going-concern interest rate for any given year is the going-concern interest rate assumption used in the actuarial valuation containing the funding recommendation for the given year as filed with the regulatory authorities under the Pension Benefits Act.

In the event that A-B-C is less than nil, then the percentage increase as defined in I of paragraph (b) of this Subsection for the January 1st of the given year shall be a percentage that is less than 100% of the increase in the Consumer Price Index determined such that A-B-C is equal to nil.

- (4) (a) In respect of:
- (i) a Member who is receiving a pension from the Plan on December 31, 2000; and
 - (ii) a Spouse or beneficiary who is receiving a pension from the Plan on December 31, 2000 as a consequence of the death of a former Member who was receiving a pension from the Plan;

bonus pensions determined in accordance with paragraph (b) of this Subsection shall commence to be paid on each January 1st on or after the date on which the Member or former Member has been retired for at least one full year. A bonus pension that commences on any January 1st shall be paid in the same form as the pension being paid to the Member, Spouse or beneficiary as the case may be from the Plan.

- (b) Subject to paragraph (c), the amount of the bonus pension referred to in paragraph (a) of this Subsection that commences on the January 1st of a given year that is on or after January 1, 2001 shall equal:

$P \times I$; where

P is equal to the pension being paid to the Member, Spouse or beneficiary as appropriate immediately prior to the January 1st of the given year; and

I is equal to the percentage increase in the Consumer Price Index for the year immediately preceding the January 1st of the given year.

- (c) The bonus pension calculated in paragraph (b) of this Subsection for a given year shall not result in the following expression being less than nil:

$A-B-C+D$

where:

A is equal to 7.2% accumulated with interest from the later of the Member or former Member's date of retirement and December 31, 1997 to the January 1st of the given year at the going-concern interest rate multiplied by the ratio of the Contributory Service accrued prior to January 1, 1998 to all Contributory Service;

B is equal to the aggregate of the percentage increases as defined in I of paragraph (b) of this Subsection in respect of years after 1998 and prior to the given year accumulated with interest at the going-concern interest rate from the appropriate January 1st to the January 1st of the given year;

C is equal to the percentage increase as defined in I of paragraph (b) of this Subsection in respect of the January 1st of the given year; and

D is equal to 1.35% accumulated with interest from January 1, 2001 to the January 1st of the given year at the going-concern interest rate;

where the going-concern interest rate for any given year is the going-concern interest rate assumption used in the actuarial valuation containing the funding recommendation for the given year as filed with the regulatory authorities under the Pension Benefits Act.

In the event that $A-B-C+D$ is less than nil, then the percentage increase as defined in I of paragraph (b) of this Subsection for the January 1st of the given year shall be a percentage that is less than 100% of the increase in the Consumer Price Index determined such that $A-B-C+D$ is equal to nil.

(d) To provide greater clarity to paragraph (c) of this Subsection, the following values of I have been determined:

- (i) on January 1, 1999, 1.0%;
- (ii) on January 1, 2000, 2.6%;
- (iii) on January 1, 2001, 2.9%;
- (iv) on January 1, 2002, 0.7%;
- (v) on January 1, 2003, 4.3%;
- (vi) on January 1, 2004, 1.6%; and
- (vii) on January 1, 2005, 2.4%.

(5) Bonus pensions provided under this Section shall not be reduced as a result of a reduction in the Consumer Price Index.

SECTION 10
BUYBACKS AND TRANSFERS

10.01 Portability Agreements

(1) Eligibility

Where a Member has accrued prior service with another employer or with the City for which the Member made contributions to another registered pension plan, the Board may enter into a portability agreement with the Member to provide for the transfer of assets to this Plan in respect of such prior service.

(2) Calculation of Value

The pension and other benefits to be provided in respect of such prior service shall be calculated on an Actuarial Value basis, and the monies shall be credited to the Member's Transfer-In Account in accordance with the following paragraph.

Contributions by a Member in respect of the purchase of additional Contributory Service in accordance with the previous paragraph shall be deposited in the Fund and shall be credited to the Member's Required Account and accumulated with Credited Interest.

The crediting of additional Contributory Service shall begin with the most recent service and work backwards.

10.02 Reciprocal Transfer Agreements (Repealed by Bylaw No. 8367 – December 13, 2004 – Effective November 1, 2004)

10.03 Buyback of Past Service

(1) Re-Employment Within One Year

(a) Eligibility

A Member whose employment was terminated for any reason other than retirement and who is re-employed as an Employee within one year from the date of such termination shall be entitled to re-instatement of the Member's Contributory Service accumulated prior to the termination. Such re-instatement is conditional upon payment to the Fund of the amount specified below within 30 days of the date of re-employment.

(b) Calculation of Value

The amount payable to reinstate prior Contributory Service under this Section shall be the total amount paid under Section 8 upon termination together with interest from the date of termination to the date of re-payment to the Fund at a rate equal to the greater of:

- (i) Credited Interest; or
- (ii) the rate of interest earned by the Plan that year as reported by the Board's Measurement Service or for any period for which the Measurement Service report is not available, the calendar year-to-date rate of return reported in the monthly combined Fund statement prepared by the trustee.

(2) Re-Employment After One Year

(a) Eligibility

A Member whose employment was terminated for any reason other than retirement and who is re-employed as an Employee after one year from the date of such termination shall have the right to have any period of service during which the Employee was previously a Member credited to the Member as Contributory Service.

(b) Calculation of Value

The Member shall receive all benefits under the Plan with respect to that time, upon payment by the Member to the Fund of an amount which at the date the payment is made is equal to the entire Actuarial Value of such benefits. For Members re-employed in the Plan prior to December 31, 2000, the Actuarial Value of the benefit shall include the value of indexing as provided for in Subsections 9.01(3) and 9.01(4).

(3) Local 859 Members: Other Than First Year of Employment

(a) Eligibility

If a Member, who is or was also a member of CUPE Local 859, has been continuously employed by the City since July 1, 1981, the Member may elect to buy back all or any part of the Member's service with the City to the date on which the Member has enrolled in the Plan which, had the Member been enrolled in the Plan, would have been contributory service, provided that:

- (i) the Member has not made contributions to another registered pension plan; and
- (ii) the buy back of service is not provided for in any other clause of this Section.

(b) Calculation of Value

The following conditions shall apply:

- (i) subject to Subsection 10.03(4), a Member shall not be permitted to buy back the first year of service with the City;
- (ii) the Member must continue to be in the service of the City;
- (iii) contributions by a Member in respect of a period of non-Contributory Service in accordance with the provisions of this Section shall be deposited in the Fund and shall be credited to the Member's Required Account and accumulated with Credited Interest;
- (iv) the amount of such buyback is equal to the amount the Member would have been required to contribute to the Plan had the Member been a member of the Plan during such period of prior service, together with interest at the following rates:
 - (A) for the year 1981 and all years prior thereto, 5% per annum;
 - (B) for the year 1982 and each year thereafter, the greater of:
 - (aa) the minimum rate of interest declared by the regulatory authorities under the Pension Benefits Act to be allocated to the account of members of a defined benefit plan that year; or
 - (bb) the rate of interest earned by the Plan that year as reported by the Board's Measurement Service or, for any period of time for which the Measurement Service report is not available, the calendar year-to-date rate of return reported in the monthly combined Fund statement prepared by the trustee;

- (v) the City matches the contributions made by the Member in (iv) above.

(4) Service Prior to January 1, 1988: First Year of Employment

(a) Eligibility

A Member who commenced employment on or before December 31, 1987 and who did not join the Plan until the Member had completed one year of service, shall have the option of electing to buy back that first year of service and thereby be entitled to the full benefits of Contributory Service in respect of that year, in accordance with this Section.

(b) Calculation of Value

The following conditions shall apply:

- (i) contributions by a Member in respect of a period of non-Contributory Service in accordance with the provisions of this Section shall be deposited in the Fund and shall be credited to the Member's Transfer-In Account and accumulated with Credited Interest;
- (ii) the Member shall receive all benefits under the Plan with respect to that time, upon payment by the Member to the Fund of an amount which at the date the payment is made is equal to the entire Actuarial Value of such benefits. For Members re-employed in the Plan prior to December 31, 2000, the Actuarial Value of the benefit shall include the value of indexing as provided for in Subsections 9.01(3) and 9.01(4).

(5) Leaves of Absence

(a) Eligibility

A Member may elect to buy back all or part of any period throughout which the Member was on an approved leave of absence and thereby be entitled to the full benefits of Contributory Service in accordance with this Plan.

(b) Calculation of Value

The following conditions shall apply:

- (i) contributions by a Member in respect of a period of non-Contributory Service in accordance with the provisions of this Section shall be deposited in the Fund and shall be credited to the Member's Transfer-In Account and accumulated with Credited Interest;
- (ii) the amount of such buyback is equal to the amount which at the date of payment is equal to the entire Actuarial Value of the amount the Member would have been required to contribute to the Plan had the Member been a member of the Plan during such period of service;
- (iii) for periods of leave of absence prior to 1990 where the leave was unpaid and other than sabbatical leave, education leave or maternity, paternity or adoption leave, the maximum period of leave is limited to 2 years.

(6) Incorrect Determination of Service

A Member may buy back all or any part of the Member's service where it has been determined that the Member was not properly credited with such service. The buy back shall be calculated in accordance with the provisions of Clause 10.03(3)(b).

10.04 Service Limits

- (1)** Notwithstanding anything else contained herein, the maximum pension which can be purchased for pre-1990 service is limited to:
 - (a) for periods while the individual was not a contributor to a registered pension plan, \$1,150 per year of Contributory Service or two-thirds (2/3) of the amount specified in Subsection 5.07(1)(a) and in Subsection 5.07(2), whichever is greater; and
 - (b) for periods while the individual was a contributor to a registered pension plan, \$1,722.22 per year of Contributory Service, or such amount as is determined pursuant to Subsection 5.07(1)(a) and Subsection 5.07(2).

SECTION 11
DIVISION ON MARRIAGE BREAKDOWN

11.01 Marriage Breakdown

- (1) In this Section, "**retirement benefit**" includes any other benefit to which a Member is entitled.
- (2) Notwithstanding any other provision of this Plan, on the breakdown of the marriage of a Member, the Administrator shall divide a retirement benefit to which the Member is entitled in accordance with this Section.
- (3) Subject to Subsection 11.02(4), a retirement benefit shall be divided:
 - (a) where a court has made an order for the division of matrimonial property pursuant to the Family Property Act, in accordance with the order; or
 - (b) where the Member and his or her Spouse have entered into an agreement to divide their matrimonial property that is an interspousal agreement within the meaning of the Family Property Act, in accordance with the agreement.

11.02 Calculation of Benefits for Division on Marriage Breakdown

- (1) The Administrator shall calculate the value of a retirement benefit to be divided in accordance with this Section.
- (2) Where a Member has not commenced receiving a retirement benefit, and where the date of marriage occurred:
 - (a) prior to the date on which the Member joined the Plan, the value of the retirement benefit is to be calculated as the Commuted Value of the retirement benefit at the date mentioned in the order or agreement and calculated:
 - (i) as if the Member had terminated employment on the date mentioned

in the order or agreement; and

- (ii) as if the retirement benefit is payable on the earliest date on which the Member may commence the benefit without reduction pursuant to the terms of the Plan; or
- (b) after the date on which the Member joined the Plan, the value of the retirement benefit is the amount “P” calculated in accordance with the following formula:

$$P = \frac{A \times C}{B}$$

where:

“A” is the duration (measured in years, including any fraction of a year) of the Member's Contributory Service accrued during the period from the date of marriage to the date mentioned in the order or agreement;

“B” is the duration (measured in years, including any fraction of a year) of the Member's Contributory Service accrued at the date mentioned in the order or agreement; and

“C” is the Commuted Value of the Member's retirement benefit at the date mentioned in the order or agreement and calculated as if the Member had terminated membership on the date mentioned in the order or agreement.

- (3) Where the Member has commenced receiving a retirement benefit, the value of the retirement benefit is to be calculated as the Actuarial Equivalent of the future retirement benefit of the Member being paid from the date mentioned in the order or agreement.

- (4) Where the Member has not yet commenced receiving a retirement benefit, a division of the Member's retirement benefit pursuant to Subsection 11.01(3) must not reduce the Member's Commuted Value to less than 50% of the Member's Commuted Value prior to the division.

(5) **Spouse's Portion of Divided Pension**

Where the Spouse or former Spouse of a Member is entitled to a division of the Commuted Value of a retirement benefit pursuant to Subsection 11.01(3), the portion of Commuted Value to which that person is entitled:

- (a) where the Spouse or former Spouse provides the Administrator with written directions to do so within 90 days of the date of the order or agreement mentioned in Subsection 11.01(3), may be transferred to an RRSP:
- (i) within the meaning of Applicable Legislation; and
 - (ii) that does not permit the payment of periodic benefits until the Spouse or former Spouse attains the earlier of the age of 55 years or the Early Retirement Date of the Member; and
- (b) where a transfer has not been made pursuant to Subsection 11.02(5)(a), must be transferred to purchase a life annuity contract that does not permit the payment of periodic benefits until the Spouse or former Spouse attains the earlier of the age of 55 years or the Early Retirement Date of the Member.

(6) **Member's Portion of Divided Pension**

- (a) In this Subsection, "**matrimonial division offset**" means a fixed monthly pension representing the amount that was transferred pursuant to Subsection 11.02(5), which is applied to offset the monthly retirement benefit that the Member receives at the Member's pension commencement date, prior to any applicable early retirement reductions.

- (b) Where an amount is transferred pursuant to Subsection 11.02(5), the entitlement of the Member is to be calculated in accordance with this Subsection.
- (c) Where a Member or a former Member has not commenced receiving a retirement benefit, the entitlement of the Member is the amount calculated by:

- (i) determining the matrimonial division offset which is the amount “M” calculated in accordance with the formula:

$$M = \frac{D \times F}{E}$$

where:

“D” is the amount transferred pursuant to Subsection 11.02(5);

“E” is the Commuted Value of the Member's retirement benefit at the date mentioned in the order or agreement prior to the division and calculated as if the Member had terminated employment on the date mentioned in the order or agreement; and

“F” is the amount of the retirement benefit accrued at the date mentioned in the order or agreement and calculated in accordance with Section 5; and

- (ii) subtracting the amount “M” determined in Subsection 11.02(6)(c)(i) from the total retirement benefit to which the Member would have been entitled at the Member’s pension commencement date prior to the division and prior to any applicable early retirement reductions; and
- (iii) applying any applicable early retirement reductions.

(d) Where the Member has commenced receiving a retirement benefit, the entitlement of the Member is the amount which is calculated by:

(i) determining the amount “M” in accordance with the following formula:

$$M = G - H$$

where:

“H” is the amount transferred pursuant to Subsection 11.02(5); and

“G” is the value of the retirement benefit determined in Section 11.02; and

(ii) converting the amount “M” on an Actuarial Equivalent basis back to a retirement benefit based on the Member's lifetime only and payable with the same guarantee period elected at the Member's date of retirement.

11.03 Enforcement of Maintenance Orders

(1) Notwithstanding any provision of this Plan, retirement benefits that are payable to a Member are subject to garnishment pursuant to *The Enforcement of Maintenance Orders Act* for the purposes of enforcing a maintenance order as defined in that Act.

11.04 Disclosure

(1) Except where an order or agreement mentioned in Subsection 11.01(3) has been filed with the Administrator by the Member and his or her Spouse jointly, the Administrator shall give a notice in writing to the Member that an order or agreement has been filed.

- (2) Unless, within 30 days after providing the notice mentioned in Subsection 11.01(3), the Administrator receives a notice in writing that the Member objects to the division of the retirement benefit on one of the grounds set out in Subsection 11.01(3), the Administrator shall comply with the order or agreement.
- (3) The grounds for an objection pursuant to this Subsection are:

 - (a) that the order or agreement has been varied or is of no force or effect;
 - (b) that the terms of the order or agreement have been or are being satisfied by other means; or
 - (c) that proceedings have been commenced in a court of competent jurisdiction in Canada to appeal or review the order or to challenge the terms of the agreement.
- (4) A Member who submits a notice of objection pursuant to this Subsection shall include with the notice documentary evidence to establish the grounds for objection.
- (5) Where a notice of objection is received by the Administrator pursuant to this Subsection, the Administrator shall apply to Her Majesty's Court of Queen's Bench for Saskatchewan for directions.

SECTION 12 GOVERNANCE STRUCTURE

12.01 Administrator

- (1) The Administrator of the Plan is the Board of Trustees, as established in Section 12.02.
- (2) While acting in the capacity of Administrator, the Administrator of the Plan:
 - (a) stands in a fiduciary relationship to Members, their Spouses and beneficiaries;
 - (b) holds in trust for the benefit of Members any fund established or contract arising pursuant to the Plan;
 - (c) shall act in good faith and in the best interests of Members; and
 - (d) shall not prefer the interests of one person entitled to benefits pursuant to the Plan over the interests of any other persons so entitled.

12.02 Board of Trustees

- (1) The purpose of the Board of Trustees is to act as Administrator of the Plan and to hold the pension Fund in trust, pursuant to the following terms and conditions.
- (2) The City, as part of the Plan, shall enter into a Trust Agreement with the Board as it may be modified from time to time.
- (3) The Board shall be comprised of nine persons appointed as follows:
 - (a) four persons shall be appointed by the City;

- (b) four persons shall be appointed by the following employee organizations according to an agreement entered into by those organizations:
 - (i) Saskatoon Civic Employees' Union, Local 59 CUPE;
 - (ii) Saskatoon Civic Employees' Union, Local 47 CUPE;
 - (iii) Saskatoon Civic Employees' Union, Local 859 CUPE;
 - (iv) International Brotherhood of Electrical Workers, Local 319;
 - (v) Amalgamated Transit Union, Local 615;
 - (vi) Saskatoon Civic Employees' Union, Local 2669 CUPE;
 - (vii) Saskatoon Exempt Staff Inc.;
 - (viii) Saskatoon Civic Middle Management Association; and
 - (ix) International Alliance Theatrical Stage Employees, Local 300.
 - (c) one person who shall not be an employee of the City, shall be appointed by the City for a three (3) year renewable term upon the recommendation of the Board appointed under this Subsection. There shall be no limit upon the number of terms which may be served by a Board member appointed under this Subsection.
- (4) The contributions of the Members and of the City to the Plan shall be received, held, invested and administered by the Board in accordance with the terms of the Trust Agreement, the Plan and Applicable Legislation. All contributions made by the Members and the City shall be transferred to the Board under the terms of the Trust Agreement.

- (5) The City and the employee organizations referred to in this Section may remove their respective Board member upon reasonable notice, subject to the provisions of the Trust Agreement. The City and the employee organizations shall appoint successor Board members upon the removal or resignation of their respective Board members.

- (6) The Board's duties and responsibilities shall include the following:
 - (a) making application for acceptance by regulatory officials of approved Plan amendments;
 - (b) ensuring that the Plan is administered in accordance with its terms as registered;
 - (c) filing annual information returns with the regulatory authorities under Applicable Legislation;
 - (d) preparing information to report pension adjustments (PAs) and past service pension adjustments (PSPAs);
 - (e) receiving all pension contributions and other trust income, investing such monies, making the required payments and maintaining all records and accounts;
 - (f) acting as Administrator as defined by Applicable Legislation;
 - (g) establishing an appropriate investment policy and accompanying guidelines for the Fund;
 - (h) retaining professional advisors and agents as required to carry out the functions of the Board, including appointing one or more persons to act as Investment Agency and one or more persons to act as Fund Custodian of the Fund and in such instances shall enter into an Investment Agreement and Custodial Agreement, as applicable;

- (i) monitoring the performance and activities of all parties involved in the administration of the Plan;
 - (j) implementing plan changes brought about by legislation or through collective bargaining;
 - (k) acting in the exclusive interest and to the exclusive benefit of Members and beneficiaries;
 - (l) receiving pension computations made by the civic administration with respect to retiring Members;
 - (m) reviewing and responding to all inquiries made by Members, former Members and other persons entitled to benefits under the Plan;
 - (n) rendering interpretations of Plan provisions;
 - (o) preparing an annual report on its activities for Members; and,
 - (p) establishing a process whereby observers may be allowed to attend Board's meetings.
- (7) The Board shall meet at the call of the Chair and in any event at least once every three months.
- (8) The Board shall elect a Chair and Vice-Chair at the first meeting in each calendar year. The election of Chair shall be made from the Trustees at large and require six (6) votes. Election of the existing Chair is allowed to a maximum term of four (4) consecutive years. The election of Vice-Chair shall alternate annually between Trustees appointed by the City and Trustees appointed by employee groups. If both the Chair and Vice-Chair are absent from any Board's meeting, the Board members present may elect an acting Chair.

- (9) The Board shall appoint a Secretary at the first meeting in each calendar year. The Secretary shall receive such remuneration as the Board may determine and such remuneration shall be charged to the Fund.
- (10) A quorum for Board meetings shall be five Board members at least two of whom shall be Board members appointed by the City under Subsection 12.02(3)(a) and two shall be Board members appointed by the employee organizations under Subsection 12.02(3)(b). The Board member appointed under Subsection 12.02(3)(c) shall not be counted in determining whether a quorum exists.
- (11) The Board may act by majority vote except where otherwise specified in the Plan or the Trust Agreement.
- (12) The Board shall invite representatives of the employee organizations referred to in Subsection 12.02(3) to meet with the Board at least once annually.

SECTION 13 SUPERANNUATION FUND

13.01 Operation of the Fund

- (1) In accordance with Applicable Legislation, all contributions, investment income and any other assets received for the purposes of the Plan will be deposited in the Fund and all the benefits under the Plan paid therefrom or transferred out of the Plan on a Member's behalf.
- (2) No part of the Fund shall be used for or diverted to purposes other than for the exclusive benefit of Members and their beneficiaries. No Member, Retired Member, survivor or beneficiary under the Plan, or any other person, shall have any interest in or right to any part of the earnings of the Fund or any rights in or to or under such Fund or any part of the assets thereof, except and to the extent expressly provided in this Plan.
- (3) All contributions referred to in Section 4 shall be deposited into the Fund by the City:
 - (a) within 30 days after the last day of the month in which the contributions were received by the City from the Member; and
 - (b) within 30 days after the last day of the month in which contributions by the City are due as determined by Applicable Legislation.

13.02 Trust Fund, Board of Trustees and Trust Agreement

- (1) The City shall place the Plan under trusteeship and shall enter into a Trust Agreement with the Board.
- (2) The Fund shall only borrow money in accordance with Section 8502(i) of the Regulations under the Income Tax Act subject to the following conditions:
 - (a) the borrowing is approved by the City where a trust company is appointed

as trustee pursuant to this Section;

- (b) the borrowing is approved by the Board;
- (c) the borrowing is not part of a series of loans and repayments; and,
- (d) the borrowing is required for the purchase of annuities or the provision of a pension under the Plan without resort to a distressed sale of the Plan assets.

13.03 Actuarial Valuations

- (1) There shall be an actuarial valuation of the Plan annually, or less frequently as deemed necessary by the Board. The purpose of these valuations will be to determine whether the Fund is adequate to provide for the Plan's accrued liabilities, and to advise the Trustees whether the current contribution rates will be sufficient to support the existing scale of benefits.

13.04 Contingency Reserve

- (1) Any Surplus of the Plan shall accumulate as a reserve for contingencies. The amount of the reserve shall be equal to:
 - (a) the Surplus; or
 - (b) five percent of the Fund's assets plus five percent of the Fund's liabilities, as determined by actuarial valuation;

whichever is less, provided however that the reserve shall not exceed the lesser of:

- (c) 20% of the Plan's actuarial liabilities; and
- (d) the greater of:
 - (i) 10% of the Plan's actuarial liabilities; and

- (ii) two times the estimated current service contributions that would be required to be made by the City and Members for the 12 months immediately following the effective date of the actuarial valuation if there were no Surplus.

13.05 Surplus in Excess of Contingency Reserve

- (1) When the reserve for contingencies, as described in Section 13.04 has been fully provided for, any remaining surplus (to be called “free surplus”) shall be firstly applied to provide for additional bonus pensions to all persons receiving a monthly retirement benefit at the time such surplus is measured. The amount of such additional bonus pensions shall be declared by the Board, as recommended by the Pension Benefits Committee on the advice of the Actuary that provision of such additional bonus pensions will not impair the financial integrity of the Plan. The amount of such additional bonus pensions shall be determined such that the Income Tax Act limits on bonus pensions are not exceeded. Upon such declaration by the Board, the City shall cause Section 9 of the Plan to be amended to reflect the Board’s declaration of the amount of such additional bonus pensions.
- (2) Any remaining free surplus, after such bonus pensions have been declared, shall be applied to improve benefits payable to all Members of the Plan. Any such improvements shall be declared by the Board, as recommended by the Pension Benefits Committee on the advice of the Actuary that such provision of such improvements will not impair the financial integrity of the Plan.

SECTION 14
AMENDMENT OR TERMINATION OF THE PLAN

14.01 Amendments

- (1) Unless otherwise stated, amendments to the Plan become effective according to the effective date of the amending bylaw, and shall apply to any terminations, retirements or deaths occurring on or after the effective date of the amendment.
- (2) The City intends that the Plan shall be a permanent Plan for the exclusive benefit of the Members and their beneficiaries and contingent annuitants.
- (3) Notwithstanding Subsection 14.01(2) hereof, the City retains the right to amend, modify or terminate the Plan in whole or in part at any time and from time to time in such manner and to such extent as it may deem advisable, subject to the following provisions:
 - (a) No amendment shall have the effect of reducing any Member's, Spouse's, or beneficiary's then existing entitlements under the Plan; and
 - (b) No amendment shall have the effect of diverting any part of the assets of the Fund for any purpose other than for the exclusive benefit of the Members and their Spouses or beneficiaries under the Plan prior to the satisfaction of all liabilities with respect to such person immediately before such amendment.
- (4) Notwithstanding anything else contained herein but subject to Subsection 14.01(3), the Plan may be amended at any time to reduce benefits so as to avoid revocation of the Plan's registration.

14.02 Termination of the Plan

- (1) In the event the Plan is terminated and the assets of the Plan are insufficient to meet the Plan's liabilities, the assets of the Plan shall be allocated and distributed as follows:
 - (a) assets shall be allocated first to provide benefits equal to the value of the contributions, with interest, made by and transferred from another plan with respect to Members and former Members;
 - (b) assets not allocated pursuant to Subsection 14.02(1)(a) shall be allocated to provide for accrued benefits with respect to which:
 - (i) no unfunded liability was established; or
 - (ii) where an unfunded liability was established, the liability has been amortized at the date of the termination of the Plan; and
 - (c) assets not allocated pursuant to Subsections 14.02(1)(a) and 14.02(1)(b) shall be allocated to provide for accrued benefits with respect to which unfunded liabilities have not been amortized at the date of termination of the Plan;
 - (d) an unfunded liability that has not been amortized at the date of the termination has the effect of reducing the benefits for employment that led to the establishment of the unfunded liability, proportionate to the extent to which those benefits remain unfunded;
 - (e) each unfunded liability is to be dealt with separately and applied only to the benefits with respect to which it was established.
- (2) Subject to Subsection 14.02(1), if the Plan is terminated, all Members shall immediately become fully Vested in all benefits earned to the date of Plan termination and the assets of the Plan shall be used to the extent adequate to provide for such benefits in accordance with the requirements of Applicable Legislation.

- (3) The amount and method of providing for payment in accordance with the foregoing shall be as determined by the Board, assisted by the Actuary, subject however, to the amounts and method so determined being acceptable to the regulatory authorities under Applicable Legislation.
- (4) Following termination of the Plan, there shall be no distribution or allocation of assets until the termination amendment and the method of allocating and distributing the assets of the Fund have been approved by the regulatory authorities under Applicable Legislation.
- (5) As and when all liabilities of the Plan have been legally discharged, any balance of the Fund then remaining shall be distributed between the City and the Members in a manner to be determined by the City in consultation with the Board. Notwithstanding the foregoing, any distribution of the Fund to a Member which would result in an annual retirement benefit in excess of that provided in Section 5.06 shall not be made and such assets must be returned to the City or be distributed to the other Members.

SECTION 15
GENERAL PROVISIONS

15.01 Small Benefits

- (1) If the benefit entitlement under the Plan with respect to a termination, retirement or death has:
 - (a) a value less than 20% of the YMPE in the year of payment; or
 - (b) an annual pension less than 4% of the YMPE in the year of the payment payable in the normal form at the Normal Retirement Date;

the Administrator may direct that payment of such pension be made monthly or quarterly or, that a single lump sum payment be made in lieu of any further payment or other benefits under the Plan. The amount of any single lump sum payment under this paragraph shall be the benefit entitlement as indicated in the applicable benefit section.

15.02 Cost of Administration

- (1) Subject to Subsection 15.02(3), annual costs associated with the administration of the Plan shall be borne by the Plan and paid from the Fund up to an annual maximum equal to \$250,000 per year, subject to rate increases equivalent to the average general economic increase granted to Active Members.
- (2) The City shall prepare a report and present it to the Board, or a designated committee of the Board, for approval at the Board's final meeting each calendar year which includes an itemized statement of the Plan's administration costs.
- (3) All costs of administering the Plan in excess of the amount referred to in Subsection 15.02(1) shall be borne by the City.

15.03 No Contract of Employment

- (1) The adoption and maintenance of the Plan shall not be deemed to constitute a contract of employment or otherwise between the City and any Member. Nothing contained herein shall be deemed to give any Member the right to be retained in the employment of the City or to interfere with the right of the City to terminate the employment of any Member at any time.

15.04 Assignment of Rights

- (1) Except as provided in this Plan, any monies payable under this Plan shall not be assigned, charged, anticipated or given as security and are exempt from execution, seizure or attachment, and any transaction purporting to assign, charge, anticipate or give as security such monies is void.
- (2) If the Board determines, from a written statement by a physician licensed to practice medicine in a province or territory of Canada, that any person entitled to payments hereunder is incompetent by reason of physical or mental disability and is unable to give a valid receipt, the Board may cause the payments becoming due to such person to be made to the legal representative of that person without responsibility on the part of the Board to follow the application of such funds. Payments made in accordance with this Subsection shall constitute a complete discharge of the Fund and the Board with respect to such payments.
- (3) None of the benefits provided herein shall be subject to the claims of, or to execution, attachment, garnishment or other legal or equitable process by any creditor of the Member or any other recipient of benefits unless specifically permitted by Applicable Legislation. The foregoing does not apply to an order or an interspousal contract made under the Family Property Act.
- (4) Neither the Member nor the Member's Spouse shall have the right to alienate, encumber, assign or anticipate any of the benefits provided herein or any interest arising out of or created by this Plan. The foregoing does not apply to an order or an interspousal contract made under the Family Property Act.

- (5) No right of any person under the Plan is capable of being assigned, charged, anticipated, given as security or surrendered, and for the purposes of this condition:
 - (a) assignment does not include:
 - (i) assignment pursuant to a decree, order or judgment of a competent tribunal or a written agreement in settlement of rights arising as a consequence of the breakdown of a marriage or other conjugal relationship between the Member and the Member's Spouse or former Spouse; or
 - (ii) assignment by the legal representative of the deceased Member on the distribution of the Member's estate; and
 - (b) surrender does not include a reduction in benefits to avoid the revocation of the registration of the Plan.

15.05 Liability

- (1) Section headings are for convenient reference only and shall not be deemed to be a part of the substance of this document or in any way to enlarge or limit the contents of any Section.
- (2) Neither the Board, nor any individual or committee selected by the Board to perform services or render advice in connection with the Plan, shall be liable to anyone in connection with the Plan, except for gross neglect or wilful misconduct.

15.06 Disclosure to Members

- (1) A copy of this Plan text, any trust deed or agreement, insurance contract, bylaw, resolution, or investment contract relating to the Plan may be examined by a Member at any reasonable time at such offices as are designated by the Administrator.

- (2) The Board will provide a written explanation to the Member of all terms, conditions and amendments to the Plan applicable to the Member, together with an explanation of the Member's rights and duties, with reference to the benefits available to the Member under the Plan. The Board shall also provide the Member with statistical and financial information relating to the Fund as prescribed by Applicable Legislation.

15.07 Short Life Expectancy

- (1) A Member who establishes, from a written statement by a physician licensed to practice medicine in a province or territory of Canada, that the Member has only a short life expectancy, may, prior to retirement and subject to the Board's approval and any Applicable Legislation, elect to receive a cash settlement in lieu of the Member's pension benefit or deferred pension benefit. The amount of such settlement will be determined by the Board on the advice of the Actuary.

15.08 Differentiation as to Gender

- (1) The masculine gender shall include the feminine and the singular shall include the plural unless the context clearly indicates otherwise.
- (2) The gender of the Member or other beneficiary under the Plan shall not be taken into account in determining the amount of periodic benefits.

15.09 Retention of Records

- (1) All records and files pertaining to the operations of the Plan and the Member's contribution accounts shall be retained for at least three years after:
 - (a) in the case of an agreement, the expiry of the agreement; and
 - (b) in the case of other records, the date of the last transaction to which the records relate.

15.10 Proof of Age

- (1) Each Member shall submit proof of age along with the application form. Such proof of age is necessary for the payment of pension benefits. Should any form of joint annuity be elected by the Member, proof of age of the joint annuitant shall also be required.

15.11 Legislative Requirements

- (1) The Board will comply with the disclosure requirements of Applicable Legislation.
- (2) The Plan is subject to all Applicable Legislation.
- (3) The funding of this Plan shall be adequate to provide payment of all pension benefits required to be paid under the terms of the Plan, in accordance with the tests for solvency prescribed by the Pension Benefits Act.
- (4) The investment of pension Fund money shall be in investments prescribed by the Pension Benefits Act.
- (5) Required contributions shall be remitted to the Administrator as prescribed by the Pension Benefits Act.
- (6) Benefits accrued under this Plan shall not be reduced except either upon termination of the Plan when, due to insufficient funds, a reduction in benefits is authorized by the Applicable Legislation, or as provided for in Subsection 14.01(4).
- (7) The Plan may not borrow money, unless the borrowing is approved by the Board, is for less than 90 days, is not part of a series of loans and repayments and is required for the purchase of annuities under the Plan without resort to a distressed sale of the Plan assets.

- (8) Each amount determined in connection with the operation and administration of the Plan shall be determined, where the amount is based on assumptions, using reasonable assumptions, and, where actuarial principles are applicable to the determination, in accordance with accepted actuarial practice.

APPENDIX “A”

PORTABILITY AGREEMENT

for the

General Superannuation Plan
for City of Saskatoon Employees
not covered by
the Police and Fire Department’s
Superannuation Plans

hereinafter referred to as the “Plan”

MEMORANDUM of Agreement made as of the ____ day of _____, 19____.

BETWEEN:

Board of Trustees, General Superannuation Plan for City of Saskatoon Employees
not covered by the Police and Fire Department's Superannuation Plans
(hereinafter referred to as the "Plan Administrator")

OF THE FIRST PART

AND: _____,

Name of Employee
(hereinafter referred to as the "Member")

OF THE SECOND PART

WHEREAS the above Plan hereto desires to set forth the terms and conditions under which a Member becomes eligible to join the Plan, and has prior service with a previous employer that the Member wishes to transfer into this Plan pursuant to Section 10.01;

NOW THIS AGREEMENT WITNESSETH that in consideration of these premises and the covenants herein contained the parties agree as follows:

1.0 DEFINITIONS

In this Agreement (including this Subsection), unless there is something in the subject or context inconsistent therewith the expressions following shall have the following meanings respectively:

- 1.0 “Actuarial Value” means the cost to the Plan determined in accordance with the actuarial assumptions, methods and rates of interest used in the most recent actuarial report filed with the Superintendent of Pensions.
- 1.1 "Actuary" means the actuary appointed by Plan Administrator to serve the Plan.
- 1.2 "Administrator" shall mean the Employee Benefits Manager of the City of Saskatoon appointed to administer benefit entitlements under the Plan. The Administrator on the advice of the Actuary shall have the authority to determine the service credits, Transfer Values and finalize this agreement.
- 1.3 "Credited Pension Service" means the period of service recognized for the purpose of calculating the amount of pension payable under the Plan.
- 1.4 "Date of Appointment" means the date on which a Member has been appointed by City of Saskatoon to a position which requires membership in the Plan.
- 1.5 "Identified Member Contributions" means the Plan contributions paid by the Member with accrued interest thereon being transferred into the Plan.
- 1.6 “Transfer Assumptions” means the actuarial assumptions listed in Appendix I.
- 1.8 "Transfer Date" means the effective date of membership in the Plan of the Member, following approval by the Administrator.
- 1.9 "Transfer Value" means the value of the benefits of the Member, to be transferred into the Plan, such value being calculated using the method outlined in Appendix I.

2.0 RIGHTS OF THE MEMBER

- 2.1 As a condition of the transfer or crediting of service under this Agreement, the Member must join the Plan on the effective Date of Appointment.
- 2.2 At the request of the Member or prospective Member, the Administrator of the Plan shall immediately calculate the Transfer Value of the Member's benefits.
- 2.3 If a Member wishes to take advantage of a transfer under this portability agreement, the Member must complete this election by signing this agreement within one year of the effective Date of Appointment.
- 2.4 The Transfer Value will be calculated using the Transfer Assumptions as described in Appendix I.
- 2.5 The Member may elect to make up all, or part of, the difference between the Transfer Value and the amount available for transfer, and will be given one year from the Date of Appointment to decide to do so. From the date the Member elects in writing on the presented form to purchase this prior service, the amount outstanding plus accrued interest thereon must be paid over a period not exceeding 12 months from that date. As each payment is received service credit in the plan will be increased appropriately.
- 2.6 The Member shall pay the Transfer Value or arrange to have the Transfer Value paid to the Plan on such date and in such manner as may be mutually agreed between the Member and the Administrator of the Plan. Such transfer must be completed within a period of one year after the Date of Appointment. Any transfers requiring more than one year to complete require the written approval of the administrator.
- 2.7 Should the new Member, at the end of the one-year period, not have elected in writing to purchase all or some of the shortfall between transferred funds and required funds, the opportunity to do so is foregone.
- 2.8 The Transfer Value so transferred to the Plan under this provision shall not be available in cash to the Member prior to retirement. The terms and conditions relating to such amount shall be in accordance with the provisions of the Plan.

3.0 ACTIONS OF THE PLAN

- 3.1 Upon receipt of the Transfer Value, Credited Pension Service under the Plan will be credited based on the following:

$$\frac{\text{Amount Member Transfers}}{\text{Amount Required (Transfer Value) }^*} \times \text{Years of pensionable service}$$

* Adjusted with interest to the date of transfer.

- 3.2 The Administrator of the Plan shall enter into the records of the Plan the amounts of Credited Pension Service and the amount of the Transfer Value that represents the Identified Member Contributions to the previous Plan, with interest to the date of transfer.
- 3.3 Under this Plan, the Transfer Value shall be considered as "Member's Transfer-In Account" under the terms of the Plan in effect at the time of transfer.
- 3.4 As a condition of the transfer, the provisions of the Plan shall govern with respect to the prior service. Such provisions include benefits on retirement, death, termination of employment, and disability.
- 3.5 Each Transfer Value and record of Credited Pension Service shall be administered in accordance with the requirements of the *Income Tax Act* (Canada) and any applicable Pension Benefits Act.

4.0 RIGHTS OF THE PLAN ADMINISTRATOR

- 4.1 The Plan Administrator shall have the right to amend this Agreement from time to time on the advice of the Actuary appointed to advise the Plan Administrator on matters pertaining to the Plan.
- 4.2 On the recommendation of the Actuary, the Plan Administrator shall specify the assumptions to be made.

APPENDIX I

TRANSFER ASSUMPTIONS

- A. The Actuarial Value will be determined in accordance with the actuarial assumptions, method and rates of interest used in the most recent actuarial report filed with the Superintendent of Pensions.
- B. The Transfer Value will be calculated as at the Date of Appointment by considering what Actuarial Value would be required based on the pensionable service to be credited under the Plan and adjusted for interest based upon the current valuation rate of interest from the Transfer Date to the date that Identified Member Contributions are deposited to the Plan
- C. The new (or prospective) Member will be informed of any shortfall between what is required to provide full pensionable service credit and what the Member is able to transfer from the prior pension plan(s).
- D. The Member then has options as outlined in Section 2: Rights of the Member.
- E. Credited Pension Service shall then be calculated as per Section 3: Actions of the Plan.

ACCEPTANCE OF PORTABILITY AGREEMENT

We, the parties of the First Part and of the Second Part, do hereby agree to the terms and conditions of this Agreement in accordance with the following:

- (a) Date of Appointment
- (b) Years of Service Credited
- (c) Transfer Value Required

Dated at _____, Saskatchewan, on this ____ day of _____, 19____.

Party of the First Part

Plan Administrator

Party of the Second Part

Member