

The GSPP is strong, stable – and growing

We would like to extend a warm welcome to the almost 1,000 members who previously participated in the Lay Retirement Plan (LRP) defined contribution plan. They joined the General Synod Pension Plan (GSPP) as of January 1 this year.

Growth is good for the GSPP, and this expansion has increased active membership in the plan by about 40%. Our new members now benefit from the financial security of participating in this high-quality multi-employer target benefit plan, earning a predictable lifetime pension in retirement based on a pre-set formula.

Despite the continued uncertainty of the financial market last year, the General Synod Pension Plan (GSPP) remained stable throughout 2021 with a strong gross investment return of over 11%. This exceeds the 6% return needed in order to maintain the plan's healthy funded position.

As always, the plan's Board of Trustees and Pension Committee remain committed to taking a long-term, risk-focused approach in managing the fund's assets and adjust the investment strategy when necessary. This approach is designed to help the plan remain healthy into the future. While your pension amount is based on a formula and is not affected by short-term fluctuations in investment markets, high returns can lead to a surplus that may be used to improve benefits.

Another benefit improvement as of July 1, 2022

The Pension Committee and Board of Trustees continually monitor the financial position of the GSPP to ensure its sustainability. They focus on securing earned pensions and maintaining a healthy plan – and when experience is favourable, the plan's funding policy guides decisions on benefit improvements.

Last year there were enhancements granted, and there will be a further enhancement this year.



Starting July 1, 2022: A 9% increase will be applied to your GSPP pension earned up to December 31, 2021

- The increase applies to all members – active, inactive, and retired.
- If you are retired, you will see an adjustment in your monthly payment amount starting in July.

PLEASE NOTE: The numbers shown in your 2021 annual pension statement do not reflect this new enhancement. You will see it in the pension amounts shown on your 2022 annual pension statement.



Pension Office Retirement Announcement

Judy Robinson, the Pension Corporation's Executive Director, will be retiring at the end of 2022. For almost two decades, Judy has provided superb leadership, and will leave behind a well-governed and well-funded plan.

Your Board of Trustees has appointed an internal Search Committee to select the next Executive Director – and in the meantime, Judy and her team will continue to provide the same excellent service to which you are accustomed.

Pensioners

Want to know what your new monthly pension amount will be?

A remittance statement will be mailed to you in July.

Questions?

Call us at 416-960-2484 or 1-800-265-1070 (toll free), or email

inquiry@anglicanpension.ca

Pension fund performance

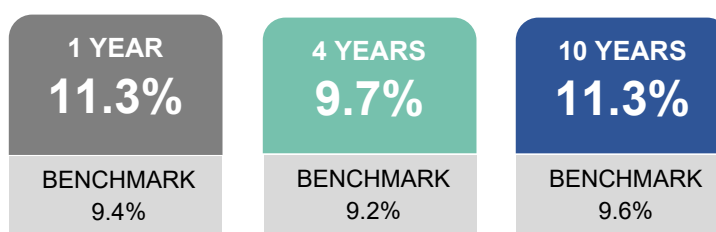
The GSPP investments have performed very well in recent years, as seen by the numbers below.

Market value of GSPP assets



Investment returns

for period ending December 31, 2021



So far in 2022 the markets have been pretty bumpy, shaped by several factors: the global supply chain, inflation, central bank policies, rising interest rate expectations, continued challenges due to the pandemic, and the crisis in Ukraine, which has disrupted Russian energy exports. That said, the GSPP's prudent investment strategy and well-diversified portfolio is designed to withstand the financial market's ebbs and flows while balancing risk and return.

The GSPP's financial health

The financial health of our pension plan is measured through valuations that must be conducted and filed with the Financial Services Regulatory Authority of Ontario at least once every three years.

Our most recent valuation was filed at January 1, 2020. Our actuarial consultants subsequently estimated results on December 31, 2021.

	January 1, 2020	December 31, 2021 estimated
Going concern excess / (deficiency)	\$221,024,000	\$311,453,000
Going concern funded ratio	132.9%	151%
Transfer ratio*	97.7%	107%

*The transfer ratio is based on the wind-up valuation (see glossary).

As a specified Ontario multi-employer pension plan (SOMEPP) since January 1, 2020, the plan:

- no longer requires a special exemption from solvency funding requirements,
- is funded on a going concern basis, and
- is no longer restricted from improving benefits.

While we wait for new permanent funding rules applicable to current SOMEPPs, any previously required solvency funding is technically deferred until 2024, but deferred contributions are expected to be eliminated under the permanent framework. The Ontario government indicated in the 2022 budget that they are committed to establishing a permanent funding framework in 2023.

Environmental, Social & Governance (ESG)

The Trustees have a fiduciary duty to make decisions in the best interests of the plan's beneficiaries and they play a pivotal role in the decision-making process on the strategic direction of the Pension Fund. This includes investing in opportunities that can obtain the highest return for the Fund, subject to acceptable levels of risk. When the Trustees meet with investment managers they discuss, among other considerations, the investment manager's process for evaluating and integrating ESG issues in investment decisions. The Pension Fund's investment managers take ESG issues seriously.

As reported in previous newsletters, the Trustees continue to follow recent developments and decisions in both the corporate and Church worlds with regards to environmental, social and governance (ESG) issues. In recent years in particular, increased attention has been focused on considering ESG issues in the management of our Pension Plan investments.

Non-pension funds

Market value of investments

December 31, 2021

(PH&N – RBC Global Asset Management Inc)

The Anglican Church of Canada	Market value
Long Term Disability Plan	\$2,129,612
Self Insured Death Benefit Plan	\$5,477,042
Endowment Plan	\$6,014,295
Continuing Education Plan	\$7,012,897



Did you know?

If you're looking for information or pension resources...

try the Pension Office website at

www.anglicanpension.ca

Including:

- Canons
- Regulations
- Plan documents
- Various forms
- Newsletters
- Financial statements

Group benefits with Manulife

Are you registered for the plan member site? Did you know you can file your health benefits claims online?

It's easy to do and payments are made directly to your bank account, usually in just a few days. Take a few minutes and register now – you'll be glad you did!

1. Go to www.manulife.ca/signin to register.
2. Follow the instructions and select **Submit**.

A NOTE ON CONFIDENTIALITY

We have developed a portal for exchanging documents to provide enhanced security for personal data.

If you need to send documents that include sensitive and confidential information, we can get you set up on the portal. Please contact us at inquiry@anglicanpension.ca.

Please do not communicate any confidential information via email.



Interested in exploring continuing education opportunities?

Visit <http://cep.anglican.ca>

OR: Find forms on the Pension Office website: www.anglicanpension.ca

CEP administrative policy – highlights

- Canada Revenue Agency (CRA) requires that all funds used in the Continuing Education Plan (CEP) by the account holders must be for the benefit of the employer. As long as the expenditure confers a benefit to the employer, with the approval of the supervisor, the employee may use the balance of the funds in the account to offset the cost of continuing education program or course of study, books related to educational development, or related computer hardware or software.
- An employee is not permitted to use the funds in his/her account within the three months prior to the date of retirement or termination.
- The budget allocation for Sabbatical Grants was increased to \$100,000 (20 grants of \$5,000 each), effective January 1, 2022.
- The expiry of salary source account was waived for 2021. No unused funds allocated in 2017 which would have expired at the end of 2021 will be lost this year. Allocated funds that are not used within 5 years are usually placed back into the Continuing Education Plan fund and used to support sabbatical grants and other benefits. However, in 2020 & 2021 the decision was made to waive the expiry as these were extraordinary years to conduct group training.

Endowment funds

Over the past number of years, various donations and gifts have been made to the Endowment Committee of the Pension Committee with the request that they be used to supplement the pensions of retired members and the spouses of retired members.

In addition to making cash donations to the Endowment Funds, it is also possible to give stocks and bonds with advantageous tax consequences to the donor/estate. An account has been set up to facilitate the sale of any such securities that are given to the Endowment Funds.

AS OF DECEMBER 31, 2021

\$6,014,295

MARKET VALUE OF
ENDOWMENT FUNDS

Pension fund advisors

Bentall GreenOak

Real Estate

TD Greystone

Real Estate

Macquarie

Infrastructure

Philips Hager & North

Enhanced Long Bonds

Neuberger Berman

Private Debt

Canso Investment

Corporate Credit

Letko Brosseau

Canadian & Global Equity

Fiera CGOV

Canadian & Global Equity

Baillie Gifford

Global Equity

Robeco

Low Volatile Equity

CIBC Asset Management

Currency Hedging

Asset Consultant

Mercer Canada

Custodian

CIBC Mellon

Actuary

Eckler Ltd.

Legal Counsel

Koskie Minsky LLP

Auditor

BDO Canada LLP

Glossary of terms

Actuarial Valuation – The analysis of a plan's financial status. Assets and liabilities are valued to determine whether current assets plus expected future contributions are sufficient to meet benefit obligations. A valuation must be filed with the Financial Services Regulatory Authority of Ontario at least once every three years.

Going Concern Valuation – The measurement of the financial position of a pension plan assuming that the plan will continue indefinitely.

Wind-up Valuation – Determines the financial position of the plan if it were wound up on the valuation date (prepared for information purposes only).

Solvency Valuation – Same as wind-up valuation except, since it is used to determine plan funding, certain adjustments are permitted. Adjustments include the current value of any going-concern special payments required over the next five years along with smoothing asset values and the liability interest assumption.

Solvency Funding – The process of making systematic payments into a pension trust fund, or changes to the benefit formula, to eliminate a solvency deficiency.

Transfer Ratio – Ratio of wind-up assets to wind-up liabilities.



Pension Office staff

Even during these trying times, the Pension Office has remained fully operational every single day, with the staff members coming in as required.

They continue day-to-day processes with minimal delays – to ensure there are no interruptions to your pension and benefit payments.

Pension Committee

Mission statement

The Pension Committee, on behalf of the Anglican Church of Canada, commits to faithful stewardship and administration of the Pension Plans, Benefit Plans and Funds and to do so with compassion and efficiency for the well-being of the plan members and their beneficiaries.

EX-OFFICIO MEMBERS

The Most Rev. Linda Nicholls – Primate
The Ven. Alan Perry – General Secretary
Ms. Amal Attia – Treasurer
The Rev. Dr. Karen Egan – Prolocutor
Ms. Judy Robinson – Director of Pensions

ELECTED BY 2019 GENERAL SYNOD

The Rt. Rev. Mary Irwin-Gibson – Montreal
The Rt. Rev. Geoffrey Woodcroft – Rupert's Land
The Ven. David Selzer – Ottawa
Mr. Robert Dickson – New Westminster
Ms. Joyce Badley – Toronto

TRUSTEES

Ms. Josephine Marks – Toronto
Mr. Bob Boeckner – Toronto
Mr. Jordan N. Fremont – Toronto
Ms. Sheryl Kennedy – Toronto
Mr. Stephen Koning – B.C.
The Rt. Rev. Philip Poole – Toronto
Mr. David Stovel – Toronto
The Rt. Rev. William Cliff – Brandon
Mr. Simon Segall – Toronto

APPOINTED BY THE PENSION COMMITTEE

The Rt. Rev. Samuel Rose – E. Nfld & Labrador
The Rt. Rev. Todd Townshend – Huron
Mr. Michael Attwood – Toronto
The Very Rev. Peter Elliott – New Westminster
The Ven. Travis Enright – Edmonton

OBSERVERS

Ms. Jane Mesich – Algoma
Ms. Sharon Chandler - Toronto
Ms. Sharon White – Niagara
Mr. Glen Greencorn – Nova Scotia
Ms. Anne Layton – Toronto

Your Pension Office Staff

Robinson, Judy Executive Director	Ext. 201
Davidson, Margaret Manager, Pension & Benefits	Ext. 202
Bernard, Sonia Office Administrator	Ext. 203
Edgar, Kathy Manager, Finance & Systems	Ext. 206
Menon, Rekha Deputy Director	Ext. 207
Stricker, Lynda Pension & Benefits Administrator	Ext. 208
Squires, Sandra Benefits Administrator	Ext. 209
Mistry, Nikeeta Pension & Benefits Administrator	Ext. 210
Honoridez, Emily Fe Accounting Officer	Ext. 214
Villaverde, Jomarie Staff Accountant	Ext. 218
Ng, Yvonne Pension & Benefits Administrator	Ext. 219

Email: first initial last name @anglicanpension.ca

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**Tel: 416-960-2484
Toll free: 1-800-265-1070
Fax: 416-968-7689**

**Pension Office website
www.anglicanpension.ca**

**Questions? Life events?
Need to update your information?**

**Please let us know! Call, or email
inquiry@anglicanpension.ca**

In addition to maintaining records for pension purposes, the Pension Office maintains your address, dependants list and coordination of benefits information for Manulife benefits purposes. Please notify us directly or through your employer if you need to make any updates.