



# Report to Members 2020

## Your pension: boring by design

*... and designed to be there!*

### MESSAGE FROM THE TRUSTEES

Pensions are boring and can be difficult to understand. They're not tangible—you can't taste them, smell them or touch them. Pensions are out there in the ether, a series of numbers and calculations about a time that could be decades away.

Every so often these numbers change slightly—maybe your pay goes up or you buy service for a leave of absence—but once these life events are integrated into your pension, it returns to the background, just kind of... accumulating.

And that's the way it's designed to be.

In a world with so much going on, boring can be a good thing. But what's not boring is knowing your pension is reliable and strong. It's there during the pandemic, working in the background through the world's up and downs, and will be there when you're ready to retire.

*Your pension may be boring, but one day when you decide to retire, your pension will become incredibly exciting.*

How can you be sure of that?

- The plan's most recent valuation showed the plan was 102.5 per cent funded; this means the plan has more than enough money needed to fund all pensions, including future pensions for all active members. The results of the next valuation, as at December 31, 2020, will be announced in the last quarter of 2021.
- The plan, which has a long-term investment horizon of decades, not months, showed a 10-year annual average return of 9.2 per cent up to December 31, 2020. Despite the pandemic, the plan's one-year return was an even stronger 10.6 per cent.
- The plan has been around for more than 90 years and has provided retirement security through many economic crises, including the 1987 market crash, the collapse of the dot-com bubble in 2000 and the financial crisis of 2008–2009. Over time, the economic challenges caused by the COVID-19 pandemic will also pass.

So, yes, your pension may be boring, but one day when you decide to retire, your pension—and the security in retirement it will provide you—will become incredibly exciting.

### Year at a glance (\$ millions)

$$\begin{array}{cccccc}
 \mathbf{31,502} & + & \mathbf{3,369} & + & \mathbf{782} & - & \mathbf{1,299} & - & \mathbf{95} & = & \mathbf{34,259} \\
 \text{Net assets} & & \text{Investment income} & & \text{Contributions} & & \text{Benefits} & & \text{Investment and} & & \text{Net assets} \\
 \text{January 1, 2020} & & & & & & \text{payments} & & \text{administration} & & \text{December 31, 2020}
 \end{array}$$

## Removal of limited member application fee

EFFECTIVE APRIL 1, 2021

The fee to apply to be a limited member was removed. Limited members are the former spouses of plan members who are entitled to a portion of the plan member's pension.

## New option for buying service

EFFECTIVE MAY 1, 2020

The plan rules have been amended to allow you to make pension contributions during an approved leave of absence under the *Employment Standards Act* (ESA). You can now either make pension contributions during your ESA leave or buy back service in a lump sum after the leave.

## New leave types

EFFECTIVE MARCH 23, 2020

The ESA was amended to allow leaves for personal illness or injury and for COVID-19-related reasons (needing to quarantine in accordance with public health orders, childcare responsibilities or being diagnosed with COVID-19, for example). If you take a COVID-19-related leave for any of the prescribed reasons, you can buy the service for that time. You and your employer will share the cost.

Learn more about buying leave in the learning article "Buy service to boost your pension," on the plan website.

## Medical Services Plan administrative update

EFFECTIVE JANUARY 1, 2020

The post-retirement group benefit rules were amended to remove references to the Medical Services Plan.

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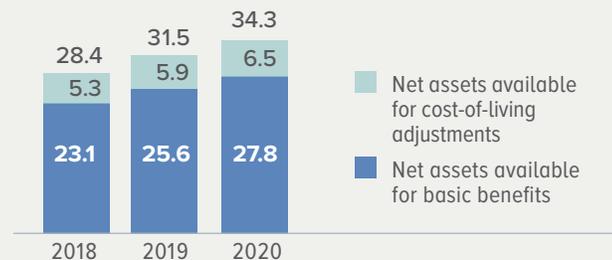
Carol Sapergia,  
Dawson Creek Secondary,  
SD59 (Peace River South)

## PLAN PERFORMANCE<sup>1</sup>

The information here is an overview of the plan's financial status. For audited financial information, read the *2020 Annual Report*, available on the plan website in fall 2021.

### Net assets available for benefits

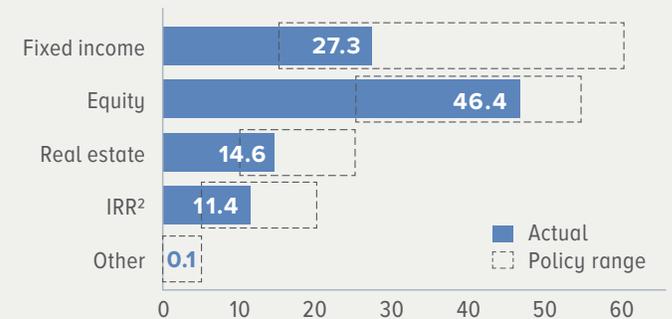
(\$ billions)



<sup>1</sup> These highlights are preliminary and unaudited  
<sup>2</sup> Infrastructure and renewable resources

### Asset allocation (%)

as at December 31, 2020



TPP members on page 1 (left to right): **KAM PUREWAL**, John Henderson Elementary, SD39 (Vancouver); **HENRY PETERS**, Norma Rose Point Elementary, SD39 (Vancouver); **SHELLEY GITTEL**, Southern Okanagan Secondary, SD53 (Okanagan); **CLAUDIA JAY**, Hillcrest Elementary, SD61 (Victoria); **STEVE LEUNG**, Sir William Van Horne Elementary, SD39 (Vancouver)

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