



University  
of Regina



Pension Plan for the Academic & Administrative  
Employees of the University of Regina  
Defined Contribution (DC)  
**2021 Annual Report to Members**

## Plan Overview

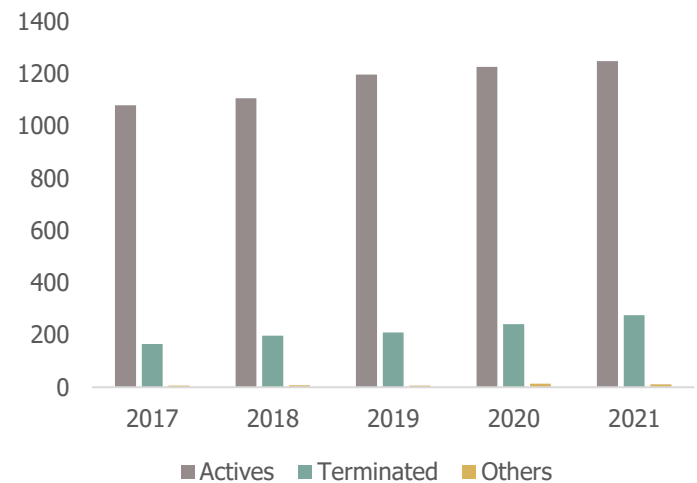
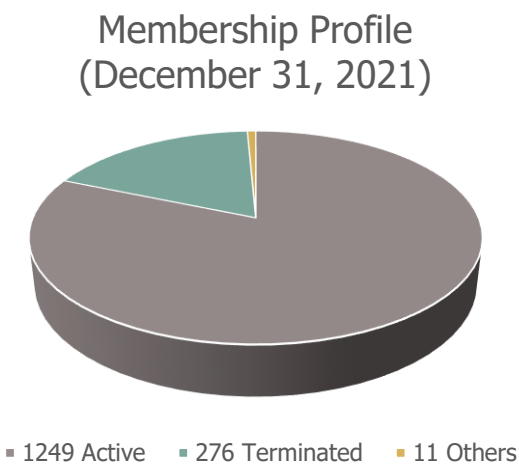
The Academic and Administrative Pension Plan was established on July 1, 1965. Until January 1, 2000, the plan was solely a defined benefit (DB) plan. The University closed the DB component of the pension plan to new members and introduced a defined contribution (DC) component for eligible members who joined the University on or after January 1, 2000.

Effective July 1, 2011, DC members were provided a choice of two investment approaches: a hands-off “help me do it” portfolio made up of target date funds and a “let me do it” portfolio that allows you to create your own portfolio from a list of specially selected funds.

Your pension income at retirement is determined by your contributions, employer contributions plus any return on investment. The Plan provides resources designed to support you with your retirement savings objectives.

## Plan Membership

The membership profile at December 31, 2021 along with the membership movement over the past five years has been illustrated below.



## Pension Contributions as at January 1, 2021

2021	Pensionable Earnings
Administrative, Professional & Technical (APT) and Out-of-Scope - Employee Paid	7.5%
Administrative, Professional & Technical (APT) and Out-of-Scope - Employer Paid	7.5%
<b>APT/Out-of-Scope Staff - Total Combined</b>	<b>15.0%</b>
Academic (including Sessionals) – Employee Paid	8.0%
Academic (including Sessionals) – Employer Paid	8.0%
<b>Academic Staff - Total Combined</b>	<b>16.0%</b>
The Plan limits the annual pension contributions based on the defined benefit earnings limit (\$162,278 in 2021) for active members.	

## Resources Available

A wide variety of resources are available to help you map your journey and reach your financial destination at retirement. You are encouraged to take advantage of the following resources:

<b>Account Information</b>	Secure online pension account information at <a href="https://sunlife.ca/uregina">sunlife.ca/uregina</a> lets you view your account balance 24/7 and review and make changes to your investments. You can make changes on-line or over the phone.
<b>Sun Life Mobile App</b>	The app makes it possible to access your account on the go, and: 1) Check your balances; 2) view your most recent plan activity; 3) try some financial planning tools and 4) update your investment choices which is a new feature to the mobile app. The app is free of charge. To learn more, visit <a href="https://sunlife.ca/mobile">sunlife.ca/mobile</a> .
<b>Pension Statement</b>	In addition to viewing detailed account information on-line, Sun Life Financial provides an annual statement at December 31 <sup>st</sup> each year.
<b><a href="https://sunlife.ca/uregina">sunlife.ca/uregina</a></b>	<a href="https://sunlife.ca/uregina">sunlife.ca/uregina</a> is one of the best resources. The site hosts a wealth of information on all aspects of the Plan. Morningstar, a highly respected tool containing details about each investment is made available to you in the Plan. You can access the Asset allocation tool which is designed to help determine risk tolerance and help you make investment decisions. Tools are also available to help you project your retirement income. Sun Life is releasing a new and improved retirement calculator in 2022. Stay tuned for more information.
<b>Education Sessions</b>	Sun Life Financial will be available throughout the year to provide education and information. Online webinars, videos and articles are also available. <b>2022 webinar topics</b> , dates, times and registration information can be found at <a href="https://sunlife.ca/mymoney">sunlife.ca/mymoney</a>
<b>Sun Life Customer Care Centre</b>	Available to answer your general questions about the plan and assist you with any transactions you want to perform on any business day from 8 a.m. to 8 p.m. E.T. by calling <b>1-866-733-8612</b> . Service is available in 190 languages.
<b>Sun Life Retirement Consultant</b>	Available to answer your retirement income questions and assist in helping you make a retirement plan on any business day between 8 a.m. and 6 p.m. ET at <b>1-866-244-3906 (option 1)</b> .
<b>Pension &amp; Benefits, HR, UofR</b>	For questions about your eligibility for retirement, phased retirement or other questions, please contact 306-585-4808 or email <a href="mailto:pension.benefits@uregina.ca">pension.benefits@uregina.ca</a>

*Watch for Sun Life's new retirement planner tool coming in the fall of 2022!*

## Your Responsibilities

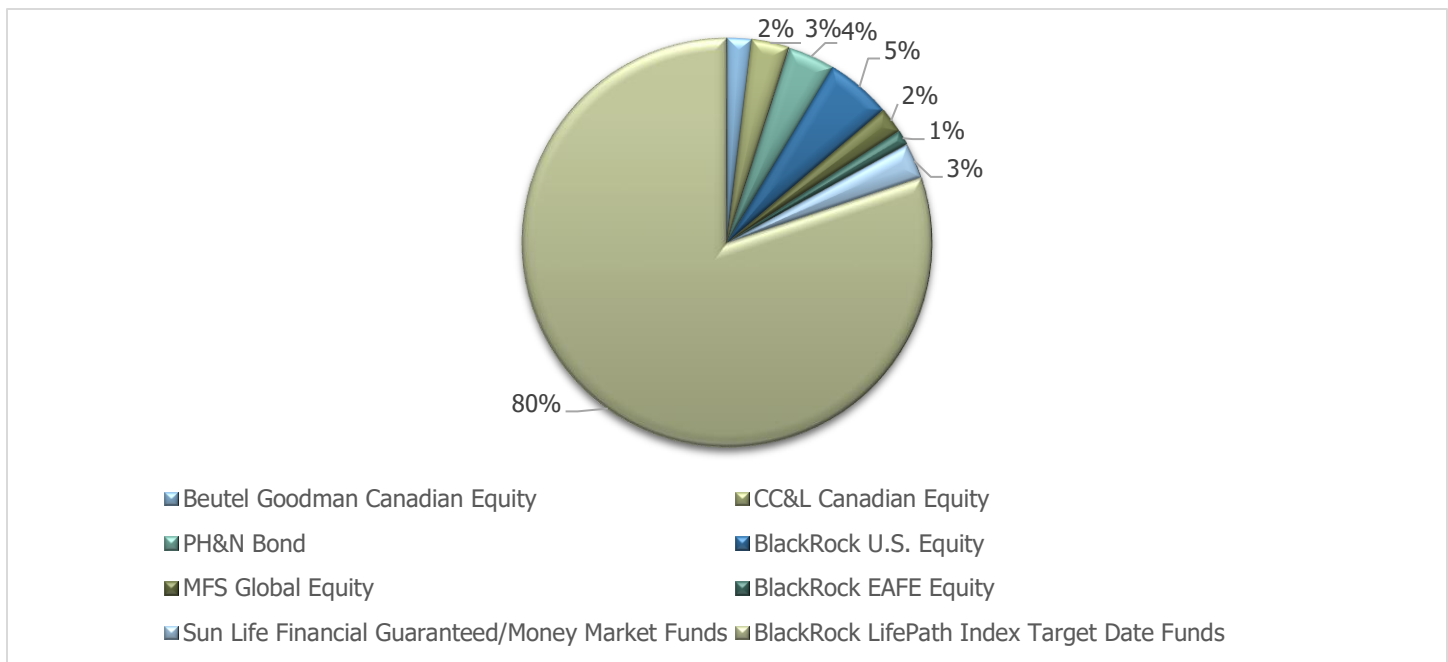
- Understanding and choosing your investments;
- Monitoring your savings and investments;
- Choosing a retirement date;
- Choosing a retirement income vehicle;
- Designating beneficiaries;
- Seeking financial advice as needed.

## Pension Plan Investment Options

The Plan offers a suite of target date funds, six investment funds covering the major asset classes and four guaranteed/money market funds offered through the Plan's record keeper, Sun Life. You determine your own investment mix by selecting from the range of options as reviewed and recommended by the Academic and Administrative Benefits Committee (AABC). The investment options offer varying risk/return profiles.

If you do not make an election, contributions will automatically be deposited to the Plan's default fund. The default fund is the BlackRock LifePath Index Segregated Fund with the maturity date closest to, without exceeding, your normal retirement date. Your normal retirement date, as per the Plan, is June 30<sup>th</sup> coincident with or next following your 65<sup>th</sup> birthday.

## Distribution of Assets – December 31, 2021



## Market Value

The market value of the DC component of the **Academic and Administrative Pension Plan** assets at the end of 2021 totalled **\$287.5 million**.

## The Markets

Markets experienced continued volatility in 2021, with a divergence in results between lower risk bonds and higher risk equities. While major stock markets did remarkably well, bond markets posted negative returns and real estate results were steady.

## Equities

Global equities generated strong positive returns over the last twelve months, boosted by optimism over Covid-19 vaccine rollouts, supportive monetary and fiscal policies, and improving economic data. However, the discovery of Covid-19 variants cast doubts over the prospect of global economic growth in 2021. Inflation rates worldwide continued to increase, as supply chain problems and rising wages persisted. Rising inflation led major central banks to indicate the end of pandemic-era bond purchase programs and hinting at accelerated interest rate hikes to help ease the persistent inflation. Equity markets were able to shrug most of these concerns, posting solid gains in 2021. The MSCI All Country World Index, a proxy for global equities including developed and emerging markets, earned a strong 17.5% in the year.

## Fixed Income

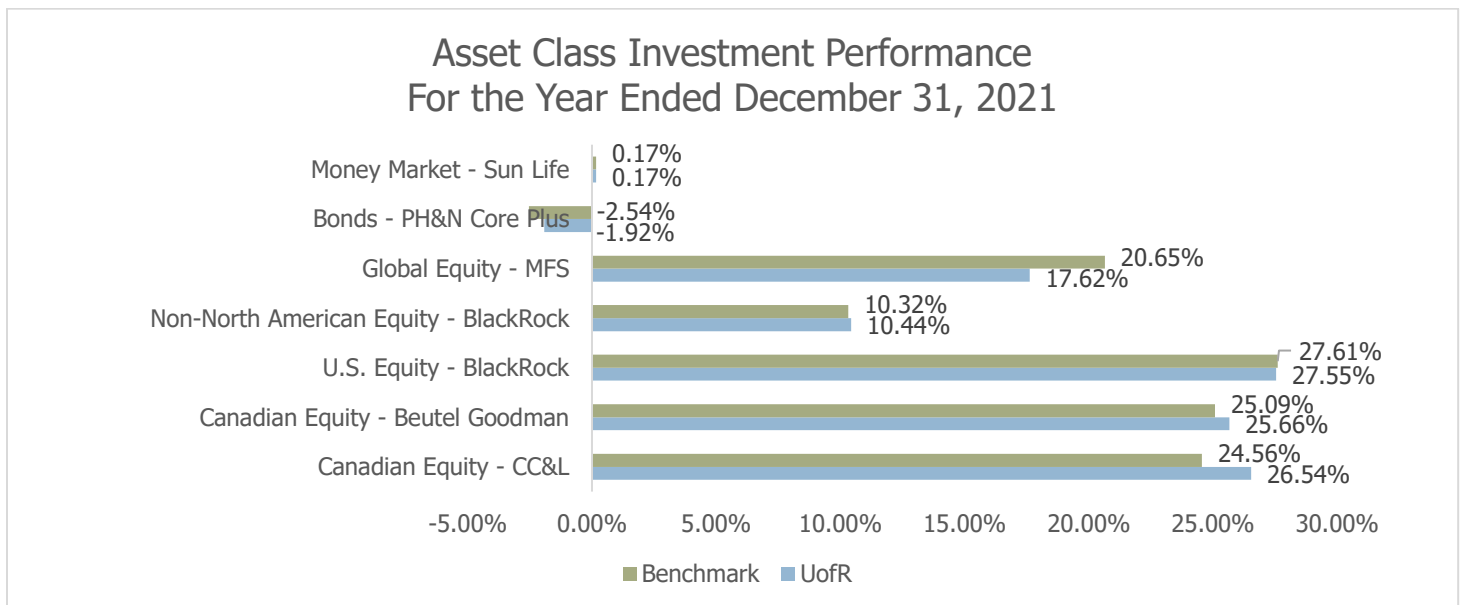
Bond investors began 2021 with low yields and the growing consensus that, due to the combination of growing corporate earnings, GDP growth and rising inflation, bond yields were likely to rise. While not even throughout the year, bond yields did rise through 2021 across most bond maturities (terms). The only exception was at the very short end of the yield curve, where the Bank of Canada held its overnight rate steady through the year. With sensitivity to rising yields greater for longer-termed bonds than shorter-termed bonds, long-term bond returns declined the most, exemplified by Government of Canada bonds, where short-term federal bonds declined 1.1% in the year, while long-term federal bonds declined by 7.1%. Overall the FTSE Canada Universe Bond Index returned -2.5% in 2021.

## Canadian Real Estate

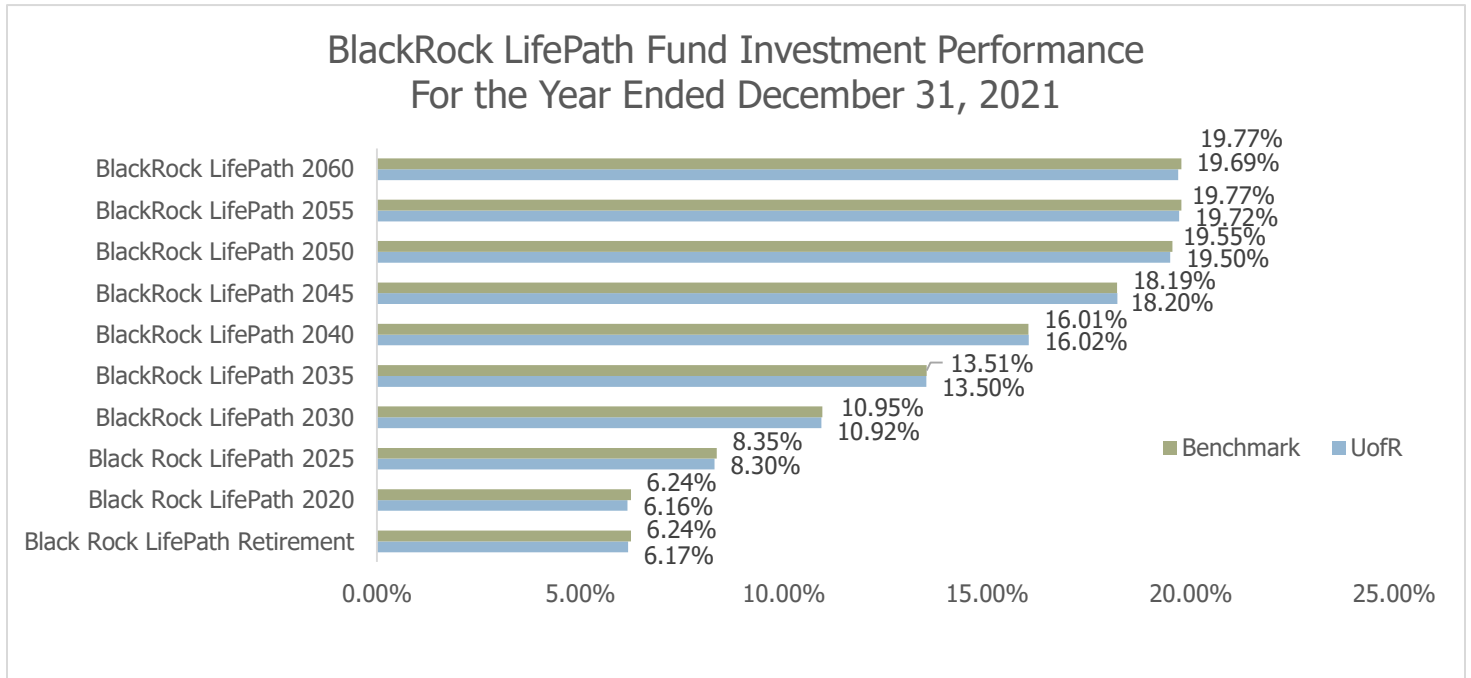
The Canadian commercial real estate market surprised many, posting a 7.9% return (MSCI/REAL PAC Annual Property Index) in 2021. With the MSCI/REALpac Canada Quarterly Property Fund Index returning an even stronger 15.4% return in the year. The Industrials segment was the big winner in the Pandemic economy, rising 31.8% in the year. Rapid growth in e-commerce led to a huge increase in demand for warehouse space. While the Retail segment lagged all other market segments, a 17.4% increase in rental income demonstrated retailers are getting back on their feet and able to pay their full rents each month. Low borrowing rates and institutional investors search for yield continue to drive strong pricing in the real estate market.

## Investment Performance

Your investment returns have a direct impact on the income you can generate at retirement. Your return is based on the performance of the investments you have chosen less fees. Fund management fees include, but are not limited to, fund operating expenses and investment management fees plus applicable sales tax. A University of Regina levy charge is also deducted from your account to cover administrative and consulting costs. The levy charge at December 31, 2021 was 0.01% of plan assets plus a \$30 annual (\$2.50/month) flat rate fee per member.



Approximately 80% of the plan membership was invested in the “help me do it” BlackRock LifePath Funds at December 31, 2021. The BlackRock LifePath Fund investment performance is illustrated below.



## University of Regina Group Retirement Fund

When the time comes to convert your retirement savings to retirement income, you can choose to direct your money to the University of Regina customized prescribed retirement income fund (PRIF). You will benefit from paying lower fees than would generally be available to you as an individual investor at a mutual fund company or other financial institution.

You also enjoy access to a licensed retirement consultant at no cost. The Sun Life retirement consultant will provide advice and guidance on the investment funds included in the Plan and assist in meeting your unique retirement goals. Contact a Sun Life retirement consultant for additional information at 1-866-244-3906 (option 1).

The market value of the UofR Group PRIF/RRIF at December 31, 2021 totalled approximately \$12 million.

## Governance Structure

The Board of Governors is the Plan’s legal administrator and as such accepts the associated fiduciary responsibilities associated with the Plan.

The Board delegates the majority of the governance duties associated with the pension plan to University administration and the Academic and Administrative Benefits Committee (AABC), both of which report on a regular basis back to the Board through the Human Resources Committee.

## Academic and Administrative Benefits Committee (AABC)

The AABC is a Board of Governors appointed Committee. Its mandate is to advise the Board on pension and benefit related matters. The AABC consists of three members recommended by URFA, one retired member and three University representatives. At **December 31, 2021**, the AABC consisted of the following members:

Gregory Bawden, Centre for Continuing Education	Lamont Stradeski, Financial Services
Peter Douglas, Mathematics and Statistics (Chair)	Dr. R. J (Jim) Tomkins, President Emeritus
Nola Joorisity, Business Administration	Dr. Zhou (Joe) Zhang, Business Administration
Gaynor Kybett, URAAPA	<i>Recording Secretary: Temple Maurer, Human Resources</i>

## Meetings of the Committee

The Committee relies on the expertise of numerous consultants and investment managers in their oversight role. The AABC met on six occasions (excluding the Joint Pension Investment Committee meetings) throughout 2021. The key DC pension plan activities have been outlined in the following table.

➤ Semi-Annual Investment Performance Review and Investment Manager Evaluation	➤ Reviewed the Administrative Expense Levy
➤ Approved the 2020 Pension Plan Expenses	➤ Reviewed and Approved the 2021 Budget and Workplan.
➤ Recommended the Board approve updated terms of reference for the AABC	➤ Reviewed and Recommended the Board approve an updated Statement of Investment Policies & Goals (SIP&G)

## Other Agents of the Plan

Actuaries and Pension Consultants	Jacob Schwartz and David Larsen, Aon (Saskatoon)
Performance Measurement Consultants	John Myrah and Erin Achtemichuk, Aon (Regina)
Asset Servicing Provider	CIBC Mellon Global Securities Services (Calgary)
Record Keeper/Service Provider	Sun Life Financial

The primary purpose of this report is to:

- provide defined contribution plan members an overview of the Plan at December 31, 2021
- review investment options and investment performance in 2021
- report on the 2021 activities of the Academic & Administrative Benefits Committee (AABC)

Please contact the Pension and Benefits unit in Human Resources or any member of the AABC if you have any questions about the items covered in this report.

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*The information provided in this report is designed to give you an overview of the Academic & Administrative Pension Plan (defined contribution component) at December 31, 2021. Full details contained in the legal plan documents as well as applicable legislation will govern in all cases.*