Province of Saskatchewan

Order in Council 598/2015

Approved and Ordered: 17 December 2015

~~Lieutenant Governor~~ Administrator

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, makes *The Pension Benefits (Saskatoon Fire and Saskatoon Police) Amendment Regulations, 2015* in accordance with the attached Schedule.

President of the Executive Council

(For administrative purposes only.)

Recommended by: **Minister of Justice and Attorney General**

Authority: ***The Pension Benefits Act, 1992,* section 69**

JAG SA - 09-12-15

SCHEDULE to OC 598/2015

Title

1 These regulations may be cited as *The Pension Benefits (Saskatoon Fire and Saskatoon Police) Amendment Regulations, 2015.*

R.R.S. c.P-6.001 Reg 1 amended

2 *The Pension Benefits Regulations, 1993* are amended in the manner set forth in these regulations.

Section 2 amended

3 Clause 2(1)(r) is repealed and the following substituted:

"(r) **'special payments'** means payments mentioned in clause 36(3)(b) or (c), subsection 36(4), subsection 36.7(2), clause 36.8(6)(a), (7)(a) or (8)(a), subsection 36.8(9), clause 36.8(10)(b), subsection 36.8(11), clause 36.92(5)(b) or (6)(a) or (b), clause 36.96(7)(a), (8)(a) or (9)(a), subsection 36.96(10), clause 36.96(11)(b), subsection 36.96(12), clause 36.97(7)(a), (8)(a) or (9)(a), subsection 36.97(10), clause 36.97(11)(b) or subsection 36.97(12)".

Section 13 amended

4 Subclause 13(1)(h)(ii) is repealed and the following substituted:

"(ii) confirmation that special payments are being made to make the plan solvent in accordance with the Act and these regulations or a statement that special payments are not required to be made pursuant to subsection 36.7(3), 36.8(15), 36.92(7), 36.96(16) or 36.97(16)".

Section 36 amended

5(1) Subsection 36(1.1) is amended by adding ", 36.96 or 36.97" **after** "section 36.8".

(2) Clause 36(2)(b) is repealed and the following substituted:

"(b) sections 36.7, 36.8, 36.92, 36.96 and 36.97 to the extent, if any, that those sections apply".

New section 36.9

6 Section 36.9 is repealed and the following substituted:

"Prescribed plans

36.9 For the purposes of subsection 40(5) of the Act, the following are prescribed plans:

(a) The Target Retirement Income Plan for the Regina Police Service;

(b) Saskatoon Fire Fighters' Pension Plan;

(c) Saskatoon Police Pension Plan".

New sections 36.96 and 36.97

7 The following sections are added after section 36.95:

"The City of Saskatoon Fire and Protective Services Department Superannuation Plan

36.96(1) In this section:

(a) **'first actuarial valuation report'** means an actuarial valuation report filed in relation to the plan that has a review date of December 31, 2015;

(b) **'initial cost certificate'** means a cost certificate filed in relation to the plan that revises the December 31, 2012 review by taking into account the effect of the amendment mentioned in clause (4)(a);

(c) **'initial unfunded liability'** means, in relation to the plan, the amount by which the plan's going concern liabilities exceed its going concern assets, established in the first actuarial valuation report;

(d) **'new plan'** means the Saskatoon Fire Fighters' Pension Plan;

(e) **'plan'** means The City of Saskatoon Fire and Protective Services Department Superannuation Plan, registered pursuant to the Act as number 0308262;

(f) **'second actuarial valuation report'** means the actuarial valuation report filed in relation to the plan after the first actuarial valuation report;

(g) **'solvency deficiency payments'** means equal payments made at least monthly that are sufficient to amortize a solvency deficiency of the plan over a period not exceeding five years from the review date of the actuarial valuation report in which the solvency deficiency was established;

(h) **'third actuarial valuation report'** means the actuarial valuation report filed in relation to the plan after the second actuarial valuation report.

(2) For the purposes of clause (1)(f), the review date of the second actuarial valuation report must be not more than three years after the review date of the first actuarial valuation report.

(3) For the purposes of clause (1)(h), the review date of the third actuarial valuation report must be not more than three years after the review date of the second actuarial valuation report.

(4) This section applies to the plan if, on or before the day on which this section comes into force:

(a) the administrator files an amendment to the plan, with an effective date of January 1, 2016, providing that:

(i) benefits pursuant to the plan cease to accrue with respect to service by members after December 31, 2015; and

(ii) no new members are allowed to join the plan after December 31, 2015;

(b) the administrator files the initial cost certificate; and

(c) the employer provides a written statement to the superintendent stating that, effective January 1, 2016, the employer has assumed sole responsibility for the funding of the plan's liabilities, including any subsequently established unfunded liabilities.

(5) The administrator shall, within 90 days after the day on which this section comes into force, provide written notice to the superintendent and each member and former member and any other person who is entitled to a benefit pursuant to the plan that the plan will be funded in accordance with this section.

(6) When the initial cost certificate is filed, for the period from January 1, 2016 until the day on which the first actuarial valuation report is filed, the employer is not required to pay any special payments otherwise required to be made pursuant to clause 36(3)(b) and subsection 36.7(2) with respect to any unfunded liability mentioned in the initial cost certificate or any previously established unfunded liability.

(7) With respect to the initial unfunded liability:

(a) the employer shall, subject to subsection (10), pay into the plan payments consisting of equal payments made at least monthly that are sufficient to amortize the initial unfunded liability over a period not exceeding 40 years from January 1, 2017; and

(b) the employer is not required to pay any special payments otherwise required to be made pursuant to clause 36(3)(b) and subsection 36.7(2) with respect to any unfunded liability of the plan established as of a review date before December 31, 2015.

(8) If the plan has an unfunded liability that is established in the second actuarial valuation report:

(a) the employer shall, subject to subsection (10), pay into the plan payments consisting of equal payments made at least monthly that are sufficient to amortize the unfunded liability over a period not exceeding 40 years from January 1, 2017; and

(b) the employer is not required to pay any special payments otherwise required to be made pursuant to clause 36(3)(b), subsection 36.7(2) or clause (7)(a) with respect to any unfunded liability of the plan established as of a review date before the review date of the second actuarial valuation report.

(9) If the plan has an unfunded liability that is established in the third actuarial valuation report:

(a) the employer shall, subject to subsection (10), pay into the plan payments consisting of equal payments made at least monthly that are sufficient to amortize the unfunded liability over a period not exceeding 40 years from January 1, 2017; and

(b) the employer is not required to pay any special payments otherwise required to be made pursuant to clause 36(3)(b), subsection 36.7(2) or clause (7)(a) or (8)(a) with respect to any unfunded liability of the plan established as of a review date before the review date of the third actuarial valuation report.

(10) The employer may elect to make, instead of the special payments mentioned in clause (7)(a), (8)(a) or (9)(a), at least monthly payments expressed in such a manner that:

(a) each payment is a constant percentage of the future payroll of the members of the new plan who are making contributions to the new plan, projected as of the review date of the establishment of the unfunded liability; and

(b) the actuarial present value of all of the payments over the period selected for the purposes of clause (7)(a), (8)(a) or (9)(a), as the case may be, is equal to the unfunded liability mentioned in clause (a).

(11) If the plan has an unfunded liability that is established in an actuarial valuation report filed in relation to the plan after the third actuarial valuation report:

(a) the unfunded liability established in that actuarial valuation report must be funded separately and not combined with any previously established unfunded liability;

(b) the employer shall, subject to subsection (12), pay into the plan payments consisting of equal payments made at least monthly that are sufficient to amortize the unfunded liability mentioned in clause (a) over a period not exceeding 10 years from the review date of the establishment of the unfunded liability;

(c) any unfunded liability established in the third actuarial valuation report must continue to be amortized over a period not exceeding 40 years from January 1, 2017;

(d) any unfunded liability established in any previous actuarial valuation report filed in relation to the plan after the third actuarial valuation report must continue to be amortized over a period not exceeding 10 years from the review date of the establishment of that unfunded liability; and

(e) the employer shall continue to pay any special payments required to be made pursuant to subsection (9) or (10) or this subsection with respect to any unfunded liability established in any previous actuarial valuation report.

(12) The employer may elect to make, instead of the special payments mentioned in clause (11)(b), at least monthly payments expressed in such a manner that:

(a) each payment is a constant percentage of the future payroll of the members of the new plan who are making contributions to the new plan, projected as of the review date of the establishment of the unfunded liability mentioned in clause (11)(a); and

(b) the actuarial present value of all of the payments over the period selected for the purposes of clause (11)(b) is equal to the unfunded liability mentioned in clause (a).

(13) The employer may elect to defer the commencement of the amortization period mentioned in clause (8)(a), (9)(a) or (11)(b), as the case may be, to a day that is not later

than one year from the review date.

(14) If the commencement date of the amortization period mentioned in clause (8)(a), (9)(a) or (11)(b) has been deferred pursuant to subsection (13):

(a) the amortization period mentioned in that clause must be decreased by a period equal to the period for which the commencement of the payments has been deferred; and

(b) the actuarial present value of all of the payments over the amortization period selected for the purposes of clause (8)(a), (9)(a) or (11)(b), as the case may be, must be equal to the actuarial present value of the payments required to be paid pursuant to the applicable clause.

(15) The administrator shall ensure that any solvency deficiency and solvency ratio of the plan continue to be established and reported in an actuarial valuation report prepared in accordance with clauses 10(2)(d) and (e).

(16) When the initial cost certificate has been filed or if the review date of an actuarial valuation report that has been filed in relation to the plan is on or after December 31, 2015:

(a) clauses 36(3)(c) and 36.2(4)(d) cease to apply to the plan;

(b) any solvency deficiency mentioned in that initial cost certificate or established in that actuarial valuation report or in any previous actuarial valuation report is not required to be amortized; and

(c) any solvency deficiency payments relating to the solvency deficiency mentioned in that initial cost certificate or established in that actuarial valuation report or in any previous actuarial valuation report are not required to be paid.

(17) If a solvency deficiency is mentioned in the initial cost certificate or established in an actuarial valuation report that has been filed in relation to the plan with a review date on or after December 31, 2015, the administrator shall ensure that:

(a) the initial cost certificate or the actuarial valuation report in which the solvency deficiency is mentioned or established includes a schedule of solvency deficiency payments, notwithstanding that no solvency deficiency payments are required to be paid; and

(b) the plan continues to comply with section 28 and any solvency ratio reported in the initial cost certificate or the actuarial valuation report mentioned in this section is used for the purposes of determining any transfer deficiency pursuant to section 28.

(18) The administrator shall not file an amendment to the plan that improves benefits provided by the plan until after the third actuarial valuation report has been filed.

(19) After the third actuarial valuation report has been filed, the administrator shall not file an amendment to the plan that improves benefits provided by the plan if:

(a) the plan has an unfunded liability as established and reported in the most recent actuarial valuation report;

(b) the solvency ratio of the plan as established and reported in the most recent actuarial valuation report is less than 1:1;

(c) the amendment would create an unfunded liability as established and reported in accordance with subsection 8(3); or

(d) the amendment would reduce the solvency ratio of the plan as established and reported in accordance with subsection 8(3) and the solvency ratio would be less than 1:1 once the amendment is made.

(20) Subject to subsection (21), if an actuarial valuation report or cost certificate with a review date on or after December 31, 2015 reveals that the plan has surplus assets and if an unfunded liability of the plan has not yet been amortized, the surplus assets must not be used to reduce the amount of any special payments due to the plan to an amount below that mentioned in clause (7)(a) or subsection (10), but may:

(a) be applied to reduce the amortization period applicable to the payment of an unfunded liability; or

(b) be used to reduce the amount of any special payments due to the plan to an amount equal to or exceeding the amount of the payments mentioned in clause (7)(a) or subsection (10).

(21) Surplus assets mentioned in subsection (20) must be applied to amortize or reduce the oldest established unfunded liabilities before later unfunded liabilities are amortized or reduced.

(22) The plan must be administered in accordance with the Act, these regulations and the plan documents mentioned in section 16 of the Act, as those plan documents may be amended from time to time.

"The Retirement Plan for Employees of the Saskatoon Board of Police Commissioners
36.97(1) In this section:

(a) **'first actuarial valuation report'** means an actuarial valuation report filed in relation to the plan that has a review date of December 31, 2015;

(b) **'initial cost certificate'** means a cost certificate filed in relation to the plan that revises the December 31, 2012 review by taking into account the effect of the amendment mentioned in clause (4)(a);

(c) **'initial unfunded liability'** means, in relation to the plan, the amount by which the plan's going concern liabilities exceed its going concern assets, established in the first actuarial valuation report;

(d) **'new plan'** means the Saskatoon Police Pension Plan;

(e) **'plan'** means The Retirement Plan for Employees of the Saskatoon Board of Police Commissioners, registered pursuant to the Act as number 0206102;

(f) **'second actuarial valuation report'** means the actuarial valuation report filed in relation to the plan after the first actuarial valuation report;

(g) **'solvency deficiency payments'** means equal payments made at least monthly that are sufficient to amortize a solvency deficiency of the plan over a period not exceeding five years from the review date of the actuarial valuation report in which the solvency deficiency was established;

(h) **'third actuarial valuation report'** means the actuarial valuation report filed in relation to the plan after the second actuarial valuation report.

(2) For the purposes of clause (1)(f), the review date of the second actuarial valuation report must be not more than three years after the review date of the first actuarial valuation report.

(3) For the purposes of clause (1)(h), the review date of the third actuarial valuation report must be not more than three years after the review date of the second actuarial valuation report.

(4) This section applies to the plan if, on or before the day on which this section comes into force:

(a) the administrator files an amendment to the plan, with an effective date of January 1, 2016, providing that:

(i) benefits pursuant to the plan cease to accrue with respect to service by members after December 31, 2015; and

(ii) no new members are allowed to join the plan after December 31, 2015;

(b) the administrator files the initial cost certificate; and

(c) the employer provides a written statement to the superintendent stating that, effective January 1, 2016, the employer has assumed sole responsibility for the funding of the plan's liabilities, including any subsequently established unfunded liabilities.

(5) The administrator shall, within 90 days after the day on which this section comes into force, provide written notice to the superintendent and each member and former member and any other person who is entitled to a benefit pursuant to the plan that the plan will be funded in accordance with this section.

(6) When the initial cost certificate is filed, for the period from January 1, 2016 until the day on which the first actuarial valuation report is filed, the employer is not required to pay any special payments otherwise required to be made pursuant to clause 36(3)(b) and subsection 36.7(2) with respect to any unfunded liability mentioned in the initial cost certificate or any previously established unfunded liability.

(7) With respect to the initial unfunded liability:

(a) the employer shall, subject to subsection (10), pay into the plan payments consisting of equal payments made at least monthly that are sufficient to amortize the initial unfunded liability over a period not exceeding 40 years from January 1, 2017; and

(b) the employer is not required to pay any special payments otherwise required to be made pursuant to clause 36(3)(b) and subsection 36.7(2) with respect to any unfunded liability of the plan established as of a review date before December 31, 2015.

(8) If the plan has an unfunded liability that is established in the second actuarial valuation report:

(a) the employer shall, subject to subsection (10), pay into the plan payments consisting of equal payments made at least monthly that are sufficient to amortize the unfunded liability over a period not exceeding 40 years from January 1, 2017; and

(b) the employer is not required to pay any special payments otherwise required to be made pursuant to clause 36(3)(b), subsection 36.7(2) or clause (7)(a) with respect to any unfunded liability of the plan established as of a review date before the review date of the second actuarial valuation report.

(9) If the plan has an unfunded liability that is established in the third actuarial valuation report:

(a) the employer shall, subject to subsection (10), pay into the plan payments consisting of equal payments made at least monthly that are sufficient to amortize the unfunded liability over a period not exceeding 40 years from January 1, 2017; and

(b) the employer is not required to pay any special payments otherwise required to be made pursuant to clause 36(3)(b), subsection 36.7(2) or clause (7)(a) or (8)(a) with respect to any unfunded liability of the plan established as of a review date before the review date of the third actuarial valuation report.

(10) The employer may elect to make, instead of the special payments mentioned in clause (7)(a), (8)(a) or (9)(a), at least monthly payments expressed in such a manner that:

(a) each payment is a constant percentage of the future payroll of the members of the new plan who are making contributions to the new plan, projected as of the review date of the establishment of the unfunded liability; and

(b) the actuarial present value of all of the payments over the period selected for the purposes of clause (7)(a), (8)(a) or (9)(a), as the case may be, is equal to the unfunded liability mentioned in clause (a).

(11) If the plan has an unfunded liability that is established in an actuarial valuation report filed in relation to the plan after the third actuarial valuation report:

(a) the unfunded liability established in that actuarial valuation report must be funded separately and not combined with any previously established unfunded liability;

(b) the employer shall, subject to subsection (12), pay into the plan payments consisting of equal payments made at least monthly that are sufficient to amortize the unfunded liability mentioned in clause (a) over a period not exceeding 10 years from the review date of the establishment of the unfunded liability;

(c) any unfunded liability established in the third actuarial valuation report must continue to be amortized over a period not exceeding 40 years from January 1, 2017;

(d) any unfunded liability established in any previous actuarial valuation report filed in relation to the plan after the third actuarial valuation report must continue to be amortized over a period not exceeding 10 years from the review date of the establishment of that unfunded liability; and

(e) the employer shall continue to pay any special payments required to be made pursuant to subsection (9) or (10) or this subsection with respect to any unfunded liability established in any previous actuarial valuation report.

(12) The employer may elect to make, instead of the special payments mentioned in clause (11)(b), at least monthly payments expressed in such a manner that:

(a) each payment is a constant percentage of the future payroll of the members of the new plan who are making contributions to the new plan, projected as of the review date of the establishment of the unfunded liability mentioned in clause (11)(a); and

(b) the actuarial present value of all of the payments over the period selected for the purposes of clause (11)(b) is equal to the unfunded liability mentioned in clause (a).

(13) The employer may elect to defer the commencement of the amortization period mentioned in clause (8)(a), (9)(a) or (11)(b), as the case may be, to a day that is not later than one year from the review date.

(14) If the commencement date of the amortization period mentioned in clause (8)(a), (9)(a) or (11)(b) has been deferred pursuant to subsection (13):

(a) the amortization period mentioned in that clause must be decreased by a period equal to the period for which the commencement of the payments has been deferred; and

(b) the actuarial present value of all of the payments over the amortization period selected for the purposes of clause (8)(a), (9)(a) or (11)(b), as the case may be, must be equal to the actuarial present value of the payments required to be paid pursuant to the applicable clause.

(15) The administrator shall ensure that any solvency deficiency and solvency ratio of the plan continue to be established and reported in an actuarial valuation report prepared in accordance with clauses 10(2)(d) and (e).

(16) When the initial cost certificate has been filed or if the review date of an actuarial valuation report that has been filed in relation to the plan is on or after December 31, 2015:

(a) clauses 36(3)(c) and 36.2(4)(d) cease to apply to the plan;

(b) any solvency deficiency mentioned in that initial cost certificate or established in that actuarial valuation report or in any previous actuarial valuation report is not required to be amortized; and

(c) any solvency deficiency payments relating to the solvency deficiency mentioned in that initial cost certificate or established in that actuarial valuation report or in any previous actuarial valuation report are not required to be paid.

(17) If a solvency deficiency is mentioned in the initial cost certificate or established in an actuarial valuation report that has been filed in relation to the plan with a review date on or after December 31, 2015, the administrator shall ensure that:

(a) the initial cost certificate or the actuarial valuation report in which the solvency deficiency is mentioned or established includes a schedule of solvency deficiency payments, notwithstanding that no solvency deficiency payments are required to be paid; and

(b) the plan continues to comply with section 28 and any solvency ratio reported in the initial cost certificate or the actuarial valuation report mentioned in this section is used for the purposes of determining any transfer deficiency pursuant to section 28.

(18) The administrator shall not file an amendment to the plan that improves benefits provided by the plan until after the third actuarial valuation report has been filed.

(19) After the third actuarial valuation report has been filed, the administrator shall not file an amendment to the plan that improves benefits provided by the plan if:

(a) the plan has an unfunded liability as established and reported in the most recent actuarial valuation report;

(b) the solvency ratio of the plan as established and reported in the most recent actuarial valuation report is less than 1:1;

(c) the amendment would create an unfunded liability as established and reported in accordance with subsection 8(3); or

(d) the amendment would reduce the solvency ratio of the plan as established and reported in accordance with subsection 8(3) and the solvency ratio would be less than 1:1 once the amendment is made.

(20) Subject to subsection (21), if an actuarial valuation report or cost certificate with a review date on or after December 31, 2015 reveals that the plan has surplus assets and if an unfunded liability of the plan has not yet been amortized, the surplus assets must not be used to reduce the amount of any special payments due to the plan to an amount below that mentioned in clause (7)(a) or subsection (10), but may:

(a) be applied to reduce the amortization period applicable to the payment of an unfunded liability; or

(b) be used to reduce the amount of any special payments due to the plan to an amount equal to or exceeding the amount of the payments mentioned in clause (7)(a) or subsection (10).

(21) Surplus assets mentioned in subsection (20) must be applied to amortize or reduce the oldest established unfunded liabilities before later unfunded liabilities are amortized or reduced.

(22) The plan must be administered in accordance with the Act, these regulations and the plan documents mentioned in section 16 of the Act, as those plan documents may be amended from time to time".

Appendix, Part II, new Table 1

8 Table 1 in Part II of the Appendix is repealed and the following substituted:

"TABLE 1
Specified Plans
(Subsection 36.7(1))

Item Number	Name of Plan
1	The Target Retirement Income Plan for the Regina Police Service
2	General Superannuation Plan for City of Saskatoon Employees Not Covered by the Police and Fire Departments' Superannuation Plan
3	Saskatoon Fire Fighters' Pension Plan
4	Saskatoon Police Pension Plan
5	Retirement Plan for Employees of City of Weyburn
6	Municipal Employees' Pension Plan
7	Pension Plan for the Non-teaching Employees of the Saskatoon Board of Education
8	Saskatchewan Healthcare Employees' Pension Plan
9	The Contributory Superannuation Plan for the Employees of Saskatchewan Government Insurance
10	Saskatchewan Research Council Employees' Pension Plan
11	Saskatchewan Teachers' Retirement Plan
12	Saskatchewan Telecommunications Pension Plan
13	Pension Plan for Employees of the Saskatchewan Workers' Compensation Board
14	Pension Plan for Academic and Administrative Employees of the University of Regina
15	The University of Regina Non-Academic Pension Plan
16	The Pension Plan for the Academic Employees of the University of Saskatchewan, 1974
17	University of Saskatchewan 1999 Academic Pension Plan
18	University of Saskatchewan and Federated Colleges Non-Academic Pension Plan

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Coming into force

9(1) Subject to subsection (2), these regulations come into force on January 1, 2016.

(2) If these regulations are filed with the Registrar of Regulations after January 1, 2016, these regulations come into force on the day on which they are filed with the Registrar of Regulations but are retroactive and are deemed to have been in force on and from January 1, 2016.