

## Drivers Impacting City of Saskatoon General Plan

- All the above drivers affect the General Plan
- An actuarial valuation was conducted at December 31, 2012
  - If contribution rates were implemented at January 1, 2014, contributions would rise from
    - 15.8% (7.9% for employees and 7.9% for employers) to
    - \* - 21.6% (10.8% for employees and 10.8% for employers)
      - Employee contributions above Canada Revenue Agency limits
      - Creates excesses for younger employees
  - The valuation and new contribution rates reflect
    - Solvency exemption for public sector plans recently adopted by Saskatchewan
  - The valuation and new contribution rates do not reflect
    - Improvements in mortality (could have 5% to 10% impact on accrued liabilities)
    - Level of margins desired by the Superintendent of Pensions

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- \* • City of Saskatoon clearly indicated that an increase in contribution rates is not affordable
- \* • City of Saskatoon clearly indicated that risk of future additional increases in contribution rates is not acceptable