PENSION NEWS

Volume 11 | Fall 2025

WHAT YOU NEED TO KNOW...

A quick glance at the information you'll find in your newsletter.

YOUR COST OF LIVING ADJUSTMENT

Good news! A cost of living adjustment (COLA) will be provided to members of the Plan on January 1, 2026. The amount granted is:

5.12%

More information about this year's cost of living calculation can be found on Page 2.

NEW!

THE FIRST CUPE HOSPITALS SRP ANNUAL REPORT

More information about the inaugural Annual Report can be found on Page 4.

WHAT WERE THE FUNDING RESULTS IN 2024?

Termination Value Funded Ratio

98.8%

15-Year Open Group Funded Ratio

129.0%

More information can be found on Page 3.

COLA Awarded Since the Plan Became the CUPE Hospitals SRP

Year Awarded Jan. 1	CPI (%)	COLA (%)
2026	2.01%	5.12%*
2025	3.11%	4.63%*
2024	5.59%	3.60%**
2023	5.56%	2.74%**
2022	1.46%	1.46%
2021	1.46%	1.46%
2020	2.12%	2.12%
2019	1.88%	1.88%
2018	1.47%	1.47%
2017	1.40%	1.40%
2016	1.49%	1.49%
2015	1.43%	1.43%
2014	0.96%	1.36%*
2013	2.40%	2.00%**

***Includes the full increase in the Canadian CPI, plus an additional percentage that was not awarded in prior years.**

****Partial COLA awarded.**

YOUR COST OF LIVING ADJUSTMENT

Cost of living adjustments (COLA) are meant to help you keep up with inflation – whether you are an active member saving for your future retirement or a retiree drawing a pension. This year's COLA granted to all CUPE Hospitals SRP members is:

5.12%

If you're a retiree, the increase will be applied to your monthly pension benefit as of January 1, 2026. You'll receive notification of this increase in writing in December 2025. If you're an active or deferred member, the increase will be applied to the benefits you've earned up to December 31, 2024. Each increase you receive will continue to compound until you retire.

Visit the "Cost of Living Adjustments" section of **cupeh.ca** for more information.

This year's COLA includes:

2.01% to match the average increase in the Consumer Price Index (CPI) as determined by Statistics Canada

PLUS

3.11% to partially catch up on the COLA that was not granted during the recent periods of high inflation (2023 - 2024)

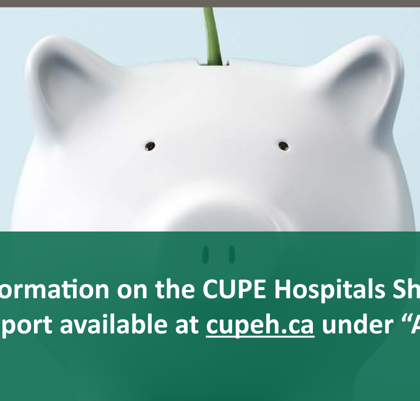
CHECK-UP ON THE PLAN'S HEALTH

ACTUARIAL VALUATION

The Plan's health is reviewed each year by your Board of Trustees and the Plan's independent actuary. Together, they look at the funding level and risk management of the Plan. Then, your Board uses these findings to make decisions on the next COLA (see page 2) and other improvements for members like you.

RISK MANAGEMENT RESULTS

Primary Risk Management Goal The probability that base benefits will not be reduced at any point over the next 20 years. Thresholds required under the *Pension Benefits Act* (New Brunswick): 95.0% for contingent indexing (COLA) and 97.5% for all other benefit changes.	**99.95%**
1st Secondary Risk Management Goal Provide indexing in excess of 71.5% of Consumer Price Index (CPI) to members and retirees over the next 20 years.	**97.90% of CPI**
2nd Secondary Risk Management Goal Achieve at least 75% probability that ancillary benefits (i.e., early retirement benefits) can be provided over the next 20 years.	**99.95%**



FUNDING RESULTS IN 2024

To determine the funding level of the CUPE Hospitals SRP, the Plan's actuary, TELUS Health, compares the Plan's assets (what it owns) to its liabilities (what it owes). See the results below.

Termination Value Funded Ratio

98.8%

The Termination Value Funded Ratio compares the fair market value of the assets of the Plan to its liabilities at the date of the actuarial valuation, in this case, December 31, 2024.

This ratio is used in calculating a member's benefits upon termination of employment, death, or marriage breakdown.

Open Group Funded Ratio

129.0%

The 15-Year Open Group Funded Ratio compares the fair market value of the Plan's assets, plus the present value of excess contributions over the next 15 years, to the Plan's liabilities. It is used in determining the COLA to be granted and in making other Board decisions.

For more information on the CUPE Hospitals Shared Risk Plan's funding level and risk management, see the Actuarial Valuation Report available at cupeh.ca under "About the CUPE Hospitals SRP", then "Financial and Actuarial Results".

THE FIRST CUPE HOSPITALS SRP ANNUAL REPORT

We are excited to announce that we are hard at work producing our first Annual Report – for 2024 – to provide more information and transparency about your CUPE Hospitals SRP. Here are some of the great features you can expect to see that go beyond the information in your bi-annual newsletters:

- 2024 year in numbers
- Board and committee activities, decisions, and accomplishments
- Board training, attendance, and expenses
- Service providers, including member services and communications
- Cost of administering the Plan
- Asset mix
- Financial statements

2026 CUPE HOSPITALS SRP PENSION PAYMENT DATES

01 JANUARY	30 JANUARY (FOR FEBRUARY)	27 FEBRUARY (FOR MARCH)	01 APRIL	01 MAY	01 JUNE
30 JUNE (FOR JULY)	31 JULY (FOR AUGUST)	01 SEPTEMBER	01 OCTOBER	30 OCTOBER (FOR NOVEMBER)	01 DECEMBER

AMENDMENTS & FILING REQUIREMENTS

The New Brunswick *Pension Benefits Act* requires that Plan members be provided with an update on any Plan amendments. There were no amendments to governing documents, nor any filing requirements since the last newsletter.

The governing documents of the CUPE Hospitals SRP are available at **cupeh.ca**, and include:

- **The Funding Policy:** the tool used by the Board of Trustees to manage the inherent risks of the Plan. It is a document that provides guidance and rules regarding decisions that must, or may, as applicable, be made by the Board of Trustees around funding level, contributions and benefits. The Funding Policy is accessible at **cupeh.ca/fp**. A quick summary of some of the main provisions of the Funding Policy of the CUPE Hospitals SRP is available at **cupeh.ca/sfp**.

IMPORTANT CONSIDERATIONS
FOR RETIREES RETURNING TO WORK

Some members of the CUPE Hospitals SRP may decide to return to work after they retire. Bear in mind, if you return to work in a position that participates in the CUPE Hospitals SRP, this can have an impact on your pension.

IF YOU RETURN TO WORK (in a position which participates in the CUPE HOSPITALS SRP):

A

ON A PERMANENT FULL- OR PART-TIME BASIS
You will be required to pause your pension and resume contributing to the CUPE Hospitals SRP immediately.[1]

B

ON A CASUAL OR TEMPORARY BASIS
You will have to pause your pension and resume contributing to the CUPE Hospitals SRP once you meet the requirements below.[2]

THE TWO REQUIREMENTS

Requirement #1

You've had 24 months of continuous employment[3] from your most recent hire date.

Requirement #2

You've passed the 35% YMPE Requirement test.

To pass the Year's Maximum Pensionable Earnings (YMPE) Requirement, you must earn a minimum of 35% of the YMPE for each of the prior two consecutive calendar years. The YMPE is set by the Government of Canada and is updated each year. In 2024, the YMPE was $68,500, and in 2025 it is set at $71,300. If you earned $23,975 or more in 2024, and $24,955 or more in 2025, you will have met the 35% YMPE Requirement effective January 1, 2026. **The YMPE Requirement test is conducted by your employer** on January 1 of each year using the earnings and YMPE from the previous two calendar years.

If you have any questions, please don't hesitate to contact Vestcor's Member Services Team at 1-800-561-4012 or info@vestcor.org. Vestcor provides day-to-day administration services to members of the CUPE Hospitals SRP, on behalf of the Board of Trustees.

[1] *Contributions cease under the CUPE Hospitals SRP for all members once they reach age 65. If you are 65 or older when becoming permanent full- or part-time, or once meeting the two requirements listed above as a casual or temporary, your pension will not be paused.*
[2] *These requirements would only be based on earnings/employment accrued from the date of rehire after initial retirement.*
[3] *Continuous employment includes periods of authorized vacation or leaves of absence (with or without pay), periods of lay-off up to one year, and periods of work stoppages or breaks in service up to six months.*

NAMING YOUR BENEFICIARY:

YOUR PRE-RETIREMENT BENEFITS & THE PEOPLE WHO MATTER MOST TO YOU

WHAT IS A BENEFICIARY?

Beneficiaries are the individuals who will receive the benefit available under the CUPE Hospitals SRP in the event of your death. **Your spouse is your pension beneficiary in the event of your death** unless the appropriate waiver has been signed (see below). You do not have to name your spouse as your beneficiary. Even if you were to name someone other than your spouse as your beneficiary, your spouse would still be entitled to the death benefit available upon your death.

Under the CUPE Hospitals SRP, a spouse is a person who is either:

- Legally married to the member.
- Has cohabitated in a conjugal relationship with the member for a continuous period of at least two years immediately before the date in question.

WHAT IF I WANT SOMEONE OTHER THAN MY SPOUSE TO RECEIVE THE BENEFIT?

If you would like someone other than your spouse to receive the pension benefit in the event of your death, and your spouse agrees, your spouse can sign a **Pre-retirement Death Benefit Waiver Form (Form 9)** and waive all or a portion of their entitlement to the death benefit. This form can be found at cupeh.ca or by phone at 1-800-561-4012.

If you do not have a spouse, you can name the beneficiary of your choice.

WHAT HAPPENS IF I DON'T NAME A BENEFICIARY?

If you do not name a beneficiary and you do not have a spouse at the time of your death, the death benefit will be paid to your estate. Naming a beneficiary or beneficiaries allows for the direct payment of the death benefit without it having to go through your estate.

HOW DO I DESIGNATE OR CHANGE MY BENEFICIARY?

If you would like to designate or change a beneficiary, please complete the **Designation/Change of Beneficiary Form** found at cupeh.ca and forward it to Vestcor.

If you need additional help with the process, contact the Vestcor Member Services Team at 1-800-561-4012.

Naming more than one beneficiary?

When filling out your Designation/Change of Beneficiary Form, you will be asked to assign a percentage of the benefit to each beneficiary. Remember, the percentages assigned to your beneficiaries must total 100%.

For example, if you include three beneficiaries and wish to provide them with equal shares, two must receive 33.33% and one 33.34%, so that the total equals 100%.

33.33% + 33.33% + 33.34% = 100%

OTHER RESOURCES

MEMBER BOOKLET

Your Member Booklet contains detailed information on everything you need to know about your Plan. In addition, the At-A-Glance document provides a helpful summary of the key information found in the Member Booklet. Access both at cupeh.ca.

PLAN WEBSITE

Find important forms, past newsletters, helpful videos, the governing documents of the Plan, and much more. Visit cupeh.ca.

RETIREMENT VIDEO

NEW! Visit the Plan's YouTube channel, youtube.com/@CUPEH-SCFPH for videos about your Plan, including valuable information to help guide you through the retirement process.

2025 BOARD OF TRUSTEES

CONTACT US

Shared Risk Plan for CUPE Employees of NB Hospitals (CUPE Hospitals SRP)
cupeh.ca

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