



**Special Forces
Pension Plan**



2024 WINTER
Newsletter

SFPP CORPORATION
sfpp.ca

Message from the CEO

In November, the Government of Alberta announced a reset of the leadership and operational direction of Alberta Investment Management Corporation (AIMCo), citing concerns about rising costs and declining performance.

As the legislated investment manager for SFPP, AIMCo plays a critical role in managing the day-to-day investment of your pension plan assets in alignment with the strategy set by SFPP Corporation. These roles and responsibilities have not changed.

SFPP Corporation has a vested interest in AIMCo's management and governance changes. We will continue working closely with AIMCo and expect to see improved investment returns with reduced service costs. The Government of Alberta has committed to refocusing AIMCo on its core mandate of delivering a client-centred service model that adds value and meets the unique needs of its clients, including SFPP.

Meanwhile, the SFPP Fund continues to grow. Most recently, in the third quarter of 2024, SFPP has experienced positive returns contributing to a year-to-date return of 9.53%. This positive performance increased the Fund's value by \$399.4 million, bringing its total value to \$4.59 billion. Equities were the largest contributor to returns, adding 2.15%, thanks to the strong performance of global equities. Fixed income was the second-largest contributor, adding 1.32%.

I'm delighted to share that your pension plan is fully funded. This strong financial position, supported by a positive actuarial valuation, has allowed us to reduce contribution rates and provide retirees with a 70% cost-of-living adjustment in 2025.

Looking ahead to 2025, we are excited to introduce several initiatives to keep you informed and engaged with your pension plan. These include online educational sessions and ongoing improvements to our digital tools to better serve Plan members.

On behalf of everyone at SFPP Corporation, I wish you a joyful holiday season and a wonderful new year. As 2024 comes to a close, I extend my heartfelt gratitude for your dedication and service to our communities. Rest assured, we remain committed to safeguarding your future by ensuring your pension stays healthy and secure, ready for when you need it.



Liz Doughty, CEO
SFPP Corporation



COLA set for 2025

SFPP Corporation is pleased to announce that retired and deferred members will receive cost-of-living adjustments (COLA) in 2025.

Due to the Plan's healthy funded status, for the third year in a row, the Sponsor Board is granting COLA increases above the target for Post-2000 service in recognition of the significant pressure high inflation has had on our retired and deferred members.

The COLA received is based on the period when you earned your pensionable service.

- Pre-2001 service: COLA is guaranteed at 60% of the increase in the Alberta Consumer Price Index (Alberta CPI).
- Post-2000 service: COLA is being granted at 70% of the increase in the Alberta CPI for 2025.

Details of the 2025 COLA are as follows:

- Retired and deferred members with pre-2001 service will see that portion of their pension increase by 1.74%.
- Retired and deferred members with service earned after 2000 will see that portion of their pension increase by 2.03%.

COLA is automatically applied to your pension and you will see your new monthly amount in your annual statement.

For more about COLA, visit sfpp.ca.



COLA GRANTED AT

70%

**OF THE
INCREASE IN THE
ALBERTA CPI
FOR POST-2000
SERVICE**

Tax slips ready by end of February

Tax slips will be available in your secure online account by the end of February 2025.

You will receive a tax slip from us for your 2024 tax return if you:

- received a regular monthly pension payment
- received a payment as a beneficiary or pension partner
- made a buyback purchase through SFPP
- received a pension payout or lump sum payment

If you have registered for your secure online account, your tax slip will be available in the Document Centre at the end of February 2025. If you do not require a paper copy of your tax slip from SFPP, please log in by mid-January and select 'go green' to avoid receiving a paper copy.

If you are not registered for your online account, or you have not chosen to receive your documents electronically, printed tax slips will be put in the mail by the end of February. If you received a payment from SFPP and are no longer an active Plan member, your tax slip will also be in the mail by the end of February.



To receive your tax slip as soon as possible, log in to your secure online account and confirm your current contact information and correct mailing address.



Online Education

ONLINE EDUCATION SESSIONS OFFERED IN 2025

Several exciting learning opportunities will be available in 2025, covering everything from general information about your pension to how to prepare for retirement.

GENERAL PENSION INFORMATION SESSION

The online general pension information sessions offered in the fall of 2024 were well received, and four general online information sessions will be held throughout 2025. Whether you're new to SFPP, mid-career, or approaching retirement, the general pension information session covers several relevant topics throughout your career, including calculating your pension, the bridge benefit, your various pension options, buying service, the retirement process, and more.

The first session in 2025 will be held on
Thursday, February 20, from 5 p.m. – 9 p.m.



BUYBACK SESSION

The buyback session is for members looking to increase their SFPP pension by purchasing eligible service such as leaves, prior service with an SFPP employer, service under a different plan, or transfers into SFPP. This session will help you understand the value of buying back service, the cost to purchase service, and your payment options.

TERMINATION, DEATH, AND DISABILITY SESSION

This session will help you understand how your SFPP pension remains secure if you are changing employers or faced with a difficult health situation. It covers a range of topics, including the options available in the event of a career change, a disability, or a death.

RETIREMENT GROUP SESSION

The retirement session will help you learn about your future pension, the pension estimator tool, the lifetime pension you'll receive, how the bridge benefit works, and much more.

ONE-ON-ONE RETIREMENT INFORMATION SESSION

If you plan to retire in the next two to three years, you can always sign up for a one-on-one retirement information session. These 30-minute sessions are available in person, over the phone, or online throughout the year. A session will help you understand your retirement options based on your individual situation and let you know what you need to do now to ensure everything is in order when you're ready to start the retirement process.

For dates and enrolment, visit
sfpp.ca/informationssessions.

Buying back a leave of absence is good for your pension

Your pension is calculated based on a formula that considers years of pensionable service and pensionable salary. The more pensionable service you accumulate, the higher your pension will be. A great way to potentially increase your future pension is by buying back a leave of absence.

If you have had periods of leave from your job when you were not contributing to the Plan, you may be able to buy back that service on a contributions cost basis. This includes typical leaves of absence as well as if you worked in a job-sharing arrangement or on a part-time basis temporarily to care for your child or another family member. Purchasing this service would increase your total pensionable service in the Plan, leading to a higher monthly pension income and even the possibility of retiring earlier.

You are able to buy up to five years of leave and an additional three years of parental leave. For the first year of leave that you buy in SFPP, your employer pays their share of contributions with interest and you pay the employee share. After your first year of leave has been purchased within the deadlines, you will be responsible for paying both the employee and employer shares for any subsequent years of leave in SFPP up to the leave limits.

SEE THE DIFFERENCE BUYING BACK YOUR SERVICE WILL MAKE

You can use the pension estimator to calculate how much your pension would grow if you purchased the leave of absence. Simply run two estimates (one adding in the extra service and one without it) and then compare the difference. Make sure you multiply that difference by the number of years you expect to live after you retire and you just might discover a buyback is well worth the money.

GETTING YOUR BUYBACK STARTED

If you have a leave of absence in 2024 that is eligible to purchase, you will automatically receive a *Buyback Proposal* in your secure online account on **sfpp.ca** and by mail in 2025. This package includes everything you need to know about buying that service, including payment options and important deadlines. You can check open buybacks by logging in to your secure online account on **sfpp.ca**. If you have any open buybacks available for purchase, a message will appear in your online account.

If you worked in a job-sharing arrangement or on a part-time basis temporarily to care for your child or another family member after December 31, 2021, stay tuned to **sfpp.ca** for next steps. Because this option is still fairly new, we are working with our service provider to examine ways to automate the process.

For more information about buybacks, visit **sfpp.ca**.



You can now make your buyback decision online and make a lump sum payment or your first instalment with pre-authorized debit.

Visit your secure online account at **sfpp.ca** to set it up.



Document Centre upgrade to serve you better

NEW TAB TO APPEAR WHEN ACTION IS REQUIRED

Document Centre, one of the newest features in your secure online account, is about to get even better.

When you log in to your secure online account, you will notice a feature in the menu called Document Centre, which allows you to upload and download documents related to your pension benefit. In early 2025, Document Centre will be getting an upgrade by way of a new tab called "Action Required." The tab will only be visible if there is information we need from you.

For example, if you returned to work after a leave of absence, you would receive a letter from SFPP stating that you can buy back your service. The next time you log in, the Action Required tab will be visible and the forms you need to complete will be waiting for you when you open the tab. Just click the link to download the documents, complete the required information, and upload it to Document Centre for submission.



Multi-factor authentication to replace security questions

EXTRA LAYER OF SECURITY TO PROTECT YOUR INFORMATION

What is the name of your elementary school?

What was the make of your first car?

There is always a chance that someone trying to access your personal online account will guess the answer to your security question. Ensuring your privacy and protecting your personal information is paramount at SFPP. That's why we're eliminating the security question option for accessing your secure online account at sfpp.ca and moving toward multi-factor authentication (MFA).

MFA means the system will send you an email or a text containing a validation code. All you need to do is enter that code into the login panel and you'll be able to access your account. Those members who have recently registered for their account have already experienced the MFA process. But if it has been a while since you accessed your account, you may be asked to make some changes the next time you log in.

So, say goodbye to remembering random details such as your mother-in-law's middle name to verify your identity. It's worth the extra step to ensure that your personal pension information is for your eyes only.