



**Public Service
Pension Plan**

Report to Members



FINANCIAL HIGHLIGHTS

**Contributions from active members
and employers (\$ million)**

\$1,203

Funding ratio

113.4%

Net assets (\$ million)

\$48,816

2025 investment return: 9.9%

5-year annualized return: 9.1%

10-year annualized return: 7.7%

**Net assets available for inflation
adjustments (\$ million)**

\$10,700

**Pensions paid to retired members
(\$ million)**

\$1,491

Average pension in pay

\$26,600

A MESSAGE FROM YOUR TRUSTEES

Your pension advantage

The Public Service Pension Plan is a means to securing a retirement income for life. The plan is a defined benefit plan. This means the basic monthly pension payment you receive in retirement is based on a predetermined formula—not on how financial markets perform year to year. Unlike some other types of retirement savings accounts, there is no risk you will outlive your pension. The Public Service Pension Plan offers you a predictable, lifetime pension amount so you can enjoy financial security and peace of mind.

*The pension payment you
receive in retirement
is based on a
predetermined formula.*

The not-so-secret recipe for success

Every time you contribute to your pension, your employer contributes too. This sounds like it could be a lot of money, but did you know that only 25 per cent of your future pension will come from these contributions?

In fact, most of your future pension payments—about 75 cents of every dollar—will be funded by the plan's **investment returns** on member and employer contributions.

As your board of trustees, we set investment guidelines and policies. These direct BCI, the plan's investment manager, to focus its efforts on long-term growth and stability. BCI pools together and invests member and employer contributions in a diverse number of asset classes. BCI reports back to us regularly on its progress.

*Most of your future
pension payments will
be funded by the plan's
investment returns.*

We further monitor the plan through a robust valuation process that occurs at least once every three years. Valuations help us ensure we have a clear and complete picture of the plan's overall health so we can make the best investment and governance decisions for the plan.

Learn about our approach to investing

We invest your pension dollars responsibly to ensure we meet our fiduciary duty to all current and future plan members. Visit the plan website to learn about our investment beliefs, how investment decisions are made and how we measure investment success: pspp.pensionsbc.ca/responsible-investing.

MEMBERSHIP HIGHLIGHTS

New members to your plan

5,294

5% increase in active membership

Members

163,789

79,532 active

57,519 retired

26,738 inactive

Ratio of active to retired members

1.38 to 1

All figures are as at March 31, 2025. All highlights in this report are unaudited. The 2025 Annual Report with audited financial statements will be posted to the plan website in fall 2025.

Going digital is easy and convenient with My Account



Effortless communication:

Connect with a pension specialist through our Message Centre



Instant pension estimates:

Use our online pension estimator



Secure your Legacy:

Nominate a beneficiary with a few clicks



myaccount.pensionsbc.ca



PLAN RULE AND POLICY CHANGES

Changes affect pensions for separating couples

Effective January 1, 2025, the *Family Law Act* was updated to clarify provisions for pension division upon divorce or separation. Updates include:

- Restricting a limited member's ability to take their share of their former spouse's benefit out of the plan based on their former spouse's age and benefit options.
- Requiring the administrative fee to process a limited member's entitlement to be deducted from their payment of benefits unless one or both spouses pay the fee.

Amendments to federal tax regulations lead to updates for buying service. Retroactively effective January 1, 2022, the federal Income Tax Regulations have been amended. The updates allow plan members who have worked for their employer for at least three months to buy service for periods of reduced pay that started in 2022 or later. There is no plan rule amendment required, and the plan is administering its rules for buying service in line with the regulations update.

Plan rule amendment no. 60

Registered retirement income fund (RRIF) transfer option

When an unlocked amount is payable from the plan it can now be transferred to an RRIF, in addition to the existing option of an RRSP. Instances where this transfer option may apply include a refund of the member's contributions with interest, a "small benefit" payment when the commuted value is under a prescribed amount or a return of voluntary contributions.

Updates to disability benefits requirements

Changes include streamlining medical exam requirements, clarifying when a disabled member is considered to become a retired member and adding "disabled member" as a definition to the plan rules.

Updates to the definition of correctional employee

The definition of "correctional employee" was updated to clarify that members must be employed in a public safety occupation (as defined in the federal *Income Tax Act*) to ensure the enhanced early retirement provisions apply only to members employed in public safety occupations.

Plan rule amendment no. 61

Change to employer contribution rate for ambulance paramedics. Based on the plan's actuarial valuation report as of March 31, 2023, the additional employer contribution rate for ambulance paramedics decreased from 2.18 per cent to 2.08 per cent of the member's salary, effective July 1, 2024. There was no change in the member contribution rate for ambulance paramedics.

Plan rule amendment no. 62

Clarified circumstances for payments made to member estates

Effective March 11, 2025, the plan rules were amended to clarify when an estate may be entitled to a member's original contributions with interest, less the amount of benefits that have already been paid out from the plan.