

YOUR PENSION UPDATE



CHRISTIAN SCHOOLS
INTERNATIONAL

In the last edition of *Your Pension Update*, you read about the challenges that the CSI Pension Plan, as well as other teachers' pension plans in Canada, will face over the coming years. You also read about design alternatives to help the CSI Pension Plan deal with these challenges, and about providing your input on the alternatives through interactive webinars, which took place on April 14 and 15, 2009 at schools across the country.

Facing the Challenges: We're On Track

One of the most crucial steps in re-evaluating our pension plan design is obtaining understanding and input from the entire CSI community. We accomplished this through the webinars, which gave you the opportunity to learn more about the plan design alternatives on the table and provided you with a forum to ask questions. The webinars were successful in gathering valuable community input on acceptable options that add more flexibility into the plan design while reducing costs where it makes the most sense. Thanks to your participation, we are one step closer to implementing a design that will help keep the CSI Pension Plan on the track of long-term health and sustainability.

What did you think of the webinars?

After each webinar, participants were invited to complete a satisfaction survey on their webinar experience. On the whole, participants thought that the process worked well and that the information presented helped them better understand both the reasons for change and the plan design alternatives.

What You Told Us

The community input that we received during the webinars has been instrumental in shaping the new design recommendation for the CSI Pension Plan. Here are some key findings from your input:

- Most school groups that provided input preferred to limit any reduction to the current pension formula.
- All school groups that provided input preferred to increase current contribution levels.
- The majority of school groups that provided input preferred not to change current early retirement subsidies.
- A clear majority of school groups that provided input preferred to cap indexing at 1%.

In summary, most school groups that provided input say they are willing to contribute more and cap indexing at 1% in order to preserve the pension formula and keep early retirement subsidies. These preferences line up closely with the strawman plan design, which was developed from input received during the January focus groups.

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What's Next?

A new recommended plan design, which takes your input into account and aims at managing the current funding shortfall while providing for promised pension benefits, is now being finalized by the Board of Trustees. A primary objective of the recommended design is to introduce more flexibility into the CSI Pension Plan so that it can be better adapted to an unpredictable future. Once the recommended plan design is finalized, it must be approved by the CSI Board of Directors before it is implemented. **Remember that the new pension plan design will affect service after September 1, 2010 only.** Your pension for service up to and including August 31, 2010 will be calculated according to the plan's current provisions.

The new plan design is expected to receive approval in the summer, and you will be able to find out about the new design in the next edition of *Your Pension Update* in September. Until then, we wish you a wonderful summer and we thank you again for your participation in this important decision-making process.

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Questions?

If you have any questions, please contact Howard Van Mersbergen, Vice President of Employee Benefits, at 1-877-274-8796 ext. 226 or hvanmersbergen@csionline.org.

This newsletter is meant to provide a summary of some information related to the CSI Pension Plan. It is not a complete explanation of the plan. The official plan text will govern all rights and obligations in respect of the plan.