

TimeWise

FALL • 2005

INSIDE:

**Yearend Procedures for
2005 Pension Contributions**

**2006 Employee Delegate
Nomination Form**

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Information Officer – Muriel Baribeau

Systems Administrator – Vaun John

Office Administrator – Fiona May

Office Administrator – Rhonda Ens

Office Administrator (Part-time) – Joanne Monk

YEAREND PROCEDURES FOR 2005 PENSION CONTRIBUTIONS

Attention Managers and Payroll Departments

Contribution Deadline for 2005

The deadline for 2005 pension contributions is **Friday, December 30, 2005**. Because the unit price for the Balanced Fund and the Money Market Fund are updated daily, the Pension Plan can no longer extend the year-end contribution deadline into the new year. Therefore, there could be a slight difference between the pension contributions shown on members' 2005 Annual Statements and the pension contributions shown on their 2005 T4 slips.

Any 2005 pension contributions received in 2006 (i.e., after December 30, 2005) will be included on members' 2006 Annual Statements.

Remitting Contributions

Managers and payroll departments should keep in mind that pension legislation generally requires that all contributions be remitted to the Pension Plan **within 30 days** after being deducted from an employee's pay. Thus, any delays in remitting pension contributions to the Plan may be contrary to pension legislation.

CSS Pension Plan Registration Number and T4 Information

The CSS Pension Plan's RPP registration number is **0345868**. This number **must** be indicated in "Box 50 - RPP or DPSP Registration Number" on all employee T4 slips.

The amount reported in "Box 20 - RPP Contributions" on an employee's 2005 T4 slip must include the combined total of the employee's regular required pension

contributions, plus any employee additional voluntary contributions made to the Plan for 2005. (Amounts contributed by the employer are not included in Box 20).

Employers must report the 2005 Pension Adjustment (PA) amount in "Box 52 - Pension Adjustment" on all employees' T4 slips for 2005. The 2005 PA amount is simply the **combined total** of all required (matched) employee and employer contributions, **plus** any employee additional voluntary contributions, **plus** any voluntary employer contributions for 2005. In other words, the amount reported in Box 52 of an employee's 2005 T4 slip includes **ALL** contributions to the Pension Plan made by and on behalf of the employee for 2005. Canada Revenue Agency (CRA) uses the 2005 PA amount when calculating an employee's 2006 RRSP contribution limit, which is reported on the employee's 2005 Notice of Assessment (the 2005 PA amount reduces the amount that an employee can contribute to an RRSP for 2006).

Pension Adjustment Reversal (PAR)

If an employee member terminates his/her employment before obtaining vesting (i.e., ownership) of the employer contributions, and subsequently withdraws his/her own employee contributions from the Plan, the employer contributions made on his/her behalf are forfeited. (Vesting is obtained after completing two years of continuous working service).

These forfeited employer contributions are reported as a PAR in order to re-establish the employee member's RRSP room that would otherwise be lost. The CSS Pension Plan is required to submit PARs for the appropriate employee members to CRA, thus no action is required by the employer members.

CSS Pension Plan

Contribution limit for 2006

As announced in the February 2003 Federal Budget, for 2006 the CRA **maximum** pension plan contribution limit for employee members of defined contribution pension plans, such as the CSS Pension Plan, is scheduled to be the **LESSER** of:

- 18% of the employee's compensation for the year, or
- \$19,000 (the maximum dollar limit for the year).

Please note that this maximum dollar limit is \$1,000 more than the 2005 maximum dollar limit of \$18,000.

For example, if an employee will have an annual salary of \$30,000 in 2006, his/her pension plan contribution limit for the year will be \$5,400 (i.e., 18% of \$30,000). However, if the employee terminates his/her employment on June 30, 2006 and earns \$15,000 year-to-date, then his/her year-to-date pension plan contribution limit at June 30, 2006 will be \$2,700 (i.e., 18% of \$15,000). If an employee will earn more than \$105,555 in 2006, his/her pension contribution limit will be \$19,000 for 2006.

The CSS Pension Plan does not know an individual employee's compensation for the year. Therefore, it's the responsibility of the employer (i.e., payroll department) to ensure that the **combined employee and employer contributions, plus any additional voluntary contributions** to the Plan are within each employee's own pension plan contribution limit for the year. An employee's 2006 CRA maximum contribution limit to the CSS Pension Plan is separate from the maximum amount that he/she can contribute to a personal RRSP for 2006. 

“I Know That!” Contest Update

Congratulations to the 10 lucky winners of the Spring 2005 “I Know That!” contest. Each winner has either received a copy of Stanley J. Kershman’s book “Put Your Debt on a Diet” or Alan Dickson’s book “Advance to Go! – The Road to a Rich Retirement”. The 10 lucky winners whose names were drawn at random on May 16, 2005 are: Arnold Beresh, Regina SK; Agnes Grenier, Morden MB; Penny Hewlett, Pierceland SK; Ann Marie Cantelo, Portage la Prairie MB; Francis Gaston, Saskatoon SK; Shannon Ferguson, Maple Creek SK; Richard Ruetz, Oxbow SK; Sandra Hendry, Nipawin SK; Brenda Puetz, Salmon Arm BC; Sophie Kendall, Calgary AB; The crossword puzzle solutions for the Spring 2005 contest are as follows:

Across:

3. In December 2004 the Manitoba government introduced The Pension Benefits Amendment Act.
5. The principle purpose [of the Society] is to provide retirement benefits to and for its members.
6. To increase the pool of skills available to the Plan and reduce manager-specific risk, a team of five outside investment management firms is employed.
9. The maximum dollar limit for contributions to a DC pension plan is proposed to increase to \$22,000 by 2009.
10. Designating beneficiaries, either before or after retirement, is an important part of your overall estate plan.

Down:

1. The portfolio’s broad diversification and “balanced” asset mix of approximately half stocks and half bonds, continued to reduce volatility in 2004.
2. Despite the historically low long-term interest rates, 219 retiring members started a monthly pension directly from the Plan in 2004, at an average age of 60.19 years.
4. By the end of December, the U.S. stock market had posted back-to-back annual gains for the first time since 1999.
7. In most provinces, your surviving spouse would have the same retirement income options that would have been available to you.
8. Eleven candidates were nominated for the seven delegate positions in the Saskatchewan region.

Details of the latest contest appear on page 18.

Attention Terminating & Retiring Employees!

- Are you planning to terminate your employment with an employer member of the CSS Pension Plan by the end of this year?
- And, are you planning to withdraw or transfer your pension funds from the Plan?

In the past, because of yearend procedures, the CSS Pension Plan did not process any withdrawal or transfer requests from the middle of December until January 31. This was because the Plan’s final results for the year were not known and the annual income allocation rate was not set until the end of January.

Since January 2005, the Plan has been using unit pricing for its two investment options, the Balanced Fund and the Money Market Fund. Under unit pricing the investment performance of each Fund (positive or negative) directly affects its unit price, which in turn directly affects the dollar value of a member’s pension funds.

With unit pricing the investment income, gains and losses are allocated to members on an ongoing basis. As a result, members transferring funds out during the year receive the year-to-date earnings (positive or negative) on their funds.

Under unit pricing, members do not have to wait until the end of January to know what rate of return their pension funds earned for the past year. As a result, there will no longer be a delay for terminating or retiring members wishing to transfer their funds out of the Plan at the end of the year.

Please do not hesitate to contact the CSS Pension Plan if you have any questions.



Former Manager of the Pension Plan Passes Away

Art Ford, a former manager of the Pension Plan, passed away on September 18, 2005. He was 95 years old.

Art was employed by the Pension Plan for six years from 1969 to 1975, and was the manager from 1972 until his retirement in 1975.

Prior to being employed by the Pension Plan, Art worked for Federated Co-operatives Limited for 28 years. He also actively participated in the early formation years of various co-ops, and was an original manager with the Saskatoon Credit Union.

Art will be sadly missed by his wife of 65 years, Vivian, his three daughters and their families, as well as his grandchildren and great grandchildren.

OPERATIONS UPDATE - August 31, 2005

	31/08/2004	31/08/2005	Change
Total Assets	\$2,375,721,526	\$2,711,973,651	14.15%
Non-Retired Member Equity	\$1,916,250,602	**	
Net Assets Available for Benefits	**	\$2,196,575,681	
Repayments	\$40,702,404	\$57,211,597	40.56%
New Contributions	\$48,026,336	\$50,594,925	5.35%
Pension Payments	\$24,629,110	\$25,269,299	2.60%
Administrative Expense	\$906,105	\$957,253	5.64%
Investment Expense	\$2,401,139	\$1,957,249	-18.49%
Income to be Allocated	\$65,911,510	**	

**Because the Plan's new income allocation process (see below) allocates investment income to members' accounts continuously, the value of the assets held on behalf of non-retired members is no longer recorded in the Plan's financial statement as "member equity" and "income to be allocated". Equity and income are now combined on one line in the financial statement as "net assets available for benefits".

Selected information relating to the CSS Pension Plan's operations for the first 8 months of 2005 (to August 31st) appears above. The regular *Quarterly Update* for the third quarter of 2005 will be distributed to all employer members in mid to late October. As always, employers are asked to share the *Quarterly Update* with their employees. Members who have Internet access can find the Plan's *Quarterly Update* in the "What's New" section of the Plan's web site at www.csspen.com

Plan Growth

The Plan has experienced significant growth again over the past year. The increase in the market value of the Plan's total assets reflects a strong performance by Canadian stock and bond markets over the 12 months from September 2004 to August 2005. Equity repaid to inactive members increased over the first eight months of the year, while investment

expenses decreased as a result of changing the Plan's U.S. Mid Cap Equities mandate from active to passive management in the fall of 2004.¹

New Income Allocation Process

Dividends, interest, and investment gains and losses for the current year are now allocated continuously to members through changes in fund unit prices. Therefore, there will no longer be an annual income allocation to members' accounts upon completion of the Plan's audit in January. This is because the unit prices for the last day of the year will already include all investment income, gains and losses for 2005. Last January, the opening unit prices for the Balanced Fund and the Money Market Fund were set at \$10.00. On August 31st, 2005, the unit price for the Balanced Fund was \$10.86, while the unit price for the Money Market Fund was \$10.14.

Investment Performance²

Rising sharply on record high oil prices, the S&P/TSX (Canadian equities) produced the strongest return of the developed markets during the first eight months of 2005. The Canadian bond market produced a more modest return, as central banks in the U.S. and Great Britain increased interest rates, while the Bank of Canada "stood pat". To August 31st, the S&P/TSX Index (Canadian Equities) rose by 16.69% while the Scotia Capital Universe Bond Index increased by 6.59%.

Foreign equity markets did not perform as well. From January 1 to August 31, the S&P 500 Index (U.S. Large Cap Equities) gained 0.95% while the S&P 400 Index (U.S. Mid Cap Equities) rose by 7.1714%. The EAFE Index (Non-North American Equities) appreciated by 3.56% and the MSCI World Index (Global Equities) improved by 2.60%. Foreign equity returns to Canadian investors were slightly reduced by a stronger Canadian

dollar, which rose by 1.26% against the U.S. dollar.

For the first 8 months of the year, the Balanced Fund's unit price rose by 8.6%, outperforming its combined benchmark at 7.83%. For this same period, the Money Market Fund's return was 1.4%.

Investment Choice and Unitization

In January the Plan began to offer two investment options to non-retired members – a Balanced Fund and a Money Market Fund. The Money Market Fund is a low risk/low return option designed to help members who have already reached their retirement savings goal reduce their risk as they near retirement. The Balanced Fund (previously known as the Non-Retired Lives portfolio) is a broadly diversified portfolio of stocks and bonds, designed to provide moderate growth over the long-term.³

Both funds were “unitized” in January when the Money Market Fund was introduced. That is, they were divided into units or shares whose price changes with the market value of the investments held in the fund. Members' equity was unitized at the same time. Members therefore now hold fund units. Unit pricing ensures that the current value of the Plan's investments is used when processing each contribution, withdrawal or transfer.

To move pension funds or make contributions to the Money Market Fund, a member must complete an Investment Instruction form and pay a \$75 processing fee. If a member does not wish to move any pension funds or make contributions to the Money Market Fund, he or she is not required to complete any forms or pay any fees. The contributions and funds of members who do not provide the Plan with Investment Instructions are invested in the Balanced Fund, which is the default investment option under the Plan's Rules.

Communications have been developed to explain the purpose of the Money Market Fund and the Balanced Fund.⁴ They explain the risks of moving equity into the Money Market Fund before you reach your retirement savings goal. They also discuss the risks of ‘market timing’ – moving equity back and forth between the Money Market Fund and the Balanced Fund in response to short-term market conditions. Market timing is discouraged.

To August 31st, twenty members provided Investment Instructions to the Plan. The total value of pension funds they moved into the Money Market Fund was \$5,019,941.

Return Expectations

The unit price of the Balanced Fund will trend up and down with the markets, but with slightly less volatility than a typical balanced mutual fund as a result of the portfolio's broad diversification and relatively heavy bond weighting.⁵ The Money Market Fund, on the other hand, is expected to produce a lower return, similar to Canadian short-term interest rates, but with less volatility.

At the time of writing, markets are unsettled as a result of Hurricanes Katrina and Rita, and spiraling gasoline prices. The Canadian economy is still strong due to record-high energy and commodity prices, but Canadian interest rates are finally moving upward. Investors continue to be concerned about the possibility of higher inflation and lower levels of corporate profitability. Finally, geo-political uncertainty continues, with the U.S. led “war on terrorism” now into its third year and no end in sight. Notwithstanding this uncertain outlook, the Balanced Fund has produced a good return for the first eight months of 2005. As always, however, it is not clear, whether markets will rise or fall to December 31st.

Over the longer term, investment forecasters continue to expect single digit returns for stocks and bonds to become the norm. As the Plan has now produced strong returns for most of the last three years, it is reasonable to expect that markets will pause to consolidate their recent gains, or even decline for a time, although the timing of such a market shift is impossible to forecast accurately.

On occasion, an investment portfolio structured to produce long-term growth, like the Balanced Fund, will experience short-term losses. Members nearing retirement now have the option of moving some or all of their pension funds into the Money Market Fund to reduce this risk. Members who are not near retirement are encouraged to take a longer-term view. 

¹ An active manager selects a portfolio of companies based on research and analysis in an attempt to “beat the market”. A passive manager constructs a portfolio containing the shares of every listed company in proportion to their market weights in an attempt to match the market's return. A passive manager “buys the market”. Because no research and analysis is required, passive management is less expensive.

² All returns are stated in Canadian dollars. All indices quoted are “total returns” including price changes and interest or dividends accrued to August 31.

³ Please contact the CSS Pension Plan if you would like additional information on the Balanced Fund or the Money Market Fund. For retirement planning and investment advice, we recommend that you consult a certified financial planner at your credit union or wherever you bank.

⁴ For a more detailed explanation of the differences between the Balanced Fund and the Money Market Fund, see our Investment Choice Booklet and Fund Fact sheets. These are included on our website at <http://www.csspen.com/mmfund.htm>. Fund Fact sheets and an explanation of fund unit prices were also enclosed with your 2004 Annual Statement.

⁵ The CSS Pension Plan invests approximately 50% of the Balanced Fund in Canadian bonds and 50% in Canadian, and foreign stocks. Most large pension plans hold approximately 40% of their assets in bonds and 60% in stocks. The overall return for the Balanced Fund is therefore less affected by the performance of the stock markets.

FLEXIBLE RETIREMENT PAYMENTS

SPECIAL FEATURE

CSS Pension Plan members will soon have another retirement income option

Not all members of the Plan want to convert their pension funds into a monthly pension when they retire. Their reasons vary. Some hope to increase their retirement income by managing their own investments. Many wish to conserve any unused pension funds as part of their estate. Up until now, the Plan had no way to meet the objectives of these members.

In September 2005, the Government of Canada passed amendments to the Income Tax Act Regulations. These amendments allow Defined Contribution (DC) pension plans¹ to pay “variable benefits” to their retiring members. Corresponding changes

In September 2005, the Government of Canada passed amendments to the Income Tax Act Regulations.

to the pension legislation of most provinces will be required before this new option will become available.

Flexible Retirement Payments

At the CSS Pension Plan, we are calling this new option “Flexible Retirement

Payments”. Although the pension legislation of most provinces has yet to be amended to permit Flexible Retirement

Your rights and obligations as a recipient of Flexible Retirement Payments will be different from those receiving a monthly pension from the Plan.

Payments, the Plan expects that this option will eventually become available to its members across Canada more or less as follows:

- Members who do not want a pension will still be able to stay in the Plan during retirement.
- Flexible Retirement Payments will generally not be permitted until you quit work and qualify for retirement.² The withdrawal/transfer of funds will still be permitted at any time after you quit working.
- Payments will be subject to an age-based minimum annual withdrawal requirement.³
- Payments from locked-in funds in most provinces will be subject to some sort of maximum annual limit.⁴
- You will probably have to obtain the consent of your spouse. In addition

Parliament provides a new option for DC plan members



For many years, retiring members of the Plan have been able to convert their funds into a monthly pension or transfer their funds out of the Plan. Recent changes to the Income Tax Act Regulations offer the possibility of a third choice. Once provincial pension regulators make corresponding changes to provincial pension legislation, retiring members will be able to remain in the Plan during retirement, taking periodic withdrawals from their pension accounts.

- your spouse will have to waive the right to a joint pension under pension legislation.
- Payments will be taxable as pension income for the year received.
- You will be able to designate your spouse as “specified beneficiary”. This means that in the event of your death your spouse will be able to continue to receive payments.
- In the event of your death, your remaining account balance will roll over to your spouse without tax consequences in most cases.
- You will still be able to decide how much of your pension funds to hold in each of the Balanced Fund and the Money Market Fund.

Flexible Retirement Payments will not be like a pension

Your rights and obligations as a recipient of Flexible Retirement Payments will be different from those receiving a monthly pension from the Plan.

- You will not receive a fixed monthly amount for life. Each year, you will be able to choose any payment amount between the relevant minimum and maximum annual limits explained above. There will be no assurance that your Flexible Retirement Payments will last for your lifetime.
- Your pension funds could run out if you maintain a steady payment through years when markets are weak. Following a year of low returns, therefore, you may have to consider reducing your payment.
- With Flexible Retirement Payments, any funds left in your account at death will always be available to your spouse, family or estate. With a CSS pension, the amount of pension

funds used to “buy” your pension is spent when your pension starts.⁵

When will Flexible Retirement Payments become available?

Most provinces have not yet passed amendments to their pension legislation to permit Flexible Retirement Payments. At this point, therefore, we don't know how the provinces will decide to regulate this option. Further, Delegates have not yet considered how the rules of the CSS Pension Plan might have to be changed. It is therefore too early to say exactly what a Flexible Retirement Payment option will look like or when it might become available. Assuming that all regulatory requirements are in place, however, the Plan is targeting the “roll out ” of Flexible Retirement Payments sometime in the second half of 2006.⁶

After the 2006 Annual Meeting, more exact timing will be known. Please watch the next edition of *TimeWise* magazine and the Plan's website for further information. 

¹ The CSS Pension Plan is a Defined Contribution (DC) pension plan.

² Under the Rules of the CSS Pension Plan, members must generally be 50 years of age and not working for any employer member of the Plan (full and final termination) before their pension funds can be converted to a monthly pension or transferred out to a LIF, LRIF, PRRIF or RRIE.

³ Members will be able to have this minimum amount based on their own age, or if they wish, on their spouse's age.

⁴ Although the superintendents of pensions in most provinces have not yet indicated how Flexible Retirement Payments will be regulated, it is expected that maximum withdrawal limits will apply. These maximum limits may vary by province.

⁵ Funds converted to pension are removed from the member's account and transferred into the Pension Reserve – a portfolio of high-quality, long-term bonds (i.e., the Retired Lives portfolio). The member gives up ownership of the pension funds in return for the promise of a monthly payment for life. Any survivor benefits upon the member's death depend upon the type of pension selected at retirement.

⁶ At the date of writing, BC is the only province to have enabled Flexible Retirement Payments. CSS is encouraging the superintendents of pensions in other jurisdictions to move quickly. Members are cautioned that Flexible Retirement Payments may not become available in all provinces at the same time.

Some of the differences between a CSS Pension payment and a Flexible Retirement Payment appear in the table below.

CSS Pension	vs.	Flexible Retirement Payment
• Member can't change monthly amount		• Member can change amount of payment
• Funds transferred to Retired Lives portfolio and invested in long-term bonds		• Funds remain in member's account invested in the Balanced Fund and/or the Money Market Fund
• Payments continue for member's lifetime		• Payments will stop, once funds used up
• Pension funds “spent” to buy monthly pension. Spouse or beneficiary's entitlement determined by type of pension selected		• Any unused funds available to spouse, estate, family or beneficiaries
• Amount of payment affected by long-term interest rates at retirement		• Amount of payment amount affected by member's investment returns

CSS Rule Changes Required

Delegates reviewed the creation of a Flexible Retirement Payment option at the Society's last Annual Meeting in March of 2005. It is expected that Plan Rule changes will be considered at the Society's next Annual Meeting in March of 2006. Any Rule changes passed will have to be approved by federal and provincial regulators before becoming effective.

In Remembrance

IN THIS REGULAR COLUMN WE ACKNOWLEDGE THOSE PENSIONERS WHO ARE NO LONGER WITH US. TO THEIR FAMILY AND FRIENDS, WE EXPRESS OUR SINCERE CONDOLENCES.

Dennis W. Adkin
Federated Co-op, Saskatoon SK

L.P. Baart
*Portage Credit Union,
Portage la Prairie MB*

Clayton R. Babcock
Red Deer Co-op, Red Deer AB

Leslie H. Baker
*Parkland Co-op,
Porcupine Plain SK*

B.W. Ballek
Andrew Co-op, Andrew AB

Carl A. Boudreau
*St. Joseph's Credit Union,
Petit de Grat NS*

Robert W. Burgess
Weldon Co-op, Weldon SK

Catherine D. Buttar
Rosetown Co-op, Rosetown SK

William J. Chzyzk
Federated Co-op, Edmonton AB

James L. Cooper
Melfort Co-op, Melfort SK

Ileene Dawe
*Credit Union Central,
Winnipeg MB*

Lorne Dietrick
Matador Farming Pool, Kyle SK

Victor Ducharme
Sherwood Co-op, Regina SK

Hannah A. Elliott
*Community Health Services,
Saskatoon SK*

Bryce Feader
Sintaluta Co-op, Sintaluta SK

Goldie I. Foerster
St. Paul Co-op, St. Paul AB

Damian A. Fougere
Federated Co-op, Winnipeg MB

Ralph Freeman
Bella Coola Co-op, Bella Coola BC

Anton Fuchs
Broadview Co-op, Broadview SK

Homer J. Gagnon
Borderland Co-op, Moosomin SK

H. Esson Gale
The Pas Credit Union, The Pas MB

Warren J. Geiger
Federated Co-op, Regina SK

Robertta Gibson
Yorkton Co-op, Yorkton SK

William Gibson
Calgary Co-op, Calgary AB

Pete J. Gorniak
Montmartre Co-op, Montmartre SK

Margaret Hall
*Swan Valley Co-op,
Swan River MB*

Robert J. Hayne
Carman Co-op, Carman MB

Catherine Hazelwanter
*Saskatoon Credit Union,
Saskatoon SK*

Marjorie E. Henrion
Shaunavon Co-op, Shaunavon SK

Ernest Henschel
*Co-operative Housing,
Winnipeg MB*

James H. Hodgins
Edmonton Co-op, Edmonton AB

Joseph S. Huchala
*Lethbridge Seed Cleaning Co-op,
Coaldale AB*

Bill Hyshka
Saskatoon Co-op, Saskatoon SK

Victor Imhoff
Federated Co-op, Vancouver, BC

Paulette A. Jarvis
Edmonton Co-op, Edmonton AB

Elizabeth Johnson
Moose Jaw Co-op, Moose Jaw SK

Pamela Jourdenais
Bella Coola Co-op, Bella Coola BC

Norbert E. Kasprick
*Neepawa-Gladstone Co-op,
Neepawa MB*

William Kinghorn
*Loughheed Co-op Seed Cleaning
Plant, Loughheed AB*

Alex Knihnitski
Concentra Financial, Saskatoon SK

Evan Kyle
Carlyle Co-op, Carlyle SK

Kathleen Lagrandeur
*Pincher Creek Co-op,
Pincher Creek AB*

Archie Loyns
Naicam Credit Union, Naicam SK

G. Dianne McFadzean
Valleyview Co-op, Virden MB

Samuel R. McLeod
*Northern Sask. Co-op Stockyards,
Prince Albert SK*

Donald J. Meyer
Credit Union Central, Regina SK

John Penner
*Carrot River Co-op,
Carrot River SK*

Cornelius F. Peters
Federated Co-op, Saskatoon SK

Jennie Quaid
Naicam Co-op, Naicam SK

Clinton Radke
Young Co-op, Young SK

Frank Rau
Saskatoon Co-op, Saskatoon SK

John Rempel
Winkler Co-op, Winkler MB

Wayne D. Rempel
Red Deer Co-op, Red Deer AB

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Drumheller Co-op, Drumheller AB

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Audrey M. Rody
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Drake Co-op, Drake SK

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Neepawa MB*

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Calgary Co-op, Calgary AB

Gilbert H. Wesson
Concentra Financial, Regina SK

Laverne Willey
Stony Plain Co-op, Stony Plain AB



ATTENTION PENSIONERS!



The CSS Pension Plan is pleased to announce that it is continuing its tradition of providing the December pension payments to pensioners prior to the holiday season. Accordingly:

- Pensioners whose pension payment is deposited directly into a credit union or bank account: your pension payment will be deposited into your account on Monday, December 19 instead of December 26.
- Pensioners receiving monthly cheques by mail: your cheque will be mailed from the Pension Plan's office on Thursday, December 15.

2006 Income Tax Changes

Income tax changes effective January 1, 2006 may mean that the after-tax amount of monthly pension you receive in 2006 could be different than the amount you received in 2005.

If you are turning 65 in 2006, the CSS Pension Plan will be sending you federal and provincial Personal Tax Credits Return (TD1) forms early in 2006. Once you receive these forms you should complete and return them as you may be eligible for all or part of the federal and provincial Age Exemption amounts.

Someone aged 65 or older whose **total net income** in 2006 is less than the federal and provincial minimum threshold amount can claim the full Age Exemption when calculating his/her federal and provincial income tax payable for 2006. However, someone aged 65 or older whose **total net income** exceeds the minimum threshold in 2006, will have their Age Exemption reduced by 15% of their net income in excess of the minimum threshold. Someone aged 65 or older whose total net income exceeds the maximum threshold amount in 2006, will not be eligible for any of the Age Exemption amounts.

Pensioners wishing to find out how much of the federal and provincial Age Exemption they may be eligible for should get the federal and appropriate provincial Personal Tax Credits Return forms (TD1) and applicable worksheets. In addition to the CSS Pension Plan's office, the

2006 TD1 forms will be available on the Canada Revenue Agency (CRA) Web site at www.cra-arc.gc.ca, or by calling CRA at 1-800-959-2221, but not until late 2005 or early 2006. Pensioners who need help completing the TD1 forms can call the CRA general enquiries line, toll free, at: 1-800-959-8281.

If you are already 65 or older you should keep the above in mind if you expect your 2006 total net income to exceed the minimum threshold amount. If you fall into this category, you can arrange to have extra income tax withheld from your monthly pension.

T4A Slips

The T4A slips for 2005 will be mailed directly to pensioners by early February 2006. Watch your mail, as you will require the T4A slip when filing your 2005 Income Tax Return. **CRA regulations state that a T4A slip must only be issued when total payments for the year are more than \$500.**

If your total pension payments from the CSS Pension Plan for 2005 are less than \$500, you will not receive a T4A for 2005. However, you still must declare the total of your pension payments that you received in 2005 on your Income Tax Return.

Pension payments from the CSS Pension Plan qualify for the Pension Income Exemption (i.e., when calculating the tax credits) on your Income Tax Return. The maximum exemption that may be claimed is \$1,000. 



HOW MUCH WILL MY MONTHLY PENSION BE?

SPECIAL
FEATURE

On your Annual Statement, you're accustomed to seeing "pension projections" for your monthly pension from the Plan. In this article we'll explain how the pension projections are produced. Does the Plan use a crystal ball? No, we don't. We just "do the math."

Doing the Math

Imagine a member who is age 60. Suppose this member has \$100,000 of pension funds in their Account. If this member were to start a pension now, they would receive about \$579 per month.¹

How is this monthly pension payment calculated?

- Obviously the **amount of pension funds** a member has affects the amount of their pension. The more pension funds, the greater the monthly pension. If the above member had \$200,000 instead of \$100,000 their monthly pension would be about \$1,158 per month (i.e., $\$579 \times 2 = \$1,158$).

The more contributions to the Plan for the member, the greater the amount of their pension funds. Also, the greater the rate of return earned on their accumulated funds, the greater the amount of pension funds at retirement.

- The member's **age or "average life expectancy"** at the time the monthly pension starts also affects the amount of the payment. If a member lives to reach their average life expectancy, all of their pension funds will have been paid out.² The older a member is when their pen-

sion starts, the shorter their average life expectancy, so the greater their monthly pension. For example, if a 65-year-old member with \$100,000 of pension funds were to start a monthly pension now they would receive about \$628 per month. The 65-year-old member receives \$49 per month more than the 60-year-old member (i.e., $\$628 - \$579 = \$49$) because their average life expectancy is shorter, so there is less time to pay out their \$100,000.

- When a member converts pension funds into a monthly pension, the funds from their Account are used to purchase long-term bonds. These bonds are held in the Pension Reserve (i.e., Retired Lives portfolio) and they earn interest. The member's monthly pension is comprised of this interest, plus part of the original \$100,000. The interest rate on these long-term bonds affects the amount of a member's monthly pension. The CSS Pension Plan refers to this long-term interest rate factor as the **pension conversion rate or annuity rate**. So the higher the long-term interest rates when a member retires, the higher their monthly pension, all other factors being equal. The annuity rate is set each month as another group of upcoming retiring members convert their pension funds into monthly pensions.

What a member's pension will be at retirement is not known until the member actually retires and starts their pen-

sion. Until then, the amount of their pension funds is not known, nor is the annuity rate known. So, to estimate a member's pension for some date or age in the future, that is to make a pension projection, some assumptions need to be made before "doing the math".

Making Assumptions

Firstly, before doing pension projections, assumptions must be made regarding the amount of pension funds the member will have at a point in time in the future. Let's say a member is currently age 50 and wants a pension projection for age 60. If the member will be contributing to the Plan until then, an assumption has to be made as to how much the member's contributions will be over the next ten years.³ Also, an assumption needs to be made regarding what rate of return the existing accumulated amount of pension funds and these future contributions will earn over the next ten years.

The pension projections on the Annual Statement in the past have used 8% as a future rate of return. However, the new Annual Statements, which will be distributed in early 2006, will have pension projections for a 2%, 4%, 6% and 8% future rates of return. In this way a member nearing retirement can see how their pension projections will be affected if they use a more conservative rate of return because they might be considering transferring some or all of their funds from the Balanced Fund into the Money Market Fund.⁴ Members can also see that if they transfer their funds into the Money Market Fund too many years before retirement



long-term interest rates. You can't control the average life expectancy, but you can control at what age you retire and start your pension.⁵ As an individual employee, you can't control the contribution rate set by your employer, but you can make extra contributions to the Plan up to the limits set by the Canada Revenue Agency.

The sooner a member starts making

(i.e., at a young age), they risk not having a large enough pension at retirement.

The second assumption concerns the long-term bond interest rate that might be in effect when the pension starts. In other words what annuity rate should be used when "doing the math" for a pension projection.

Because it's difficult to estimate what long-term interest rate might be in the future, the pension projections on the Annual Statements use the average annuity rate for the past 4-year period. The 2004 Annual Statements therefore used an annuity rate of 5.5%. Long-term interest rates have decreased in 2005, thus the annuity rate that will be used on the 2005 Annual Statements will have an annuity rate somewhat lower than 5.5%.

What factors can you control?

Some factors that affect what your monthly pension might be in the future you can control, and some you can't. You can't control the ups and downs of the investment markets, nor can you control

ing extra contributions to the Plan, the greater the impact these contributions will have on their accumulated amount of pension funds. For example, a 30-year-old member who makes extra contributions to the Plan of \$100 per month for thirty-years at an 8% return will have an extra \$141,800 of pension funds at age 60. However, a 50-year-old member who makes extra contributions to the Plan of \$100 per month for ten-years at an 8% return will only have an extra \$18,100 of pension funds at age 60.

Pension Projections are subject to change

Members often ask, "Why did the projections on my Annual Statement change?" The pension projections on the Annual Statement change because either the assumptions were not met, or the assumptions changed. For example, if the amount of contributions that came in over the past year was less than assumed, the projections could be lower. Or if the actual rate of return earned over the past year was less than the assumed rate of return, the projections could be lower.

Sometimes the assumptions are adjusted to reflect the economic environment. For example, if long-term interest rates are decreasing, then the annuity rate that's used for the projections is subject to decrease. This will cause the projections to decrease.

There could be other reasons why your projections change, but these are the most common.

Planning Ahead

Soon there will be a pension calculator on the Plan's website. This calculator will allow you to do your own pension projections and experiment with different scenarios. Also, this pension calculator will let you make adjustments when the actual results differ from expectations. 

1 Based on a Single Life pension with a 15-year guarantee period. This is the same type of pension that is projected on your Annual Statement. The CSS Pension Plan also offers Joint & Last Survivor pensions, where your surviving spouse would receive a pension for their lifetime.

2 If a member dies before reaching their average age life expectancy, there may or may not be survivor benefits, depending upon the type of pension selected. If a member is still alive after reaching their average life expectancy, they still receive their pension for the rest of their lifetime.

3 If you and your employer are currently contributing to the Plan, the pension projections on the Annual Statement assume that those contributions will continue until your pension starts. If you have made or are currently making extra contributions to the Plan, the Annual Statement projections include the accumulated value of those contributions, but do not assume that the extra contributions will continue until retirement.

4 The Balanced Fund is a moderate risk/moderate return investment option that is designed to provide growth over the long term, and is expected to have occasional short-term losses. The most recent 10-year average return (i.e., 1995 to 2004) for the Balanced Fund was just over 10%. The Money Market Fund is a low risk/low return investment option that is designed as a pre-retirement fund for those members who have reached their savings goal and wish to preserve some or all of their accumulated amount of pension funds.

5 The Income Tax Act requires that you convert your pension funds into a retirement income before the end of the year you reach age 69.

IN OUR CONTINUING SERIES OF PROFILES ON THE BOARD OF DIRECTORS, FEATURED IN THIS ISSUE IS LAURA VANCE, WHO JOINED THE BOARD IN 2004.

Laura Vance

“I really enjoy meetings!”

There’s an old saying that goes something like this: if you want a job done, give it to a busy person. That saying seems tailor-made for Laura Vance, who joined the board of the CSS Pension Plan in 2004 as an employer director representing Federated Co-operatives Limited (FCL). The CSS directorship is just one of several elected or appointed positions that Laura holds. She is in her fourteenth year as a director of FCL, and is also the Regina Region chair for that company. She is vice-president of Pioneer Co-op in Swift Current, where she has been a director for more than 31 years. And she’s very much involved in her community, serving as a Swift Current City Councillor as well as on the boards of the Chamber of Commerce and the Swift Current Agricultural and Exhibition Association.

“I’m also chair of the finance committee for the Saskatchewan Centennial commit-

Being active in so many organizations makes for a busy life, filled with meetings.

tee in Swift Current,” Laura says. “It’s an exciting year for Swift Current. Being one of the thirteen cities, we’ve had a number of projects on the go.”



Being active in so many organizations makes for a busy life, filled with meetings. Fortunately, she enjoys meetings. “I do,” she says with enthusiasm. “I really enjoy meetings. Certainly some of them are way more constructive [than others], and you learn more. A lot of it depends on the board that you’re with, the people that you’re with. Some you just mesh with, and when you come out of a meeting you feel like you’ve really made a difference, you’ve made some decisions that will progress the organization.” In whatever she does, Laura wants to make a difference, to make things better for the people and the organizations she’s involved with. That’s one of her top priorities. But she also strives to maintain a balance in her life. “I find that the time that I’m not in meetings is important time to either spend with, my husband, the grandchildren, or friends.”

A city person takes to the farm

Laura grew up in the city of Swift Current and lives there now, but until five years ago, she and her husband, Doug, farmed 26 quarters near Swift Current. Laura loved the farm life. “I was a city person before I married Doug, but I liked being able to walk out the back door and have the horses right there, and the dogs and cats. And it’s just quiet.” Animals and quiet? That sounds almost like a city person’s dream of escape to the country, but that’s not the case here. Laura’s life on the farm was a very active one and she loved every aspect of it.

Laura and Doug met when they were still in school. “We started to date when I was in high school, in grade ten.” After Doug went to university, they were married. Then, Laura says, “he taught school in Spruce View, Alberta. He student-taught for half a year, and then he taught for a full year. Then his father wanted to retire; so he had a choice, and he decided to go back and try farming.” Their future was decided.

Doug and Laura have two grown children, Scott and Laura Ann, who were raised on the farm. Now both of the children are raising families of their own. Scott and his wife have five-year-old twins, a boy and a girl. Laura Ann and her husband have two children, a girl, five, and a boy, three.

“Laura Ann managed the Swift Current Mall,” Laura says, “but since she’s had the two children and only wanted to work part

time, she's gone down to lease manager at the Mall. Her husband is a farmer and they also have an aerial spray business."

In 2000, Scott took over the Vance farm and moved his family there. "We did an intergenerational land transfer," Laura explains. "It was important for Scott to be on the farm, because then he could start making more of the decisions. So we built a house and moved to town. That was the hardest move I ever made, because I really liked the farm. We were there for 35 years."

Laura's life on the farm must have been just as busy as her present life in the city. Wherever she has lived, she has always been involved in the community. In fact, her work with co-operatives began in her early years on the farm.

First woman on Pioneer Co-op's board of directors

"I was the first woman ever to be elected to the Board of Directors of Pioneer Co-op, and I've served on that board, now, over 31 years. I was approached to run for the board because Pioneer was not just an agricultural co-op. It had food, and dry goods, and a pharmacy, and so they felt that it was important to have representation from women. I was asked to let my name stand, and I did.

"My children were really small, so it was a good place to start, because there's not that many meetings that you can't balance it with raising a family. And they train you. It's a wonderful training ground, yet it's difficult to get women to run now for boards of directors for co-operatives, particularly agricultural co-operatives, because they feel inadequate and not able to make decisions about farming. But they give you training to do it; so I'd sure encourage any women that are at all interested to take the opportunity to run for one of those boards."

Before long, Laura's association with Pioneer Co-op led her to the next step: becoming a delegate from Pioneer to the

FCL annual meeting. "From there I started working at the district level, and I then became the resolutions person from Regina District to Federated Co-ops."

Co-operative organizations were not Laura's only interest during her years on the farm. She was a 4-H leader for a number of years. She is a certified Level 1 coach with the Canadian Equestrian Association, and taught Western-style riding to adults and youth 4-H. And the whole family has "shown, raised and trained quarter horses for cutting and reining competitions. We've

Laura is an investor and feels that was one reason for her appointment to the CSS board.

shown nationally and internationally."

One of the high points of Laura's farm life came in 1998. In that year, she says, "I was fortunate enough to win a YWCA Woman of Distinction award for my contribution to rural community."

"... into town and out of the loop."

For 35 years, then, Laura's life was centered on the farm. That was her identity. "And when I moved to the city, I didn't play the active role that I had on the farm, where I drove the tractor, drove the combine, and hauled grain and did all that kind of thing. I went into town and out of the loop."

For Laura, that was a big adjustment. "I thought, 'Well, now, what should I do?' That's when I ran for City Council. There were 14 people running for six positions, and I was fortunate enough to be elected.

That gave me lots to do." And more followed.

Reflections on the CSS Pension Plan

One of Laura's most recent undertakings is her service as a director of the CSS Pension Plan. When she was appointed to the board in 2004, she had already served for ten years as an employer delegate representing FCL. "I served as a voting delegate from 1992 to 95, which was four years, and then again from 1999 to 2004, which was six years." This experience helped prepare her for her role on the board, and so did one of her other interests: investing.

Laura is an investor and feels that was one reason for her appointment to the CSS board. Laura's husband, Doug, has an avid interest in investing and has coached her to realize how important it is to look for strength and stability. "And I certainly see that in the CSS Pension Plan. The Plan has a great history and has performed really, really well. I think it's always a challenge to make sure that we continue to have those earnings so that we can pass those returns on to the members. The plan administrators are good at that, but it's something that, with the changing environment, they've got to stay on top of. And they do."

Another thing that's very important for plan members is information. "Many of the members don't understand all of the options that they have at retirement, and I think it's really important that each member knows the good and the bad in each of the options. That's what I hear from some of our members, 'I need information, I need to know this.' I know the Plan is doing workshops and they're doing an excellent job with them. But you know, you can never do too much of that. So, I think that it's an ongoing priority, to make sure that training will automatically get done."

Continued on page 14

Australia, Belize, Costa Rica ...

Busy as she is, Laura's life is not all work. For example, she and Doug like to travel. They have visited such places as Belize, Panama, Costa Rica, and their favourite, Australia. "We normally go to Australia in wintertime. We've travelled around Australia some.

And we both like scuba diving, so we dove the Great Barrier Reef, we dove in Belize and Costa Rica."

The last three years they were in Australia, they made their headquarters at Burleigh Head, south of Brisbane. It's a surfer's paradise, Laura says, and there's a

Busy as she is, Laura's life is not all work.

golf course which Doug, who is a golfer, really enjoys. "Burleigh Head is comfortable, and it's warm. We usually rent a condo right on the ocean there. The people are like Canadians, friendly and accepting. The country is not unlike Canada. We've had some friends there that are farmers and ranchers. We've gone to their places. It fits, you know. It just seems like Canada only it's warmer in the winter."

Last year, however, their tradition of a five-week winter trip to Australia came to an end, at least temporarily. "Because I haven't been on Council long, I haven't felt



that I could take five weeks off, because Council meets every week. So last year we went to Phoenix and we bought a park model vacation home." Like their home in Swift Current, their Phoenix home is on a golf course. Phoenix is close enough that Laura can travel back and forth more often so that she can attend council meetings more regularly. "But we really like Australia, and when we retire, we'll probably spend more time back there. But right now, Phoenix is nice, and he can golf."

... and home again.

When they retire? Isn't that why they moved into town in the first place? Well, yes and no. Laura is just as busy as ever, and so is Doug. "Although Doug is retired," Laura says, "he goes to the farm and seeds, sprays and harvests. But really, he's calling himself retired." The fact is, Doug enjoys the farm. And, she adds with a laugh, "Scotty's got a trained hired man that he doesn't have to pay, and that really is helpful to my son, you know. He's dealing with the farm, and has a young family. And it's good for Doug, so it's a win-win, because that's his interest, and you can only golf so much, and you can only spend

so much time with your portfolio!"

And, at home, Laura can indulge her passion for riding. She's kept a pasture for the horses at the farm, and she belongs to an English riding club. She can also spend a lot of time with her grandchildren. Sometimes she takes them riding. "As a matter of fact, at the end of May the three five-year olds were at an English riding clinic with me. They ride, though the hardest thing is to get horses that these little munchkins are safe on.

"I really am a Western rider, but I enjoy English as well. And our English club in Swift Current are thoroughly organized and they bring in clinicians that will do instruction for these little wee people. Adults and older children are different to teach than five-year-olds."

"One thing I haven't done is take an active role in my English riding association. I thought, no, I'm just going to work with the kids, my grandchildren, and I am not going to take an executive position. That way I can do more riding myself, and do more with the grandchildren."

Three five-year old riders must be a handful. But Laura's used to being busy. 🐾

NEW LOOK FOR ANNUAL STATEMENTS

In early 2006, when you receive your 2005 Annual Statement from the Pension Plan, you'll notice that it looks quite different from the statements you received in the past. Some information will be new, while a lot of the information will be the same, but shown in a new way.

In January 2005 the Plan introduced a second investment option, the Money Market Fund (MMF). As indicated to you in the recent past, with two investment options, the Balanced Fund (BF) and the MMF, and members being able to move their pension funds between the two, the Pension Plan began using units and unit prices to allocate the investment income, gains and losses to members' accounts.

With units and unit prices, the dollar value of your pension funds in each the BF and/or MMF is simply the number of units you hold at that time multiplied by the Fund's unit price at that time. The investment performance of each Fund (positive or negative) directly affects its unit price, which in turn directly affects the dollar value of your pension funds in each. Your contributions to the Plan buy units in the BF and/or MMF based on the Fund's unit price in effect for the day your contributions are received. So on your Annual Statement not only will you see some of your pension account information reported to you in dollars, but also in number of units.

Your 2005 Annual Statement will also report your Personal Rate of Return (PRR). If there are any contributions to your account, transfers from one Fund to the other, or you withdrew/transferred any funds from or to your account, then the return you earn on the funds you have in the BF and/or MMF may be different than

the return earned by the Fund itself. If you have funds in both the BF and MMF, then your PRR will be a blended return of what you earned in each Fund.

The Annual Statements will also provide general information and historical returns for each of the Plan's investment options, the Balanced Fund and the Money Market Fund. There will also be information on choosing between the investment options as well as your current investment instructions.

So on your Annual Statement not only will you see some of your pension account information reported to you in dollars, but also in number of units.

The regular information you are used to seeing such as your retirement date information, your birth date, employment date and the date you joined the Plan will still be reported to you on your Annual Statement. Also, who we have on file as your designated beneficiary(ies) will continue to appear on the Annual Statement, along with the locked-in and vested status of your pension funds.

There will still be estimates of what your monthly pension might be in the future at various retirement ages. These Pension Projections are based on various assumptions, such as the amount of future pension contributions (if you are currently contributing to the Plan), long-term interest rates that may be in effect when your monthly pension starts, and future earnings on your pension funds until your pension starts (see the article on page 10 for more information on Pension Projections).

In the past, the pension projections in the Annual Statements used only an 8% rate of return for the future earnings assumption. However, on the new Annual Statements, there will be Pension Projections for each of four different rates of return for the future earnings assumption (i.e., 2%, 4%, 6% and 8%). The idea of providing pension projections based on different rates of return will demonstrate to younger members that if they adopt a low risk/low return investment strategy at a young age, they run the risk of not having a large enough pension at retirement. Also, those members approaching retirement can see that if they wish to preserve their pension funds accumulated to date by moving some or all of their funds from the BF into the low risk/low return MMF, how much their monthly pension might be affected.

When you receive your 2005 Annual Statement, please take the time to review it, and if you have any questions please do not hesitate to get in touch with the Pension Plan's office. 📞

New Pensions

A TOTAL OF 169 NEW PENSIONS STARTED DURING THE FIRST NINE MONTHS OF 2005. THIS IS UP SLIGHTLY FROM THE 165 PENSIONS DURING THE FIRST NINE MONTHS OF 2004. THE FOLLOWING 128 NAMES REPRESENT THE NEW PENSIONS STARTED FROM MARCH 2005 TO SEPTEMBER 2005 INCLUSIVE.

BRITISH COLUMBIA

Judith M. Bourelle

Mainline Co-op, Salmon Arm

Marijke Duff

Dawson Co-op, Dawson Creek

Garry Horton

Federated Co-op, Canoe

Irene P. Kuemper

Terrace Co-op

Robert Mercer

Mid-Island Co-op, Nanaimo

Joanne Munro

Mainline Co-op, Salmon Arm

Larry Rasmuson

Federated Co-op, Canoe

Florence Seminoff

*Sunshine Valley Co-op,
Grand Forks*

Sylvia Tuck

Bella Coola Co-op

ALBERTA

Donna J. Allen

Wetaskiwin Co-op

Carole Bateman

Calgary Co-op

Ginette Bilodeau

Rocky Mountain House Co-op

Patricia Bogdan

*1st Choice Savings &
Credit Union, Lethbridge*

Lawrence Bourgeois

Drumheller Co-op

Joyce Burness

Calgary Co-op

Grace Conway

Calgary Co-op

Martin J. Couiyk

Edmonton Co-op

Darline Csaki

Pincher Creek Co-op

Lucienne da Silva-Spence

Tuxedo Credit Union, Calgary

Frank Delurey

The Grocery People, Edmonton

Annette Dufour

Boyle Co-op

Terry R. Duncan

Pincher Creek Co-op

Jean Fairclough

Calgary Co-op

Christa Ferrari

First Calgary Financial, Calgary

Carline Forrest

Calgary Co-op

Paul Guenette

The Grocery People, Edmonton

Norman Haugen

Stony Plain Co-op

Joan Hebson

Calgary Co-op

Shirley Highberg

Beaver River Co-op, Bonnyville

Elsie Hrycun

Delton Co-op, Edmonton

Shirley Isaacson

*Macleod Credit Union,
Claresholm*

Dianne Menard

Falher Co-op

W. Neil Millar

Calgary Co-op

Mary Miller

Calgary Co-op

Istvan Nagy

Calgary Co-op

Michael D. O'Rourke

Rycroft Co-op

Douglas A. Robinson

Pincher Creek Co-op

Ardolino Saveria

Calgary Co-op

Pamela Schaffer

Credit Union Central, Calgary

Verna Sutherland

Pincher Creek Co-op

Mary Swaile

Calgary Co-op

J.M. Tracy

Killam-Strome Co-op

Jerry Vian

Calgary Co-op

Stan Ward

Wetaskiwin Co-op

* **Andrew Wasylenko**

Calgary Co-op

Linda L. Wheeler

Credit Union Central, Calgary

SASKATCHEWAN

Darlene A. Attig

Prince Albert Co-op

Sheila Birkham

Prince Albert Co-op

Alex Blais

Federated Co-op, Saskatoon

Willard Boese

Redvers Co-op

Trevor J. Chamberlin

*Northern Sask. Co-op
Stockyards, Prince Albert*

Donald R. Cox

Moose Jaw Co-op

Leo E. Denis

Meadow Lake Co-op

Ivan C. Earl

*TCU Financial Group,
Saskatoon*

Sheila Earl

Credit Union Central, Regina

Iris Frederickson

Colonsay Co-op

Flora Gerbrandt

Carrot River Co-op

Deanna Gergely

Sherwood Co-op, Regina

Diane M. Glaspey

Riverbend Co-op, Outlook

Anne Goltz

*Cornerstone Credit Union,
Yorkton*

Sharon K. Gower

Lloydminster Credit Union

Gail A. Haanstra

Kipling Co-op

Robert K. Hay

Pineland Co-op, Nipawin

George P. Hill

Beeland Co-op, Tisdale

Sylvia Huckerby

Credit Union Central, Regina

Myrna M. Huzan

Saskatoon Co-op

David Irwin
Weyburn Co-op

C. Diane Johnston
Montmartre Co-op

Helen Lazorko
Credit Union Deposit Guarantee,
Regina

R. Fay Massier
Sherwood Co-op, Regina

Blain A. Matthews
Sherwood Co-op, Regina

Mim (Mary Anne) May
Spectra Credit Union, Estevan

Brenda L. McCuaig
Eastend Credit Union

Linda McDaid
Battlefords Credit Union,
North Battleford

A. Keith McIntyre
Concentra Financial, Regina

Cathy McKechnie
Bethune Co-op

Terry L. Melnechuk
Mervin Co-op

Richard Moore
Radville Co-op

Maymae Ogden
Sherwood Co-op, Regina

Wallace R. Piercy
Credit Union Central, Regina

William Popowich
East Central Co-op, Kelvington

Harry Rens
Sherwood Co-op, Regina

Barbara Anne Smith
Bengough Co-op

Judy L. Sylvester
Agrifoods, Saskatoon

Sharon Tabbernor
Conexus Credit Union, Regina

Steve J. Vetter
Delta Co-op, Unity

Kathleen Wassermann
Muenster Co-op

Kenneth R. Welch
Moose Jaw Co-op

Colleen Wicks
Battlefords Credit Union,
North Battleford

Kenina York
Saskatoon Co-op

Carol Zawatsky-Schultz
Churchbridge Credit Union

Raymonde Zbeetnoff
Lafleche Credit Union

MANITOBA

Gloria C. Achorne
Red River Co-op, Winnipeg

Beverly K. Bateson
Celero, Winnipeg

Marilyn Chrabaszcz
Credit Union Central, Winnipeg

Carol Danielson
Swan Valley Co-op, Swan River

Marlene Epp
Assiniboine Credit Union,
Winnipeg

John G. Forke
Neepawa-Gladstone Co-op

Abe Froese
Winkler Co-op

John Goossen
Steinbach Credit Union

Joanne Grant
Neepawa-Gladstone Co-op

Cece L. Hutchinson
Arborg Credit Union

Thomas M.P. James
Interprovincial Co-op,
Winnipeg

Raymond B. Jean
Arctic Co-operatives, Winnipeg

Everett Keefe
Arctic Co-operatives, Winnipeg

Katherine A. Klassen
Austin Credit Union

Judy M. Kollinger
Assiniboine Credit Union,
Winnipeg

Ann O'Connell
Credit Union Central, Winnipeg

Sylvia M. Osborne
Village Canadian Co-op,
Winnipeg

Dora Penner
Steinbach Credit Union

Harold Schaan
Portage Consumers Co-op,
Portage la Prairie

***John K. Skoglund**
Minnedosa Credit Union

Elaine J. Smith
Assiniboine Credit Union,
Winnipeg

Gerry R.E. Soldan
Hamiota Co-op

Mary J. Stewart
Swan Valley Co-op, Swan River

Terrence Thompson
Arctic Co-operatives, Winnipeg

Russell Vivier
Heritage Co-op, Minnedosa

ONTARIO

Linda Dionne
Interprovincial Co-op,
Mississauga

Helen C. Maynes
Canfarm Co-op, Guelph

Angele M. McMeekin
Northland Credit Union,
Kapuskaing

Laurie M. Melito
Concentra Financial, Toronto

Christine Nesbit
Interprovincial Co-op,
Mississauga

Connie T. Voynovich
Penfinancial Credit Union,
Welland

NOVA SCOTIA

Clarence P. Landry
St. Joseph's Credit Union,
Petit de Grat

Edna Samson
St. Joseph's Credit Union,
Petit de Grat

NORTHWEST TERRITORIES

Tabitha Aglak
Toonoonik Sahoounik Co-op,
Pond Inlet

Edwin Hawley
Pitsiulak Co-op,
Chesterfield Inlet

David E. McCurdy
Yellowknife Direct Charge Co-op

“I Know That!” Contest

Enter Our “I Know That!” Contest and You Could Win a Copy of “How to Retire Happy, Wild, and Free” or The Canadian Retirement Guide”

Complete the crossword puzzle below and mail your entry to the address below. Entry forms must be received no later than Friday, November 25, 2005. The first ten correct entries drawn at random on November 28 will each win a copy of Ernie J. Zelinski’s book “How to Retire Happy, Wild, and Free” or Jill O’Donnell’s, Graham McWaters’, and John A. Page’s book “The Canadian Retirement Guide”. “How to Retire Happy, Wild, and Free” offers inspirational advice on how to enjoy life to its fullest. “The Canadian Retirement Guide” is a comprehensive handbook on aging, retirement, caregiving and health. Answers to all of the crossword puzzle clues below can be found in this issue of *TimeWise*. See page 3 for a list of winners and the correct crossword puzzle solution to the Spring 2005 “I Know That!” Contest.

ACROSS

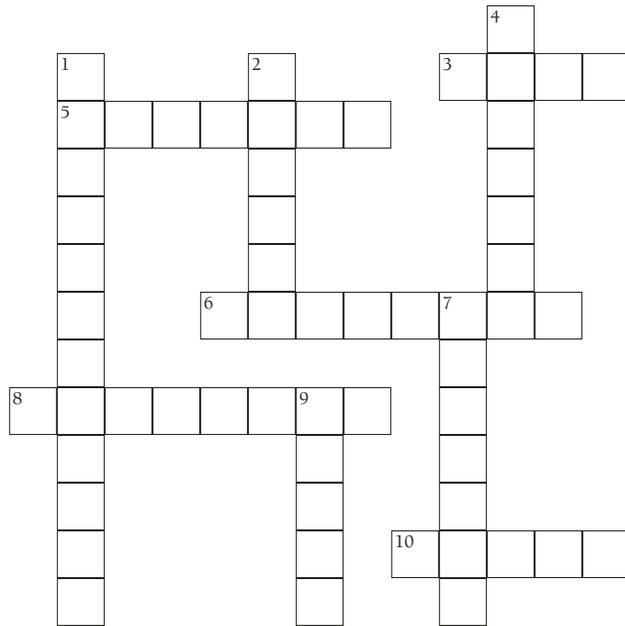
- A total of 169 new pensions started during the first _____ months of 2005.
- With unit pricing the investment income, gains and losses are allocated to members on an _____ basis.
- The T4A slips for 2005 will be mailed directly to pensioners by early _____ 2006.
- When a member converts pension funds into a monthly pension, the funds from their Account are used to _____ long-term bonds.
- On your Annual Statement not only will you see some of your pension account information reported to you in dollars, but also in number of _____.

Down

- Because the unit price for the Balanced Fund and the Money Market Fund are updated daily, the Pension Plan can no longer extend the year-end _____ deadline into the new year.
- Over the longer term, investment forecasters continue to expect _____ digit returns for stocks and bonds to become the norm.
- Laura Vance was the first woman ever to be elected to the Board of Directors of _____ Co-op.
- With Flexible Retirement Payments, any funds left in your _____ at death will always be available to your spouse, family or estate.
- In January 2005 _____ delegates representing the Saskatchewan region were elected for a 2 year term.

ENTRY FORM

Mail to: “I Know That!” Contest, CSS Pension Plan
P.O. Box 1850, Saskatoon, Sask. S7K 3S2



Name (Please print): _____

Employer: _____

Home Address: _____

City: _____ Province: _____ Postal Code: _____

If my entry is one of the first 10 correct entries drawn on November 28, 2005, I wish to receive a copy of:

“How to Retire Happy, Wild, and Free” or “The Canadian Retirement Guide” (Please check one)

Election of Employee Delegates

(Alberta/B.C./Northern Canada Region; Manitoba/Eastern Canada Region; Pensioners)

Employee delegate elections are held on a rotating two year basis by region or group. In January 2005 seven delegates representing the Saskatchewan region were elected for a 2 year term.

For 2006, the election of employee delegates will be held for the Alberta/B.C./Northern Canada region, Manitoba/Eastern Canada region and the Pensioner group.

This is the official notice of the calling of an election for January 16, 2006 for employee delegates to attend the Annual Meeting of the Co-operative Superannuation Society, scheduled for March 24, 2006 in Saskatoon. The number of delegates to be elected is as follows:

One (1) delegate will be elected for a two

year term from and by the Pensioners receiving monthly pensions from the CSS Pension Plan.

Four (4) delegates will be elected for a two year term from and by active contributing employees employed in Alberta/British Columbia/Northern Canada.

Three (3) delegates will be elected for a two year term from and by the active contributing employees employed in Manitoba/Eastern Canada.

A nomination form for employee members in the ALBERTA/BRITISH COLUMBIA/NORTHERN CANADA region; the MANITOBA/EASTERN CANADA region and the PENSIONER group only is printed below. In addition to completing the nomination form and general questionnaire on the reverse of the

nomination form, candidates are requested to forward a recent black and white photo which will accompany the ballot.

Nominations are to be forwarded to, and received by the Returning Officer no later than 4:30 p.m., Monday, November 28, 2005.

Upon close of nominations the Returning Officer will prepare the necessary ballots containing the names of those nominated and will forward these to employee members in Alberta/British Columbia/Northern Canada and Manitoba/Eastern Canada for whom contributions and a completed application for membership has been received prior to November 1, 2005 as well as to pensioners who are receiving a monthly pension from the CSS Pension Plan.

Bill Turnbull, Returning Officer

PLEASE CLIP

**DON'T
DELAY**

CO-OPERATIVE SUPERANNUATION SOCIETY
BOX 1850, SASKATOON, SASKATCHEWAN S7K 3S2

NOMINATION FOR DELEGATES

Must be received by November 28, 2005

**LATE
NOMINATIONS
WILL BE
REJECTED**

Date: _____

We, the undersigned, nominate _____
(Candidate's Name)

of _____ in _____ for delegate.
(Address)

Name of Employee Member (Please Print)

Signature of Employee Member

1 _____	_____
2 _____	_____
3 _____	_____
4 _____	_____
5 _____	_____

N.B. - To be valid nominations must be signed by five voting employee members.

I hereby consent to allow my name to stand for election as an employee delegate to the Co-operative Superannuation Society.

Signature of Candidate

Occupation of Candidate

Everything You Wanted To Know About Being a Delegate - But Were Afraid To Ask!

- Delegates are required to attend the annual meeting of CSS (1 day), and any special delegate meeting necessary during their term. The need for such special meetings has been all but non-existent in recent years.
- Delegates, as representatives of the members, are the only ones able to effect a change in the bylaws or rules of the Plan as such bylaws and rules affect benefit provisions.
- Delegates elect the Board of Directors. While each delegate has the right to be nominated for such elections, each delegate also has the right to refuse such nomination.
- Delegates receive a per diem of \$175 for attending meetings plus out-of-pocket expenses.
- Being a delegate is a responsible position – however it does not require a significant time commitment.

CONSIDER BEING A CANDIDATE FOR ELECTION AS A DELEGATE THIS YEAR!

PLEASE CLIP

QUESTIONNAIRE TO BE COMPLETED BY EACH CANDIDATE

NOTE: The purpose of this questionnaire is to provide information for the voters and to give them some knowledge of employee members who have been nominated.

Name of Candidate _____ Social Insurance Number _____

Present employer _____

Position now held _____

Co-op or Credit Union experience: _____

Educational Achievements: _____

Please provide any brief comments you may have about the future direction of CSS in areas such as investments, member services, plan provisions, etc.

A) Plan Provisions: _____

B) Investment Strategy: _____

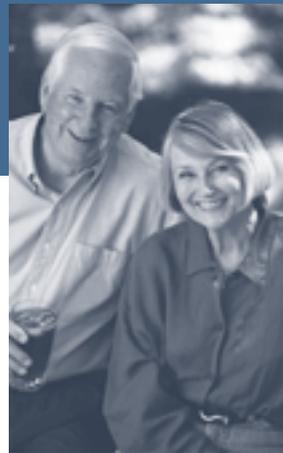
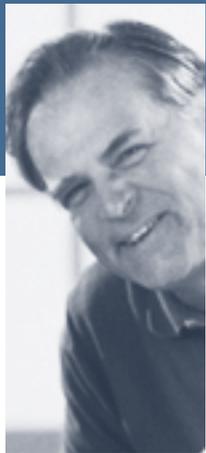
C) Member Services: _____

My photo is enclosed

_____ Date

_____ Signature

PLAN with the people you TRUST



You don't need convincing that a Retirement Plan is a necessity. But there is something you might not know:

We have Certified Financial Planners on staff.

Just as important is the trust: You know us
- and we know you.

We will develop a Retirement Plan that's right for you. We'll take the time to give you the best possible advice, free of charge.

You know you'll receive what you expect from your credit union and no less.

Every step of the way, we're dedicated to your financial health and wealth. Today, as always, we want to ensure you receive the full benefit of credit union expertise.

Contact your Certified Financial Planner today for your Retirement Plan.

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www.conexuscu.com
780-1666
1-800-567-0101

PRINCE ALBERT CREDIT UNION

www.princealbertcu.com
953-6100
1-800-667-7477

BCU FINANCIAL

www.bcufinancial.ca
446-7000
1-866-446-7001

SOUTHWEST CREDIT UNION

www.swcu.sk.ca
778-1700
1-800-381-5502

ADVANTAGE CREDIT UNION

www.advantagecu.com
287-3730 extension 22

SASKATOON CREDIT UNION

www.saskatooncreditunion.com
934-4000
1-866-863-6237



