

## **POLICY 21: SiPP NON-REGISTERED PENSION PLAN**

### **Philosophy**

The Board of Education believes that the portion of the annual salary of the executive officers of the Board that exceeds the capped yearly maximum pensionable earnings of the registered pension plans should be eligible for pension benefits and will subject the Board to the costs of providing the Non-Registered Supplementary Integrated Pension Plan (SiPP) for service accrued before November 1<sup>st</sup>, 2022. Effective November 1, 2022, such members ceased accruing further benefits under the SiPP non-registered.

### **Guidelines**

1. Effective November 1, 2022, the SiPP non-registered was closed to new entrants.
2. The Board will set aside “ear marked” assets to recognize the costs of future SiPP Non-Registered Plan benefits. An expense and liability will be recorded each year based on actuarial calculations in accordance with CICA requirements.
3. The liability of the Board for the pension benefit to participating executive members of the SiPP Non-Registered Plan will be limited to the calculated present value of the pension benefit at retirement/termination; or the accumulated amount in the notional account maintained in respect of the individual that reflects the value of the earmarked assets.
4. The pension benefits are only payable to the retiree or surviving spouse.
5. In the event a participating executive member dies prior to retirement, the surviving spouse/estate will receive a lump sum payout equal to the balance of the notional account for the participating member.
6. The normal period for payment of actuarial benefits under the SiPP Non-Registered plan is fifteen (15) years.
7. The normal start date for payment of actuarial benefits under the SiPP Non-Registered plan is the date the employee is eligible to commence receiving Alberta Teachers’ Retirement Fund or Local Authorities Pension Plan monthly pension benefits.
8. The participant may select one of the following payout options:
  - a. Payout of the notional account balance, as determined by the Board, in equal annual installments over a fifteen (15) year period (i.e. an annual lump sum payment).
  - b. At the sole discretion of the Board, a lump sum payout of the notional account balance determined at the time of retirement/termination payable over a period less than fifteen (15) years.
  - c. At the sole discretion of the Board, in the case of termination of an employee, a lump sum payout of the notional account balance can be paid out prior to the employee drawing Alberta Teachers’ Retirement Fund or Local Authorities Pension Plan benefits.
9. Payments under this plan are subject to the regulated withholding tax.

November 2006

Revised: March 2023