

To: Retired members of the Delta Fire Department.

From: John Pfeifer

Date: October 17, 2009.

Subject: Municipal Pension Plan Annual Meeting.

As many of you have watched the Annual Meeting on the internet, I will skip the boring details. Such as the loss of 12.4% from the main pension fund in 2008 and the regaining of 8.3% so far this year. As we have a guaranteed base pension this will not affect us .

The problem is still the benefit and inflation fund, know as the IAA fund. The payouts from the IAA is fund dependent. We will only receive what the fund can afford, in medical premium assistance and inflation adjustments.

Examples of the IAA fund contributions and expenses. In 2008 the IAA fund received 106.3 million dollars, the inflation cost in 2008 at 3.4% was 258.7 million dollars. So this is not sustainable. BUT in 2009, Sept. 30 the inflation was 0%, so as of January 2010 we will take , or receive nothing from the fund, except benefit premiums.

In 2009 the employer,etc, contributions to the IAA fund is more than is being paid out, but by 2013 the fund will require more funds than are being received.

The bottom line to this and past Annual Meetings is that the Plan Partners refuse to put more money into the IAA fund from their side. The Plan Partners, as I understand it, are the employers, the Provincial Government, and the Unions. The unions have the bargaining power to bargain increases in the contributions to the pension IAA fund. An increase in the fund contribution now will help their members as they retire in the future.

Some of you may remember when \$500.00 a month was a good pension, try living on that today without the indexing..

All of the meeting information is available on the Pension BC website.

Thanks guys. John Pfeifer

PS. Be sure to join the MPRA.. They are fighting for us but have little leverage.