



Pension Plan for the Academic & Administrative  
Employees of the University of Regina  
**Defined Benefit (DB) Component**  
**2025 Annual Report to Members**

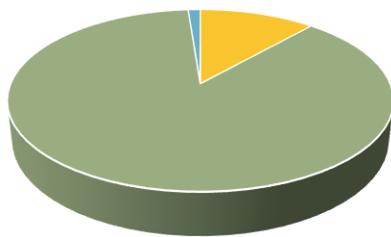
## Plan Overview

The Academic and Administrative Pension Plan was established on July 1, 1965. The defined benefit (DB) component of the Plan has been closed to new members since 2000.

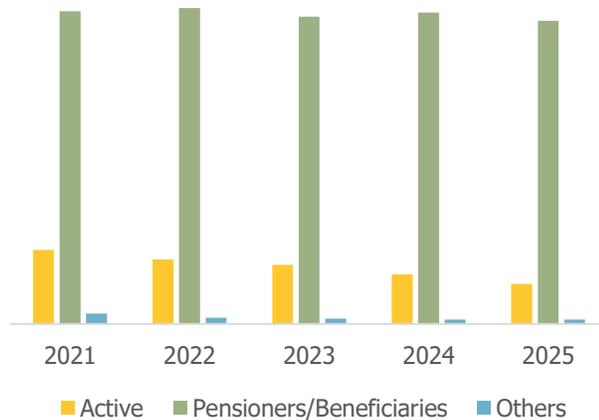
The DB component of the Plan provides you with a set monthly pension payment for the rest of your life. Your pension is calculated using a formula based on your years of credited service in the Plan and your best consecutive three-year average salary at the time of your retirement. If you have a spouse at retirement, your pension will be adjusted to provide a lifetime pension to your spouse upon your passing.

## Plan Membership

The membership profile at December 31, 2025, along with the membership movement over the past five years, has been illustrated below. Pensioners and beneficiaries make up 87% of the DB membership at December 31, 2025.



- 38 Active
- 287 Pensioners/Beneficiaries
- 4 Others (DB/DC, InActive Terminations, Suspended Membership)



## Pension Contributions

2025	Pensionable Earnings
Employee Paid	7.5%
Employer Paid	7.5%
<b>Total Combined</b>	<b>15.0%</b>

The Income Tax Act (ITA) limits the annual benefit you can earn from a DB pension to \$3,756.67 in 2025. Therefore, pension contributions and earnings were limited to \$187,833.50 in 2025 for active members of the Plan.

## Retirement

The Plan provides for early retirement once either of the following provisions have been attained:

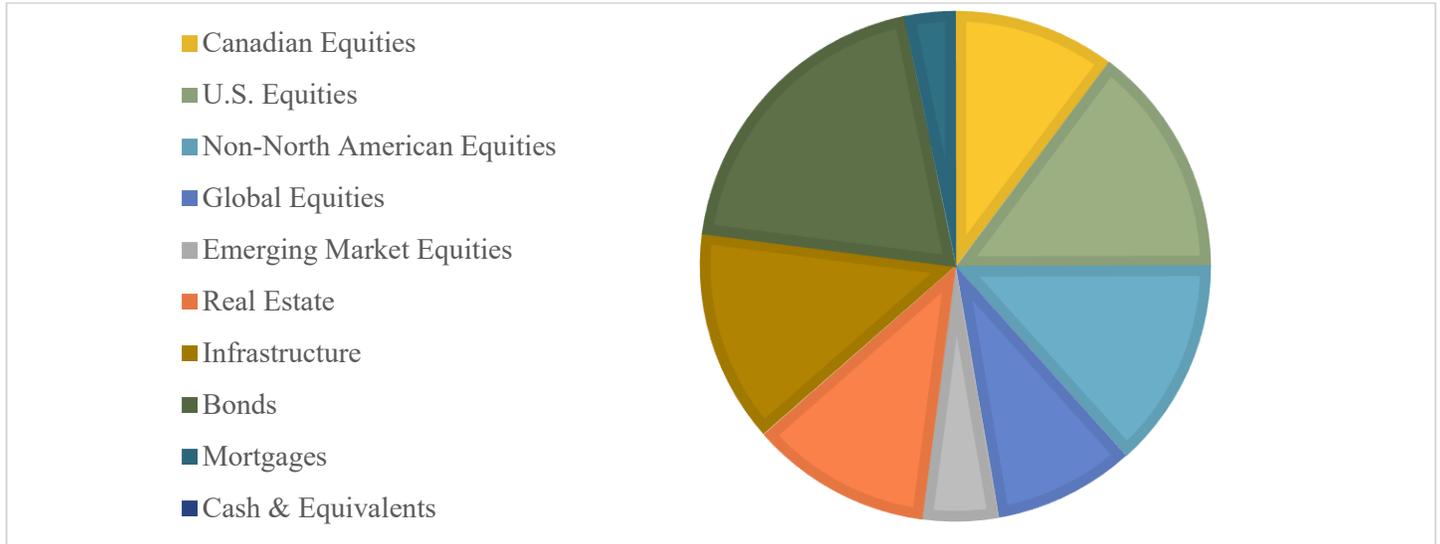
- Age 55, provided you have completed three years of service (an early retirement reduction may apply) or
- The sum of your age and years of service equal to at least 80.

# Pension Plan Assets at December 31, 2025

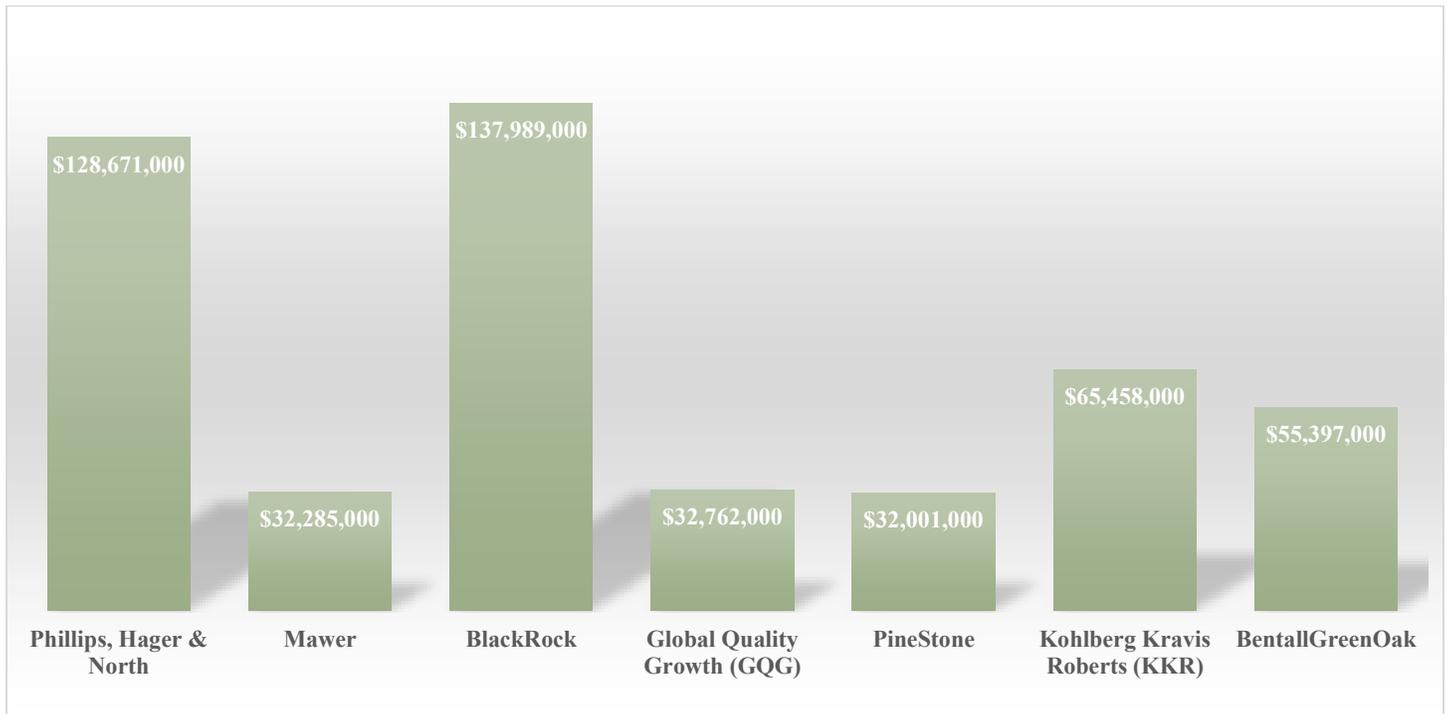
## Market Value

The market value of the DB component of the **Academic and Administrative Pension Plan** assets at the end of 2025 totalled **\$333.2 million**. For investment purposes, the assets of the DB component of the Plan are combined with those of the Non-Academic Pension Plan into a single fund called the **Master Trust Fund**. The market value of the Master Trust totalled approximately **\$484.5 million** at December 31, 2025.

## Asset Mix of the Master Trust at December 31, 2025



## Distribution of the Master Trust Assets by Investment Manager at December 31, 2025



## The Markets

2025 was an unexpectedly strong year for global markets, characterized by resilient growth, AI-driven tech leadership, and a change in leadership with international equities outperforming U.S. equity markets. Despite increased volatility caused in part by trade tensions, inflation, and geopolitical issues, equities hit record highs.

Central bank policy remained a major driver of capital markets throughout 2025 with central banks around the globe cutting rates. The Bank of Canada lowered its overnight rate by a total of 1.00% in 2025, ending the year at 2.25%. The Federal Reserve reduced the federal funds rate by 0.75% in total, finishing the year in a range of 3.50% to 3.75%.

In equity markets, the S&P/TSX Composite returned 31.7%, the S&P 500 was up 12.4%, and the MSCI EAFE Index advanced 25.1%. Canadian markets were one of the strongest markets globally, with Materials the standout sector, rising 101% in the year driven by gold-related stocks. U.S. equity markets experienced a volatile but ultimately positive year. Within U.S. equities, the story shifted from the “Magnificent 7” as concerns grew over high valuations and concentration risk associated with the big tech names, and investors started spreading out into a broader range of companies. EAFE markets benefited from a resurgence in industrials, while emerging markets were supported by the strength of Korean and Taiwanese equities and, later in the year, renewed interest in Chinese equities.

2025 was a difficult year for bonds as central banks continued to cut interest rates around the globe. The FTSE Canada Universe Bond Index returned a modest 2.6% in the year. Throughout the year, short term yields dropped in Canada as the Bank of Canada lowered interest rates while the long end of the yield curve rose.

## Investment Performance

A number of performance objectives are set out for the pension plan. The primary objective for the Fund is to earn a rate of return that exceeds, net of fees, the rate of return earned on a benchmark portfolio.

The investment managers appointed by the Board are directed to achieve a satisfactory long-term real rate of return through a diversified portfolio within their mandate, consistent with acceptable risks and prudent management.

The Master Trust Fund had mixed results versus its long-term objectives:

- Total Fund did not exceed the benchmark on a net of fees basis over four years; and
- Total Fund real return of 4.80% exceeded the real return objective of 3.95% over ten years.

The four-year and ten-year volatility for the Master Trust Fund continues to be materially lower than that of traditional balanced funds.

Investment Performance	2025	Last 4 Years	Last 10 Years
Master Trust Gross Return	<b>9.8%</b>	<b>6.6%</b>	<b>7.5%</b>
Benchmark Return	12.2%	6.6%	7.6%
Master Trust Value Added	-2.4%	0.0%	-0.1%
Inflation	2.4%	3.5%	2.7%
Real Return	<b>7.4%</b>	<b>3.1%</b>	<b>4.8%</b>

*Gross Return: the total rate of return before the deduction of any fees, commissions, or expenses.*

*Benchmark Return: A standard against which the performance of an investment can be measured.*

*Real Return: the total rate of return after accounting for inflation.*

## Pension Plan Expenses

Plan expenses for 2025 were 0.2761% of the average market value of the assets within the Master Trust attributed to the DB component of the Academic & Administrative Pension Plan. The Plan is charged for expenses related to actuarial and consulting services, administration, investment manager fees and asset servicing fees.

## Cost of Living Increases for Pensioners

The Plan provides for indexing of pensions to be granted each year on July 1st. The amount of the pension increase is conclusively determined by the Academic and Administrative Benefits Committee (AABC), in consultation with the Actuary, at a rate that is equal to the increase in the previous year's rate of inflation as measured by the Consumer Price Index (CPI).

A cost of living adjustment of 2.38% was provided to eligible retired members commencing July 1, 2025.

## Actuarial Valuation

The plan last filed an actuarial valuation report with the regulators at **December 31, 2024**.

### Going-Concern Position of the Plan

The going-concern valuation provides an assessment of the Plan's financial position at the valuation date on the premise that the Plan will continue on into the future indefinitely.

	2024	2023
Actuarial Value of Assets	\$320,435,000	\$293,472,000
Actuarial Value of Liabilities	\$269,104,000	\$263,923,000
Surplus/(Deficit)	\$51,331,000	\$29,549,000
Funded Ratio	1.19	1.11

*The going-concern valuation included a liability to support future cost of living increases. The total reserve set aside for all members was estimated to be funded 100%.*

### Solvency Position of the Plan

The solvency valuation examines whether the Plan would be in a deficit or surplus position if it were closed (hypothetical wind-up) as of the valuation date. The Plan has been classified as a "Specified Plan" and is not required to fund solvency deficiencies.

	2024	2023
Actuarial Value of Assets	\$317,482,000	\$289,631,000
Actuarial Value of Liabilities	\$297,182,000	\$256,444,000
Surplus/(Deficit)	\$20,300,000	\$33,187,000
Solvency Ratio	1.07	1.13

*The solvency ratio is based on the premise that future cost of living increases would be scaled back to zero on plan windup to eliminate/reduce any deficit.*

## Transfer Deficiency Requirements

Since the ratio of the solvency assets to the solvency liabilities is equal to 1.07 as at December 31, 2024, there is no requirement to hold back funds upon termination from the Plan.

## Plan Amendments

There were no plan amendments in 2025.

## Governance Structure

The Board of Governors is the Plan's legal administrator and as such accepts the associated fiduciary responsibilities associated with the Plan.

The Board delegates the majority of the governance duties associated with the pension plan to University administration and the AABC, both of which report on a regular basis back to the Board through the Human Resources Committee.

## Academic and Administrative Benefits Committee (AABC)

The AABC consists of three members recommended by the University of Regina Faculty Association (URFA), one member recommended by the University of Regina Academic & Administrative Pensioners Association (URAAPA) and three University representatives. At **December 31, 2025**, the AABC consisted of the following members:

<b>Current Committee Members</b>	<b>Faculty/Department</b>	<b>Meetings Held</b>	<b>Meetings Attended</b>
Peter Douglas	Mathematics & Statistics (Chair)	11	10
Dianne Ford	Executive Offices	11	7
Danni Kenzle	Human Resources	11	9
Bradley Martin	Protective Services	11	10
Jan-Paul Venter	URAAPA	8	4
Glen Raboud	Financial Services	11	10
Dr. Zhou (Joe) Zhang	Hill Levene School of Business	11	10
<b>Past Committee Members</b>	<b>Faculty/Department</b>	<b>Meetings Held</b>	<b>Meetings Attended</b>
Larry Miller	URAAPA	3	0

## Meetings of the Committee

The Joint Pension Investment Committee (JPIC), which is made up of members of the AABC and the Non-Academic Benefits Committee (NABC), oversees all investment aspects related to the assets of the Master Trust Fund.

The Committees rely on the expertise of numerous consultants and investment managers in their oversight role. The key pension plan activities have been outlined in the following table:

➤ Reviewed the Quarterly Pension Investment Performance and Investment Manager Evaluation Reports for the Master Trust Fund	➤ Recommended the University of Regina file an Actuarial Funding Valuation at December 31, 2024
➤ Approved the 2024 Pension Plan Expenses and Expense Rate	➤ Approved Cost of Living Adjustments (COLA) for Eligible Pensioners
➤ Participated in Investment Strategy Education	➤ Approved the 2026 Budget and Workplan
➤ Reviewed and Recommended JPIC terms of reference	➤ Reviewed and Recommended the 2025 Statement of Investment Policies and Goals (SIP&G)
➤ Reviewed updates to the Canadian Association of Pension Supervisory Authorities (CAPSA) Guidelines	➤ Participated in a Session with another Pension Plan to Learn about their Journey and Current Offerings.

## Other Agents of the Plan

Actuaries and Pension Consultants	Jacob Schwartz & David Larsen, Aon
Performance Measurement Consultants	Erin Achtemichuk & Don Olsen, Aon
Asset Servicing Provider (Custodian)	The Northern Trust Company, Canada

The primary purpose of this report is to:

- Provide defined benefit plan members an overview of the Plan at December 31, 2025
- Review 2025 Master Trust investments and performance
- Report on the 2025 activities of the Academic & Administrative Benefits Committee (AABC)

Please contact the Pension and Benefits unit in Human Resources or any member of the AABC if you have any questions about the items covered in this report.

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*The information provided in this report is designed to give you an overview of the Academic & Administrative Pension Plan (defined benefit component) at December 31, 2025. Full details contained in the legal plan documents as well as applicable legislation will govern in all cases.*