

Pension Plan Year in Review 2021



The Pension Plan for Participating Employers of the Newfoundland and Labrador Municipal Employee Benefits Inc. (“Plan”) is administered and operated for the benefit of participating employers and their eligible employees by NLMEB Inc., operating as TRIO.

The TRIO Board of Directors is responsible for the overall management of the Plan. With the support of expert advisors, the Board determines appropriate investment and management policies, and acts to ensure the long-term sustainability and viability of the fund.

This *Year in Review* has been prepared for plan members and participating employers to provide information on the operation of the Plan in 2021.

Pension Plan at a Glance

Some important highlights of the TRIO Plan are as follows:

- Inception Date: October 1, 1978
- Participation: 57 municipalities
- Active members: 894
- Pensioners: 323
- Participation Options: 11 defined benefit
1 defined contribution

TRIO Board	
Tony Pollard	President
Dennis Kelly	Vice-President
Glenn Clarke	Director
Liz Davis	Director
Percy Farwell	Director
Brian Hudson	Director
Keith Keating	Director
Carol Ann Smith	Director

Actuarial Valuation* and Pension Fund Reconciliation**

Going Concern Valuation as at 31-Dec-2020	
Assets	\$ 183,709,000
Liabilities	\$ 175,662,000
Excess / (Deficit)	\$ 8,047,000
Funded Ratio	104.6%
Employee Contributions	\$ 5,053,500
Employer match	\$ 5,053,500
Special Payments	\$ 1,294,000
Total Annual Contribution	\$ 11,401,000

*Last actuarial valuation was at 31 December 2020.

** Fund reconciliation shows opening and closing balances for 2021, and amounts received by and paid out of fund. The fund increased by \$17,520,000 over the year.

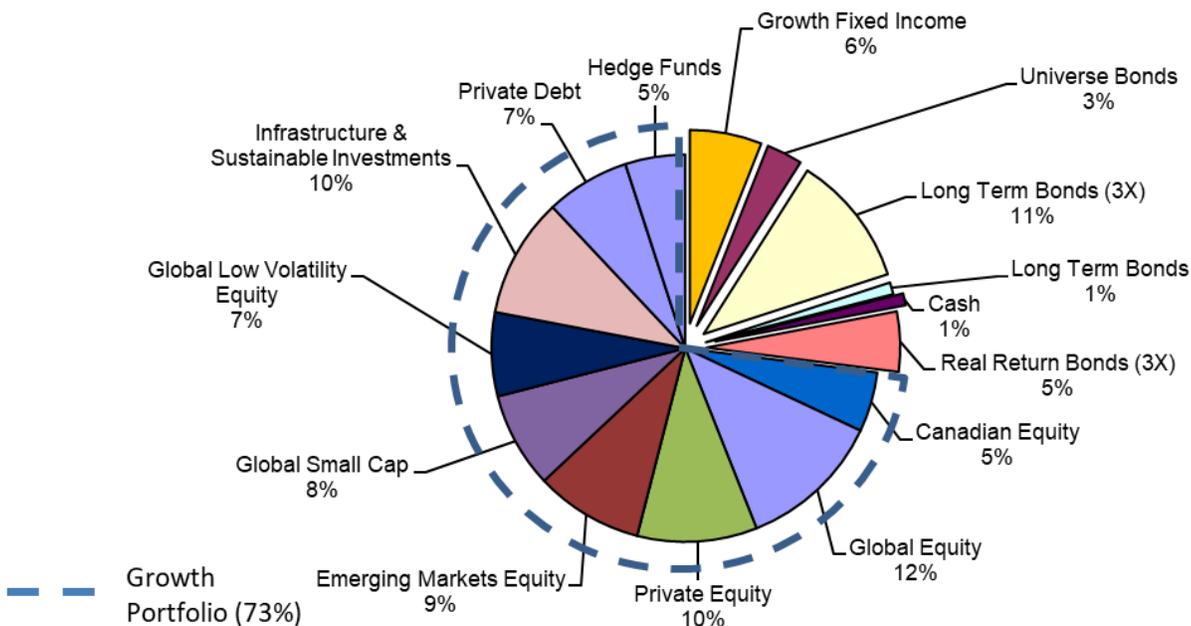
Fund Reconciliation 2021	
January 1 (market value)	\$ 183,186,000
Employee Contributions	\$ 5,025,000
Employer Contributions	\$ 5,877,000
Transfers In	\$ -
Investment Income	\$ 16,609,000
Sub-total	\$ 27,511,000
Pensions Paid	(\$5,089,000)
Lump Sum Payments	(\$3,095,000)
Fees and Expenses	(\$1,807,000)
Sub-total	(\$9,991,000)
December 31 (market value)	\$ 200,706,000

TRIO Pension Plan

The TRIO Pension Fund is invested by professional investment managers in a diversified portfolio of investments including stocks and bonds. The Plan invests in Canadian and global equities, hedge funds, infrastructure and sustainable investments, as well as fixed income investments (bonds) that match the plan's liability profile -- mainly long term bonds and real return bonds. The growth portfolio is designed to provide a variety of sources of investment return with reasonable expected returns and reduced volatility.

The TRIO Board is focused on the stability of employee and employer contributions, and the long-term viability of the Plan. The Plan has shown an improvement in its funded position due to a combination of rising interest rates and strong investment returns in 2021. The Board will continue to monitor the Plan's funded position very carefully.

Long-Term Target Asset Allocation



	Investment Returns in Year (Before Expenses)										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	10-yr Avg
TRIO Fund	9.1%	10.4%	14.9%	8.9%	7.1%	11.5%	-1.3%	15.6%	15.0%	9.0%	9.9%
Mercer Median *	9.1%	16.2%	11.1%	5.7%	7.1%	8.9%	-2.5%	15.2%	9.1%	13.7%	9.2%

* Returns of the median Balanced Fund manager in Mercer Survey of Canadian Investment Managers.

Contact TRIO (TRIO is operated by NL Municipal Employee Benefits, Inc.)

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