



# Member Newsletter

FALL / WINTER 2025

The Management Employees Pension Board (MEPB or the Board) is pleased to present the member newsletter. The Board welcomes feedback as it relates to Plan governance. Contact: [board@mepp.ca](mailto:board@mepp.ca)

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## Message from the Chair

In today's rapidly changing and often uncertain global environment, stability and foresight have never been more important. As 2025 draws to a close, economic volatility and shifting markets continue to remind us of the need for long term resiliency and prudent governance. The Management Employees Pension Board (MEPB) remains focused on the long-term health and sustainability of the Plan and committed to the protection of the retirement security of our members. Through responsible decision making and strategic foresight, we will continue to navigate uncertainty with confidence, ensuring the Plan's continued strength and stability in the years ahead.

In this edition of the newsletter, you will find updates on upcoming Plan Text changes, membership trends, Annual Report highlights, and a funding status update. The Board is also pleased to share news about the opening of a new Calgary office, which will enhance service delivery for members in southern Alberta. Additionally, new member education opportunities are on the horizon, designed to help members better understand their pension and Plan features.

The Board would like to take this opportunity to welcome three new members: Adam Battistessa, Shaun Peddie, and Nathaniel Smith, all of whom have been appointed since the last Spring/Summer newsletter. Their diverse experience and perspectives will be valuable as the Board continues its work.

The Board remains committed to delivering value to its members. Based on average membership for the year, MEPP's per-member service expense in 2024 was \$181, reflecting continued efficiency in plan administration and cost management. MEPP continues to provide meaningful retirement income for members, with the average annualized pension amount in 2024 reaching \$52,088.

Members are encouraged to explore the newsletter for insights into Plan performance, upcoming changes, and resources available to help you better understand your pension.

**Les Stelmach, MEPB Chair**

**Les Stelmach**

# AIMCo Article: Navigating the New Economic Landscape

Chief Fiduciary Management Office (CFMO)

## United States: Growth with Uneven Benefits

Strong consumer spending continues to fuel the U.S. economy, as America grew at a 3.8% clip in the second quarter of this year. While the economy continues to chug along, much of the momentum is now driven by high-income earners. Middle-income families are feeling financially squeezed, and lower-income groups are struggling with fewer job opportunities and rising prices caused by tariffs. Companies are cautious about hiring, partly due to uncertainty around trade and the rise of artificial intelligence.

The U.S. recently passed a law dubbed the 'One Big Beautiful Bill Act' which is expected to boost spending and growth in the short term through tax cuts and more government spending. But in the long run, it could increase the national debt, which might make government borrowing more expensive and raise concerns about the demand for the U.S. dollar.

## Canada: Trade Advantage but Economic Challenges

Compared to its major trading partners, Canada faces the lowest effective tariff rate from the U.S., thanks to a larger share of Canadian goods entering the U.S. duty-free. This positions Canada for potential trade advantages despite broader economic weakness. After months of decline, Canada's economy showed a small rebound in July. However, unemployment climbed to 7.1% in September, the highest in nearly a decade outside of the pandemic. In response, the Bank of Canada resumed rate cuts in September—the first since March—to help support the weakening labour market.

Despite economic weakness, Canada's stock market has posted gains recently. The TSX (Toronto Stock Exchange) index hit a record high in September, driven by strong performance in materials and financials, especially energy and metals like gold.

## Tariffs and Trade Scenarios

We see two possible paths for how tariffs could shape the future:

1. **Backdown Scenario:** The U.S. raises tariffs briefly but then eases them, minimizing global disruption as countries are able to secure exemptions.
2. **Bunker Scenario:** The U.S. limits imports from outside North America, reshaping supply chains but potentially hurting Canadian and Mexican exporters from diversification opportunities.

## Canada's Hidden Strength: Critical Minerals

Canada has large reserves of key minerals like lithium, nickel, and cobalt. These resources could power future growth, especially as demand rises globally for clean energy and technology. Canada's strong environmental standards and clean energy make it well-positioned to supply markets in Europe and Asia.



## MEPB Vision and Mission

Our vision is that Plan members and employers have a pension plan that is affordable and sustainable.

Our mission is to provide prudent governance of the Plan's assets and liabilities and ensure effective Plan administration.

## MEPP Governance News

View the [MEP Board and Plan Governance page](#) on the MEPP website for communications, policies, reports, and more.

## MEPP Financial Overview

The Board regularly reviews actuarial valuations, annual financial statements, quarterly investment performance reports, and other key reports to stay informed of the funding status of the Plan.

## Looking Ahead

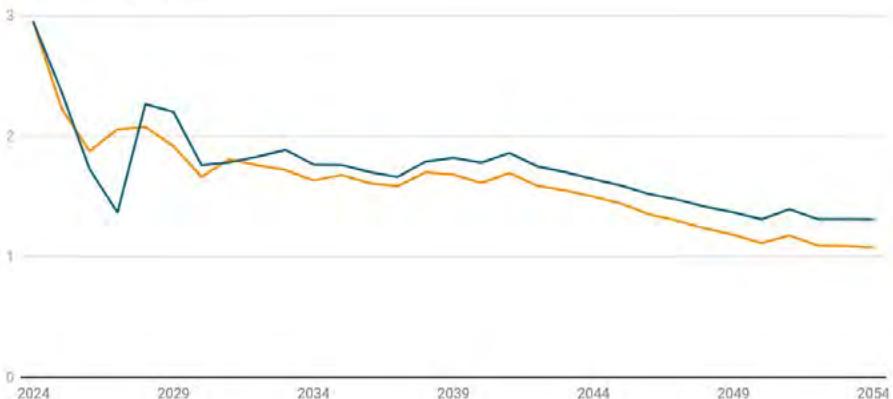
A constant in our business is that global markets will continue to evolve, be it in response to political shifts, trade tensions, or technological change, and AIMCo remains steadfast in its commitment to prudent investment and long-term growth for our clients. Rather than simply reacting to challenges, AIMCo is capitalizing on new opportunities by diversifying across sectors, investing in innovation, and maintaining a disciplined approach to risk management. As the investment manager for the Management Employees Pension Plan, we remain confident in the future and dedicated to delivering value in both stable and uncertain times.

Chart 1: U.S. Real GDP growth projected under One Big Beautiful Bill Act and vs. Tax Cuts and Jobs Act

**Figure 1. Real GDP Growth: OBBBA vs TCJA Expiration**

Percent Difference from Baseline

— OBBBA — TCJA Expiration



Source: Yale Budget Lab, Long-Term Impacts of the One Big Beautiful Bill Act, July 2025. [budgetlab.yale.edu](http://budgetlab.yale.edu)

Chart 2: The opportunity under our feet



Source: *Atlas of Canada – Canada's Critical Minerals Map*, Natural Resources Canada, updated February 22, 2023. [atlas.gc.ca/critical-minerals](http://atlas.gc.ca/critical-minerals)

# Annual Report Highlights

## Strong Growth and Steady Service: MEPP's 2024 Annual Report Highlights

The Management Employees Pension Plan (MEPP) continued to demonstrate strength and stability in 2024, remaining fully funded and showing notable growth in membership and consistent service delivery.

The 2024 MEPP Annual Report is available on the MEPP website.



Membership increased by 4.9% over 2023.



831 new members joined and  
94 rejoined the Plan after a deferral period.



At the end of 2024, MEPP served 14,384 active, deferred, and retired members.

The financial position of the Plan has remained solid throughout the year. Contributions totaled \$192.0 million, split nearly evenly between employers and employees. Payments from the Plan reached \$308.1 million, with 94.8% directed to pension benefits. According to the most recent audited financial statements, the Plan concluded 2024 with assets equal to 134.5% of the total pension obligation. At December 31, 2024, the Plan's net assets of \$7.267 billion continue to exceed its pension obligation of \$5.401 billion, resulting in an accounting surplus of \$1.866 billion. The Plan has been fully funded for accounting purposes since 2013.

### Facts About 2024

**48.0**

The average age  
of active members

**59.4**

The average  
retirement age  
in 2024

**\$52,088**

The average  
annualized  
pension

# Member Administration Reporting

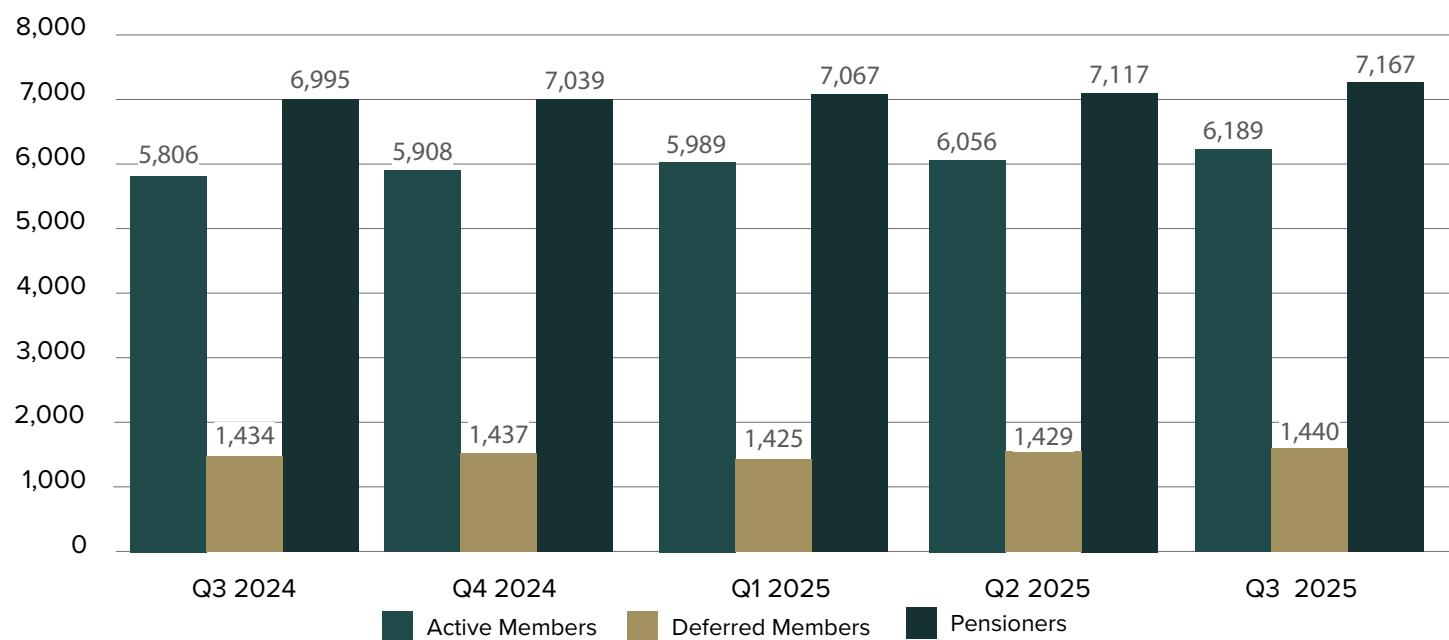
## MEPP Administration Activity

MEPB continuously works in its governance role to monitor, predict, and respond to important factors that can impact the health of the Plan. One of these factors is membership activity.

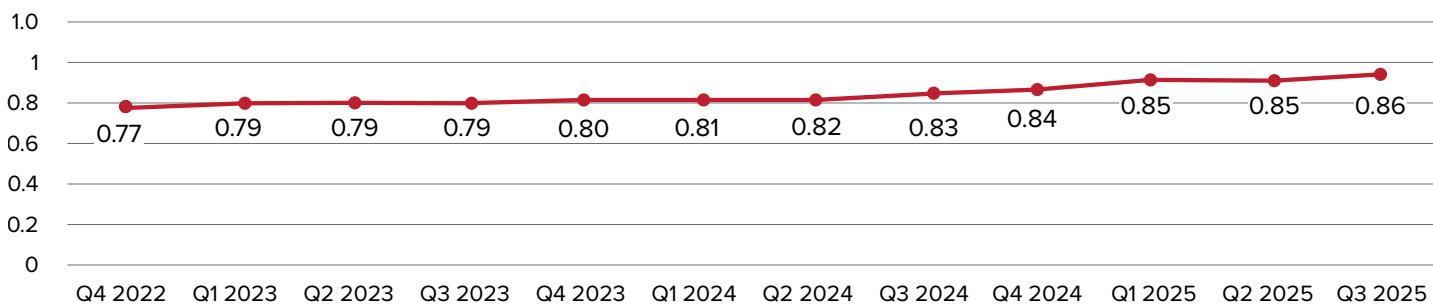
Alberta Pensions Services, as the Plan Administrator, analyzes Plan membership data for trends that may affect the health of MEPP and presents these results in its Quarterly Services Reports. The Board regularly monitors this data for trends that may affect the health of the Plan and reports the information to members in its quarterly updates. The latest results are posted in this section.

## Membership Trends

The MEPP membership highlights from Q3 2025 follow:



The ratio of the working-to-retired membership over time is depicted here:



The Board regularly monitors membership trends to assess the Plan's financial position: specifically, the inflow of contributions from active members (assets) versus the outflow of pension payments to retired members (liabilities). This awareness helps the Board ensure appropriate levels of conservatism are built into the valuations and funding policy.

# Pension Planning for Growing Families

Adding children to a household is often a joyful occasion, but it also comes with an abundance of planning and preparation.



A MEPP member who is planning to grow their family has several considerations they should keep in mind, including taking a parental leave of absence and adding beneficiaries to their account.

It is important to know that taking a parental leave of absence can affect a member's MEPP pension benefits when they retire by creating a gap in their pensionable service, which is a key part of the formula used to calculate their future MEPP pension. Under MEPP, members are able to help close that gap by purchasing service for periods of leave either by making payments during the leave or buying back the service after returning to work. This process is called a buyback.

MEPP members can purchase up to three years of maternity or parental leave and up to a maximum of five years of any other kind of leave. If a member takes more than three years of parental leave throughout their employment, parental leave can also be used in the

“It is important to know that taking a parental leave of absence can affect a member's MEPP pension benefits when they retire by creating a gap in their pensionable service, which is a key part of the formula used to calculate their future MEPP pension.”

maximum of five years of other kinds of leave. Learn more about [Buying Prior Service](#) and buybacks on [MEPP.ca](#).

Members should also consider the importance of keeping their MEPP beneficiary information up to date. Changes to beneficiary information can be made by logging into Your Pension Profile. If naming a minor or dependent adult as a beneficiary, the member may want to name a trustee to look after the funds on their behalf. If a trustee is not named by the member, a trustee from Alberta's Office of the Public Guardian and Trustee will be appointed. If a will is used to inform MEPP of the member's beneficiaries, it must refer to

either MEPP or the member's employment-based pension plans. For more information about ensuring beneficiaries are up to date, visit the MEPP website's [page on beneficiaries](#).

## Upcoming MEPP Webinars

MEPP's webinar series covers a range of topics to help members better understand their pensions and includes an opportunity for members to ask questions.

Learn more and register for a session on the [MEPP website](#).

# Member Data Security: A Priority

MEPP is committed to safeguarding the data of its members, who dedicate their careers to public service. With the rise in cyberattacks, it is crucial to implement robust security measures. MEPP has taken several steps to protect member data from sophisticated threats:

- Pension payment dates are only accessible by logging into Your Pension Profile, preventing unauthorized access by non-members and automated bots.
- Multi-factor authentication (MFA) is required for identity verification and secure online account access, replacing easily guessed security questions.
- The Document Centre in Your Pension Profile ensures the secure exchange of electronic documents between members and MEPP.
- To update banking information, members must log into their secure online account and confirm the current account number before making changes. Retired members are not permitted to update banking information via telephone and must use Your Pension Profile, submit a completed Request for Direct Deposit form (SF170), a written request, or send a Secure Message.

While MEPP is dedicated to protecting member data, members are encouraged to adopt the following practices to enhance personal information security:

- Use strong, unique passwords for each account. Avoid common passwords such as "123456" or "password." Consider using a password manager for secure password storage.
- Enable MFA on all accounts where available, adding an additional layer of security through secondary verification methods.
- Be cautious with emails and links. Verify the sender's email address and avoid clicking on links from unknown sources to prevent phishing attacks.
- Regularly monitor financial accounts and personal information for unusual activity. Report any suspicious transactions or changes immediately.
- Keep devices and software updated with the latest security patches to protect against vulnerabilities.
- Use antivirus software and firewalls to safeguard devices from malware and other threats. Avoid using public Wi-Fi for sensitive transactions and ensure home networks are secure.
- Stay informed about the latest cybersecurity threats and best practices. Knowledge is a critical tool in protecting personal information.

By adopting these proactive measures, members can contribute to a secure digital environment and ensure the protection of personal information from cyber threats.





# Information for Plan Members

## Understanding Retirement Age and Pension Deferral

MEPP members have flexibility when starting their pension, but there are key age milestones to consider.

### When can members retire?

Once vested (typically after five or more years of pensionable service), members are entitled to a lifetime pension. A calculation known as the *80 factor* determines a member's earliest eligible retirement date, which occurs when the sum of their age at retirement and years of pensionable service equals 80.

If the sum of the member's age and pensionable service is equal to (at least) 80, a member could be entitled to an unreduced pension as early as 55. If a member retires early (before the age of 60 and before reaching their 80 factor), their monthly pension amount could be reduced.

### Deferring a pension

Retired members may choose to defer their pension beyond age 55. Deferral allows the pension to grow, potentially increasing the monthly benefit amount. If a member leaves their funds in the Plan and becomes re-employed with a MEPP employer before starting their pension, new pensionable service will be added to their existing service, increasing the amount of pension they receive.

Deferring a pension does not affect a member's eligibility for cost-of-living adjustments (COLA), which are applied annually, even during the deferral period, helping to maintain the pension's value over time.

Deferral can help members keep their options open so they can make informed decisions; however, members must start their pension no later than December 31 of the year they turn 71, and members cannot start contributing to MEPP after they have retired and begun receiving a monthly pension, even if they retired before age 65 and are receiving a reduced pension.

It is important for members to consider their personal financial situation, retirement goals, and health when deciding to start their pension. MEPP provides tools and resources to support informed decision-making, including [pension estimators](#) and [retirement planning](#) information.

For more information on retirement planning, visit the MEPP website.

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## INFORMATION FOR PLAN MEMBERS

# Updates for Retired Members

Pension information is updated annually. The following outlines important details about the upcoming tax year.

## Cost-of-Living Adjustment

MEPP pensioners are subject to receive a cost-of-living adjustment (COLA), which occurs on January 1 of each year. This adjustment is applied to offset the rising cost of goods and services as measured by the Alberta Consumer Price Index (ACPI).

COLA for MEPP is currently granted at 60% of the increase in ACPI. Visit [mepp.ca](http://mepp.ca) to learn more about COLA and to find out the 2026 rate when it is posted.

## Access Tax Forms

Pensioners who have registered for [Your Pension Profile](#) can view and download their annual tax slip online in February 2026. Electronic tax forms can be found in Document Centre.

Pensioners who prefer to receive printed tax slips by mail are expected to receive them by mid-March. Pensioners should verify that their address on file is accurate and up to date.

## Review Deductions for the Upcoming Tax Year

Retired members have the option to change the amount of income tax deducted from their upcoming pension payments. This can be done by completing a new provincial or territory *TD1 Personal Tax Credits Return Form* with the Canada Revenue Agency.

**For more information about income tax deductions and how tax changes affect pension payments, please contact MEPP or visit the website.**

## Income Tax Rate Changes

Beginning in July, pensioners may have noticed a slight increase in their monthly pension payment. This change is due to updates to both federal and provincial income tax rates, which are designed to increase the take-home pay of retired members.

### **Federal tax update:**

Effective July 1, 2025, the federal base income tax rate was reduced from 15% to 14%. This adjustment was applied to pensioners' July payments.

### **Provincial tax update:**

Effective January 1, 2025, Alberta introduced a new provincial tax rate of 8% on income up to \$60,000. This is a reduction from the previous rate of 10%.

To reflect this change, monthly pension payments from July to December 2025 will include a 6% withholding rate. This rate accounts for:

- The 8% provincial tax rate
- A temporary 2% retroactive tax reduction to account for January through June payments

In January 2026, pension payments will reflect only the 8% provincial tax rate, with no retroactive adjustments.

### **For pensioners who reside outside Alberta**

If a pensioner lives in another province, the federal tax change will still apply to their monthly pension payments. However, the provincial tax portion will be calculated based on the tax rate of the province where they currently reside.

## INFORMATION FOR PLAN MEMBERS

# Top Call Topics and Helpful Tools for Members

Members may find it helpful to explore the resources and associated self-serve tools available through [MEPP.ca](#) and [Your Pension Profile \(YPP\)](#).

The following tools and resources are listed as they relate to topics commonly raised by members when contacting the MSC.

### **Retirement**

- Resources for [planning for retirement](#)
- [Retirement Checklist](#), a downloadable PDF
- [Pension estimators](#) to help members estimate future pension benefits

### **Transfers**

- Information about [transferring into MEPP](#)
- Information about [transferring out of MEPP](#)

### **Your Pension Profile**

- Get [help with logging in](#) to YPP
- Learn more [about YPP](#)

### **Buying Prior Service**

- Use the [Buyback Estimator](#)
- Learn more about [buying prior service](#)

### **Leaving the Plan**

- Find more information on various scenarios [when leaving the Plan](#)

### **Other Resources**

- [Document Centre](#) - upload and track required forms and submissions
- [PensionEase](#) - apply for retirement online and manage related documents
- [MEPP Member Handbook](#) - a comprehensive guide to Plan features and processes

## Calgary Office Opening Soon

Members in southern Alberta will soon have access to in-person services through the new Alberta Pensions Services Calgary office, located at 333 - 7 Avenue SW in the Dome Tower. The office opening is planned for the first quarter of 2026.

The new location offers similar in-person services to those in Edmonton, such as one-on-one appointments and document drop-off or pick-up.

More information about hours of operation and booking an appointment will be available on the MEPP website.



## Contact Us

The Board is committed to good governance and welcomes your feedback. Please reach out to us with any questions related to Plan governance.

### **MEPP Member Services Centre**

Telephone: 1-877-889-MEPP (6377) (toll-free)

Fax: 780-421-1652

Email: [memberservices@mepp.ca](mailto:memberservices@mepp.ca)

### **Management Employees Pension Board**

Telephone: 780-391-3584

Email: [board@mepp.ca](mailto:board@mepp.ca)

*From back left, Dale Beesley (Vice Chair), Nathaniel Smith (Board Member), Adam Battistessa (Board Member), Shaun Peddie (Board Member), Jonathan MacLeod (Board Member), Shannon Patershuk (Board Member), Les Stelmach (Board Chair)*