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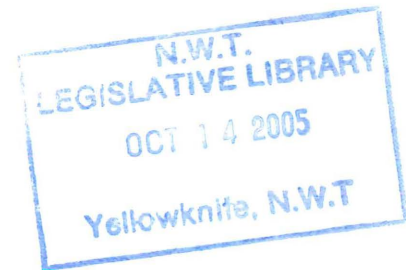
Hewitt Associates



Pension Administration Report—Retiring Allowances Act and Supplementary Retiring Allowances Act

The Northwest
Territories
Legislative Assembly

March 31, 2005



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About This Material

The Northwest Territories Legislative Assembly provides pension benefits to its elected members under the Legislative Assembly Retiring Allowances Act (RAA) and the Supplementary Retiring Allowances Act (SRAA). Section 21 of the RAA and section 11.1 of the SRAA require that a report on the administration of each Act be presented to the Assembly by the Board of Management each fiscal year.

This report summarizes the current active membership, inactive members and plan assets. An appendix to this report summarizes all of the positions held, past and present, of the current 19 members.

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Membership Information

Overview

There are several categories of membership under the Act:

- Active members are the current elected Members of the Assembly;
- Deferred non-vested members are prior Members of the Assembly who left prior to becoming eligible for a pension (vested). If they return to the Assembly and become vested, they will be eligible for their full pensions;
- Deferred vested pensioners are prior active members who are entitled to a pension, but who have not yet commenced receiving it.
- Pensioners are prior members or survivors of prior members who are currently in receipt of a pension.

The following table provides a reconciliation of the RAA Plan membership from April 1, 2004 to March 31, 2005:

Membership Categories

	Active	Deferred Non-Vested Members	Deferred Vested Pensioners	Pensioners
Members as at April 1, 2004	19	13	1	35
New Members	1			
Retirements				
Terminations				
• Elected lump sum payment	(1)			
• Elected deferred pension				
• Member re-elected (deferred pension)				
• Non-Vested				
Deaths				
• No continuation of benefit				
• Child benefit stopped				(1)
• With survivor				
• Survivor entitled to benefit				
Members as at March 31, 2005	19	13	2	34

The following table provides a reconciliation of the SRAA Plan membership from April 1, 2004 to March 31, 2005:

Membership Categories

	Active	Deferred Vested Pensioners	Pensioners
Members as at April 1, 2004	18	2	34
New Members	1		
Retirements Pension combined with previous benefit	(1)		1
Terminations			
• Elected lump sum payment			
• Elected deferred pension			
• Member re-elected (deferred pension)			
• Non-Vested			
Deaths			
• No continuation of benefit			
• Child benefit stopped			(1)
• With survivor			
• Survivor entitled to benefit			
Members as at March 31, 2005	18	2	34

Actives

There are 19 Members at March 31, 2005. The 19 Members held the following position(s) at March 31, 2005:

Name	Position(s)
Bell, Brendan R.	MLA, Minister
Braden, William A.	MLA, Chairperson
Delorey, Paul A.	MLA, Speaker
Dent, Charles A.	MLA, Minister
Groenewegen, Jane M.	MLA, Deputy Speaker, Chairperson
Handley, Joseph L.	MLA, Premier
Hawkins, Robert M.	MLA
Krutko, David M.	MLA, Minister
Lee, Sandy	MLA, Chairperson
Mcleod, Michael V.	MLA, Minister
Mcleod, Robert C.	MLA
Menicoche, Kevin A.	MLA, Chairperson
Miltenberger, J. Michael	MLA, Minister
Pokiak, Calvin P.	MLA, Deputy Chair
Ramsay, Yazmarr D.	MLA, Chairperson
Roland, Floyd K.	MLA, Minister
Villeneuve, Robert J.	MLA
Yakeleya, Norman S.	MLA
Zoe, Henry	MLA, Minister

A number of Members are entitled to a deferred pension for positions (such as Minister or Chairperson) which they held in the past, but no longer hold. Appendix A summarizes these positions for each of the current Members.

Members who have held a position for less than one year are not vested in a pension for these positions. However, if they resume a position and complete, in aggregate, one year of service in the position, they will be entitled to a deferred pension. Therefore, Appendix A also tracks these non-vested positions.

Pensioners

At March 31, 2005 there are thirty-four (34) prior members or survivors of prior members receiving monthly pensions from the RAA and thirty-four (34) from the SRAA, as outlined in Table 1.

On January 1 each year, pensions are increased to reflect changes in the cost of living as measured by the Consumer Price Index to September 30 of the previous year. The January 1, 2005 increase was 1.69%.

Pages six (6) and seven (7) show the pension payable as at April 1, 2005 to each Member under both the RAA and the SRAA. The table also shows the amount of pension each Member received in the twelve months from April 1, 2004 to March 31, 2005.

Appendix B provides a history of annual pension increases.

Pensioner	Date of Retirement	FOR PRE -1992 RAA BENEFIT AND PRE-4/1/1996 SRAA BENEFIT			FOR POST-1991 RAA BENEFIT AND POST-4/1/1996 SRAA BENEFIT		
		Form of Pension	G'tee	% to Spouse	Form of Pension	G'tee	% to Spouse
Allen, Roger	1-Nov-2004	n/a	n/a	n/a	J	5	0.67
Allooloo, Titus S.	1-Nov-1995	J	0	0.75	J	5	0.67
Antoine, James L.	1-Dec-2003	J	0	0.75	J	5	0.67
Appaqaq, Moses ²	1-Jan-1995	J	0	0.75	J	0	0.75
Arlooktoo, Joe	1-Nov-1991	J	0	0.75	J	0	0.75
Ballantyne, Michael Allan	1-Nov-1995	J	0	0.75	J	5	0.67
Butters, Thomas H.	1-Nov-1991	J	0	0.75	J	0	0.75
Cournoyea, Nellie Joy ¹	1-Nov-1995	J	0	0.75	J	5	0.67
Curley, Tagak ²	1-Oct-1993	J	0	0.75	J	0	0.75
Evaloarjuk, Louise (spouse)	1-Apr-1999	S	0	0	S	0	0
Fraser, Ellen (spouse)	1-Dec-1983	S	0	0	n/a	n/a	n/a
Gargan, Samuel	1-Jan-2000	J	0	0.75	n/a	n/a	n/a
Irniq, Peter	1-Dec-1991	J	0	0.75	J	0	0.75
Kakfwi, Stephen	1-Dec-2003	J	0	0.75	J	5	0.67
Kilabuk, Gaila B.J. (son)	1-Apr-2000	C	0	0	C	0	0
Kilabuk, Nellie A. (spouse)	1-Nov-1991	S	0	0	S	0	0
Lafferty, Leon	1-Dec-2003	n/a	n/a	n/a	J	5	0.67
Lewis, Brian W.	1-Nov-1995	J	0	0.75	J	5	0.67
MacQuarrie, Robert H.	1-May-1990	S	15	0	S	15	0
Marie-Jewell, Jeannie	1-Nov-1995	J	0	0.75	J	5	0.67
McCallum, Arnold J.	1-Nov-1987	J	0	0.75	n/a	n/a	n/a
McLaughlin, Bruce A. ¹	1-Nov-1991	S	10	0	S	10	0
Morin, Donald A.	1-Jan-2000	J	0	0.75	n/a	n/a	n/a
Nerysoo, Richard William	1-Nov-1995	J	0	0.75	J	5	0.67
Ng, Kelvin	1-Apr-1999	J	0	0.75	J	5	0.67
Ningark, John	1-Aug-1999	J	0	0.75	J	5	0.67
Ootes, Jake J.	1-Dec-2003	n/a	n/a	n/a	J	5	0.67
Patterson, Dennis G.	1-Nov-1995	J	0	0.75	J	5	0.67
Pedersen, Asger Rye ¹	1-Nov-1991	S	10	0	S	10	0
Pollard, John D.	1-Nov-1995	J	0	0.75	J	5	0.67
Pudluk, Ludy Kalluk	1-Nov-1995	J	0	0.75	J	5	0.67
Rabesca, James ²	1-Jan-2000	n/a	n/a	n/a	J	5	0.67
Searle, David H. ²	1-Nov-1992	J	0	0.75	J	0	0.75
Sibbeston, Nick G.	1-Nov-1991	J	0	0.75	J	0	0.75
Steen, Vince R.	1-Dec-2003	n/a	n/a	n/a	J	5	0.67
Todd, John H.	1-Apr-1999	J	0	0.75	J	5	0.67
Wah-Shee, James J. ^{1,2}	1-Mar-1995	J	0	0.75	J	0	0.75
Whitford, Anthony W. J. ¹	1-Nov-1995	J	0	0.75	S	10	0
Wray, Gordon Leslie	1-Feb-1992	J	0	0.75	J	0	0.75

¹ These members have dependants but no spouse.

² These members are not entitled to a pension under the SRAA Plan.

Deferred Vested Members

The following member has left the Assembly and is entitled to a pension from the SRAA:

Name	Date of Termination	Earliest Unreduced Retirement Date
Nitah, Steven	November 24, 2003	May 1, 2027

The following pensioner has been re-elected. Both the RAA and SRAA pensions have ceased. This member is now entitled to a deferred pension under each plan:

Name	Date of Re-election
Zoe, Henry	November 24, 2003

Non-Vested Terminated Members (Deferred Non-Vested)

There are thirteen (13) former Members in total who left the Assembly before becoming eligible for a pension. They have not been re-elected for more than two Assemblies; therefore we have not shown details for these former Members. Such former Members who are re-elected must pay back to the RAA pension fund their contributions that were refunded when they left with interest in order to be reinstated in their previous service.

Additional SRAA Payment

Section 10.1 of the SRAA provides for a payment equal to 6.50% of a member's remuneration from the date they were first elected to March 31, 2005 plus interest for members who:

- Were first elected in the Thirteenth Assembly, or
- Were first elected in the Twelfth Assembly but had less than two years of service in the Twelfth Assembly.

The payment is payable when the member ceases to be a member. The accumulated entitlements at March 31, 2005 of the remaining four (4) members are summarized in the following table:

Name	Contribution Balance at March 31, 2005
Groenewegen, Jane M.	\$3,685.50
Krutko, David M.	\$4,137.54
Miltenberger, J. Michael	\$4,046.76
Roland, Floyd K.	\$3,764.77

Maximum Benefit

Section 20.1 of the Act states that the combined allowance payable under the RAA and the SRAA must not exceed, in total, 75% of the best average earnings of a member at retirement. There are currently no member(s) who will reach the 75% maximum in the next five years.

Asset Information

Retiring Allowances Act

1. Details of the Fund

The funds are currently held by CIBC Mellon and invested by UBS Global Asset Management and McLean Budden Investment Managers. The details of the fund between April 1, 2004 and March 31, 2005 is summarized below.

	\$
Market Value at April 1, 2004	17,212,489
Contributions	
• Members' Regular Contributions	144,565
• Assembly Contributions	0
Investment Income	1,408,648
Benefits	
• Pension Payments	(527,430)
• Lump Sum Payments (refund of overpayment)	(160,994)
Fees	
• Investment Management Fees	(48,879)
• Administration Expenses	(20,137)
• Actuarial Consulting Fees	(56,283)
Market Value at March 31, 2005	17,951,979
Amounts Payable and Receivable:	
• Amounts Receivable	13,317
• Amounts Payable	(27,352)
Adjusted Market Value at March 31, 2005	17,937,944

2. Rate of Return

The fund earned a rate of return of 7.58% (net of all fees and expenses) during the fiscal year.

3. Interest Credited on Contributions

The interest credited on required contributions by Members was 2.78% for the period April 1, 2004 to March 31, 2005

A history of interest rates credited on contributions appears in Appendix B.

Supplementary Retiring Allowances Act

1. Details of the Fund

The assets of the SRAA form part of the Consolidated Revenue Fund and are held by CIBC Mellon and invested by UBS Global Asset Management and McLean Budden Investment Managers. They constitute assets of the Government, not the Assembly. The details of the fund between April 1, 2004 and March 31, 2005 are summarized below:

	\$
Market Value at April 1, 2004	23,587,751
Contributions	
• Members' Regular Contributions	0
• Assembly Contributions	0
Investment Income	1,718,633
Benefits	
• Pension Payments	(768,634)
• Lump Sum Payments	0
Fees	
• Investment Management Fees	(67,142)
• Administration Expenses	(24,609)
• Actuarial Consulting Fees	(56,239)
Market Value at March 31, 2005	24,389,760
Amounts Payable and Receivable:	
• Amounts Payable:	0
• Amounts Receivable:	(33,228)
Adjusted Market Value at March 31, 2005	24,356,532

2. Rate of Return

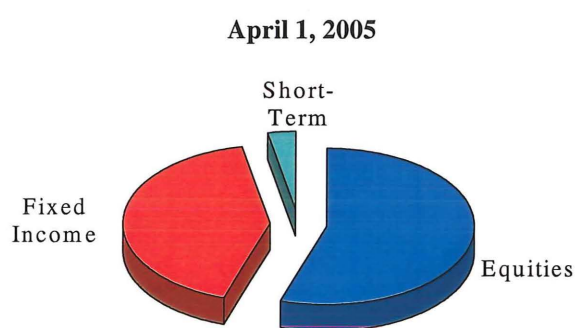
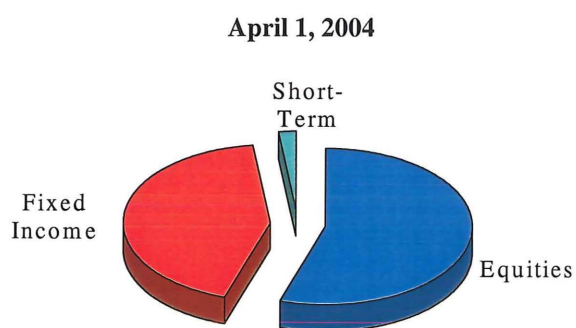
The fund earned a rate of return of 6.77% (net of all fees and expenses) during the fiscal year.

Asset Mix

The followings are summaries of the asset mix of RAA and SRAA at April 1, 2004 and April 1, 2005.

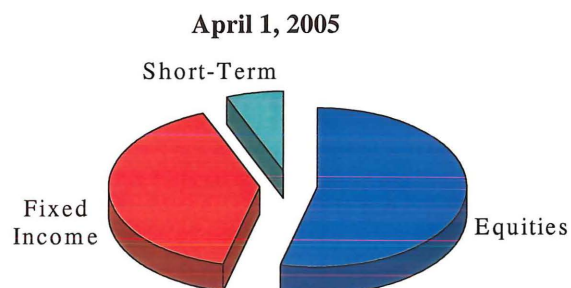
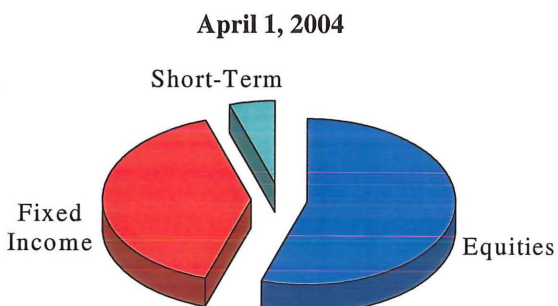
Retiring Allowances Act

Assets	April 1, 2004	April 1, 2005
Equities	55%	55%
Fixed Income	43%	42%
Short-Term	<u>2%</u>	<u>3%</u>
Total	100%	100%



Supplementary Retiring Allowances Act

Assets	April 1, 2004	April 1, 2005
Equities	55%	54%
Fixed Income	40%	40%
Short-Term	<u>5%</u>	<u>6%</u>
Total	100%	100%



Appendix A — Summary of Positions

Below is a history of the positions which the 19 Members have held and/or are currently holding.

Name	Position	Date in Position
Bell, Brendan R.	MLA	December 7, 1999 – present
	Chairperson	January 23, 2000 – October 24, 2003
	Chairperson	November 5, 2001 – October 24, 2003
	Minister	December 12, 2003 – present
Braden, William A.	MLA	December 7, 1999 – present
	Chairperson	January 20, 2004 – present
Delorey, Paul A.	MLA	December 7, 1999 – present
	Deputy Chairperson	February 23, 2000 – October 24, 2003
	Chairperson	January 20, 2004 – June 4, 2004
	Speaker	June 5, 2004 – present
Dent, Charles A.	MLA	October 15, 1991 – present
	Minister	November 23, 1995 – January 17, 2000
	Chairperson	January 23, 2000 – October 24, 2003
	Minister	December 12, 2003 – present
Groenewegen, Jane M.	MLA	October 16, 1995 – present
	Minister	January 18, 2000 – October 26, 2001
	Deputy Chairperson	December 13, 1995 – October 21, 1999
	Deputy Speaker	December 12, 2003 – present
	Chairperson	June 19, 2004 – present
Handley, Joseph L.	MLA	December 7, 1999 – present
	Minister	January 18, 2000 – December 10, 2003
	Premier	December 11, 2003 – present
Hawkins, Robert M.	MLA	November 25, 2003 – present
Krutko, David M.	MLA	October 16, 1995 – present
	Deputy Speaker	April 1, 1999 – October 21, 1999
	Chairperson	November 25, 1995 – October 21, 1999
	Deputy Speaker	February 23, 2000 – October 24, 2003
	Speaker	December 11, 2003 – June 4, 2004
	Minister	June 5, 2004 – present
Lee, Sandy	MLA	December 7, 1999 – present
	Chairperson	January 20, 2004 – present
McLeod, Michael V.	MLA	December 7, 1999 – present
	Minister	December 12, 2003 – present
McLeod, Robert C.	MLA	November 24, 2004 – present
Menicoche, Kevin A.	MLA	November 25, 2003 – present
	Chairperson	April 10, 2004 – present
Miltenberger, J. Michael	MLA	October 16, 1995 – present
	Chairperson	November 22, 1995 – March 29, 1999
	Minister	March 30, 1999 – January 17, 2000
	Chairperson	January 23, 2000 – November 2, 2001
	Minister	November 5, 2001 – present
Pokiak, Calvin P.	MLA	November 25, 2003 – present
	Deputy Chairperson	April 10, 2004 – present

Name	Position	Date in Position
Ramsay, Yazmarr D.	MLA Chairperson	November 25, 2003 – present April 10, 2004 – present
Roland, Floyd K.	MLA Minister Chairperson Minister	October 16, 1995 – present December 14, 1998 – January 17, 2000 January 23, 2000 – October 24, 2003 December 12, 2003 – present
Yakeleya, Norman S.	MLA	November 25, 2003 – present
Villeneuve, Robert J.	MLA	November 25, 2003 – present
Zoe, Henry	MLA Minister	November 25, 2003 – present December 12, 2003 – May 28, 2004

Appendix B — Historical Interest Rates

Below is a history of interest rates credited on required contributions and a history of cost-of-living increases which have been applied to pensions in payment.

Year Ending March 31	Interest on Required Contributions %	Pension Increase %
2005	2.78	1.69
2004	2.75	3.29
2003	3.71	1.57
2002	3.73	3.03
2001	4.92	2.55
2000	5.03	1.42
1999	4.22	0.96
1998	4.43	1.87
1997	5.17	1.57
1996	6.09	1.65
1995	7.51	0.64
1994	5.06	1.84
1993	6.25	2.07
1992	6.58	5.83
1991	8.10	4.83
1990	10.33	4.71
1989	—	4.07
1988	—	4.40
1987	—	4.13
1986	—	3.84
1985	—	4.56
1984	—	7.07
1983	—	11.45