

**Report on Actuarial Valuation
of The Brandon University Retirement Plan as
at December 31, 2024**

CRA Registration Number 0206078

Prepared by:

ECKLER

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September 2025

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TABLE OF CONTENTS**Page**

Section 1.	EXECUTIVE SUMMARY	2
Section 2.	INTRODUCTION.....	5
Section 3.	GOING CONCERN VALUATION	7
Section 4.	HYPOTHETICAL WIND-UP VALUATION	11
Section 5.	SOLVENCY VALUATION	13
Section 6.	CONTRIBUTIONS ADEQUACY	15
Section 7.	ELIGIBLE CONTRIBUTIONS	16
Section 8.	ACTUARIAL OPINION	18
Appendix A:	SUMMARY OF PLAN PROVISIONS	19
Appendix B:	ASSUMPTIONS AND METHODS – GOING CONCERN	22
Appendix C:	ASSUMPTIONS AND METHODS – HYPOTHETICAL WIND-UP AND SOLVENCY ..	28
Appendix D:	MEMBERSHIP DATA.....	31
Appendix E:	PLAN ASSETS	37
Appendix F:	PLAUSIBLE ADVERSE SCENARIOS.....	40
Appendix G:	CERTIFICATION	42

Report on Actuarial Valuation of the Brandon University Retirement Plan as at December 31, 2024 (Registration Number 0206078)

Section 1. EXECUTIVE SUMMARY

We are pleased to present this report which was prepared at the request of the Pension Trustees of the Brandon University Retirement Plan (“Pension Trustees”) for the following purposes:

PURPOSE

1. To report on the financial position of the Brandon University Retirement Plan (“Plan”) as at December 31, 2024;
2. To determine the actuarial cost of benefits expected to accrue under the Plan for service of the employees for the period following the valuation date and up to the date of the next actuarial valuation. The effective date of the next valuation must be no later than December 31, 2027;
3. To determine the financial position of the Plan as at December 31, 2024 on solvency and hypothetical wind-up bases;
4. To establish the minimum and maximum contributions required for the period from December 31, 2024 until the results of the next valuation are available, for which the effective date must be no later than December 31, 2027;
5. To provide the actuarial certifications required under the Pension Benefits Act of Manitoba (the “PBA”) and the Income Tax Act (Canada) (the “ITA”).

The intended users of this report are the Pension Trustees, Brandon University, the Office of the Superintendent – Pension Commission (Manitoba), and Canada Revenue Agency. This report is not intended or necessarily suitable for purposes other than those listed above. Any party reviewing this report for other purposes should have their own actuary or other qualified professional assist in their review to ensure that the party understands the assumptions, results and uncertainties inherent in our estimates. This report and any opinions within may not be modified or otherwise provided, in whole or in part, to any other person or entity without the express written permission of Eckler Ltd (unless required by applicable legislation). Eckler takes no responsibility for the consequences of any other use of this report.

TERMS OF ENGAGEMENT

For the purposes of this actuarial valuation report, the significant terms of engagement with the Trustees are:

- For the going concern, hypothetical wind-up and solvency valuations we have been directed to use actuarial value of assets over a four-year period. The actuarial value of assets may be no less than 90% and no greater than 110% of the market value.
- A margin for adverse deviations has been included in the economic assumptions, as requested by the Pension Trustees,
- The terms of our engagement are in accordance with applicable pension regulations and accepted actuarial practice in Canada.

CHANGES SINCE PREVIOUS VALUATION

The last valuation of the Plan was prepared as at December 31, 2022. Since the last valuation, there were no legislative changes or any changes to the Plan text that would materially impact the valuation results.

Effective April 1, 2024, the Plan document was amended to reflect increases in the Member and University contribution rates, the benefit accrual rate for earnings below the YMPE, and the Plan Maximum Pension. University contribution rate increases take effect April 1, 2024. Member contribution rate increases take effect January 1, 2025. Benefit increases took effect April 1, 2023 for any plan Member who was active on or after April 1, 2023 and continues to have a benefit entitlement from the Plan on April 1, 2024. The financial impact of this amendment was reflected in the results of our amended valuation as at December 31, 2022.

There have been no changes to the going-concern assumptions, with the exception of the following:

- The going concern discount rate was increased to 5.70% per year from 5.50% per year used at the previous valuation, and
- The mortality improvement rates assumption was updated to use the new projection scale, known as MI-CAN-2024.

See Appendix B for details of the assumptions used in this valuation and the rationale employed in setting these assumptions. See Section 3 for the impact of the changes in assumptions on the valuation results.

The hypothetical wind-up and solvency economic and demographic assumptions were changed to reflect market conditions as at the valuation date in accordance with the Canadian Institute of Actuaries' (CIA's) Standards of Practice and the CIA's Explanatory Note: Guidance for Assumptions for Hypothetical Wind-up and Solvency Valuations Update – Effective December 31, 2024, and Applicable to Valuations with Effective Dates on or after December 31, 2024, and No Later Than June 29, 2025. These assumptions are summarized in Appendix C.

RELIANCE

Assets of the Plan are held in trust with CIBC Mellon. The funds are invested in a number of pooled funds operated by Connor, Clark & Lunn Investment Management Limited. We have relied on the financial statements for the fund prepared by Brandon University for the December 31, 2024 year-end.

SUMMARY OF RESULTS

	December 31, 2024	December 31, 2022
Going Concern Financial Position		
Going concern assets	\$250,234,000	\$233,826,000
Going concern liabilities	\$231,380,000	\$217,565,000
Going concern excess/ (unfunded liability)	\$18,854,000	\$16,261,000
Going concern funded ratio	1.081	1.075
Hypothetical Wind-up Financial Position		
Market value of assets net of provision for wind-up expenses	\$261,095,000	\$212,460,000
Hypothetical wind-up liabilities	\$233,007,000	\$219,068,000
Hypothetical wind-up excess/ (deficiency)	\$28,088,000	(\$6,608,000)
Solvency Financial Position		
Solvency assets net of provision for wind-up expenses	\$249,504,000	\$233,376,000
Solvency liabilities	\$233,007,000	\$219,068,000
Solvency excess/(deficiency)	\$16,497,000	\$14,308,000
Solvency ratio	1.071	1.065
Minimum Required Annual Employer Contributions		
Estimated University Current Service Cost	\$4,908,000	\$3,407,000
Portion of Available Actuarial Surplus that can be used to reduce University's current service cost	(\$1,012,000)	(\$20,000)
Minimum unfunded liability special payments	\$0	\$0
Total minimum employer contributions	\$3,896,000	\$3,387,000
Next required valuation	December 31, 2027	December 31, 2025

This report should be filed with the Office of the Superintendent – Pension Commission, to meet the filing requirements of the Pension Benefits Act of Manitoba and with Canada Revenue Agency, in order to ensure that contributions recommended in the report will qualify as eligible contributions for purposes of the ITA. The next actuarial valuation of the Plan should be filed with an effective date no later than December 31, 2027.

This report has been prepared and our opinions given in accordance with accepted actuarial practice in Canada.

Respectfully submitted,

Andrew Kulyk, FCIA, FSA

Date

Section 2. INTRODUCTION

The defined benefit provisions of the Brandon University Retirement Plan (hereinafter referred to as the “Plan”) was amended and restated January 1, 1992. The most recent amendment with effective date April 1, 2024 has been reflected in the results of this valuation.

Based on the Plan’s investment experience from 2022 to 2024, retired and deferred members are eligible for a supplementary pension increase in 2025 effective July 1 equal to 0.08%. The amount of any increase is capped by the increase in the Consumer Price Index. This increase has been reflected in our going concern valuation.

SUBSEQUENT EVENTS

We are not aware of any events that occurred between the valuation date and the date this report was completed that would have a material impact on the results of this valuation.

Since December 31, 2024, and as of the date of this report, there has been considerable volatility in the global equity markets and macroeconomic uncertainty in connection with the ongoing implementation and threats of tariffs. The impact on the market value of assets and underlying assumptions is not reflected in the valuation results and as such, the plan financial position shown in this report may be substantially different if those results were incorporated in our valuation. These effects will be revealed in future valuations.

VALUATIONS INCLUDED IN THIS REPORT

In this report, we describe the results of three different valuations of the Plan:

- A “going concern valuation” which is used to estimate the funded position of the Plan, assuming the Plan is continued indefinitely for the existing members, and to estimate the contributions currently required to be made to the Plan’s fund, both to fund the cost of any benefits being earned by members for current service, to fund a provision for adverse deviations and, in the event there is a funding deficiency, to liquidate the amount of the funding deficiency.
- a “hypothetical wind-up valuation”, which is intended to reflect the status of the Plan as if it had been wound up on the valuation date and the Plan members had been provided with the benefits specified by the Plan and the Pension Benefits Act of Manitoba. The purpose of this valuation is to show the degree of benefit security provided for all of the Plan members’ accrued benefit by the current assets of the pension fund. The hypothetical wind-up valuation is not used to determine the required contributions to the Plan.
- A “solvency valuation”, which is required by the Regulations under the Pension Benefits Act of Manitoba. This valuation is similar to a hypothetical wind-up valuation, except that certain adjustments may be made to the assets. The solvency valuation is required to be performed but does not affect the required contributions to the Plan because of the *Solvency Exemption for Public Sector Pension Plans Regulation*.

The difference between the wind-up and solvency valuations for this Plan relates to the value of assets that are included in the valuation. For the wind-up valuation, the only assets taken into account are the invested assets of the Plan, which are taken at their market values net of provision for wind-up expenses plus in-transit accrued amounts. For the solvency valuation, Plan assets also take into account the present value of special payments that are scheduled to be made for the next five years from the valuation date and an adjustment to smooth the market value over a period which cannot exceed five years. For purposes of the solvency valuation the assets have been smoothed over four years. Please note that due to the going concern surplus position of the Plan as at December 31, 2022, special payments are not required and therefore no present value of special payments is included in the solvency assets.

FILING REQUIREMENTS

The last filed actuarial report was effective December 31, 2022. This report outlines the movements of the Plan's financial position since the previous valuation as at December 31, 2022, and is to be filed with the Office of the Superintendent of Pensions in Manitoba and Canada Revenue Agency. The report covers the period from December 31, 2024 to December 31, 2027 and is to be used by the Trustees to determine its funding requirements during that period or until the next actuarial valuation is performed, if sooner.

The next actuarial valuation of the Plan should be performed with an effective date no later than December 31, 2027.

Section 3. GOING CONCERN VALUATION

VALUATION BALANCE SHEET

The following is the going concern valuation balance sheet as at December 31, 2024 based on:

- the Plan provisions (summarized in Appendix A);
- the going concern valuation assumptions (described in Appendix B);
- the membership data (summarized in Appendix D); and
- the actuarial value of assets (summarized in Appendix E).

with comparative figures from the valuation as at December 31, 2022.

	December 31, 2024	December 31, 2022
Going Concern Assets		
Actuarial value of Plan assets	\$250,234,000	\$233,826,000
Going Concern Liabilities		
Retired members and survivors	\$131,098,000	\$125,822,000
Terminated vested members	\$8,281,000	\$6,681,000
Active members – Academic and non-union members	\$73,761,000	\$70,643,000
Active members – Non-Academic union members	\$14,663,000	\$13,930,000
Active members – Post age 65 non-contributory members	\$2,768,000	\$0
Pending payments and sessional instructors	\$654,000	\$361,000
Additional voluntary contributions	\$155,000	\$128,000
Total going concern liabilities	\$231,380,000	\$217,565,000
Total Going Concern Excess/ (Unfunded Liability)	\$18,854,000	\$16,261,000
Going Concern Funded Ratio	1.081	1.075

There is a going concern surplus of \$18,854,000 as at December 31, 2024, therefore no unfunded liability special payments are required.

EXPERIENCE GAIN AND LOSS

Going concern (unfunded liability)/excess at December 31, 2022	\$16,261,000
University use of Actuarial Available Surplus for contributions	(\$1,899,000)
Interest on (unfunded liability)/excess during inter-valuation period at 5.50% per year	\$1,866,000
Expected (unfunded liability)/excess at December 31, 2024	<u>\$16,228,000</u>
Plus actuarial (losses)/gains due to experience differing from assumed during the inter-valuation period:	
• (Loss)/gain attributable to net investment experience	\$897,000
• (Loss)/gain attributable to indexation	\$1,996,000
• (Loss)/gain on retirements	\$461,000
• (Loss)/gain on mortality	\$172,000
• (Loss)/gain on termination	\$755,000
• (Loss)/gain on salaries and the YMPE	<u>(\$335,000)</u>
Net actuarial experience (loss)/gain	\$3,946,000
Plus actuarial (losses)/gains due to changing the actuarial assumptions	
• Increase in the valuation interest rate from 5.50% to 5.70%	\$5,390,000
• Change in mortality improvement rates to MI-CAN-2024	(\$8,338,000)
Programming refinement	\$1,696,000
Other net (losses)/gains	<u>(\$68,000)</u>
Going concern (unfunded liability)/excess at December 31, 2024	\$18,854,000

The following describes the larger sources of gain and loss since the previous valuation:

- The University used the Actuarial Available Surplus to take a contribution holiday, this resulted in a net loss of \$1,899,000.
- No pension increase was provided in 2024, and an increase of 0.08% increase was provided in 2025, whereas a 1.00% increase was expected per year. This resulted in a gain of \$1,996,000.
- The discount rate increased from 5.50% to 5.70%, resulting in a gain of \$5,390,000.
- The mortality improvement scale was updated to MI-CAN-2024 from CPM-B, resulting in a loss of \$8,338,000.

CURRENT SERVICE COST

Employees and the University are required to contribute 8.0% of pensionable earnings less 1.8% of pensionable earnings for which Canada Pension Plan (CPP) contributions are required up to December 31, 2024. Effective January 1, 2025 employees are required to contribute 8.0% of pensionable earnings. For the purpose of employee

contributions only, pensionable earnings for this purpose are subject to an annual limit related to the maximum benefit accrual in a year. For 2025, the Yearly Maximum Contributory Earnings (YMCE) is \$132,760. In accordance with the Plan provisions, the University shall also pay additional contributions equal to the normal actuarial cost of the benefit improvements effective November 10, 2008.

Based on the assumptions and membership data described herein, we estimate that the University's current service cost from December 31, 2024, until the effective date of the next valuation, is 11.35% of pensionable earnings. Unlike member contributions, pensionable earnings for this purpose are not limited to the YMCE.

	Estimated Dollar Amount	Percentage of Pensionable Earnings
Estimated 2025 pensionable earnings*	\$43,237,000	
Current Service Cost		
Total current service cost for benefits	\$8,129,000	18.80%
Estimated employee contributions	(\$3,221,000)	(7.45%)
Employer current service cost (A)	\$4,908,000	11.35%
Total special payments (B)	\$0	0%
Total minimum contribution required by the Act and Regulations	\$4,908,000	11.35%
Plan Provision Contribution		
Employer formula contribution	\$3,459,000	8.00%
Additional current service cost	\$433,000	1.00%
Total minimum contribution required by the Plan provisions (C)	\$3,892,000	9.00%
Employer current service cost (A)	\$4,908,000	11.35%
Total special payments (B)	\$0	0.00%
Employer additional contribution (C - A - B, min \$0)	\$0	0.00%
Total Employer required contribution	\$4,908,000	11.35%

* Not capped by YMCE

The table below summarize the University's estimated current service cost for the three years commencing January 1, 2025, assuming 2025 estimated pensionable earnings of \$43,237,000 increase by 3.0% for 2026 and 2027. The actual dollar amount of the University current service cost may be higher or lower than the amount indicated below if the actual pensionable earnings are different than estimated.

These amounts are presented before adjustment for use of Available Actuarial Surplus ("AAS") to reduce the University contribution requirements. The adjusted contribution requirements after utilization of Available Actuarial Surplus are summarized in Section 9. Eligible Contributions.

Year	Estimated University Service Cost as a percent of pensionable payroll	Estimated Members Pensionable Earnings	Estimated University Service Cost
2025	11.35%	\$43,237,000	\$4,908,000
2026	11.35%	\$44,534,000	\$5,055,000
2027	11.35%	\$45,870,000	\$5,206,000

For the period following this valuation, the University contribution for current service cost shown above may be reduced by applying the Available Actuarial Surplus to an amount that is not less than the Plan Provision Contribution, equal to 9.00% of uncapped pensionable earnings.

SENSITIVITY ANALYSIS

The table below shows the impact on the going concern actuarial liability and the current service cost as at December 31, 2024 of a one percentage point change in the discount rate assumption. All other assumptions were unchanged.

	Discount rate 1% lower
Change in total going concern actuarial liability	\$28,987,000
Change in current service cost	\$1,686,000

Section 4. HYPOTHETICAL WIND-UP VALUATION

The purpose of the wind-up valuation is to determine the financial position of the Plan if it were wound up on the valuation date. The circumstances in which the plan wind-up occurs is that both the Brandon University ceases operations and the Plan wind-up giving rise to termination benefits to members not eligible for retirement on the wind-up date and retirement benefits to all other members. There are no benefits on plan wind-up that were excluded from our valuation. The liability for all active members with 15 years or more of service on the valuation date includes the value of the early retirement subsidy as provided for in the Plan.

Accordingly, the following approach was used:

1. The Plan assets were valued at their market value.
2. The benefits valued were the pensions to which members would be entitled under applicable legislation and the Plan if the Plan were wound up on the valuation date. All Plan members become fully vested on Plan wind-up, regardless of age or service.
3. In the hypothetical wind-up valuation, we assumed immediate pension commencement for members eligible to retire. For members assumed to elect the lump sum option, it was assumed with a probability of 50% that the pension would start at the earliest age at which the member will be entitled to an unreduced lifetime pension and with a probability of 50% the pension would start at the age which produced the highest present value of the pension.
4. The actuarial assumptions are developed in accordance with the CIA's Standard of Practice Section 3500 for determining Pension Commuted Values, and the Explanatory Note: Guidance for Assumptions for Hypothetical Wind-up and Solvency Valuations Update – Effective December 31, 2024, and Applicable to Valuations with Effective Dates on or after December 31, 2024, and No Later Than June 29, 2025. These assumptions are described in detail in Appendix C.
5. In accordance with the CIA Educational Note, the spread above the unadjusted CANSIM series V39062 was determined to be 140 basis points based on a duration of 9.9 for the portion of the liability assumed to be settled through the purchase of annuities. Accordingly, the valuation interest rate assumed for the purchase of non-indexed annuities is 4.72%.

Based on the Plan provisions in effect on December 31, 2024, the wind-up valuation assumptions mentioned above and the membership data supplied by the University, the following is the hypothetical wind-up position as at December 31, 2024:

	December 31, 2024	December 31, 2022
Hypothetical Wind-up Assets		
Market value of Plan assets	\$261,825,000	\$212,910,000
Allowance for wind-up expenses	(\$730,000)	(\$450,000)
Total wind-up assets	\$261,095,000	\$212,460,000
Hypothetical Wind-up Liabilities		
Retired members and survivors	\$126,243,000	\$120,667,000
Terminated vested members	\$8,435,000	\$6,566,000
Active members – Academic and non-union members	\$79,822,000	\$77,115,000
Active members – Non-Academic union members	\$15,020,000	\$14,231,000
Active members – post age 65 non-contributory members	\$2,678,000	\$0
Pending payments and sessional instructors	\$654,000	\$361,000
Additional voluntary contributions	\$155,000	\$128,000
Total hypothetical wind-up liabilities	\$233,007,000	\$219,068,000
Hypothetical Wind-up excess/ (deficiency)	\$28,088,000	(\$6,608,000)

As shown above, if the Plan had been wound-up as at December 31, 2024, the wind-up assets would have exceeded the wind-up liabilities by \$28,088,000.

INCREMENTAL COST

In accordance with the CIA's Standard of Practice, we have estimated the incremental cost of the hypothetical wind-up liability as at December 31, 2024. This is the expected aggregate change in hypothetical wind-up liability between December 31, 2024 and December 31, 2027. The incremental cost is the present value, at the valuation date, of the expected aggregate change in the hypothetical wind-up or solvency liability between the valuation date and the next valuation date. It also reflects expected benefit payments between the valuation date and the next valuation date.

	3 years
Incremental Cost	\$23,605,000

Section 5. SOLVENCY VALUATION

The table below shows the solvency position of the Plan as at December 31, 2024. The circumstances in which the plan wind-up occurs is that both the Brandon University ceases operations and the Plan wind-up giving rise to termination benefits to members not eligible for retirement on the wind-up date and retirement benefits to all other members. There are no benefits on plan wind-up that were excluded from our valuation. The liability for all active members with 15 years or more of service on the valuation date includes the value of the early retirement subsidy as provided for in the Plan.

The calculations are based on the Plan provisions in effect on the valuation date, the solvency valuation assumptions described in Appendix C, and the membership data supplied by the University.

	December 31, 2024	December 31, 2022
Solvency Assets		
Actuarial value of Plan assets (A)	\$250,234,000	\$233,826,000
Allowance for wind-up expenses (B)	(\$730,000)	(\$450,000)
Total solvency assets	\$249,504,000	\$233,376,000
Solvency Liabilities		
Retired members and survivors	\$126,243,000	\$120,667,000
Terminated vested members	\$8,435,000	\$6,566,000
Active members – Academic and non-union members	\$79,822,000	\$77,115,000
Active members – Non-Academic union members	\$15,020,000	\$14,231,000
Active members – post age 65 non contributory members	\$2,678,000	\$0
Pending payments and sessional instructors	\$654,000	\$361,000
Additional voluntary contributions	\$155,000	\$128,000
Total solvency liabilities (C)	\$233,007,000	\$219,068,000
Total solvency excess/(deficiency)	\$16,497,000	\$14,308,000
Solvency Ratio [(A + B) ÷ C]	1.071	1.065

SOLVENCY SPECIAL PAYMENTS

This plan is subject to the funding requirements of the Pension Benefits Act of Manitoba. As such, it is required that a solvency valuation is prepared and, any solvency deficiency is required to be funded over a five-year period. However, the University was eligible and made an election to be exempt from certain solvency funding and other requirements in accordance with the *Solvency Exemption for Public Sector Pension Plans Regulation* (“Solvency Exemption”). As a result of the election, the University is exempt from making special payments for solvency deficiencies. The election was filed with the Manitoba Pension Commission on January 19, 2009.

Since the Plan has a solvency excess (i.e., an excess of solvency assets over solvency liabilities after adjustment) of \$16,497,000, there are no solvency special payments required over the period beginning on the valuation date and ending on December 31, 2027. In the absence of the Solvency Exemption, no solvency special payments would be required.

SOLVENCY VALUATION SENSITIVITY ANALYSIS

The table below shows the impact on the solvency liability as at December 31, 2024 of a one percentage point change in the discount rate assumptions. All other assumptions were unchanged.

	Discount rate 1% lower
Change in total solvency liability	\$27,670,000

Section 6. CONTRIBUTIONS ADEQUACY

The following table provides the valuation results as at December 31, 2024 based on the aggregate actuarial cost method. The aggregate method considers future benefits and contributions. This balance sheet provides information about the adequacy of Plan contributions over the long term, but is not required by legislation, nor the Plan, to be funded.

Aggregate Valuation	December 31, 2024
<u>Assets</u>	
Accrued actuarial value of Plan assets	\$250,234,000
Present value of future employee contributions – Academic and non-union members	\$21,059,000
Present value of future employee contributions – Non-Academic union members	\$5,170,000
Present value of future University contributions – Academic and non-union members	\$23,822,000
Present value of future University contributions – Non-Academic union members	\$5,192,000
Present value of future additional University contributions	3,453,000
Total aggregate assets	\$308,930,000
<u>Liabilities</u>	
Accrued liabilities	\$231,380,000
Present value of future service – Academic and non-union active members	\$62,632,000
Present value future service – Non-Academic union active members	\$11,905,000
Total aggregate liabilities	\$305,917,000
Aggregate surplus / (deficit)	\$3,013,000

On an aggregate basis, there is a surplus of \$3,013,000 as at December 31, 2024. This means that the actuarial value of assets plus the value of future contributions exceeds the value of benefits accrued to date plus the value of benefits to be earned in the future.

Section 7. ELIGIBLE CONTRIBUTIONS

AVAILABLE ACTUARIAL SURPLUS – SOLVENCY EXEMPT PLAN

Available actuarial surplus, if any, may be used to increase benefits; applied to reduce employer contributions, unless expressly prohibited by the terms of the plan; applied to reduce member contributions, if expressly permitted by the terms of the plan; or with the consent of the commission on application by the employer, paid to the employer. Due to the Solvency Exemption, the calculation of the available actuarial surplus is as follows:

Available Actuarial Surplus (AAS)

Going Concern

Going Concern Assets (A)	\$250,234,000
Going Concern Liabilities	\$231,380,000
Going Concern Liabilities x 105% (B)	\$242,949,000
Going Concern AAS (greater of zero, and A minus B)	\$7,285,000

Solvency

Solvency Assets (C)	\$249,504,000
Solvency Liabilities (D)	\$233,007,000
Solvency AAS (greater of zero, and A minus B)	\$16,497,000

AAS (lesser of solvency AAS and going concern AAS)	\$7,285,000
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Since the Plan has Available Actuarial Surplus under the Pension Benefits Regulations, the Available Actuarial Surplus may be applied to reduce University contributions to an amount not less than the Plan Provision Contributions.

MINIMUM CONTRIBUTIONS

The University and Members are required to contribute at a rate of 8.0% of pensionable earnings. Pensionable earnings for the purpose of member contributions are subject to an annual limit related to the maximum benefit accrual in a year. The limit does not apply to University contributions.

Notwithstanding, the University may be required to make additional contributions in excess of the Plan Formula Contributions in order to satisfy the negotiated funding of certain benefit improvements or requirements of the Pension Benefits Act of Manitoba and Regulations.

For the period following this valuation, the University contribution for current service cost may be reduced by applying the Available Actuarial Surplus (AAS) to an amount that is not less than the Plan Provision Contributions.

The table below summarizes the University's estimated minimum current service contribution for the three years commencing January 1, 2025 after applying the Available Actuarial Surplus. The actual dollar amount of the current service contribution may be higher or lower than the amount indicated below if the actual pensionable earnings are different than estimated.

Year	University Service Cost as a percent of pensionable payroll	Estimated Members Pensionable Earnings	University Service Cost Prior to Applying Available Actuarial Surplus	Use of Available Actuarial Surplus	Minimum University Contribution After Applying Available Actuarial Surplus	Minimum University Contribution as a percent of pensionable payroll after applying Available Actuarial Surplus
2025	11.35%	\$43,237,000	\$4,908,000	\$1,016,000	\$3,892,000	9.00%
2026	11.35%	\$44,534,000	\$5,055,000	\$1,047,000	\$4,008,000	9.00%
2027	11.35%	\$45,870,000	\$5,206,000	\$1,078,000	\$4,128,000	9.00%

MAXIMUM CONTRIBUTIONS

Since the Plan is in going concern surplus and wind-up excess positions the maximum permitted contribution the University could make is equal to the University's current service cost of 11.35% pf pensionable earnings.

In accordance with the Pension Benefits Act of Manitoba, all contributions due to the Plan must be remitted monthly. Employee and Employer contributions are due within 30 days following the end of the month to which they apply.

Section 8. ACTUARIAL OPINION

This opinion is based on the actuarial valuation of the Brandon University Retirement Plan as at December 31, 2024.

In my opinion, in respect of the going concern valuation, the hypothetical wind-up valuation and the solvency valuation,

- a) the membership data on which the valuations are based are sufficient and reliable for the purposes of the valuations;
- b) the assumptions are appropriate for the purposes of the valuations; and
- c) the methods employed in the valuations are appropriate for the purposes of the valuations.

This report has been prepared, and my opinion given, in accordance with accepted actuarial practice in Canada.

Notwithstanding the foregoing opinion, emerging experience differing from the assumptions will result in gains or losses which will be revealed in future valuations.

This report has been prepared in a manner consistent with the recommendations for the preparation of actuarial valuation reports issued by the Canadian Institute of Actuaries.

This report has been prepared in accordance with applicable legislation.

Andrew Kulyk
Fellow, Canadian Institute of Actuaries

Date

Appendix A: SUMMARY OF PLAN PROVISIONS

There have been no material Plan amendments since our amended valuation report prepared as at December 31, 2022. That report reflected plan amendments to contribution and benefit rates that took effect in 2024.

The following is a summary of the main provisions of the Plan in effect at December 31, 2024. It is not intended to be a complete description of the Plan.

ELIGIBILITY

New staff must join the Plan when employed.

MEMBER CONTRIBUTIONS

Members are required to contribute at the rate of 8.0% of earnings up to the Yearly Maximum Contributory Earnings (YMCE).

The YMCE corresponds to the maximum benefit accrual in a year. Effective January 1, 2025, the YMCE is the sum of the Plan's maximum pension for the year multiplied by 50, and 20% of the YMPE for the year. For 2025, the Yearly Maximum Contributory Earnings (YMCE) is \$132,760.

Members who reach their normal retirement date may elect to stop making required contributions to the Plan, thereby stopping the accrual of additional benefits.

UNIVERSITY CONTRIBUTIONS

Basic Contributions

The University is required to contribute at the rate of 8.0% of pensionable earnings with no salary limitation applied.

Additional Contributions

As a result of an amendment to improve benefits effective November 10, 2008 and the collective bargaining agreement between the University and BUFA, the provision for University contributions was amended for additional contributions. The University shall pay additional contributions equal to the normal actuarial cost of the benefit improvements made effective on the above date.

Contributions Required to Satisfy Requirements of the Pension Benefits Act

The University is required to contribute the amounts required to satisfy the Pension Benefits Act of Manitoba and Regulations ("Act and Regulations"). If the University contributions required to satisfy the Act and Regulations exceed those amounts above (Basic Contributions and Additional Contribution), the University is required to make additional contributions to satisfy those requirements.

NORMAL RETIREMENT

The normal retirement date of all members is the first of the month following their 65th birthday.

EARLY RETIREMENT

A member may retire on the first day of any month within the ten-year period prior to his normal retirement date. If the member is age 60 or over and his age plus years of service equals 85 or more, there is no reduction on early pension commencement, otherwise the reduction is 1/3% for each month by which his early retirement date

precedes the first date that he would have satisfied the “rule of 85, minimum age 60”, had employment continued, but not later than age 65.

LATE RETIREMENT

A member who continues in employment after his normal retirement date may continue to make contributions to the Plan and continue to accrue service. A member who continues in employment after his normal retirement date and chooses to stop contributions to the Plan, will receive an actuarially increased pension at his actual retirement date. No further service accrues after contributions cease.

The pension does not commence until his actual retirement date or the end of the year in which the member attains age 71, if earlier.

PENSION

At retirement, for members who retire on or after April 1, 2023, the member is entitled to an annual pension equal to 2% of his final average earnings multiplied by the member’s years of credited service less 0.4% of his CPP average earnings multiplied by the member’s years of service since January 1, 1990. For members who terminated or retired prior to April 1, 2023, the member is entitled to an annual pension equal to 2% of his final average earnings multiplied by the member’s years of credited service less 0.6% of his CPP average earnings multiplied by the member’s years of service since January 1, 1990. Final average earnings are the average of the best 5 years earnings in the last 12 prior to retirement. CPP average earnings are the member’s average earnings up to the YMPE in the 5 years prior to retirement.

Plan Maximum Pension

Retirement date prior to April 1, 2009 – the maximum annual pension is \$1,722.22 per year of credited service.

Retirement date between April 1, 2009 and April 1, 2023 – the maximum annual pension is \$1,975 per year of credited service.

Retirement date on or After April 1, 2023:

- For service up to December 31, 2022 - the maximum annual pension is \$2,210 per year of credited service.
- For service on or after January 1, 2023 - the maximum annual pension is calculated as 63% of the Income Tax Act Defined Benefit Dollar Limit under the Income Tax Act for the year of termination, rounded to the nearest \$10. This amount is expected to escalate according to increases in the Income Tax Act Defined Benefit Dollar Limit, subject to the going concern funded ratio remaining above 105%.

FORM OF PENSION

For members who retired prior to November 10, 2008, the normal form of pension at retirement was payable for life with a guarantee of 5 years’ payments. Effective November 10, 2008, members retiring with a spouse at retirement receive a pension in the form of joint and survivor with 2/3 continuing to the surviving spouse. Other options are available on an actuarially equivalent basis.

PENSION INCREASES

Pensions in payment and deferred pensions are increased automatically on July 1 by the same percentage as the average annual investment return on the fund, net of investment and administration expenses, in the previous four calendar years exceeds 6%, subject to a maximum increase of the CPI in that year. If the increase in any year is limited by the CPI increase and there was a previous year, or years, when the increase was less than the CPI, the Pension Trustees may provide a higher increase to make up some, or all of, the shortfall.

DEATH BENEFITS PRIOR TO RETIREMENT

The death benefit is the commuted value of the pension earned to the date of death.

BENEFITS ON TERMINATION OF EMPLOYMENT

A member who terminates employment is entitled to a deferred pension payable from normal retirement date.

50% of the deferred pension in respect of service after January 1, 1985 must be paid for by University contributions.

Members not eligible to commence an immediate pension upon termination of employment may transfer the commuted value of their accrued pension to a locked-in retirement account.

GREY-WEST LIFE PENSIONERS

Those members who retired prior to May 1989 had their pensions provided by an annuity purchased from Great-West Life. Each year additional amounts of annuities had been purchased to provide pension increases but beginning in 1999 any additional pensions for these members are paid from the fund.

Appendix B: ASSUMPTIONS AND METHODS – GOING CONCERN

SUMMARY OF ASSUMPTIONS

	December 31, 2024	December 31, 2022
ECONOMIC ASSUMPTIONS		
Discount rate:	5.70%, net of expenses that are paid from the assets of the Plan.	5.50%, net of expenses that are paid from the assets of the Plan.
Inflation rate:	2.00% per year	3.5% for 2023 and 2.0% per year thereafter
Salary increase:	All members: 3.00% per year, plus Academic and non-union members: Age related performance scale	All members: 4.50% for 2023 and 3.00% per year thereafter, plus Academic and non-union members: Age related performance scale
YMPE increase:	3.00% per year	4.50% for 2023 and 3.00% per year thereafter
Maximum pension increase:	3.00% per year	Same
Future pension increase:	1.00% per year	Same
Future pension increase for pensions paid by Great West Life	1.00% per year	Same
DEMOGRAPHIC ASSUMPTIONS		
Mortality:	Custom mortality rates based on Club Vita analysis of individual longevity profile of each plan member with Improvement Scale MI-CAN-2024	Custom mortality rates based on Club Vita analysis of individual longevity profile of each plan member with Improvement Scale CPM-B.
Disability rates:	None	Same
Retirement rates:	Age related table	Same
Termination rates:	Age related table	Same

	December 31, 2024	December 31, 2022
Family composition:	85% of male members and 70% of female members have a spouse at retirement. Male spouse is three years older than female spouse	Same

RATIONALE

Economic Assumptions

With the exception of the discount rate we have used the same economic assumptions as those used at the prior valuation, as at December 31, 2022. For this valuation we increased the discount rate to 5.70% per year from 5.50% per year to reflect the change in the current expectation of the long-term rate of return and an adjustment to the margin for adverse deviation. The impact of this change is summarized in Section 3.

The selection of the economic assumptions (i.e. those related to interest rates and inflation) for this valuation was based on reasonable expectations for the relationships between key economic variables over the long-term, as well as the expected impact of those economic variables on the investment performance of the pension fund given the fund's Statement of Investment Policies and Procedures effective November 1, 2023.

The going concern discount rate is determined based on expected long-term capital market returns, standard deviations and correlations for each major asset class noted in Appendix E (Bonds, Canadian Equities, US Equities, etc.) by using historical returns, current yields and forecasts. These long-term expectations are determined using a stochastic model which projects rates of inflation, bond yields and asset class returns for 5,000 paths over 30 years to create expected returns for each asset class. The simulated going concern valuation interest rate was the return at the median of each asset class weighted by the Plan's target asset mix taking into account changes in the asset mix that are scheduled to be triggered after the valuation data (i.e. under a glidepath). To arrive at the expected gross investment return we then added assumed additional returns due to diversification and active management.

We have assumed that there will be no added-value returns from the active management strategy employed in excess of the associated additional investment management fees.

Based on the methodology described above, the going concern discount rate assumption was developed as follows:

	Discount rate
Simulated gross investment return before margin and expenses	6.75%
Allowance for active management value added	0.20%
Provision for implicit investment management and administration expenses	(0.50%)
Margin for adverse deviations	(0.75%)
Going concern discount rate assumption	5.70%

Expenses

The interest rate assumption includes an implicit provision for investment and administration expenses paid from the Plan based on recent experience in the Plan.

Inflation

We have assumed increases in the Consumer Price Index for Canada (“CPI”) equal to 2.0% per year. We have based our assumed inflation rate on our estimate of future inflation considering the Bank of Canada’s inflation target of 1% to 3% per year.

Salary increases

Salaries are assumed to increase from the valuation date as follows:

- i. General increases of 3.0% per year. This rate is based on the mid-point of the Bank of Canada target range for the Consumer Price Index of 2.0% per year, plus real salary increases of 1.0% per year which is consistent with historical increases in the Canadian economy.
- ii. Promotional & Merit – Academic and non-union members – we have used a promotional and merit scale, extracts of which are shown below:

Age	Average Annual Increase over next 5 years	Average Annual Increase to age 65
30	3.3%	2.3%
35	2.8%	2.2%
40	2.5%	2.0%
45	2.2%	1.9%
50	2.0%	1.8%
55	1.8%	1.7%
60	1.7%	1.7%

Year’s Maximum Pensionable Earnings

We have assumed that the CPP Year’s Maximum Pensionable Earnings (YMPE) will increase annually based on average general increases in wages in Canada. For this valuation we have assumed that the YMPE will increase from its 2025 level of \$71,300 by 3.0% per year. This is consistent with the general salary increase assumption.

Increases in the Maximum Pension

We have assumed that the maximum pension payable by the Plan for service earned after December 31, 2024 will increase annually based on increases in average wages in Canada. For this valuation, we have assumed that the Plan maximum pension will increase from it’s 2025 level of \$2,210 by 3.0% per year.

Future Pension Increases

Pensions in pay and deferred pensions are increased annually by an amount equal to the excess of the four-year average investment return of the fund over a base rate of 6.0%, limited by the increase in the Consumer Price Index for Canada. Despite assuming that the fund will earn 5.75% per year on average over the long term, based on the asset mix of the fund we expect that there will be years where the fund return will exceed 6.0% and increases in pensions will be granted. We have assumed that pensions will increase by 1.00% per year on average.¹

¹ We have reflected the actual pension increase effective July 1, 2025 equal to 0.08% in our going concern valuation.

Future increases in respect of pensions paid by Great-West Life:

We have assumed pensions will increase by 1.00% per year on average. We have included in our valuation a provision for the full amount of pension increases to be paid out of the Plan with respect to pensions paid by Great-West Life.²

Demographic Assumptions

Mortality

A key demographic assumption which has an impact on this valuation is the mortality of the plan members. We use custom mortality rates for each member based on a Club Vita analysis of the individual longevity profile of each plan member. The plan members' mortality is based on Club Vita Canada's CV21 VitaCurves, with generational mortality projections using the MI-CAN-2024 Improvement Scale. In the prior valuation, the MI-2017 Improvement Scale was used for mortality projections. The impact of this change can be found in Section 3.

VitaCurves are baseline mortality rates that vary by member based on their individual longevity characteristics and have been developed using a generalized linear modelling framework. Club Vita Canada's longevity dataset is composed of a subset of Canadian registered pension plans across Canada, and includes plans covering a range of industries in both the private and public sector.

The CV21 VitaCurves have been calibrated based on Club Vita Canada's longevity dataset for the years 2017-2019. The CV21 VitaCurves have been developed based on longevity experience consisting of 2.4 million exposure years and 62 thousand deaths over 2017-2019, and vary by the following longevity factors:

- Gender;
- Pensioner type – pensioner or surviving spouse;
- Disability status at retirement for pensioners – disabled or non-disabled pensioner;
- Postal code-based lifestyle/longevity group – five groups for each of males and females;
- Affluence as measured by pension amount or earnings – there are four pension bands for males and three for females and four earnings bands for males and females;
- Occupation type – currently or formerly employed in a blue- or white-collar occupation; and
- Pension form at retirement for pensioners – single life or joint life.

Given that the availability of longevity factors varies by plan, and also by members within a plan, the VitaCurves are calibrated based on different combinations of the factors outlined above, resulting in hundreds of baseline mortality tables. The best VitaCurve is assigned to each individual member based on the longevity factors available for that member.

Specifically for this Plan, all longevity factors as described above, with the exception of disability status at retirement for pensioners, were used to assign VitaCurves to individual Plan members.

Disability

The valuation makes no allowance for the possibility of members may become disabled, and no allowance of recovery for members currently on long term disability.

² We have reflected the actual pension increase effective July 1, 2025 equal to 0.08% in our going concern valuation.

Retirement

The retirement age of members has a financial impact on the Plan. A retirement study was performed in April 2021 and the results of that study were used to develop the following table based on 10 years of retirement experience in the Plan from 2011 to 2020. This table will be re-evaluated as more experience is revealed and updated as appropriate when future valuations are performed.

Age	Probability of Retirement
55 - 56	3.0%
57 - 58	4.0%
59 - 64	10.0%
65	30.0%
66 - 69	15.0%
70+	100.0%

Deferred plan members are assumed to retire at age 55.

Termination

Considering the size of the Plan, there is not adequate termination experience data appropriate for developing a table of termination probabilities. We have continued to assume termination probabilities in accordance with three times the probabilities from the Ontario Light Table, with zero probability for ages greater than or equal to 55. Sample rates are as follows:

Age	Probability of Termination
30	16.8%
35	9.6%
40	6.6%
45	5.1%
50	3.6%
55	0%

We have assumed that 75% of members terminating prior to becoming eligible for retirement will elect to receive their pension as a lump sum commuted value. The commuted values are calculated using an assumed rate of 4.0% per year. The remaining terminating members are assumed to receive a deferred pension from the Plan.

Family composition

Because members who are married at the time of retirement receive a joint and survivor pension with 2/3rds of the pension continuing to the spouse and single members receive a lifetime pension guaranteed for five years, the marital status at retirement can have a financial impact on the Plan. Reliable data on family composition at retirement is unavailable for this Plan. We have assumed that 85% of male members and 70% of female members have a spouse at retirement and the male spouse is three years older than the female spouse which is typical for pension plans in general.

Actuarial value of assets

For this valuation, we have continued to use an actuarial value of assets that smooths excess investment returns over a four-year period relative to the assumed investment return. The assumed investment return is the rate

applicable from the prior actuarial valuation for each year during the smoothing period. The applicable assumed investment returns are shown below:

Year	Assumed Investment Return
2021	5.25%
2022	5.50%
2023	5.50%
2024	5.50%

We further restrict the actuarial value of assets to be within 10% of the market value of assets, if required.

GOING CONCERN VALUATION METHOD

We have used a projected unit credit actuarial cost method. This values the benefits for accrued service up to the valuation date by projecting salaries to retirement, determining the pension at retirement and discounting the value back to the valuation date. We compare the value of the liabilities in respect of service after 1984 to the contributions plus interest in respect of the same period to determine if the 50% test is applicable. If it is, we make the appropriate adjustment to the liability. Ancillary benefits on death or termination of employment are valued in a similar manner.

The liability for sessional employees who had no pensionable earnings in 2024 is determined to be two times their accumulated contributions with interest as at December 31, 2024.

The University's current service cost under this method is the excess of the cost of benefits which will arise in the year following the valuation over the member's contributions in that year.

Appendix C: ASSUMPTIONS AND METHODS – HYPOTHETICAL WIND-UP AND SOLVENCY

December 31, 2024

December 31, 2022

ECONOMIC ASSUMPTIONS

Actuarial value of assets:	Solvency: Smoothed value based on four-year smoothing relative to an expected return of:	Solvency: Smoothed value based on four-year smoothing relative to an expected return of:
	<ul style="list-style-type: none"> • 2021: 5.25% • 2022: 5.50% • 2023: 5.50% • 2024: 5.50% 	<ul style="list-style-type: none"> • 2019: 5.55% • 2020: 5.30% • 2021: 5.25% • 2022: 5.50%
	Wind-up: Market value	Wind-up: Market value
Discount rate per year (Hypothetical Wind-up Basis):		
• Annuity purchase basis	4.72% per year	4.91% per year
• Duration for annuity purchase rate	9.9	9.1
• Transfer value basis	3.90% per year for 10 years and 4.50% per year thereafter.	4.10% per year for 10 years and 4.50% per year thereafter.

DEMOGRAPHIC ASSUMPTIONS

Mortality:	2014 Canadian Pensioner Mortality (CPM 2014) Combined with Improvement Scale CPM-B.	Same
Retirement age:		
• Members who were assumed to elect an annuity purchase	Age that produces the highest lump sum value of the pension	Same
• All other members who were assumed to elect the lump sum option	50% probability at age that produces the highest lump sum value assuming all service ceases at the valuation date and 50% probability at earliest age becomes eligible for an unreduced lifetime pension	Same

	December 31, 2024	December 31, 2022
Form of Benefit	<ul style="list-style-type: none"> • Annuity purchase 	Same
Settlement elected by member:	<ul style="list-style-type: none"> - 100% of retirees and survivor; - 100% of active and deferred members aged between 55 and older 	
	<ul style="list-style-type: none"> • Transfer Value All other members	Same
Marital Status	85% of male members are married, 70% of female members are married, with male spouse 3 years older than female spouse.	Same
OTHER		
Allowance for Wind-up Expenses:	\$730,000 (based on \$100,000 plus \$600 per member). Excludes costs related to surplus/deficit distribution issues on plan wind-up. Assumes all expenses will be paid from the Plan in the event of wind-up.	\$450,000 (approximately \$50,000 plus \$400 per member). Excludes costs related to surplus/deficit distribution issues on plan wind-up. Assumes all expenses will be paid from the Plan in the event of wind-up.
Pension Increase	We have made no allowance for any assumed future pension increases.	Same

The liability for sessional employees who had no pensionable earnings in 2024 is determined to be two times their accumulated contributions with interest as at December 31, 2024.

ASSET VALUATION METHOD

As with the previous valuation, we used the actuarial value of assets for the hypothetical wind-up and solvency valuations, adjusting for amounts in transit and amounts payable.

INCREMENTAL COST

In our report we have determined the incremental cost under the hypothetical wind-up basis. The incremental cost was determined as the sum of (a) and (b) minus (c)

- the projected hypothetical wind-up liability at the next valuation date for those members at the current valuation date, allowing for expected decrements and change in membership status, service accrual and increase in earnings between the current valuation date and the next valuation date. An adjustment was made for new entrants between the two valuation dates. An adjustment was also made for the cost of living increases assumed to be granted to retired and deferred members between the valuation dates. The resulting projected hypothetical wind-up liability was then discounted to the current valuation date;
- the present value of the benefit payments expected to be paid between current valuation date and the next valuation date, discounted to the current valuation date;
- the hypothetical wind-up liability as at the current valuation date.

For purposes of calculating the hypothetical wind-up incremental cost, the expected decrements, as well as the expected benefit payments between the current valuation date and the next valuation date, were determined using the going concern demographic assumptions. The projected hypothetical wind-up liability at the next valuation date was determined using the same method and assumptions as disclosed in Appendix C of this report. In particular, we have assumed that the discount rates will remain the same throughout the projection period and the Standards of Practice for determining commuted value rates in effect at the valuation date will remain unchanged, as will the current educational guidance on the estimation of annuity purchase costs.

Appendix D: MEMBERSHIP DATA

The valuation was based on data as of the valuation date, December 31, 2024. The data was extracted from plan administration records maintained by Eckler Ltd in conjunction with records and information supplied to us by the University. A summary of the data is shown in this Appendix.

We subjected this data to a number of tests of reasonableness and consistency, including the following:

- a member's (and partner's as applicable) age is within a reasonable range;
- all dates remained unchanged from the data used in the previous actuarial valuation of the Plan;
- salaries increased at a reasonable rate;
- credited service increased by a reasonable amount;
- accrued pensions changed by a reasonable amount (e.g. no change for retired members and vested pensioners, etc.);
- a member's gender did not change;
- the form of pension payment did not change (other than resulting from the death of a retired member);
- the pension amounts on the pensioner file was compared with the payments reported in the financial statements for the Plan; and
- we examined the additions to and deletions from each of the data files (i.e., the files for active employees, pensioners and terminated members entitled to a deferred vested pension) since the previous valuation to determine whether all Plan members were accounted for in this valuation, to check for duplicate records and to confirm pension amounts.

All of our tests had satisfactory results or the data was corrected. However, the tests may not have captured all deficiencies in the data. We have also relied on the Plan administrator's certification on the quality of the data.

The membership data used in the valuation may be summarized as follows:

MEMBERSHIP DATA SUMMARY

	Dec. 31, 2024	Dec. 31, 2022
Active Members³		
Number of members	476	468
Average pensionable earnings ⁴	\$88,407	\$80,695
Average years of credited service	9.9	9.9
Average Age	48.9	48.9
Total Required contributions with interest	\$27,611,531	\$25,530,612
Total Additional Voluntary Contributions with Interest	\$155,591	\$127,881
Active Non-Contributory Members		
Number of members	4	n/a
Average Age	70.3	n/a
Average annual deferred pension at contributions ceased date	\$51,179	n/a
Deferred Vested Members		
Number of Members	70	68
Average Age	55.0	55.5
Average annual deferred pension payable at age 65	\$9,452	\$8,593
Pensioners and Survivors		
Number of lifetime pension	396	387
Average Age (Lifetime Pensions)	76.1	75.3
Average annual lifetime pension	\$28,630	\$27,636
Number of Great-West Life pensions	3	4
Average Age (Great-West Life Pensions)	96.3	95.0
Average Annual Great-West Life Pension	\$11,959	\$13,204
Sessional Instructors and Pending Payments⁵		
Number of Sessional Instructors	46	45
Total Required Contributions with Interest	\$166,000	\$89,821
Number of pending payments	55	38
Total amount of pending payments	\$322,000	\$181,000

³ Active Members includes sessional employees with earnings in the calendar year prior to the valuation date.

⁴ Earnings shown represent the actual earnings in the year prior to the valuation date. Earnings for new entrants have been annualized.

⁵ Sessional Instructors includes sessional employees that did not have any pensionable earnings in the calendar year prior to the valuation date.

RECONCILIATION OF MEMBERSHIP DATA

	Active			Pending Payments	Pensioner	Deferred	Sessional	Total
	Academic and non-union members	Non-Academic union members	Post age 65 non-contributory					
At 31.12.2022	339	129		38	387	68	45	1,006
Data Adjustment	(2)	2		(1)			1	-
New Entrant	68	23					3	94
Sessional to active	2						(2)	-
Active to sessional	(14)						14	-
Non-Contributory	(4)		4					-
Termination								
- Deferred	(8)	(1)				9		-
- Paid Out	(24)	(13)		18			(15)	(34)
Retirements								
- Pension	(15)	(5)			27	(7)		-
Death		(1)			(22)			(23)
Survivors					4			4
At 31.12.2024	342	134	4	55	396	70	46	1,047

DISTRIBUTION OF ACTIVE MEMBERS AS AT DECEMBER 31, 2024

The following tables summarize the distribution of active membership by age and credited service. We have included the count of members in each group and shown their average pensionable earnings for 2024.

Academic and Non-Union Members

Age Group	Credited Service								Total
	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	
20 - 24	2								2
	*								*
25 - 29	2								2
	*								*
30 - 34	19	2							21
	51,802	*							56,275
35 - 39	26	9	2						37
	58,780	100,890	*						72,186
40 - 44	28	17	7	1	1				54
	70,564	115,829	128,551	*	*				95,757
45 - 49	15	22	9	7	1				54
	73,183	116,991	101,882	126,902	*				103,267
50 - 54	13	8	7	5	7				40
	61,699	114,562	133,999	153,135	127,226				107,821
55 - 59	20	5	6	8	15	4			58
	48,207	103,070	125,657	146,702	144,010	161,990			107,158
60 - 64	8	7	4	12	9	7	3		50
	35,640	128,725	112,275	145,937	158,236	151,933	125,825		125,033
65 - 69	4	1	3	4	4	3	1	1	21
	24,650	*	146,382	124,373	146,718	161,485	*	*	120,810
70 - 74					2	1			3
					*	*			178,267
Total	137	71	38	37	39	15	4	1	342
	56,977	113,333	121,883	142,238	144,945	158,596	140,375	*	100,939

* Earnings in cells have been suppressed for privacy.

Non-Academic Union Members

Age Group	Credited Service								Total
	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	
25 - 29	9								9
	41,275								41,275
30 - 34	6	2							8
	43,175	*							47,863
35 - 39	6	7	4	1					18
	54,482	60,423	69,060	*					60,864
40 - 44	9	6	7	2					24
	50,125	55,298	66,108	*					60,654
45 - 49	10	4	6	5	4				29
	47,299	69,509	59,630	60,568	75,685				59,117
50 - 54	3	5	2	2			1		13
	33,840	45,213	*	*			*		49,145
55 - 59	2	2	1	2	3	1			11
	*	*	*	*	58,564	*			60,380
60 - 64	2	4	1	5	4		3	1	20
	*	49,702	*	62,271	51,132		55,713	*	55,761
65 - 69								1	1
								*	*
70 - 74					1				1
					*				*
Total	47	30	21	17	12	1	4	2	134
	46,117	56,339	66,133	66,917	61,321	*	59,150	*	56,423

*Earnings in cells have been suppressed for privacy.

The following tables summarizes the distribution of inactive members by age.

Pensioner and Survivor Lifetime Pensions			Deferred Pensioners		
Age	Count	Average Lifetime Annual Pension	Age	Count	Average Annual Deferred Pension Payable at 65
45 - 49			30 - 34	1	*
50 - 54	1	*	35 - 39	3	\$12,340
55 - 59	5	15,312	40 - 44	8	5,129
60 - 64	21	21,415	45 - 49	9	10,209
65 - 69	70	25,275	50 - 54	13	11,811
70 - 74	83	28,114	55 - 59	11	11,580
75 - 79	82	35,098	60 - 64	12	5,889
80 - 84	68	31,635	65 - 69	10	4,710
85 - 89	41	25,472	70+	3	29,333
90 - 94	20	25,955			
95+	5	13,329			
Total	396	\$28,630	Total	70	\$9,452

* Pensions in cells have been suppressed for privacy.

Appendix E: PLAN ASSETS

Assets of the Plan are held in trust with CIBC Mellon. The funds are invested in a number of pooled funds operated by Connor, Clark, & Lunn. We have relied on the draft financial statements for the fund prepared by Brandon University for the December 31, 2024 year-end, as well as information provided by CIBC Mellon to determine the assets of the Plan.

The Board of Trustees invests the assets in accordance with the Statement of Investment Policies & Procedures.

The following summarizes the asset mix policy of the Plan as outlined in the Statement of Investment Policies & Procedures adopted February 24, 2022.

ASSET MIX POLICY

Asset Class	Benchmark %
Canadian Equity	15.0%
U.S. Equity	18.5%
International Equity	18.5%
Emerging Markets Equity	8.0%
Long Bond Fund	20.0%
Infrastructure	10.0%
Real Estate	10.0%
Cash and Equivalents	0%
Total	100.0%

FINANCIAL STATEMENTS

A summary of the change in assets since the previous valuation is summarized below:

	2023	2024
Balance at January 1	\$212,909,905	\$232,748,678
Member Contributions	\$2,708,149	\$2,562,538
University Contributions	\$3,436,918	\$3,576,979
Transfers	\$792,618	\$129,399
Investment Income	\$7,198,879	\$7,155,268
Realized Gains and Losses	\$5,331,640	\$16,556,757
Unrealized Gains and Losses	\$13,408,665	\$12,276,563
Other Income	\$590	\$30
Pensions Paid	(\$10,841,713)	(\$11,081,324)
Termination Payments	(\$758,960)	(\$308,284)
Death Payments	(\$58,571)	(\$221,144)
Expenses	(\$1,379,442)	(\$1,570,170)
Balance at December 31	\$232,748,678	\$261,825,290
Rate of return net of expenses	11.66%	14.96%

The market value of assets as at December 31, 2024 shown above is equal to the invested assets of \$262,552,110 plus contributions receivable equal to \$27,932 minus payables equal to \$754,752.

ACTUARIAL ASSET OF ASSETS

To place a value on the assets for actuarial valuation purposes, we have used an approach which smooths out the volatility of the market valuation by amortizing excess investment earnings net of expenses over the assumed investment earnings for the same period based on the actuarial valuation in effect at the time. Specifically, net investment earnings in excess of the following assumed rates are amortized over a four-year period. We further restrict the actuarial value of assets to be within 10% of the market value, if required.

	Assumed Investment Return		Actual Net Investment Return	Excess Net Investment Return
2021	5.25%	11,724,309	28,965,205	17,240,895
2022	5.50%	13,589,597	(31,295,373)	(44,884,970)
2023	5.50%	11,580,202	24,559,742	12,979,540
2024	5.50%	12,654,277	34,418,418	21,764,141

In practical terms, the actuarial asset value includes 100% of the excess investment earnings from 2021, 75% from 2022, 50% from 2023 and 25% from 2024.

The actuarial asset value is derived as follows:

Market value at Dec. 31, 2024				261,825,290
- 75% of 2024 excess investment earnings	0.75 x	(21,764,141)	=	(16,323,106)
- 50% of 2023 excess investment earnings	0.50 x	(12,979,540)	=	(6,489,770)
- 25% of 2022 excess investment earnings	0.25 x	44,884,970	=	11,221,242
- 0% of 2021 excess investment earnings	0.00 x	(17,240,895)	=	0
Actuarial value at Dec. 31, 2024				250,233,656
Actuarial value as a percent of market value				95.57%

The actuarial value of assets must be within 10% of the market value of assets. As shown above, the actuarial value is within 10% of the market value.

Investment Return

Assuming that all cash flows occurred in the middle of the year, using the actuarial value of assets, the pension fund earned a rate of return net of expenses of 5.20% in 2023, and 6.05% in 2024.

Appendix F: PLAUSIBLE ADVERSE SCENARIOS

A plausible adverse scenario is considered to be one that will occur in the short term (immediately to one year) with a likelihood of occurring between 1 in 10 and 1 in 20 based on the opinion of the actuary. The purpose of the following scenarios is to illustrate the impact on the Plan's financial position of the following adverse but plausible assumptions relative to the best estimate assumptions selected for the Plan's going concern valuation. The purpose of disclosing these results is to demonstrate the sensitivity of the funded status and annual current service cost between the December 31, 2024 and the next valuation date to certain key risk factors affecting the Plan. The results of the scenarios selected are shown in the table below, with a description of each scenario following.

	Going Concern Results at December 31, 2024	Plausible Adverse Scenario Results at December 31, 2024		
		Interest Rate Risk	Deterioration of Asset Values	Longevity Risk
Total going concern assets	\$250,234,000	\$251,857,000	\$241,398,000	\$250,234,000
Total going concern liabilities	<u>\$231,380,000</u>	<u>\$240,651,000</u>	<u>\$231,380,000</u>	<u>\$236,742,000</u>
Going concern excess (unfunded liability)	\$18,854,000	\$11,206,000	\$10,018,000	\$13,492,000
Total current service cost	\$8,129,000	\$8,712,000	\$8,129,000	\$8,280,000
Discount rate	5.70%	5.36%	5.70%	5.70%

INTEREST RATE RISK

This scenario illustrates the sensitivity of the funded status of the Plan and current service cost to an immediate change in the market interest rates underlying fixed income investments.

In order to assess the impact of a decrease in interest rates of a magnitude consistent with a 1 in 10 likelihood of occurring, we have used the same stochastic model that is used to determine the going concern discount rate (see Appendix B). The stochastic model is based on 5,000 simulations of projected financial variables, including long term yields on fixed income investments and asset class returns. Our long-term best estimates for these variables, and the going concern discount rate are based on the median values over these 5,000 simulations.

To determine the sensitivity to interest rate risk, and the resulting impact on Plan assets and liabilities, we have:

- considered the hypothetical going concern discount rate over the 500 trials where fixed income yields are lowest at the one-year horizon,
- determined the decrease in median long-term fixed income yields over the 500 trials where fixed income yields are the lowest at the one-year horizon.

As such, under the interest rate risk scenario, the going concern discount rate is decreased by 34 basis points as of December 31, 2024. With respect to the impact on fixed income assets, the scenario results in a decrease in yields on fixed income investments of 0.82%.

Based on the estimated duration of the Plan assets, liabilities and the current service cost, we have then determined the estimated change to the Plan's funded status under the interest rate risk scenario.

DETERIORATION OF ASSET VALUES

This scenario illustrates the sensitivity of the funded status of the Plan to a short-term economic shock which causes a reduction in the market value of non-fixed income assets, with no change to the liabilities of the Plan. This scenario is assumed not to impact the current expectation of the long-term rate of return, and consequently, the going concern discount rate.

In order to assess the impact of a decrease in asset values of a magnitude consistent with a 1 in 10 likelihood of occurring, we have used the same stochastic model that is used to determine the going concern discount rate (see Appendix B). The stochastic model is based on 5,000 simulations of projected financial variables, including long term yields on fixed income investments and asset class returns.

To determine the sensitivity to a deterioration in asset values, based on the Plan's target asset mix, we have determined the decrease in median investment returns over the 500 trials where investment returns are the lowest at the one-year horizon.

As such, under the deterioration of asset values scenario, the market value of assets is decreased by 13.5% as of December 31, 2024.

LONGEVITY RISK

This scenario illustrates the sensitivity of the funded status of the Plan to pension plan members living longer than expected. The impact of this scenario was determined using a one-year age setback to the mortality table used for the going concern valuation as of December 31, 2024, that is, a more conservative mortality assumption than currently employed.

Appendix G: CERTIFICATION

With regards to the December 31, 2024 actuarial report for the defined benefit part of the Brandon University Retirement Plan, we hereby certify, to the best of our knowledge and belief:

- The significant terms of engagement contained in Section 1 of this report are accurate and reflect the plan administrator's direction with respect to this valuation;
- The Summary of the Plan Provisions contained in Appendix A of this actuarial report is a complete and accurate summary of the terms of the Plan which affect the funding requirements;
- The membership data provided to the actuary includes a complete and accurate description of every person who is entitled to benefits under the terms of the Plan for service up to December 31, 2024;
- The asset data provided or made available to the actuary is complete and accurate; and
- All events subsequent to December 31, 2024 that may have an impact on the valuation have been communicated to the actuary.


Trustee Signature

Vice President, Administration & Finance
Title

September 25, 2025
Date


Trustee Signature

Chair, Pension Trustees
Title

September 25, 2025
Date