

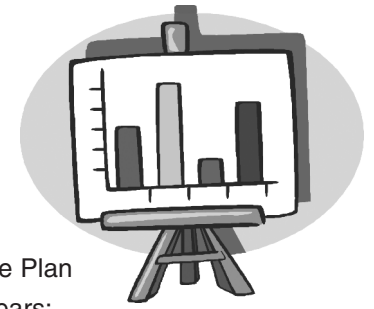
## Summary of Actuarial Valuation

### The Pension Plan is Ready for Change

The UBC Staff Pension Plan (the “Plan”) had its triennial check-up and the long-term funding of the Plan is ready to support the Proposed Changes to the Plan. These changes are designed to improve equity among members and enhance the security of Plan benefits. The Proposed Changes are listed on page 5 of the newsletter.

### UBC Staff Pension Plan

The Plan was established January 1, 1972, and is a defined benefit pension plan with fixed contributions from the University and the Plan members. The management of the Plan is the responsibility of the Pension Board. The Pension Administration Office in Human Resources provides administration services. The Plan’s assets at the end of 2007 were held by RBC Dexia Investor Services and are managed by the UBC Investment Management Trust.



An actuarial valuation of the Plan is conducted every three years:

- Last valuation – January 1, 2005
- This valuation – January 1, 2008
- Next valuation – by January 1, 2011

### What the valuation does:

- Tells us the degree to which the Plan is well funded
- Tells us whether we should be distributing funds to members as benefit improvements or cash distributions if the funding is more than we need
- Tells us whether we need to reduce benefits, in the event the funding is too low
- Enables us to keep our regulatory filings up-to-date with the pension authorities

## Results

Actuarial Valuation Results	at January 1, 2005	at January 1, 2008
<b>Funding Position</b>		
Actuarial value of assets	\$ 626,246,000	\$ 793,309,000
Actuarial unbiased liability	\$ 475,411,000	\$ 620,532,000
Contingency reserve ( <i>assets minus liability</i> )	\$ 150,835,000	\$ 172,777,000
<b>Ongoing Costs</b>		
<i>(shown as a % of the total regular pay for all active Plan members)</i>		
Total contribution rate	12.3%	12.4%
Estimated cost of benefits earned in current year	11.4%	12.4%
Contribution margin ( <i>contribution rate minus cost of benefits earned</i> )	0.9%	0.0%