



WORD BACK

No. 2/2017
21 April 2017

A B C D Day

SUPERANNUATION PAYDAY

During the Global Financial Crisis (GFC), where the SA Metropolitan Fire Service Superannuation Scheme suffered a financial loss, a Special Board of Trustees Meeting held on 4th March 2009 determined that all defined benefit members of our Scheme would contribute an additional 3% of their salary to keep their defined benefit. These extra contributions were paid from 1st July 2009 until 30th June 2012.

Actuarial advice at the time was that we would require an increase of 3% in contributions to maintain our benefit design. The alternative to this, was to keep the current contribution at the time, which would result in a reduced retirement benefit.

Before this decision was made, the Trustees, along with Scheme Manager Alan Kent, consulted with you and it was clear that the strength of our Scheme is the current defined benefit that we can all rely on at our chosen retirement date.

The actuarial advice in 2009 was that the additional 3% contribution was required to address both the solvency of the Scheme and continuing its benefit design without any changes. It was also clearly explained that when the Scheme returned to a stronger financial position that the extra contributions would be returned to the members' accumulation accounts with accrued earnings.

Your employee Trustees Greg Northcott, Michael Vander Jeugd, David Harvey, Bob Tidswell and the employer Trustees, have considered the current Actuarial report and with his advice have decided the following.

At the Special Board Meeting of the 8th March 2017, after a presentation from our Actuary, it was moved, seconded and carried unanimously that 50% of the current value of your 3% contributions (from 1 July 2009 until 30 June 2012) plus earnings, will be repaid to your accumulation account today. This applies to all current defined members as at 8th March 2017 who were also members prior to 1 July 2012.

This is a significant day, as it not only shows that our Scheme has survived the GFC and maintained retirement benefits for our members, but it has now returned 50% of the levy imposed on you in 2009 as promised. The remaining 50% will continue to accrue earnings and a decision for this distribution will be considered when the Scheme's financial position can accommodate it and it is recommended by our Actuary.

Further information is available on Super Info Autumn 2017 which is available at www.samfs.superfacts.com.

Greg Northcott
Secretary

United Fire Fighters Union of South Australia Inc.

148 South Road, Torrensville, South Australia 5031

Telephone: (08) 8352 7211