

# Annual Report for 2022-23

## Teachers' Superannuation Plan

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This annual report is available in electronic format at [www.stsc.gov.sk.ca](http://www.stsc.gov.sk.ca).

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# Letter of Transmittal

The Honourable Jeremy Cockrill  
Minister in Charge  
Teachers' Superannuation Commission

Sir:

The Teachers' Superannuation Commission has the honour to submit the Annual Report outlining activities under *The Teachers Superannuation and Disability Benefits Act* for the year ended June 30, 2023.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Dr. Derwyn Crozier-Smith', written in a cursive style.

Dr. Derwyn Crozier-Smith  
Chairperson

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## 2022 – 2023 Annual Report

The Saskatchewan Teachers' Superannuation Commission  
129 – 3085 Albert Street  
Regina, Saskatchewan S4S 0B1

submits the:

Ninety-third Annual Report with respect to  
*The Teachers Superannuation and Disability*  
*Benefits Act* for the Year Ended June 30, 2023

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## Message from the Chairperson

On behalf of the Teachers' Superannuation Commission, I am pleased to present the 2022-23 Annual Report of the Saskatchewan Teachers' Superannuation Commission.

Market turbulence continued at the beginning of 2022-23 due to rapidly rising interest rates, fears of declining economic growth and the ongoing risk of a global recession. Coming into 2023 the consensus of economic forecasts was projecting a slowing economy and possibly a recession coupled with earnings expectations being too high. Some optimism was felt in early 2023 when equities and fixed income delivered strong returns. The fiscal year ended with stock markets rallying in June 2023 to close the quarter. Moderate growth in the global economy is likely for the second half of 2023 as inflation looks set to cool down.

The Teachers' Superannuation Fund fair market value at June 30, 2023 was \$151.3 million. The total Fund posted a return of 3.3% for 2022-23, however underperformed by missing the portfolio benchmark of 4.6% by 1.3%. Over the longer term of four years, the Fund returned 2.1%, roughly in line with the benchmark of 2.2%. TD Asset Management's TD Greystone Bond Fund and US equities outperformed their respective benchmarks in 2022-23, which was offset by Canadian equities trailing its benchmark by 1.8%.

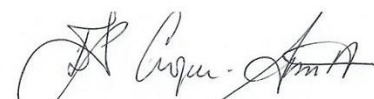
The Commission continued with its investment strategy adopted in July 2012 by implementing the next step of its re-risking glidepath. Effective July 1, 2023, short-term investments reduce from 20% to 10% while bond holdings increase by 5% to 55%. Canadian equities rise to 10% from 7.5% while exposure to international equities doubles from 2.5% to 5%. Fixed Income assets continue to dominate the Fund at 65% with equities rising to 20% and real estate remains at 15% of the total portfolio. The Fund's exposure to riskier assets will gradually increase until 2025.

The Teachers' Disability Benefits Plan is for teachers hired before July 1980 who are under the age of 65. In February 2023, the last active teacher who would meet the qualifications for disability benefits turned age 65 which resulted in the Teachers' Disability Benefits Plan being closed to new disability applications and payments.

In addition to the Teachers' Superannuation Plan, the Commission is responsible for the administrative oversight of the Teachers' Group Life Insurance and Teachers' Dental Plans. After a successful public tendering conducted jointly with the Saskatchewan Teachers' Federation, in August 2022 the Commission awarded the administrative services only (ASO) contract for the Teachers' Dental Plan to Green Shield Canada that became effective January 1, 2023. Sun Life was the successful proponent for the Teachers' Group Life Insurance Plan's ASO contract and will continue to be that Plan's insurance carrier.

As part of its governance process and due diligence, the Commission plans on conducting its triennial pension confirmation initiative during 2023-24 where everyone in receipt of pension benefits from the Teachers' Superannuation Plan is written with a request to confirm in writing that they are receiving their pension entitlement. The initial pension confirmation request letter will be mailed to all pension recipients in July 2023.

The Commission acknowledges with sincere appreciation, the administrative team whose efforts resulted in another successful year of service to the membership. The Commission also expresses its appreciation to the Saskatchewan Teachers' Federation, the Superannuated Teachers of Saskatchewan, the school divisions and regional colleges and the administrative staff within the Ministry of Education for their respective contributions to the success of the Commission.



Dr. Derwyn Crozier-Smith

Chairperson, Teachers' Superannuation Commission

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# Profile

The Teachers’ Superannuation Commission (TSC, the Commission) is established under *The Teachers Superannuation and Disability Benefits Act*.

The Minister of Finance is the trustee of the Teachers’ Superannuation Fund (TSF) while the TSC is charged with administration of *The Teachers Superannuation and Disability Benefits Act*, *The Teachers’ Dental Plan Act*, and *The Teachers’ Life Insurance (Government Contributory) Act*.

The Province of Saskatchewan sponsors the TSF, with contributions also coming from plan members who are represented by the Saskatchewan Teachers’ Federation (STF).

*The Teachers Superannuation and Disability Benefits Act* is a negotiable matter under *The Education Act, 1995*.

The Teachers’ Superannuation Plan was closed in July 1980, and a new plan was created, now known as the Saskatchewan Teachers’ Retirement Plan, for which administration has been transferred to the STF.

As at June 30, 2023, the TSF has net assets available for benefits of \$0.169 billion, actuarial pension obligations of \$4.863 billion, and a deficit of \$4.694 billion.

More on-line at [www.stsc.gov.sk.ca](http://www.stsc.gov.sk.ca)

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# Teachers' Superannuation Commission

## Mission

The Commission's mission is to provide pensions and benefits for plan members through prudent stewardship of assets and liabilities and effective plan administration in accordance with current legislation.

## Mandate

To attain this outcome, our organizational mandate is to administer the various Acts to ensure the provision of retirement and negotiated benefits to teachers. The various Acts (and regulations thereto) are:

- *The Teachers Superannuation and Disability Benefits Act*
- *The Teachers' Life Insurance (Government Contributory) Act*
- *The Teachers' Dental Plan Act*

The TSC is not subject to the Saskatchewan *Pension Benefits Act, 1992* except in relation to investments.

## Objectives

Our specific objectives associated with this organizational mandate are:

- Communicate information and guidance to plan members
- Collect pension contributions from all participating teachers
- Accept additional contributions for the Voluntary Contributions Fund
- Calculate and distribute retirement benefits to teachers, spouses and dependents of deceased teachers
- Assess, review and provide disability benefits to eligible teachers

- Monitor the performance of the pension fund investments
- Negotiate and administer reciprocal transfer agreements with other jurisdictions
- Maintain appropriate financial records of the affairs of the Plans
- Manage accurate and timely dental claims administration in conjunction with the insurance carrier
- Administer the insurance claims associated with death and dismemberment in conjunction with the insurance carrier

## Governance

The Commission maintains its governance manual which is posted on its website. This manual is the key document directing the Commission's governance activity during the year. The manual facilitates the planning and tracking of progress in areas such as ongoing board education, strategic planning, board self- assessment, and monitoring of administration operations and management. The manual also addresses various overarching matters such as: conflict of interest, dispute resolution, risk management, investment policy and monitoring, roles and responsibilities, and code of conduct.

## Accountability

The TSC issues this annual report including audited financial statements supported by an actuarial opinion.



## Commission Members

The TSC is responsible to the Minister in Charge for the administration of *The Teachers Superannuation and Disability Benefits Act*, who at present is also the Minister of Education (the Minister).

The TSC consists of seven members appointed by the Lieutenant Governor in Council:

- Three members are nominated by the STF executive committee
- Three members are nominated by the Minister
- A Chairperson is nominated by the other six members

Appointments are typically for a term of five years and are eligible for reappointment.

Leanne White was nominated by the STF as one of its representatives to the Commission due to the vacancy created by the passing of Laurel Irving Piot in 2022. Ms. White's five-year term is effective December 7, 2022.

Effective July 5, 2023, Clint Repski resigned from the Commission. Mr. Repski was first appointed to the Commission effective August 20, 2008. The Commission gratefully recognizes the contributions of Mr. Repski.

Rob Lehne's five-year term expired on March 15, 2023. The Order in Council to address the expired term for STF representation and the vacancy created by Mr. Repski's resignation will be completed in 2023-24.

Commission members as at June 30, 2023 with background credentials are:

<b>Derwyn Crozier-Smith, B.Ed., B. A., M.Ed., Ph.D.</b> Chairperson STF General Secretary (Retired), Former STF Executive Assistant	
<b>Clint Repski, B.Admin, CPA-CA</b> Deputy Minister Ministry of Education	<b>Murray Wall, B.Ed., B.Sc., M.Ed.</b> Executive Secretary Superannuated Teachers of Saskatchewan
<b>Dustin Antonini, CPA-CGA, CFA</b> Director of Investments Saskatchewan Healthcare Employees' Pension Plan	<b>Rob Lehne, B.Ed.</b> Senior Administrative Staff Saskatchewan Teachers' Federation
<b>Kathy Deck, CPA-CGA</b> Executive Director, Corporate Services Ministry of Education	<b>Leanne White, B.Ed.</b> Senior Administrative Staff (Retired) Saskatchewan Teachers' Federation

	Meeting attendance	Expiration of term
Derwyn Crozier-Smith	6 of 6	August 26, 2026
Rob Lehne	6 of 6	March 15, 2023
Clint Repski	4 of 6	November 1, 2023
Murray Wall	6 of 6	October 9, 2024
Kathy Deck	6 of 6	October 9, 2024
Dustin Antonini	4 of 6	July 29, 2025
Leanne White	3 of 3	December 7, 2027

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## Commission Member Role and Responsibilities

It is the collective responsibility of the members of the Commission to:

- Fulfill the mission statement
- Administer the Plans in compliance with governing legislation
- Determine any question as to the application of *The Teachers Superannuation and Disability Benefits Act*
- Review all applications for disability benefits
- Establish investment policy and monitor investment performance
- Promote awareness and understanding of the Plans
- Monitor management and administration of the Plans
- Report annually to the Minister responsible for the Commission

### Commission Strategic Plan:

#### Key Functions, Objectives and Actions

To fulfill its statutory obligations and to address challenges and opportunities, the Commission reviewed and revised its Strategic Plan for 2022-23 in June 2022. The Strategic Plan contemplates a number of risks identified in the Risk Assessment and Management Plan.

The Strategic Plan outlines four key functions:

1. Governance
2. Administration
3. Member Services
4. Affiliate Services

Each Key Function involves a number of Strategic Objectives that the Commission and its Executive Director review and revise on an annual basis in accordance with the TSC's governance manual. These Strategic Objectives indicate where the TSC is headed, at least in the foreseeable future.

For each Strategic Objective, the Strategic Plan highlights various Strategic Actions that the Commission will do to carry out the TSC's purpose of providing appropriate pension, long-term disability, dental and group life insurance benefits to relevant Saskatchewan members.

The application of the Strategic Plan is designed to highlight and communicate the nature of the services provided by the TSC and is intended to maintain the focus on activities that best address relevant risks and ensure statutory obligations are being met. The Strategic Plan is structured to be concise, practical, and manageable, relying on reference documents that contain greater detail (i.e., risks, communication, information systems) and facilitates healthy governance in identifying measurable objectives through which measurement against plan and reporting can occur.

# Commission Strategic Plan: Key Functions, Objectives and Actions

## 1. Governance

The Commission’s governance processes:

- Ensure the Commission carries out its purposes as set out in relevant legislation for the: Teachers’ Superannuation Plan, Disability Benefits Plan, Dental Plan, and Group Life Insurance Plan
- Exhibit leadership in fulfillment of fiduciary duty
- Establish TSC policies
- Provide an operational and governance framework; communicate and report on it

Strategic Objective	Strategic Action
<ul style="list-style-type: none"><li>• Monitor, evaluate and report on the effectiveness of the TSC’s governance structures ensuring compliance with relevant legislation and policies.</li></ul>	<ul style="list-style-type: none"><li>• The Commission follows an annual planning calendar that is part of its Strategic Plan.</li><li>• As part of its annual planning, the Commission reviewed, revised and approved its Strategic Plan for 2022-23 in June 2022.</li><li>• The Commission reviewed, revised and approved amendments and additions to its Governance Manual at its April 2023 meeting.</li><li>• Commission members completed self-assessments and submitted signed conflict of interest declarations.</li><li>• At its October 2022 meeting, the Commission collectively reviewed the results of the <i>Canadian Association of Supervisory Authorities (CAPSA)</i> Governance questionnaire to assist in identifying if any gaps exist in its governance processes.</li><li>• The Commission met with its plan actuary to review and approve the actuarial method and assumptions to be used for the accounting extrapolations of the Teachers’ Superannuation Plan as of June 30, 2023.</li><li>• In April 2023, the Commission reviewed its Investment Policy and Objective Statement (IP&amp;OS) to ensure the clarity of its policies and mirrors industry best practices. The IP&amp;OS was amended effective July 1, 2023 to reflect the next step for the Commission’s investment strategy which added additional risk to the investment portfolio.</li></ul>

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| <ul style="list-style-type: none"><li>• Encourage and foster a shared understanding of the TSC's governance structure and organizational processes within government, teacher membership and associated agencies.</li></ul> | <ul style="list-style-type: none"><li>• The Commission maintains regular communication with the Ministries of Education and Finance with respect to the funding requirements from the General Revenue Fund for the superannuation, disability and benefit plans.</li><li>• The Commission has a <i>Dispute Resolution Process</i>, which outlines procedures to follow in the event a dispute with the Commission arises. Members can access this process on the TSC's website.</li><li>• The Commission tables separate annual reports that outline its activities, governance and financial reporting for the Teachers' Superannuation, Group Life Insurance and Dental Plans plus activities for the Teachers' Disability Benefits Plan. The annual reports are widely distributed and accessible on the STSC website for all interested parties.</li><li>• The Commission produces two annual newsletters. One newsletter is for active/inactive members while the other is directed at superannuated members and spousal benefit recipients.</li><li>• The STSC maintains a website that provides communication material, member forms and pertinent information regarding the operations of the Commission as well as the teacher pension and benefit programs under administration.</li></ul> |
| <ul style="list-style-type: none"><li>• Encourage innovation in the identification and analysis of ways to add value and manage risks.</li></ul>  | <ul style="list-style-type: none"><li>• At its June 2022 meeting, the Commission reviewed and revised its Risk Assessment and Management Plan for 2022-23 to identify key risks and how to manage those risks.</li><li>• The Commission and Management completed Fraud and Error questionnaires and submitted the results to the Provincial Auditor of Saskatchewan for its review.</li><li>• The Commission monitored the TSF investment performance to measure the pace of the decline of the Fund's assets against the objectives of its de-risking investment strategy.</li></ul>  |

## 2. Administration

The Teachers' Superannuation Commission's Administration:

- Provides support for the provision of pension allowances, disability, dental and group life insurance benefits to teachers in accordance with legislation
- Maintains and safeguards the TSC's assets directly and indirectly through agents and advisors
- Supports the Commission and government agencies as requested
- Implements Commission policies and directives
- Adds value and manages risks associated with the TSC's business portfolio
- Enriches and develops the TSC's human resources

Strategic Objective	Strategic Action
<ul style="list-style-type: none"><li>• Ensure effective operation of the TSC's governance structure in accordance with legislation and policies.</li><li>• Establish and implement effective ways to carry out the TSC's Key Functions and Strategic Objectives.</li></ul>	<ul style="list-style-type: none"><li>• At all meetings, the Commission receives an updated plan activity chart that allows the Commission to effectively monitor the ongoing activities of the Commission and TSC Administration to ensure action items are completed.</li><li>• As part of its annual planning, the Commission refined its Strategic Plan after approving a Risk Assessment and Management Plan at its June 2022 meeting.</li><li>• In October 2022, the Commission evaluated the performance of its agents and advisors to whom it has delegated certain responsibilities.</li><li>• The Commission met with its investment consultant, Aon at its September 2022 and April 2023 meetings to review the performance of the investment returns and investment managers as it compares to established benchmarks within the IP&amp;OS.</li><li>• The Commission received quarterly investment performance reports from plan fund managers, TD Asset Management and State Street Global Advisors.</li><li>• Management participated in the Annual Investors Update Conference Call with State Street Global Advisors Private Equity Investment team. Management reports back to the Commission with an update surrounding the investment status, performance and outlook for the international private equity portfolio.</li></ul>

- Provide effective oversight of the administrative operations of the TSC.

- TSC administrative staff attended various education and professional development sessions during 2022-23.
- All TSC employees have established procedures for their positions that are regularly assessed and reviewed.
- In consultation with its information technology service provider, the Commission maintains an information technology plan for disaster recovery that integrates with a business continuity plan for its information systems and operations.
- In October 2022, the Commission reviewed, revised and approved its Communication Plan. The Communication Plan is aligned with the overall Strategic Plan and TSC Governance Manual.
- The Commission maintains an effective Risk Assessment and Management Plan.
- The Commission receives an administrative update report from Management on the administrative and financial operations of the TSC at every meeting.
- The Commission annually evaluates the performance of the Executive Director utilizing the management performance tool, Planning for Success.
- The Commission receives quarterly financial reports on the financial operations of the TSC as well as all pension and benefit plans under administration.

### 3. Member Services

The TSC acknowledges the importance of service to teachers. For member services, the TSC will:

- Assist/Enable teachers to understand the options available to them respecting their pension, disability benefits, dental and group life insurance coverage
- Support teachers through timely, responsive and appropriate communication
- Render services with personalized care and attention, with integrity, fairness and efficiency

Strategic Objective	Strategic Action
<ul style="list-style-type: none"><li>• Identify and assess performance measurement against relevant service standards.</li></ul>	<ul style="list-style-type: none"><li>• The TSC Staff provides care and attention to the quality of service provided to teachers for all plans under administration.</li><li>• The TSC staff collaborates with the insurance carrier(s) to implement the most efficient processes to administer the benefit plans.</li><li>• Administration meets annually with the insurance carrier(s) to review service standards and claim turnaround times for the benefit plans.</li></ul>
<ul style="list-style-type: none"><li>• Ensure continuity and consistency of service received.</li></ul>	<ul style="list-style-type: none"><li>• The TSC has procedures and processes in place for cross-training to maintain high quality service and ensure adequate segregation of duties to mitigate risk to superannuation and benefit plan monies.</li><li>• The TSC routinely assesses its staff requirement and adjusts accordingly.</li><li>• The TSC staff is available to members to provide information and options for retirement planning and as well as be of assistance to members for questions surrounding spousal benefits plus the group life insurance and dental plans.</li><li>• The Commission maintains a Business Continuity Plan that is integrated with its information systems.</li><li>• Policies and procedures are in place to ensure continuity of service for superannuates and teachers when Commission employees are required to work from a remote location.</li><li>• The Commission received a report that identifies when certain administrative duties will no longer be required and timelines for the teacher pension and benefit plans administered by the TSC are projected to wind up.</li></ul>

#### 4. Affiliate Services

The TSC interacts with a number of affiliate parties when delivering services to teachers. For affiliate services the TSC will:

- Support teachers through cooperative, progressive relationships with teacher related organizations (i.e. School Divisions, Saskatchewan Association of School Business officials (SASBO), League of Education Administrators, Directors and Superintendents (LEADS), etc.)
- Work with the Saskatchewan Teachers' Federation (STF) and Superannuated Teachers of Saskatchewan (STS) where possible and invited to do so in support of Saskatchewan teachers

Strategic Objective	Strategic Action
<ul style="list-style-type: none"><li>• Seek collaboration and initiate activities that increase service to membership or add value and minimize risk to teachers or the people of Saskatchewan.</li></ul>	<ul style="list-style-type: none"><li>• The TSC staff communicates regularly with school divisions to continue the efficiency of remitting teacher contributions for the superannuation and group life insurance plans.</li><li>• Maintain an open dialogue with the STF and STS to best serve the needs of current and superannuated teachers.</li><li>• The Commission supports the STS by deducting STS benefit plan premiums from superannuates' pension payments.</li><li>• Through a jointly issued Request for Proposal (RFP), the TSC and STF awarded the administrative services contract for the Teachers' Dental Plan and the Members' Health Plan respectively to Green Shield Canada (GSC) to be effective January 1, 2023.</li><li>• The TSC and STF maintain a common membership database for the Teachers' Dental Plan and Members' Health Plan to enable teachers to have access to their health and dental benefits under one insurance carrier.</li></ul>



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## **Administration**

The TSC employs an Executive Director and staff required for administration of the various legislation and commission policies and is independent from management.

The administrative team consisting of 12.0 full time equivalent employees is responsible for all the administrative functions that result in meeting the objectives outlined earlier and includes the strategic and operating unit work plans, financial and business decisions, evaluation of results against these plans, and reporting of activity to Commission members. Refer to the governance manual for further elaboration of management's roles and responsibilities.

The administrative team also highlights certain policy decision items to the Commission members, including relevant recommendations, and responds to requests for information or onward execution as requested by Commission members.

Administration works very closely and cooperatively with the Saskatchewan Teachers' Federation and the Superannuated Teachers of Saskatchewan to ensure seamless delivery of consistent, high-quality services to teachers across the province. This is particularly true in relation to the administration of benefits for active and retired teachers. Collaboration on these member focused activities ensures both active and retired teachers of Saskatchewan have access to the proper information regarding the benefits available to them.

Management formally communicates to Commission members on the operational activities at the regularly scheduled meetings, in addition to ad-hoc communications on various matters. The Commission conducts performance evaluation of management against established objectives.

The \$1.3 million operating budget of the Commission is paid out of monies appropriated by the Legislature.

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## Consultants

The TSC, as part of fulfilling its fiduciary duty in relation to the assets of the funds and as part of good governance, may acquire specialist competencies. This may include the engagement of technical, professional or other advisor, specialist or consultant services. Given the specialist knowledge required in investment management, defined benefit plan valuations and calculations, and pension administration software, the TSC does engage a number of outside consultants and advisors.

Actuarial consulting firms assist with the development of the investment policy guidelines, propose assumptions and perform the calculations of benefits for marriage breakdown, and actuarial present value for the purpose of reciprocal transfer agreements. Actuarial services are also required in preparing a valuation of the Plan and for cash flow projections. The current actuary for the plan is Aon.

Investment managers provide the necessary expertise in managing the pension assets in compliance with the asset mix guidelines to ensure risk-adjusted returns are maximized and achieve performance at or above the established performance benchmarks. Quarterly performance reports and presentations are provided to Commission members. TD Asset Management is responsible for managing the assets with the exception of a private equity fund managed by State Street Global Advisors.

State Street Trust Company, the superannuation plan custodian, provides compliance reporting on a quarterly basis and all results are reported to Commission members.

Aon also assists the Commission as an investment advisor by monitoring performance of the investment managers. Reports and presentations are provided to Commission members biannually.

When required, legal consultation is provided by either the Ministry of Justice or private legal counsel. Legal advice provided to the Commission ensures all legal obligations are fulfilled.

Specialized information technology services are purchased to ensure the critical pension administration system, retirement management and payroll systems, disability systems and backbone network systems are securely maintained.

## Valuation

The Commission has historically reviewed the valuation assumptions biennially and does so in consultation with the plan actuary. In June 2017, the Commission changed its policy to perform actuarial valuations every three years. The last valuation was completed as at June 30, 2021. The next valuation will be conducted during 2023-24 as at June 30, 2024.

The 2021 valuation discount rate assumption was updated to reflect the Saskatchewan provincial bond yield curve as at June 30, 2021 to match the timing and amount of future expected benefit payments as well as the expected rate of return on assets of 4.1%. This single discount rate for valuation purposes was 2.9% per annum and was determined as a blend between the funded and unfunded portions of the Plan. In 2020, the discount rate assumption was updated using the same methodology to determine the discount rate used in the June 30, 2018 valuation then averaged over 10 years. This 10-year average rate was used for the extrapolation at June 30, 2023.

The financial statements at June 30, 2023 are based on an extrapolation of the June 30, 2021 valuation results utilizing the actuarial assumptions to be used for the June 30, 2021 valuation. The total deficit as at June 30, 2023 is \$4.7 billion.

The legal obligation to pay pensions to the teachers of Saskatchewan in accordance with the provisions of *The Teachers Superannuation and Disability Benefits Act* rests with the Government of Saskatchewan.

## Investments

The segregated funds of the Teachers' Superannuation Fund assets and all of the Voluntary Contributions Fund (together known as the Teachers' Superannuation Plan or the "Plan") are held in trust by State Street Trust Company, custodian of the investments on behalf of the Plan. Custodial fees of \$25,723 (2022 – \$31,062) and \$2,262 (2022 – \$1,524) for brokerage fees were paid to State Street Trust Company for 2023. TD Asset Management is responsible for investing the funds. Investment fees paid to TD Asset Management for 2023 were \$249,246 (2022 – \$270,499). In 2022, \$37,700 in management fees were returned by State Street Global Advisors to the Fund as a result of the dissolution and windup of the International Private Equity Fund II. Investment management fees for private equity paid to State Street Global Advisors for 2023 were \$Nil (2022 – Nil). CIBC Mellon is the custodian for the pooled fund investments on behalf of TD Asset Management.

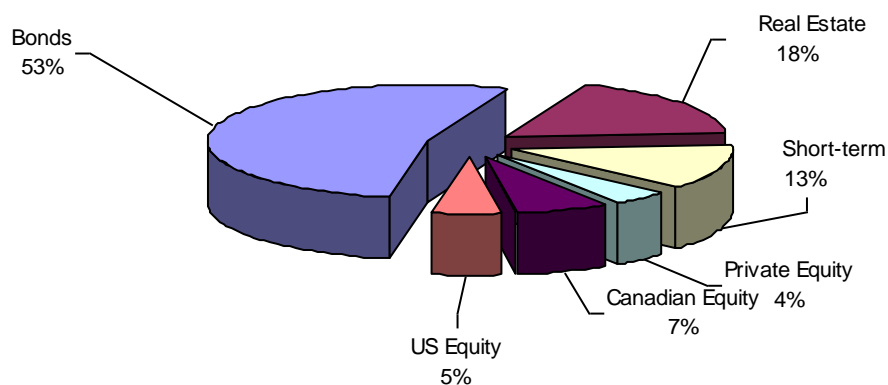
The TSC with the assistance of the investment manager, investment consultant, and actuarial consultant develop investment policies, strategies and objectives for each fund of the Plan. The Investment Policy & Objectives Statement (IP&OS) details the asset mix guidelines, and a benchmark portfolio against which the performance of the investment managers is measured. Individual asset class performance is also measured against their relevant, respective indices. The current IP&OS is posted on the STSC website.

In meeting with its investment consultant, the Commission reviews its IP&OS annually. A key aspect of risk is managed through adequate portfolio diversification. Working in conjunction with the asset manager, investment consultants and actuary, the desired risk-adjusted return is established.

### IP&OS asset mix guidelines for the TSF as at June 30, 2023

	Minimum %	Maximum %
Canadian Equities, Large Cap	5.0	10.0
Canadian Equities, Small Cap	0	0
<b>Total Canadian Equities</b>	<b>5.0</b>	<b>10.0</b>
U.S. Equities, Large Cap (Unhedged)	2.5	7.5
International Equities, Public and Private (Unhedged)	0	5.0
<b>Total Foreign Equities</b>	<b>2.5</b>	<b>12.5</b>
<b>Total Equities</b>	<b>7.5</b>	<b>22.5</b>
Nominal Bonds	45.0	55.0
Short Term	15.0	25.0
<b>Total Fixed Income</b>	<b>60.0</b>	<b>80.0</b>
Real Estate	5.0	20.0

## TSF portfolio asset mix at June 30, 2023



TSF Rates of Return – Periods to June 30, 2023						
Asset class	1 Year		4 Years		10 Years	
	Return	Bench mark	Return	Bench mark	Return	Bench mark
	%	%	%	%	%	%
Canadian Equity	8.6	10.4	9.4	8.6	8.4	8.4
U.S. Equity	26.0	22.7	15.0	13.1	17.6	15.5
Private Equity	-15.3	21.8	-8.6	5.5	7.2	7.8
Bonds	3.1	3.1	-0.5	-1.0	2.3	2.1
Real Estate	0.2	-0.4	6.5	7.5	7.5	7.3
Total Fund	3.3	4.6	2.1	2.2	5.9	3.4

To reflect the declining asset base, the Commission adopted a de-risking investment strategy effective July 1, 2012. The TSF's asset mix experienced a gradual reduction in return seeking, risky assets until June 30, 2018. In 2016-17, the Commission revisited its investment strategy by conducting a Glidepath Optimization Review. The results of the review confirmed the asset mix glidepath from the 2012 de-risking study remain efficient for the Fund. Effective July 1, 2019, the allocation to return seeking assets began to be increased gradually until 2025. The re-risking phase acknowledges the reduced asset base and the lower impact higher risk assets will have on overall TSF market values after 2018.

### Pension Administration Systems

The pension administration software is crucial for the tracking of service, contributions, refunds,

purchases, crediting of interest to teacher accounts and pension estimates.

During the year, all system software was evaluated to ensure the underlying operating systems are actively supported by the various software providers, and to ensure the information technology (IT) systems remain functional in the current IT environment. Risk related to data and system conversion are appropriately planned and managed to ensure data and system integrity. The Commission maintains a business continuity and disaster recovery plans for its administrative operations and IT systems.

The Commission contracts with two outside information technology providers, ESTI Consulting Services and James Evans Associates (JEA) Limited. These two service providers possess the specific competencies needed to manage the IT risks effectively.

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## Risk Management

As part of governance processes, the Commission adopted a Risk Assessment and Management Plan whereby key risks are identified, along with identification of how risks will be managed and who is responsible. The outcome of this approach is to provide cost-effective management of risk and to create opportunities to add value. The following are potential risks that could adversely affect the operation of the Plan:

- Risk of loss associated with non-compliance with laws, rules, regulations, prescribed practices or ethical standards within jurisdiction of operation
- Risks arising from inability to implement appropriate business plans, strategies, decision-making, resource allocation and inability to adapt to changes in the business environment
- Risk of direct or indirect loss resulting from the inadequate or failed internal processes, people, system or from external events
- Risk associated with direct or indirect loss resulting from market events and investment related profiles
- Risk of not having adequate procedures and processes in place to continue operations in the event of a disaster or inability to access building

The Commission reviews and updates its Risk Assessment and Management Plan on an annual basis.

## Communication

Timely and transparent communications are an essential element of good pension governance. The Commission strives to achieve effective communication with its teacher and superannuated members.

Federal and Provincial legislation in the area of privacy along with the implementation of the Privacy Framework within the Province will not only serve to protect the interests of teachers but mitigate the related risks and concerns. This privacy legislation is impacting communication not only in relation to what type of information is communicated from the pension plan, but also in assessing what the Commission collects directly from members.

In addition to this annual report, newsletters and the annual statements to members, the STSC website and email have become increasingly important as the preferred tools of communication and information exchange. The website provides considerable information:

- Downloadable forms for Dental, Group Life Insurance, Disability, Reciprocal Transfers, and personal information change forms
- Information, including Frequently Asked Questions on Dental, Pension, Disability and Group Life Insurance
- Various legislative Acts and Regulations administered by the Commission
- Policies and responsibilities adhered to by the Commission
- Recent annual reports, superannuate and annual statement newsletters
- Contact information
- Dispute Resolution Process
- Governance Manual
- Communication Plan
- Strategic Plan
- Investment Policy & Objective Statement

More on-line at [www.stsc.gov.sk.ca](http://www.stsc.gov.sk.ca)

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## Teachers' Superannuation Plan

The Teachers' Superannuation Plan was inaugurated on July 1, 1930 and became a closed plan in 1980. The Teachers' Annuity Plan was established for new teachers who had not previously taught in Saskatchewan and certain teachers who chose to transfer from the old formula plan. Through provincial negotiations, the Annuity Plan later became the Saskatchewan Teachers' Retirement Plan (STRP) administered by the Saskatchewan Teachers' Federation.

### Highlights

As at June 30	2023	2022
Active Members	24	31
Inactive Members	4,344	4,453
Pensioners/Survivors	10,150	10,379
Disability Recipients	0	1
July 1 Retirements	3	4
Total Members	14,521	14,868

From July 1, 2022 to June 30, 2023 a total of 22 (2022 – 36) new allowances were granted.

Superannuation allowances are adjusted each January 1 by 80% of the percentage increase obtained by dividing the average Canadian consumer price index (CPI) for the 12 months ending on the 31<sup>st</sup> day of October of the previous year by the average CPI for the 12 months ending on the 31<sup>st</sup> day of October one year earlier. Annual increases are provided to help offset the effects of inflation.

On January 1, 2023, a cost of living allowance increase of 5.2% (2022 – 2.2%) was applied to superannuation allowances.

Investment earnings of 18.05% (2022 – 26.71%) were credited to teachers in the Teachers' Superannuation Fund. These earnings include only 25% of the current period change in fair values of investments and 25% of each of the previous 3 years' change in fair values (including both realized and unrealized gains and losses) in accordance with the policy established for administrative purposes by the Commission.

The Teachers' Superannuation Commission administers a Voluntary Contributions Fund, which allows active teachers to make additional tax-deductible contributions that are invested separately from the mandatory superannuation contributions.

Investment earnings of 7.22% were applied to the Voluntary Contributions Fund at June 30, 2023 (2022 – -5.2%). There are 20 members (2022 – 26) with contributions in the Voluntary Contributions Fund.

## Teachers' Disability Benefits Plan

Disability benefits are available when a teacher is physically or mentally incapacitated and unable to teach. All payments are a charge on and payable from the General Revenue Fund of the Province of Saskatchewan, pursuant to Section 38(2) of *The Teachers Superannuation and Disability Benefits Act*.

### Eligibility

Teachers who participate in The Teachers' Superannuation Plan are eligible for benefits from this Plan. The Plan provides benefits based on a formula incorporating years of service and average earnings. To be eligible, a teacher must have 10 years of eligibility service of which three years are in the five years immediately preceding the disability date, be under the age of 65 and the disability continues beyond 60 days. The disability payment commences when the sick leave benefits from a school board cease.

Medical evidence is required from two physicians verifying the disability. Ongoing eligibility for benefits is confirmed by periodic medical reviews.

Teachers who are partially disabled and teaching on a part-time basis are entitled to benefits in proportion to the non-teaching time.

A teacher's disability benefit ceases on the earliest of:

- (a) The commencement of a superannuation allowance;
- (b) The attainment of age 65 by the teacher; and
- (c) The death of the teacher.

At June 30, 2023, no teacher (2022 – 1) was in receipt of disability benefits from the Plan. There are no remaining teachers eligible for the Disability Plan.

### Highlights

As at June 30	2023	2022
New Applications	0	0
Medical reviews	0	0
Return to teaching	0	0
Commenced Superannuation Allowance	1	3
Deceased	0	0

At its meetings, the Commission receives new disability applications, grants benefits to the teachers who meet the eligibility requirements and sets dates for follow-up medical reviews. Administration reviews subsequent medical reports for teachers already approved for benefits and submits a report to the Commission for approval of continued benefits. During the year, the Plan paid disability benefits of \$Nil (2022 – \$0.1 million).

In August 2022, the last teacher in receipt of disability benefits retired and started receiving pension payments from the Teachers' Superannuation Plan. As at February 2023, there are no longer any teachers eligible for benefits from the Teachers' Disability Benefits Plan.

### Valuation

The most recent valuation was performed at June 30, 2021 and extrapolated to June 30, 2022 and June 30, 2023. The total Plan deficit at June 30, 2023 is \$Nil as there are no remaining members eligible for disability benefits under this Plan.

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## **Teachers' Group Life Insurance Plan**

The Teachers' Superannuation Commission administers the Teachers' Group Life Insurance Plan for active, disabled and superannuated teachers. An annual report for activities of the group life insurance plan will be tabled under separate cover for 2022-23.

## **Teachers' Dental Plan**

The Teachers' Superannuation Commission administers the Teachers' Dental Plan for active and disabled teachers. An annual report for activities of the dental plan will be tabled under separate cover for the year ending December 31, 2023.



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## Teachers' Superannuation Commission Management Report, 2023

The management of the Teachers' Superannuation Commission is responsible for the integrity of the accompanying financial statements and all other information in this Annual Report. In Canada, it is the responsibility of management to prepare financial statements in accordance with Canadian generally accepted accounting principles.

The integrity of the financial records from which these financial statements are prepared is largely dependent on the systems of internal accounting controls. The purpose of such systems is to provide reasonable assurance that transactions are executed in accordance with proper authorization, transactions are appropriately recorded in order to permit preparation of financial statements and assets are properly accounted for and safeguarded against loss from unauthorized use. Underlying this concept of reasonable assurance is the fact that limitations exist in any system of internal accounting controls based on the premise that the cost of such controls should not exceed the benefits derived there from.

The pension obligations and actuarial value of net assets available for benefit are determined by an actuarial valuation and extrapolation. Actuarial valuation and extrapolation reports require best judgment in order that the financial statements reflect fairly the financial position of the Plan. The actuary's opinion for the Teachers' Superannuation Plan for the June 30, 2021 valuation and the extrapolation of the valuation results to June 30, 2023 appear on page 25.

The financial statements have been audited by the Provincial Auditor of Saskatchewan. The report to the Members of the Legislative Assembly, stating the scope of the examination and opinion on the financial statements, appears on page 26.

The financial statements have been examined and approved by the Commission.



Doug Volk, BA (Econ), PPAC  
Executive Director



Sharlene Arklie, FCPA, FCGA  
Senior Manager, Financial Operations

Regina, Saskatchewan  
October 17, 2023

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## Actuary's Opinion

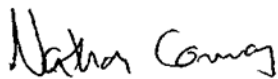
Aon was retained by the Saskatchewan Teachers' Superannuation Commission (the "Commission") to perform an actuarial valuation of the assets and liabilities of the Saskatchewan Teachers' Superannuation Plan (the "Plan") as at June 30, 2021. Aon was further retained to prepare an extrapolation of the valuation results to June 30, 2023 for inclusion in the Annual Report with respect to *The Teachers Superannuation and Disability Benefits Act* for the Year Ended June 30, 2023.

The valuation and extrapolation of the Plan's actuarial assets and liabilities were based on:

- Membership data provided by the Commission as at June 30, 2021;
- Financial Statements as at June 30, 2023 provided by the Commission;
- Methods prescribed by the Chartered Professional Accountants of Canada for pension plan financial statements; and
- Assumptions about future events (economic and demographic) which were developed by management and Aon and are considered as management's best estimate of these events.

While the actuarial assumptions used to estimate liabilities for the Plan's financial statements contained in the Annual Report represent management's best estimate of future events, and while, in my opinion, these assumptions are appropriate for the purposes of the valuation and extrapolation, the Plan's future experience will differ from the actuarial assumptions. Emerging experience differing from the assumptions will result in gains or losses that will be revealed in future valuations and will affect the financial position of the Plan.

I have tested the data for reasonableness and consistency with prior valuations and, in my opinion, the data is sufficient and reliable for the purposes of the valuation and the extrapolation. In my opinion, the methods and assumptions used in the valuation and extrapolation are appropriate for the purposes of the valuation and extrapolation. My opinions have been given, and the valuation and extrapolation have been performed, in accordance with accepted actuarial practice in Canada.



Nathan Conway  
Fellow, Canadian Institute of Actuaries  
Fellow, Society of Actuaries

October 17, 2023

**INDEPENDENT AUDITOR'S REPORT**

To: The Members of the Legislative Assembly of Saskatchewan

**Opinion**

We have audited the financial statements of the Teachers' Superannuation Plan, which comprise the statement of financial position as at June 30, 2023, and the statements of changes in net assets available for benefits, and changes in pension obligations for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Teachers' Superannuation Plan as at June 30, 2023, and changes in its net assets available for benefits and changes in its pension obligations for the year then ended in accordance with Canadian accounting standards for pension plans.

**Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Teachers' Superannuation Plan in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

Management is responsible for the other information. The other information comprises the information included in the Teachers' Superannuation Commission *Annual Report for 2022-23*, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or any knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for pension plans for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Teachers' Superannuation Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Teachers' Superannuation Plan or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Teachers' Superannuation Plan's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**


Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Teachers' Superannuation Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Teachers' Superannuation Plan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Teachers' Superannuation Plan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

Regina, Saskatchewan  
October 17, 2023

  
Tara Clemett, CPA, CA, CISA  
Provincial Auditor  
office of the Provincial Auditor

# Teachers' Superannuation Plan Statement of Financial Position

## Statement 1

**As at June 30**

(in thousands of dollars)

	<b>2023</b>			<b>2022</b>		
	Superannuation Fund	Voluntary Contributions Fund	Total	Superannuation Fund	Voluntary Contributions Fund	Total
<b>ASSETS</b>						
Cash	\$ 503	\$ -	\$ 503	\$ 278	\$ -	\$ 278
Due from General Revenue Fund (Note 3)	22	24	46	27	23	50
Accrued investment income	343	-	343	343	-	343
Investments (Note 4):						
Bonds and debentures	80,447	-	80,447	68,497	-	68,497
Pooled Funds	38,356	1,142	39,498	43,561	1,226	44,787
Equities	6,858	-	6,858	8,001	-	8,001
Private equity	5,992	-	5,992	7,078	-	7,078
Short – term	19,186	-	19,186	57,418	-	57,418
	150,839	1,142	151,981	184,555	1,226	185,781
Contributions receivable:						
Teachers	105	4	109	119	-	119
General Revenue Fund	17,433	-	17,433	12,373	-	12,373
	17,538	4	17,542	12,492	-	12,492
<b>Total assets</b>	<b>\$ 169,245</b>	<b>\$ 1,170</b>	<b>\$ 170,415</b>	<b>\$ 197,695</b>	<b>\$ 1,249</b>	<b>\$ 198,944</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 61	\$ -	\$ 61	\$ 70	\$ 1	\$ 71
<b>Total liabilities</b>	<b>61</b>	<b>-</b>	<b>61</b>	<b>70</b>	<b>1</b>	<b>71</b>
<b>NET ASSETS AVAILABLE FOR BENEFITS (Statement 2)</b>	<b>169,184</b>	<b>1,170</b>	<b>170,354</b>	<b>197,625</b>	<b>1,248</b>	<b>198,873</b>
Pension obligation (Statement 3)	4,863,126	1,170	4,864,296	4,802,163	1,248	4,803,411
<b>Deficit</b>	<b>\$ 4,693,942</b>	<b>\$ -</b>	<b>\$ 4,693,942</b>	<b>\$ 4,604,538</b>	<b>\$ -</b>	<b>\$ 4,604,538</b>

(See accompanying notes to the financial statements)

# Teachers' Superannuation Plan Statement 2

## Statement of Changes in Net Assets Available for Benefits

### Year Ended June 30

(in thousands of dollars)

	2023			2022		
	Superannuation Fund	Voluntary Contributions Fund	Total	Superannuation Fund	Voluntary Contributions Fund	Total
<b>INCREASE IN ASSETS:</b>						
Investment income:						
Interest	\$ 2,513	\$ 1	\$ 2,514	\$ 2,069	\$ -	\$ 2,069
Dividends	129	-	129	109	-	109
Pooled fund distributions	1,517	66	1,583	1,065	68	1,133
Total investment income	4,159	67	4,226	3,243	68	3,311
Increase in fair value of investments	-	11	11	-	-	-
Contributions:						
General Revenue Fund other contributions	291,227	-	291,227	279,639	-	279,639
Teachers	55	-	55	225	-	225
General Revenue Fund matching contributions	55	-	55	225	-	225
Other transfers and contributions	-	-	-	275	-	275
Total contributions	291,337	-	291,337	280,364	-	280,364
Total increase in assets	\$ 295,496	\$ 78	\$ 295,574	\$ 283,607	\$ 68	\$ 283,675
<b>DECREASE IN ASSETS:</b>						
Decrease in fair value of investments	\$ 2,698	\$ -	\$ 2,698	\$ 2,263	\$ 133	\$ 2,396
Allowances to superannuates	317,781	-	\$ 317,781	316,945	-	316,945
Refunds and transfers	3,181	154	3,335	3,444	243	3,687
Investment expenses (Note 7)	277	2	279	265	3	268
Marriage breakdown payments	-	-	-	-	-	-
Total decrease in assets	\$ 323,937	\$ 156	\$ 324,093	\$ 322,917	\$ 379	\$ 323,296
Decrease in net assets	(28,441)	(78)	(28,519)	(39,310)	(311)	(39,621)
NET ASSETS AVAILABLE FOR BENEFITS, beginning of year	197,625	1,248	198,873	236,935	1,559	238,494
NET ASSETS AVAILABLE FOR BENEFITS, end of year	\$ 169,184	\$ 1,170	\$ 170,354	\$ 197,625	\$ 1,248	\$ 198,873

(See accompanying notes to the financial statements)

# Teachers' Superannuation Plan

## Statement of Changes in Pension Obligations

## Statement 3

### Year Ended June 30

(in thousands of dollars)

	2023			2022		
	Superannuation Fund (Note 8)	Voluntary Contributions Fund	Total	Superannuation Fund (Note 8)	Voluntary Contributions Fund	Total
PENSION OBLIGATIONS, beginning of year	\$ 4,802,163	\$ 1,248	\$ 4,803,411	\$ 5,029,932	\$ 1,559	\$ 5,031,491
<b>INCREASE IN PENSION OBLIGATIONS:</b>						
Interest accrued on obligations	134,620	-	134,620	139,829	-	139,829
Impact of change in inflation rate assumption	102,813	-	102,813	-	-	-
Impact of actual indexation experience	191,199	-	191,199	-	-	-
Obligations accrued	805	-	805	1,684	-	1,684
	429,437	-	429,437	141,513	-	141,513
<b>DECREASE IN PENSION OBLIGATIONS:</b>						
Impact of Plan experience	-	-	-	48,893	-	48,893
Impact of change in discount rate assumption	47,512	-	47,512	-	-	-
Obligations paid	320,962	78	321,040	320,389	311	320,700
	368,474	78	368,552	369,282	311	369,593
PENSION OBLIGATIONS, end of year	\$ 4,863,126	\$ 1,170	\$ 4,864,296	\$ 4,802,163	\$ 1,248	\$ 4,803,411

(See accompanying notes to the financial statements)

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# Teachers' Superannuation Plan

## Notes to the Financial Statements

**June 30, 2023**

### **1. Status of the Commission**

The Saskatchewan Teachers' Superannuation Commission (Commission) administers a pension plan, the Teachers' Superannuation Plan, consisting of the Teachers' Superannuation Fund and the Voluntary Contributions Fund (hereafter collectively referred to as the Plan). The Teachers' Superannuation Fund is used to account for the net assets accumulated for the defined benefit final average pension plan for teachers who commenced service prior to July 1, 1980. The Voluntary Contributions Fund is a money purchase fund, used to account for the net assets accumulated for teachers' voluntary contributions.

### **Description of the Plan**

The Plan is a registered pension plan as defined by the *Income Tax Act (Canada)* and accordingly, is not subject to income taxes. Allowances and refunds are subject to withholding taxes that are remitted to the Canada Revenue Agency. The following description is a summary only. For more complete information, reference should be made to *The Teachers Superannuation and Disability Benefits Act* (the Act).

### **Teachers' Superannuation Fund**

#### **a) Funding Policy**

Members are required to contribute 6.05% of their salary subject to Canada Pension Plan contributions, and 7.85% on the remainder of their salary. The Government's General Revenue Fund (GRF) pays into the Teachers' Superannuation Fund an amount equal to the amount contributed by members. Also, the GRF pays into the Teachers' Superannuation Fund other contributions pursuant to section 9(4) of the Act. Section 9(4) of the Act requires the GRF to pay yearly an amount by which the allowances, transfers and refunds that are paid out in that fiscal year exceed the credited contributions of members with respect to whom an allowance commences or a refund or transfer is made in that fiscal year.

#### **b) Age and Service Allowance**

The annual amount of pension is determined as follows:

- 2% of the five highest years salary times years of service (maximum 35 years)
- reduced at age 65 for Canada Pension Plan integration
- increased each January 1 by 80% of the increase in the Consumer Price Index for Canada

#### **c) Interest Credited to Contributions**

As of July 1, 1994, the interest credited to contributions is based on an annual rate determined by the Commission to be the annual rate of return earned from the investments of the Fund in a fiscal year, compounded annually. See Note 5 for determination of investment earnings.



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#### **d) Death Benefits**

When a superannuate dies, the spouse receives 60% of the allowance plus a further 10% for each dependent child to a maximum of 25%. If there is neither a spouse nor dependent children, the nominee or estate receives a lump sum payment of the difference, if any, between the teacher's contributions and interest at retirement and the total pension paid to date.

#### **e) Refunds**

Refunds to teachers typically consist of the teacher's contributions and interest on those contributions.

#### **Voluntary Contributions Fund**

The Commission administers the Voluntary Contributions Fund. The Voluntary Contributions Fund allows active teachers to make contributions into the Fund, according to the limits set out in the *Income Tax Act (Canada)*.

The Voluntary Contributions Fund is credited with all voluntary contributions, any interest earned and any other revenue accrued from the investment of monies in the Voluntary Contributions Fund less investment expenses. The Voluntary Contributions Fund amount is reduced by amounts paid out at the time the teacher makes an application for a refund. If eligible, the accumulated contributions and interest earned are paid to the teacher, the teacher's nominee or to the teacher's estate.

### **2. Significant Accounting Policies**

The following accounting policies are considered significant:

#### **a) Basis of Presentation**

The financial statements for the year ended June 30, 2023 have been prepared in accordance with Canadian accounting standards for pension plans as defined in the CPA Canada Handbook Section 4600, *Pension Plans*. For matters not addressed in Section 4600, *Pension Plans*, Canadian Accounting Standards for Private Enterprises (ASPE) have been followed. These financial statements were authorized and issued by the Board on October 17, 2023.

#### **b) Investments**

Investments in bonds and equities are recorded at fair value which are determined by reference to closing year end bid prices from recognized security dealers. Transactions in bonds and equities are recorded as of the trade date.

Investments denominated in foreign currency are translated at the exchange rate in effect at year end. Investment transactions and realized gains and/or losses are translated at the exchange rate in effect at the transaction date. Unrealized gains and losses resulting from exchange differences are included in the determination of the change in fair value of investments.

Pooled funds are recorded based on the net asset value per unit of the underlying investments determined using closing bid prices as at year end. Short-term investments are recorded at fair value. Real estate pooled funds and private equity are recorded at fair value as estimated by independent appraisals. The fair value of the investments approximates the market value. All investments are classified at fair value through profit or loss.

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### **c) Use of Estimates**

The preparation of financial statements in accordance with Canadian accounting standards for pension plans requires management to make estimates and assumptions that affect the recorded amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the recorded amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the valuation of investments and accrued pension obligation. Actual results could differ from these estimates.

### **3. Due From General Revenue Fund**

The Plan's bank accounts are included in the Consolidated offset Bank Concentration (COBC) arrangement for the Government of Saskatchewan. Under this arrangement, interest is calculated on the net position of all COBC accounts and is paid by the bank into the GRF.

The Plan's share of this interest is allocated and paid by the GRF on a quarterly basis into the Plan's bank accounts using the Government's thirty-day borrowing rate. The Government's average thirty-day borrowing rate in 2023 was 3.79% (2022 – 0.40%).

### **4. Investments**

The Commission's investment strategy is to invest cash flows from contributions, maturing debentures and investment returns into assets such as Canadian, foreign and private equities, pooled funds, money market securities, bonds and real estate pooled funds.

#### **Teachers' Superannuation Fund**

The Act and the Plan's investment policy require that all the Fund's investments comply with the provisions of *The Pension Benefits Act, 1992*, which does not allow any one holding to represent more than 10% of the cost of the Fund's portfolio at the time of acquisition.

During 2011-12, the Commission engaged its Investment Consultant to conduct a de-risking optimization study of the asset mix for the Teachers' Superannuation Fund. In March 2012, the Commission amended their investment policy to reflect the de-risking investment strategy to be effective July 1, 2012. The final step of the de-risking glidepath was allocated to the Fund asset mix on July 1, 2018. Effective July 1, 2019 riskier assets were reintroduced to the Fund. Return-seeking assets will gradually be added to the Fund until 2025.

The de-risking glidepath is in the Plan's investment policy. The effect of the de-risking investment strategy has been reflected in further projections used in the actuarial valuation at June 30, 2021 and the extrapolation at June 30, 2023 in Note 8.

#### **Short-term Investments**

These investments are comprised of T-Bills, notes and commercial paper with effective interest rates of 0% to 0.01% (2022 – 0% to 0.01%) and a weighted average term to maturity 72 days (2022 – 85 days). Interest is receivable until maturity.

## Bonds and Debentures

The Plan's investment policy limits its investment concentration in any one investee or related group to no more than 10% of that corporation's cost of outstanding bonds. Bonds must meet a minimum quality standard of BBB rating as measured by a recognized credit rating service.

For the Teachers' Superannuation Fund, the Plan invests in bonds that are considered to be high quality as described below:

	Years to Maturity	2023			2022		
		Fair Value	Weighted Average Yield (%)	Weighted Average Coupon Rate (%)	Fair Value	Weighted Average Yield (%)	Weighted Average Coupon Rate (%)
		(\$000's)			(\$000's)		
Federal Bonds	<1	\$ -	-	-	\$ -	-	-
Government of Canada	1-5	15,738	2.20	2.08	10,945	1.63	1.54
	6-10	17,902	1.67	1.47	10,321	1.61	1.39
	11-15	1,192	4.40	5.05	652	4.52	5.10
	16-20	-	-	-	-	-	-
	20+	1,299	2.37	1.75	1,418	2.57	2.00
Provincial & Provincially Guaranteed Bonds Other Provinces	1-5	637	3.05	2.90	2,575	2.75	2.67
	6-10	7,126	3.45	3.52	5,476	3.66	3.83
	11-15	1,529	4.56	5.02	1,753	4.63	5.10
	16-20	4,311	4.41	4.76	3,776	4.45	4.76
	20+	8,365	3.64	3.06	7,544	3.71	3.05
Saskatchewan	20+	990	3.75	3.22	778	3.83	3.22
Municipal	6-10	36	5.24	5.90	36	5.24	5.90
Corporate Bonds	<1	-	-	-	-	-	-
	1-5	11,215	3.68	3.51	12,260	2.82	2.66
	6-10	5,828	3.91	3.59	5,831	3.80	3.51
	11-15	462	4.64	4.35	898	3.18	2.80
	16-20	149	3.46	2.75	791	4.51	3.97
	20+	3,668	4.97	4.26	3,443	5.10	4.23
		<u>\$ 80,447</u>			<u>\$ 68,497</u>		

Actual maturity may differ from contractual maturity because certain borrowers have the right to call or prepay certain obligations with or without call or prepayment penalties.

## Equities

	2023		2022	
	(\$000's)			
Common Shares				
Foreign	\$	6,858	\$	8,001
Private Equity		5,992		7,078
Total Equities	\$	<u>12,850</u>	\$	<u>15,079</u>

The Plan's investment policy limits any holding in the Fund to no more than 30% of the outstanding shares of the issuing corporation. The investment policy allows up to 5.0% of the Fund to be invested in foreign equities, including those held in pooled funds. At June 30, 2023, the Plan held 4.6% (2022 – 4.3%) in foreign equities.

Foreign equities and pooled funds are denominated in Canadian dollars. The Fund's equities include common shares that have no fixed maturity date and are generally not exposed to interest rate risk. Dividends are generally declared on a quarterly basis. The average effective dividend rate during the year was 1.7% (2022 – 1.2%).

### Pooled Funds

The Plan holds units in pooled funds, which have no fixed interest rate, and its returns are based on the success of the fund manager. The Plan unit holdings are:

	Units Held		% of Total Units Outstanding		Fair Value		Investment Income and Change in Fair Value	
	2023	2022	2023	2022	2023	2022	2023	2022
	(000's)				(\$000's)		(\$000's)	
TD Greystone Canadian Equity Fund	263	320	1.72	2.11	\$ 10,560	\$ 11,820	\$ (963)	\$ 3,226
TD Greystone Real Estate Fund	141	161	0.20	0.21	\$ 27,796	\$ 31,741	\$ 55	\$ 4,468
					<u>\$ 38,356</u>	<u>\$ 43,561</u>	<u>\$ (908)</u>	<u>\$ 7,694</u>

### Private Equity

In 2005, the Plan committed \$36 million US, as a Limited Partner, to GE Asset Management Incorporated (GEAM), investment manager for investment in the GEAM International Private Equity Fund, L.P. representing \$437 million US in total partnership commitments. One pension trust represents 50% of committed and invested funds with the sixteen Limited Partners representing the remaining 50%. The purpose of the Partnership is to invest in primarily private placement investments and through such investments provide its partners with current income and long-term capital gains. The private placements would be those of companies located and doing a substantial portion of their business outside of the United States. The Teachers' Superannuation Fund has 8.2% (2022 – 8.2%) of the committed and 16.4% (2022 – 14.6%) of the invested funds. As of June 30, 2023, the total value of the International Private Equity Fund, L.P. was \$29.3 million US (2022 – \$37.7 million US) and the Plan's share was \$6.0 million CDN (2022 – \$7.1 million CDN).

### Determination of Fair Value

The determination of fair value for both the Teachers' Superannuation Fund and the Voluntary Contributions Fund is based on valuations that make maximum use of available market information. The best measure of fair value is an independent quoted market price for the same instrument in an active market. An active market is one where quoted prices are readily available representing regularly occurring transactions. Fair value measurements are categorized into levels within a fair value hierarchy based on the nature of the inputs used in the valuation.

The three levels of the fair value hierarchy are:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 Inputs other than quoted market prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 Inputs that are not based on observable market data.

The following table classifies the Plan's financial instruments within a fair value hierarchy:

**Teachers' Superannuation Fund (\$000's)**

	Level 1		Level 2		Level 3		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Bonds and debentures	\$ -	\$ -	\$ 80,447	\$ 68,497	\$ -	\$ -	\$ 80,447	\$ 68,497
Pooled funds	-	-	10,560	11,820	27,796	31,741	38,356	43,561
Equities	6,858	8,001	-	-	-	-	6,858	8,001
Private equity	-	-	-	-	5,992	7,078	5,992	7,078
Short - term	19,186	57,418	-	-	-	-	19,186	57,418
Total	<u>\$ 26,044</u>	<u>\$ 65,419</u>	<u>\$ 91,007</u>	<u>\$ 80,317</u>	<u>\$ 33,788</u>	<u>\$ 38,819</u>	<u>\$ 150,839</u>	<u>\$ 184,555</u>

Fair value measurements using level 3 inputs:

**Teachers' Superannuation Fund (\$000's)**

	Real Estate Pooled		International Private Equity		Total	
	2023	2022	2023	2022	2023	2022
Balance at July 1	\$ 31,741	\$25,220	\$ 7,078	\$ 7,875	\$ 38,819	\$ 33,095
Purchases	-	2,053	-	-	-	2,053
Sales	(4,000)	-	-	-	(4,000)	-
Net transfers in (out)	-	-	-	-	-	-
Gains (Losses):						
Realized	-	-	-	-	-	-
Unrealized	55	4,468	(1,086)	(797)	(1,031)	3,671
Balance at June 30	<u>\$ 27,796</u>	<u>\$31,741</u>	<u>\$5,992</u>	<u>\$ 7,078</u>	<u>\$ 33,788</u>	<u>\$ 38,819</u>

Realized and unrealized gains and losses appear in the increase or decrease in fair value of investments on the Statement of Changes in Net Assets Available for Benefits.

At June 30, 2023, the following techniques were used to determine the fair value of the investments categorized in level 3:

**i. Real Estate Pooled Funds**

For the TD Greystone Real Estate Pooled Funds, the Pool Fund Manager uses an independent arm's length appraisal process for each property held within the pooled fund to establish the fair market value of the real estate investments on a semi-annual basis for each property in the Pooled Fund.

The fund is audited by an independent accounting firm on an annual basis which includes a review of the valuation process as well as the appropriateness of the values contained within the financial statements of the Real Estate Pooled Fund to ensure compliance with all standards set by the CPA Canada Handbook and all Canadian pension legislation that may apply to the Fund or its shareholders. Changes in the underlying assumptions would have an immaterial impact on the market value of the investments.

## ii. International Private Equity

The Plan's private equity investment in the International Private Equity Fund I is held through limited partnerships within the corresponding fund. The investments are valued using the net asset valuation technique by the General Partner, using the best information available, including quoted market prices or market prices for similar assets when available, internal cash flow estimates discounted at an appropriate interest rate or independent appraisals as appropriate. Changes in the underlying assumptions would have an immaterial impact on the market value of the investments.

### Voluntary Contributions Fund

The Voluntary Contributions Fund holds pooled funds which are classified as level 2 and are described below.

#### **Pooled Funds**

The Plan holds for the Voluntary Contributions Fund units in pooled funds, which have no fixed interest rate, and its returns are based on the success of the manager.

The TD Greystone International Equity Fund may use derivative financial instruments such as equity index future contracts for managing its equity portfolio and forward contracts for cash management. Derivative financial instruments are financial contracts that change in value resulting from changes in underlying assets or indices.

Derivative transactions are conducted in over-the-counter markets directly between two counterparties or on regulated exchange markets. All derivative financial instruments are recorded at fair value using market prices. Where market prices are not readily available, other valuation techniques are used to determine fair value.

The Voluntary Contributions Fund unit holdings are:

	Units Held		% of Total Units Outstanding		Fair Value		Investment Income and Change in Fair Value	
	2023	2022	2023	2022	2023	2022	2023	2022
	(000's)				(\$000's)		(\$000's)	
TD Greystone International Equity Fund	3	4	0.01	0.01	\$ 49	\$ 50	\$ 11	\$ (13)
TD Greystone Canadian Fixed Income Fund	48	54	0.08	0.09	568	618	39	(80)
TD Greystone Canadian Equity Fund	9	10	0.06	0.07	353	365	24	30
TD Greystone US Equity Fund	1	2	0.03	0.03	58	66	15	(2)
TD Emerald Treasury Management Fund	11	13	0.01	0.01	114	127	5	-
					<u>\$ 1,142</u>	<u>\$ 1,226</u>	<u>\$ 94</u>	<u>\$ (65)</u>

## 5. Teachers' Superannuation Fund – Determination of Investment Earnings for Administrative Purposes

The Commission determines investment earnings of the Superannuation Fund in order to establish what interest must be credited to teachers, and what interest teachers must pay when purchasing past service. The Commission has determined that only 25% of the current period change in fair values of investments (includes both realized and unrealized gains and losses) will be recognized as part of investment earnings. The remaining 75% will be recognized equally over the following three years as part of investment earnings. Interest and dividend income less investment expenses are fully allocated for the current year. The investment earnings rate was 18.05% (2022 – 26.71%) for the year.

## 6. Voluntary Contributions Fund - Earnings Allocation to Members

The Commission allocates all realized and unrealized gains/losses at year-end. During 2023, the Commission allocated investment income less investment expenses of \$75,930 to teachers' accounts and for 2022 allocated investment losses less investment expenses of \$68,478.

## 7. Related Party Transactions

These financial statements include transactions with related parties. The Plan is related to all Saskatchewan Crown agencies such as ministries, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the Plan is related to non-Crown enterprises that the Government jointly controls or significantly influences.

### a) Administration

In accordance with the Act, all expenses of the administration are paid out of monies appropriated for the Ministry of Education by the Legislature. Accordingly, no provision for these costs is included in the financial statements.

Expenses related to managing, investing or disposing of assets of the Plan are paid directly by each fund. The annual expenses for custodial, brokerage and investment management fees appear below.

	2023			2022		
	Superannuation Fund (\$ 000's)	Voluntary Contributions Fund (\$ 000's)	Total (\$ 000's)	Superannuation Fund (\$ 000's)	Voluntary Contributions Fund (\$ 000's)	Total (\$ 000's)
Custodial fees	\$ 26	\$ -	\$ 26	\$ 31	\$ -	\$ 31
Brokerage fees	2	-	2	1	-	1
Investment and asset management fees	249	2	251	233	3	236
	<u>\$ 277</u>	<u>\$ 2</u>	<u>\$ 279</u>	<u>\$ 265</u>	<u>\$ 3</u>	<u>\$ 268</u>

### b) Investment Management Services

Investment management services are provided by TD Asset Management.

### c) Investment Holdings

#### Teachers' Superannuation Fund

Included in the totals for bonds and debentures and income are Province of Saskatchewan holdings of \$990,269 (2022 – \$777,981) and investment earnings including change in fair value of \$55,495 (2022 – investment loss including change in fair value of \$207,425).

## 8. Actuarial Valuation - Pension Benefits

### Accrued Pension Benefit Obligation

The present value of accrued pension benefits was determined using the projected benefit method prorated on services and the best estimate assumptions of the Teachers' Superannuation Commission. In June 2017, the Commission approved the policy change to perform actuarial valuations from every two years to every three years.

Extrapolations are made every year using the last valuation available since the valuation results are not available until approximately six months following the year-end. Aon prepared an actuarial valuation of the Teachers' Superannuation Fund as at June 30, 2021 with an extrapolation made to June 30, 2023.

The pension liability is based on a number of assumptions about future events including discount rate, rate of salary increase, inflation rate, mortality, retirement rates and termination rates. The actual rates may vary significantly from the long-term assumptions used.

The methodology used to determine the discount rate reflects a 10-year average of the Saskatchewan provincial bond yield curve to match the timing and amount of future expected benefit payments as well as the expected rate of return on assets. The single discount rate for each year in the 10-year average was determined as a blend between the funded and unfunded portions of the Plan and at June 30, 2018, the rate was updated to reflect the expected rate of return on assets assumption of 4.0% per annum up to 2030. Prior to 2020, the single discount rate was used based on the single rate calculated to match the timing and amount of future expected benefits.

The Commission adopted the adjusted 2014 Public Sector Canadian Pensioner Mortality table with generational mortality improvements in accordance with Scale CPM-B and it was used to prepare the actuarial valuation at June 30, 2018 and the extrapolation at June 30, 2020. In June 2021, the Commission adopted the 2017 Mortality Improvement scale as an enhancement to the Scale CPM-B used for the valuation at June 30, 2021 and extrapolation at June 30, 2022 and June 30, 2023.

In June 2021, the Commission approved a change to the inflation rate assumption which was reflected in the valuation at June 30, 2021 and extrapolation at June 30, 2022. In June 2023, as a result of the increased inflation rates since the June 30, 2021 valuation, the Commission reviewed its inflation rate assumption and approved a change to its assumptions to recognize the known actual indexation losses due to the statutory cost of living adjustments of 2.2% in 2022 and 5.2% in 2023. These changes are reflected in the June 30, 2023 extrapolation on Statement 3.

The assumptions used in determining the actuarial value of accrued pension benefits were:

	<b>2023</b>	<b>2022</b>
▪ salary increases	2.75% thereafter	2.75% thereafter
▪ discount rate	3.0%/ year	2.9%/ year
▪ inflation	4.0% in 2023; 3% in 2024; 2.0% thereafter	2.0%
▪ mortality table	MI-2017	MI-2017



The following illustrates the effect of changing certain assumptions from the assumed rates. For the salary and discount rate categories, the changes in assumption are independent of one another. The inflation category, however, shows the impact of changing all assumptions that have an inflation component. In the scenario of the 1% change in inflation, the assumptions for the interest rate, salary increase, Year's Maximum Pensionable Earnings (YMPE) and Canada Revenue Agency pension maximum are also changed by 1%.

Effect on Pension Obligation	Long-term assumptions					
	Salary		Discount rates		Inflation	
	1.75%	3.75%	2.0%	4.0%	1.0%	3.0%
(Decrease)						
Increase	\$(0)	\$0	\$549,889	\$(463,422)	\$252,777	\$(235,264)
(\$000s)						

Plan experience gains or losses result from the differences between actual and expected terminations, disabilities, retirements, salaries, yearly maximum pensionable earnings, interest credited and deaths that occur between valuations/extrapolations. Assumption changes arise when the assumptions change from the previous valuation/extrapolation to the current valuation/extrapolation.

In the June 30, 2023 extrapolation, the changes in assumptions increased the accrued pension benefit overall by \$55.3 million and was due to the increase of \$102.8 million as a result of the change in the inflation rate assumption, along with a decrease of \$47.5 million due to the change in the discount rate assumption and was offset by the experience loss of 191.2 million to record the impact of actual indexation.

## 9. Investment Performance

The investment manager makes day-to-day decisions on whether to buy or sell investments in order to achieve the long-term performance objectives set by the Commission. The Commission reviews the investment performance of the Funds in terms of the performance of the benchmark portfolio over four-year rolling periods. The primary long-term investment performance objective for the entire portfolio is to outperform a benchmark portfolio.

The following is a summary of the Plan's investment performance, which assumes a full allocation of realized and unrealized gains and losses:

	2023 annual return%	Rolling four-year average annual return%
Teachers' Superannuation Fund <sup>1</sup>	3.3%	2.1%
Target rate of return <sup>2</sup>	4.6%	2.2%
Voluntary Contributions Fund <sup>1</sup>	6.9%	4.3%
Target rate of return <sup>2</sup>	7.5%	3.6%

<sup>1</sup> The annual returns are before deducting investment expenses

<sup>2</sup> The Commission's weighted target rate of return for its investment portfolio (return on the benchmark portfolio) has been determined, after the fact, using the weighted actual returns of certain market indices such as S&P/TSX Capped Composite Index, S&P 500, MSCI EAFE, FTSE TMX Canada Universe Bond Index, MSCI/REALPAC Annual Property Index as well as 30-Day and 91-Day T-Bills.

## 10. Financial Risk Management

The nature of the Plan's operations results in a statement of financial position that consists primarily of financial instruments. The risks that arise are credit risk, market risk (consisting of interest rate risk, foreign exchange risk and equity price risk) and liquidity risk.

Significant financial risks are related to the Plan's investments. These financial risks are managed by having an investment policy, which is approved annually by the Commission. The investment policy provides guidelines to the Plan's investment managers for the asset mix of the portfolio regarding quality and quantity of fixed income, real estate and equity investments. The asset mix helps to reduce the impact of market value fluctuations by requiring investments in different asset classes and in domestic and foreign markets. The Commission reviews regular compliance reports from both its investment managers and custodian as to their compliance with the investment policy.

### a) Credit Risk

Credit risk is the risk that one party does not pay funds owed to another party. The Plan's credit risk arises primarily from two distinct sources – accounts receivable and certain investments. The maximum credit risk to which it is exposed at June 30, 2023 is limited to the carrying value of the financial assets and is disclosed in the table below.

	2023 Carrying Value (\$000's)	2022 Carrying Value (\$000's)
<b>Teachers' Superannuation Fund</b>		
Cash	503	278
Contributions receivable	17,538	12,492
Fixed income investments	99,633	125,915
Due from General Revenue Fund	22	27
<b>Voluntary Contributions Fund</b>		
Contributions receivable	4	-
Due from General Revenue Fund	24	23

Fixed income investments include short-term investments and bonds and debentures. Accounts receivable are primarily made up of employee and employer contributions receivable and accrued investment income. Employee and employer contributions receivable are generally received in less than 30 days. Accrued investment income is received on the next scheduled payment date, generally annually or semi-annually.

For both the Teachers' Superannuation Fund and the Voluntary Contributions Fund, credit risk within investments is primarily related to short-term investments and bonds and debentures. The Commission limits the credit risk by dealing with issuers that are considered to be high quality (minimum rating of BBB for bonds and debentures and R-1 for short-term investments) along with an investment policy that limits the maximum exposure with respect to any one issuer. The credit ratings used to describe the bonds and debentures appear on the following page.

## Teachers' Superannuation Fund

Credit Rating	2023		2022	
	Fair Values (\$'000's)	% Portfolio	Fair Values (\$'000's)	% Portfolio
AAA	\$ 26,716	33.2	\$ 30,495	44.6
AA	10,182	12.6	7,945	11.6
A	36,774	45.7	23,971	34.9
BBB	6,775	8.5	6,086	8.9
Total	\$ 80,447	100.0	\$ 68,497	100.0

With bonds and debentures, there are no holdings from one issuer, other than the Government of Canada or a Canadian province, over 3.02% of the market value of the combined bonds and debentures and short-term investment portfolios. No one holding of a province is over 14.76% of the market value of the investment portfolio.

### b) Market Risk

The Commission invests in publicly traded equities and bonds available on domestic and foreign exchanges. These securities are affected by market changes and fluctuations. The Commission manages market risk by investing in different domestic and foreign markets and through the establishment and review of asset mix ranges and limits for various investments. The Commission does not use derivative financial instruments to alter the effects of these market changes and fluctuations except through their use in pooled funds.

Market risk represents the potential for loss from changes in the value of financial instruments. Value can be affected by changes in interest rates, foreign exchange rates and equity prices. Market risk primarily impacts the value of investments.

#### Interest Rate Risk

Interest rate risk refers to the adverse consequences of interest rate changes on the Plan's cash flows, financial position and income. This risk arises from differences in the timing and amount of cash flows related to the Plan's assets and liabilities. The value of the Plan's assets is affected by short-term changes in nominal interest rates in its short-term investments and bonds and debentures. Interest rate risk is managed by investing in bonds and debentures with varying durations.

It is estimated that a 100 basis point change in interest rates would change net assets available for benefits and Plan deficit by \$7.7 million at June 30, 2023; representing 7.8% of the \$99.6 million of fixed income investments.

The Voluntary Contributions Fund is exposed to changes in interest rates in its money market and the fixed income pooled funds. It is estimated that a 100 basis point change in interest rates would change net assets available for benefits by \$0.1 million at June 30, 2023; representing 9.3% of the \$0.7 million of fixed income investments.

### Foreign Currency Risk

Foreign currency exposure arises from the Plan holding investments denominated in currencies other than the Canadian Dollar. Fluctuations in the relative value of the Canadian Dollar against these foreign currencies results in a positive or negative effect on the fair value of investments. Exposure to both U.S. equities and non-North American equities is limited to a maximum 12.5% of the market value of the total investment portfolio. At June 30, 2023, the Plan's exposure to U.S. currencies was 8.5% (2022 – 8.2%).

At June 30, 2023, a 10% change in the Canadian Dollar versus the U.S. Dollar exchange rate would result in approximately a \$1.3 million change in the net assets available for benefits and Plan deficit.

### Equity Price Risk

The Teachers' Superannuation Fund is exposed to changes in equity prices in Canadian, U.S. and EAFE markets. Equities and equity pooled funds comprise 11.6% (2022 – 10.7%) of the market value of the Fund's total investments. The investment policy of the Teachers' Superannuation Fund limits the Plan's equity exposure to 22.5% of the Plan's total investments and any holding to represent no more than 30% of the outstanding shares of the issuing corporation. The policy also limits the Voluntary Contributions Fund's equity exposure to 60% of the Plan's total investments.

For the Voluntary Contributions Fund, equity pooled funds comprise 40.3% (2022 – 39.2%) of the market value of the Fund's total investments.

The table below indicates the approximate change that could be anticipated to both the increase in net assets available for benefits and Plan deficit based on changes in the Plan's benchmark indices at June 30, 2023.

	Change in thousands of \$	
	10% increase	10% decrease
<b>Teachers' Superannuation Fund</b>		
S&P/TSX Composite Index	\$ 1,056	\$ (1,056)
S&P 500 Index	673	(673)
MSCI EAFE Index	13	(13)
<b>Voluntary Contributions Fund</b>		
S&P/TSX Composite Index	\$ 35	\$ (35)
S&P 500 Index	6	(6)
MSCI EAFE Index	5	(5)

### Securities Collateral

At June 30, 2023, the Plan has not borrowed any securities, therefore no Plan assets have been deposited or pledged as collateral or margin. As part of the Plan's securities lending strategy, cash and non-cash collateral has been pledged as security to the Plan by various counterparties for securities out on loan to the counterparties. At June 30, 2023, cash collateral of \$Nil million (2022 – \$Nil million) and non-cash collateral of \$33.6 million (2022 – \$45.0 million) was pledged to the Plan.

For loans of Canadian fixed income securities and Canadian equities collateralized by cash, the cash collateral must have a market value of not less than 102% of the market value of the loaned securities. For loans of Canadian fixed income securities and Canadian equities collateralized by non-cash collateral, the collateral must have a market value of not less than 105% of the market value of the loaned securities.

The Voluntary Contributions Fund does not have a securities lending strategy.

### Real Estate Risk

Risk in the real estate pooled fund is managed through diversification across real estate types and locations. Adverse impacts in any one segment of the market or geographic location are minimized by having holdings diversified across property type, geographic location and investment size. The real estate portfolio currently consists of \$27.8 million (2022 – \$31.7 million) in real estate pooled funds.

The Voluntary Contributions Fund does not have real estate holdings.

### **c) Liquidity Risk**

The Plan is exposed to liquidity risk through its responsibility to pay pensions on a timely basis. The contributions from the GRF as well as the majority of Plan investments provide sufficient liquidity to support the Plan's required cash flows without impacting its asset mix. Cash resources are managed on a daily basis based on anticipated cash flows. Accounts payable are due within one year.

## **11. Cash Flow Forecast**

The total cash inflow is the amount of contributions and investment income expected to be received by the pension plan. The GRF contributions include matching contributions and additional amounts contributed pursuant to section 9(4) of the Act. The total cash outflow is the amount required to pay all pension obligations. The cash required is the amount by which the cash outflows exceed cash inflows and is forecasted to the year 2052-53. The cash required will be funded from the proceeds of disposals of investments for the period 2023 to 2030.

The forecast of cash inflows and outflows have been determined using the long-term assumptions used in the June 30, 2021 valuation. All amounts shown are based on actual dollar forecasts and appear in the table below.

	Cash inflows			Cash Outflows	Cash Required
	Teachers Contributions	GRF Contributions	Investment Income		
	(\$ 000's)	(\$ 000's)	(\$ 000's)	(\$ 000's)	(\$ 000's)
2023-24	-	288,401	6,050	315,830	21,379
2024-25	-	289,006	5,228	313,775	19,541
2025-26	-	286,767	4,428	311,454	20,259
2026-27	-	283,329	3,586	308,612	21,697
2027-28	-	279,256	2,681	305,259	23,322
Total within 5 years	\$ -	\$ 1,426,759	\$ 21,973	\$ 1,554,930	\$ 106,198
Total 6 to 10 years	\$ -	\$ 1,380,087	\$ 2,352	\$ 1,437,385	\$ 54,946
Total 11 to 30 years	\$ -	\$ 3,173,065	\$ -	\$ 3,173,065	\$ -

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## **12. Fair Value of Financial Assets and Financial Liabilities**

For the following financial instruments, the fair value approximates their carrying value due to the immediate or short-term nature of these instruments. These financial instruments are interest and non-interest bearing and are due or payable within the next year.

- Cash
- Due from GRF
- Accrued investment income
- Teachers' contributions receivable and GRF contributions receivable
- Accounts Payable

For investments, fair values are considered to be market value, the calculation of which is described in Note 4. The actuarial accrued pension benefits are long-term in nature and there is no market for settling these obligations. Therefore, determination of the fair value of the actuarial accrued pension benefits is not practicable (see Note 8).

## **13. Capital Management**

The Plan receives new capital from employee and employer contributions. The plan also benefits from income and market value increases on its invested capital. The Plan's capital is invested in a number of asset classes including equities, fixed-income and short-term investments. The Commission has delegated the operational investment decisions to a number of different investment management firms through a number of different investment mandates as defined in the Plan's Statement of Investment Policy and Objective Statement (IP&OS).

## Investment Schedules

### SCHEDULE 1

#### TEACHERS' SUPERANNUATION FUND

#### SCHEDULE OF INVESTMENTS AND ACCRUED INTEREST AS AT JUNE 30 (UNAUDITED)

	2023		2022	
	Total Fair Value (\$000's)	Accrued Interest (\$000's)	Total Fair Value (\$000's)	Accrued Interest (\$000's)
Canada and Canada Guaranteed	\$ 36,131	\$ 90	\$ 23,336	\$ 40
Provincial and Provincially Guaranteed	22,958	73	21,903	70
Urban Municipalities And Hospitals	-	-	-	-
Corporate Debentures	21,358	165	23,258	185
Corporate Shares	6,858	5	8,001	6
Pooled Funds	38,356	-	43,561	-
Short Term	19,186	10	57,418	42
Private Equity	5,992	-	7,078	-
<b>Total</b>	<b>\$ 150,839</b>	<b>\$ 343</b>	<b>\$ 184,555</b>	<b>\$ 343</b>

**SCHEDULE 2****TEACHERS' SUPERANNUATION FUND****SCHEDULE OF INVESTMENTS ACQUIRED, YEAR ENDED JUNE 30, 2023 (UNAUDITED)**

<b>Investments</b>	<b>Maturity Date</b>	<b>Coupon Interest Rate %</b>	<b>Fair Value \$</b>
<b>Debentures:</b>			
Government of Canada	Jun. 01, 2024	2.50	350,426
Government of Canada	Sep. 01, 2025	0.50	73,918
Government of Canada	Sep. 01, 2026	1.00	423,186
Government of Canada	Mar. 01, 2027	1.25	3,112,467
Government of Canada	Sep. 01, 2027	2.75	2,370,613
Government of Canada	Jun. 01, 2028	2.00	6,688,188
Government of Canada	Jun. 01, 2030	1.25	4,055,578
Government of Canada	Dec. 01, 2030	0.50	2,319,995
Government of Canada	Jun. 01, 2031	1.50	3,719,069
Government of Canada	Jun. 01, 2032	2.00	5,881,050
Government of Canada	Jun. 01, 2037	5.00	1,031,383
Government of Canada	Dec. 01, 2051	2.00	559,389
Government of Canada	Dec. 01, 2053	1.75	1,260,160
Allied Properties	Feb. 12, 2023	1.73	89,282
Bank of Montreal	Jul. 29, 2024	2.28	480,405
Bank of Montreal	Jun. 01, 2027	4.31	147,690
Bank of Nova Scotia	Jan. 10, 2025	1.95	691,324
Bank of Nova Scotia	Nov. 02, 2026	1.85	223,363
Bank of Nova Scotia	Mar. 08, 2027	2.95	157,916
Bell Canada	Sep.30, 2050	3.50	128,298
Brookfield Infra Fin ULC	Oct. 09, 2029	3.41	71,344
Canada Housing Trust	Jun. 15, 2024	2.90	188,837
Canada Housing Trust	Dec. 15, 2024	1.80	125,509
Canada Housing Trust	Jun. 15, 2025	0.95	177,468
Canada Housing Trust	Dec. 15, 2025	1.95	2,966,787
Canada Housing Trust	Jun. 15, 2026	1.25	855,210
Canada Housing Trust	Jun. 15, 2027	2.35	981,063
Canada Housing Trust	Jun. 15, 2028	3.10	3,652,073
Canada Housing Trust	Jun. 15, 2030	1.75	1,042,166
Canadian Imperial Bank	Mar. 07, 2025	2.75	1,188,556
Canadian Imperial Bank	Jun. 29, 2027	4.95	3,116,784
Enbridge Gas Inc	Aug. 09, 2029	2.37	122,440
Enbridge Gas Inc	Apr. 01, 2030	2.90	124,958
Enbridge Gas Inc	Apr. 01, 2050	3.65	89,750
Enbridge Pipelines Inc	Aug. 09, 2046	4.13	78,439
Enbridge Pipelines Inc	May. 12, 2051	4.20	54,621
Fed Caisses Desjardins	May. 28, 2031	1.00	142,579
HSBC Bank Canada	Mar. 24, 2025	3.40	233,467



**SCHEDULE 2****TEACHERS' SUPERANNUATION FUND****SCHEDULE OF INVESTMENTS ACQUIRED, YEAR ENDED JUNE 30, 2023 (UNAUDITED)**

<b>Investments</b>	<b>Maturity Date</b>	<b>Coupon Interest Rate %</b>	<b>Fair Value \$</b>
Hydro One Inc	Jun. 25, 2049	3.63	99,920
Inter Pipeline Ltd	Nov. 25, 2031	3.98	364,771
Inter Pipeline Ltd	May. 18, 2032	5.85	137,676
Manulife Bank of Canada	Feb. 26, 2026	1.34	197,743
Manulife Financial Corp	May. 12, 2030	1.00	112,285
Met Life Glob Funding I	Apr. 09, 2030	3.39	135,168
National Bank of Canada	Aug. 18, 2026	1.00	91,493
North West Redwater	Jun. 01, 2029	4.25	926,042
North West Redwater	Jun. 01, 2051	3.75	47,167
Pembina Pipeline Corp	May. 28, 2050	4.67	16,222
Province of Alberta	Jun. 01, 2027	2.55	66,963
Province of Alberta	Jun. 01, 2031	3.50	146,018
Province of Alberta	Dec. 01, 2048	3.05	317,603
Province of Alberta	Jun. 01, 2050	3.10	276,134
Province of Alberta	Jun. 01, 2052	2.95	237,066
Province of British Columbia	Dec. 18, 2028	2.95	38,368
Province of British Columbia	Jun. 18, 2050	2.95	161,110
Province of Manitoba	Sep. 05, 2046	2.85	94,451
Province of Manitoba	Mar. 05, 2050	3.20	41,583
Province of Nova Scotia	Jun. 01, 2042	4.40	152,733
Province of Ontario	Jun. 02, 2025	2.60	391,044
Province of Ontario	Jun. 02, 2028	2.90	124,972
Province of Ontario	Jun. 02, 2030	2.05	681,480
Province of Ontario	Dec. 02, 2031	2.25	1,054,738
Province of Ontario	Jun. 02, 2032	3.75	373,479
Province of Ontario	Jun. 02, 2035	5.60	620,354
Province of Ontario	Jun. 02, 2041	4.65	423,732
Province of Ontario	Jun. 02, 2045	3.45	534,462
Province of Ontario	Jun. 02, 2048	2.80	163,311
Province of Ontario	Dec. 02, 2051	1.90	304,332
Province of Quebec	May. 05, 2023	0.01	2,570,958
Province of Quebec	Sep. 01, 2025	2.75	49,088
Province of Quebec	Jun. 01, 2032	6.25	498,124
Province of Quebec	Dec. 01, 2041	5.00	555,590
Province of Quebec	Dec. 01, 2048	3.50	459,668
Province of Quebec	Dec. 01, 2051	3.10	332,606
Province of Saskatchewan	Jun. 02, 2048	3.30	111,963
Province of Saskatchewan	Jun. 02, 2050	3.10	82,578
Riocan Real Estate Invst	Nov. 08, 2028	2.83	172,336

**SCHEDULE 2****TEACHERS' SUPERANNUATION FUND****SCHEDULE OF INVESTMENTS ACQUIRED, YEAR ENDED JUNE 30, 2023 (UNAUDITED)**

<b>Investments</b>	<b>Maturity Date</b>	<b>Coupon Interest Rate %</b>	<b>Fair Value \$</b>
Rogers Communications Inc	Apr. 15, 2032	4.25	1,117,618
Smartcentres	Jun. 11, 2027	3.19	73,318
Sun Life Financial Inc	Nov. 01, 2033	1.00	219,968
Toronto Dominion Bank	Jan. 27, 2026	4.34	975,546
Toronto Dominion Bank	Jun. 01, 2027	4.21	1,094,762
TransCanada Pipelines	Mar. 10, 2026	5.42	310,000
TransCanada Pipelines	Jun. 06, 2046	4.35	81,198
TransCanada Pipelines	Jul. 03, 2048	4.18	70,600
VW Credit Canada Inc	Sep. 23, 2025	1.50	181,546
Wells Fargo + Company	May. 19, 2026	2.98	75,154
Wells Fargo + Company	Feb. 18, 2027	2.49	271,230
<b>Shares:</b>			
Abbott Laboratories		--	98,771
Accenture PLC		--	69,300
Air Products + Chemicals Inc		--	39,602
Alphabet Inc		--	173,247
Amazon.Com Inc		--	79,607
Amerisourcebergen Corp		--	59,528
Apple Inc		--	237,300
Applied Materials Inc		--	177,604
Autozone Inc		--	75,968
Boston Scientific Corp		--	71,742
Broadcom Inc		--	82,094
CBRE Group Inc		--	58,495
Chevron Corp		--	244,560
Costco Wholesale Corp		--	92,310
Exxon Mobil Corp		--	279,689
Greystone Canadian Equity Fund		--	5,136,501
Home Depot Inc		--	93,140
Honeywell International Inc		--	75,017
IQVIA Holdings Inc		--	89,878
Johnson + Johnson		--	159,160
JPMorgan Chase + Co		--	159,239
Linde		--	173,041
Mastercard Inc		--	76,941
McDonald S Corp		--	68,469
Merck + Co. Inc.		--	89,434
Medtronic Plc		--	25,024
Meta Platforms Inc		--	27,857

**SCHEDULE 2****TEACHERS' SUPERANNUATION FUND****SCHEDULE OF INVESTMENTS ACQUIRED, YEAR ENDED JUNE 30, 2023 (UNAUDITED)**

<b>Investments</b>	<b>Maturity Date</b>	<b>Coupon Interest Rate %</b>	<b>Fair Value \$</b>
Microsoft Corp		--	287,938
Morgan Stanley		--	102,985
Nextera Energy Inc		--	113,290
Nike Inc		--	36,096
Norfolk Southern Corp		--	129,423
Nvidia Corp		--	88,912
Oneok Inc		--	31,352
Pepsico Inc		--	208,921
Philip Morris International		--	80,371
PNC Financial Services Group		--	118,930
Progressive Corp		--	76,679
Quanta Services Inc		--	185,137
Rockwell Automation Inc		--	98,604
Synopsys Inc		--	83,271
Tesla Inc		--	26,544
Texas Instruments Inc		--	63,181
Thermo Fisher Scientific Inc		--	87,594
TJX Companies Inc		--	34,923
Unitedhealth Group Inc		--	135,167
Verizon Communications Inc		--	78,412
Vertex Pharmaceuticals Inc		--	156,544
Visa Inc Class A Shares		--	72,709
Waste Management Inc		--	108,730
Zoetis Inc		--	52,191
<b>Short Term:</b>			111,237,825
<b>Total:</b>			<b>\$ 188,321,267</b>

**SCHEDULE 3****TEACHERS' SUPERANNUATION FUND****SCHEDULE OF INVESTMENTS DISPOSED, YEAR ENDED JUNE 30, 2023 (UNAUDITED)**

<b>Investments</b>	<b>Maturity Date</b>	<b>Coupon Interest Rate %</b>	<b>Fair Value \$</b>
<b>Debentures:</b>			
Government of Canada	Jun. 01, 2024	2.50	353,124
Government of Canada	Sep. 01, 2025	0.50	352,109
Government of Canada	Sep. 01, 2026	1.00	769,901
Government of Canada	Mar. 01, 2027	1.25	1,211,945
Government of Canada	Jun. 01, 2028	2.00	2,858,847
Government of Canada	Jun. 01, 2030	1.25	872,750
Government of Canada	Dec. 01, 2030	0.50	1,610,707
Government of Canada	Jun. 01, 2031	1.50	3,332,569
Government of Canada	Jun. 01, 2032	2.00	559,842
Government of Canada	Jun. 01, 2037	5.00	446,766
Government of Canada	Dec. 01, 2051	2.00	1,974,418
Allied Properties	Feb. 12, 2026	1.73	195,041
Altagas Ltd	Jun. 10, 2025	2.16	282,777
Bank of Montreal	Jul. 29, 2024	2.28	1,168,128
Bank of Nova Scotia	Jan. 10, 2025	1.95	1,344,360
Bank of Nova Scotia	Aug. 04, 2026	1.00	717,638
Bank of Nova Scotia	Nov. 02, 2026	1.85	269,748
Bell Canada	Sep. 30, 2050	3.50	143,856
Brookfield Infrastructure Fin.	Oct. 09, 2029	3.41	361,050
Canada Housing Trust	Jun. 15, 2024	2.90	954,923
Canada Housing Trust	Dec. 15, 2024	1.80	621,290
Canada Housing Trust	Jun. 15, 2025	0.95	880,065
Canada Housing Trust	Dec. 15, 2025	1.95	5,926,581
Canada Housing Trust	Jun. 15, 2026	1.25	2,026,837
Canada Housing Trust	Jun. 15, 2027	2.35	984,620
Canada Housing Trust	Jun. 15, 2030	1.75	3,224,172
Canadian Imperial Bank	Mar. 07, 2025	2.75	382,092
Canadian Imperial Bank	Jun. 29, 2027	4.95	1,453,345
Enbridge Gas Inc	Aug. 09, 2029	2.37	636,734
Enbridge Gas Inc	Apr. 01, 2030	2.90	633,261
Enbridge Gas Inc	Apr. 01, 2050	3.65	127,499
Enbridge Pipelines Inc	May. 12, 2051	4.20	100,848
Fed Caisses Desjardins	Oct. 04, 2024	2.42	312,584
First Cap Real Estate In	Aug. 30, 2024	4.79	353,625
Great West Lifeco Inc	Jul. 08, 2050	2.98	125,689
Greater Toronto Airports	May. 03, 2028	1.54	108,691
HSBC Bank Canada	Mar. 24, 2025	3.40	1,169,188
Manulife Bank of Canada	Feb. 26, 2026	1.34	982,255

**SCHEDULE 3****TEACHERS' SUPERANNUATION FUND****SCHEDULE OF INVESTMENTS DISPOSED, YEAR ENDED JUNE 30, 2023 (UNAUDITED)**

<b>Investments</b>	<b>Maturity Date</b>	<b>Coupon Interest Rate %</b>	<b>Fair Value \$</b>
Met Life Glob Funding I	Apr. 09, 2030	3.39	531,507
North West Redwater	Jun. 01, 2029	4.25	1,478,274
North West Redwater	Jun. 01, 2051	3.75	233,963
Pembina Pipeline Corp	Aug. 11, 2026	3.71	188,185
Province of Alberta	Jun. 01, 2027	2.55	330,760
Province of Alberta	Jun. 01, 2031	3.50	225,539
Province of Alberta	Dec. 01, 2048	3.05	275,758
Province of Alberta	Jun. 01, 2050	3.10	433,078
Province of British Columbia	Dec. 18, 2028	2.95	200,322
Province of Nova Scotia	Jun. 01, 2042	4.40	208,612
Province of Ontario	Jun. 02, 2025	2.60	1,951,626
Province of Ontario	Dec. 02, 2031	2.25	302,827
Province of Ontario	Jun. 02, 2035	5.60	879,848
Province of Ontario	Jun. 02, 2045	3.45	620,918
Province of Ontario	Dec. 02, 2051	1.90	374,976
Province of Quebec	May. 05, 2023	0.01	2,593,292
Province of Quebec	Sep. 01, 2025	2.75	262,067
Province of Quebec	Jun. 01, 2032	6.25	422,944
Province of Quebec	Dec. 01, 2041	5.00	412,624
Province of Quebec	Dec. 01, 2051	3.10	616,068
Riocan Real Estate Invst	Nov. 08, 2028	2.83	219,880
Royal Office Finance	Nov. 12, 2037	5.21	10,680
Toronto Dominion Bank	Mar. 08, 2024	2.85	1,122,893
Toronto Dominion Bank	Jun. 01, 2027	4.21	616,546
Toyota Credit Canada Inc	Oct. 23, 2024	2.31	250,619
VW Credit Canada Inc	Sep. 23, 2025	1.50	453,132
<b>Shares:</b>			
Abbott Laboratories		--	71,325
Accenture PLC		--	73,447
Air Products + Chemicals Inc		--	129,271
Alphabet Inc		--	190,052
Amazon.Com Inc		--	98,217
Amerisourcebergen Corp		--	3,272
Apple Inc		--	283,615
Applied Materials Inc		--	59,086
Autozone Inc		--	85,958
Boston Scientific Corp		--	105,826
Broadcom Inc		--	101,198
CBRE Group Inc		--	166,297

**SCHEDULE 3****TEACHERS' SUPERANNUATION FUND****SCHEDULE OF INVESTMENTS DISPOSED, YEAR ENDED JUNE 30, 2023 (UNAUDITED)**

<b>Investments</b>	<b>Maturity Date</b>	<b>Coupon Interest Rate %</b>	<b>Fair Value \$</b>
Chevron Corp		--	304,376
Costco Wholesale Corp		--	148,715
Exxon Mobil Corp		--	96,458
Greystone Canadian Equity Fund		--	3,916,668
Greystone Real Estate Fund Inc		--	4,000,000
Home Depot Inc		--	103,058
Honeywell International Inc		--	86,632
IQVIA Holdings Inc		--	171,527
Johnson + Johnson		--	30,172
JPMorgan Chase + Co		--	193,850
Linde		--	69,313
Mastercard Inc		--	89,663
McDonald S Corp		--	79,385
Medtronic Plc		--	81,022
Merck + Co. Inc.		--	85,521
Meta Platforms Inc		--	91,867
Microsoft Corp		--	305,958
Morgan Stanley		--	182,241
Nextera Energy Inc		--	99,042
Nike Inc		--	121,788
Norfolk Southern Corp		--	97,894
Nvidia Corp		--	180,123
Oneok Inc		--	101,558
Pepsico Inc		--	75,204
Philip Morris International		--	115,164
PNC Financial Services Group		--	129,932
Progressive Corp		--	101,215
Quanta Services Inc		--	76,605
Rockwell Automation Inc		--	19,686
Synopsys Inc		--	96,906
Tesla Inc		--	35,681
Texas Instruments Inc		--	53,043
Thermo Fisher Scientific Inc		--	123,199
TJX Companies Inc		--	63,501
Unitedhealth Group Inc		--	148,759
Verizon Communications Inc		--	180,960
Vertex Pharmaceuticals Inc		--	22,353
Visa Inc		--	85,325
Waste Management Inc		--	144,980

**SCHEDULE 3****TEACHERS' SUPERANNUATION FUND****SCHEDULE OF INVESTMENTS DISPOSED, YEAR ENDED JUNE 30, 2023 (UNAUDITED)**

<b>Investments</b>	<b>Maturity Date</b>	<b>Coupon Interest Rate %</b>	<b>Fair Value \$</b>
Zoetis Inc		--	145,570
Brokerage Fees		--	2,262
<b>Short Term:</b>			<b>150,668,272</b>
<b>Total:</b>			<b>\$ 219,339,828</b>

**SCHEDULE 4****TEACHERS' VOLUNTARY CONTRIBUTIONS FUND****SCHEDULE OF INVESTMENTS AND ACCRUED INTEREST, AS AT JUNE 30, 2023 (UNAUDITED)**

<b>Investments</b>	<b>2023</b>		<b>2022</b>	
	<b>Total Fair Value</b>	<b>Accrued Interest</b>	<b>Total Fair Value</b>	<b>Accrued Interest</b>
	<b>(\$000's)</b>	<b>(\$000's)</b>	<b>(\$000's)</b>	<b>(\$000's)</b>
Pooled Funds	\$ 1,142	\$ --	\$ 1,226	\$ --
<b>Total</b>	<b>\$ 1,142</b>	<b>\$ --</b>	<b>\$ 1,226</b>	<b>\$ --</b>

**SCHEDULE 5****VOLUNTARY CONTRIBUTIONS FUND****SCHEDULE OF INVESTMENTS ACQUIRED, YEAR ENDED JUNE 30, 2023 (UNAUDITED)**

<b>Investments</b>	<b>Fair Value</b>
<b>POOLED FUNDS:</b>	
TD Greystone Canadian Equity Fund	\$ 63,501
TD Greystone US Equity Fund	7,442
TD Greystone Fixed Income Fund	52,595
TD Emerald Canadian Treasury Mangement Fund	31,941
TD Greystone International Equity Fund	8,038
<b>TOTAL</b>	<b>\$ 163,517</b>

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**SCHEDULE 6****VOLUNTARY CONTRIBUTIONS FUND****SCHEDULE OF INVESTMENTS DISPOSED, YEAR ENDED JUNE 30, 2022 (UNAUDITED)**

<b>Investments</b>	<b>Fair Value</b>
<b>POOLED FUNDS:</b>	
TD Greystone Canadian Equity Fund	\$ 57,181
TD Greystone US Equity Fund	26,232
TD Greystone Fixed Income Fund	128,540
TD Emerald Canadian Treasury Management Fund	45,477
TD Greystone International Equity Fund	17,115
<b>TOTAL</b>	<b>\$ 274,545</b>



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