



ELCIC PENSION PLAN ANNUAL REPORT



2024

MISSION STATEMENT

Enhancing the well-being of employees who serve in the ELCIC and its affiliates.



VISION STATEMENT

To support plan members in strengthening their physical, mental and financial health, today and into the future.



CONTENTS

- 1 President’s Keynote4
 - A Mystery Key4
 - Key Facts and Figures4
 - Investment Keys5
 - Director Transitions5
 - Appreciation5
- 2 Membership Data6
- 3 Financial Statements9
 - Changes in Net Assets9
- 4 Investment Keys 11
 - The Process 11
 - The Investment Results12
- 5 Key Policies13
- 6 Retirement Planning14
 - Are You Retirement-Ready?14
 - How Does the Pension Fit In?14
- 7 Executive Director16
- 8 Key Players17

*Don’t give up. Normally
it is the last key on the
ring that opens the door.
— Paulo Coelho*





PRESIDENT'S KEYNOTE



by Gordon Jensen
President and Board Chair

The ELCIC Pension Plan (the “Plan”) is a key to open the door to financial wellness in retirement. There may be multiple sets of keys to get you there, but the ELCIC Pension Plan is likely the most significant one, if you’ve spent most of your career within the ELCIC.

A Mystery Key

Sometimes we come across a key that is a mystery to us. We may have forgotten that we have it or it may have a shape we don’t recognize. This may also be true for some of you with respect to this Plan; you likely don’t think about it often and so you forget how it works, and what exactly will happen with it in retirement is a mystery.

ELCIC Group Services Inc. (“GSI”), as the Plan Sponsor, is always pleased to help clear up any questions for you. We hope the information in this Annual Report will remind you

about the excellent Plan of which you are a member and help you to learn about the stewardship GSI provides.

Key Facts and Figures

Summary Plan Member data and financial statements for 2024 are provided in the following pages. The assets in the Plan’s Member Accounts have grown as a result of steady contributions and strong investment returns.

The plan membership statistics indicate an attrition rate of about 7% in contributing plan members. This is slightly higher than the trend of the past decade of around 5%. We expect this decline to continue or even accelerate based on the average age of the Plan Members and because of the requirement that they settle their pension account in the year they reach age 71. Active members number 400 at the end of 2024, down from 428 at the beginning of the year.

Investment Keys

We are very pleased to share that 2024 continued in the double-digit return trend from 2023 and provided an overall investment return to the Plan of 14.8%, before expenses. Information on the investment process and specifics on performance can be found in the report from the Investment Committee Chair, Wenzel Hoberg.

Director Transitions

Carla Blakley was elected to the GSI Board in 2023. She resigned her board position following her election as Eastern Synod Bishop in the summer of 2024. It was wonderful to have her on the Board, although the time was brief, and we look forward to continuing to work together with her in this new role.

We would also like to thank John Wolff for his service as GSI President and Board Chair for the past eight years. The time and expertise he shared was tremendous, and we cannot thank him enough. John remains on the board as Vice-Chair for the remainder of his term to assist in the transition.

Appreciation

We express our appreciation to National Church Council, the National and Synodical Bishops and the National and Synodical Treasurers as we work together for the financial wellness of the ELCIC plan members. I also want to convey a sincere thanks to the Plan Members for your trust and engagement.



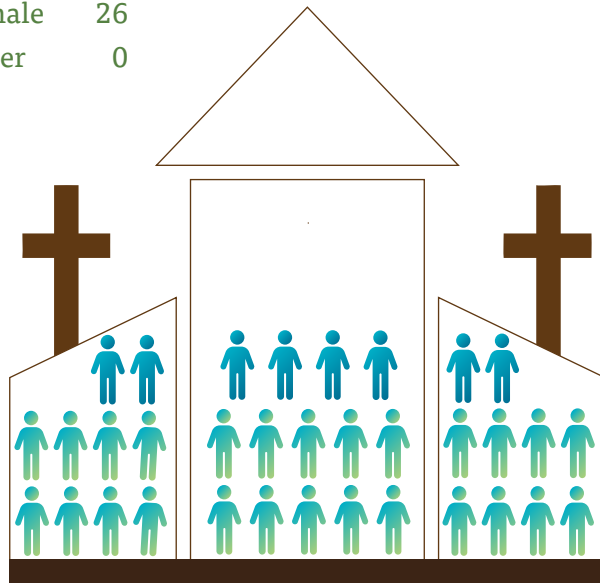
MEMBERSHIP DATA

"A very little key will open a very heavy door."
—Charles Dickens

There were 29 new members joining the ELCIC Pension Plan in 2024 and another five returning from a leave to restart their contributions. This is down slightly from the 37 "new and restarting" members last year. Most were female. About a third of the "new and restarting" members in 2024 were rostered.

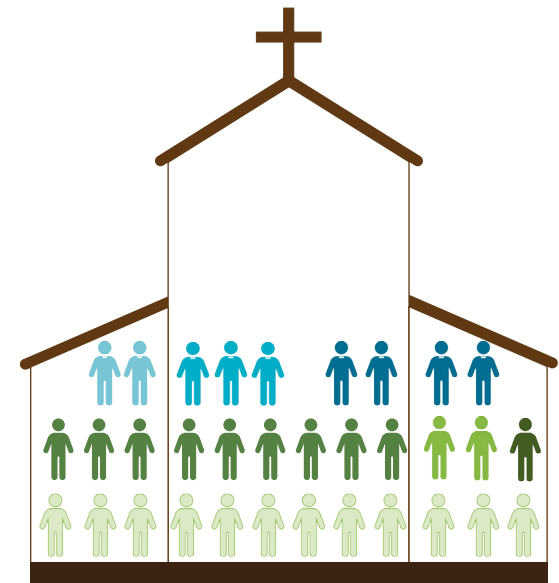
Male	8
Female	26
Other	0

New and Returning Plan Members by Gender

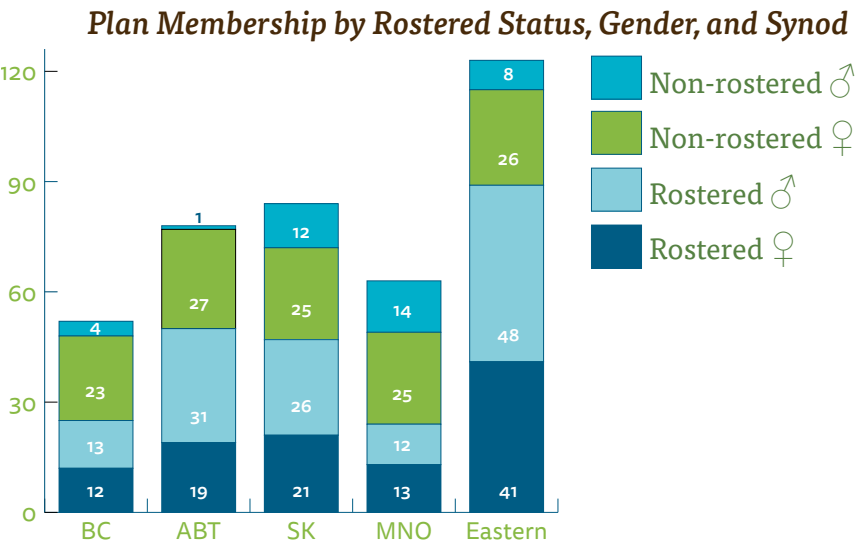


New Plan Members by Rostered Status and Age

60+ non-rostered	1
50-59 non-rostered	2
40-49 non-rostered	9
<40 non-rostered	13
60+ rostered	4 (all returning)
40-49 rostered	2 newly ordained, 1 returning
<40 rostered	2 (newly ordained)



Overall, the active plan membership dropped to 400 at the end of 2024, about 7% fewer than at the end of last year-end, when 428 active contributing members were in the Plan. Here is the active plan membership by Synod with demographic data:



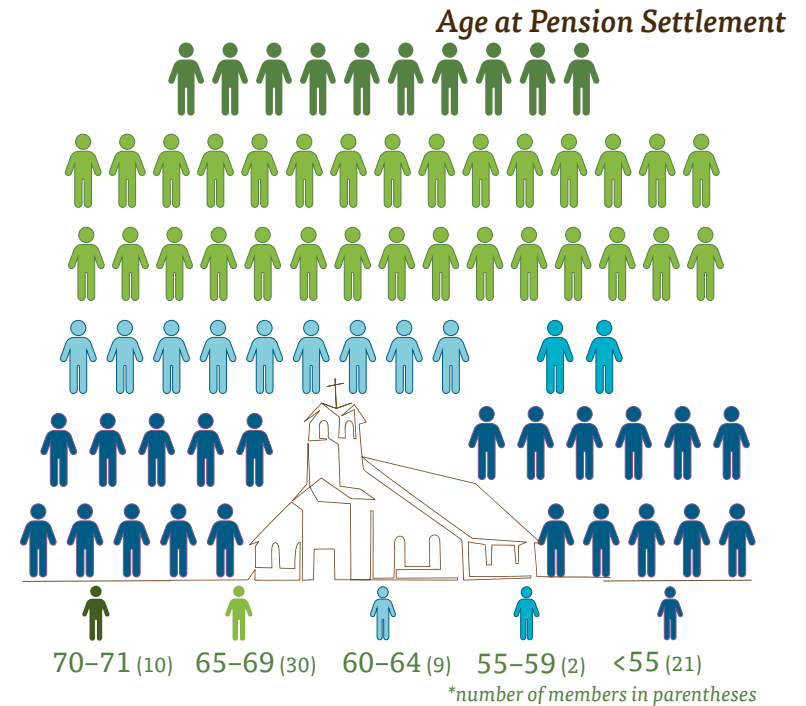
	Rost ♀	Rost ♂	Non-rost ♀	Non-rost ♂	
BC	12	13	23	4	52
ABT	19	31	27	1	78
SK	21	26	25	12	84
MNO	13	11	25	14	63
Eastern	41	48	26	8	123
	106	129	126	39	400



Seventy-two members in 2024 (same number as in 2023) settled their pension accounts. These members transferred their account balance on a tax-free basis to a financial institution to create retirement income.

While ten members settled their account at the Canada Revenue Agency deadline of age 71, most completed the transfer between the ages of 65 and 69. Most of the members settling their account who are under age 55 are non-rostered; they are likely continuing their careers elsewhere and have taken the responsibility to manage their account elsewhere until retirement.

One Plan Member passed away during the year, and their pension account was settled to their beneficiaries.

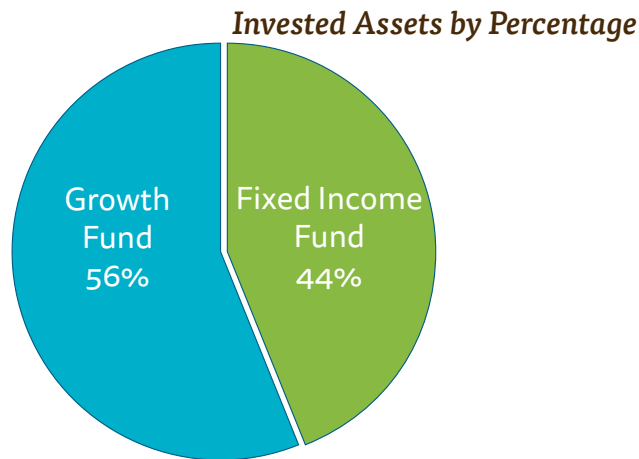


FINANCIAL STATEMENTS



by Ray Henrickson
Finance & Audit Committee Chair

The ELCIC Pension Plan assets totaled \$85,534,533 at the end of 2024; at the end of 2023, this number was \$85,648,305. This amount represents the sum of all member accounts, which are held in Trust. The chart of Invested Assets shows the investment allocation at December 31, 2024.



The portfolio composition and fund allocations are set out in the Statement of Investment Policies & Procedures (SIP&P), which is available [on the GSI website](#). The assets are assigned to the Funds based on the allocation by members within the lifecycle arrangement.

Changes in Net Assets

The Statement of Changes in Net Assets provides a summary of the cash flow during the year. Contributions are consistent from year to year, which is expected with a slight decline in membership being offset with salary increases.

The Account Transfers represents the funds that terminating Plan Members have moved to financial institutions to begin retirement income or to continue to save for a later retirement. This amount can vary over the

years, depending on the demographics of the members who are transferring funds. The management fees — which include investment management, custody fee, consulting and administration – are approximately 90 basis points or 0.9% of assets.

	<i>Summary of Changes</i>	
	2024	2023
Contributions	\$ 4,064,572	\$ 4,052,270
Investment Results	\$12,352,8087	\$ 8,395,698
Account Transfers to Retirement Plans	\$ (15,769,032)	\$ (9,174,244)
Management Fees	\$ (762,119)	\$ (778,578)
Change in Net Assets	\$ (113,772)	\$ 2,495,146

The Financial Statements were prepared by the Pension Plan Administrator, ELCIC Group Services Inc., and audited by PricewaterhouseCoopers LLP.

The Finance and Audit Committee reviewed the financial statements, and the accounting processes to ensure that appropriate internal control procedures and management information systems are in place and to recommend the annual operating budget.

*Before anything else, preparation
is the key to success.
—Alexander Graham Bell*



INVESTMENT KEYS



by Wenzel Hoberg
Investment Committee Chair

The Process

Finding the right key to fit the lock can be a challenge if there are many on the ring to choose from. So, too, finding the right investment manager and strategy in the vast market of options can be a daunting task. With the assistance of consultants, ongoing professional development, and skills from their personal backgrounds, the GSI directors have traditionally selected the investment managers and monitored their results.

This practice was carefully reviewed by the GSI directors in the strategic and operational planning of the past two years. Subsequent to the year-end, the role of selecting and monitoring investment managers was outsourced to Mercer, who maintains a roster of contracted investment managers where the assets can be placed. The advantages of this approach include:

- 🔑 multi-manager approach to portfolio construction, which enhances diversification
- 🔑 greater agility to make changes in response to poor performance
- 🔑 effective use of board and staff resources
- 🔑 rebalancing member accounts with market changes is more flexible and expedient
- 🔑 available expertise and tools applied to the strategy

This approach does not change any logistics or interactions with Plan Members. The intent is to have better investment outcomes and a prudent use of resources. The transition took place in the opening months of 2025.

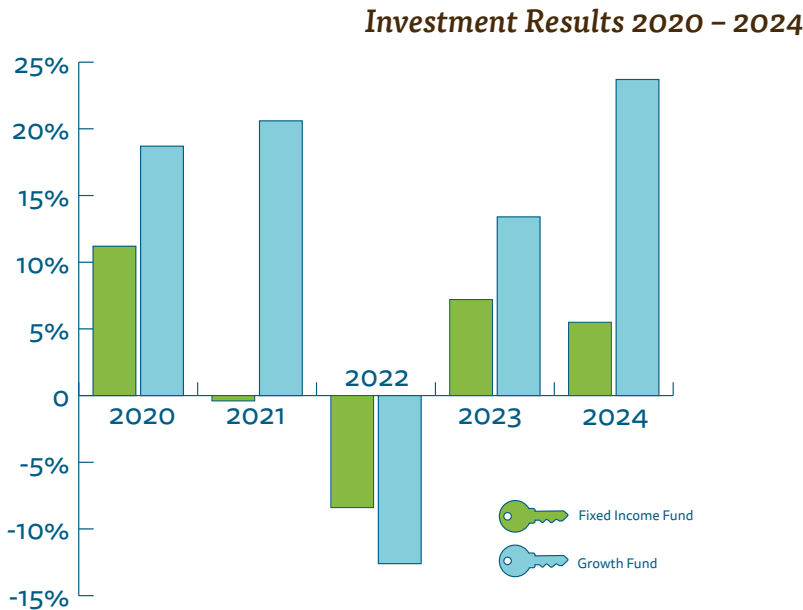
The GSI directors continue to have responsibility for the Statement of Investment Policies & Procedures (SIP&P) and to ensure compliance to the policy. They will also monitor and evaluate Mercer's performance in this new role.

The Investment Results

Although much of the investment outcome is driven by the markets and the interest rates, the GSI board navigates this by determining the investment objectives and setting out a disciplined strategy with a long-term view.

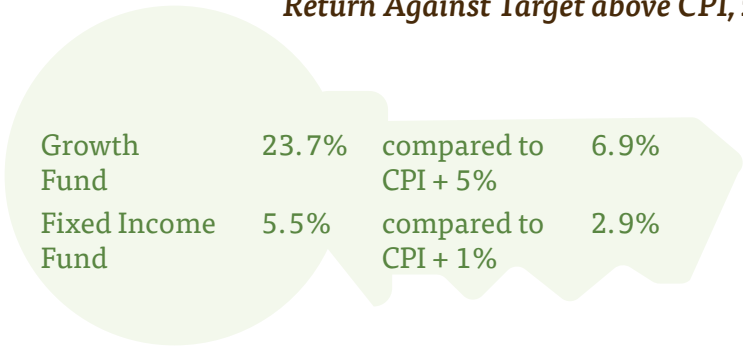
The ELCIC Pension Plan combination of Funds earned 14.8% (before expenses), compared to 14.5% for the Median Balanced Fund. The equity markets, both globally and here in Canada, had a strong performance in 2024. The Growth Fund in the ELCIC Pension Plan returned 23.7%, and the Fixed Income Fund returned 5.5%. Please also review the following charts for more details.

The investment results for the last five years are shown here by Fund.



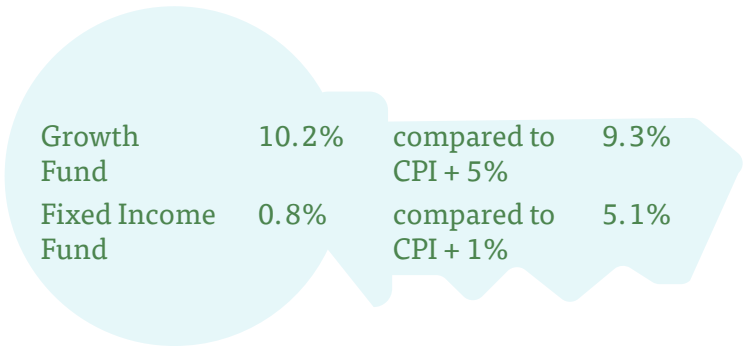
The Board monitors the investment performance against the manager’s peers in the market and against the Consumer Price Index (CPI). This graphic shows the return against the target above CPI as set out in the Statement of Investment Policies & Procedures.

Return Against Target above CPI, 2024



The board also monitors this over a four-year rolling period for a better perspective as markets and interest rates can be volatile. Looking at the result below for the last four-year period, the Growth Fund exceeded the target, but the Fixed Income Fund lagged as a result of the rapid rise in inflation of the past few years.

Four-Year Rolling Average



KEY POLICIES

The ELCIC Pension Plan is a defined contribution plan registered with Canada Revenue Agency and with the Financial Services Regulatory Authority of Ontario, registration number 0533240. The full plan document is available on [GSI's website](#); it describes the strategy for the accumulation of “funds for the ultimate purpose of providing retirement income” for eligible Employees at a predictable cost to the participating Employers.

There were no changes to the ELCIC Pension Plan Text during 2024.

Contribution Funding Policy: members contribute 7%, and their respective employers contribute 8% of the members' Salary Basis, to the members' pension accounts. Members may make voluntary contributions.

Account Transfers: members transfer their account to an authorized financial institution when their employment ends. These transfers are subject to locking-in provisions,



and all accounts must be settled and transfers completed by the end of the year in which the member reaches age 71.

The Statement of Investment Policies and Procedures (SIP&P) is the key document ([available on GSI's website](#)) describing how members' assets are invested and how the performance is monitored. The policy was last reviewed October 24, 2024, and minor wording edits were made for clarification.

“I will give you the keys of the kingdom of heaven, and whatever you bind on earth will be bound in heaven, and whatever you loose on earth will be loosed in heaven.”

— Matthew 16:19



RETIREMENT PLANNING

Are You Retirement-Ready?

Having the ability to meet your financial needs, feeling secure about your financial future and the freedom to enjoy retirement is so important. Here are a few key ideas to help you become retirement-ready:

Stay Informed

Take a few minutes to read the quarterly Pension newsletter sent by GSI. You will find relevant information, including:

- 🔑 how the invested assets are performing
- 🔑 explanations or answers to questions on other Plan Members' minds that you, too, may have been wondering about
- 🔑 updates on Board approved changes to the pension policies
- 🔑 tips on budgeting
- 🔑 and much more!

Make Voluntary Contributions

You have the option to make an additional 3% contribution by payroll deduction which will be added to your monthly amount. Alternatively, you can save outside of the Plan in your personal RRSP.

Engage a Financial Planner.

There are many benefits to working with a professional, and it's never too early or too late to start.

Additional Considerations

Besides these financial retirement preparations, there are other considerations:

- 🔑 how you will spend your time
- 🔑 who you want to spend it with
- 🔑 your health
- 🔑 where you want to live

All these (and more) aspects of retirement can be explored in the years leading up to your retirement date. Considering these ideas and getting comfortable with your choices will signal when you are retirement ready.

How Does the Pension Fit In?

The ELCIC Pension Plan is an important part of your financial retirement plan. When you complete your career in the ELCIC, your pension account balance – as indicated on your final statement – will be transferred tax-free to a financial institution of your choice. Working with an advisor, you will create your retirement income stream.

While there are some variations between provinces, generally the legislated options for your ELCIC Pension Account are a life annuity or a life income fund. Your advisor will help you to set up the option, or combination thereof, that is right for you.

Here is an explanation of the options:

Life Annuity

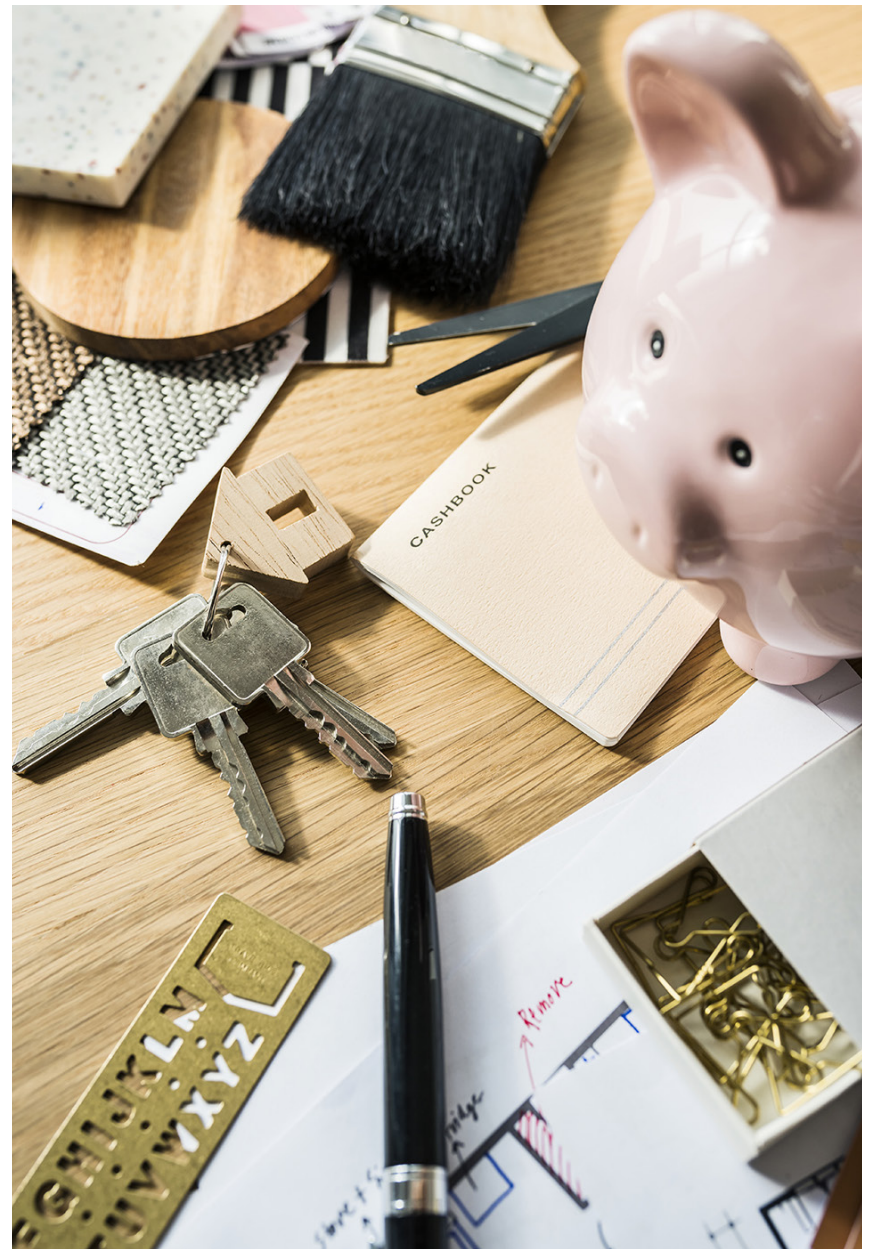
a fixed guaranteed retirement income stream payable for as long as you live (and your spouse's life as well, if applicable).

Life Income Fund (LIF) or Registered Retirement Income Fund (RRIF)

contracts that provide a flow of retirement income based on your annual decision of how much to withdraw within the legislated minimum/maximum amounts.

The LIF/RRIF provides flexibility in the amount of income you wish to receive; however, it may not last a lifetime. LIF is governed by both provincial and federal legislation, whereas a RRIF is governed federally.

*"Be the key and don't add to the locks."
—Bernard Osei Annang*





EXECUTIVE DIRECTOR



by **Lisa Thiessen**
Executive Director

I started taking piano lessons at the age of ten and continued lessons through to high school graduation, working up to Grade 8 Royal Conservatory. Playing the piano at this level takes a lot of disciplined practice. The training taught me the beautiful outcomes that can be achieved with the regular routine of sitting down at the instrument and working with patient repetition through the challenging parts.

This same discipline and patience is required when saving for retirement – especially in challenging times. The ELCIC Pension Plan is designed to ease this by regulating your practice routine with required contributions. Creating the financial equivalent of well-rehearsed music to your retirement will provide the security to really enjoy the beauty in these years.

The 88 keys on a piano present endless options to design a melody that sounds good to your ear. Some pieces of music, like “Grosse Fuge” by Ludwig van Beethoven, use all 88 notes across the keyboard and others use only a few, like “Twinkle, Twinkle Little Star,” with just six keys. Each plan member crafts their own retirement melody from the limitless options.

After 23 years at the helm of GSI, I am ready to play my retirement song. It’s been my absolute pleasure to have served you all these years. I wish you all the best as you write the music of your own retirement.

KEY PLAYERS



GSI Board

*Back: W Hoberg, J Wolff, G Jensen, C Wilke, R Henrickson
Front: S Buffie, S Climo*

Board of Directors

Officers	Directors	Chair Position	Term	Expires
President	Gordon Jensen, MDiv PhD	Board/Nominating	2nd	2027
Vice President	John Wolff, CPA CMA		2nd	2025
Secretary	Sabrina Buffie, BComm BA	Benefits	1st	2027
Treasurer	Ray Henrickson, CPA CA	Finance & Audit	2nd	2025
	Wenzel Hoberg MSC MBA	Investment	1st	2025
	Cath Wilke, BA		2nd	2025
	Susan Climo, MDiv	Governance, Communications	2nd	2027

The GSI Board governs the ELCIC Pension Plan through assessment, oversight, and various monitoring reports.

Office Team

Lisa Thiessen, CPA CA	Executive Director
Barb Fortier, BCom (Hons)	Pension & Benefits Administrator
Andrea Christensen	Accounting & Office Assistant

GSI staff competently handles the daily administration and reporting. They are dedicated to supporting plan members with their financial wellness.

Advisors and Consultants

<i>Firm</i>	<i>Role</i>	<i>Appointed</i>	<i>Contract Concluded</i>
CIBC Mellon Trust Company	Custodian	April 1999	
CIBC Mellon Trust Company	Trustee	July 2003	
Faithful Servant Consulting	Communication Design	August 2023	
Mercer Investment	Investment Consultants	October 2003	
Mercer Global Investment Canada Ltd	Investment Manager	January 2025	
MLT Aikins	Legal Counsel	October 1997	
PricewaterhouseCoopers LLP	Auditors	September 2013	
Baillie Gifford	Investment Manager	May 2019	January 2025
Eckler	Retirement Consultants	March 2014	January 2025
Phillips, Hager & North	Investment Manager	February 2005	January 2025

Contact Information

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