

The Civil Service Superannuation Fund

Employee Pension Seminar

The Civil Service Superannuation Board

Our Mission and Purpose is:

To deliver to our plan members their pension entitlements.

We do this by:

- **Acting collaboratively with each other, with employers and with the plan sponsor, constantly seeking member-focused outcomes**
- **Prudently investing and monitoring plan assets**
- **Delivering timely, accurate information to members, allowing them to make educated, informed decisions**
- **Fostering a working environment that attracts & retains motivated, talented people**

What to expect from today's seminar

- Our roles and responsibilities
- Our services – including Online Services
- Participation in the plan
- Contribution rates and pension formula
- Ways to increase your pension
- Termination and retirement benefits
- Life events that may impact your pension
- Summary of group insurance benefits
- Annual Employee Pension Statement

This presentation is general in nature and doesn't cover all circumstances.

The Civil Service Superannuation Board

The major objectives and responsibilities of the CSSB are to:

- Pay benefits promptly and efficiently
- Maintain detailed, accurate records
- Safeguard the assets of The Civil Service Superannuation Fund
- Provide direction to employers concerning their responsibility in administering the various benefits
- Inform all members of their benefit entitlements and ensure that their needs concerning benefit information have been satisfied
- Maximize productivity and quality in all segments of the operation
- Practice good governance

CSSB Services

- **CSSB Online Services**
 - Easy and secure way to access your pension and insurance information, both before and after retirement.
- **Employee Benefit Seminars/Webinars**
 - For employees early to mid-career
- **Pre-Retirement Seminars/Webinars**
 - For employees closer to retirement
- **Individual Meetings**
 - By phone, virtual platform or in-person
- **CSSB Website**
 - www.cssb.mb.ca

Advantages of Online Services

Key features of the CSSB Online Services include:

- Document Centre
- Pension Estimate
- Termination Estimate
- Employee Insurance
- Employee Pension Statements
- View Online Seminars – including a Pre-Retirement Seminar
- Register for Group Seminars
- Account History
- Edit My Profile
- Complete Retirement Forms online

Participation in the Pension Plan

- Full-time permanent employees start paying into the pension plan on the first day of employment.
- Other eligible employees (term, part-time, departmental, seasonal) typically after one year or two of service but can sign a *“Notice of Desire”* to join the plan earlier.
 - Available from your payroll office
- Contract employees are not eligible to join the pension fund.

Civil Service Superannuation Pension

- This is a “defined benefit” pension plan.
- Employees contribute a percentage of earnings to the plan and accrue a pension. Employers also fund a portion of the benefits earned.
- The pension is determined using a formula that uses service and earnings. Your pension amount does not directly depend on what you contributed.

Employee Contribution Rate

Employees contribute 8% on salary up to CPP maximum
and 9% on salary over the CPP maximum
(salary = regular earnings and vacation pay)

(CPP Maximum = the maximum earnings used to determine CPP benefits)



YEAR	CPP MAXIMUM
2021	\$61,600
2020	\$58,700
2019	\$57,400
2018	\$55,900
2017	\$55,300

Contribution Example (2021)

Salary = \$65,000

2021 CPP Maximum = \$61,600

Earnings over CPP Maximum = \$3,400

Contributions

\$61,600 x 8.0% = \$4,928

\$3,400 x 9.0% = + 306

TOTAL \$5,234



Pension Depends on Service

- **Qualifying Service:**
 - Used to determine benefit eligibility
 - Early Retirement/Rule of 80
 - Disability Pension
 - Pre-retirement Survivor Benefits
 - Generally measured from start date to end date
 - Unbroken unless there's been a suspension of service in excess of 54 consecutive weeks
- **Pensionable Service:**
 - Used to determine the pension payable
 - Actual service on which contributed
 - May be able to be enhanced by purchasing service or by transferring service from another pension plan (if eligible)

Service Example

Employee working half time:

<u>Year</u>	<u>Pensionable Service</u>	<u>Qualifying Service</u>
2021 (June 30)	.2500	.5000
2020	.5000	1.0000
2019	.5000	1.0000
2018	.5000	1.0000
2017	.5000	1.0000
2016	.5000	1.0000
2015	.5000	1.0000
2014	.5000	1.0000
2013	.5000	1.0000
2012	.5000	1.0000
2011 (July 1)	<u>.2500</u>	<u>.5000</u>
Total	5.0000	10.0000

- 10+ years of qualifying service allows you to retire as early as age 55 with a minimal reduction to your monthly pension.

Annual Pension Formula

**2% x average best five-year pensionable earnings
x pensionable service**

MINUS

**.4% x average CPP pensionable earnings
x pensionable service**

Pension Calculation - Example

Calculate Best 5-Year Average Salary

At December 31, 2021

Year	Service	Salary	CPP Pensionable Salary
2021	1.0000	\$64,000	\$61,600
2020	1.0000	63,000	58,700
2019	1.0000	62,000	57,400
2018	1.0000	61,000	55,900
2017	1.0000	60,000	55,300
Average		\$62,000	\$57,780

Pension Calculation

Retirement Date: December 31, 2021
Employee Age: 55
Pensionable Service: 30 years
Average Salary: \$62,000
Average CPP Pensionable Earnings: \$57,780

$$\begin{array}{rcl} & .02 \times \$62,000 \times 30 & = \$37,200.00 \\ \text{Less: } & .004 \times \$57,780 \times 30 & = \underline{6,933.60} \\ & \text{Annual Pension of} & \$30,266.40 \end{array}$$

or a monthly pension of \$2,522.20 (Lifetime Only)

- **No early retirement reduction (Rule of 80)**

Service Purchase

- Purchasing eligible service may increase your pension
- You may be able to purchase the difference between your pensionable service and your qualifying service
- Consider this option well in advance of your retirement or before you cease employment

Application

- Apply through your payroll/personnel
- You must be an employee to apply
- There is no obligation to proceed with the purchase once you apply
- You may cancel your application at any time

Cost

- Depends on type of service purchase
- The cost and estimated increase in pension will be provided to allow you to make an informed decision – may take 8 to 10 weeks to provide.

Types of Service Purchase

- **Maternity Leave**
 - Option of contributing when granted a maternity leave - the application can be made up to 30 days after the end of the leave.
 - The least expensive cost – you are only responsible for your share.
- **Parental Leave**
 - Option of contributing when granted a parental leave - the application can be made up to 30 days after the end of the leave.
- **Year round to Seasonal**
 - Service can be purchased based on your higher pensionable service.
- **On Loan or Educational Leave**
 - Option of contributing while on loan or an approved educational leave of absence.
- **Worker's Compensation Benefits**
 - Option of contributing if awarded Worker's Compensation Benefits
- **Reduced Hours in Last Five Years of Employment**
 - When hours change from full-time to less, you are eligible to contribute to the Fund based on full-time service.

Special Service Buy Back

- Leaves of absence or lay-off
- Part-time or casual service during which the member did not contribute to the Fund
- Other eligible service that the member did not purchase at the time
- Previous pensionable service in the plan that had been refunded to the member

Terms and Conditions

- Employer was and is currently participating in the Fund.
- Contract service is not eligible.
- Tax legislation limits the amount of eligible service that can be purchased.

Application

- Application is available on our website or by contacting the office.

Cost

- The full actuarial cost based on your salary, age and actuarial assumptions in effect at the date of application - may take 8 to 10 weeks to provide.

Special Service Buy Back

Estimated Cost/Benefit

Approximate Cost to Purchase One Year of Service
(Effective January 1, 2021)

Annual Salary	Age in Years					Estimated Increase in Monthly Lifetime Pension
	30	40	50	55	60	
\$30,000	\$3,700	\$4,383	\$5,533	\$6,435	\$7,375	\$40
\$40,000	\$4,933	\$5,845	\$7,377	\$8,580	\$9,833	\$53
\$50,000	\$6,166	\$7,306	\$9,221	\$10,725	\$12,291	\$67
\$60,000	\$7,399	\$8,767	\$11,066	\$12,870	\$14,749	\$80
\$70,000	\$8,891	\$10,535	\$13,297	\$15,466	\$17,724	\$96
\$80,000	\$10,433	\$12,361	\$15,602	\$18,147	\$20,796	\$113

Service Purchase Payment Options

- For most service purchases, payments can be made through one or more of the following methods:
 - Lump sum payment (personal cheque)
 - Transfer from a Registered Retirement Savings Plan (RRSP) or a Manitoba Locked-In Retirement Account (LIRA)
 - Transfer of funds from the Money Purchase Plan, if applicable
 - Bi-weekly installments through payroll deduction
 - E-transfer
- Lump sum, bi-weekly and e-transfer amounts paid to purchase service may be tax deductible.

Reinstatement

- Reinstatement is the option of combining a prior CSSF account with a new Fund account.
- Allows the pension for the prior period to be redetermined based on the salaries in the new account.
- If you previously contributed to the Fund and re-entered the Plan, prior accumulated pensionable service can be reinstated if:
 - You did not withdraw or transfer any portion of the pension benefits for that service, unless you were required to do so under the Act (small benefit rule);
 - You re-enter the Plan within three years from the date you ceased employment; and
 - You apply within two years of re-entering the Plan
- If not eligible for reinstatement, you may purchase that service through SSBB.

Transferring your pension from a prior employer's pension plan

1) Reciprocal Transfer Agreement (RTA) – An RTA is an agreement between the administrators of two pension plans.

- It provides for the transfer of funds from one plan to provide the member pensionable service under the second plan. If there is an RTA between the CSSF and your prior employer's plan, you may be able to have your previous pension transferred to the CSSF.
- Service transfers generally take six to 12 months to complete.

2) Money Purchase Plan (MPP) – If your previous pension benefit is not subject to lock-in rules outside of Manitoba, you may be able to have it transferred to the Board's MPP.

- MPP is similar to an RRSP/LIRA, and is administered by the Board.
- Application to transfer funds to the MPP must be received within one year of becoming a member of the CSSF.

Termination

- If you were to cease employment prior to age 55 you would have the following options to select from:
 - Option A - Deferred Pension to age 55 or later
 - Option B - Reinstatement or Transfer to Another Pension Plan
 - Option C - Transfer to Personal Plan or Refund
- Transfer values are made up of one or more of:
 - Locked-in Funds: can be transferred to a Locked-in Retirement Account (LIRA) or a CSSB Money Purchase Plan locked-in account
 - Non Locked-in Funds and Excess Contributions: can be transferred to an RRSP, a CSSB Money Purchase Plan non locked-in account or paid as cash
 - Registered Pension Excess on Transfers: must be paid as cash
- You can get an estimate of the deferred monthly pension or the transfer value by running a termination estimate online

Termination

Process upon termination:

- No requirement for you to contact the CSSB.
- Employer will send an end of service report to the CSSB after all final monies owing to you have been paid out by your employer.
- CSSB will prepare a detailed termination package within 60 days of the date an end of service report is received.
 - Forms are sent to your CSSB Online Services Document Centre if you are registered for CSSB Online Services and your username is a valid non-work email address (otherwise the forms will be mailed to your home address).
- You would have 120 days from the date of the package to complete and return the option forms with your selection.
- If selecting a transfer to a personal plan or refund, processing may take up to 90 days once all forms and supporting documents are received in our office.

Transfer to a Personal Plan or Refund

- No retiree life insurance
- Check with your employer to see if this impacts any other employer benefits
- The pension plan's responsibility for any pension or related benefits would end if the pension value is transferred out of the plan.
- Transfer value can increase significantly at age 55 with 10+ years of qualifying service.
- Income Tax Act limits the amount that can be transferred tax sheltered; any excess must be paid as a taxable cash payment

Unreduced Retirement Dates

No reduction if:

You retire between the ages of 55 and 60 and
your age plus qualifying service equals 80 or more

OR

You retire at age 60 or older with
10 or more years of qualifying service

OR

You retire at age 65 or older
(Possible increase in pension for retirements after age 65)

Correctional Officers

You retire at age 50 with Rule of 75
Must have been contributing extra 1% for minimum 5 years

Retirement

- Usually eligible for a monthly pension at age 55 – Must apply to board and give notice to employer
- If you retire between ages 55-65 with less than 10 years of qualifying service, the pension would be subject to an actuarial reduction of approximately 6% for each year prior to age 65.
- If you retire between ages 55-60 with at least 10 years of qualifying service, and do not meet the Rule of 80, your pension is reduced by 1/4% for each month your retirement proceeds the earlier of your 60th birthday, or the date the Rule of 80 would have been met.
- Lump sum refund mandatory if pension falls under the small benefit rule (\$205.33 monthly for 2021).
- 50 vacation day accrual – check with your employer.
- Continuation of life insurance and dependents insurance after retirement.

Retirement

- Pension is calculated as a lifetime pension. Other options are available at retirement (depending on your relationship status and needs).
 - You can view the other options through Online Services.
 - Use “Edit My Profile” to add spouse/common-law partner’s information.
- A member who is married or in a common-law relationship must be paid a pension that provides a minimum 2/3 survivor benefit on death, unless:
 - Living separate and apart by reason of the breakdown of the relationship, or
 - Spouse/common-law partner signs a waiver form within the 60 days prior to the pension commencement date.
- Integration is a payment option that lets you get a higher CSSF pension until age 60 for CPP and/or age 65 for OAS benefits.

Disability Pension

- A disability pension is a monthly pension that may commence before the plan's regular retirement ages if a qualifying Permanent Disability prevents an eligible member from working
- You can apply if you are prevented from working due to a Permanent Disability and:
 - You are an employee or deferred member,
 - You have ten (10) or more years of qualifying service,
 - You are under age 60 and your age and qualifying service total less than 80, and
 - You have not commenced your pension.

Marriage/Common-Law Relationship Separation

IF: A) Physical separation on or after January 1, 1984;

AND

B) Had an agreement or Court Order to divide assets

THEN: The pension earned during the marriage or common-law relationship may be divided UNLESS the parties provide the required documentation to waive the division.

Please email askus@cssb.mb.ca to request a statement of the pension earned during the relationship.

Definition of Common-Law

Under the Pension Benefits Act, the definition of Common-Law Partner is as follows:

“Common-Law Partner” of a member or former member means;

- A) a person who, with the member or former member, registered a common-law relationship under section 13.1 of The Vital Statistics Act, or**
- B) a person who, not being married to the member or former member, cohabited with him or her in a conjugal relationship;**
 - (i) for a period of at least three years, if either of them is married, or**
 - (ii) for a period of at least one year, if neither of them is married.**

Death Prior to Retirement

- **Benefits paid to an eligible spouse or common-law partner.**
 - Lump sum transfer or monthly pension
 - Spouse or common-law partner may waive entitlement
- **Otherwise, the benefit is paid to the your estate unless you have made a beneficiary designation in compliance with The Beneficiary Designation Act.**
 - You can designate a beneficiary for pre-retirement death benefits by way of an instrument signed by the yourself or by a Will.
 - There is also a designated form located on our website.
- **A beneficiary designation does not override the rights of an eligible spouse or common-law partner unless;**
 - they were not co-habiting at the date of death or
 - that person has waived his or her rights to the entitlement.

Employee Life Insurance

- Participation is mandatory if your employer participates in the Public Service Group Insurance (minimum Class 1)
- Changes in retirement

Dependents Insurance

- This is Life insurance on the death of a covered eligible dependent
- Optional for members with Life Insurance

Accidental Death & Disablement (AD&D)


- Participation is automatic with Life Insurance
- Fully employer paid and not available into retirement

Increases, decreases, or changes in beneficiary (Life Insurance), apply through payroll/personnel

Annual Pension Statement

- The purpose of the Pension Statement is to provide a snapshot of an employee's entitlement at the end of the prior plan year.
- Please review your statement and advise our office if you notice any errors.
- The Pension Benefits Act requires Pension Statements, for the prior year, be available by the end of June.
 - Available through your CSSB Online Services Account.
- Estimates of what you would expect to receive at various retirement ages.
 - Lifetime pension amounts are shown and assume current year service and earnings for future years.

Annual Pension Statement Example



The Civil Service Superannuation Fund
CRA registration 0345827

December 31, 2019 Employee Pension Statement

Statement created on: May 31, 2020

Your PIN
(Please refer to the personal identification number (PIN) on all correspondence)

Employee Pension Statement for the Period from January 1, 2019 to December 31, 2019

Please review your statement and advise the Civil Service Superannuation Board if you notice any errors.

Date of Birth: September 25, 1976
Date of Hire: June 12, 2007
Fund Entry Date: August 4, 2007

Retirement
The following are lifetime monthly pension amounts with no continuing payments to a beneficiary in the event of your death. Other options will be available upon retirement.


Accrued Monthly Pension (before reduction, if applicable)	\$1,036
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Your earliest unreduced pension date is February 2, 2032

The following estimated projected pension amounts assume current year service and earnings for future years. Any difference between projected and actual information could result in a difference between your projected and actual benefits.

Retirement Date	Monthly Lifetime Pension
September 25, 2031 (earliest)	\$2,374
September 25, 2036 (age 60)	\$2,939
September 25, 2041 (age 65/Normal Retirement Age)	\$3,478
February 2, 2032 (Rule of 80)	\$2,438

Spouse/Common-Law Partner:
None on file. This information can be added through your Online Services Account.



The Civil Service Superannuation Fund
CRA registration 0345827

December 31, 2019 Employee Pension Statement

Your PIN

Additional Information

Service:

Years of Pensionable Service at December 31, 2019	10.3671
Years of Qualifying Service at December 31, 2019	12.5562
Regular Pensionable Service Credited in 2019	.9855

Earnings:

2019 Pensionable Earnings	\$76,263	2019 CPP Earnings	\$57,400
2018 Pensionable Earnings	\$75,286	2018 CPP Earnings	\$55,900

Contributions:

Contributions and Interest to December 31, 2018	\$42,625
Contributions for 2019	\$6,289
Interest for 2019	\$663
Contributions and Interest to December 31, 2019	\$49,577

Termination

Information regarding termination benefits is no longer being included on the annual Employee Pension Statement. You can obtain a current estimate through your Online Service account or by contacting the Board office.

Death

Information regarding death benefits is no longer being included on the annual Employee Pension Statements. You can obtain a current estimate by contacting the Board office.

Online Services

1. Go to our website at www.cssb.mb.ca
2. Click on “Sign in to Online Services”
3. Click on “Register Online” for Registration instructions

An email address and registration key will be required to register. It can be obtained by contacting our office.

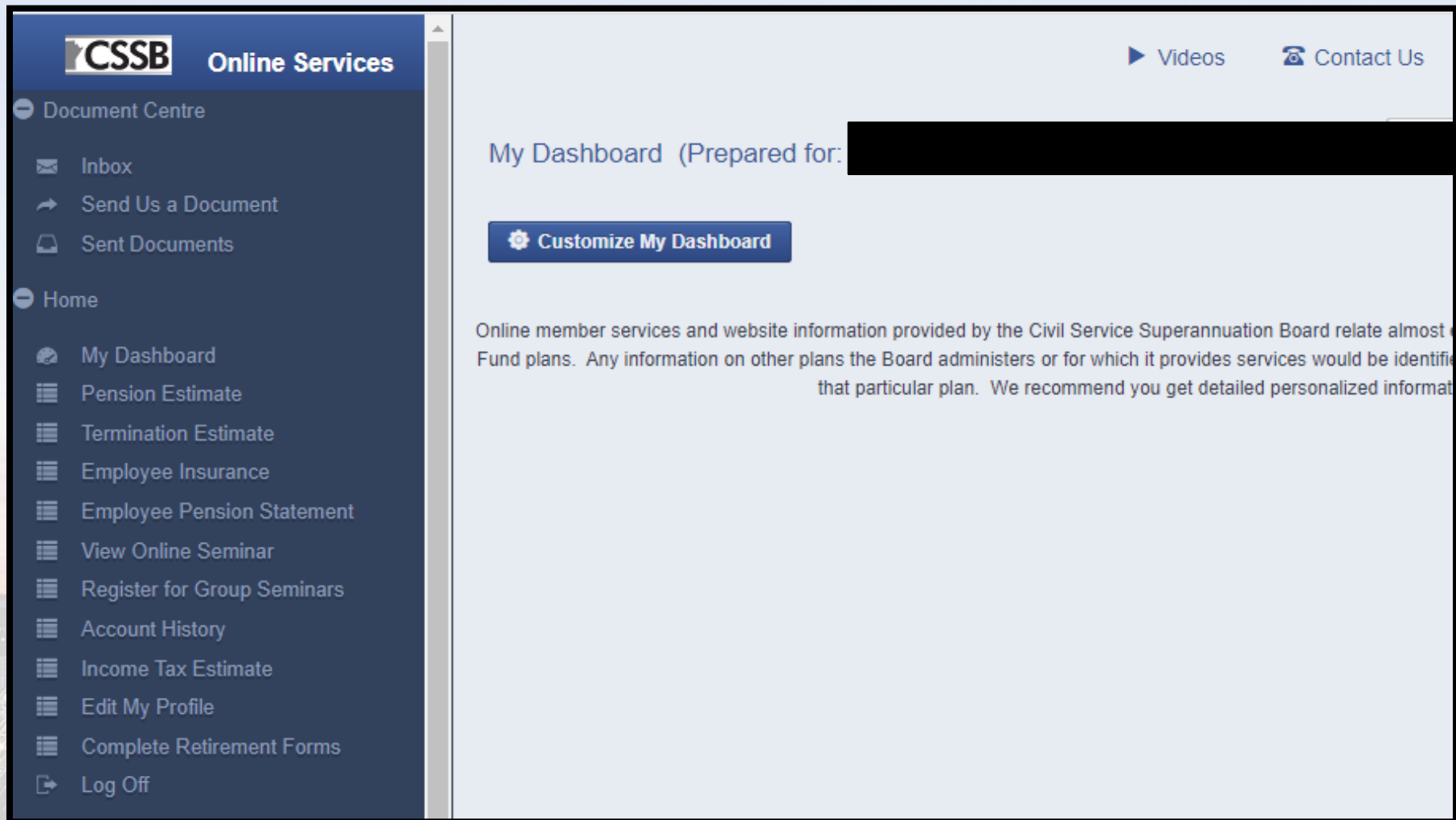
Forgot your password?

You can reset it using our Online Services, or we can reset it for you.

Go to www.cssb.mb.ca, or call Karen at 204-946-3242 or 1-800-432-5134 ext 242 or email askus@cssb.mb.ca.

Upon request, we can prepare and mail information to you.

Online Services Dashboard



The screenshot displays the CSSB Online Services Dashboard. The left sidebar contains a navigation menu with the following items: Document Centre (with a minus icon), Inbox, Send Us a Document, Sent Documents, Home (with a minus icon), My Dashboard, Pension Estimate, Termination Estimate, Employee Insurance, Employee Pension Statement, View Online Seminar, Register for Group Seminars, Account History, Income Tax Estimate, Edit My Profile, Complete Retirement Forms, and Log Off. The main content area at the top right has links for Videos and Contact Us. Below these, it says 'My Dashboard (Prepared for: [redacted])' and features a 'Customize My Dashboard' button with a gear icon. A paragraph of text follows: 'Online member services and website information provided by the Civil Service Superannuation Board relate almost all to the Civil Service Superannuation Fund plans. Any information on other plans the Board administers or for which it provides services would be identified as such. We recommend you get detailed personalized information about that particular plan. We recommend you get detailed personalized information about that particular plan. We recommend you get detailed personalized information about that particular plan.'

Questions?

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