

Pension Info is intended to keep employees apprised of developments with regard to the sectoral pension plan to be introduced in March 2010.

MUNICIPAL PENSION PLAN - MEETING ELIGIBILITY REQUIREMENTS

By now, you are familiar with the basics of the Municipal Pension Plan (MPP) and know it will be implemented by CSSEA members agencies on March 31, 2010. The decision to join the MPP is personal and we will work to ensure you are able to make an informed decision about what's right for you when the enrolment period arrives in 2009.

This bulletin will enable you to determine if you are eligible to join the plan.

Who can participate in the Municipal Pension Plan?

All eligible employees of CSSEA members (excluding those described in the note below) can participate in the MPP. This includes:

- Management and excluded employees
- Non-union hourly employees
- Unionized employees

Note: Employees who have an ownership interest in a private service agency or are connected (e.g. spouse, son, daughter) as defined by the *Canadian Income Tax Act* and its Regulations to an individual with an ownership interest will not be eligible to join the MPP.

Am I eligible to join the Municipal Pension Plan?

- If you are a regular full-time employee who is over 18 and under 69 years of age on March 31, 2010, you are eligible to participate in the MPP.
- If you are a temporary or term employee who has worked on a continuous full-time basis with the same employer for one year on March 31, 2010, you are eligible to participate in the MPP.
- If you are a regular part-time or casual employee who has completed two years continuous employment and earned at least 35% of the YMPE* in each of any two consecutive calendar years of employment with your employer, you are eligible to participate in the MPP regardless of the number of hours you are currently working.
- If you work with two CSSEA member employers and your combined hours of work at both agencies meet the eligibility requirements, both employers will enroll you in the MPP.
- If, on March 31, 2010, you are currently contributing to the MPP through another MPP employer, you must participate in the MPP regardless of the number of hours you are working.
- If you were formerly contributing to the MPP through another MPP employer and on joining your current employer had a break in employment of less than 30 days leading up to March 31, 2010, you must participate in the MPP regardless of the number of hours you are working with your new employer.
- The above provisions may vary for non-provincially funded positions.

* YMPE = Years Maximum Pensionable Earnings on which Canada Pension Plan contributions are paid. The YMPE is set annually by the federal government. The YMPE for 2008 is \$44,900.

Community Social
Services Employers'
Association

800 – 555 Burrard Street
Box 232
Vancouver, BC V7X 1M8

TEL 604.687.7220 /
1.800.377.3340
FAX 604.687.7266
EMAIL cssea@cssea.bc.ca
WEB cssea.bc.ca



Do I have to join the Municipal Pension Plan?

- No. Participation in the MPP is not mandatory for existing employees at March 31, 2010.

Can I change my mind about joining the Municipal Pension Plan?

- If you are an eligible employee and on April 1, 2010, choose not to join the pension plan, you can join at any later date during your continuing period of employment. If you join the MPP at a later date, you will not be able to purchase service for the period during which you waived enrolment in the plan.
- Should you join the pension plan on March 31, 2010, and then change your mind you can withdraw from the plan on or before June 30, 2010. After that date you cannot withdraw from the plan unless you terminate your employment.

What happens if my employer ceases to be a member of CSSEA?

- The employer continues to operate and both the employer and the participating employees continue to be members of the MPP and continue making contributions.

Do I have to be in the Municipal Pension Plan for a certain number of years to receive pension income?

- A vested pension plan member is a member who has earned a right to a pension.
- A plan member is vested after accumulating two years of contributory service.

What happens if I join the Municipal Pension Plan and later terminate my employment?

- If you are not vested (i.e., have less than two years of contributory service), you will be reimbursed the amount of the contributions you have made to the plan, plus appropriate interest.
- If you are vested and have a right to a pension, you can leave your money in the plan and collect a pension when you reach the minimum retirement age of 55.
- If you are vested and have a right to a pension, you can withdraw the commuted present-day cash value amount of your future pension benefit. These monies will be transferred to a locked in RRSP account that you establish in your name.

For further information

Visit the CSSEA website at [www.cssea.bc.ca/About CSSEA/Pension Plan Update](http://www.cssea.bc.ca/About%20CSSEA/Pension%20Plan%20Update) or the Municipal Pension Plan website at www.mpp.pensionsbc.ca.

Disclaimer

The information provided is as complete and accurate as possible; however, in the event there is any conflict between the information provided and the terms and conditions of the MPP administered by the BC Pension Corp, the terms and conditions of the MPP will prevail.

Collective agreements between CSSEA and the UBA contain a provision to consider the Public Service Pension Plan as an alternative to the MPP. The plans are similar, both being a significant benefit. A final decision has not yet been made as to which plan will be used but because the MPP is the specified plan, barring mutual agreement of the parties to change to the Public Service Pension Plan, we are providing information on the MPP so all employees can begin to turn their minds to the steps and implications of enrolment.