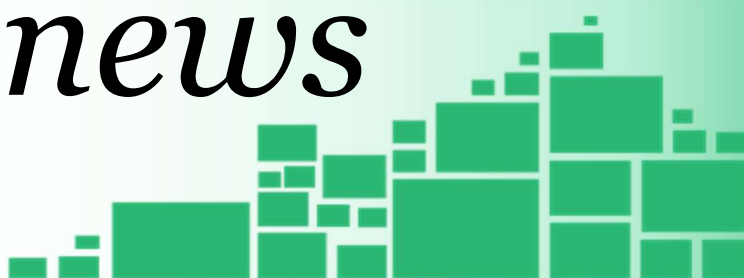




news



Inside this issue:

- P1** CPP Changes
- P2** COVID-19 Update
- P2** MEBP Website Update
- P2** Pension Plan Commuted Value Calculation Changes
- P3** Manitoba Pension Benefit Changes
- P3** Attention Deferred Members
- P4** Focus on Benefits
- P4** MEBP Trustee News
- P5** Group Insurance Plan Contribution Rate Decrease
- P5** Disability Income Plan Changes

Quick Facts

Please advise the Administrator of an address change. An outdated address on your MEBP account may result in delays when providing you with important information, such as the Annual Statements.

The Annual Report to Members is available under the Publications section of the MEBP website.

MEBP NEWS is published for members of the Municipal Employees Benefits Program.

Comments or suggestions are welcomed.

Contact us at:

MEBP NEWS

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The Year in Review

Welcome to MEBP News. In this issue of MEBP News we provide you with important information about your MEBP benefit plans.

The following is a summary of some of the activities that have kept MEBP busy in 2020:

1. Plan change effective January 1, 2022, with CPP Integration
2. COVID-19 update
3. Updated MEBP website
4. Commuted Value Calculation changes effective December 1, 2020
5. Manitoba Pension Legislation changes delayed due to COVID-19
6. Financial and Pre-Retirement Seminars available on MEBP website

Canada Pension Plan Changes and MEBP Integration

As of 2019, the Canada Pension Plan (CPP) is gradually being enhanced. This means you will be receiving higher benefits in exchange for making higher contributions. In this regard, CPP Contribution rates are increasing through 2023 up to 5.95% from both you and your employer.

Your MEBP Pension supplements the retirement income you will receive from CPP in your retirement, and therefore the MEBP Plan is integrated with your CPP benefit as a component of your overall retirement income. To maintain the same overall retirement income level, as your CPP benefit increases, effective January 1, 2022, the future pension benefit earned from MEBP will reduce by a comparable amount. The intention of the Trustees is to also reduce the MEBP contribution rate, Plan financial status permitting, to keep your combined contribution rate between CPP and MEBP unchanged as well. There will be no change to your MEBP benefits earned prior to 2022.

Rather than create a complicated schedule of changes each year to match CPP changes, a decision was made by the Trustees to make a single plan change effective January 1, 2022, for the ease of transitioning this change in benefit and contribution levels. Overall, the intent of this change is to maintain a combined CPP and MEBP retirement benefit and combined contribution rates unchanged over the long term.

More specific details regarding the adjustments will be forthcoming later in 2021.

For more information on the Canada Pension Plan program, please visit: Canada.ca/services/benefits/publicpensions/index.html.

COVID-19 Update

As a result of the COVID-19 pandemic and social distancing requirements, the office of the Plan Administrator (Coughlin & Associates Ltd.) has been closed to all Members and visitors since mid-March 2020. While we are committed to continue to provide quality service during this unprecedented time, we thank you for your patience and understanding should some activities take slightly longer to prepare/provide than anticipated in normal times.

For information on the potential to buy back service as a result of layoff due to COVID-19 shutdowns, please consult the MEBP website (www.mebp.mb.ca) or contact the Plan Administrator.

MEBP Website

We are pleased to identify that the MEBP website (www.mebp.mb.ca) was updated in 2020, with an enhanced look and is easier to navigate.

Additional enhancements include Member FAQs, updated booklets and videos on MEBP and Government benefits as well as retirement readiness information. As seminars on these topics have not been available during COVID-19, this information is available through the website.

A user friendly employer administration manual and an updated Employer Portal was also introduced to this website redesign.

Pension Plan Commuted Value (CV) Calculation Changes

The Actuarial Standards Board has updated its' Pension CV Standards effective December 1, 2020. The Manitoba Municipal Employees Pension Plan must comply with these standards when calculating CVs.

A CV is the estimated amount of money you would have to put aside today, to grow with tax-sheltered investment earnings, to provide a future benefit similar to the MEBP pension you earned. These changes do not have an impact on your pension calculation. This only impacts terminated Members who are eligible and choose to take their CV out of the Plan.

These changes to CV calculations include a revised formula and interest rate spread which will result in the terminated Member's CV being more applicable to market conditions at the time of the calculation. It is anticipated that these changes will result in a decrease to a terminated Member's CV when compared to the prior standards. These revised standards provide a more accurate CV at the time of the calculation and are anticipated to assist the funded status and long term stability of pension funds.

Manitoba Pension Benefits Legislation Changes

In 2019, the Manitoba Government introduced Bill 8, the Pension Benefits Amendment Act, with the intention of implementing the following changes to Pension Legislation:

- Pension Funding – the funding requirement for Defined Benefit Pension Plans in Manitoba will reduce to 85% (from 100%) on a solvency (wind-up) basis, however will be subject to enhanced going concern funding requirements.
- Allowing a plan to permit Members who remain employed after reaching normal retirement age to stop contributing to the Plan and accruing benefits.
- Allowing a person who transfers their Pension benefits to a Locked-In Retirement Account (LIRA) or Life Income Fund (LIF) to unlock up to 100% of their Pension after reaching age 65, subject to certain exceptions to spousal consent.
- Allowing the division of Pension benefits in the event of a relationship breakdown up to 50% (previous only a 50-50 division or no division was allowed).
- Allowing the unlocking of Pension benefits in the event of financial hardship (specifics still to be outlined in the Pension Regulations).
- And others.

Implementation of these changes has been delayed due to COVID-19, however it is anticipated that some of these Regulation changes will be proclaimed prior to the end of 2021. Members will be notified once they are proclaimed.

Attention Deferred Members

A deferred member is a member who is no longer an active employee, but chose to leave their pension benefit in the Plan after they were no longer employed with a participating MEBP employer.

If you are a deferred member it is important that you continue to notify MEBP of any changes to your address and marital status. This way you will not miss out on important notifications that may affect your pension benefits.

Focus on Benefits

In this edition of MEBP News we have provided a summary of the plan costs. Participating employers may cover none, all or a portion of the costs for the Disability Income Plan and Basic Life Insurance. Also, insurance contributions may be pro-rated if paid on a bi-weekly or semi-monthly basis.

PLAN	CONTRIBUTION FREQUENCY	REQUIRED MEMBER CONTRIBUTION
PENSION	Each pay period	8.3% of pensionable earnings up to the YMPE* and 9.5% of pensionable earnings in excess of the YMPE
(Members whose Employer's do not participate in the Disability Income Plan pay 8.4% up to YMPE and 9.6% in excess of YMPE). *YMPE is the Year's Maximum Pensionable Earnings. For 2020, the YMPE is \$58,700		
DISABILITY INCOME PLAN	Each pay period	1.7% of pensionable earnings
BASIC LIFE INSURANCE	Monthly	\$0.22 cents per \$1,000 of coverage
OPTIONAL LIFE INSURANCE	Monthly	Cost is based on your age and whether you are a smoker or non-smoker
FAMILY INSURANCE	Monthly	\$2.10
VOLUNTARY ACCIDENTAL DEATH & DISMEMBERMENT	Monthly	Cost based on plan type/coverage amount


Coverage Amount	Employee Only Plan	Employee & Family Plan
\$25,000 Minimum	\$0.75	\$1.00
\$50,000	\$1.50	\$2.00
\$75,000	\$2.25	\$3.00
\$100,000	\$3.00	\$4.00
\$125,000	\$3.75	\$5.00
\$150,000	\$4.50	\$6.00
\$175,000	\$5.25	\$7.00
\$200,000	\$6.00	\$8.00
\$225,000	\$6.75	\$9.00
\$250,000 Maximum	\$7.50	\$10.00

MEBP Trustee and Staff News

We wish to thank Martin Harder and Mervin Starzyk for their service on the Board. Martin and Mervin served as an AMM Representatives.

New to the Board are Chris Ewen and Rhonda Coupland, who were appointed by the Association of Manitoba Municipalities to serve as an Employer Representatives.

With respect to the Pension Plan Investment Committee, we also wish to thank Alex Chomski for his long tenure as a professional on the Committee. Alex served as Chair to the committee for the past four years. Following Alex's stepping down from the Committee, the Board has appointed Evan Mancor to the Investment Committee.

<h2>Disability Plan Changes</h2> <p>To ensure that all Employees eligible for disability benefits are paying appropriate contributions, employees on leave of absence or layoff commencing on or after January 1, 2020, are required to make the applicable contributions to the Disability Income Plan to maintain eligibility. This change to the eligibility provisions of the Disability Income Plan has also been identified to all participating Employers.</p>	
<h2>Group Insurance Plan Contribution Rate Decrease</h2> <p>The Basic Life Insurance rate per \$1,000 of coverage was decreased from \$0.26 to \$0.22, effective January 1, 2020. Furthermore, the rate for Family Life coverage also decreased from \$2.50 to \$2.10. These changes in rates do not have any impact on the taxability of the benefit if contributions are paid by the employer.</p>	
	<h2>Board of Trustees</h2> <p><u>Member Representatives</u></p> <p>Brad Collett Manitoba Municipal Administrators' Association</p> <p>Liz Carlyle C.U.P.E. Winnipeg</p> <p>Tanya Addison Elected Representative City of Brandon</p> <p>Adam Philpott Elected Representative City of Brandon</p> <p><u>Employer Representatives</u></p> <p>Stuart Olmstead Chair Association of Manitoba Municipalities Mayor, Town of Carberry</p> <p>Karen MacKinnon Association of Manitoba Municipalities Councillor, City of Flin Flon</p> <p>Chris Ewen Association of Manitoba Municipalities Mayor, Municipality of Ritchot</p> <p>Rhonda Coupland Association of Manitoba Municipalities Councillor, Municipality of Boissevain-Morton</p>
 <p>MEBP MUNICIPAL EMPLOYEES BENEFITS PROGRAM</p>	<p>Administrator Municipal Employees Benefit Program c/o Coughlin & Associates Ltd. 1391-1403 Kenaston Blvd Winnipeg, MB R3P 2T5 Phone: 204-926-7979 Fax: 204-943-5998 Toll Free: 1-800-432-1908 Email: pensionrequestsMEBP@coughlin.ca Website: www.mebp.mb.ca</p>

