

# RETIREMENT PLANNING WEBINAR

Municipal Employee Benefits  
Pension



# Agenda



**How much do I  
need to retire?**



**Government  
Sources**



**Sources of  
Income**



**Personal  
Savings**



**MEBP**



**Q & A**

# How Much Money Do I Need in Retirement?



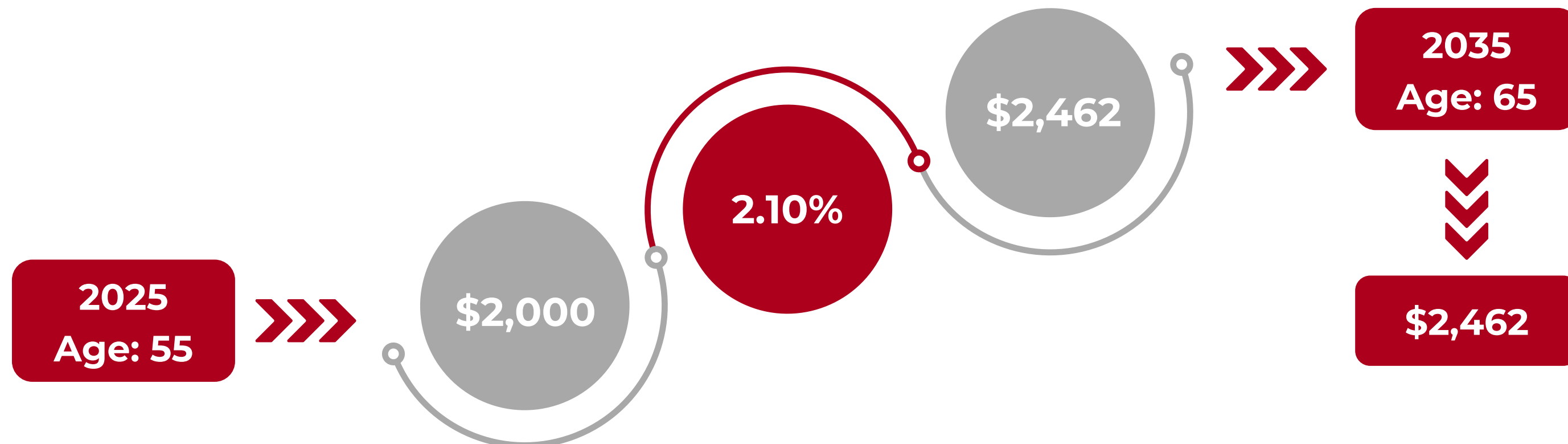
## Expenses that may decrease

- Home Expenses
- Clothing
- Vehicle Expense
- Taxes

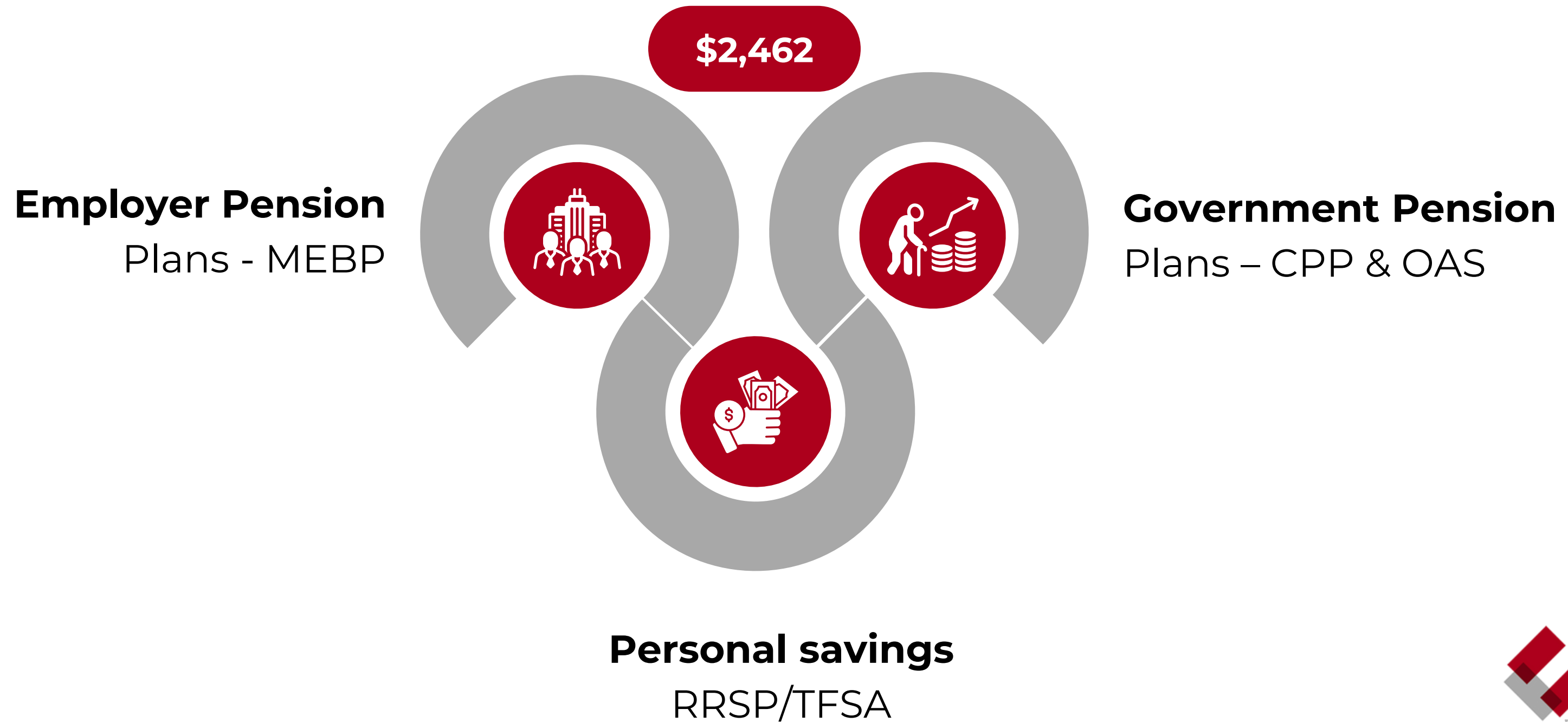


## Expenses that may increase

- Entertainment
- Vacations
- Medical Expenses



# Where is this Money Going to Come From?



# MEBP Employer Pension Plan

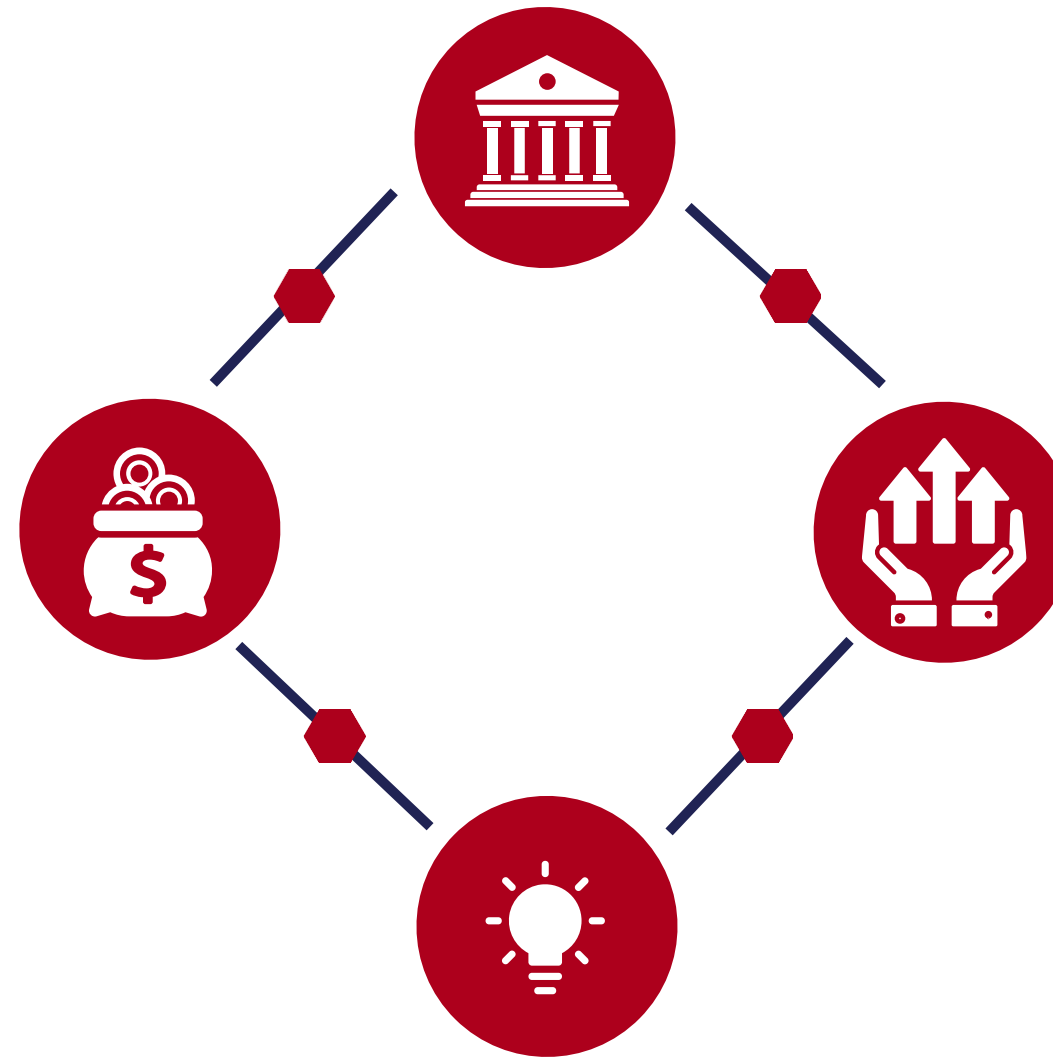
## Types of Pensions

Defined Benefit (DB)

Defined Contribution (DC)

## Yearly Maximum Pensionable Earnings (YMPE)

2025: \$71,300  
2024: \$68,500  
2023: \$66,600  
2022: \$64,900



## Advantages

Uncorrelated from Market performance  
5 year best average salary

## MEBP Formula

CPP integration

## How Much do you Pay to be a Part of this Pension Plan?



### Contribution Rates

- 8.3% of earnings up to the YMPE
- 9.5% of earnings in excess of the YMPE

### Examples:



Earning \$60,000 annually:  $0.083 \times \$60,000 = \$4,980$  annually



Earning \$85,000 annually:  $0.083 \times \$71,300 + 0.095 \times (\$85,000 - \$71,300) = \$7,219$  annually



## How much do you Get with this Pension?



1.5% of 5-year best average earnings \* up to the average YMPE + 2% of 5-year best average earnings \* in excess of the average YMPE\*For each year (and fractions) of contributory service

### Example:

- A member has 25 years of contributory service and plans to retire at age 65



Final Average Earnings: \$70,000



Final Average CPP Earnings: \$66,580



**Accrued Pension:**  $0.015 \times 25 \times \$66,580 + (\$70,000 - \$66,580) \times 0.02 \times 25 = \$26,677.50$

**Monthly:** \$2,223.13

Year	Earnings	YMPE
2025	\$72,000	\$71,300
2024	\$70,000	\$68,500
2023	\$69,000	\$66,600
2022	\$70,000	\$64,900
2021	\$69,000	\$61,600
2020	\$68,000	\$58,700
2019	\$65,000	\$57,400
2018	\$65,000	\$55,900
2017	\$65,000	\$55,300
2016	\$50,000	\$54,900

# Unreduced vs Reduced

The “Rule of 80” : Age + years of qualifying service



Age 55 with 5 years of service and best 5-year average earnings: \$70,000

**Monthly Unreduced Pension:**  
\$2,223.13

**Monthly Reduced Pension:**  
 $\$2,223.13(1 - 0.03 \times 5) = \$1,889.66$

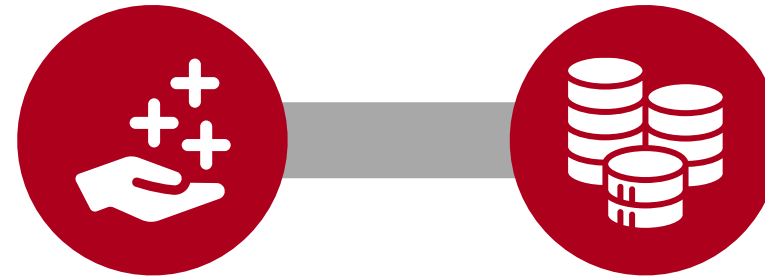
Age	Reduction
55 without 80 points	0.75% per year from age 60 for pre- 1991 service + 3% per year from age 60 for post 1990 service
You are less than 60, but meet the rule of 80. Or 60 with at least 5 years of qualifying service	No Reduction



# Bridge Benefit

If you retire between 55 and 60 and have at least five years of qualifying service, you are eligible for a bridge benefit payable to age 60.

This is an additional benefit to you



Formula is  $0.5\% \times 5\text{-year average CPP Earning} \times \text{Years of contributory service}$

## Example:

- 55 with 25 years of service with best 5-year average salary of \$70,000  
 $0.005 \times \$70,000 \times 25 = \$8,750 / 12 = \$729.17$



# Forms of Payment

Your form of pension depends on your marital status



**Single:** Pension is paid monthly for your lifetime with a guarantee that the total payments made will not be less than your contributions with interest at retirement



If you die before your pension payments exceed your contributions, the remainder will be paid to your beneficiary ●

**Member's with an Eligible Spouse:** Pension is paid monthly for your lifetime with a guarantee that a minimum of 60% of your pension will continue to your spouse for their lifetime upon your death



**Bridge benefits:** end at age 60



## Your Pension Plan: Forms of Payment



There are optional forms of pension you can choose:



### Single

- 10-year guarantee
- 15-year guarantee



### Members with an Eligible Spouse

- 50% survivor benefit
- 60% survivor benefit
- 66.66% survivor benefit
- 100% survivor benefit

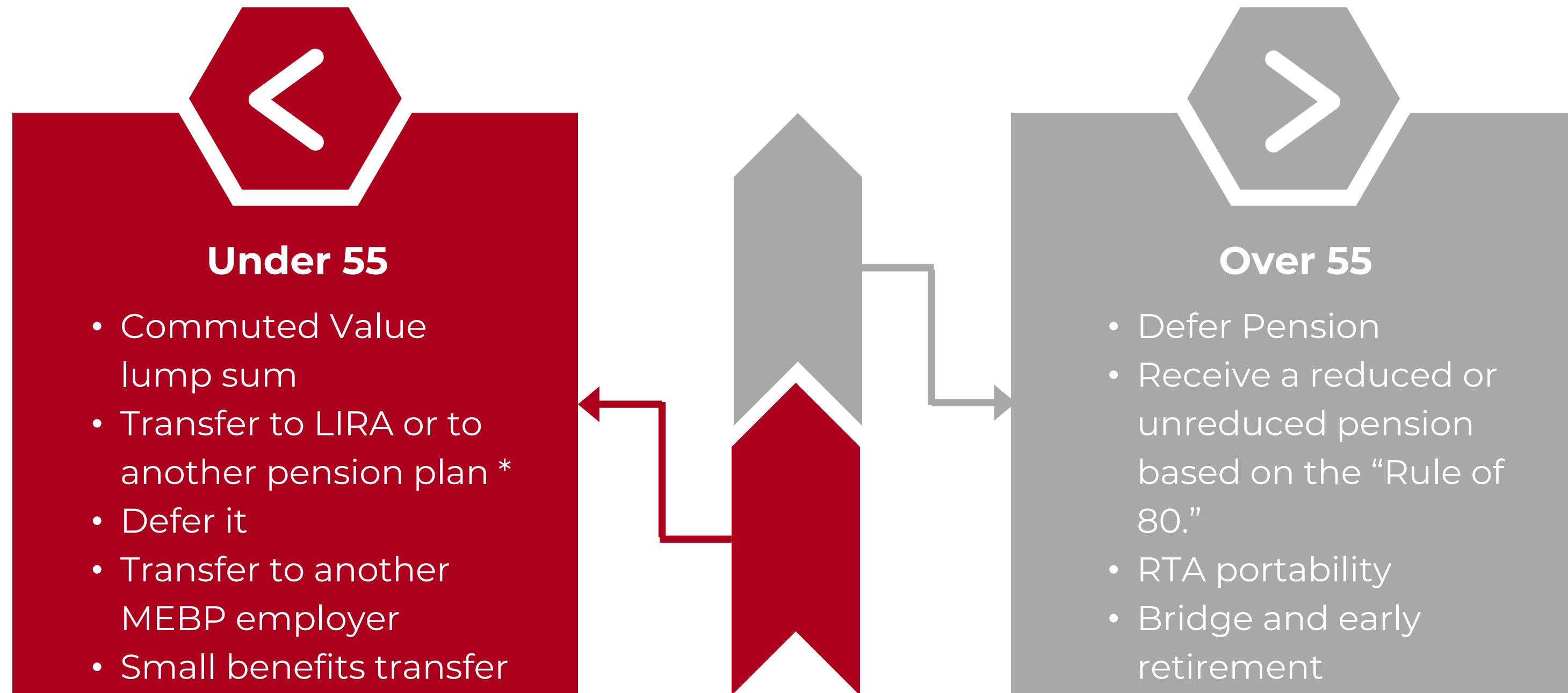


For optional forms of pension, your pension will be adjusted



Some optional forms require a spouse to sign a waiver

## Termination from Employer



## What if you Retire and Come Back to Work?

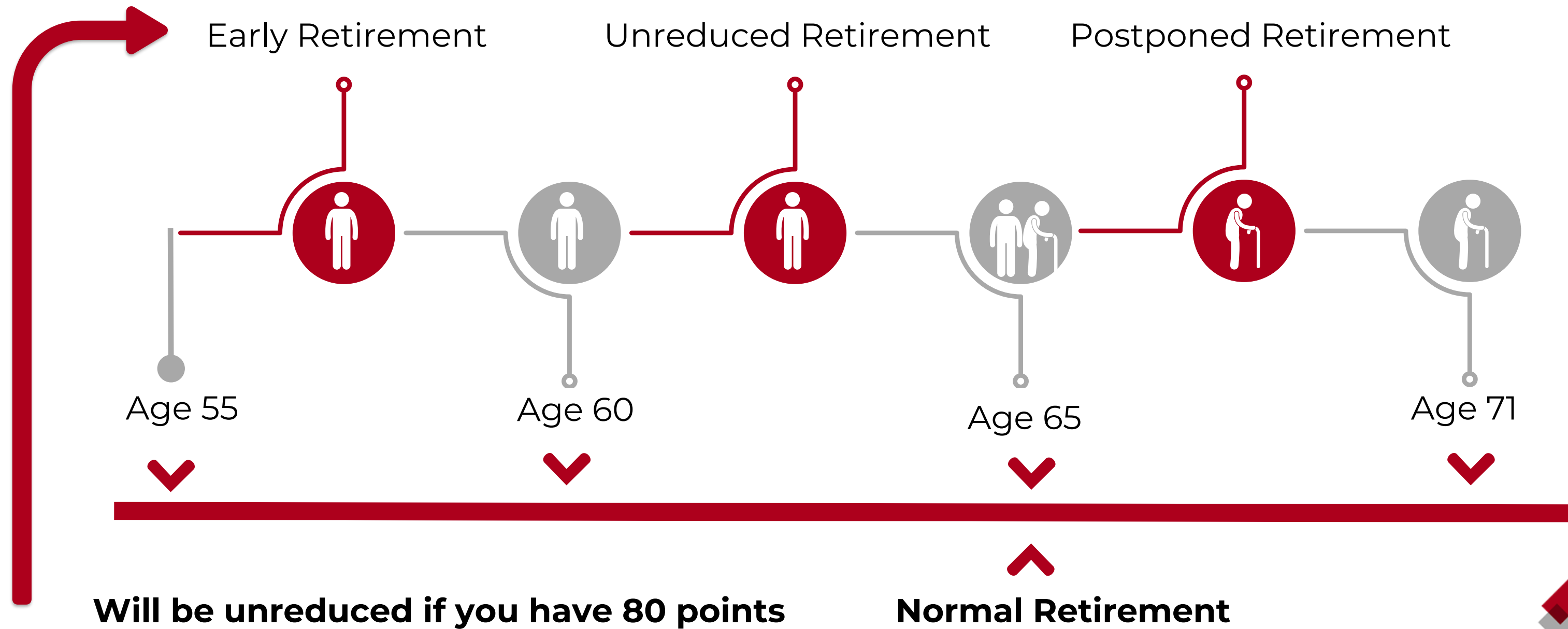


Continue to collect their pension and can not join the plan again



Stop collecting and re-join the pension plan to accrue more pension benefits

# Retirement Process





# Pension Statement

**MANITOBA MUNICIPAL EMPLOYEES PENSION PLAN**  
RPP Registration #0578377

This annual pension statement as at **December 31, 2023** was prepared for:

Address

Identification number:  
Date of birth:  
Qualifying service start date:  
Plan entry date:  
Normal retirement date (age 65):  
Earliest reduced retirement date (age 55):  
Unreduced retirement date provided you have 5 years of Qualifying Service (age 60):  
Estimated Rule of 80 date\*:  
\*assuming continuous service to this retirement date.

Spouse:  
Beneficiary\*:  
\*Under Manitoba pension legislation, spousal rights override non-spousal beneficiary designations.

**Amounts used in calculation of monthly pension**

Qualifying Service at December 31, 2023	years
Accumulated current pensionable service at December 31, 2022	
Total buy back service at December 31, 2023	
Pensionable service credited for 2023	
Total accumulated pensionable service at December 31, 2023	years
Highest five year average earnings (HAE):	
Highest five year average CPP Year's Maximum Pensionable Earnings (YMPE):	

**Monthly Pension Summary**

Monthly pension earned as at December 31, 2022  
Your pension increased in this statement year by  
Total monthly pension earned to December 31, 2023, payable at normal retirement date  
Less: Offset due to spousal relationship division of pension  
Total **adjusted** monthly pension earned to December 31, 2023, payable at normal retirement date

To obtain estimates of your retirement benefit, please go to the **on-line Pension calculator** on the MEBP website: [www.mebp.mb.ca](http://www.mebp.mb.ca). If you are not already a registered user or you have forgotten your log-in information, please contact our Claims Department toll free at 1-888-204-1234 or 204-942-4438 ext. 8996 to obtain your log-in information and temporary password.

**Member Pension Contributions**

Balance at December 31, 2022	
Contributions received in 2023	
Buyback Payments received in 2023	
Interest earned at 3.10%	
Balance at December 31, 2023	

**Government Sponsored Programs**

These amounts are currently provided under Federal government plans and are subject to adjustment based on the Government benefits in effect at the date of your retirement, and your eligibility for these benefits. Payments are not automatic. You must apply for these benefits.

Canada Pension Plan (CPP) (maximum available at age 65)	\$1,364.60
Old Age Security (OAS) (maximum available at age 65)	\$713.34

Your Municipal Employees Pension will not be reduced by the CPP or OAS pension paid by the Government. You may begin to receive the CPP benefits as early as age 60 or as late as age 70. The benefit amount will be reduced (if taken prior to age 65) or increased (if taken after age 65) by a monthly adjustment factor. Please refer to [www.servicecanada.gc.ca](http://www.servicecanada.gc.ca) for additional details.

Date of your accrued pension

Address the plan has on file for you

Information the plan has on file for


Data used to determine your accrued pension

Accrued Pension to statement date



# Pension Calculator

[→](#) [↺](#) [🏠](#) [🔍](#) [★](#) <https://www.mebp.mb.ca>



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[Employer Information](#)

[Members](#)

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## Welcome

Municipal Employees Benefits Program (MEBP) provides secure pension and benefit services (insurance and disability income) to employees and their families of Manitoba municipal and quasi-municipal organizations, in a cost effective manner.

The Administration for MEBP is being provided by Coughlin & Associates Ltd. since April 2017.

Should you need to speak with someone about Retirement or to set up an in-person visit, please call 1-800-432-1908 or email [pensionrequestsMEBP@coughlin.ca](mailto:pensionrequestsMEBP@coughlin.ca)

### ELECTION NOTICE

The Municipal Employees Benefit Program is administered by a Board of Trustees that oversees the operation and administration of the Municipal Employees Pension Plan (a Defined Benefit Pension Plan), a Disability Income Plan, and a Group Insurance Plan. The Board has 8 Trustees, 4 of whom represent Employers and 4 represent Members.

**Active members of the Municipal Employees Pension Plan (MEPP) can nominate one member representative that will complete a remaining 4-year term starting September 1, 2025, and ending December 31, 2026.**

**The nominee must be an active member of MEPP.** A person receiving a retirement pension from MEPP is not eligible for nomination.

[Privacy Policy](#)  
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# Pension Calculator

MANITOBA MUNICIPAL EMPLOYEES PENSION PLAN

RPP Registration #0578377

This annual pension statement as at December 31, 2023 was prepared for:

mebp.mb.ca

Identification number:

Date of birth:

Qualifying service start date:

Plan entry date:

Normal retirement date (age 65):

Earliest reduced retirement date (age 55):

Unreduced retirement date provided you have 5 years of Qualifying Service (age 60):

Estimated Rule of 80 date\*:

\*assuming continuous service to this retirement date.

Spouse:

Beneficiary\*:

\*Under Manitoba pension legislation, spousal rights override non-spousal beneficiary designations.

Member log in

By signing in, you agree to be bound by the terms and conditions contained in the privacy policy, and terms of use, which may have been amended without notice to you.

User ID:

Forgotten User ID

Password:

Forgotten Password

Log in

Trouble logging in?

Please read our [HELP](#) file. If you require further assistance, contact us during business hours at:  
Ottawa office : 1-888-613-1234  
Winnipeg office: 1-888-204-1234

Identification Number

# Pension Calculator



Logout

## Plan Member Portal

Main Menu   Manage profile   Pension Estimator

### MEPP Pension Estimator

Retirement to start on :

My Birthday when I turn :  (Must be in the future)

- OR -

This date:

Additional Options:

Spouse's Birthday:

Earning Increase: 0.0%   10.0%

Submit

The projections provided with this Pension Estimator are based on estimated earnings, pensionable services and current Plan Provisions. Your actual pension benefit may be more or less based on your service, earnings and plan provisions at the date of the event.

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# Pension Calculator

## MEPP Pension Estimator

### Retirement to start on :

My Birthday when I turn :  (Must be in the future)  
- OR -  
This date:

### Estimates:

[01/01/2025- Spouse:04/08/1969- Increase:4.0%](#)  
[01/01/2030- Spouse:04/08/1969- Increase:5.5%](#)

### Additional Options:

Spouse's Birthday:

Earning Increase: 0.0%



### Pension Estimate for John Smith - (000317867 )

Prepared on 2024/04/26 - 15:59:16

Retirement Date: 01-JAN-2030      Age at Retirement: 65.003  
Estimated Annual Increases: 5.50%      Total Qualifying Service: 13.5068  
Avg. Annualized Pensionable Earnings: \$85,664.98      Total Pensionable Service: 13.0027  
Spouse Birth Date: 08-APR-1969

### Estimated Highest 5 years Earnings

Year	Pensionable Service	Pensionable Earnings
2030	0.0027	\$270.78
2029	1.0000	\$95,060.38
2028	1.0000	\$90,104.63
2027	1.0000	\$85,407.23
2026	1.0000	\$80,954.72
2025	0.9973	\$76,527.15

Option	Pensioner		Beneficiary	
	Up To 60	After 60	To Pen. age 60	After Pen. age 60
100% to Spouse	\$0.00	\$1,256.82	\$0.00	\$1,256.82
66.67% to Spouse	\$0.00	\$1,318.61	\$0.00	\$879.12
60% to Spouse	\$0.00	\$1,331.70	\$0.00	\$799.02
50% to Spouse	\$0.00	\$1,351.84	\$0.00	\$675.92
Lifetime	\$0.00	\$1,462.40	\$0.00	\$0.00
10 Year Guarantee	\$0.00	\$1,432.86	\$0.00	\$1,432.86
15 Year Guarantee	\$0.00	\$1,397.47	\$0.00	\$1,397.47



# Pension Calculator

## MEPP Pension Estimator

### Retirement to start on :

My Birthday when I turn :  (Must be in the future)

- OR -

This date:

### Estimates:

[08/30/2022](#)  
[01/01/2026](#)  
[01/01/2026- Increase:2.0%](#)  
[01/01/2026- Spouse:07/01/1965- Increase:2.5%](#)

### Additional Options:

Spouse's Birthday:

Earning Increase: 0.0%  10.0%

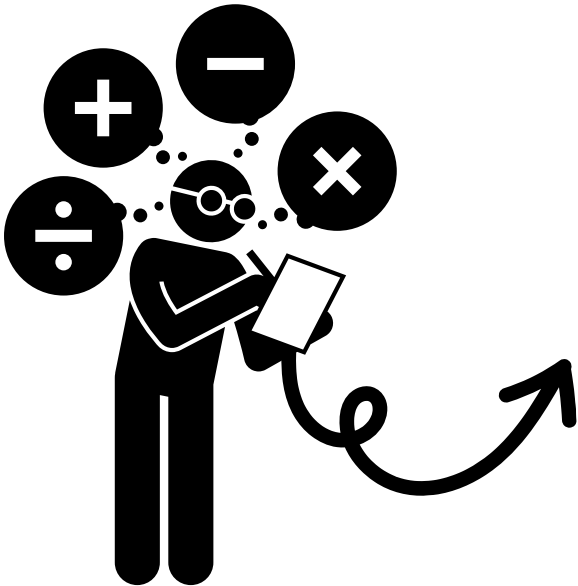
### Pension Estimate for John Smith - (000317867 ) Prepared on 2022/08/30 - 14:16:57

Retirement Date: 01-JAN-2026 Age at Retirement: 61.003  
Estimated Annual Increases: 2.50% Total Qualifying Service: 9.5068  
Avg. Annualized Pensionable Earnings: \$58,023.95 Total Pensionable Service: 9.0027  
Spouse Birth Date: 01-JUL-1965

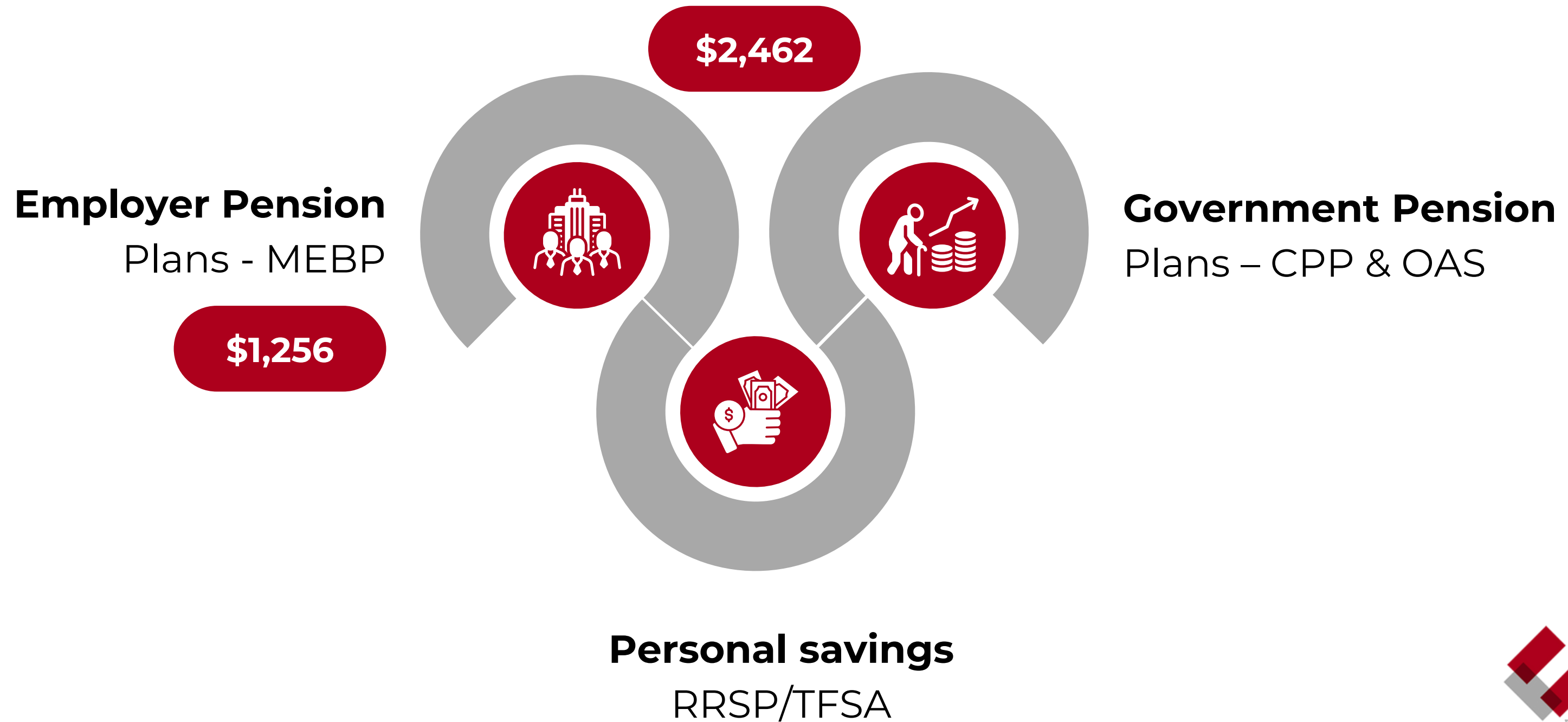
### Estimated Highest 5 years Earnings

Year	Pensionable Service	Pensionable Earnings
2026	0.0027	\$168.60
2025	1.0000	\$60,920.15
2024	1.0000	\$59,434.29
2023	1.0000	\$57,984.67
2022	1.0000	\$56,570.41
2021	0.9973	\$55,041.63

Option	Pensioner		Beneficiary	
	Up To 60	After 60	To Pen. age 60	After Pen. age 60
2/3 to Spouse	\$0.00	\$603.89	\$0.00	\$402.61
1/2 to Spouse	\$0.00	\$615.46	\$0.00	\$307.73
Full pension to Spouse	\$0.00	\$582.02	\$0.00	\$582.02
Lifetime	\$0.00	\$652.97	\$0.00	\$0.00
10 Year Guarantee	\$0.00	\$644.02	\$0.00	\$644.02
15 Year Guarantee	\$0.00	\$633.12	\$0.00	\$633.12



# Where is this Money Going to Come From?



# Government Programs



## CPP

The Canadian Pension Plan (CPP) is a mandatory public retirement pension plan that provides partial replacement of earnings.



## OAS

Old Age Security (OAS) is a government-funded monthly payment available to most Canadians aged 65 and older, providing a basic level of pension income, regardless of work history. The amount received is dependent on the individual's years of residence in Canada after the age of 18.







# Guaranteed Income Supplement (GIS)


This a monthly payment you can get if

You are 65 or older 

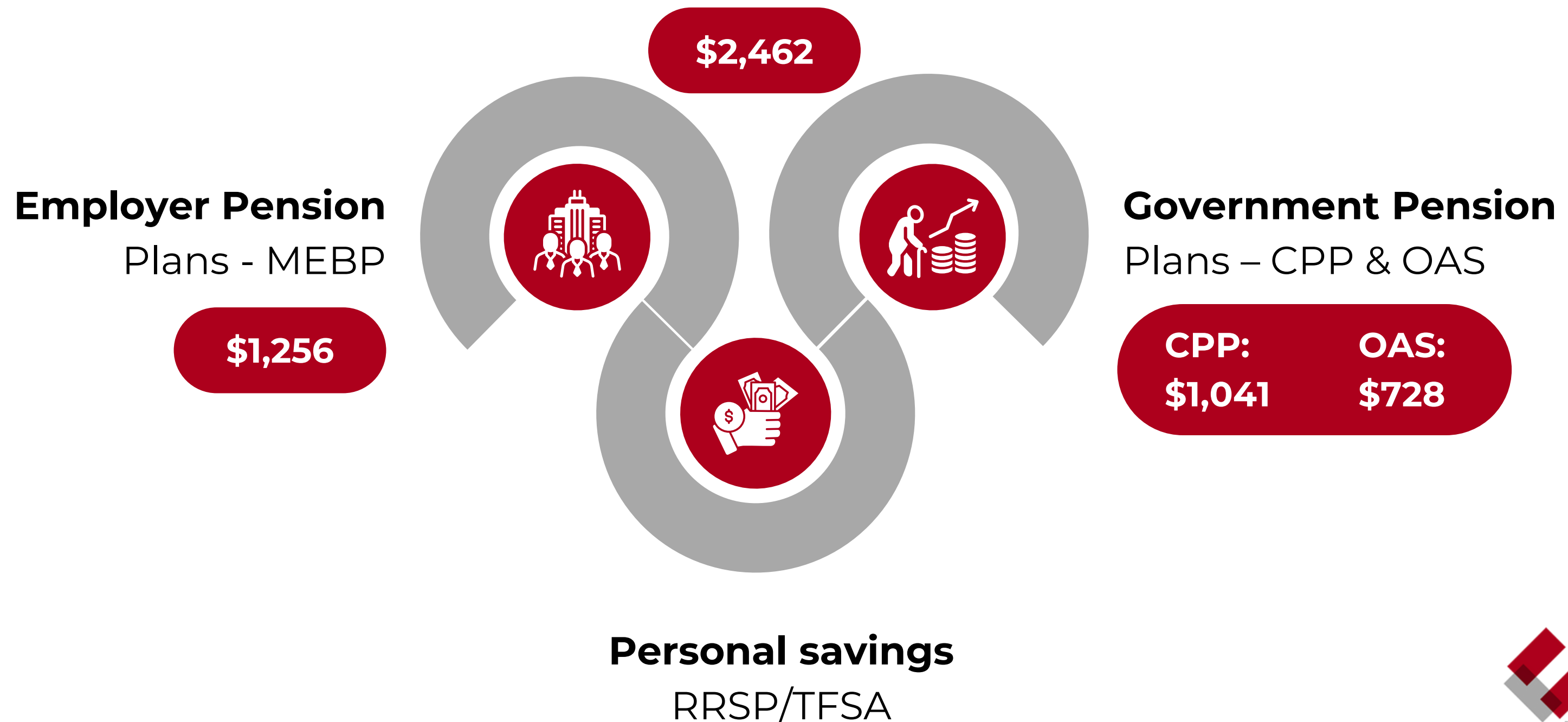
You live in Canada 

You get the Old Age Security (OAS) pension 

Your income is below the maximum annual income threshold for the GIS based on your marital status. 

The Supplement is based on income and is available to low-income Old Age Security pensioners. It is not taxable. 

# Where is this Money Going to Come From?





# Personal Savings



## TFSA

A TFSA, or Tax-Free Savings Account, is a type of savings account available in Canada that allows individuals to earn investment income tax-free.




## RRSP

An RRSP, or Registered Retirement Savings Plan, is a Canadian investment account designed for retirement savings, where contributions are tax-deductible, and the investment growth is tax-deferred until withdrawal.




# Post Retirement Life Insurance

If you have basic life insurance coverage from MEBP at retirement you are eligible for post-retirement life insurance

Amount will be based on your coverage level at date of retirement 

Premiums are deducted from your monthly pension 

At age 75, the amount drops to \$5,000 and your premium payments cease 

You may elect the \$5,000 paid-up policy at any time should you choose to have your premium payments cease 

**Your Employer must be a participating employer in the Life insurance plan in order to be entitled to this benefit.**



# Helpful Links

- ❖ MARGE: <https://www.mbgovretirees.ca/>
- ❖ Applying for CPP: <https://www.canada.ca/en/services/benefits/publicpensions/cpp/cpp-benefit/apply.html>
- ❖ Applying for OAS: <https://www.canada.ca/en/services/benefits/publicpensions/cpp/old-age-security/apply.html>
- ❖ Canadian Securities Administrators – Investor: <https://www.securities-administrators.ca/investor-tools/>
- ❖ Government of Canada - Services for Seniors Guide: <https://www.canada.ca/en/employment-social-development/campaigns/seniors.html>
- ❖ Manitoba – Aging Information and Resources: <https://www.gov.mb.ca/seniors/resources/index.html>

# Q & A





# Questions

- ❖ Is the monthly amount estimated before or after taxes?
- ❖ What steps is the Board taking to ensure the program remains solvent and can adjust for inflation?
- ❖ What factors should be considered when determining the portion of retirement funds payable to a spouse?
- ❖ Do life insurance and disability policies under MEBP continue into retirement, or are they only applicable during employment?
- ❖ How much additional income can a retiree earn without affecting their retirement benefits?
- ❖ What are the conditions for an employee to retire and continue working with the same municipal employer?
- ❖ What statutory deductions are applied to retirement benefits?
- ❖ Are deductions made on behalf of the retiree reported?
- ❖ How is the buy-back of service years calculated, and how does purchasing additional years of service affect retirement benefits?
- ❖ If I was on long-term disability for about X years, combined with my service before and after, when am I eligible for retirement?
- ❖ Can you send my balance directly to my financial advisor?
- ❖ I am interested in exploring alternative pension options for newcomers to Canada.
- ❖ What value is assigned to my pension upon death or to a beneficiary?
- ❖ Will there be any penalties if I receive unemployment insurance while on sick leave and waiting for my pension?



# THANK YOU

## Individual Retirement Counselling Sessions



**Individual retirement**  
counselling sessions are available.



Please call our office at 1-800-432-1908



Email:  
[pensionrequestsmebp@coughlin.ca](mailto:pensionrequestsmebp@coughlin.ca)