

Pension Previewer user guide

PAGE 2 Using the Pension Previewer with your Member's Benefit Statement

PAGE 4 Using the Pension Previewer without your Member's Benefit Statement

What is the Pension Previewer?

The Pension Previewer is an online tool to help members understand the impact of the plan design changes that are coming into effect on January 1, 2016. This is not an estimate, but a preview for illustrative purposes.

How does the Pension Previewer work?

Two pension formulas, one pension payment

1. This Pension Previewer uses the current plan rules to give members an idea of what their pension benefit may be up to December 31, 2015.
2. The Previewer uses the new plan design rules to give members a general idea of what their pension benefit may be for service earned from January 1, 2016, to their chosen retirement date.
3. Then, the Previewer adds the two amounts together to provide one pension benefit preview.

Personalized information in, pension preview out

The Previewer is designed to show members what their future pension benefit might be after the plan design changes take effect. The results are based on the information members enter and on a number of assumptions built into the Previewer. Please read the assumptions listed on the results page of the Previewer.

To ensure the Previewer provides members with the most accurate information possible, we recommend members use their most recent *Member's Benefit Statement* (available online through **My Account**). If a member does not have a *Member's Benefit Statement*, they are able to fill in the required information with their best approximations.

What assumptions has the Pension Previewer made?

To provide members with this general idea of their pension benefit, the Pension Previewer makes a number of assumptions:

- › Pensionable service used in the Pension Previewer assumes the member will continue to accrue service at the same rate each year until the member's chosen date of retirement.
- › Annual salary used in the Pension Previewer assumes the member will continue to earn the same annual salary each year until the member's chosen date of retirement.
- › The Pension Previewer is using the 2014 year's maximum pensionable earnings (YMPE) of \$52,500. The YMPE is the maximum salary upon which Canada Pension Plan contributions are made.
- › Under the current plan rules, a member's pension benefit may be subject to a 3 per cent or 5 per cent **early retirement reduction** per year based on their age and contributory service at termination. If a reduction is applied the Pension Previewer assumes that the member qualifies for the 3 per cent reduction rate.
- › The monthly pension benefit displayed by the Pension Previewer is in the form of a single life pension, with a ten-year guarantee. This is the "**normal form**" for the plan.
- › The Pension Previewer rounds the pension benefit shown to the nearest ten dollars.

HOW DO YOU USE THE PENSION PREVIEWER?

If you are using your *Member's Benefit Statement (MBS)*

To use the Pension Previewer you must:

- A** read the Disclaimer,
- B** check the box "I agree with the terms and conditions stated above," and
- C** choose "Yes" to use your MBS.

PENSION PREVIEWER PAGE 1

Disclaimer **A**

The College Pension Board of Trustees and the Pension Corporation offer the Pension Previewer for the convenience and information of its members and employers. The Pension Previewer is designed to give members a general idea of their possible pension benefit after the proposed plan design changes are implemented, and is based on input members provide and on a number of assumptions built into the Previewer. It is not intended to provide legal or financial advice that can be used to make final retirement decisions. We are not responsible for any errors, omissions, inaccuracies or misunderstandings arising from its use.

B I agree with the terms and conditions stated above.

Use my Member's Benefit Statement to input data?
 C Yes No

Home Continue

- D** **Date of Birth** Use the dropdown menus to choose the month and the day of your birth, and type in the year using all four numbers.
- E** **Year of MBS Used** information can be found on the front page of your MBS.

PENSION PREVIEWER PAGE 2

Date of Birth: **D** [] [] [] []

Year of MBS Used: [] **E**

Annual Salary(Pensionable Earnings)*: \$ []

Pensionable Service**: [] mo

Total Pensionable Service: [] yrs [] mo

Retirement Date: [] []

Back Cancel Get Preview

2013 MBS COVER

E College Pension Plan
Your 2013
Member's Benefit Statement

VISIT MY ACCOUNT TODAY!

Are you a new user of **My Account**? Registration is easy! **My Account** gives you secure, online access to your pension account information, personalized pension estimator, guides, fact sheets and forms. You can also register for a retirement seminar to learn more about your pension. Log on to **My Account** through college.pensionsbc.ca.

Continued on page 3

F **Annual Salary (pensionable earnings)** refers to your pensionable earnings for the fiscal year ending August 31 of the year of your MBS. This dollar figure can be found on page two of your 2013 MBS in box four (box five for previous years).

G **Pensionable Service** refers to your pensionable service for the period September 1 to August 31 of the year of your MBS. This number of months to two decimal places can be found on page two of your 2013 MBS in box four (box three for previous years). If your number of months is larger than 12—for example, 12.42—round down to 12 months.

H **Total Pensionable Service** refers to your total pensionable service from the day you became a plan member until August 31 of the year of your MBS. This number is in years and months to two decimal places; it can be found on page two of your MBS in box four (box three for previous years).

I **Retirement Date** refers to the date that you foresee yourself ending your employment and retiring. Use the dropdown menu to choose the month and type in the year using all four numbers.

J Once you have filled in each of these fields, click “Get Preview” to view your pension preview.

2013 MBS PAGE 2, BOX 4

4 Your pensionable earnings and service

Pensionable Earnings for Fiscal Year Ending Aug 31, 2013	\$78,552
For the Period: Sep 1, 2012 to Aug 31, 2013	Pensionable Service 12 mo Contributory Service 12 mo
Total Pensionable Service 26 yrs	Total Contributory Service 26 yrs 0 mo

Your account has been credited with additional purchased, transferred or child-rearing service. For more information, please contact the plan or visit My Account.

PENSION PREVIEWER PAGE 2

Date of Birth:

Year of MBS Used:

Annual Salary(Pensionable Earnings)*: \$

Pensionable Service**: mo

Total Pensionable Service: yrs mo

Retirement Date:

PENSION PREVIEWER PAGE 3

Pension Benefit Earned to December 31, 2015

Lifetime pension: \$4,450
 Bridge benefit until age 65: \$300
 Pensionable service accrued up to December 31, 2015: 22.5 yrs

Pension Benefit Earned on and after January 1, 2016

Lifetime pension: \$630
 Pensionable service accrued between January 1, 2016 and your pension effective date: 3.5 yrs

Two Pension Formulas, One Pension Payment

You will retire at age 60 yrs, 2.83 mo.
 Your total lifetime pension will be \$5,080.
 Your bridge benefit until age 65 will be \$300.

On the pension preview page you will see three sets of information; these are a preview of:

- K** Your possible pension benefit for service earned up to December 31, 2015. This includes a preview of your possible monthly lifetime pension and possible monthly temporary bridge benefit.
- L** Your possible monthly lifetime pension benefit for service earned on and after January 1, 2016. Service earned on and after January 1, 2016 does not add to your bridge benefit.
- M** Your possible monthly total of your lifetime pension benefit and your temporary bridge benefit based on your chosen date of, and age at, retirement.
- N** Click the “Finish” button to return to the Plan Design 2016 webpage or use the “Back” arrow in your browser to enter new numbers and preview a new scenario.

HOW DO YOU USE THE PENSION PREVIEWER?

If you are not using your *Member's Benefit Statement (MBS)*

To use the Pension Previewer you must:

- A** read the Disclaimer,
- B** check the box "I agree with the terms and conditions stated above," and
- C** choose "No" if you are not using your MBS.

PENSION PREVIEWER PAGE 1

Disclaimer **A**

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B I agree with the terms and conditions stated above.

Use my Member's Benefit Statement to input data?
 Yes No **C**

Home Continue

- D** **Date of Birth** Use the dropdown menus to choose the month and the day of your birth, and type in the year using all four numbers.

Today's date will automatically be filled in for you.

- E** **Annual Salary:** approximate how much your annual salary is; round it to the nearest dollar and enter this number into the field.
- F** **Pensionable Service in the Last 12 Months:** approximate your pensionable service in months for the last year, enter it in this field.

PENSION PREVIEWER PAGE 2

Date of Birth: **D**

Today's Date: August 12, 2014

Annual Salary(Pensionable Earnings)*: \$ **E**

Pensionable Service** in Last 12 Months: mo **F**

Estimated Total Pensionable Service as of Today's Date: yrs mo

Retirement Date:

Back Cancel Get Preview

- F** **PENSIONABLE SERVICE** is your actual working time as a member of the pension plan. You earn one month of pensionable service for one full month of full-time work. If you work half time, you receive half a month of pensionable service. Pensionable service is used to determine the amount of a pension.

Continued on page 5

G **Total Pensionable Service as of Today's Date:** approximate your total pensionable service from the day you became a plan member up to today. Enter this number in years and months into the fields.

H **Retirement Date** refers to the date that you foresee yourself ending your employment and retiring. Use the dropdown menu to choose the month and type in the year using all four numbers.

I Once you have filled in each of these fields, click "Get Preview" to view your pension preview.

On the pension preview page you will see three sets of information; these are a preview of:

J Your possible pension benefit for service earned up to December 31, 2015. This includes a preview of your possible monthly lifetime pension and possible monthly temporary bridge benefit.

K Your possible monthly lifetime pension benefit for service earned on and after January 1, 2016. Service earned on and after January 1, 2016 does not add to your bridge benefit.

L Your possible monthly total of your lifetime pension benefit and your temporary bridge benefit based on your chosen date of, and age at, retirement.

M Click the "Finish" button to return to the Plan Design 2016 webpage or use the "Back" arrow in your browser to enter new numbers and preview a new scenario.

PENSION PREVIEWER PAGE 2

Date of Birth:

Today's Date: August 12, 2014

Annual Salary(Pensionable Earnings)*: \$

Pensionable Service** in Last 12 Months: mo

Estimated Total Pensionable Service as of Today's Date: yrs mo **G**

Retirement Date: **H**

I

PENSION PREVIEWER PAGE 3

Pension Benefit Earned to December 31, 2015 **J**

Lifetime pension: \$4,310

Bridge benefit until age 65: \$290

Pensionable service accrued up to December 31, 2015: 21.76 yrs

Pension Benefit Earned on and after January 1, 2016 **K**

Lifetime pension: \$630

Pensionable service accrued between January 1, 2016 and your pension effective date: 3.5 yrs

Two Pension Formulas, One Pension Payment **L**

You will retire at age 60 yrs, 2.83 mo.

Your total lifetime pension will be \$4,940.

Your bridge benefit until age 65 will be \$290.

M

Frequently Asked Questions

What is a *Member's Benefit Statement*?

Each year that you are working and contributing to the College Pension Plan, you receive a *Member's Benefit Statement* (MBS). This statement provides a record of your service and contributions to the plan and, where appropriate, pension estimates.

Where can I get my *Member's Benefit Statement*?

If you do not have your printed MBS it is also available online through **My Account**. To register for My Account, visit college.pensionsbc.ca and click on the My Account logon button. Registration is easy and offers enhanced security measures.

If you have never received an MBS, please choose "No" for "Use my Member's Benefit Statement to input data?" and use your best approximation for the required fields.

Why hasn't my bridge benefit gotten larger between the first and third results boxes?

The bridge benefit is a temporary monthly payment that was designed to bring a member up to a full two per cent pension until they could draw their Canada Pension Plan at age 65.

As of January 1, 2016, the pensionable service you earn will no longer add to your bridge benefit because the plan will provide a full two per cent pension benefit so there is no need for a bridge.

These changes effectively convert the bridge benefit into a lifetime pension benefit meaning members may receive a higher lifetime pension as the bridge benefit amount will not cease at age 65.

When will personal pension estimates be available?

We are working on updating our computer system as quickly as we can so we can give you a personalized pension estimate for retirement dates after January 1, 2016. In the meantime, please check the plan website for updates: college.pensionsbc.ca. We will be posting more information in the coming months.

Where can I find more information on the plan design changes?

Visit our **Plan Design 2016 webpage**, the go-to resource for information on the plan design changes effective January 1, 2016.

Need more help using the Pension Previewer?

Please contact the plan at 250 953-4324 in Victoria or 1 888 440-0111 toll-free in Canada and U.S.