

Your pension: The future is worth thinking about

The presentation will tell you about the features of your pension plan and what you can expect from it.

The slides are intended as a general guide, and are not legal or personal pension advice. Your personal pension information can be accessed online using the feature, “My Account.” To log in for the first time, you will need your personal ID found on your Member’s Benefit Statement which you received in June of last year.

The Teachers’ Pension Plan website may be accessed at www.tpp.pensionsbc.ca

What you will get

Your pension promise is made to you the day you become a member of the plan, usually the first day you begin to work. What you get when you retire is based on a formula combined with other plan rules. The Teachers’ Pension Plan is a *defined benefit* plan which means your monthly pension is calculable and predictable.

The monies you and your employer contribute are part of a very large pool of assets which is invested on behalf of all members of the plan and from which all members benefit.

Additional features:

- A supplemental bridge benefit from retirement to age 65
- Survivor benefits for your spouse should you die before you retire
- Disability pension
- A choice of pension payment options including continuation of your pension benefit for your surviving spouse.

Options available, but not guaranteed

- Indexing of pensions
- Extended Health Benefits at a subsidized rate to the retiree
- Access to MSP, Extended Health Benefits, and Dental Benefits at group rates for the retiree, spouse and dependants.

What does the pension cost?

Active members contribute according to their income. Remember you are paying yourself for a future income, so it is not lost income—it is deferred wages.

The contribution rates are:

- employee: 9.16% of salary while contributing to the CPP, then 10.66% of salary
- employer: 12.29% of salary while contributing to the CPP, then 13.79% of salary.

When am I eligible for a pension?

You are eligible for an unreduced pension when you reach factor “90” (when your age and contributory service add up to 90 years). You will also qualify for an unreduced pension if you are vested in the plan (two years of contributory service) and have reached the age of 60. If you reach age 65, you are eligible for an unreduced pension whether you are vested or not.

If you don't qualify for an unreduced pension, you may retire after age 55 and receive a reduced pension.

It is important to remember that an unreduced pension may not be a maximum pension, as a maximum pension is reached when you have 35 years of pensionable service.

Indexation of pensions

Each December the Teachers' Pension Plan Board of Trustees determines whether it is able to grant full or partial indexing of pensions. Indexing has been based on the Consumer Price Index (CPI). The Inflation Adjustment Account (IAA), the source of indexing funding does not provide the promise of full annual indexing. That is the challenge facing the Pension Plan.

More information

Most of what you need to know about your pension can probably be found here:

BCTF

www.bctf.ca

Toll free in BC: 1-800-663-9163

Vancouver: 604-871-2283

Teacher Pension Plan

www.tpp.pensionsbc.ca

Toll free in BC: 1-800-665-6770

Victoria: 250-953-3022

Vancouver: 604-660-4088

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There is a survey regarding the future of indexing that is available online at:

<http://survey.bctf.ca/PENSION2009/pension2009.htm>