



Understanding the Hybrid Nature of the York Pension Plan

PENSION & BENEFITS

YORK 

Hybrid – What does it mean

- Two calculations are done
 - Defined Benefit (Minimum Guarantee Pension - MGP)**
 - Defined Contribution (Money Purchase Component - MPC)**
- If the Minimum Guarantee Pension is greater than the Money Purchase Component
 - The Money Purchase Component is paid plus a Supplementary Pension equaling the Minimum Guarantee Pension**
 - If the Money Purchase Component is greater than that value is paid.**

These calculations provide you with the NORMAL FORM of the pension
For more information on Optional Forms of Payment join us for a future webinar

Minimum Guaranteed Benefit

- Mathematical Calculation

Final Average Earnings (FAE) - are based on your five years of highest earnings. The years do not have to be consecutive and a year is determined in 12-month blocks from the retirement date back.

The YMPE is the dollar amount set each year by the Canada Revenue Agency (CRA) which determines the maximum amount on which to base contributions to the Canada Pension Plan (CPP).

Credited Service is the total number of years of Plan membership. You can't obtain credit for a full year if contributions by either you or the University are not maintained at the full rate for that year. In that case, you would be credited with a fraction of a year.

1.4% of your **final average earnings** at retirement up to the average **YMPE** for those years

PLUS

1.9% of your **final average earnings** at retirement above the average **YMPE** for those years

MULTIPLIED BY

Your **credited service**

Money Purchase Pension

- Provides you with a benefit based on the accumulated contributions and investment earnings of your account balance. The amount of benefit earned depends on how well the investments in the fund perform and other factors such as your age, your marital status and the age of your spouse at retirement.
- **This calculation will be subject to market fluctuations.**

The Pension & Benefits Office

- All documentation should be sent electronically to askpb@yorku.ca for the fastest processing
Documents can be mailed through Canada Post as we are in the office every two weeks for processing of mail and/or cheques therefore there will be delays in processing
- We can be reached by phone or email
416-736-2100 x27572 (askpb) or askpb@yorku.ca
Our phones are answered between 9 am and 4 pm. If you do not reach us and receive our voicemail, please note that we will return your call within 24 hours.
- We can also be reached through our portal at <https://askpb.yorku.ca/cherwellportal/pbmain#0>
- Our website also has a great deal of information at <https://retire.info.yorku.ca/>
- Great information as well as our service standards can be found in our monthly publication **The P&B Times**
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