



Fall Pension Seminar Series: Mid-Career

PENSION & BENEFITS, PEOPLE SERVICES, USC
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YORK 

Welcome and Introductions

Pension & Benefits, People Services, University Services Centre (USC)

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Land Acknowledgment

We recognize that many Indigenous Nations have longstanding relationships with the territories upon which York University campuses are located that precede the establishment of York University.

York University acknowledges its presence on the traditional territory of many Indigenous Nations. The area known as Tkaronto has been care taken by the Anishinabek Nation, the Haudenosaunee Confederacy, and the Huron-Wendat. It is now home to many First Nation, Inuit and Métis communities. We acknowledge the current treaty holders, the Mississaugas of the Credit First Nation. This territory is subject of the Dish with One Spoon Wampum Belt Covenant, an agreement to peaceably share and care for the Great Lakes region.



Agenda

Mid-Career

- › When can I retire?
- › Additional Voluntary Contributions
- › Leaves of Absence
- › Beneficiary Information
- › Q&A



When can I retire?

When can I retire?



Retirement can be as early as the first of the month coincident with or following your 55th birthday.

Normal retirement is defined as the July 1st coincident with or following your 65th birthday.

Mandatory receipt of pension as mandated by the Canada Revenue Agency (CRA) is the December 1st in the year you turn 71.

Early Retirement Reduction

Minimum Guaranteed Pension is reduced if retiring earlier than age 65.

If you retire between age 60 and 65 the benefit is reduced by 0.25% for each month between your actual retirement date and age 65.

If you retire between the age of 55 and 60 the benefit will be reduced by an additional 0.5% per month between your actual retirement date and age 60.

Money Purchase Component Pension is reduced at an actuarial equivalent.

MGP vs. MPC

Minimum Guarantee Pension vs. Money Purchase Component

Minimum Guaranteed Pension (MGP) provides a benefit based on a formula that takes into account your final average earnings and your credited service in the pension plan.

Money Purchase Component (MPC) provides a benefit based on the accumulated contributions and rate of return of the pension fund. This fluctuates based on the fund rate of return.

MGP vs. MPC

Minimum Guarantee Pension vs. Money Purchase Component

If your Money Purchase Component (MPC) is lower than your Minimum Guaranteed Pension (MGP) you receive a supplementary pension amount to bring you up to what the MGP pension is.

Contributions to the Pension Plan

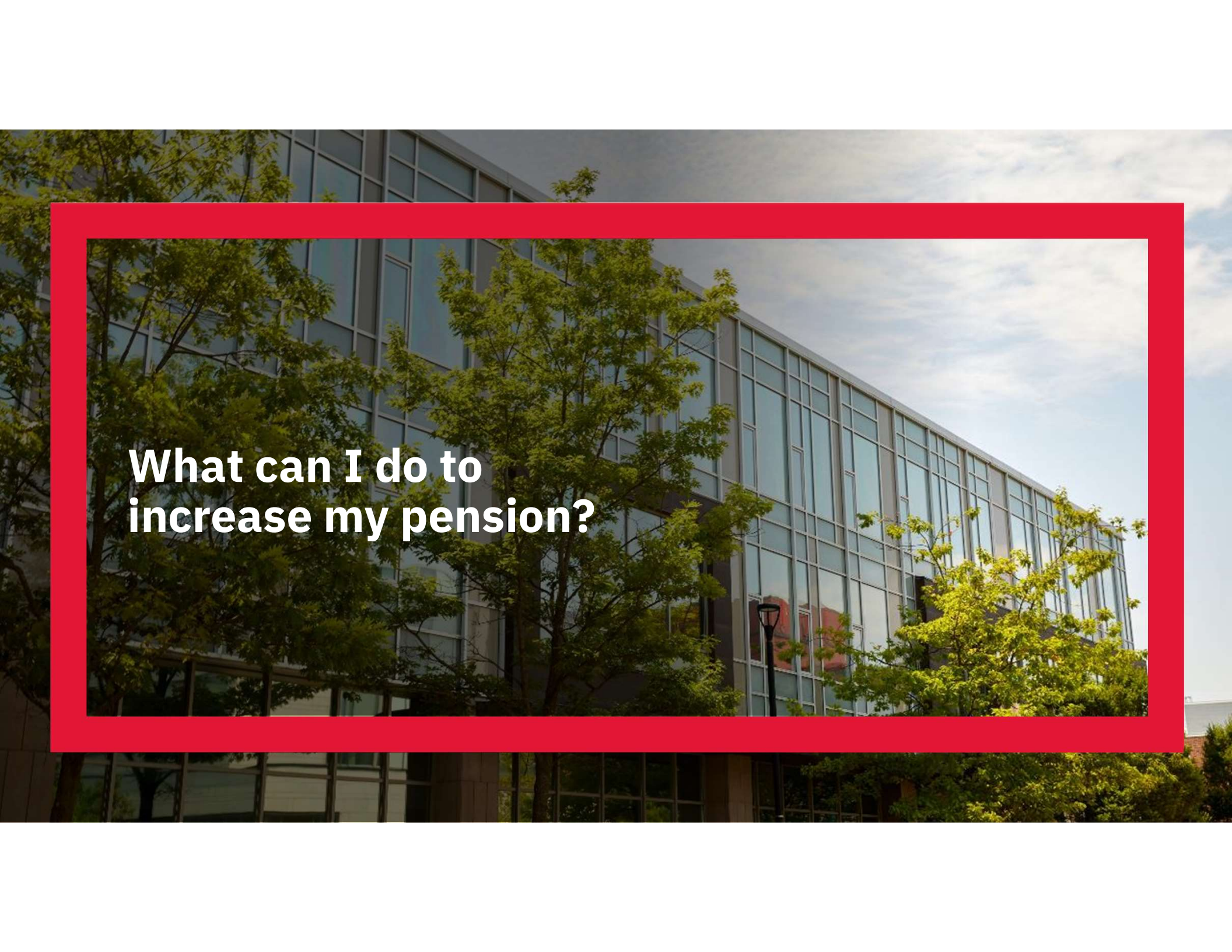
➤ **6.75%** of earnings up to the YMPE (Years Maximum Pensionable Earnings)

- The YMPE for 2023 was \$66,600
- The YMPE for 2024 is \$68,500

➤ **9.15%** of earnings above the YMPE

➤ **Canada Revenue Agency Maximum**

- The maximum contribution to a pension plan in 2023 is \$31,560
- The maximum contribution to a pension plan in 2024 is \$32,490

A photograph of a modern, multi-story building with a glass curtain wall. The building is partially obscured by lush green trees in the foreground. The entire image is enclosed within a thick red rectangular border. The sky is blue with some light clouds.

**What can I do to
increase my pension?**

Transfer of funds from another Pension Plan or an RRSP

You can transfer funds from a Defined Contribution (DC) pension plan or from an individual or group RRSP at any time prior to termination or retirement.

The funds will have the same rate of return that is applied to your mandatory contributions and can fluctuate.

At retirement, these funds can either be transferred out again or used to increase your monthly pension.



Pros and Cons

There are advantages and disadvantages of transferring in funds from a previous employer or from an individual RRSP

PROS

- York Rate of Return may be better than external
- Consolidation. At retirement you receive one payment instead of multiple payments.
- At retirement you can transfer out these funds to an RRSP but receive a monthly payment from your mandatory contributions.
- Pension cannot be reduced.

CONS

- York Rate of Return may do worse than external.
- At retirement you would receive one payment instead of diversifying.
- Impossible to know exactly how much extra pension these funds will provide.
- Once you transfer RRSP into the York plan, you can not access it until you terminate or retire from York.

Making Additional Voluntary Contributions (AVC's)



You may be able to make Additional Voluntary Contributions (AVC's) to the pension plan



The Pension & Benefits office runs a calculation to determine how much you can contribute in AVC's for the year.



If you maximize your contributions in the York pension plan then you have no room to make RRSP contributions for the year.

AVC's at retirement or termination

You can not access your AVC's until you either terminate or retire from the university

AVC's can be used to increase your monthly pension at retirement.

You can choose to transfer the AVC's to an RRSP

You can get paid out the AVC's in cash less tax

Leaves of absence and reduced load

When you are on an approved leave of absence or a reduced load you can top up your pension to 100%

Depending on the type of leave or reduced load you will either have to top up both your contributions and the employer's contributions to 100%

P&B sends an email to you outlining your options to top up.

If you top up

- The Money Purchase Component will be higher with increased contributions
- The Minimum Guarantee will be higher, you will be credited with 100% service
- You can only top up in the year in which the leave occurs

Benefits



Retire.info.yorku.ca



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Welcome

The Pension & Benefits Office provides support and education for all York University employees - enabling them to make informed choices regarding all aspects affecting their pension and benefits during their employment, and when planning for retirement. We are committed to offering our services with integrity, confidentiality and objectivity. Our services extend beyond York specifics and include Canada Pension Plan (CPP), Old Age Security (OAS) and transitioning from work to retirement.

Seminars and educational presentations are an important part of our offerings in Pension & Benefits. We have licensed financial advisors and other experts in their field join us to provide you with information regarding pension, benefits and a host of other related topics. We do not provide them with any personal information. They are here to inform, not to solicit your business. Should you wish to contact one of our presenters or any other financial advisor we leave that up to you.



Benefits provider:

Sunlife Member Page


**Pension Payment
Custodian**




AskPB Self Service

Portal

Benefit Booklet Information



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Active Benefits Booklets

- [CPM Active \(PDF\)](#)
- [CUPE 3903 Unit 1, 2, 3 and 4 \(PDF\)](#)
- [CUPE 1356-1 \(PDF\)](#)
- [CUPE 1356 \(PDF\)](#)
- [IUOE \(PDF\)](#)
- [YUELI \(PDF\)](#)
- [Osgoode \(PDF\)](#)
- [Post Doc Fellow hired on or after September 2014 \(PDF\)](#)
- [Post Doc Fellow hired prior to September 2014 \(PDF\)](#)
- [Post Doc Visitor \(PDF\)](#)
- [Research Assistant hired on or after September 2014 \(PDF\)](#)
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<https://www.sunlife.ca/en/contact-us/>



Contact us

Sun Life can help you build and protect your savings with investment products, life insurance, health insurance, and...

www.sunlife.ca



Beneficiary Information

Death Before Retirement

Your eligible surviving Spouse

- Balance in your Money Purchase Account at your Date of Death plus the commuted value of any supplementary pension you may have accrued after January 1, 1987 as:
 - a lump sum payment, as cash subject to withholding taxes, or as a direct transfer to a registered retirement arrangement, such as an RRSP; or
 - an immediate or deferred life annuity, with an optional guarantee of five, ten or fifteen years.

If you do not have an eligible spouse, or your spouse has waived their right to your pension, your beneficiary(ies) would receive the benefit as a lump sum cash payment subject to withholding taxes.

Death Before Retirement

➤ Dependent Children's Benefit

- If you die before retirement and are survived by children under the age of 18, those children will be eligible for a benefit up to a combined maximum of \$300 per month.
- Your designated beneficiary will also receive a refund of any additional voluntary contributions, plus credited interest that you made to the plan. If you have an eligible spouse they may elect to have that amount increase their monthly pension should they have chosen that option.

Retirement Planner



Access to the Planner is made available around May in the year **following** your enrollment into the pension plan.

The link to the planner can be found here:

<https://retire.info.yorku.ca/>

To sign into the Planner for the first time click on forgot your password link and input your 9-digit employee number and click submit.

The password will be emailed to you. Go back into the Planner type your employee number in the applicable box and then type your password in the applicable box.

You can not copy and paste the password. You must type it and it is case sensitive.

Retirement Planner

Link:

<https://yorku-ret.ca/>



The York University pension plan is legislatively obligated to provide the December 31, 2021 annual pension statements to its members by June 30, 2022.

An email will be sent to all members for whom we have a valid email address when the statements are available. In addition, a message will appear on this page.

As a reminder, you can also log into the planner to run your own termination, death or retirement estimates. If it is your first time logging in, click on [First Time User?](#) to reset your password. Sometimes the e-mail to reset your password goes to your junk folder so check there if you have not received an email within one hour. If you have tried to log into the planner more than six times unsuccessfully you will need to reset your password to regain access to the account.

Login

Employee Number



Password



LOG IN ✓

[First time user?](#)

[Forgot your password?](#)

SECLON
A PENAD COMPANY

YORK 

Link:

<https://yorku-ret.ca/>



Retirement Planner

Home

Planning

AVC

Statements

Hyperlinks

Quotes

Quit

Welcome

Welcome to the York University Pension Plan Retirement Planning Tool. This tool will allow you to estimate your projected monthly pension income from the York University Pension Plan.

All projections will be based on data effective at the date of your most recent annual statement.

The York University Pension Plan is a registered pension plan (number 0329763). In addition to the York University Pension Plan, members may be able to obtain retirement income from other sources such as the Canada Pension Plan, Old Age Security and /or personal savings/investments. More information regarding these additional sources may be accessed through web sites listed under the Hyperlinks bar above. It may be advantageous to enlist the help of a certified financial planner to help with your retirement planning.

If you have any questions regarding the Retirement Planning Tool, please contact the Pension and Benefit office by calling 416-736-5853 or by email askpb@yorku.ca

To proceed with use of the Retirement Planning Tool, click on the Planning bar.

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Additional Voluntary Contribution Request

As a member of the York University Pension Plan, you are allowed to make additional voluntary contributions (AVC's) to the York University Pension Plan, up to the limits set out in the Income Tax Act. Since AVC's are part of the York University Pension Fund (which is a tax-exempt registered pension plan) your AVC account balance is allowed to grow on a tax-deferred basis. These contributions will provide you with additional pension at retirement. Please note that **AVC's may only be withdrawn when you terminate membership in the Plan or retire** and that unlike required contributions which are matched by the University, **AVC's are not matched** by the University.

By making AVC's through payroll deductions you receive an immediate tax advantage as these contributions are deducted before income taxes are applied, thus reducing the amount of income taxes that are deducted from your pay.

Note: Your AVC contributions will be deducted from your pay from **January to September only**. To determine how to contribute up to your limit take the maximum amount and divide it by nine and request that as your monthly AVC contribution.

By making the maximum additional voluntary contributions to the York University pension plan you eliminate your 2023 RRSP room. These additional voluntary contributions **will be credited with interest, either positive or negative, based on the net investment return earned by the Trust Fund during the year**. To ensure any requested amounts are deducted please refer to your paycheck and look for "ADDPEN" in the deductions area, or you can check online at <https://hrselfserve.yorku.ca>.

Questions

If you have any questions or require further clarification please contact the Pension and Benefits office at askpb@yorku.ca.

Your 2023 AVC limit is \$2,630.00

This amount was calculated by estimating your 2023 earned income and required pension contributions.

Nature of AVC Request

AVC Request 

Contact Pension & Benefits

- › E-mail askpb@yorku.ca
- › Call 416-736-5853 – the phone line is open from 8:30 am to 4:00 pm Monday to Friday. For Fridays in June, July and August the phone line closes at 3:00 pm.
- › Please have your employee ID ready when you call us.
- › Any form or document that we may need from you can be completed, scanned and emailed to askpb@yorku.ca.
- › For more information on how the pension funds are invested, please go to: <https://www.yorku.ca/finance/pension-investments/>

Q & A

YORK 

**Thank you for your
engagement!**

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