



A Few Moments To Connect

The Civil Service Superannuation Fund

Deferred Member Newsletter • Volume 4 - 2015

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Important Message If Planning To Retire After 2015

Under proposed amendments to The Civil Service Superannuation Act, Old Age Security Integration would not be available for a retirement date after 2015, and new application deadlines would apply for forms submitted after 2015.

These changes were introduced in the legislature on May 27, 2015, but had not been passed when the House recessed in June. The House is not scheduled to reconvene until October 20, 2015.

Whether the changes will be passed, or when, is up to the legislature and we have no indication if or when that might happen.

Old Age Security Integration Changes For 2016

Integration with Old Age Security (OAS) is an option which lets a member get a higher pension from the Superannuation plan until age 65, but less after age 65.

The Federal Government changed OAS to gradually increase the eligibility age from 65 to 67. The Income Tax Act has not been changed to allow pension plans to reflect this. OAS integration was intended to level income through retirement, which can no longer be done for anyone who was born after March 1958.

OAS integration is therefore not expected to be available for a retirement date after 2015. If this change is passed, an election of OAS integration would be invalid for a retirement date after 2015.

This change would not impact pensions for retirement dates prior to January 1, 2016.

Integration with the Canada Pension Plan will continue to be offered.

Pension Application Deadlines Simplified

Under proposed changes to The Civil Service Superannuation Act, retiring members would be required to submit a NOTICE OF RETIREMENT and any pension option forms prior to their retirement date.

No pension would be payable for a period prior to the date the Board receives a member's NOTICE OF RETIREMENT. If valid pension option forms and waiver forms (if applicable) are not submitted by the date of retirement, default options would apply.

Currently, some limited extensions to these deadlines are available in certain circumstances. It is anticipated that these extensions would no longer apply after 2015.

Websites Redesigned

CSSB Online Services and the general CSSB website are being redesigned and expanded. If you're signed up for Online Services, watch your email for notification of the launch dates. If you're not already signed up, please visit www.cssb.mb.ca to register.

Members with deferred pensions can estimate their retirement pension or current transfer values using our Online Services.

Registration codes for Online Services are provided annually in notification letters sent to members who have not yet signed up, or are available by contacting the Board office.

Members may now complete their retirement forms online. This feature gives members the option of printing their completed forms for signature and submission to the CSSB office, or having us print the completed forms and mailing them to the member for signature and submission. Automatic edits in the online process help reduce potential problems and errors.

Members are welcome to contact the CSSB office for assistance completing their forms, or with any questions they may have.

Board Member Changes

The Civil Service Superannuation Board welcomed two new appointees, Mr. Normand Collett and Mr. Andrew Clarke.

We would like to extend our sincere thanks to outgoing appointees Ms Lynn Romeo and Mr. Gabriel Forest for their efforts and contributions as Board and Committee members.

Reserve Your Spot In A Pre-Retirement Seminar or Request a One-on-One Session

The CSSB conducts half-day Pre-Retirement Seminars (approximately four hours) designed for members who are beginning to plan for retirement. They are presented in major centres throughout Manitoba for groups of 15 to 50 people. The focus of these seminars is on pension and insurance benefits offered through the CSSB. In addition, members can meet with CSSB staff in Winnipeg and rural areas to discuss pension and insurance benefits.

Our upcoming Pre-Retirement Seminars and out-of-town One-on-One sessions are posted on our website. Members are encouraged to register for Pre-Retirement Seminars through our Online Services. One-on-one sessions can be booked by calling our office directly.

Information Available On Request

A copy of the Civil Service Superannuation Act, the most recent Annual Information Return filed with the Manitoba Pension Commission, the actuarial valuation report and cost certificate, the annual financial statement for the pension plan, and the Statement of Investment Policies and Procedures are available upon providing written request to the Board office. Many of these items can also be viewed online at www.cssb.mb.ca.

Reminders For Members With A Deferred Pension

Cost-of-living Increases - Cost-of-living increases applied to deferred pensions are the same as increases granted on pensions in payment. The increases granted for July 1 of the past few years were: 0.55% in 2013, 0.83% in 2014, and 0.98% in 2015.

A cost-of-living adjustment (COLA) is credited in the thirteenth month following the establishment of a deferred pension (termination date) and each July thereafter until retirement. These adjustments are limited to the extent that the COLA Account is, in the opinion of our actuary, able to pay for about half of the increases. The employer pays for the remainder of the increases. The Board is concerned that the COLA Account will not be able to continue to provide increases of 2/3rds of the increase in the Canadian Consumer Price Index (CPI).

A portion of employee contributions is allocated to the COLA Account. Recent increases in the employee contribution rate should improve the ability of that account to pay increases of up to 2/3rds of the CPI. The actuary does not believe that this additional funding is sufficient to reasonably ensure that future COLA increases will be at least 2/3rds of the CPI. Concerned members should contact the Pension and Insurance Liaison Committee.

Death - If a member with a deferred pension dies before the pension has commenced, his or her eligible spouse or common-law partner would be entitled to an immediate lifetime pension that is at least equal in value to the member's transfer value.

If at the time of death the member had no spouse or common-law partner, or the member was living separate and apart from a spouse or common-law partner by reason of a breakdown in the relationship, or a spouse or common-law partner had waived entitlement to the pension, pension benefits would be paid to the member's estate.

Disability - A member with a deferred pension who has ten or more years of qualifying service can apply for a disability pension if he or she becomes permanently disabled before being eligible to retire with an unreduced pension.

Retirement - A member with a deferred pension can apply to start receiving the pension as early as age 55, or may continue to defer the pension until the end November in the year of attaining age 71.

Deferred pensions do not commence automatically when a member becomes eligible. To receive the pension, a member must submit a completed Notice of Retirement (prescribed form available from the Board) to the Board office up to six months prior to the pension commencement date. Deferred pensions are paid from the date of retirement, but no sooner than the date the Board receives a completed Notice of Retirement and are not paid retroactively.

In order to select an optional form of pension, a member must submit valid pension option forms, and waiver forms where applicable, before the date of retirement. Otherwise, default options will apply.

If the member has less than ten years of qualifying service, the pension will be the estimated equivalent of the pension that would be payable at age 65. The reduction is about 6% for each year of retirement prior to age 65.

Reminders For Members With A Deferred Pension (cont'd)

Transfer - A member can transfer his or her deferred pension benefits out of the plan at any time before the pension has commenced. Transfer amounts tend to increase with time, but may decrease from time-to-time due to changes such as interest rates or legislated calculation methods. Further information regarding transfer values and lump sum payments is available on our website.

Transfer To Another Pension Plan - A member can transfer his or her deferred pension benefits to another employer pension plan at any time before the pension has commenced if that plan will accept the transfer. There are no deadlines for transferring pension benefits under this option.

Age and Service Threshold For Significant Increase In Benefits - The transfer value of a pension increases significantly when a member is at least age 55 and has at least ten years of qualifying service.

Marital Status/Common-Law Relationship - A member's pension benefit credit may be divided if

- pursuant to an order of the Court of Queen's Bench made under The Family Property Act, family assets of the member or former member or his or her spouse, former spouse, or common-law partner are required to be divided;
- pursuant to a written agreement between the member or former member and his or her spouse, former spouse or common-law partner, their family assets are divided; or
- a division of the pension or the pension benefit credit, as the case may be, is required by an order of a court of competent jurisdiction in another province or territory of Canada, or an order of the Court of Queen's Bench regarding a common-law relationship.

The pension benefit earned during the relationship may be divided unless both parties agree they do not want the pension divided.

Keep Your Online Profile Up-To-Date

To ensure that you continue to receive relevant information from the CSSB, please remember to keep your Online Services contact information current. This includes keeping your Primary email address and home mailing address up-to-date using the Online Services **Edit My Profile** feature.

If your Primary email address for Online Services is still your work email, please take a moment to change it to your home email address.

Questions or Comments?

If you have any question or concerns, please contact

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