



# *A Few Moments To Connect*

*The Civil Service Superannuation Fund*

*Deferred Member Newsletter • Volume 2 - 2014*

## **Online Services**

A deferred member can generally estimate his or her current transfer and retirement entitlements using our online services. Please visit [www.cssb.mb.ca](http://www.cssb.mb.ca) to sign up.

## **Board Member Elections**

The Civil Service Superannuation Board welcomed Mr. Paul Desorcy and Mr. Doug Troke who were elected for a three year term effective January 1, 2013.

We would like to extend our sincere thanks to outgoing representatives Ms Denise Hickson and Mr. Stephen Watson for their efforts and contributions as Board and Committee members.

## **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 statements for the pension plan, and the Statement of Investment Policies and Procedures are available upon providing written request to the Board office. These items can also be viewed online at [www.cssb.mb.ca](http://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: 1.57% in 2011, 1.53% in 2012, and 0.55% in 2013.

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, 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 his or her entitlement to the pension, pension benefits would be paid to the deferred member's estate.

## ***Reminders For Members With A Deferred Pension (con't)***

### **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 age 55.

### **Retirement**

A member with a deferred pension can apply to start receiving the pension as early as age 55. To receive the pension, he or she 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.

If the member has less than 10 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. That would be a reduction of roughly 30% for retirement at age 60, or 60% for retirement at age 55.

### **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.

### **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.

### **Marital/Common-Law Relationship Separation**

A member's pension benefit credit may be divided if

- a. 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;
- b. 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
- c. 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.

### **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.

### **Keep in touch!**

Please ensure that you notify the Board, either through your online services profile or by contacting our office, of any changes to your mailing or e-mail addresses so that we can continue to send you information about your deferred pension benefits.

## ***Questions or Comments?***

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