**Summary of the Faculty Pension Plan: The Contributory Pension Plan for TUFA Employees of Trent University**

***Disclaimer: In the event of any disputes or disagreements arising from the information provided below, the pension plan text will take precedence***.

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| **Membership** | Membership in the plan is compulsory and effective from your date of hire if you are a:   * Full-time employee * Limited-term employee (effective July 1, 2021) |
| **Member Contributions** | Currently, all members of the Faculty Plan contribute 9.2% of regular earnings up to the Year’s Maximum Pensionable Earnings (YMPE) and 11.5% in excess.  Example: Annual salary $95,000, 2021 YMPE $61,600 –  (61,600 x 9.2%) + ((95,000 – 61,600) x 11.5%)  contributions amount to $9,508.20 per year. |
| **University Contributions** | The University’s contribution rate is determined based upon the funding requirements of the Plan, as determined by the actuarial valuation of the plan, filed with the regulatory authorities. Actuarial valuations are required to be filed with the regulators every three years. |
| **Retirement Dates** | Your Normal Retirement Date is the July 1st coincident or following attainment of age 65.  Your Early Retirement Date is the first day of any month coincident or following attainment of age 55.  Your Postponed Retirement Date means retirement after age 65. If you remain in active employment after age 65, you must start drawing your pension by December 1 of the year in which you reach age 71, whether or not you actually retire from active employment.  For information on CPP and OAS benefits, please click on the link below.  <https://www.canada.ca/en/services/benefits/publicpensions.html> |

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| **Calculating your pension**  **Supplemental Retirement Arrangement**  **Normal Retirement Pension (age 65**)  **Reduced Early Retirement (assuming age 55 at retirement)** | The formula for calculating your pension is 2% x final average earnings x pensionable service.  Final average earnings: the average of your highest annual Nominal  Earnings (full-time annual rate) during any five consecutive years in the last ten immediately preceding retirement or termination of employment. In no event shall your final average earnings be less than your final average earnings calculated as at June 30, 2014. At this time your final average earnings were calculated as your highest annual Nominal Earnings (full-time annual rate) during any 3 consecutive years in the last ten immediately preceding retirement or termination of employment.  Pensionable Service: Continuous years of contributory membership in the plan.  Under Canada Revenue Agency (CRA) regulations there is a maximum pension which may be paid from a registered pension plan. In 2021, the maximum pension is reached at a salary level of $162,278. For members whose final average earnings exceed this salary level, pension in excess of the CRA limit will be paid from the Supplemental Retirement Arrangement.  Example:  Final average earnings: $82,000  Years of pensionable service to normal retirement date: 25.75  Pension payable at normal retirement date (age 65): $42,230 per year  Example:  Final average earnings: $82,000  Years of pensionable service: 15.75  Pension payable at actual retirement date (age 55): $25,830 x .40\*= $10,332 per year  \*6% reduction for each year that early retirement date precedes normal retirement date. |

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| **Normal Form of Pension** | **Member who does not have a spouse at retirement**  If you do not have a spouse at the time your pension payments begin, your pension will be paid for your lifetime with the guarantee that no less than 120 monthly pension payments will be made. If you die before 120 monthly pension payments have been made, your beneficiary will receive the balance of instalments to the expiry of the guarantee period. If you die after 120 monthly pension payments have been made, there is no death benefit payable.  **Member who has a spouse at retirement**  If you have a spouse at the time your pension payments begin, your pension will be paid for your lifetime and if you die before your spouse, your spouse will receive a lifetime pension equal to 60% of the pension you were receiving. If your spouse is more than five years younger than yourself, your monthly pension payable will be reduced by .5% for each complete year in excess of five by which your spouse is younger than yourself.  In accordance with Ontario pension legislation, a pension plan member who has a spouse must elect a joint and survivor pension with at least 60% continuance to the surviving spouse.  Alternate forms of pension are available and when you retire, you will be provided with quotes on these alternate forms. |
| **Termination of Employment** | **Under Age 55**  If you terminate employment from Trent University and are under age 55, you will be entitled to a lump sum payment equal to the greater of the value of your pension and the sum of two times your contributions plus interest for contributory service prior to July 1, 2010. In addition you will be entitled to the lump sum value of your pension earned for contributory service after July 1, 2010.  This benefit may be transferred to a locked in retirement account or to the pension plan of your new employer, if your new employer agrees to accept the transfer; or  You may leave the funds in the plan to provide you with a deferred pension payable at your normal retirement date. You may wish to start this deferred pension prior to your normal retirement date (after age 55) but it will be actuarially reduced to reflect the earlier payment date.  If your contributions with interest exceed 50% of the value of your pension, your excess contributions will be paid in cash.  **Age 55 or over**  If you terminate employment from Trent University and are over age 55 you may leave the funds in the plan to provide you with a deferred pension payable at age 65 or you may take a reduced pension payable at your chosen date of early retirement. If you elect to take an early retirement pension, your pension will be reduced in accordance with the early retirement provision\* of the plan.  \*6% reduction for each year that early retirement date precedes your normal retirement date. |
| **Long-Term Disability** | If you are receiving long-term disability benefits from the University’s insurance provider, you will continue to earn credited service while receiving long-term disability benefits. Your contributions to the plan will be made by the University. You may start your pension on your normal retirement date. |
| **Approved Leaves of Absence** | Full Time Faculty on Approved Leave with Full Salary:  You will continue to make contributions to the pension plan and you will accrue service as if you were in full time active employment.  Full Time Faculty on Approved Leave with Reduced Salary:  You will contribute to the plan based on actual earnings and the University will contribute the difference between your contributions due on your full time earnings rate and the contributions you are making based on your reduced earnings. You will accrue service as if you were in full time active employment.  Full Time Faculty on Unpaid Approved Leave:  If you are on an approved unpaid leave of up to two consecutive years, the University will make contributions to the plan on your behalf. You will accrue service as if you were in full time active employment. |
| **Death of an Active Plan Member** | If you die as an active plan member, your spouse or if you have no spouse, your beneficiary of record will receive the value of your deferred pension calculated as if your continuous service terminated immediately prior to your death and including any past service benefits.  In addition, if your contributions with interest exceed 50% of the value of your pension, your excess contributions will be paid in cash.  **After Reaching Age 65**  If you die while in active employment after reaching age 65, you will be deemed to have retired immediately prior to your date of death. The death benefit will be based on the normal form of pension payable from the plan:   * If you have a spouse: The spouse will receive 60% of the your pension for the spouse’s remaining lifetime * If you do not have a spouse: The beneficiary will receive a lump sum payment equal to 120 monthly pension instalments of your pension. |
| **Death of a Pensioner** | The death benefits will be determined based on the form of pension elected at date of retirement |