



It Pays to Belong

An overview of your pension plan

Want to know more about the Municipal Employees' Pension Plan (MEPP)? This overview is a terrific place to start.

Contributing to your MEPP account

Contributions to MEPP come off of each paycheque, so saving for retirement is easy. Your employer contributes an equal amount everytime you get paid.

Being a MEPP member means your taxable income on each paycheque drops immediately by the amount you contribute to the Plan. This is different from RRSPs, in which your taxable income is not reduced until tax time.

Current contribution rates for both General and Designated Members are available at mepp.plannera.ca under *Understand Your Pension*, then *Welcome to MEPP*.

A pension for life

When you retire and become a pensioner, you will receive a monthly pension payment from MEPP. You cannot outlive your pension. Should you retire before age 65, MEPP provides a bridge benefit, an extra payment you receive only until you are 65.

Your Benefits with MEPP

Canadians have three basic sources of retirement income: Employment pensions, government programs and personal savings. Less than half of Canadians are members of an employer-sponsored pension plan. By joining MEPP, you earn a pension on top of the government sources (Canada Pension Plan and Old Age Security) and personal savings like Registered Retirement Savings Plans (RRSPs) and Tax-Free Savings Accounts (TFSAs).

First Two Years

If you terminate within the first two years of your employment with a MEPP employer, you are entitled to your contributions, and any accumulated interest.

After Two Years

Once you have been employed with a MEPP employer for more than two years, you are entitled to receive a pension from the Plan, and your funds must be used to provide you with retirement income. If you terminate, MEPP will send you a letter explaining what options are available.

Additional Benefits

MEPP offers benefits for terminal illness and disability. If you pass away before retirement, your beneficiary will receive a death benefit.

Pension Calculation

Lets say you are a general member with a Highest Average Salary* (HAS) of \$3,500 a month (\$42,000 a year) with 20 years of services at age 60.

Pension:

The formula for the pension is $1.5\% \times \text{HAS} \times \text{Years of Service}$, so you would receive:

$0.015 \times 42,000 \times 20 = \$12,600$ a year or \$1,050 a month for your lifetime.

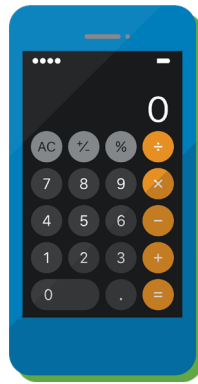
PLUS

Bridge:

The formulas for the bridge benefit is $0.5\% \times \text{HAS} \times \text{Years of Service}$, so you would receive:

$0.005 \times 42,000 \times 20 = \$4,200$ extra a year or \$350 a month until age 65.

*Your HAS is the average of your highest three years of pensionable salary.



Find what you need

All MEPP members now have access to our Member Portal. Use the portal to:

- View your previous member statements.
- Update your address and beneficiary information.
- Access MEPP's Retirement Planner.

Visit mepp.plannera.ca for more Plan information and to access MEPP's member tools and resources.

Want to know more?



MEPP's **Retirement Information Consultants** (RICs) can discuss those financial questions that keep you up at night. They are **CERTIFIED FINANCIAL PLANNER®** or **QUALIFIED ASSOCIATE FINANCIAL PLANNER™** professionals who are here to help you. They'll meet with you in person, by phone, or online.

To book an appointment, contact our consultants at: **1-877-506-6377**, or contact MEPP at: mepp@plannera.ca.



MEPP offers a series of workshops to support your financial wellness.

- LEARN about your pension plan (early career)
- BUILD your retirement plan (mid-career)
- PREPARE to retire (late career)

Learn more by visiting mepp.plannera.ca/learning-events/webinars or reach out to the RICS by calling **1-833-787-3170** or by email: ric@plannera.ca.