

THE UNIVERSITY OF WINNIPEG

# RETIREMENT GUIDE



**9. WHEN CAN I EXPECT MY FIRST PENSION PAYMENT?**

History of general cost of living adjustments over the last several years:

July 1, 2022	No increase
July 1, 2021	No increase
July 1, 2020	0.89%
July 1, 2019	No increase
July 1, 2018	1.87%
July 1, 2017	1.5%
July 1, 2016	1.61%
July 1, 2015	1.2%
July 1, 2014	1.24%
July 1, 2013	0.83%
July 1, 2009-12	No increase
July 1, 2008	2.38%
July 1, 2007	1.65%
July 1, 2006	0.53%
July 1, 2005	1.1%
July 1, 2004	2.01%
July 1, 2002-03	No increase
July 1, 2001	3.22%
July 1, 2000	2.59%

## **12. CAN I TRANSFER MY FULL PENSION ENTITLEMENT FROM THE PLAN?**

Under the current terms of the University of Winnipeg Trusteed Pension Plan and Manitoba Pension legislation, you may transfer the Commuted Value of your pension entitlement from the Pension Plan to a LIRA (Locked In Retirement Account), or a LIF (Life Income Fund). The transfer would occur at retirement, as long as it takes place prior to the end of the calendar year in which you attain age 71.

There is an important factor that you should be aware of in relation to the Commuted Value transfer.

The Canadian Institute of Actuaries (CIA) prescribes the guidelines for the calculation of commuted values. The prescribed calculation method is based on a two-step variable interest rate that changes monthly, and also takes into account mortality factors.

A Commuted Value that is projected to a future retirement date is only an estimate, and depending on the interest factors in effect at time of retirement, the actual Commuted Value could be higher or lower than the projected amount. If at the time of retirement interest rates are higher than the rates that were used to calculate the projection, the Commuted Value could be SUBSTANTIALLY lower than the projected amount.

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### **13. WHEN SHOULD I APPLY FOR MY GOVERNMENT BENEFITS?**

You should apply for your Canada Pension Plan retirement benefits six months in advance of the date on which you wish the payments to commence. To qualify for the commencement of CPP retirement benefits you must be at least age 60. If you are under age 65 at the time your CPP payments commence your CPP pension will be reduced, and if you are over age 65 at the time your CPP payments commence your CPP pension will be increased. To apply for your CPP pension, or to get more information on the CPP, call Service Canada at 1-800-277-9914 or go to:  
<http://www.servicecanada.gc.ca/en/sc/cpp/retirement/canadapension.shtml>.

If you are age 65 or over at the time of CPP application, you may apply for Old Age Security benefits at the same time. Your OAS benefits will NET income is in excess of a specified amount (claw back starts at \$77,580, with full claw back at \$125,696 in 2019).

### **14. I AM TAKING EARLY RETIREMENT. SHOULD I APPLY FOR MY CPP BENEFITS NOW OR SHOULD I WAIT UNTIL I REACH AGE 65?**

Collecting CPP benefits upon early retirement versus delaying receipt of these benefits until a later date is a personal decision, and if you cannot decide which option is in your best interest, you should consult with a professional financial planner. In making your decision, you may wish to consider the value of the CPP pension payments you will be foregoing due to the delayed payment date versus the increased payments you will receive from a later date.

### **15. SHOULD I APPLY FOR MY CPP BENEFITS EVEN THOUGH I DO NOT PLAN TO RETIRE?**

within 31 days of the termination of your group coverage (subject to conversion minimum and maximum). The plans available under the conversion provisions are:

1. One Year Term policy that can be exchanged prior to its expiry date for a life insurance poli