



# **Community Agencies Retirement Plan**

**Plan Member Booklet**

*Revised June 2026*

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# ***Introduction***

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## **PURPOSE**

This booklet is a summary of the provisions of the Community Agencies Retirement Plan (Plan) which was established effective February 1, 1971. This booklet reflects the legislative changes to the Manitoba Pension Benefits Act and Regulation in effect on and after May 31, 2010, and provides a basic description of pension benefits to which you or your beneficiary may be entitled. This booklet covers questions most commonly asked. The descriptions in this booklet do not create or confer any contractual or other rights. All rights and benefits are determined in accordance with the Plan Text. In the event of any discrepancy between the descriptions in this booklet and the provisions of the Plan Text, the latter will apply.

Please review your booklet and keep it in a safe place for future reference.

The Plan is sponsored by your Agency.

If you have any questions about the Plan or about your Plan benefit, please contact the Pension Plan Consultant at:

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## **LEGISLATION**

This Plan and all other pension plans registered in Manitoba must abide by the legislation and regulations of the Manitoba Pension Benefits Act. The Act requires all registered plans to include certain provisions, such as vesting, locking-in, and relationship (marriage or common-law) breakdown.

The Plan is registered with the Canada Revenue Agency (CRA) for tax purposes. The Plan is also registered with the Office of the Superintendent – Pension Commission (OSPC). The OSPC ensures that legislated benefit provisions, funding and financial requirements are met by the Plan.

The Canada Revenue Agency and Office of the Superintendent - Pension Commission registration number is 0261123.

## **BOARD OF TRUSTEES**

The Board of Trustees is responsible for the administration of the Plan including the investment of the pension funds. There are eleven Trustees, determined as follows:

- One Trustee elected by the active members (the “Active Member Trustee”);
- Two Trustees elected by the active members and the employee members of the Group Benefits Plan (“Benefits Trustees”)
- three Trustees are elected by the Participating Employers;
- one Trustee is elected by the non-active members;
- three Trustees are appointed by the current Trustees; and
- one Trustee is the President of United Way of Winnipeg, or an individual appointed by the President of United Way of Winnipeg.

The Trustees make decisions on all matters relating to administration, investment, application or interpretation of the Plan. All decisions must be consistent with the Plan Text.

## **ACTUARY**

An actuary has been appointed to prepare an actuarial valuation of the Plan.

## **TYPE OF PLAN**

The Plan is a defined benefit plan. Your monthly pension is calculated from a formula using your gross basic earnings and years of credited service. See “Annual Pension Formula” section for more information.

## **MEANING OF WORDS**

### ***Service:***

Service is the period of continuous employment as an employee with any participating employer(s) and includes:

- your vacation,
- your leaves of absence,
- your pre-retirement leave, only if it is paid to you as a continuation of salary,
- any period of continuous employment with a reciprocating employer,
- any special payment in lieu of notice on termination of employment,
- any period of time you receive a disability benefit from the Plan.

### ***Credited Service:***

Credited Service is the period of time you contribute to the Plan, plus any deemed Credited Service for the period you are disabled.

***Gross Basic Earnings:***

Gross basic earnings include your:

- basic salary,
- vacation pay (excluding lump-sum payouts),
- sick pay, and
- paid leaves of absence.

***Vesting:***

Being a vested member means you are entitled to a monthly pension benefit at age 65. Early retirement provisions are also available. You become a vested member immediately on enrolment into the Plan.

***Locking-In:***

Locking-in means you cannot withdraw your pension benefit as a cash refund, but must instead be used to provide a pension at retirement. See “Termination” and “Retirement” sections for more information.

***Commuted Value:***

The commuted value of your monthly pension is its lump-sum value today.

***Excess Contributions:***

You and your employer must each pay for 50% of the commuted value of your pension. Any of your contributions that are more than 50% of the commuted value of your pension are called “excess contributions”.

***YMPE:***

YMPE means in respect of any Plan Year, the “Year’s Maximum Pensionable Earnings” as defined under the Canada Pension Plan. YMPE changes every year and is set by the Canada Pension Plan.

# Membership

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## ***When is my membership a condition of employment?***

Your membership is a condition of employment if you are a:

- full-time or part-time employee (permanent, temporary or term) after 6 months of service, or
- casual employee on the January 1<sup>st</sup> following the 2 consecutive calendar years in which you earn more than 25% of the Yearly Maximum Pension Earnings (YMPE) specified by the Canada Pension Plan.

You must complete, sign, and return the enrolment form provided to you by your employer.

## ***When may I become a member?***

You must join the Plan after you have completed six months of employment according to the condition of employment above. The six-month waiting period may be waived if mutually agreeable to the agency and employee.

## ***Am I eligible to become a member if I am hired by a participating employer after age 65?***

Yes. The maximum age to join the Plan is age 71; however, participation is optional after age 65.

## ***Do I receive a statement of my pension benefit?***

Yes. You will receive a Pension Plan Annual Statement. Please read the statement carefully and keep for your records. At retirement, termination of employment, or pre-retirement death you or your beneficiary (as applicable) will receive a detailed statement of your accrued benefit and available payment options.

## ***Can I look at the official Plan documents?***

You and your spouse or common-law partner have the right, once a year, to examine various Plan documents as prescribed by the Manitoba Pension Benefits Act and Regulations. Such a request must be made in writing to the Board of Trustees.

# ***Transfers and Reinstatements***

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***I was a member while I worked for another participating agency. May I transfer my membership to my new agency?***

Yes. You must inform your new employer that you wish to reinstate your membership and complete an application for membership. If it is agreeable to your employer the six-month waiting period can be waived.

If you deferred your pension benefit you will be treated as having been on a leave of absence for purposes of the Plan for the period of time while not employed by an employer if you have:

- left all required contributions in the pension fund in respect of service prior to the most recent hire date; and
- rejoined the Plan immediately upon being eligible; and
- the period is less than two years.

***What if I started to receive my pension from the Plan and become employed by a participating agency?***

If you are receiving a pension from the Plan you have the following choices:

- to make a one-time election to forego re-joining the Plan and instead continue to receive your pension, or
- to suspend payment of your pension and start to contribute and accrue benefits from the Plan.

# Contributions

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## ***How much do I contribute?***

You contribute a percentage of your gross basic earnings as follows:

- 7.00% of your earnings

Contributions are deducted from your earnings each pay day. They are deductible each year for income tax purposes.

The Board of Trustees may amend the contribution rates as required to sustain the financial health of the Plan.

## ***Does my employer contribute?***

Yes. The Plan is funded by employee and agency matching contributions. The contributions are based on each employee's salary. At least every three years an actuarial valuation is performed to determine if the contributions are adequate to finance the benefits accruing under the Plan and finance the amortization of any unfunded liabilities.

Each agency is responsible for funding a proportionate share of any required special payments to fund any deficit revealed on a going concern or solvency basis under the Plan over a period typically legislated to be five years.

## ***Does the Plan pay interest on my contributions?***

Interest is credited to your contributions each month. The annual rate of interest is the average over the calendar year allowed by the major chartered banks on five-year personal fixed term deposits.

The interest credited to your contributions is NOT used to determine the amount of monthly pension you earn. It is only used to calculate the amount paid by the Plan if you or your beneficiary is eligible to receive a refund.

## ***Do I continue to make contributions when I go on an approved leave of absence?***

- if you go on a paid leave, your contributions will continue to be deducted,
- if you go on an unpaid leave, you do not make contributions. Upon agreement between the Agency and the Member, contributions may continue at the rate prior to the unpaid leave.

# ***Annual Pension Formula***

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## ***How is my annual pension benefit calculated?***

Your annual pension benefit is calculated using the following formula:

- 50% of the Employee Required Contributions made to the Plan from January 1, 2002 to December 31, 2002 (Base year) times the number of years of credited service prior to January 1, 1992

**PLUS**

- 40% of the Employee Required Contributions made to the Plan from January 1, 2002 to December 31, 2002 (Base year) times the number of years of credited service from January 1, 1992 to December 31, 2002

**PLUS**

- For each year of credited service after 2002, 1.4% of your gross basic earnings up to the YMPE in each year and 2% of gross basic earnings over the YMPE in each year, from January 1, 2002 to December 31, 2024

**PLUS**

- For each year of credited service after 2024, 1.8% of your gross basic earnings.

# ***Termination of Employment***

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## ***What happens to my pension benefit when I leave my job?***

You may be entitled to one or a combination of the following options, depending on your age and years of service. When you quit your job, you will receive a Termination Package including a detailed explanation and amounts for each option. The options that may be available to you are:

- Receive an immediate pension if you are age 55 or older. The amount of your pension will depend on your age at the date of pension commencement.
- Receive a deferred pension benefit which may commence any time after you attain age 55. The amount of your pension will depend on your age at the date of pension commencement.
- Transfer your membership to another participating agency that you are currently employed with.
- Transfer to a Locked-In Retirement Account (LIRA) the locked-in commuted value of your monthly pension. Effective January 1, 2020, no lump sum transfer to a LIRA will be made available to members age 55 or older.
- Transfer to another Registered Pension Plan (RPP), provided that the administrator of that pension plan agrees in writing to accept the transfer.

If your contributions are greater than 50% of the commuted value, you are also entitled to the excess contributions plus interest. If applicable, you may:

- Receive a cash refund
- Transfer to a Registered Retirement Savings Plan (RRSP)
- Transfer to another Registered Pension Plan (RPP), provided that the administrator of that pension plan agrees in writing to accept the transfer.
- Leave the funds in the Plan to purchase additional pension when you retire.

# ***Relationship Breakdown***

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## ***What happens if my marriage/common-law relationship breaks down?***

The Manitoba Pension Benefits Act states that the pension benefit earned during the period of your marriage/common-law relationship must be divided between you and your spouse/common-law partner, if there is:

- a court order under The Family Property Act requiring the division of marital property, or
- a written agreement between you and your spouse/common-law partner about the division of family assets, or
- a court order from another Canadian jurisdiction requiring the division of the pension benefits, or
- your common-law partner receives an Order of Queen's Bench requiring the division of the pension benefits.

## ***Who does this apply to?***

This applies to every person who is a member of a pension plan registered in Manitoba and who begins living separate and apart from his or her spouse/common-law partner on or after January 1, 1984.

## ***Is there any way to avoid the mandatory division of pension when a marriage/common-law relationship breaks down?***

You and your former spouse/common-law partner may agree to waive a division of benefits, but both of you must:

1. receive a statement from the pension plan consultant providing the information required under the Manitoba Pension Benefits Act such as the amount of entitlement and payment options, **and**
2. receive independent legal advice, **and**
3. sign a written agreement that waives the right of the spouse to the pension.

# Disability

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## ***What benefit is provided when I become disabled?***

If you become disabled while you are a member of the Plan and you are receiving benefits from your Agency's Long-Term Disability Plan, Manitoba Public Insurance, or Workers' Compensation, you will not be required to contribute to the Pension Plan, but you will continue to accumulate pension credits based on your salary before the Long-Term Disability benefits began. The amount of pension will be calculated as though you had been continuously employed until the date your Long-Term Disability, Manitoba Public Insurance, or Worker's Compensation benefits cease.

# ***Death Before Retirement***

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## ***What happens to my pension benefit if I die?***

Your spouse/common-law partner will receive an immediate or deferred monthly pension or your spouse/common-law partner may choose to transfer the value of the monthly pension to a Locked-In Retirement Account (LIRA). Your spouse/common-law partner is also entitled to receive your excess contributions, if any, in cash, transfer them to a Registered Retirement Savings Plan (RRSP) or receive an actuarial equivalent pension from the Plan. If you do not have a spouse/common-law partner, the death benefit is payable in a lump sum to your beneficiary. If there is no beneficiary, the death benefit will be paid to your Estate.

## ***Who can I designate as my beneficiary?***

If you have a spouse/common-law partner at the time of your death, your spouse/common-law partner must receive the benefit unless he/she has completed a prescribed form to waive the survivor or death benefit.

If you do not have a spouse/common-law partner, or if your spouse/common-law partner has completed the prescribed waiver form, you may designate a beneficiary of your choice to receive the death benefit.

# Retirement

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## ***When may I receive my monthly pension?***

If you are retiring directly from active service, and are age 65 or older you will receive an immediate pension. If you are age 55 or older you may start your pension at any time by giving written notice but in any case your pension must start no later than age 71.

## ***Will my monthly pension be reduced if I retire early?***

Your monthly pension will be reduced by  $\frac{1}{2}$  of 1% for each month you retire before age 65.

## ***What forms of monthly pension are available when I retire?***

The normal form of pension guarantees payments for your lifetime with a minimum period of not less than 60 months. That is, if you should die before you have received 60 monthly payments, your Beneficiary is entitled to receive the remainder of the 60 payments.

If you have a spouse/common-law partner when you retire, Manitoba legislation requires that your pension be paid in a form that guarantees the continuation of at least 60% of your pension to your spouse/common-law partner in the event that you die; unless your spouse/common-law partner signs a waiver of this right in the prescribed manner.

If you have no spouse/common-law partner or if your spouse/common-law partner signs the prescribed waiver of their right to the required form of pension, you may have your pension paid in one of a number of optional forms.

All forms of pension are payable for your lifetime; the larger the death benefit provided to your beneficiary, the smaller the amount of the monthly pension paid to you.

The forms of pension available are:

**1. Life Only Pension**

This monthly pension would be payable for your lifetime only and would cease on your death.

**2. Life Pension With a Five, Ten or Fifteen Year Guarantee**

This monthly pension would be payable for your life, with a guarantee that at least 60, 120 or 180 monthly payments would be paid.

**3. Joint and Survivor Pension, Reducing to 50% or 66 2/3% on Your Death**

If you have a spouse/common-law partner when you retire, you may choose a Joint and Survivor pension that will continue in a reduced amount to your spouse/common-law partner upon your death.

**4. Joint and Survivor Pension, Continuing in Full on Your Death**

If you have a spouse/common-law partner when you retire, you may choose a Joint and Survivor pension that will continue in full to your spouse/common-law partner upon your death.

***Must I apply to receive my monthly pension?***

You must make a written application to receive benefits from the Plan (unless you are age 65 or older and retiring from active service). If you are retiring from active service your agency will notify our office of your retirement on the standard termination form. Once we have been advised of your retirement, you will be sent a Retirement package including a detailed explanation and amounts of each form of monthly pension you may choose from. You must provide proof of your date of birth and, if applicable, proof of your spouse/common-law partner's date of birth before benefits will be paid.

***When will I receive my first monthly payment?***

Your monthly pension cannot be calculated until you have received all gross basic earnings owed to you by your employer and all required contributions have been remitted. You will receive your first monthly pension payment on the last day of the month following the month in which your employment ceased. There may be some circumstances where an extension may apply.

***Does the Plan grant cost-of-living adjustments?***

Future cost-of-living adjustments are not guaranteed and are dependent on possible future favourable investment and demographic experience. Any cost-of-living increases would only occur after an actuarial valuation indicates there are sufficient funds to provide an increase.

# ***Working after Age 65***

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## ***What happens if I continue to work after age 65?***

If you continue to work after age 65, you must choose to either:

1. stop contributing to the Plan and begin receiving your monthly pension, or
2. continue contributing and delay receiving your monthly pension.

You must notify our office in writing when you wish to stop contributing after you reach age 65. You will receive your first monthly pension payment on the last day of the month following the month in which you make your last contribution.