One of the new contract benefits for some AXIS employees will be the **Municipal Pension Plan**. Although your take home pay will be impacted by this pension payroll deduction, you will be contributing to a **pay cheque for life**. Please see below for information taken from the website mpp.pensionsbc.ca

How do I become a member?

Enrolment is mandatory for full-time, permanent staff after their probationary period (unless waived to an earlier date by the employer) and for full-time staff employed on a continuous basis for one year.

What if I am working part-time?

Part-time employees have the option to enrol if they complete two years of continuous employment and, in each of two consecutive calendar years, earn at least 35 per cent of the year's maximum pensionable earnings (YMPE), including overtime and other payments, exactly as for the calculation of contributions to the Canada Pension Plan.

What is the Municipal Pension Plan?

The Municipal Pension Plan is a defined benefit plan, where your pension is based on your age, your years of pensionable service and the average of your highest five years of salary (not necessarily your last five years). It is not based on your contributions to the Plan or on the investment performance of the Plan's assets. The advantage of this kind of pension plan is that your pension is paid for your lifetime, and may continue for the lifetime of your spouse or eligible dependant (depending on the option you choose at retirement).

How much does it cost me? How much does it cost my employer?

As a member of the Municipal Pension Plan, you contribute both to this plan and to the Canada Pension Plan through automatic deductions from your salary. How much these contributions are depends on the YMPE. Employee contribution rates (other than group 5 members) are currently set at:

- *8.50% of your salary up to and including the YMPE, and*
- *10.00% of your salary above the YMPE.*

Your employer also contributes to the Municipal Pension Plan on your behalf. Employers contribute at a rate based on the number of employees, their salaries, ages and occupations. The rate is updated annually.

Benefits

What does a pension plan give me?

If you become "vested," the Plan will give you a lifetime pension, starting when you retire. After your death, depending on what kind of pension option you choose at retirement, the Plan may continue to pay pension benefits to your spouse (if you have one) for his or her lifetime, or to another beneficiary for a set period, or it may pay a lump-sum payment to your estate.

When do I become eligible to receive a pension?

You are "vested" in the Municipal Pension Plan (which means you are entitled to a pension commencing at earliest retirement age 55 [50] or later) after you have accumulated two years of contributory service with some or all of that service after December 1997. You are also vested if you accumulate any contributory service after age 60 (55).

When can I retire?

Earliest retirement age for most Municipal Pension Plan employees is 55. However, for police officers and firefighters the earliest retirement age is 50. Thus, earliest retirement age is expressed throughout your Guide for Plan Members as 55 (50).

What will I get when I retire?

If you become "vested," the plan will give you a lifetime pension, starting when you retire. After your death, depending on what kind of pension option you choose at retirement, the plan may continue to pay pension benefits to your spouse (if you have one) for his or her lifetime, or to another beneficiary for a set period, or it may pay a lump sum payment to your estate.

The Municipal Pension Plan offers information seminars so please email MPPseminars@pensionbc.ca or phone 1877-558-5573 if interested.