UNIVERSITY OF OTTAWA PENSION PLAN

Planning your retirement

Neil Courtemanche | Associate Director, Pension Plans and Benefits
Judy Prud’homme | Senior Specialist, Pensions
Patrick Taylor | Intermediate Specialist, Benefits
May 17-18, 2023

Last update: April 28, 2023
# Planning your retirement

**Day 1: May 17**

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
</table>
| 8:50 to 9:00 | **WELCOME**  
Human Resources                                                                                  |
| 9:00 to 10:30 | **University of Ottawa Pension Plan**  
Neil Courtemanche,  
Associate Director, Pension Plans & Benefits  
Judy Prud’homme,  
Senior Specialist  
Human Resources |
| 10:30 to 11:00 | **Group Insurance Plan and Retirees Benefits**  
Patrick Taylor,  
Intermediate Specialist, Benefits  
Human Resources |
| 11:00 to 11:15 | **BREAK** |
| 11:15 to 11:30 | **Administrative Staff Retirees Association (ASRA)**  
Lucie Mercier-Gauthier, Advisor, Benefits & Pension |
| 11:30 to 11:45 | **Association of Professors Retired from the University of Ottawa (APRUO)**  
Frans de Bruyn, Former President APRUO |
| 12:00 to 1:00 | **LUNCH** |
| 1:00 to 4:00 | **Wills and Estates**  
Claude Filion, Lawyer  
The Retirement Planning Institute |
| 4:00 to 4:30 | **Optional session - Supplemental Pension Plan + Finances**  
Louise Pelletier, CEBS  
Manager, Pension Plans  
Human Resources |

**Day 2: May 18**

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
</table>
| 8:50 to 9:00 | **WELCOME**  
Human Resources |
| 9:00 to 12:00 | **Financial Planning**  
Robert Thériou, PFA  
Roche Banyan, The Retirement Planning Institute  
15 min Break |
| 12:00 to 1:00 | **LUNCH** |
| 1:00 to 4:00 | **Retirement: A Transition in Your Life Journey**  
Suzanne Nault, MPs The retirement Planning Institute  
15 min Break |
| 4:00 | **CONCLUSION** |
Planning your retirement – Agenda

Section 1 – Pension plan
Section 2 – Retirement allowance
Section 3 – Group benefits
Section 4 – Tools
Section 1 – Pension plan

- Retirement income
- Defined benefit pension plan
- Required contributions (employee/employer)
- Date of retirement
- Working past the normal retirement date
- Benefit formula
- Examples
- Pension indexation
- Survivor benefit options
- Pension Plan beneficiaries
RETIREMENT INCOME

- **University of Ottawa Pension Plan (RPP)**
- Canada/Quebec Pension Plan (CPP/QPP)
- Old Age Security (OAS)
- Other employer pension plan (RPP)*
- Registered Retirement Savings Plan (RRSP)
- Retirement allowance
- Personal savings

* = Registered Pension Plan

- Tax-free savings accounts (TFSA)
- Investment income
- Personal assets
- Employment/business Income
- Other plans
- Spousal incomes
DEFINED BENEFIT PENSION PLAN

The University of Ottawa Pension Plan is a defined benefit plan.

At the time of your retirement, you will receive a pension based on a formula that takes into account the average of your best 60 months of earnings, the number of years of credited service you have in the plan and a reduction factor (if applicable).
REQUIRED CONTRIBUTIONS (EMPLOYEE/EMPLOYER)

A. Required contributions – 2023

− Up to the integration level
  Employee: 7.15%
  University: 7.85%

− Above the integration level
  Employee: 10.95%
  University: 12.00%

Integration level: The University pension plan provides for a pension that differs for the portion of earnings below and above a certain threshold, referred to as the integration level. This threshold of earnings is based on the year’s maximum pensionable earnings (YMPE) covered for purposes of determining the pension payable from the Canada Pension Plan (CPP) and differs for service before and service after January 1, 2004.

Pre-2004 service: Set at $31,790

Post-2003 service: The integration level of $31,790 is indexed annually at a rate of 55% of the increase in the YMPE. Effective January 1, 2023, the integration level for post-2003 service is set at $43,490. This integration level is adjusted on an annual basis.

Year’s maximum pensionable earnings (YMPE): Amount set by the government each year and is used for contributions to (as well as benefits from) the CPP. In 2023, the YMPE is $66,600. Annual changes to the YMPE are based on increases in average Canadian industrial wages.

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DATE OF RETIREMENT

Normal retirement date (NRD)

**Administrative and support staff**: First day of the month following the date you turn 65.

**Academic staff**: July 1 coincident with or following the date you turn 65.

However, you can retire earlier. In such a case:

| Factor 90 applies | 55 years | 60 years Unreduced | 65 years Normal |

<table>
<thead>
<tr>
<th><strong>If you retire...</strong></th>
<th><strong>You are entitled to...</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>At age 60 or later or when the total of your age and years of credited service is equal to or greater than 90 before age 60 (factor of 90).</td>
<td>An <strong>unreduced</strong> early retirement pension based on your credited service and your average salary at retirement.</td>
</tr>
<tr>
<td>After age 55, but prior to the earlier of age 60 or the factor of 90.</td>
<td>A <strong>reduced</strong> early retirement pension. Reduction based on the time between your retirement date and the date on which you turn 60 or the date on which you reach the factor 90; the earlier of these two dates is used.</td>
</tr>
</tbody>
</table>
WORKING PAST THE NRD

- Your membership in the pension plans continues and you accrue benefits past your NRD (age 65).
- You continue to contribute to the pension plan up to November 30 of the calendar year in which you reach the age of 71. Your pension benefit is payable effective December of that same calendar year.
- Prior to age 71, you must retire to commence your pension.
- There is no maximum pensionable service in the pension plan.
PENSION BENEFIT FORMULA

1 – Credited service to December 31, 2003 (pre-2004)

i) $31,790 x 1.3% x credited service = a

ii) (Average salary – $31,790) x 2% x credited service = b

Total annual pension pre-2004 (a + b) = c


i) $43,490 x 1.3% x credited service = a

ii) (Average salary – $43,490) x 2% x credited service = b

Total annual pension post-2003 (a + b) = d

Total annual uOttawa pension (c + d)

Minimum pension test: Members of the University pension plan are entitled to a minimum pension equal to 1.5% for each year of credited service (average salary X 1.5% X credited service).

CRA maximum benefit: Effective January 1, 2023, the maximum pension benefit under a registered defined benefit plan is $3,506.67 per year of pensionable service.

Average salary: 60 best months up to the maximum salary of $190,555.00 prescribed by the CRA, as at January 1, 2023. Average salary for pension purposes is based on your regular salary, and does not include special income such as overtime, premium pay, and bonus pay or second-salary sources.

Credited service: Service credited in the pension plan.

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PENSION CALCULATION Example 1 – Average salary = $100,000
(Service to December 31, 2022)

<table>
<thead>
<tr>
<th>AGE</th>
<th>60 years</th>
<th>AVERAGE SALARY</th>
<th>$100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>SERVICE</td>
<td>25 years</td>
<td>INTEGRATION LEVEL</td>
<td>$31,790 / $43,490</td>
</tr>
</tbody>
</table>

1) PRE-2004 SERVICE
i) $31,790 x 1.3% x 6 = $2,479.62
ii) $68,210 x 2% x 6 = + $8,185.20 $10,664.82

2) POST-2003 SERVICE
i) $43,490 x 1.3% x 19 = $10,742.03
ii) $56,510 x 2% x 19 = + $21,473.80 +$32,215.83

Total uOttawa pension 1 + 2 $42,880.65

MINIMUM PENSION TEST ($100,000 x 1.5% x 25) = $37,500.00

3) Estimated CPP/QPP pension*
   Maximum reduced ($15,678.84 – 36%) pension = + $10,034.46

   Total uOttawa + CPP/QPP = $52,915.11

*CPP/QPP amounts are approximations. Actual amounts are based on individual participation in the plans and will be determined by Service Canada. CPP is payable on or after age 60.

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PENSION CALCULATION Example 2 – Age + Service = 90
(Service to December 31, 2023)

<table>
<thead>
<tr>
<th>AGE:</th>
<th>55 years</th>
<th>AVERAGE SALARY:</th>
<th>$100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>SERVICE:</td>
<td>35 years</td>
<td>INTEGRATION LEVEL:</td>
<td>$31,790 / $43,490</td>
</tr>
</tbody>
</table>

1) PRE-2004 SERVICE
i) $31,790 x 1.3% x 16 = $6,612.32
ii) $68,210 x 2% x 16 = + $21,827.20 $28,439.52

2) POST-2003 SERVICE
i) $43,490 x 1.3% x 19 = $10,742.03
ii) $56,510 x 2% x 19 = + $21,473.80 +$32,215.83

Total uOttawa pension 1 + 2 $60,655.35

MINIMUM PENSION TEST ($100,000 x 1.5% x 35) = $52,500.00

3) Estimated CPP/QPP pension*

Total uOttawa + CPP/QPP = + $0.00 $60,655.35

*CPP/QPP amounts are approximations. Actual amounts are based on individual participation in the plans and will be determined by Service Canada. CPP is payable on or after age 60.
PENSION CALCULATION Example 3 – Reduced pension (Service to December 31, 2022)

<table>
<thead>
<tr>
<th>AGE</th>
<th>57 years</th>
<th>AVERAGE SALARY</th>
<th>$100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>SERVICE</td>
<td>17 years</td>
<td>INTEGRATION LEVEL</td>
<td>$43,490</td>
</tr>
</tbody>
</table>

POST-2003 SERVICE

i) $43,490 x 1.3% x 17 = $9,611.29

ii) $56,510 x 2% x 17 = + $19,213.40 $28,824.69

Minimum Pension Test*

$100,000 * 1.5%* 17 $25,500

Actuarial Reduction 0.8562

Annual Pension ($28,824.69 * 0.8562) = $24,679.69

Estimated CPP/QPP $0

Total uOttawa + CPP/QPP $24,679.69

*As Minimum Pension Test is lower than pension calculation before reduction, the reduction is applied to the calculated pension using the standard formula
PENSION INDEXATION

A) Three-step indexation formula based on inflation from previous year
   Consumer Price Index (CPI) – October 1 to September 30

   1. If inflation is less than 2%, full indexation

   2. If inflation is between 2% and 3%, automatic indexation of 2%

   3. If inflation is greater than 3%, inflation minus 1% (maximum 8%)

B) Supplementary indexation
   – Percentage not granted in items 2 and 3 above. Subject to surplus and investment gain tests, the percentage not granted in items 2 and 3 above may be granted (current year only).
SURVIVOR PENSION BENEFITS

• Upon retiring, you will have the option to choose the type of benefit payable to your surviving spouse or to your beneficiary/Estate. This benefit is comprised of two components:

Guarantee Period
• All plan members choose a guarantee period at retirement.
• The guarantee period is a number of years after the date of retirement, for which your pension must be paid 100%. This benefit is payable to a spouse or if there is no surviving spouse, any named beneficiary, or your estate.

Survivor Percentage
• Plan members who have a spouse at retirement can opt for their spouse to receive either 60% or 100% of their monthly pension after their death.
• This benefit is only payable to the spouse declared at the time of retirement.
• The survivor’s pension ends at the time of the spouse’s death.
SURVIVOR PENSION BENEFIT TO THE SPOUSE AND GUARANTEE PERIODS

Normal form
• Five-year guarantee / 60% survivor benefit to the spouse. *The guarantee period begins the month of retirement.*

Your death occurs *during the guarantee period:*
• If your spouse survives you, they receive your full monthly pension until the end of the five-year guarantee period and then the pension reduces to 60% for their lifetime.
• If there is no surviving spouse, a taxable lump sum representing the value of the remaining guaranteed monthly payments is paid to your beneficiary or to your estate.

Your death occurs *after the guarantee period:*
• If your spouse survives you, they receive 60% of your monthly pension for their lifetime.
• If there is no surviving spouse, the pension payments cease; no death benefit is paid to your beneficiary or estate because the guarantee period has expired.
SURVIVOR PENSION BENEFIT TO THE SPOUSE AND GUARANTEE PERIODS (cont.)

Optional forms of pension
• 10 or 15 year guarantee / 60% survivor benefit
• 0, 5, 10 or 15 year guarantee / 100% survivor benefit

Two fundamental differences in the forms:
• How much you receive for your lifetime
• How much your eligible spouse or beneficiary receives in the event of your death

Your lifetime pension payable under the normal form of pension will be adjusted on an actuarially equivalent basis to reflect the guarantee period and survivor benefit chosen.

Note: The choice of guarantee period and survivor benefit is made at the time of retirement.
# Example – Optional Forms of Pension

Your retirement benefit options are: (choose only one)

<table>
<thead>
<tr>
<th>Option</th>
<th>Monthly Amount Payable</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>To Pensioner</td>
</tr>
<tr>
<td>A. Joint &amp; Survivor 60% and 5 yrs Guarantee</td>
<td>$3,350.42</td>
</tr>
<tr>
<td>payable from January 1, 2023 to December 1, 2027</td>
<td>$3,350.42</td>
</tr>
<tr>
<td>payable from January 1, 2028</td>
<td>$3,350.42</td>
</tr>
<tr>
<td>B. Joint &amp; Survivor 60% and 10 yr guarantee</td>
<td>$3,334.52</td>
</tr>
<tr>
<td>payable from January 1, 2023 to December 1, 2032</td>
<td>$3,334.52</td>
</tr>
<tr>
<td>payable from January 1, 2033</td>
<td>$3,334.52</td>
</tr>
<tr>
<td>C. Joint &amp; Survivor 60% and 15 yr guarantee</td>
<td>$3,301.01</td>
</tr>
<tr>
<td>payable from January 1, 2023 to December 1, 2037</td>
<td>$3,301.01</td>
</tr>
<tr>
<td>payable from January 1, 2038</td>
<td>$3,301.01</td>
</tr>
<tr>
<td>D. Joint &amp; Survivor 100%</td>
<td>$3,290.36</td>
</tr>
<tr>
<td>payable from January 1, 2023</td>
<td>$3,290.36</td>
</tr>
<tr>
<td>E. Joint &amp; Survivor 100% and 5 yr guarantee</td>
<td>$3,289.45</td>
</tr>
<tr>
<td>payable from January 1, 2023</td>
<td>$3,289.45</td>
</tr>
<tr>
<td>F. Joint &amp; Survivor 100% and 10 yr guarantee</td>
<td>$3,285.45</td>
</tr>
<tr>
<td>payable from January 1, 2023</td>
<td>$3,285.45</td>
</tr>
<tr>
<td>G. Joint &amp; Survivor 100% and 15 yr guarantee</td>
<td>$3,268.68</td>
</tr>
<tr>
<td>payable from January 1, 2023</td>
<td>$3,268.68</td>
</tr>
</tbody>
</table>
PENSION BENEFICIARIES

In accordance with pension benefits legislation and the University’s Pension Plan text, upon the death of a member, the survivor pension benefit payment will be paid in the following order of entitlement:

Pre-retirement (pension benefit value payable)
- To your spouse, or
- To your designated beneficiaries, or
- To your estate

Post-retirement (survivor benefit payable based on choice)
- To your spouse, or
- To your dependent Children (under age 19, or dependent due to disability), they have priority for the remaining guarantee period or survivor pension, or
- To your designated beneficiaries; or
- To your estate

Spouse: legally married or common-law partner. A spouse must meet this definition on the date you begin to receive pension benefits or on your date of death (if earlier), to be eligible to receive a death or survivor pension benefit.

Your Spouse qualifies for the survivor pension benefits if, on your death, both of the following conditions are met:
- Your spouse meets the definition of spouse as outlined on the back of the form, and
- Your spouse has not waived death or survivor benefits
Section 2 – Retirement allowance

- Formulas
- Examples
- Retirement allowance – Notice of retirement
RETIREMENT ALLOWANCE

Formula for all administrative and support staff employee groups (based on the uOttawa policy 53 or collective agreements)

Policy 53 for NUEA*, Section 35 of PIPSC agreement*, Local 4109 of OPSEU*, Section 42 of SSUO–OSSTF agreement**:

A) Under age 60 without factor 90
   2003 standard salary class at retirement X .004 X uOttawa service X 5
B) Age 60 to 65 (NRD) or under age 60 with factor 90
   2003 standard salary class at retirement X .006 X uOttawa service X MIN (5, NRD – ARD)

*PIPSC, OPSEU & NUEA: All employees hired on or after May 1, 2018, are not eligible for the retirement allowance.

**SSUO: All employees hired on or after November 16, 2020, are not eligible for the retirement allowance.

Section 35 Local 772-A, Section 24 Local 772-B***:

– Formula without factor 90 and less than 60 years of age: $180 X uOttawa service X 5
– Formula with factor 90 or age 60 to 65 (NRD): $215 X uOttawa service X MIN (5, NRD-ARD)

***Local 772-A, Local 772-B employees hired after November 15th 2019 are not eligible for the retirement allowance.

Formula for academic employees (based on section 40.3 of collective agreement):
To be eligible before age 60, must have reached the factor 90.
– Formula: $800 X uOttawa service X MIN (5, NRD-ARD)

Eligible for transfer to an RRSP, as per the Canada Revenue Agency tax sheltering policy, paragraph 60(j.1) of the Income Tax Act: $2,000 for each year of service (pre-1996) plus $1,500 for each non-contributory year of service pre-1989 may be transferred to an RRSP. If you have accumulated RRSP room, you may be able to transfer more than the eligible amount to your RRSP.

• NRD: Normal retirement date
• ARD: Actual retirement date

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# RETIRING ALLOWANCE – Examples as at December 31, 2022

<table>
<thead>
<tr>
<th>Class</th>
<th>Age/service (formula)</th>
<th>Total</th>
<th>Eligible amount (Pre 96)</th>
<th>Non-eligible amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-union</td>
<td>58/30 ($69,305 x .004 x 30 x 5) = $41,583</td>
<td>$6,000</td>
<td>$35,583</td>
<td></td>
</tr>
<tr>
<td>NM1</td>
<td>60/30 ($69,305 x .006 x 30 x 5) = $62,375</td>
<td>$6,000</td>
<td>$56,375</td>
<td></td>
</tr>
<tr>
<td></td>
<td>62/30 ($69,305 x .006 x 30 x 3) = $37,425</td>
<td>$6,000</td>
<td>$31,425</td>
<td></td>
</tr>
<tr>
<td>SSUO/</td>
<td>58/30 ($43,891 x .004 x 30 x 5) = $26,335</td>
<td>$6,000</td>
<td>$20,335</td>
<td></td>
</tr>
<tr>
<td>PIPSC 8</td>
<td>60/30 ($43,891 x .006 x 30 x 5) = $39,502</td>
<td>$6,000</td>
<td>$33,502</td>
<td></td>
</tr>
<tr>
<td></td>
<td>62/30 ($43,891 x .006 x 30 x 3) = $23,701</td>
<td>$6,000</td>
<td>$17,701</td>
<td></td>
</tr>
<tr>
<td>SSUO/</td>
<td>58/30 ($54,768 x .004 x 30 x 5) = $32,861</td>
<td>$6,000</td>
<td>$26,861</td>
<td></td>
</tr>
<tr>
<td>PIPSC 10</td>
<td>60/30 ($54,768 x .006 x 30 x 5) = $49,291</td>
<td>$6,000</td>
<td>$43,291</td>
<td></td>
</tr>
<tr>
<td></td>
<td>62/30 ($54,768 x .006 x 30 x 3) = $29,575</td>
<td>$6,000</td>
<td>$23,575</td>
<td></td>
</tr>
<tr>
<td>Local</td>
<td>58/30 ($180 x 30 x 5) = $27,000</td>
<td>$6,000</td>
<td>$21,000</td>
<td></td>
</tr>
<tr>
<td>772 A-B</td>
<td>60/30 ($215 x 30 x 5) = $32,250</td>
<td>$6,000</td>
<td>$26,250</td>
<td></td>
</tr>
<tr>
<td></td>
<td>62/30 ($215 x 30 x 3) = $19,350</td>
<td>$6,000</td>
<td>$13,350</td>
<td></td>
</tr>
<tr>
<td>APUO</td>
<td>58/30 ($800 x 30 x 0) = $0</td>
<td>$0</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>60/30 ($800 x 30 x 5) = $120,000</td>
<td>$6,000</td>
<td>$114,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>62/30 ($800 x 30 x 3) = $72,000</td>
<td>$6,000</td>
<td>$66,000</td>
<td></td>
</tr>
</tbody>
</table>

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RETIREMENT ALLOWANCE – NOTICE

Non-unionized administrative staff:
Classes NC1 to NC8 and NM1 to NM5 must give at least 3 months notice;

Unionized administrative staff:
Must give at least 3 months notice.

Procedure:
Before Workday: Advise immediate supervisor in writing with retirement date and send a copy to the Pension sector at hrpension@uottawa.ca

As of May 8: Submit your retirement through Workday via the ‘Resignation” action and attach the letter sent to your supervisor.

The retirement allowance is paid by your faculty or service. You are encouraged to give as much notice as possible in order to help your faculty or service with its budget and succession planning. Your notice is irrevocable.
Section 3 – Group benefits

Patrick Taylor | Intermediate Specialist, Benefits
## Group insurance benefits at retirement

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Regular Support staff (SSUO)</th>
<th>Regular Academic staff / PIPSC/772A&amp;B/NUEA/OPSEU</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Prior to 65</td>
<td>Prior to 65</td>
</tr>
<tr>
<td>Group insurance</td>
<td>65 and over</td>
<td>65 and over</td>
</tr>
<tr>
<td>• Life</td>
<td>• Life</td>
<td>• Life</td>
</tr>
<tr>
<td>• Health</td>
<td>• Hospital</td>
<td>• Health &amp; hospital</td>
</tr>
<tr>
<td>• Dental</td>
<td>• Hospital</td>
<td>• Dental</td>
</tr>
<tr>
<td>• Hospital</td>
<td>• Health care spending account (HCSA)</td>
<td>• Health care spending account (HCSA)</td>
</tr>
<tr>
<td>• Health care spending account (HCSA)</td>
<td></td>
<td>• Life</td>
</tr>
<tr>
<td>Tuition Fee Financial Support Program</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Other benefits</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Tuition Fee Financial Support Program ✓ ✓ ✓ ✓ ✓ ✓
# Health and dental insurance

<table>
<thead>
<tr>
<th>Conditions of eligibility</th>
<th>Regular Support staff</th>
<th>Regular Academic staff</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• The retiree must be less than 65</td>
<td>• The retiree must be less than 65 years of age (on July 1 following or coinciding with the 65th birthday)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Termination date</th>
<th>Regular Support staff</th>
<th>Regular Academic staff</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Will automatically end on the first day of the month following or coinciding with the 65th birthday.</td>
<td>• Will automatically end on July 1 following or coinciding with the 65th birthday</td>
</tr>
</tbody>
</table>

Once coverage ends, benefits are also available through:
- Retired Teachers of Ontario (RTO)
- Municipal Retirees Organization of Ontario (MROO)
- Ontario Teachers Insurance Plan (OTIP)
- PlanDirect (Canada Life)
- Other products in the open market
### GROUP INSURANCE RATES 2023-2024 (Tax included - Ontario)

<table>
<thead>
<tr>
<th>Benefit</th>
<th>SSUO Single</th>
<th>SSUO Family</th>
<th>Other Groups Single</th>
<th>Other Groups Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extended health</td>
<td>$108.53</td>
<td>$278.86</td>
<td>$108.53</td>
<td>$278.86</td>
</tr>
<tr>
<td>Dental care – Basic</td>
<td>$34.60</td>
<td>$104.50</td>
<td>$34.60</td>
<td>$104.50</td>
</tr>
<tr>
<td>Dental care – Optional</td>
<td>$10.77</td>
<td>$36.49</td>
<td>$10.77</td>
<td>$36.49</td>
</tr>
<tr>
<td>Hospital room – Semi-private</td>
<td>$2.19</td>
<td>$4.14</td>
<td>Included in extended health coverage for new retirees</td>
<td></td>
</tr>
<tr>
<td>Hospital room – Private</td>
<td>$3.09</td>
<td>$6.75</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Retiree pays the monthly premiums.
## Health Care Spending Account (HCSA)

<table>
<thead>
<tr>
<th>Conditions of eligibility</th>
<th>Support staff</th>
<th>Academic staff</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All regular employees (does not include term/contractual employees)</td>
<td>All regular academic APUO employees</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual amount</th>
<th>Support staff</th>
<th>Academic staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>$300</td>
<td>$1,350</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Termination date</th>
<th>Support staff</th>
<th>Academic staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retiree’s passing</td>
<td>Retiree’s passing</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Taxability</th>
<th>Support staff</th>
<th>Academic staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxable for Quebec residents (calculated on a usage basis plus the employer’s administrative costs and applicable taxes)</td>
<td>Taxable for Quebec residents (calculated on a usage basis plus the employer’s administrative costs and applicable taxes)</td>
<td></td>
</tr>
</tbody>
</table>
LIFE INSURANCE

Life insurance volume

If employee retires with

- **10 years of service or fewer**
  - $2,000 life insurance

- **More than 10 years of service**
  - 10% of salary at retirement
    (min. $2,000, max. $5,000)

*Premiums*: Monthly premiums are paid by the University and are a taxable benefit for the retiree.

*Termination date*: Retiree’s passing
Survivor benefits – Health, hospital and dental insurance

• There is up to one-year insurance extension without fees for the surviving spouse and dependant children (that were covered under the plan) following the death of a retiree whose insurance coverage was in effect at the time of death.
Tuition Fee Financial Support Program

Conditions of eligibility:
Employees eligible for benefits under the provisions of Policies 8 and 22, and collective agreements.

Termination date:
Retiree: Exemption for life
Eligible dependants: The spouse and/or dependants (under the age of twenty-seven (27)) are eligible for tuition fee financial support when registered in a regular funded course or program of studies at the University of Ottawa, until the retiree reaches the age of 71.

Taxability for spouse and dependants: Taxable in the hands of the recipient
Other benefits

• Telemedicine – offers virtual health services to members of the retiree associations, as well as their eligible family members

• Library services

• Sports services

• uOttawa email: Used as the primary form of communication with retirees
Section 4 – Tools

• Personal statement and annual report
• Human Resources website
• Pension plan fact sheets
• Personalized website
• Financial planner
YOUR ANNUAL STATEMENT AS AN ACTIVE MEMBER OF THE UNIVERSITY OF OTTAWA RETIREMENT PENSION PLAN ("THE PLAN")

John Doe
1234 Main St
Ottawa ON K0K 0K0

A message from the Associate Vice-President, Human Resources

I am pleased to present your 2021 personalized pension statement. It contains information on the pension benefits you are entitled to under the registered University of Ottawa Retirement Pension Plan, as governed by the provisions of the Ontario Pension Benefits Act, the Canada Revenue Agency and the Financial Services Regulatory Authority of Ontario. This statement contains information on your membership, contributions and benefits payable at retirement. The information contained in this statement is summarized and estimated.

Data on benefits payable by the University of Ottawa Supplemental Retirement Pension Plan, which is a non-registered plan, is not included in this statement.

More information on the University of Ottawa Retirement Pension Plan can be found in the Annual Report at www.uOttawa.ca/hrm/hrm-about/hrm-publications. Included in the report are the year’s activities and information on governance, administration, the Pension Plan’s financial position and membership statistics.

We invite you to visit the Human Resources website (www.uOttawa.ca/hrm) on a regular basis for up-to-date Pension Plan information and resources, such as the retirement planning tool, forms, publications, etc. The website also contains a wealth of information on your other employee benefits.

Human Resources staff will be pleased to answer any questions you may have.

Jean Yves Hinse
Human Resources Website: https://virtuo.uottawa.ca/en/human-resources/my-info

Pension plan

The plans
- Summary - The basic pension plan
- University of Ottawa Pension Plan
- University of Ottawa Supplemental Retirement Pension Plan (SRPP)

Pension Plan Personalized Information
- Pension Plan Personalized Information

Thinking of retiring soon?
- Notice of retirement
- Early retirement
- Retirement not mandatory
- Annual increase in the Consumer price index (inflation protection)
- Other retirement income
- Survivor benefits in the university plan
- Retirement allowance
- Pension plan trustee
- Group insurance coverage for retired members

Contact us in the following situations
- Change in marital status
- Death of an active employee or a retiree
- Marriage breakdown
- If you leave the University before your retirement

Plan administration
- Definition of spouse
- Pension Plan Financial Statements
- Treasury and Pension Fund
- Pension Plan Committee
- Audit Committee
- Pension Governance Structure
- Annual report and other publications
- Forms
Pension plan publications

Pension plan information including the retirement text, annual report, statement of investment policies and procedures, actuarial valuations and other pension related information.

Fact sheets

Pension plan annual reports

Investment policies and procedures
Welcome to the Pension Plan personalized information Web site!

Please enter your Employee number and Password and click Enter.

Employee number: [blank]
Password: [blank]

[ ] Log in as an administrator

What is your employee number?
As of June 1, 2005, your employee number is a 9-digit number. This number is shown on your pay slip.

What is your initial password?
Your initial password is temporary. It consists of your date of birth in the format YYYYMMDD and the last three digits of your Social Insurance Number (SIN).

Example
If your date of birth is March 12, 1960 and your SIN is 123 456 789, your temporary password is 1960312789.

On your first visit, you must change your initial password. If you have already entered the site, your initial password will not work anymore.

What if you forget your password?
If you have already entered the site or have forgotten your password, answer your challenge questions to reset your initial password.
You can also reach the Web site administrator by calling 1-866-898-7460.

Download the user guide
To protect your information, remember to click Logoff when you finish your session. Your session will end automatically if there has been no activity for 20 minutes.
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Terms of Use — important legal information

https://uottawa.hroffice.com
FINANCIAL PLANNER (HORIZON)

What do you want to do?

I want an estimate of my total income at retirement
Estimate your retirement income from all sources and see how close you are to your goals.
All data related to your personal situation in the company plans are already in, you just need to enter information on your personal savings.

Go to the Retirement income calculator

I want to learn about retirement planning
Learn everything you need to know about retirement planning, from setting your goals to your different retirement income sources.

Go to the Learning zone

I want to know how much I will need at retirement
Use a worksheet to do a preliminary retirement budget that will help you set your retirement income goals.

Go to the Retirement budget worksheet

I want to know what type of investor I am
Find out how you should invest your retirement savings based on your personal situation and tolerance for risk.

Go to the Investor profile

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QUESTIONS
SUPPLEMENTAL PENSION PLAN

• Not a registered pension plan

• Provides to participating members a benefit in excess of the maximum pension benefits prescribed by the Income Tax Act and subject to the provisions of the supplemental plan

• Eligibility: Average salary at the date of retirement must be above the average maximum salary set by the CRA ($190,555 in 2023)

• The supplemental pension plan provides a benefit up to the plan average maximum salary, $238,700 as at January 1, 2023

• The maximum salary for the supplemental pension plan contributions is $249,013.00 as at January 1, 2023
PENSION BENEFIT FORMULA – Supplemental plan

Eligible Average Salary: must exceed the average maximum salary of $190,555 as prescribed by the Canada Revenue Agency (CRA) as of January 1, 2023, without exceeding the average salary maximum covered by the Supplemental Plan of $238,700 established on January 1, 2023.

1. Service to December 1998 (Pre-1999)
   i) 2023 Pre-1999 dollar limit x credited service = a
   ii) 2023 maximum CRA pension x credited service = b
   Total annual pension pre-1999 (a – b) = c

   i) $31,790 x 1.3% x credited service = a
   ii) (Average salary – $31,790) x 2% x credited service = b
   iii) 2023 maximum CRA pension x credited service = c
   Total annual pension post-1998 ((a + b) – c) = d

   i) $43,490 x 1.3% x credited service = a
   ii) (Average salary – $43,490) x 2% x credited service = b
   iii) 2023 maximum CRA pension x credited service = c
   Total annual pension post-2003 ((a + b) – c) = e

Total annual uOttawa supplemental pension plan (c + d + e)*

* If the annual pension is less than 10% of the YMPE (10% x $66,600 = $6,660), the commuted value of the annual pension is paid as a taxable lump sum.
PENSION CALCULATION Base Plan – High salary
(Service to December 31, 2022)

<table>
<thead>
<tr>
<th>AGE:</th>
<th>60 years</th>
<th>AVG. SAL.:</th>
<th>$195,000</th>
<th>MAX. CRA SAL.:</th>
<th>$190,555</th>
</tr>
</thead>
<tbody>
<tr>
<td>SERVICE:</td>
<td>25 years</td>
<td>INTEG. LEV.:</td>
<td>$31,790 / $43,490</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) PRE-2004 SERVICE
i) $31,790 x 1.3% x 6 = $2,479.62
ii) $163,210 x 2% x 6 = + $19,585.20 $22,064.82

2) POST-2003 SERVICE
i) $43,490 x 1.3% x 19 = $10,742.03
ii) $151,510 x 2% x 19 = + $57,573.80 +$63,315.83

Total uOttawa pension 1+2 $90,380.65

MINIMUM PENSION TEST ($195,000 x 1.5% x 25) = $73,125.00

MAXIMUM CRA PENSION RULE ($3,506.67 x 25) = $87,666.75

3) + Estimated CPP/QPP pension*
   maximum reduced pension ($15,678.84 – 36%) = +$10,034.46

Total uOttawa + CPP/QPP = $97,701.21

*CPP/QPP amounts are approximations. Actual amounts are based on individual participation in the plans and will be determined by Service Canada. CPP is payable on or after age 60.
PENSION CALCULATION – Supplemental benefit (Service to December 31, 2022)

<table>
<thead>
<tr>
<th>AGE</th>
<th>60 years</th>
<th>AVERAGE SALARY</th>
<th>$195,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>SERVICE</td>
<td>25 years</td>
<td>INTEGRATION LEVEL</td>
<td>$31,790 / $43,490</td>
</tr>
<tr>
<td>MAX. PRE-1999</td>
<td>$3,284.47</td>
<td>MAX. CRA SALARY</td>
<td>$190,555.00</td>
</tr>
<tr>
<td>MAX. CRA</td>
<td>$3,506.67</td>
<td>MAX. AVG. SALARY</td>
<td>$238,700.00</td>
</tr>
</tbody>
</table>

1) PRE-1999 SERVICE
i) \((3,284.47 - 3,506.67) \times 1\) = \$0.00

i) \(31,790 \times 1.3\% \times 5\) = \$2,066.35
ii) \(163,210 \times 2\% \times 5\) = \(+$16,321.00\) \$18,887.35
iii) \(-$3,420.00 \times 5\) = \(-$17,533.35\) \$854.00

3) POST-2003 SERVICE (2004 to 2007; excluding 2008 to 2022 – 15 years)
i) \(43,490 \times 1.3\% \times 4\) = \$2,261.48
ii) \(151,510 \times 2\% \times 4\) = \(+$12,120.80\) \$14,382.28
iii) \(-$3,506.67 \times 4\) = \(-$14,026.68\) \$355.60

Total annual supplemental pension \((1 + 2 + 3)\) = \$1,209.60

The supplemental pension plan benefit will be paid as an annual pension if the amount exceeds 10% of the YMPE, which is \$6,660/year (\$66,600 \times 10\%). If the annual pension is less than 10% of the YMPE, the commuted value of the annual pension is paid as a taxable lump sum.
PHASED RETIREMENT (APUO members only)

• Transition to retirement is a benefit available to APUO members who wish to have a reduced workload in the years prior to their normal retirement date.

• Available to members eligible to receive the benefit as per section 40.3.1 of the collective agreement (the normal retirement date is defined as July 1 of the year following age 65).

• Allows members to bring their regular salary up to their nominal salary using portions of the severance payment payable under section 40.3.1.

• During the transition period, members accumulate full pension credits as per the provision of the pension plan by contributing up to the level of their nominal salary.

• Once the agreement is signed, the commitment to retire is irrevocable.
1. Severance calculation at age 60 as at July 1, 2023
   Pension Sector determines calculation at the transition date
   $800 X 30 years uOttawa service X 5 years before normal age of retirement = $120,000

2. Calculation of severance payable (objective: 75% of total salary)
   Annual maximum receivable as per nominal salary: 75% X $140,000 = $105,000
   – Annual payable as per reduced workload: 50% X $140,000 = $70,000
   = Annual severance distribution = $35,000

   $35,000 is paid each year as salary for three years prior to retirement, for a total of $105,000 (objective reached).

3. Calculation of balance due at retirement, if applicable
   Severance calculation in step 1 minus annual distribution: $120,000 – $105,000 = $15,000
   The difference at the end of the transition period will be transferable/paid at retirement and may be tax exempt as a retirement allowance, under paragraph 60(j.1) of the Income Tax Act.

4. Pension benefit calculation at age 63, as at July 1, 2026
   Calculation is determined by the Pension Sector and is a projected estimate at retirement as per the pension plan provisions.

5. Confirmation with the member
   Form completed to confirm and communicate amounts to payroll.

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