

employer

BULLETIN

To: Municipal Pension Plan employers

From: Pension Corporation

Date: March 29, 2021

Upcoming plan changes will improve equity and long-term sustainability

New rules for the Municipal Pension Plan will go into effect January 1, 2022. The changes improve equity for employees who are members, align benefits with how employees use them, set a strong foundation for the long-term sustainability of the plan and stay within the current costs.

Why is the plan changing?

The Municipal Pension Plan is a joint trusteeship that represents employees and employers. It has not had a comprehensive plan design review in more than 50 years.

The Municipal Pension Plan is being updated to:

- reflect the changing nature of work and retirement,
- better align benefits with how the majority of employees are using them, and
- rebalance contribution rates with accrual rates.

The changes improve your employees' equity in the plan through single contribution rates, enhance the lifetime pension for most employees and include other benefit improvements.

How the changes affect employers

The changes:

- simplify your administration and management of the pension plan with a single approach to contribution rates and accrual rates (except for group 2),
- maintain or decrease your costs associated with the plan, including a single employer contribution rate that is lower than the lowest current tiered rate,
- align employer contribution rates more closely with employee contribution rates, and
- allow you to continue providing your employees with a high-quality, competitive pension plan.

You should see a decrease in your employer contribution rates. The table shows the rates effective January 1, 2022.

General (Group 1)	Public Safety (Group 2)	Public Safety (Group 5)
9.31%	12.42%	14.67%

You will receive a letter in October with your contribution rates.

More information

Visit the Municipal Pension Plan website to see the December 31, 2020, [announcement about the plan](#) partners' agreement on the plan changes.

Questions?

For more information, contact Employer Operations:

- 1-855-356-9701 toll-free in Canada and U.S.
- Employer.Services@pensionsbc.ca
- [Employer website](#)

Employer Operations

PO Box 9460
Victoria BC V8W 9V8
employer.services@pensionsbc.ca
Toll-free: 1-855-356-9701
(Canada and U.S.)
Fax: 250-356-1784