



McMaster Salaried Pension Plan Enrolment

Date: March 29, 2010
Prepared For: CAW Local 555, Unit 1
Hired on or after October 1, 2009 to Current
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Summary Agenda

- Background
- Arbitration Award
- Pension Plan Overview
- Employee Contributions
- Pension Enrollment Options
- Questions ?



Background

The language from the Collective Agreement between McMaster University and the CAW Local 555 Bargaining Unit 1 states:

Article 22.02 Pension Plan

(b) Eligible Employees hired on or after October 1, 2009, shall participate in the retirement savings vehicle in accordance with Appendix VII.

Appendix VII:

Retirement Savings Vehicle for Employees Hired on or after October 1, 2009

The Parties have agreed to submit the subject matter of this Appendix VII to normative Interest Arbitration, pursuant to the terms of Schedule A to this Appendix. A reference to Appendix VII in the collective agreement shall be considered a reference to the Arbitration Award.



Arbitration Award

The Arbitration Award from the Honourable George W. Adams outlined the pension implications for Employees hired prior to May 1, 2010:

“... shall participate in the ‘Salaried Pension Plan for Employees of McMaster University’. The Employer shall administer the plan in accordance with the terms and conditions of the plan in effect upon ratification of this Agreement.....”



Pension Plan Overview

Two Year Vesting

Prior to two years of Plan membership, a Member will receive a refund of employee contributions plus interest only.

Employee Contributions

As Per The Current Collective Agreement.

Special Retirement Date

Earliest, Unreduced Retirement Date.

The Special Retirement Date is the first day of any month coincident with or following the date the sum of the Member's age and years of participation in the Plan equals at least 80 (eighty).



Employee Contributions

	Wages Under YMPE	Wages Over YMPE
Effective June 16, 2009	5.50 % of wages earned	7.00 % of wages earned
Effective January 10, 2010	5.75 % of wages earned	7.50 % of wages earned
Effective January 9, 2011	6.25 % of wages earned	8.25 % of wages earned
Effective January 8, 2012	6.50 % of wages earned	8.75 % of wages earned

*Reference Appendix VI from the Collective Agreement

YMPE – Year’s Maximum Pensionable Earnings

- The YMPE for 2009 was \$46,300
- The YMPE for 2010 is \$47,200



Pension Enrollment Options

1. Enroll Immediately

Start of the next pay period.

2. Enroll Retroactively To Your Eligibility Date

Date hired into an eligible CAW position (October 1, 2009 or later).

3. Enroll On The Mandatory Date

July 1st following 6 months.



Option #1 - Enroll Immediately

- Elect to join the McMaster Salaried Pension Plan at the beginning of the next pay period.
- The employee contribution deductions will commence in the next pay period.



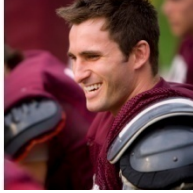
Option #2 - Enroll Retroactively

- Elect to join the Salaried Pension Plan retroactively to your eligibility date.
- Your retroactive contributions may be deducted from your pay and can be spread over several pays. Retroactive contributions must be paid by the employee within the 2010 calendar year.
- If the retroactive period includes 2009 (a prior tax year), approval of a Past Service Pension Adjustment is required.



Option #3 – Enroll on the Mandatory Date

- Elect to defer your enrollment into the Salaried Pension Plan until July 1st following the completion of 6 months as an Employee (latest enrollment date in accordance with the Plan text)
- Your employee contribution deductions will commence during the pay period that encompasses the July 1st



Questions?