



Michelle Ruck
Municipal plan member

Did you know?

The Municipal Pension Plan is a defined benefit (DB) pension plan.

Here are five facts to help you learn the basics:

1 Your pension is for life

The amount of pension you receive in retirement is based on a formula instead of investment returns and is paid for as long as you live. This makes it easy for you to predict your retirement income.

2 Your pension is pre-funded

You and your employer pay for your pension in advance by contributing a portion of your pay each payday.

3 You may receive cost-of-living adjustments (COLAs) to help offset rising inflation

Unlike with RRSPs and defined contribution plans, DB plans often offer annual inflation protection. Once a COLA is provided by the Municipal Pension Board of Trustees, it becomes a permanent part of your basic lifetime pension.

4 Your pension provides protection for your loved ones

Whether you pass away before or after retirement, your pension will be paid to your nominated beneficiary. If you have a spouse, they may be eligible to receive your pension for the rest of their life.

5 Your pension is professionally managed

The total cost of investment management and pension administration for your plan is less than half of one per cent, significantly less than what individual asset managers typically charge for investment management fees.

Want to know more?

Visit our website at mpp.pensionsbc.ca and follow us on X @MyBCMPP