

Pension Plan for Clergy & Layworkers of the Evangelical Lutheran Church in Canada

Annuity Resource Document 2

It is possible to integrate or bridge your monthly pension (annuity) with the government benefits (Canada Pension Plan and the Old Age Security benefits) if you retire prior to their commencement. This option is available either on a single life or on a joint and survivor basis with or without a guarantee period. An integrated or bridge pension has the effect of leveling your income throughout retirement.

For simplicity, only the integration with Old Age Security is shown in the example below. The two charts demonstrate the amount of the combined income provided from your pension from the ELCIC Pension Plan through an annuity and the Old Age Security benefit. We have assumed the pension would be based upon the joint & 100% survivor annuity with a 15 year guarantee option at age 60 and then we have shown the total income either without integration or with integration.

No Integration	Ages 60 to 64 monthly pension	Ages 65 and on monthly pension
ELCIC Pension – Joint & 100% survivor gtee 15 years	\$750	\$750
OAS	\$0	\$579
Total	\$750	\$1,329

When you integrate with the government benefits, your monthly pension (annuity) is structured so that you receive a higher amount of pension prior to the commencement of your government benefit and then reducing when it commences to provide a similar amount of combined income. An example is shown below:

With Integration	Ages 60 to 64 monthly pension	Ages 65 and on monthly pension
ELCIC Pension – Joint & 100% survivor gtee 15 years	\$1,204	\$625
OAS	\$0	\$579
Total	\$1,204	\$1,204

The above illustration is based on the same assumptions as in Annuity Resource Document 1 and with the current maximum OAS benefit payment as at January 1, 2017.

This chart was prepared by Eckler Ltd.
February 2017