



Christian Education

PENSION PLAN

Stronger Together • Benefits for Life

UPDATE 212

Date: August 1, 2022

To: All Participating School Boards and Principals, All Active and Inactive Participants, and All Retirees

From: Howard Van Mersbergen, Executive Secretary-Treasurer

In Brief

- **Final Average Earnings (FAE) Update** - Extended to August 31, 2025
- **Questions** – Contact us if you have questions or need assistance

The Details

Final Average Earnings (FAE) Update

The formula used to calculate your retirement benefit uses your Final Average Earnings or FAE. The FAE is the average of the best five years of your earnings (three years for service up to August 31, 2010) in your last 20 years of service up to a set date.

The Christian Education Benefit Solutions Society recently approved the Trustees' recommendation to extend the FAE date. As of September 1, 2022, the FAE date has been extended by two years, and will be calculated through **August 31, 2025**, instead of the previous date of August 31, 2023.

It is one of our priorities to ensure the FAE date used for retirement benefit calculations is set to a future date. Having the FAE set to a future date means that each retiring Plan member's pension will include that member's earnings at the very end of his or her career when earnings are likely to be highest, resulting in the highest possible pension.

The FAE date is updated each year if the financial status of the Plan allows it. It is a positive sign of pension plan health when we can move this date forward.

We will continue to assess the financial position of the Plan at each future valuation and consider the appropriateness of updating the FAE date in the future. You can have confidence knowing your Pension Plan is carefully managed, and developed by and for the greater Christian education community.

Questions?

More information about our benefit plans and past Updates are located on our website at www.christianeducationbenefitsolutions.org. As always, if you have questions, please contact Brenda Addie at 877-274-8796, ext. 231 or 616-284-3231, or by e-mail at brenda.addie@cebteam.org.