George works at USask and has been a member of the Non Academic Pension Plan for the past 20 years. He is looking at his retirement options for now and four years down the road.

In this scenario, George could retire early because he meets the Rule of 80, one of the unreduced early retirement criteria.

**Reduced Early Retirement**

**AUGUST 31, 2019**

- Age: 55
- Highest average salary (4-year): $50,000
- NAPP Pensionable Service: 20 years

George could retire early because he is 55 years old but it would be at a reduced rate because he doesn’t meet any of the unreduced early retirement criteria:

- Rule of 80 (age + NAPP Pensionable Service)
- 30 years of pensionable service
- 60 years of age

**Early Retirement**

**AUGUST 31, 2023**

- Age: 59
- Highest average salary (4-year): $53,500
- NAPP Pensionable Service: 20 years
- Total USask Service: 24 years

George’s salary has increased since 2019, which is reflected in his highest average salary that is used to calculate his pension.

Since the NAPP plan was frozen on August 31, 2019, George no longer accrues pensionable service when calculating his pension benefit.

In this scenario, George could retire early because he meets the Rule of 80, one of the unreduced early retirement criteria.

**CALCULATING GEORGE’S NAPP PENSION**

**GEORGE**

George’s salary has increased since 2019, which is reflected in his highest average salary that is used to calculate his pension.

Since the NAPP plan was frozen on August 31, 2019, George no longer accrues pensionable service when calculating his pension benefit.

Total USask service is now used to calculate service time for the unreduced early retirement criteria.

Total USask Service refers to accrued pensionable service under the NAPP plus service after Sept. 1, 2019.

**CALCULATING GEORGE’S EARLY RETIREMENT**

\[
\text{Reduction} = \frac{2\% \times \text{Highest average salary} \times \text{Pensionable service (NAPP)}}{20}
\]

Formula to calculate George’s reduction

\[
\text{NAPP pension reduction} = 0.25\% \times 60 \times \frac{\text{Annual NAPP pension}}{\text{Number of months}}
\]

George’s reduced pension

\[
\text{NAPP pension with reduction} = \text{NAPP pension before reduction} - \text{Reduction}
\]