



your PENSION NEWS

A newsletter for Teachers' Pension Plan Active Members

The 2017 TPP Annual Report is now available!

The 2017 Teachers' Pension Plan (TPP or Plan) Annual Report provides you with interesting statistics about your TPP and its audited financial statements. It also includes information on the TPP's 2017 investment performance and its financial status at year-end December 31, 2017.

Highlights: (as at December 31, 2017)

Plan Funded Ratio



The TPP's funded ratio increased to 78.4 per cent from 77.7 per cent in 2016. A funded ratio of 100 per cent or more would mean that the Plan is fully funded.

Investment Return

8.57%
the Plan

8.67%
benchmark

The Plan achieved a positive return on investments of 8.57%. The investment return is reported gross of investment management fees.

Going Concern Actuarial Plan liabilities increased to \$6.517 billion



Retirees and survivors who began receiving their pension prior to August 1, 2006 account for the greatest portion of Plan liabilities.

Membership facts

Average age

43.4 Working Teacher

70.8 Retired Teacher

Average pensionable earnings

\$73,673 Active members

Retirees* over 100 years of age

36 *Includes survivors

Average lifetime pension

\$29,203 Retirees

You can view the full Report on our website at:

www.nstpp.ca/teachers/members/publications/annual-reports

CPP Enhancements

In 2016, the federal government introduced enhancements to the Canada Pension Plan (CPP). These include:

- A gradual 7-year contribution rate increase phase-in which will begin on January 1, 2019. This will consist of:
 - a 5-year contribution rate increase phase-in on income below the Year's Maximum Pensionable Earnings (YMPE) amount, followed by
 - a 2-year phase-in of further contributions on income between the YMPE and a new threshold called the Year's Additional Maximum Pensionable Earnings (YAMPE) amount.
- A gradual increase in CPP retirement benefits, such that the maximum income replacement amount will increase from the current 25% (approximate) of income up to the YMPE to 33.3% (approximate) of income up to the YAMPE.
- An increase to the Working Income Tax Benefit to help low-income earners.
- Tax deductibility for the enhanced portion of the employee CPP contribution

The Teachers' Pension Board, which is comprised of representatives from the Nova Scotia Teachers' Union and the Province, is the entity that will be analysing the impact these CPP enhancements could have on TPP members and employers.

For more information about these CPP enhancements, please contact Employment and Social Development Canada at 1-800-277-9914 or visit their website at: www.canada.ca/en/services/benefits/publicpensions/cpp.htm

How to get personalized information about your pension:

1 Your 2017 Member Statement
2017 Member Statements were mailed this spring. It includes important information about the pension benefits that you have accumulated as at July 31, 2017. If you have not yet received your Member Statement, or if you notice any incorrect or missing information, please contact us.

2 My Retirement Plan website
nspensions.hroffice.com
My Retirement Plan allows secure access to your personal pension information online. You can use the website to:

- View your Annual Member Statement
- Use the Pension Projection Tool to estimate how much your pension could be
- View helpful retirement and financial planning resources

To log on, you will need your Member ID and password which you would have received by mail.

3 Contact us
Please see our contact information below.

Flexible Pension Option

The TPP offers a flexible pension option for part-time employees through the Part-Time Employment - Possible Full-Pension Credit. This option allows a TPP member who accepts an assignment working less time than 100% of the school year (but more than 40%) to contribute to the Plan at 100% and accrue the same amount of pensionable service as for a full school year.

The TPP member's employer will match the contributions made by the member. In accordance with Canada Revenue Agency (CRA) rules, the member must have worked for the 36 months before the period of reduced service and the salary in the period of reduced service must be less than the salary in the previous year. Members are permitted to use the flexible pension option for a maximum of 2 school years during their career.

To participate, you must complete a Teacher Status Advice (Flexible Pension Option) form. You can find this form located on our website at: www.nstpp.ca/teachers/members/forms.

Once you complete this form, you can forward it to your employer for approval. We are not able to approve a flexible pension option application.

Retirement Application Packages

If you are eligible and plan on retiring, **you must contact us to apply for your pension**. You should apply for your pension within the school year in which you plan to retire.

We recommend that you apply three months in advance of your planned retirement date. Your retirement application package includes a number of forms. It is important that you complete and sign all forms in the application package.

TPP Member Guide

The TPP Member Guide is designed to provide you with a better understanding of your TPP and how it will provide you with a lifetime pension benefit when you retire. It includes important information about your TPP and retirement planning. To view the Member Guide, visit our website: www.nstpp.ca/teachers/members/publications.

We appreciate your feedback. If you have a comment or a suggested topic, please contact:

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1-902-424-5070 (Halifax)
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All information presented in this document is premised on the Plan rules and criteria which currently exist under the *Teachers' Pension Act* and the Regulations made thereunder. This document explains in plain language aspects of the rules and criteria of the Plan that exist at the time of publishing this newsletter. Plan members, beneficiaries, and others who wish to determine their legal rights and obligations under the Plan should refer to the Plan text. In the event of a discrepancy between the information provided in this document and the Plan text, the latter takes precedence.