



PSSP PENSION NEWS

A newsletter for Public Service Superannuation Plan Employers

IMPORTANT PLAN RULE CHANGES COMING APRIL 1, 2019

Beginning on April 1, 2019, the following changes will be implemented to the Public Service Superannuation Plan (Plan or PSSP):

Changes in the definitions of full-time and part-time employment

- Full-time employment will be defined as working a minimum of 30 hours a week, reduced from the current 35 hour minimum, for a minimum of four (4) months, or a higher minimum as specified in a collective agreement.
- Part-time employment will be defined as being employed under a contract that is anticipated to be at least 4 months, or a greater period if specified in a collective agreement. A part-time employee will still be required to work at least 40% of a full-time position to be eligible to participate in the Plan.

Employees will now be able to purchase more prior part-time service

- Purchases of part-time service have been permitted for approved leaves of absence. These continue to be available; and may now be for periods of service of as little as 10 consecutive business days.
- Purchases will now be permitted for periods of part-time service where contributions have not been made, e.g. casual service. These will be available for purchase for periods of service of four (4) months, or greater.

The existing purchase of service limits still apply

- If a member purchases service within 10 years from the end date of the period of service, they must pay the employee contributions plus interest. The employer for whom they worked during the period of service in question, will be required to pay the employer matching contributions, plus any interest.
- If a member decides to purchase service that is greater than 10 years and not more than 20 years, from the end date of the period of service, they will have to pay 100% of the actuarial cost of the prior service.
- A Plan member is not able to purchase any period of service having an end date greater than 20 years old. The 20 year limit applies to all forms of purchases, including outside service and repayments of a refund. For repayments of a refund, the limit is 20 years from the date the refund was paid out.

Change to the purchase of service with a public authority

A period of service being purchased with a public authority must now be at least four (4) consecutive months. Prior service with a public authority, for periods of part-time service, may now be eligible for purchase.

It is critical that those employees wishing to purchase service are able to provide NSPSC with the necessary salary information and periods of time that they wish to purchase. If NSPSC is not provided the necessary data by the employee/employer, we may be unable to estimate or complete the requested purchase.

The YMPE for 2019

The Year's Maximum Pensionable Earnings (YMPE) is the maximum amount of earnings on which contributions to the Canada Pension Plan (CPP) are based.

In 2019, the YMPE will be \$57,400. In 2018, the YMPE was \$55,900.

For more information on the YMPE, visit the CRA website at: cra-arc.gc.ca

Long term disability rules

Reminder: Plan members on LTD must continue to pay pension contributions until retirement. Any increases in pre-disability salary rates should be reported to the LTD provider and NSPSC, and pension contributions should be adjusted accordingly.

NEW!

Purchases of Service can only be payable by a single lump sum payment effective any purchase initiated April 1, 2019 or later.

The PSSP grows again with the addition of Cape Breton Regional Municipality

Cape Breton Regional Municipality (CBRM) transferred its defined benefit pension plan into the PSSP on February 1, 2018. This transfer resulted in 1157 new members, including 724 active members, being welcomed to the PSSP.

The CBRM transaction is the largest pension plan transfer to be completed under the *Municipal and Other Authorities Pension Plan Transfer Act* to date.

Growing the membership to promote long-term financial sustainability is a key strategic focus for Public Service Superannuation Plan Trustee Inc. (PSSPTI). Since they began this membership growth initiative in 2015, the PSSP membership has been expanded by almost 1600 active members and 700 retirees. The list of plans that have joined or transferred into the PSSP includes: the Sherbrooke Village Restoration Commission; South Shore Public Libraries; Cape Breton University; Acadia University; Université Sainte-Anne; University of King's College; Halifax Harbour Bridges; Village of Bible Hill; and the Municipality of the County of Pictou.

PSSPTI continues to pursue growth opportunities and is in discussions with several public sector employers.



Follow us on Twitter @yourNSPSSP

Stay informed on the Plan's latest news and receive information on retirement planning.



My Retirement Plan website
nspensions.hroffice.com

Please remind members to log on to the "My Retirement Plan" website to:

- View their Member Statement
- Use the Pension Projection Tool to obtain an estimate; and
- View helpful retirement planning resources.

Social Insurance Numbers

When preparing posting files (HRIS and Post Payroll) for remittance to NSPSC, we urge employers to carefully enter Social Insurance Numbers (SIN). If you do not have a Plan member's correct SIN, our system does not accept 999-999-999 as an option in the SIN field. Please only enter the Plan member's correct SIN. Please ensure documents or correspondence containing a member's SIN are sent to us using a secure transfer method such as Move-IT. Please contact your Employer Services Analyst for more information or if you require assistance.

Site Visits

Our Employer Services Team would be happy to visit you. It is a great opportunity for us to meet those we work with everyday and to answer any questions or concerns you may have.

If you would like to schedule a site visit, please contact your Employer Services Analyst.



We appreciate your feedback. If you have a comment or a suggested topic for this newsletter, please contact us at:

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www.novascotiapension.ca



All information presented in this document is premised on the Plan rules and criteria which currently exist under the Public Service Superannuation Act (the "PSSA") and the plan text made thereunder. This document explains in plain language aspects of the rules and criteria of the Plan. Plan members, beneficiaries, and others who wish to determine their legal rights and obligations under the Plan should refer to the PSSA, the plan text, or other legal documents as appropriate. In the event of a discrepancy between the information provided in this document and the legislation and/or legal documents, the latter takes precedence.