

## Teachers' Pension Plan

# Pension News

*Serving the needs of Retired members.*

Summer 2010



### Designating a Beneficiary

In the event of your death, the Plan provides for survivor pensions and other death benefits.

If you die and are survived by an eligible “spouse” (as defined by the Pension Plan), he or she will be entitled to a lifetime survivor pension. If you are survived by an eligible “child” or “dependant” (as defined by the Pension Plan), your child or dependant will be entitled to a pension.

If you are not survived by an eligible spouse, child or dependant who is entitled to receive a survivor pension, then a refund of your contributions plus interest may be payable to your estate.

Once your pension and any survivor benefits associated with your pension have ceased, if the total amount of pension that has been previously paid (including survivor benefits) is less than the value of your contributions to the plan plus interest, then any difference may be paid to your estate (if applicable).

If you elected a guarantee period prior to retirement and die before the end of the period, your eligible survivor(s) is entitled to receive your pension benefit for the remainder of the period. If there is no eligible survivor your estate is entitled to receive an amount equal to the commuted value of the pension payments for the remaining guarantee period.

Instead of any refund of your contributions being paid to your estate, you can designate a beneficiary. If there is no beneficiary form on file, the refund will be paid to your estate.

**Note:** In the event that you have been retired for a few years, designation of beneficiary may not be pertinent in the refund of contributions scenario as there may not be any contributions remaining to be refunded.

#### Procedure for Designating a Beneficiary

You may find the Designation of Beneficiary Form on our web site at [www.novascotiapension.ca](http://www.novascotiapension.ca), or please contact us for a copy. ■

### Re-employment of a Retired Teacher

Many teachers enjoy substitute teaching after retirement. With regard to your teacher's pension there are certain rules you should be aware of.

If you retire and subsequently return to teach, you do not pay contributions for the first 70 days in a given school year. However, if you teach beyond the 70 day threshold, your pension will cease and you will begin making pension contributions until you are no longer employed, at which point your pension would resume.

In addition to the above, if you accumulate at least one additional year of service before you cease employment, you must apply for an entirely new retirement pension. With less than one year's additional service your pension may resume without adjustment.

If you've taught beyond the 70 day threshold please contact the NSPA. ■

### 2009 Annual Report

The Annual Report of the Pension Plan for the year ended December 31, 2009 is available on our web site. Click on Teachers' Plan, Publications. Alternatively, please contact us for a copy. ■

Phone: 424.5070 (Halifax area) | 1.800.774.5070 (toll free in N.S.) | Fax: 902.424.0662

Email: [pensionsinfo@gov.ns.ca](mailto:pensionsinfo@gov.ns.ca) | PO Box 371, Halifax, N.S. B3J 2P8

[www.novascotiapension.ca](http://www.novascotiapension.ca)

Continued on Reverse  
DOC4

## Pension Benefit Reduction at Age 65 - *Why does this happen?*

We are often asked "Why is my pension reduced at age 65?" This happens when the **bridge portion** of your Teachers' Pension Plan (TPP) pension benefit ceases at age 65.

Under the Teachers' Pension Plan you receive a lifetime benefit from retirement to death and a bridge benefit from retirement to age 65. You **do not** receive the bridge benefit for life. The bridge benefit is only meant to supplement your pension until you start receiving the Canada Pension Plan (CPP) benefit at age 65.

If you choose to draw your CPP benefit at age 60, you receive that benefit for five extra years, at a lower amount than if you had waited until age 65. Effectively, you are borrowing from the normal benefit that would commence at age 65. At age 65, the bridge benefit ceases, resulting in a decrease of your monthly pension amount.

Note that the date you choose to begin receiving your CPP benefit does not affect the amount of your TPP pension benefit.

Also, remember that Old Age Security starts at age 65 and may contribute to offsetting any reduction in your overall pension income. For a more in-depth explanation please contact the Nova Scotia Pension Agency. ■

## Teachers' Pension Plan Trustee Inc. & Plan Governance

Teachers' Pension Plan Trustee Inc. is the trustee of the Nova Scotia Teachers' Pension Plan. The trustee is responsible for administration of the Plan and investment management of Plan assets. These activities are directed by the board of directors of the trustee. There are nine directors on the board. Four directors are appointed by the Nova Scotia Teachers' Union. Four directors are appointed by the Minister of Finance of the Province of Nova Scotia. The chair of the board is mutually appointed by the Teachers' Union and the Minister of Finance.

There were eleven trustee board meetings during 2009. Each meeting had a formal agenda supported by comprehensive materials. Throughout the year board directors also participated in numerous committee and working group meetings.

2009 brought record levels of market volatility and sustained uncertainty. The Trustee executed against the following priorities during this very challenging year.

- Proactive investment management, complemented by disciplined risk management;
- Diligent analysis of potential actions to improve the long term financial health of the Plan;
- Strengthened board governance to support accelerated and comprehensive analysis, decision-making and implementation;
- High levels of accountability and performance from all service providers;
- Enhanced member communications. ■

## Your Monthly Deductions

Income tax is deducted from your monthly teacher's pension benefit. At any time you may choose to have additional income tax deducted. To exercise this option, you should write to the Nova Scotia Pension Agency and say the following:

"Please increase the total additional income tax being deducted from my monthly pension benefit to the amount of (you specify amount here) \$\_\_\_\_\_ per month."

You must also supply the following:

- your full name;
- full address with postal code;
- date of birth;
- telephone number. ■

## Plan Membership

| Year | Active Members | Pensioners |
|------|----------------|------------|
| 2009 | 13,817         | 11,385     |
| 2008 | 13,742         | 11,089     |
| 2007 | 13,541         | 10,791     |
| 2006 | 13,007         | 10,626     |
| 2005 | 13,030         | 9,797      |
| 2004 | 12,964         | 9,242      |

## Your Pension Payments

| Remainder of 2010 |        | 2011   |        |
|-------------------|--------|--------|--------|
| May 27            | Sep 28 | Jan 27 | Jul 27 |
| Jun 28            | Oct 27 | Feb 24 | Aug 29 |
| Jul 28            | Nov 26 | Mar 29 | Sep 28 |
| Aug 27            | Dec 29 | Apr 27 | Oct 27 |
|                   |        | May 27 | Nov 28 |
|                   |        | Jun 28 | Dec 28 |

All articles in this newsletter are premised on the rules and criteria which currently exist under the Nova Scotia Teachers' Pension Plan and which are subject to amendment from time to time. This document explains in plain language the rules of the Nova Scotia Teachers' Pension Plan. Plan members, beneficiaries and others who wish to determine their legal rights and obligations under this plan should refer to the governing legislation, regulations 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.