



PENSION ADMINISTRATION
BULLETIN

Reference No. 2011-05

Date: December 2, 2011

TO: All Pension Administration Contact Persons at Contributing Member Organizations

RE: NSAHO Pension Plan – April 1, 2012 Contribution Rate Increase – Member Announcement

Further to our October 11, 2011 memo (Reference No. 2011-03), the Health Association Nova Scotia Board of Directors has approved the recommendation by the Pension Plan Trustees to increase contribution rates for both employee members and participating employers of the NSAHO Pension Plan, effective April 1, 2012.

The contribution changes, to be **effective April 1, 2012** are as follows:

Pensionable Earnings	Employee Contribution Rates		Employer Contribution Rates	
	Current	New	Current	New
Up to YMPE (i.e. \$50,100 in 2012)	7.0666%	7.82%	8.4961% (9.0961% if Employer participated in 94-98 ERIP)	9.22% (9.82% if Employer participated in 94-98 ERIP)
Above YMPE (i.e. \$50,100 in 2012)	9.2555%	10.18%	10.6806% (11.2806% if Employer participated in 94-98 ERIP)	11.58% (12.18% if Employer participated in 94-98 ERIP)

The Pension Trustees will continue to monitor the adequacy of contributions. If the capital markets do not recover, a further contribution increase may be recommended a year from now.

The Nova Scotia Pension Benefits Act regulations require that all employees who are Plan Members be notified of this plan amendment. The Plan needs your timely assistance to meet the information and compliance requirements promptly. We have prepared the attached Notice that you can use to communicate this information to your employee members. We recommend that you copy and circulate this notice to the appropriate employees via your internal mail system, your internal e-mail, as an insert in pay stub envelopes, and/or post it on bulletin boards throughout your facility. If you anticipate any logistical difficulties related to distributing this information on a timely basis, please let us know right away and we will attempt to assist you. We appreciate your cooperation in helping us communicate this information.

If you have any questions, please contact us at 832-8500 or, if calling long distance at 1-866-400-4400 (Toll Free).

NSAHO Pension Plan
December 2, 2011

Attachment – Notice for employees who are Plan Members



Notice to all active Members Contribution Rates will increase April 1, 2012

Since mid-summer, stock markets and long term interest rates have both declined sharply. This combination tends to hurt the financial position of pension plans. While our financial performance has continued to be much better than most other pension plans, unfortunately we need to increase contribution rates.

Effective April 1, 2012, the contribution rates that you pay will increase as follows:

	Employee Contributions		
	Current	New Rates- April 1, 2012	% Increase
Earnings below Canada Pension Plan Earnings Maximum (\$50,100 in 2012)	7.0666%	7.82%	0.7534%
Any Excess Earnings	9.2555%	10.18%	0.9245%

On April 1st your Employer's contributions will also increase. Employer's contributions will be 1.4% of earnings more than your increased contributions. In addition, many Employers also contribute 0.6% related to an early retirement program that existed in the 1990's.

The Pension Trustees will continue to monitor contributions. If the capital markets do not recover, a further contribution increase may be announced next year.

If you have any questions or comments about these changes, please contact us at:

- Write: NSAHO Pension Plan, 2 Dartmouth Road, Bedford, NS, B4A 2K7
- Telephone: (902) 832-8500 for local calls; 1-866-400-4400 for long distance toll free
- Fax: (902) 832-8506
- E-mail: pensionplan@nsaho.ns.ca

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