

## **Notice to all active Members Regarding Base Year Improvement**

The Base Year is being improved from 2014 to 2015 effective December 31, 2016.

### **Some quick facts about this Base Year improvement**

- If you are thinking about retiring or terminating your employment in the near future, you should take note of the following information:
  - This change in Base Year will only apply to retirements and terminations of employment on and after January 1, 2017;
  - Therefore, *you may wish to postpone your departure until January*. Whether you are better off to wait will depend on your specific situation. For example, did you have an increase in your annualized earnings in 2015 compared to 2014?
  - A Base Year improvement will not fully benefit all members. This is because pension legislation applies a maximum to the earnings that can be used to calculate your benefit. The maximum is the average of your highest 36 consecutive months of pensionable earnings.

If you are uncertain of how this improvement will impact your pension, you may wish to contact NSHEPP to obtain a pension estimate.

- The Plan's Base Year determines the earnings that we use when calculating your pension benefits.
- When the Base Year is upgraded, it means that your previous annualized pensionable earnings for years *before* the new Base Year are improved to the same level as your *new* Base Year annualized earnings.
- When your annualized earnings in the new Base Year are higher, you will receive a higher pension benefit.
- The current Base Year is used unless a prior Base Year provides a higher pension benefit for you.

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

- Write: NSHEPP, 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@nshepp.ca](mailto:pensionplan@nshepp.ca)

### **NSHEPP**

September 14, 2016

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