

# COMMUNIQUÉ

**DATE:** June 29, 2015

**TO:** All active members participating in the Public Service Superannuation Plan (Plan)

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Public Service Superannuation Plan Trustee Inc. (Trustee) has completed its first comprehensive review of the Plan's long-term financial health.

The Trustee is required to conduct a funded-health review of the Plan every 5 years, in accordance with provisions in the *Public Service Superannuation Act (PSSA)*. The purpose of the review is to determine the Plan's capacity to afford annual cost-of-living adjustments (COLA) for the next 5 years and to review the adequacy of contribution rates.

After prudent review and consideration, the Trustee made the following decisions during its review of the Plan's funded health:

- Allocated approximately \$125 million of the funding surplus to the strategic reserve,
- Approved a COLA set at 0.85 per cent per year (January 1, 2016 to December 31, 2020), and
- Confirmed that no changes to Plan member and employer contribution rates will be made.

The Trustee's decision to grant COLA (also known as indexing) for the next 5 years was based on the Plan's funded ratio as of December 31, 2014, which was 104.7 per cent funded (before the calculation of future COLA).

The highest priority during the funded-health review was given to the Plan's long-term financial health and sustainability. The guidelines used to determine the granting of any COLA are detailed in the funding policy of the *PSSA*. You can learn more about the 5-year funded-health review and these guidelines on our website at:

[www.novascotiapension.ca/publicserviceplan/news/5yearpssphealthreview](http://www.novascotiapension.ca/publicserviceplan/news/5yearpssphealthreview)

For more information on the Plan's financial position, you can view the 2014-15 PSSP Annual Report *which is available on our website at:*

[www.novascotiapension.ca/publicserviceplan/publications/annualreports](http://www.novascotiapension.ca/publicserviceplan/publications/annualreports)

The Annual Report provides you with interesting statistics about the Plan. It also includes information on the Plan's 2014-15 investment performance and its financial status at year-end March 31, 2015.