

Civil Service Superannuation Fund



Newsletter

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Recent Changes to the Civil Service Superannuation Act

Effective March 18, 2006, legislation for the *Civil Service Superannuation Act* was amended to change the costing basis for purchases of refunded service. With the legislative changes, the member shall repay to the fund the amount that is the actuarial value, as determined by the minister, of the pension benefits. This amendment ensures that the cost is fair and more accurately reflects the underlying liability of service being purchased.

Purchase of Refunded Service – Calculation of Costing Amended

A current member of the CSSF, who had previous pensionable service in the CSSF and upon earlier resignation had received a refund of contributions and interest for those years, can restore this pensionable service. The cost to restore this service will be calculated as follows:

Rule #1 (Early Election) – cost is the amount equal to ½ actuarial value, but no less than the amount refunded, plus interest at the rate of 5%.

Rule #2 (Late Election) – cost is the amount equal to the full actuarial value. *Late Election applies when a member has returned to the CSSF as a participant for longer than three years at the time of purchase.*

Window of Opportunity as a Result of Costing Change

Are you a current member who has returned to the CSSF as a participant for more than three years? If yes, you have a one-year window in which to elect to purchase the refunded service under rule #1. The window to purchase outstanding service under rule #1 will end 12 months from the effective date of this newsletter.

October 01, 2006

Did You Know ?

• About the Pension Calculator on the Internet

There is a pension benefit estimator that can be found online at www.gov.pe.ca/pt/pension. It will estimate your pension based solely on the information you provide.

• Reciprocal Transfers

A member, with previous employment with another employer, with whom the CSSF has a reciprocal transfer agreement, may be eligible to transfer service and benefits to the CSSF and vice versa.

• The following types of service are non-pensionable:

- ▶ Leave without pay
- ▶ Service as a non-permanent employee (*that has not been purchased*)
- ▶ Any period for which contributions were not made

While these services do not qualify as pensionable time, they are not considered a break in service.

Annual Reporting

The Civil Service Superannuation Fund Annual Report for the fiscal year ending March 31, 2005, will be available online at www.gov.pe.ca/publications after it has been tabled in the Legislative Assembly. Copies will also be available at Island Information Service.

The respective number of persons receiving pension increased from 1,234 in 1999 to 1,586 in 2005. Table 1 outlines the number of new pensioners, and the average age, covering the last three fiscal years. Table 2 outlines the categories of pension recipients and the average pension for each category.

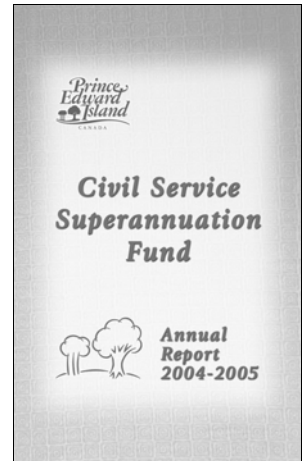


Table 1

New Pensioners and Average Age

Fiscal Year	No. of New Pensioners	Average Age
2002-2003	79	58.74
2003-2004	63	57.89
2004-2005	71	59.29

Table 2

Pension Categories and Average Annual Pension

Category	Number of Persons		Average Annual Pension	
	2004	2005	2004	2005
Members	1,225	1,259	\$ 15,636	\$ 17,020
Spousal	289	310	\$ 8,136	\$ 8,388
Dependents	16	17	\$ 1,320	\$ 2,516
Total Pensions	1,530	1,586		

For more information, please call
 Pension and Benefits
 368-4004