

# Teachers' Superannuation Fund



## WELCOME TO YOUR PENSION PLAN!

You are now one of over 1,700 teachers contributing to the Teachers' Superannuation Fund (TSF)!

For all permanent and fixed term teachers, membership in the TSF is mandatory and contributions to the fund are to begin upon employment. For your information, pension contributions average slightly more than 9 percent of gross regular earnings. The benefits you will earn are described in this bulletin.

### IMPORTANT INFORMATION

- Your pay advice, or Insite Portal, should reflect that you are making TSF contributions.
- Your TSF pension grows with your pensionable service. To keep you informed of the growth of your pension, an annual pension statement will be mailed to your home address. It is important that you keep the Pension Office informed of any address changes.

### Review your Pay Advice/Insite Portal

Contributions to the TSF are mandatory and must begin upon employment, either under a permanent or fixed-term contract.

You can check your pay advice by logging in to Insite Portal (i.e. employee portal) to find out the amount of your bi-weekly TSF contributions. Your contributions should appear under the header 'before-tax deductions' at 'TSF Pension Fund':

BEFORE-TAX DEDUCTIONS	
Description	Current
Teacher Deferred Earns Adj.	1112.87
TSF Pension Fund	395.11
PEITF Union Dues	46.74
<b>Total</b>	<b>1554.72</b>

If you are a permanent or fixed-term teacher, and do not see this TSF contribution, contact your payroll office immediately.

### Contact Us Pensions & Benefits Office

Tel: (902) 368-4200  
Fax: (902) 620-3096

tsf@gov.pe.ca  
www.peitsf.ca

P.O. Box 2000, 16 Fitzroy Street  
3<sup>rd</sup> floor Sullivan Building  
Charlottetown, PE C1A 7N8

### Important Considerations

- Do you have Service with Another Pension Plan? The TSF has a reciprocal transfer agreement with national teachers' pension plan authorities and the Civil Service Superannuation Fund. Contact Pensions & Benefits if you'd like to initiate a transfer.
- If, in the future, you wish to have an approved leave of absence recognized as pensionable service, application must be made **within 24-months of the end of the leave**. The cost to establish this leave as pensionable service is *two-times contributions (i.e. equivalent to about 18% of gross salary)*.
- If, in the future, you wish to have a maternity, parental, or adoption leave recognized as pensionable service, application must be made **within 24-months of the end of the leave**. The cost to establish this leave as pensionable service is *two-times contributions (i.e. equivalent to about 18% of gross salary)*. However, if you make **application within 12-months of the end of the leave**, the cost is **one-times contributions**.
- If you previously contributed to the TSF, terminated membership, and were required to take a refund, you are eligible to *re-instate* this service. **Application must be made within 24-months of the refund date**. The cost will be based on your original refund amount, plus interest.

## Information for New Members of the PEI TSF

### What Can You Expect to Pay?

Your employer is required to automatically deduct contributions from your pay. On average, these contributions will equal slightly more than 9% of your gross regular earnings. Higher income earners can expect to contribute closer to 10% of gross regular earnings.

Every \$ you contribute to your pension is matched by your employer.

For your information, the actual contribution rates on gross regular earnings are:

**8.30%** - up to the YMPE\* (i.e. CPP Earnings)

**10.00%** - above the YMPE

\*Yearly Maximum Pensionable Earnings (YMPE) for 2019 = \$57,400

### Did You Know?

Participation in a pension plan such as the TSF impacts your Personal RRSP Room.

Per the Income Tax Act, your employer is required to report Pension Adjustments (PA) and pension contributions on your T4.

The PA serves to reduce your RRSP Room and the pension contributions provide you with a tax deduction.

### The TSF is a Defined Benefit (DB) Pension Plan – How does it work?

Our plan uses a formula to determine how much pension you will receive when you retire. The following components are used to calculate your TSF benefit:

- your **average salary** at date of termination;
- your **total pensionable service** at date of termination; and
- the **rate at which your pension grows** (i.e. accrual rate) with each year of service (*equal to 2% to age 65*).

The TSF is comprised of two components; one which is paid from the date of retirement to date of death (i.e. lifetime component), and a second which is paid from the date of retirement to age 65 (i.e. temporary bridge component). The intent is that, CPP, if taken at age 65, is available to replace the temporary bridge component that ceased at age 65. The following depicts how the two plans are integrated and intended to provide a level income during retirement.



The TSF is not integrated with the Old Age Security (OAS) Program; which means that OAS benefits are in addition to TSF and CPP benefits.