



**PENSION ADMINISTRATION**  
***BULLETIN***

**Reference No.      2011- 08                      Date: December 15, 2011**

**TO:      All Pension Administration Contact Persons at Contributing Member Organizations**

**RE:      NSAHO Pension Plan – 2012 Plan Maximums**

In anticipation of the required changes to your payroll system for the upcoming 2012 year, this memo provides details on the various maximums that apply to the NSAHO Pension Plan, effective with the beginning pay period for the 2012 payroll year.

- CPP's Yearly Maximum Pensionable Earnings (YMPE) \$ 50,100.00
- Maximum Pensionable Earnings applicable to our Plan \$147,363.50
- Maximum Pension Benefit that can be earned for the Year \$ 2,646.67

As per our December 2, 2011 memo (Reference No. 2011-05), the contribution rates are increasing effective April 1, 2012. Therefore, the 2012 year will be a transition year where two sets of contribution rates will be in effect. The impact of the contribution rate changes on the administration of your plan is covered in the remainder of this memo.

**Employee and Employer Contribution Rates:**

The contribution rate change date is April 1, 2012. For ease of administration, the new contribution rates should be applied to your ***first pay period beginning on or after April 1<sup>st</sup>***.

The maximum annual Employee and Employer contributions will be dependent on the 2012 payroll cycle at your facility and the number of full pay periods, before and after, the contribution rate change date. Please refer to the table below for the Annual Maximum Employee and Employer contributions applicable to your facility.

# of Pay Periods in 2012 Payroll Year	# of Pay periods prior to April 2012 Contribution Rate increase	# of Pay periods after April 2012 Contribution Rate increase	2012 Annual Maximum Employee Contributions	2012 Annual Maximum Employer Contributions for non-ERIP Employers*	2012 Annual Maximum Employer Contributions for ERIP Employers*
26	7	19	\$ 13,475.53	\$ 15,549.17	\$ 16,433.35
26	8	18	\$ 13,426.43	\$ 15,501.58	\$ 16,385.76
27	8	19	\$ 13,440.98	\$ 15,515.68	\$ 16,399.86
27	9	18	\$ 13,393.69	\$ 15,469.85	\$ 16,354.03
24	6	18	\$ 13,500.08	\$ 15,572.97	\$ 16,457.15

\* ERIP – Early Retirement Incentive Plan that was in place from 1994 to 1998.

For example, if the payroll cycle at your facility will have 7 full pay periods before the April 2012 contribution rate change date when the new contribution rate is applied and 19 full pay periods after the contribution rate change date, the Annual Maximum Employee Contributions will be \$13,475.53 and the Annual Maximum Employer Contributions will be \$16,433.35 if you are an ERIP employer.

**Please note that the above table includes the most common payroll cycles for 2012. However, if you have participating Plan Members that have annualized earnings that exceed the Maximum earnings and you have a 2012 payroll cycle that is not included in the above table, please contact us and we will provide the annual maximum contributions that will be applicable to your facility.**

**Special Reporting Requirements:**

For our annual 2012 remittance reconciliation at year-end time, and to ensure that each individual member has contributed the correct amount, we will require employers to report the portion of pensionable hours and pensionable earnings earned prior to the April 2012 rate increase. Therefore, each employer will need to retain a year-to-date record for each plan member that shows the total pensionable earnings and hours up to the end of the pay period prior to the April 2012 rate change date.

<b>Employers will be required to report this breakdown of hours <u>and</u> pensionable earnings to the NSAHO PP at year-end time when the annual data is collected for the 2012 Plan year.</b>
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**Remittance Forms:**

New remittance forms will be available on our website by the first of March 2012. Please contact us directly if you would like us to send a supply to you.

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