



# NBPSPP UPDATE

fall 2025 | vol. 16

active member edition



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## WHAT YOU NEED TO KNOW...

A quick glance at the information you'll find in your newsletter.

### YOUR COST OF LIVING ADJUSTMENT

**Good news!** A cost of living adjustment (COLA) will be provided to members of the Plan on January 1, 2026. The amount granted is:

**2.01%**

More information about this year's cost of living calculation can be found on page 5.

### FOUR-YEAR INVESTMENT RETURN

**6.08%**

More information on the NBPSPP's investments can be found on page 6.

### WHAT WERE THE FUNDING RESULTS IN 2024?



More information can be found on page 3.

Termination Value  
Funded Ratio

**117.2%**

Open Group  
Funded Ratio

**136.5%**

# YOUR NBPSP TODAY

## THE NEW BRUNSWICK PUBLIC SERVICE PENSION PLAN'S GOALS ARE SIMPLE:



To provide members with a secure, **lifetime pension** upon their retirement.



To provide members with **additional benefits**, such as cost of living adjustments, provided that the Plan has the funding to do so.

THE SUCCESS OF THESE GOALS DEPENDS ON THE FINANCES OF THE PLAN.  
HOW IS THE NBPSP DOING?

IN 2024,  
THE PLAN  
GREW BY

**\$937.2**  
million

SO FAR IN 2025,  
THE PLAN HAS  
GROWN BY

**\$232.7**  
million

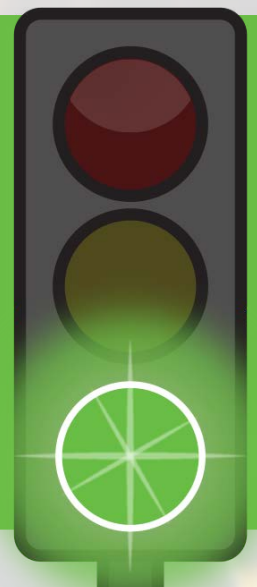
THE NBPSP NOW HAS **\$10.405 BILLION** IN ASSETS.

For more information on the investments of the Plan, see page 6.

## YOUR PENSION PLAN REMAINS IN EXCELLENT FINANCIAL HEALTH.

With an open group funded ratio of 136.5%, the Board of the NBPSP has the green light to once again grant all members of the Plan a full cost of living adjustment (COLA), matching the rate of inflation as determined by Statistics Canada. More information on this year's COLA can be found on page 5.

For more information on the funding of the Plan, see the next page.



**DISCLAIMER:** This newsletter is a publication on behalf of the Board of Trustees of the New Brunswick Public Service Pension Plan. This publication is intended to provide information about the New Brunswick Public Service Pension Plan. If there is a discrepancy between the information contained herein and the Pension Plan Text or other appropriate governing documents, the latter will prevail.

# CHECK-UP ON THE PLAN'S HEALTH

## ACTUARIAL VALUATION

The Plan's health is reviewed each year by your Board of Trustees and the Plan's independent actuary. An actuary is an expert in the mathematics of finance. Together, they look at the funding level and risk management of the Plan. They measure the Plan as it is today, and what can be reasonably expected in the future. Then, your Board uses these findings to make decisions on the next COLA and other improvements for members like you.

## Risk Management Results

### Primary Risk Management Goal

Achieve 97.5% probability that past base benefits earned will not be reduced over the next 20 years.

99.55%



Met

### 1<sup>st</sup> Secondary Risk Management Goal

Provide indexing in excess of 75% of CPI to active and retired members over the next 20 years.

95.7%  
of CPI



Met

### 2<sup>nd</sup> Secondary Risk Management Goal

Achieve at least 75% probability that ancillary benefits (e.g., early retirement benefit) can be provided over the next 20 years.

99.3%



Met

For more information on the NBPSP's funding level and risk management, see the Actuarial Valuation Report available at [nbpssp.ca](https://nbpssp.ca) under "About the NBPSP", then "Financial Information: Actuarial Valuation Reports".

## RECENT FUNDING RESULTS

To determine the funding level of the NBPSP, the Plan's actuary, TELUS Health, compares the Plan's assets (what it owns) to its liabilities (what it owes). See the results below.

### TERMINATION VALUE FUNDED RATIO

117.2%

The termination value funded ratio compares the fair market value of the assets of the Plan to its liabilities at the date of the actuarial valuation, in this case, January 1, 2025.

This ratio is used in calculating a member's benefits upon termination of employment, death, or marriage breakdown.

### OPEN GROUP FUNDED RATIO

136.5%

The 15-year open group funded ratio compares the fair market value of the Plan's assets, plus the present value of excess contributions over the next 15 years, to the Plan's liabilities. It is used in determining the COLA to be granted and in making other Board decisions.



# EMPLOYEE SESSIONS

## Did you know?

The Plan's chosen administrator, Vestcor, offers educational sessions to help members better understand the NBPSP.

There is no better way to learn about how the NBPSP works for its members than a session tailored to you from our service provider, Vestcor. They cover all the basics of the Plan, and are there to answer your questions.

**Ask your employer to schedule a session for you and your colleagues, or request a session directly from Vestcor at [vestcor.org/sessions](https://vestcor.org/sessions).**



*Katelynn Barton, from Vestcor's Member Services Team, presenting to members of the Plan earlier this year.*

## OTHER RESOURCES



### HELPFUL VIDEOS

Much of the material covered in the employee sessions is also available in videos posted on the NBPSP website, [nbpspp.ca](https://nbpspp.ca). Look under "Helpful Videos".

You can also find them on the Plan's YouTube channel at [youtube.com/@nbpspp-rrspnb](https://youtube.com/@nbpspp-rrspnb)



### INTEGRATION VIDEO

One of the most complicated aspects of the Plan is how it is integrated with the Canada Pension Plan (CPP). Integration is important to understand if you plan to retire early. Luckily, there's a video about just that. Visit [nbpspp.ca/integration](https://nbpspp.ca/integration) to watch it today.



### 2024 ANNUAL REPORT

The latest NBPSP Annual Report is available now on the Plan's website, [nbpspp.ca](https://nbpspp.ca). In it, you'll find a full account of the NBPSP in 2024, including Board decisions and accomplishments, Plan expenses, financial statements, and more.



### 2025 ANNUAL INFORMATION MEETING

The NBPSP held its Annual Information Meeting on September 24, 2025. A full recording of the meeting is available to view at [nbpspp.ca/2025aim](https://nbpspp.ca/2025aim).



# YOUR COST OF LIVING ADJUSTMENT

Cost of living adjustments (COLA) are meant to help your pension keep up with inflation – whether you are an active member saving for your future retirement or a retiree drawing a pension. This year's COLA granted to all NBPSPP members is:

## 2.01%

If you're an active or deferred member, the increase will be applied to the benefits you've earned up to December 31, 2024. Each increase you receive will continue to compound until you retire. If you're a retiree, the increase will be applied to your monthly pension benefit on January 1, 2026. Retirees will receive written notification of this increase in December 2025.

Visit the "Cost of Living Adjustments" section of [nbpspp.ca](https://nbpspp.ca) for more information.

## Cost of Living Adjustments (COLA) Awarded Since Plan Conversion

Year Awarded (January 1)	NBPSPP COLA	Canadian CPI*
2026	2.01%	2.01%
2025	3.70% <sup>†</sup>	3.11%
2024	5.32%	5.59%
2023	5.24%	5.56%
2022	1.46%	1.46%
2021	1.46%	1.46%
2020	2.12%	2.12%
2019	1.88%	1.88%
2018	1.47%	1.47%
2017	1.40%	1.40%
2016	1.49%	1.49%
2015	1.43%	1.43%
2014	0.96%	0.96%

\*Maximum COLA that can be granted based on the percentage change in the average Canadian Consumer Price Index (CPI).

†This amount represents the 3.11% change in the Canadian CPI, as well as the remaining 0.27% and 0.32% not granted in 2024 and 2023 respectively.



# MID-YEAR INVESTMENT UPDATE

A SNAPSHOT OF WHERE YOUR PENSION FUND STANDS AT JUNE 30, 2025

## H I G H L I G H T S

NBPSPP MID-YEAR RETURN

**3.47%**

AT JUNE 30, 2025  
(GROSS)

NET INCREASE OF

**\$232.7 million**

SINCE DEC. 31, 2024

INVESTMENT  
ASSETS ARE

**\$10.405 billion**

AT JUNE 30, 2025

NBPSPP FOUR-YEAR RETURN

**6.08%**

(GROSS)

### Key Takeaways

- The NBPSPP earned a solid return in the midst of significant uncertainty regarding trade negotiations and monetary policy.
- Long-term returns continue to exceed the Plan's value-added return target of 50 basis points. In simple terms, one of the objectives of Vestcor, the NBPSPP's investment manager, is to earn returns that exceed the benchmark by at least 0.50%.



We are pleased to report that the Plan's investments earned a positive return of 3.47% in the first six months of 2025. Over the longer term, both the four-year annualized return of 6.08% and the ten-year annualized return of 6.50% are in excess of the 5.00% discount rate recommended by the independent actuary and approved by the Board. These longer-term returns continue to exceed the respective benchmark returns of 5.21% and 5.63%.

Trade negotiations and U.S. domestic macroeconomic policy continue to dominate market news headlines as of mid-year, with continued uncertainty about the ultimate path of both tariff policy and interest rates clouding the growth, employment, and inflation outlook for investors. Despite the uncertainty, risk assets have continued to rise throughout the late spring / early summer, and overall measures of market risk have settled back into longer-term average positions as stock markets have recovered from earlier losses.

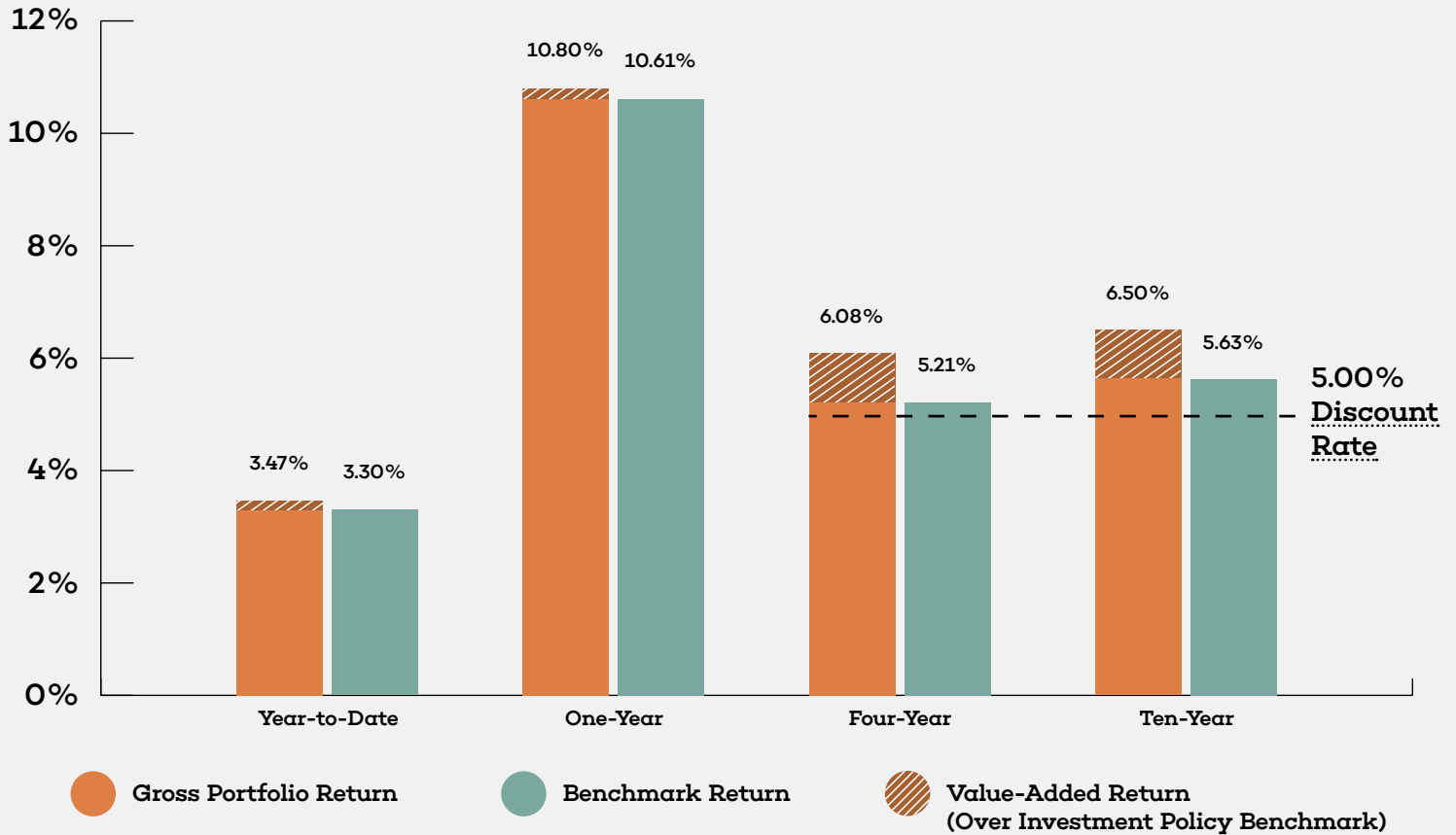
Look for terms with a dotted underline in this Investment Update. You can find definitions of these terms and others relevant to the NBPSPP by scanning the code to the right with your mobile device, or by visiting [vestcor.org/glossary](https://vestcor.org/glossary).



# MID-YEAR INVESTMENT UPDATE

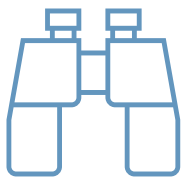
A SNAPSHOT OF WHERE YOUR PENSION FUND STANDS AT JUNE 30, 2025

## INVESTMENT RETURNS (AS AT JUNE 30, 2025)



## INVESTMENT ASSETS

The fair value of the NBPSP investment assets on June 30, 2025 was \$10.405 billion, an increase of \$232.7 million from the fair value on December 31, 2024.



For more information, including a summary of the market outlook for this period, visit the Quarterly Market Updates provided by Vestcor at [vestcor.org/marketupdates](https://vestcor.org/marketupdates).

# AMENDMENTS TO GOVERNING DOCUMENTS

The *Pension Benefits Act* (New Brunswick) requires that members be provided with an update on any amendments to the NBPSP governing documents. As such, the Board of Trustees would like to inform you of the following amendments which were filed with the Superintendent of Pensions:

- The **Plan Text** was amended to add the positions of House Leader, Whip, and Caucus Chair of any recognized party in the Legislative Assembly of New Brunswick to the definition of “Minister” under the NBPSP Plan Text retroactive to November 1, 2024 for the purpose of pensionable earnings.
- The **Statement of Investment Policies** was amended to ensure consistent language is being used, and to change the calculation of the benchmark return from using daily actual portfolio weights to using the Policy Portfolio weights.

The governing documents of the NBPSP are available at [nbpspp.ca](https://nbpspp.ca), and include:

- **The Funding Policy:** the tool used by the Board of Trustees to manage the inherent risks of the Plan. It is a document that provides guidance and rules regarding decisions that must, or may, as applicable, be made by the Board of Trustees around funding level, contributions, and benefits. The Funding Policy is accessible at [nbpspp.ca/fp](https://nbpspp.ca/fp). A quick summary of some of the main provisions of the Funding Policy of the NBPSP is available at [nbpspp.ca/sfp](https://nbpspp.ca/sfp).

## CONTACT US

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Full biographies of your Board members can be found at [nbpspp.ca](https://nbpspp.ca) under “About the NBPSP”, and then “The Board of Trustees”.

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