HRM Benefit Estimate Module

How is the HRM Plan DB pension calculated?	Your defined benefit pension payable from the HRM Plan is determined at your selected retirement age/date based on a formula that is related to your Credited Service and pensionable earnings as follows: Pension = 2% x Best Average Earnings at Retirement x Credited Service at Retirement x Reduction Factor (if applicable)
How is the HRM Plan DC pension calculated?	If you have an HRM Plan DC account when you retire you will have the option of transferring the balance into a LIRA or using it to purchase additional pension payable for your lifetime. If you choose to use it to purchase additional lifetime pension, the amount of pension you will be able to purchase will depend on your account balance and the assumptions in place at your retirement date. The tool will use your current HRM Plan DC account balance (if applicable) and project it into the future using a 6.4% assumed rate of return. Because DC contributions are optional and can vary from year to year it is assumed that you will not make contributions to your HRM Plan DC account in the future.
How are my Best Average Earnings determined at retirement?	Your Best Average Earnings are equal to the average of your annualized pensionable earnings over the 3 highest paid consecutive years of plan membership. The tool will project your current pensionable earnings into the future based on the salary increase rate assumption. The salary increase rate assumption is defaulted to 0% per annum, but you can change this assumption to reflect your future expectations.
Where does the annualized Pensionable Earnings come from in the HRM Benefit Estimate section?	The current annualized pensionable earnings shown are equal to the most recent year end information that the pension office has on file. You can change the amount shown if you wish to reflect a recent salary increase that you might have received. In the event you choose to adjust the default entry, it is important that the earnings you enter here are an annualized amount. For full time employees, simply enter your most recent annual pensionable earnings. For employees who typically work less than a full year, see the example below on how to determine your annualized amount. Example: You recently worked 50% of the time and earned $25,000 during the year. Enter $50,000 ($25,000 / 0.5) in the cell as your annualized pensionable earnings.
What does the Part-time Employment Ratio represent and how does it affect my pension?	Whatever you input here will be what is used to project your Credited Service for pension accrual purposes in the future. If you are a part time employee or an employee of the Halifax Regional Schoolboard, this input defaults to the percentage of Credited Service you earned during the most recent year end period, otherwise it will default to 100% or your last saved input. If your situation has changed, you can use this input to reflect if you work on a less than full time basis. Example: If you were to enter 80 in the cell, you would earn 0.8 years of Credited Service each year in the future, from the most recent year end period until the retirement age that you selected.
How does the Annual Salary Increase Assumption affect the results?	This input is used to determine how your salary is going to grow each year until your assumed retirement. Your projected HRM Plan pension will be based on salaries that reflect these increases each year until the retirement date/age you have selected. The salary increases are assumed to occur each January 1st.

What happens if I change the information in the Spousal Information section?	These cells will automatically be populated with the information that the pension office has on file for you. If you indicate that you are Single, the generated results will show that upon retirement you will receive a lifetime pension guaranteed for 10 years. If you indicate that you are Married the results will show that you will receive a lifetime pension with 2/3rd of this amount going to your spouse upon your death. Note: if you change the information contained in the spouse section, this will not change the data in your pension plan record, it will only be changed for the purposes of the estimate. If you wish to officially change your spouse information, you must complete a Beneficiary and Spouse Designation form.
What do the different dates represent in the Detailed Results section?	If you select a retirement date/age which is before you would be eligible for an unreduced pension, your results will be summarized at two different dates. The first date will summarize your entitlement assuming that you terminate from the HRM Plan on your selected age/date and elect a deferred pension payable at your unreduced retirement date. The second date will summarize your entitlement assuming that you terminate from the HRM Plan on your selected age/date and retire immediately at that date with a reduction applied to your benefit. If you select a retirement date which is on or after the date you would be eligible for an unreduced pension, your results will be summarized assuming that you terminate from the HRM Plan on your selected age/date and retire immediately.
How does my pension grow on the Overview of All Retirement Ages graph?	The graph assumes that you will continue to work and accrue additional service and salary increases for pension purposes to each age shown on the graph. The results on the graph are independent of the "Retirement Date/Age" entered on the "Assumptions" tab. They simply assume that you continue to work up until each age on the graph.

Retirement Planning Module

Do I need to click Save Inputs on each tab?	No, clicking "Save Inputs" on any tab will save your assumptions for all of the tabs where you've entered information, not just the tab you are currently working on.
Can I leave some inputs blank?	Yes, if you leave a particular input blank or set to zero, the system will simply assume that you don't have any amount related to that input and it won't show up in your results.
How does the Retirement Age slider impact my results?	Moving the slider will change your expected retirement date for modelling purposes. The tool will assume that you will continue to work and accrue additional pension benefits up to the age selected. The later you retire the larger the pension benefits will appear on the graph to the right.
What does the Life Expectancy slider do?	Typically, the longer you live, the more money you will need to have available during your retirement. Adjust the slider to see how much additional savings you would need in order to meet your retirement goals under various life expectancy scenarios.
What do the Expected Investment Return sliders do?	These sliders will be used to accumulate any savings amounts, which you enter in the "My Savings" section, both before and after retirement. Your HRM Plan DC account (if applicable) will grow <u>after</u> retirement with the rate you enter here.
What amounts are used for CPP and OAS if I choose to include these amounts with the checkboxes?	Government sponsored benefits are related to historical and future earnings and employment. As our database does not necessarily include all of your historical information the CPP and OAS estimates used in the model are equal to the maximum benefits currently available, projected with inflation to your retirement age. As at January 1, 2018, the maximum CPP benefit is $13,610 and the maximum OAS benefit is $7,039. If you select a start age before age 65 for CPP, the results will include an early retirement reduction. If you select a start age after age 65 for CPP, the results will include a late retirement increase.
What amounts will be impacted by the Inflation Increase rate that I select?	The inflation increase slider will impact benefits that are linked to inflation such as CPP, OAS and your required income during retirement. Your input here will determine how these amounts increase over time. For example, if you enter 2% as the inflation increase, the tool will assume that you will need $1,020 in one years' time to support $1,000 of income today ($1,000 x 1.02). Note that the Bank of Canada aims to keep the annual inflation rate between 1% and 3% per year.
How are the amounts I enter on the My Savings tab used in my results?	Amounts that you enter here will be projected to your assumed retirement age based on the investment return assumptions that you've selected using the "Expected Investment Return" sliders. These savings amounts will be available to you during retirement to meet your retirement objectives.
Where does the Annualized Pensionable Earnings come from in the My Earnings tab in the Retirement Planning section?	The current annualized pensionable earnings shown are equal to the most recent year end information that the pension office has on file. You can change the amount shown if you wish to reflect a recent salary increase that you might have received. In the event you choose to adjust the default entry, it is important that the earnings you enter here are an annualized amount. For full time employees, simply enter your most recent annual pensionable earnings. For employees who typically work less than a full year, see the example below on how to determine your annualized amount. Example: You recently worked 50% of the time and earned $25,000 during the year. Enter $50,000 ($25,000 / 0.5) in the cell as your annualized pensionable earnings.

What does the Part-time Employment Ratio in the My Earnings tab represent and how does it affect my pension?	Whatever you input here will be what is used to project your Credited Service for pension accrual purposes in the future. If you are a part time employee or an employee of the Halifax Regional Schoolboard, this input defaults to the percentage of Credited Service you earned during the most recent year end period, otherwise it will default to 100%. If your situation has changed, you can use this input to reflect if you work on a less than full time basis. Example: If you were to enter 80 in the cell, you would earn 0.8 years of Credited Service each year in the future from the most recent year end period until the retirement age that you selected.
How does the Annual Salary Increase assumption in the My Earnings tab affect the results?	This input is used to determine how your salary is going to grow each year until your assumed retirement. Your projected HRM Plan pension will be based on salaries that reflect these increases each year until the retirement age you have selected. Any future RRSP, TFSA or personal savings contributions will be based on salaries that reflect these increases.
Can I model additional sources of income or expenses that I expect to have during retirement with the tool?	Yes, toggle to either of the "My Additional Income" or "My Additional Expenses" tabs to enter this information. These amounts will then be incorporated into your results.
What do the red lines mean on the graph?	The red lines (if any) indicate a savings shortfall. Try changing your savings amounts on the "My Savings" tab to see how much you would have to save in order to reduce or eliminate this shortfall.
I don't understand what the amounts in the boxes in the table at the top of the Retirement Income screen represent, what should I do?	Hover your mouse over any of the boxes in the table and additional information related to that box will appear under your mouse icon.
Why does my graph increase until a certain point and then decrease on the Your Projected Balance tab?	Before you retire, your accounts will grow with investment returns and contribution amounts that you decide to model. Once you retire, if you don't have enough pension from the DB provision of the HRM Plan, you will need to draw down your savings accounts to maintain your retirement goals. You can hover your mouse over the graph for a detailed breakdown of your account balances at each point in time both before and after your retirement. The red section on the chart (if any) indicates any additional income that would be required to meet your retirement goals.
What does my Readiness Score represent?	The "Readiness Score" is a simple numerical value that indicates how well prepared you will be for retirement, based on your retirement goals and inputted assumptions. Your score considers the life expectancy that you entered as well as when you are expected to become deceased based on standard industry tables.
Why is the Disclosure section of the website important?	The "Disclosure" section provides you with additional **important** information related to the assumptions that were used to model your results. This information will help you further understand your benefits and how they are modeled.