



Halifax Regional Municipality Pension Plan

NOTICE TO ACTIVE MEMBERS

JUNE 2018

We would like to take this opportunity to provide you with information and updates regarding the Halifax Regional Municipality Pension Plan (the “Plan”). This notice will cover the following topics:

- 2017 Annual Report
- Plan Amendment
- NEW Retirement Calculator
- Contact Information for the HRM Pension Office

2017 Annual Report

A copy of the 2017 Annual Report will be posted on our website by June 1, 2018. Please visit www.hrmpensionplan.ca to view the report (click on ‘About Us’, then look for the ‘Annual Report’ link under Plan Information on the left side of the page).

Plan Amendment

Plan Amendment 2017-01: The amendment, which formally brings the Plan into compliance with the June 1, 2015 changes to the Nova Scotia *Pension Benefits Act* and its *Regulations*, has been filed with the Superintendent of Pensions. A full copy of the amendment can be found on our website, www.hrmpensionplan.ca (click on ‘About Us’, then ‘Plan Information’ and look in the ‘HRM Pension Plan Text and Amendments’ section). The following provides a summary of the amendment:

Interest Rates

The interest rate applied to commuted value payments (from date of termination to the first day of the month in which payment is made) has changed from the rate applied to employee required contributions for the previous year (CANSIM Series V 122515 – average yield on 5-year personal fixed term chartered bank deposits) to the rate used in determining the commuted value (assumed interest rate for the first 10 years after payment). This rate changes monthly.

Definition of Spouse

Pre-June 1, 2015, spouses and common-law partners had separate definitions under the Act/Plan. Now there is one definition as follows (bolded sections highlight the changes):

Spouse means either of two persons who:

- i. are married to each other,
- ii. are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity,
- iii. have gone through a form of marriage with each other, in good faith, that is void and are cohabiting or, where they have ceased to cohabit, have cohabited within the twelve-month period immediately preceding the date of entitlement,
- iv. **are domestic partners within the meaning of Section 52 of the Vital Statistics Act, or**
- v. **not being married to each other, are cohabiting in a conjugal relationship with each other, and have done so continuously for at least**
 - a. **three years, if either of them is married, or**
 - b. **one year, if neither of them is married**

Form of Pension

There is no longer any provision for a member who is “living separate and apart” from a spouse or common law partner to be treated as if the member no longer has a spouse. Consequently, if a member with a spouse wants to receive a pension payable on a single life only basis, the member and the spouse would be required to submit a signed written waiver in the prescribed form.

Small Benefit

The threshold that allows for a member's commuted value to be paid out of the Plan in cash has been increased from 10% of the Years Maximum Pensionable Earnings ("YMPE") to 20% of the YMPE. In addition to the threshold above, members remain able to have their commuted value paid out in cash if their annual pension payable at their normal retirement date is less than 4% of the YMPE.

Vesting

Effective June 1, 2015 members become vested immediately upon joining the Plan. Vesting provides members with the right to both the employee and employer share of their entitlement from the Plan. Vesting previously occurred after two years of plan membership.

Pre-Retirement Death Benefit

The pre-retirement death benefits now provide for a spouse to receive a payment equal to 100% of the commuted value of the member's accrued pension, or an immediate or deferred survivor pension. Previously, the immediate or deferred survivor pension was only available to the spouse if the member died after becoming eligible to retire.

Retirement Calculator

The retirement calculator was upgraded on April 30, 2018 to include additional features. In addition to providing a detailed estimate of the pension benefits to be provided by the HRM Pension Plan, the NEW Retirement Calculator allows members to estimate additional income that could be provided during retirement from the Canadian Pension Plan (CPP), Old Age Security (OAS), retirement income from other plans, and any other additional personal savings that the member might have. Expenses can also be incorporated into the members retirement planning. Just follow these steps to access the NEW Retirement Calculator:

1. Visit the Plan website, www.hrmpensionplan.ca;
2. Click on 'I am a Plan Member' on the left side of the page;
3. Click on the 'Retirement Calculator' box on the left side of the page;
4. If you are a first time user, click on 'Register Now' at the bottom of the page and follow the prompts to set up your username and password.
5. Members that had previously set up usernames and passwords under the older version of the Retirement Calculator (this would be prior to April 30, 2018), will be required to set up new usernames and passwords in order to access this NEW Retirement Calculator.

For full instructions on how to register and login, and to navigate through the retirement calculator, please refer to our website, www.hrmpensionplan.ca, click on 'Latest News', refer to any of the following documents:

- Notice to Members – Retirement Calculator March 2018;
- Retirement Calculator - Introductory User Guide April 30, 2018;
- Retirement Calculator - FAQ April 30, 2018; and
- Retirement Calculator – Advanced User Guide May 2018.

Contact Information for the HRM Pension Office

We encourage you to contact the HRM Pension Office if you have any questions about the Plan. We have a dedicated Plan Member Services team who can provide you with important information about your pension benefits and address any of your concerns. Please feel free to contact us by mail, phone, fax or e-mail. We also encourage you to visit the Pension Plan's website and hope you will find it to be a valuable source of information.

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