

NOTICE TO HRM PENSION PLAN MEMBERS REGARDING PLAN CHANGES

The Pension Committee for the Halifax Regional Municipality Pension Plan (the “Plan”) has voted to make the following changes¹ to the Plan:

- Reduce employee and employer contribution rates for the Defined Benefit (“DB”) provision of the Plan effective June 28, 2026, and
- Amend the Plan Text to reduce the member notice period from 180 days to 120 days in the case of a contribution rate reduction (Amendment 2025-01).

You are receiving this notice to satisfy the requirements of the Plan Text and the Nova Scotia Pension Benefits Act and Regulations. No action is required from you in response to this notice.

CONTRIBUTION RATE REDUCTION EFFECTIVE June 28, 2026

Employee and employer contributions to the Plan will each decrease by 2.0% of regular pensionable earnings effective June 28, 2026. A table outlining contribution rates after the change is shown on the next page.

Decision-Making Process

The Pension Committee reviewed the financial position of the Plan as at December 31, 2024, as provided by the Plan’s actuary, Eckler. On that date, the Plan was approximately 109% funded, assuming the Plan will continue indefinitely into the future. This means there was approximately one dollar and nine cents of pension assets supporting each dollar of Plan benefits earned by members to date. The valuation also estimated that total contributions to the Plan in 2025 would exceed Plan costs for benefits earned in 2025 by over 7% of payroll.

Given these healthy Plan results, the Pension Committee decided to reduce DB contribution rates by 2.0% of pensionable payroll for both employees and employers. After this contribution rate reduction, total contributions to the Plan are still expected to exceed the cost of benefits earned by over 3% of pensionable payroll. These extra contributions are expected to be sufficient to protect and prudently grow the Plan’s surplus over time, helping control fluctuations in contribution rates over the long term.

¹ Note: The above changes are subject to, and may change, as required by the Plan Text and applicable law.

Contribution Rates by Plan Division Effective June 28, 2026 (After the Contribution Rate Reduction)


Please note that contribution rates differ depending on whether employees are subject to the Rule of 75 or the Rule of 80 for the determination of their early unreduced retirement date. In addition, contribution rates may differ if an employee belonged to a prior pension plan division (Halifax or County Plan).

	Employees	Employers
Current Plan Division		
Public Safety Occupations hired after April 1, 1998	10.56%	10.56%
Public Safety Occupations hired after July 1, 1994 under the former City of Halifax plan	10.56%	10.56%
Other Public Safety Occupations who elected the "Rule of 75"	10.91%	10.21%
Other Members	10.21%	10.21%
Prior Halifax Plan (pre HRM amalgamation) Division		
Public Safety Occupations hired after July 1, 1994	10.26%	10.26%
Other Members	9.91%	9.91%
Prior County Plan (pre HRM amalgamation) Division		
All Members	9.71%	9.71%

AMENDMENT 2025-01 EFFECTIVE JUNE 12, 2025

On June 12, 2025, the Pension Committee amended section 6.09 of the Plan Text to reduce the notice period for Plan members from 180 days to 120 days in the case of a contribution rate reduction only. For clarity, there is no change to the notice period for a contribution rate increase. This amendment gives the Pension Committee more flexibility when implementing contribution rate decreases.

If you have any questions, please feel free to contact the HRM Pension Plan office at (902) 490-6213, toll-free at 1 (888) 490-6213, or by email at HRMpension@halifax.ca.

Sincerely,

 Paula Boyd
 CEO, HRM Pension Plan