Halifax Regional Municipality Pension Plan

Welcome! This booklet has been prepared for members or potential members of the Halifax Regional Municipality Pension Plan (the "Plan"), a defined benefit pension plan with attractive benefits and features.

This booklet is intended to summarize the key features and benefits of the Plan in a convenient question and answer format. **This summary applies to members in the new/current division and does not include all of the details of the Plan. If you participate under the terms of a prior plan (City of Halifax, City of Dartmouth, Halifax County or Metropolitan Authority), please contact the HRM Pension Office for information on your benefits.** The official Plan Text will prevail in the event of any discrepancy between this summary and the official Plan terms. Subject to pension legislation and the terms of the Plan, the Plan may be modified or terminated at any time. You may inspect the official plan documents on the Plan's website: www.hrmpensionplan.ca.

Each year while you are a Plan member, you will receive a statement of your benefits under the Plan. We encourage you to regularly visit the Plan's website, www.hrmpensionplan.ca, for important news, up-to-date summaries of Plan features and benefits, answers to Frequently Asked Questions, forms and more. If you have any questions about the Plan, please do not hesitate to call the HRM Pension Office at 902-490-6213 (toll-free: 1-888-490-6213) or email HRMpension@halifax.ca .

This booklet specifically describes benefits for Plan members who are not in a public safety occupation. You are in a public safety occupation if you are a sworn officer in either the police or fire service of the Halifax Regional Municipality. If you are in a public safety occupation, you should request a booklet for public safety occupation members.

Joining the Plan

Eligibility conditions depend on whether or not you work full time.

If you are a full-time employee...	If you are not a full-time employee…
you must join the Plan on the first day of your permanent employment or, if applicable, as specified in your employment contract.	you may join the Plan on the first day of January or July after 12 months of continuous service, provided you have earned at least 25% of the YMPE* or have worked at least 700 hours in the immediately preceding 12 months prior to joining the Plan, unless otherwise provided by collective agreement.

*The YMPE refers to the Year's Maximum Pensionable Earnings. This is the first earnings ceiling of eligible income on which you make contributions to the Canada Pension Plan each year. The YMPE is $74,600 for 2026. This means that a part-time employee must have earned at least $18,650 or worked at least 700 hours in the immediately preceding 12 months prior to joining the Plan, unless otherwise provided by collective agreement.

Is membership optional?

That depends on your employment category:

Employment category	Membership
Permanent Full-time employees	Mandatory
Other than Permanent Full-time employees	Optional

Once you become a Plan member, you remain in the Plan until the earlier of retirement, termination of employment, or death.

Contributions

Effective June 28, 2026, you are required to contribute 10.21% of your basic earnings (excluding overtime and other non-regular sources of income) to the Plan each pay. For every dollar you contribute to the Plan, your employer contributes a dollar to the Plan. Member and employer contributions are used to fund the Plan. There is no specific allocation of the employer's contribution by member as your pension benefit is determined by the benefit formula (see page 2), regardless of the money in the fund. You cannot withdraw contributions from the Plan.

Can I make additional contributions?

Yes. You can make contributions on overtime and other non-regular sources of income at a rate of 6.3%. If you do, your employer will match your contributions. The additional contributions will be held in a Defined Contribution ("DC") account in your name and will be invested with the other assets of the Plan. The rate of interest on these DC accounts is equal to the net rate of return (after all expenses) on the pension fund as a whole. The expenses paid from the fund include investment management, administration and other third-party service provider fees. Before January 1st of each year, you can elect to stop or change your optional DC contributions. You cannot change your election at any other time while you remain employed. Your employee and employer contributions to the DC account affect your Pension Adjustment (see page 2). It is your responsibility to ensure that you do not over-contribute and become subject to income tax penalties. DC accounts cannot be withdrawn from the Plan until your retirement, termination of employment, or death.

When you retire or terminate employment, you can use the DC account value to purchase additional pension payable from the HRM Pension Plan, or transfer it to your personal Locked-In Retirement Account. If you die, the DC account value will be paid to your Spouse or designated beneficiary.

Benefits at retirement

The Plan is designed to help you accumulate benefits for retirement. Your benefits are based on a pre-set formula regardless of investment performance or interest rates. Here's the formula to calculate your annual pension payable upon your retirement:

2% x	Your best average earnings	x	Your years of credited service
	This is the average of your earnings over the 3 highest-paid, consecutive years. It does not include overtime and other non-regular sources of income. For further details on the earnings included for pension purposes, please contact your payroll support person.		This is the length of time you have been continuously employed while a member of the Plan, and made contributions as required by the Plan. Credited service for members employed in part-time positions is determined based on hours worked compared to full-time hours.

For example, if you have best average annual earnings of $50,000 and 25 years of credited service in the Plan, your annual pension entitlement is $25,000 (2% x $50,000 x 25).

Maximum Pension – Retirement benefits under registered pension plans are subject to various limits under the Income Tax Act. The maximum pension you may earn under the Plan is the defined benefit limit as specified under the Income Tax Act. For members retiring in 2026, this limit is $3,932.22 per year of credited service. This would impact members retiring in 2026 with a Best Average Earnings of $196,611 or higher. The maximum pension for any service that is purchased in respect of years prior to 1990 while you were not a contributor to a registered pension plan is 2/3 of the defined benefit limit.

When is my pension payable?

You can commence receiving your pension at different ages, as follows:

Normal Retirement Date:	The Normal Retirement Date under the Plan is the first day of the calendar month coincident with or next following your 65th birthday.
Optional Retirement Date:	You may retire with an unreduced pension from the Plan as early as age 60 or when your age and your years of continuous service add up to 80 (known as the "Rule of 80"), whichever comes first. There is no minimum age requirement associated with the "Rule of 80".
Early Retirement Date :	You may retire as early as age 55 with a reduced pension. The reduction is equal to ½% for each month between your Early Retirement Date and your Optional Retirement Date as described above. For example, if you retire at age 56 and your Optional Retirement Date is age 58, then you will be retiring 24 months before you are eligible for an unreduced pension. In this example, the pension will be reduced by 12% (½% x 24 months). This reduction is permanent to compensate for the longer payment period. *Please note that if your Optional Retirement Date is before age 55, there will be no reduction in your pension upon early retirement*.
Postponed Retirement Date:	If you choose to work beyond your Normal Retirement Date, your pension will commence the first day of the month following your last day of work, but not later than December 1st of the year in which you turn age 71, in accordance with Plan provisions and the Income Tax Act.

How will the pension I earn under the Plan be paid?

If you . . .	you will receive . . .
have a Spouse at retirement	a pension for your lifetime. When you die, your surviving Spouse will receive a lifetime pension equal to 66 ⅔% of your pension. If you both die before payments exceed your contributions to the Plan with interest to your retirement date, your designated beneficiary will receive a lump sum benefit equal to the remainder of this amount.
do not have a Spouse at retirement	a pension for your lifetime. If you die before receiving 120 monthly payments, your designated beneficiary will receive the value of the remaining payments.

Your Spouse is the person you are married to or the person you are in a common law relationship with. Please refer to the Plan's Website at www.hrmpensionplan.ca for a complete definition of Spouse in accordance with the Nova Scotia *Pension Benefits Act*.

What is a Pension Adjustment, and how is it calculated?

Your RRSP contribution room each year is reduced by the value of the pension benefit you have earned for the year. This value is reported on your T4 slip as a Pension Adjustment ("PA"). The PA is calculated using a formula prescribed by the Income Tax Act:

> 9 x the benefit you have earned during the year - $600* + employee and employer optional contributions to your Defined Contribution ("DC") accounts.

*The $600 in the above formula is pro-rated based on credited service where your credited service is less than 1 in the year.

Will the pension I earn under the Plan keep up with the cost of living?

The HRM Pension Plan was not designed with indexing or cost of living adjustments being a funded benefit. Contribution levels do not support guaranteed indexing to pensions in pay. However, subject to approval by the Pension Committee, pensions in payment **may** be adjusted for increases in the cost of living but there is no guaranteed increase. The discretion to grant ad-hoc indexing rests with the Pension Committee. The process of approval by the Committee will be guided by the Committee's Funding Policy and subject to a maximum outlined in the Plan Text. Increases are made on an-ad-hoc basis and are **not guaranteed**.

Can I purchase or transfer service and have it count as credited service under the Plan?

Yes. Subject to certain Income Tax Act limits, you may be able to purchase or transfer pensionable service, such as:

- approved leaves of absence with your employer during which you did not contribute to the Plan;
- service with your employer prior to joining the Plan;
- service with employers with whom the Plan has a reciprocal transfer agreement;
- certain periods of employment with other employers; and
- prior periods of service under the Plan for which you have received a refund when your employment ended.

Presently, the Plan has reciprocal agreements with the Province of Nova Scotia (including many public authorities in the Province), the Federal Government, the Ontario Municipal Employees Retirement System, and the Province of Newfoundland and Labrador. There are deadlines under which you must initiate the process of transferring service under the reciprocal transfer agreements. The deadlines vary under each agreement, but could be as early as one year of employment with HRM. Please note that administration fees are charged for transfers under a reciprocal transfer agreement and for the purchase of service with a previous employer. Please contact the HRM Pension Plan Office or go to the Plan's website at www.hrmpensionplan.ca for more information about eligibility, costs and fees.

Your benefits in other events

What happens if I become disabled?

If you become disabled after April 1, 1998 and receive disability income from the Canada Pension Plan, Workers Compensation, or a long-term disability plan sponsored by your employer or a bargaining unit of your employer, and your net income as defined in the Plan while disabled is less than your net income immediately prior to your disability, your pension benefits will continue to accumulate as long as you continue to be disabled and employed by your employer. The benefit you earn during this period will be based on your rate of pay prior to your disability. You are not required to make contributions to the Plan during this time; however, your employer must continue to make contributions on your behalf.

What happens if I die?

If you die . . .	here's what will happen . . .
before you start your pension	▪ your surviving Spouse may elect to receive the lump-sum value of the pension you would have received had your employment ended immediately before your death. Instead of a lump-sum payment, your Spouse may elect to receive an immediate or deferred pension. The survivor pension would be equivalent in value to the lump-sum value of your pension. ▪ If you do not have a Spouse, your designated beneficiary or estate will receive the lump-sum value of the pension you would have received had your employment ended immediately before your death.
after your pension has started	▪ the benefit payable will depend on the form of pension you chose at retirement. Any joint survivor pension will only be payable to the person who was your Spouse at the time of retirement.

If you want to change your Spouse or designated beneficiary, please complete a "Beneficiary & Spouse Designation" form. The form can be found on the Plan's website at www.hrmpensionplan.ca.

What happens if I terminate my employment before I become eligible to retire?

You will have the choice of:

- leaving the benefits you earned in the Plan and being paid a monthly pension at your Normal Retirement Date, or
- transferring the commuted (lump-sum) value of your benefits to a Locked-In Retirement Account or to another registered pension plan (if that plan accepts it) on a tax-sheltered basis. However, please note that the Income Tax Act imposes limits to the amount that can be transferred from a registered pension plan on a tax-sheltered basis. If your commuted (lump sum) value exceeds this limit, the excess amount shall be payable as cash and will be subject to withholding tax. There may be an opportunity for you to tax-shelter a portion or all of your excess amount (if applicable) if you have available RRSP contribution room.

If your annual pension payable at your Normal Retirement Date is less than 4% of the Year's Maximum Pensionable Earnings ("YMPE") in the year your employment terminates, or the commuted value of your pension is less than 20% of the YMPE in the year your employment terminates, your benefit is considered to be a "small benefit" and may be payable as cash subject to withholding tax.

If your contributions with interest to the Plan (excluding any DC account balances) exceed 50% of the total value of your pension benefits, you may receive the excess as a taxable cash payment, or transfer it to your tax-sheltered personal RRSP.

What happens to my continuous and credited service if I terminate employment and then get rehired?

If you terminate employment and are subsequently rehired **within twelve months**, you can return any monies (plus interest), which have been paid out of the Plan on your behalf, to the pension fund and receive continuous and credited service from your previous period of employment. If this situation applies to you, please ensure that your Employer notifies the HRM Pension Plan Office.

Can my Spouse make a claim to receive my pension if our relationship ends?

Yes, a part of it. If your relationship ends, your former Spouse may be entitled to a share of up to 50% of your pension benefits earned while you were together and a member of the Plan. In accordance with a court order or separation agreement if the agreement was signed after June 4, 2001, the benefits will be distributed by the Plan administrator when the benefits become payable to you. In accordance with provincial pension legislation, an administration fee is charged for processing a pension division on the breakdown of a spousal relationship.

Government Benefits

You may be eligible for government pensions in addition to your pension from the Plan. For information on the Canada Pension Plan (CPP) and Old Age Security (OAS) programs, please contact Service Canada at 1-800-277-9914 or visit www.servicecanada.gc.ca.

Who is responsible for the administration of the Plan?

The Plan is governed by a joint committee called the HRM Pension Committee. The HRM Pension Committee is comprised of twelve members; one representative from each of the five HRM bargaining units, five representing HRM management, one representing non-union HRM employees and one retired member appointed by the Committee. Each Committee member is supported by alternate members who attend Committee meetings and vote on behalf of the Committee member in their absence. Representatives of other participating employers are non-voting representatives. The Committee members and participating employer representatives are listed below.

The Committee is supported by professional staff and specialist service providers who assist the Committee in carrying out its duties. The Pension Committee meets at least quarterly. Plan members are welcome to attend the meetings of the Committee. The time and location of any meeting can be obtained by calling the HRM Pension Plan Office at 902-490-6213 (toll free: 1-888-490-6213).

Pension Committee Members	
Jerry Blackwood	Halifax Regional Municipality Management
John Traves	Halifax Regional Municipality Management
Britt Wilson	Halifax Regional Municipality Management
Robert Ritchie	Halifax Regional Municipality Management
Vicki Robertson	Halifax Regional Municipality Management
Christopher Giddens	Non-Union Municipality Employees Association (NUMEA)
Mark Voisin	Canadian Union of Public Employees, Local 108 (CUPE)
Jonathan Beer	Halifax Regional Police Association (HRPA)
Jason Colville	Amalgamated Transit Union, Local 508 (ATU)
Kimberly Taylor	Nova Scotia Government Employees Union (NSGEU)
Dan Axford	International Association of Firefighters, Local 268 (IAFF)
Mark Hartlen	Retirees
Participating Employer Representatives	
Shannon McAllister	Halifax Public Libraries
Jen Heddon	Cole Harbour Place
Tracy LeBlanc	Zatzman Sportsplex
Mike Cogdon	Halifax Forum Community Association
Steven Vincent	Ocean View Continuing Care Centre
Susan Akmens	Atlantic Community Supported Living *(formerly Quest)*
Louis de Montbrun	Halifax Water
Angela Martell	Halifax Regional Centre for Education
Stuart Poteri	Centennial Arena
Robert Rines	Lake District Recreation Association