

Appendix D5 – Actuarial Method and Assumptions

Nova Scotia Public Authority Pension Plans Reciprocal Transfer Agreement

Name of Public Authority:	Municipality of the District of East Hants
Registered Pension Plan Name:	Retirement Plan for Employees of the Municipality of the District of East Hants
Effective Date:	March 31, 2017

The transfer value will equal the greater of the amount determined using:

- A) Going Concern Basis
- B) Transfer Value Basis

A1. **Actuarial Method** (describe): Accrued Benefit (Unit Credit)

A2. **Assumptions:**

a) **Economic Assumptions:**

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| (1) Interest Rate: | 6.00% p.a. |
| (2) Inflation Rate: | N/A |
| (3) YMPE Growth Rate: | N/A |
| (4) Salary Growth Rate: | N/A |
| (5) Rate of Increase of Maximum Benefits under Income Tax Act: | N/A |
| (6) Rate of Indexing of Pension in Payment: | N/A |

b) **Demographic Assumptions:**

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|-------------------------------------|--|
| (1) Mortality Table: | 2014 Canadian Pensioners' Mortality Table for Public Sector Employees (CPM2014Publ) with CPM Improvement Scale B (CPM-B) |
| (2) Gender Split: | Sex Distinct |
| (3) Proportion With Spouse: | N/A |
| (4) Age Difference Between Spouses: | N/A |
| (5) Retirement Age: | 50% Rule of 80 and 50% at age 65 |
| (6) Withdrawal Rate: | None |
| (7) Disability Rate: | None |

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B1. **Actuarial Method** (describe): “Accrued Benefit” method

B2. **Assumptions:**

a) **Economic Assumptions:**

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| (1) Interest Rate: | Pre and post retirement interest rates for the month of calculation determined in accordance with Section 3500 of the Canadian Institute of Actuaries Standards of Practice – Pension Commuted Values | |
| (2) Inflation Rate: | | N/A |
| (3) YMPE Growth Rate: | | N/A |
| (4) Salary Growth Rate: | | N/A |
| (5) Rate of Increase of Maximum Benefits under Income Tax Act: | | N/A |
| (6) Rate of Indexing of Pension in Payment: | | N/A |

b) **Demographic Assumptions:**

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|-------------------------------------|--|--------------|
| (1) Mortality Table: | 2014 Canadian Pensioners’ Mortality Table (CPM2014) with CPM Improvement Scale B (CPM-B), or such other table used under Section 3500 of the Canadian Institute of Actuaries Standards of Practice – Pension commuted Values | |
| (2) Gender Split: | | Sex Distinct |
| (3) Proportion With Spouse: | | N/A |
| (4) Age Difference Between Spouses: | | N/A |
| (5) Retirement Age: | Age which maximizes value of benefit | |
| (6) Withdrawal Rate: | | N/A |
| (7) Disability Rate: | | N/A |