

Appendix D5 - Actuarial Method and Assumptions

Nova Scotia Public Authority Pension Plans Reciprocal Transfer Agreement (DC)

Name of Public Authority:	Nova Scotia Pension Services Corporation		
Registered Pension Plan Name:	Public Service Superannuation Plan		
1. Actuarial Method (describe):	Projected Unit Credit (also called accrued benefit)		
2. Assumptions: Effective date:	August 1, 2021		
a) Economic Assumptions:			
(1) Interest Rate:	Discount rate: 5.25%		
(2) Inflation Rate:	2.00%		
(3) YMPE Growth Rate:	2.50%		
(4) Salary Growth Rate:	2.50% plus merit/seniority based on attained age	<30	2.0%
		30 - 34	1.5%
		35 - 39	1.0%
		40 - 44	0.5%
		45 - 49	0.9%
		50+	0.0%
(5) Rate of Increase of Maximum Benefits under Income Tax Act:	2.5%		
(6) Rate of Indexing of Pension In Payment:	0.00% until 2025; 1.0% thereafter		
b) Demographic Assumptions:			
(1) Mortality Table:	120% of CPM2014Publ projected using CPM-B,		
(2) Gender Split:	50% male, 50% female		
(3) Proportion With Spouse:	85% male, 75% female have spouse at retirement		
(4) Age Difference Between Spouses:	male spouse is 3 years older than female spouse		
(5) Retirement Age:	10% at age 59 20% at age 60 10% at each age 61-64 50% at each age 65-69 100% at age 70 However, 20% each year on or after EURD, if greater 40% at 35 years of service (before age 65)		

(6) Withdrawal Rate:

<u>Years of Service</u>	<u>Termination</u>
0	12.00%
1	10.00%
2	7.00%
3	5.00%
4	4.00%
5	3.50%
6	3.00%
7	2.50%
8	2.00%
9	1.50%
10-15	1.25%
16	1.00%
17	0.75%
18	0.50%
19	0.25%
20	0.00%

(7) Disability Rate:

Nil