

TOWN OF ANNAPOLIS ROYAL POLICY

TITLE: Pension Policy	
POLICY NO.: 2025-14	SUPERSEDES: June 19, 2025
EFFECTIVE DATE: September 18, 2025	APPROVED BY COUNCIL MOTION NO.: MOTION #C2025-09-17-10

Policy Statement:

1.0 Purpose

The purpose of this policy is to establish and maintain a group pension plan for employees of the Town of Annapolis Royal. Terms and conditions of the plan shall be as stipulated in the plan documents and as revised from time to time.

2.0 Authority

Section 45 of the *Municipal Government Act* states:

- a. *The council shall establish a pension plan to provide pensions for full-time employees in such manner as the council shall, by policy, determine.*
- b. *The council may, by policy, establish pension plans to provide pensions for some or all other employees of the municipality in such manner as the council may, by policy, determine.*
- c. *A pension plan may include employees of a board, commission or other body corporate established by the municipality alone or jointly with other municipalities.*
- d. *The council may, by policy, establish a pension plan to provide a pension for the mayor or councillors or both.*
- e. *The municipality, the employees and, where a pension plan is established for the mayor or councillors, those for whom the pension plan is established, shall make contributions to the plan's cost.*
- f. *A pension plan may provide for annual increases in the pensions paid pursuant to the plan, but the increases shall not exceed the lesser of six per cent; or the percentage increase in the cost of living in the preceding year, as measured by the change in the Consumer Price Index for Canada prepared by Statistics Canada.*
- g. *The Pension Benefits Act applies to a pension plan established pursuant to this Section. 1998, c. 18, s. 45.*

3.0 Definitions

Terms used in this policy shall have the same meaning as in the *Municipal Government Act*, or as their context applies according to a dictionary of the Canadian language.

4.0 General Provisions

- 4.1 All eligible employees must join the pension plan immediately upon hire. Eligible service includes:
 - a. full-time and permanent part-time employment;
 - b. part-time employment of 30 hours a week.
- 4.2 The pension plan is a defined benefit plan.
- 4.3 Ordinary contributions shall be made in equal amounts by the Town and all participating employees. The employee's contribution shall be deducted at source from each pay. The pension benefit amounts shall be as provided in the plan documents.
- 4.4 Staff contribute based on a formula of gross earnings (does not include overtime, standby, or Saturday/Holiday checks) with the employer providing matching contributions, unless otherwise stipulated in a union contract.
- 4.5 Normal retirement date for full pension benefit shall be 65 years of age. Reduced pension benefit in the event of earlier retirement is available to the extent and on the terms outlined in the plan documents.

5.0 Duties

- 5.1 The Director of Finance (DoF), shall perform, inter alia, the following duties:
 - a. The Director of Finance (DoF) shall keep and submit a list of all employees making contributions under the policy, which list shall set out the name and age of each employee, the time when they or them entered the service of the Town, a cumulative record of their service, the amount of their salary or wages from time to time, the name, address, age and relationship of each beneficiary nominated by them or they under the policy and his or her normal retirement age;
 - b. The Director of Finance (DoF) shall keep such other statistical and other records relative to the policy as may be required.

6.0 Repeal and Replace

- 6.1 The policy, know as the Pension Policy #2025-09 adopted by Town Council on June 19th, 2025, is hereby repealed.

THIS IS TO CERTIFY that this policy was duly passed by a majority vote of the whole Council at a duly called Council meeting held on the 17th day of September 2025.

GIVEN under the hand of the CAO and under the seal of the Town of Annapolis Royal the 18 day of September 2025.



Sandi Millett-Campbell
Chief Administrative Officer



