

Draft Regulation

An Act respecting the Pension Plan of Elected Municipal Officers
(R.S.Q., c. R-9.3)

Supplementary benefits plans for elected municipal officers

— Amendment

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Amendment to the Supplementary benefits plans for elected municipal officers, the text of which appears below, may be made by the Government on the expiry of 45 days following this publication.

The draft Regulation amends the Supplementary benefits plans for elected municipal officers, made by Order in Council 1440-2002 dated 11 December 2002, to replace the second paragraph of section 13 of the supplementary benefits plan referred to in section 76.4 of the Act respecting the Pension Plan of Elected Municipal Officers so as to change the reference to the rate of interest in Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., c. R-10) for a reference to the rate of interest in Schedule VII to that Act, established as at 1 June of each year and equal to the arithmetic mean, for the 12-month period ending on 31 December of the preceding year, of the nominal rates on Government of Canada marketable bonds (3-5 years) as compiled by Statistics Canada and published in the Bank of Canada Review (CANSIM Series V122485).

The draft Regulation has no financial impact on enterprises, including small and medium-sized businesses.

Further information may be obtained by contacting Yves Slater, Director, Direction de l'actuariat et du développement, Commission administrative des régimes de retraite et d'assurances, 475, rue Saint-Amable, 5^e étage, Québec (Québec) G1R 5X3; telephone: 418 644-1477; fax: 418 528-2715.

Interested persons having comments to make on the draft Regulation are asked to send them in writing before the expiry of the 45-day period to the Minister of Municipal Affairs and Regions, 10, rue Pierre-Olivier-Chauveau, Québec (Québec) G1R 4J3.

NATHALIE NORMANDEAU,
*Minister of Municipal Affairs
and Regions*

Amendment to the Supplementary benefits plans for elected municipal officers*

An Act respecting the Pension Plan of Elected Municipal Officers
(R.S.Q., c. R-9.3, ss. 76.4, 76.5 and 80.1)

1. The Supplementary benefits plans for elected municipal officers are amended in section 13 by replacing the second paragraph by the following :

“Any amount unpaid within the 30-day period bears interest, compounded annually, at the rate in Schedule VII to the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., c. R-10), in force on the date of the statement and computed as of that date.”.

2. The Amendment to the Supplementary benefits plans for elected municipal officers comes into force on the date of its publication in the *Gazette officielle du Québec*.

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Draft Regulation

An Act respecting retirement plans for the mayors and councillors of municipalities
(R.S.Q., c. R-16; 2005, c. 28)

General retirement plan for the mayors and councillors of municipalities

— Interest applicable

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation respecting interest applicable under the general retirement plan for the mayors and councillors of municipalities, the text of which appears below, may be made by the Government on the expiry of 45 days following this publication.

The draft Regulation replaces the Regulation respecting the determination of the rate of interest applicable to the retirement plan for the mayors and councillors of municipalities and the Regulation respecting the terms and conditions of application of the rate of interest applicable to the amounts paid for participation in the

* The Supplementary benefits plans for elected municipal officers, made by Order in Council 1440-2002 dated 11 December 2002 (2002, *G.O.* 2, 6540), have not been amended since they were made by the Government.

general plan. It consolidates into one regulation the provisions of both those regulations and sets out the method of establishing the rate of interest to apply for the period during which the Commission administrative des régimes de retraite et d'assurances (CARRA) is processing a contribution refund application. The rate of interest currently used by the CARRA to establish the amount to be refunded corresponds to the rate of return of the pension fund of the Pension Plan of Elected Municipal Officers. Maintaining that method of computing interest while the CARRA examines a refund application occasionally entails negative interest being assessed to the applicant for that period. The new rate of interest is established using an external rate of interest that is always greater than zero. The external index corresponds to the average rate of return on marketable bonds issued by the Government of Canada for a term of 3 to 5 years.

The draft Regulation has no financial impact on enterprises, including small and medium-sized businesses.

Further information may be obtained by contacting Yves Slater, Director, Direction de l'actuariat et du développement, Commission administrative des régimes de retraite et d'assurances, 475, rue Saint-Amable, 5^e étage, Québec (Québec) G1R 5X3; telephone: 418 644-1477; fax: 418 528-2715.

Interested persons having comments to make on the draft Regulation are asked to send them in writing before the expiry of the 45-day period to the Minister of Municipal Affairs and Regions, 10, rue Pierre-Olivier-Chauveau, Québec (Québec) G1R 4J3.

NATHALIE NORMANDEAU,
*Minister of Municipal Affairs
and Regions*

Regulation respecting interest applicable under the general retirement plan for the mayors and councillors of municipalities

An Act respecting retirement plans for the mayors and councillors of municipalities
(R.S.Q., c. R-16, s. 42, 1st par., subpar. *a* and 2nd par.; 2005, c. 28, s. 128)

DIVISION I APPLICATION

1. For the purposes of subparagraph *a* of the first paragraph of section 42 of the Act respecting retirement plans for the mayors and councillors of municipalities (R.S.Q., c. R-16), the rates of interest are determined for

each period in accordance with Division II and according to the periods in Division III. The interest is computed in accordance with the rules set out in the latter Division.

DIVISION II ESTABLISHMENT OF THE RATE OF INTEREST

§1. *Rate of interest based on the rates of return of the pension fund of the Pension Plan of Elected Municipal Officers*

2. The annual rate of interest in this subdivision is established as at 1 June of each year by computing the geometric mean of the annual rates of return for the three-year period ending on 31 December of the year preceding the reference year, according to the formula in Schedule I.

The annual rate of return is the rate determined by the Caisse de dépôt et placement du Québec as at 31 December of each year for the specific fund of the pension plan established under the Act respecting the Pension Plan of Elected Municipal Officers (R.S.Q., c. R-9.3), after subtracting the management expenses.

§2. *Rate of interest based on an external index*

3. The annual rate of interest in this subdivision is established as at 1 June of each year by computing the arithmetic mean, for the 12-month period ending on 31 December of the preceding year, of the nominal rates on Government of Canada marketable bonds (3-5 years) as compiled by Statistics Canada and published in the Bank of Canada Review (CANSIM Series V122485).

DIVISION III COMPUTATION OF INTEREST

4. The amounts paid into the general plan bear interest, compounded annually, at the rate established each year as provided in section 2 as of the midpoint of the year in which they are paid to the Commission administrative des régimes de retraite et d'assurances until the date on which the refund application is received by the Commission, at the rate established as provided in section 3 and in force on that date, as of the day following that date until the date on which the refund is made.

Despite the first paragraph, if the event giving entitlement to the refund is the death of the member, the period of application of section 3 begins on the day following the date of death and if the event is the death of the beneficiary or the surviving spouse, the period begins on the first day of the month following the date of death.

5. For the purposes of section 4, the expression “amounts paid” includes the member’s regular and additional contributions, the other amounts paid for redemption or transfer of past service, and the contributions of the municipality and the amounts the municipality paid for the redemption or transfer of past service.

6. This Regulation replaces the Regulation respecting the determination of the rate of interest applicable to the retirement plan for the mayors and councillors of municipalities, made by Order in Council 1008-2005 dated 26 October 2005, and the Regulation respecting the terms and conditions of application of the rate of interest applicable to the amounts paid for participation in the general plan (R.R.Q., 1981, c. R-16, r.4).

7. This Regulation comes into force on the first day of the month following the date of its publication in the *Gazette officielle du Québec*.

SCHEDULE I

(s. 2)

COMPUTATION OF THE RATE OF INTEREST

The formula for the computation of the rate of interest for the reference year is the following:

$$i_y = ((1 + T_{y-1})(1 + T_{y-2})(1 + T_{y-3}))^{1/3} - 1$$

where

T_{y-1} is the rate of return for the year preceding the reference year

T_{y-2} is the rate of return for the year occurring 2 years before the reference year

T_{y-3} is the rate of return for the year occurring 3 years before the reference year

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Draft Regulation

An Act respecting retirement plans for the mayors and councillors of municipalities
(R.S.Q., c. R-16; 2005, c. 28)

Pensions of mayors and councillors

— **Terms and conditions for computing**
— **Amendment**

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation to amend the Regulation respecting terms

and conditions for computing pensions of mayors and councillors, the text of which appears below, may be made by the Government on the expiry of 45 days following this publication.

The draft Regulation amends the Regulation respecting terms and conditions for computing pensions of mayors and councillors by replacing the reference to the Regulation respecting the terms and conditions of application of the rate of interest applicable to the amounts paid for participation in the general plan by a reference to the new Regulation respecting interest applicable under the general retirement plan for the mayors and councillors of municipalities.

The draft Regulation has no financial impact on enterprises, including small and medium-sized businesses.

Further information may be obtained by contacting Yves Slater, Director, Direction de l’actuariat et du développement, Commission administrative des régimes de retraite et d’assurances, 475, rue Saint-Amable, 5^e étage, Québec (Québec) G1R 5X3; telephone: 418 644-1477; fax: 418 528-2715.

Interested persons having comments to make on the draft Regulation are asked to send them in writing before the expiry of the 45-day period to the Minister of Municipal Affairs and Regions, 10, rue Pierre-Olivier-Chauveau, Québec (Québec) G1R 4J3.

NATHALIE NORMANDEAU,
*Minister of Municipal Affairs
and Regions*

Regulation to amend the Regulation respecting terms and conditions for computing pensions of mayors and councillors*

An Act respecting retirement plans for the mayors and councillors of municipalities
(R.S.Q., c. R-16, s. 42, 1st par., subpar. f and 2nd par.; 2005, c. 28, s. 128)

1. The Regulation respecting terms and conditions for computing pensions of mayors and councillors is amended by replacing subparagraph *iv* of paragraph *b* of section 1 by the following:

* The Regulation respecting terms and conditions for computing pensions of mayors and councillors (R.R.Q., 1981, c. R-16, r.6) has been amended once, by the regulation made by Order in Council 615-2002 dated 29 May 2002 (2002, G.O. 2, 2598).