

Municipality of the District of St. Mary's

Councillor Group Savings Plan Policy



Purpose:

The purpose of this policy is to establish and maintain a group savings plan for all eligible council members. Eligibility requirements are set out within the RBC group savings plan.

1. Participation:

- 1.1 Participation in the group savings plan shall be voluntary for municipal elected councillors at any point during their term in office following their oath of office.
- 1.2 Participation age of entering and remaining in the plan will be as determined by the RBC Group Advantage Program and the Provincial *Pension Benefits Act* where applicable.

2. Nature of the Plan:

Option #1

- 2.1 Option #1 the plan shall be a group retirement savings plan (GRSP) through the Royal Bank of Canada consisting of individual RRSP accounts. The GRSP allows councillors to contribute directly from their monthly honorarium at either a flat rate or percentage rate determined by each individual councillor and provided in writing to municipal administration. Administration fees for the group plan will be as determined by the Royal Bank of Canada and the responsibility of the members involved.
- 2.2 The councillor GRSP, in accordance with the Provincial *Pension Benefit Act*, is classified as a defined contribution benefit plan. The Municipality will not match or contribute to the councillor group retirement savings plan unless by way of council motion and amendment to this policy.

Option #2

- 2.3 Option #2 is a group tax-free savings account (Group TFSA) administered through the Royal Bank of Canada. This Group TFSA is a collection of individual TFSA accounts which councillors can contribute to directly from their monthly honorariums, contributions are after tax dollars, returns on investments are tax-free even at withdrawal.
- 2.4 The Municipality will not match or contribute to the TFSA for individual councillors unless by way of council motion and amendment to this policy. Administration fees for the group plan will be as determined by the Royal Bank of Canada and the responsibility of the members involved.

3. Termination/Exiting Plan:

- 3.1 A councillor may, in writing to municipal administration and following all regulations as set out by the Provincial *Pension Benefits Act* and the Royal Bank of Canada, as the administering agent leave the group plan.



3.2 Upon a councillor not re-offering/resigning for Municipal Council or not being re-elected to council, the councillor is no longer eligible to be part of the councillor GRSP. The former councillor is then individually responsible for any further activity with their group plan as per the regulations set out in the RBC Group Advantage Plan.

M Fraser

Municipal Clerk

January 11th, 2021

Date of Approval



SCHEDULE A
“Policy Record”

This policy will be reviewed at least once annually. The “Policy Review Record” will be updated accordingly to reflect policy review and amendment dates.

Date of Review	Section(s) Updated	Council Approval Date
	Adoption of Policy	January 11, 2021