



Committee of the Whole Excerpts
April 14, 2026

EMPLOYEE PENSION PLAN EXCERPT

The West Hants pension plan currently requires all employees to contribute the full 9% of eligible earnings, which represents a significant upfront deduction from each pay. While this approach provides strong long-term benefits through retirement income security and tax advantages, it can place financial pressure on employees in the short term. Exploring an option for reduced contribution flexibility could help employees better manage current living expenses while still supporting future retirement goals and aligning with individual financial planning preferences.

The recommended motion was that Committee of the Whole recommends ...

COUNCIL DIRECT STAFF TO EXPLORE AMENDING THE EXISTING PENSION POLICY FOR EMPLOYEES OF THE WEST HANTS REGIONAL MUNICIPALITY TO ESTABLISH A FLEXIBLE EMPLOYEE PENSION CONTRIBUTION RATE WITHIN A RANGE OF NO LESS THAN 5% AND NO GREATER THAN 9% OF ELIGIBLE EARNINGS; PERMIT EMPLOYEES TO SELECT THEIR PREFERRED CONTRIBUTION RATE WITHIN THIS RANGE; AND REPORT BACK TO COUNCIL WITH THE NECESSARY POLICY AMENDMENTS AND ADMINISTRATIVE PROCESS FOR IMPLEMENTATION.



WEST HANTS REGIONAL MUNICIPALITY REPORT

Information ☐	Recommendation ☐	Decision Request ☐	Councillor Activity ☐
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To: Committee of the Whole

Submitted by: Councillor Bonnie Smith

Date: April 14, 2026

Subject: Employee Pension Plans

LEGISLATIVE AUTHORITY

RECOMMENDATION or DECISION REQUEST

I move that Committee of the Whole recommend to Council to direct staff to amend the existing pension policy for employees of the West Hants Regional Municipality to:

1. Establish a flexible employee pension contribution rate within a range of no less than 5% and no greater than 9% of eligible earnings;
2. Permit employees to select their preferred contribution rate within this range; and
3. Report back to Council with the necessary policy amendments and administrative process for implementation.

BACKGROUND

The West Hants pension plan requires that all employees contribute the maximum 9% amount (of gross earnings), eligible for pension contributions to the plan. On an average \$80,000/year salary, this equals approximately \$7,200 per year (or \$276 per pay period). This is a substantial amount before other deductions.

The benefit of future pension and tax relief is also significant. An option however for a reduced contribution amount may assist employees with 'right now' expenses as well as being aligned with their own financial and investment planning objectives.

Property ☐	Public Opinion ☐	Environment ☐	Social ☐	Economic ☐	Councillor Activity ☐
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DISCUSSION

- **Supports Employee Choice:**
This change recognizes that employees are at different stages of life and financial circumstances. It allows them to contribute at a level that works best for them.
- **Encourages Financial Wellness:**
Providing flexibility can help employees increase contributions when they are able, strengthening long-term retirement outcomes.
- **Modernizes Policy:**
Many organizations are moving toward more flexible benefit structures. This keeps West Hants competitive as an employer.
- **No Immediate Cost Increase:**
This motion focuses on employee contribution flexibility and does not inherently increase employer costs. In fact, based on some rough calculations, if 25% of employees decided to go with the 5% pension rather than 9%, it would save the municipality approximately \$72,000 annually.
- **Retention and Recruitment:**
A flexible pension option can be an attractive benefit when recruiting new staff and retaining current employees.
- **Balanced Approach:**
The 5%–9% range ensures a minimum level of participation while still offering meaningful flexibility.

NEXT STEPS

- **Employee Selection Process:**
Employees may select their contribution rate upon hiring and during a defined annual enrollment period.
- **Change Frequency:**
Contribution rates may be adjusted once per calendar year at a time set by the finance department.
- **Default Rate:**
A default contribution rate of 5% will apply if no selection is made.
- **Payroll & Administration:**
Payroll systems will be updated to accommodate variable contribution rates within the approved range.
- **Employer Contributions:**
Employer contribution structure to remain consistent with current agreements/policy unless otherwise directed by Council.
- **Communication Plan:**
Staff will provide clear communication and education to employees outlining options, benefits, and timelines.

- **Effective Date:**
Implementation to occur at the start of the next fiscal year, or as soon as administratively feasible.

FINANCIAL IMPLICATIONS

There are no immediate financial implications

ALTERNATIVES

Council may not approve the motion.
Council may choose a different course of action.

ATTACHMENTS – none

CHIEF ADMINISTRATIVE OFFICER REVIEW

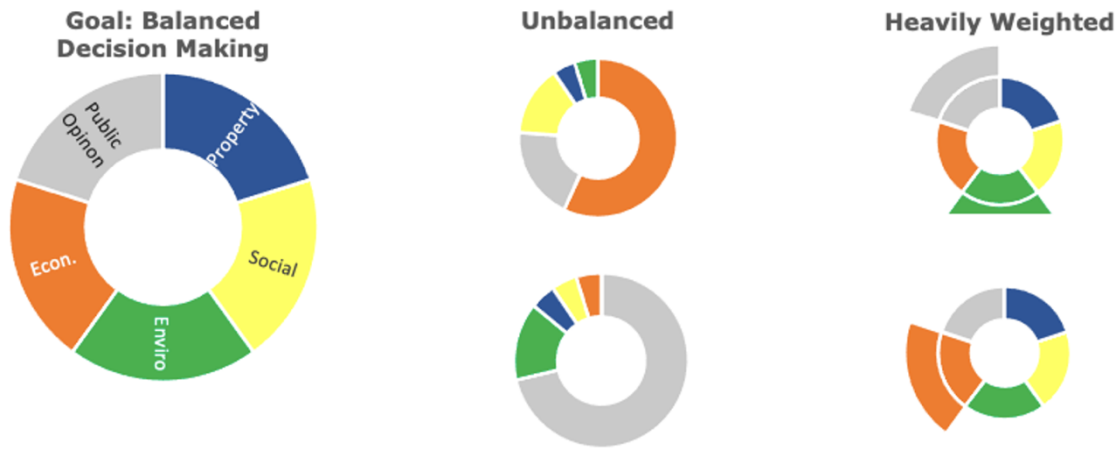
Past practice and policy has been for a uniform rate for all employees to reflect the equal opportunity and equal percentage of wage contributions over the course of employment with the municipality through the defined contribution pension plan.

It is perhaps a better option to provide staff with the flexibility to select within a range as suggested in the report. Pros and cons associated with the change may provide a neutral outcome. This matter has been raised at the bargaining table in the past, but has not during the organizational review to-date.

The contribution ceiling of 9% for the employer is set by Council, while any change to the plan, such as the change proposed, is changed administratively.

Generally, I support the rationalization for the change but would be consulting with the pension committee between the COTW meeting and the April Council meeting for their feedback if the motion is supported by Council at COTW.

Council has been provided with a reference taken from the Meeting and Committee Procedural Policy , Appendix C “Decision Making by Council and Committee of the Whole” as a reminder of the principles highlighted for good decision making.



Report Prepared by:

Report Reviewed by: 
Mark Phillips, Chief Administrative Officer