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# NATIONAL ASSEMBLY

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FIRST SESSION

THIRTY-SEVENTH LEGISLATURE

Bill 1  
(2003, chapter 3)

## **An Act to amend various legislative provisions concerning municipal affairs**

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**Introduced 6 June 2003**  
**Passage in principle 20 June 2003**  
**Passage 16 July 2003**  
**Assented to 16 July 2003**

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## **EXPLANATORY NOTES**

*This bill amends the Charter of Ville de Montréal in order to allow the city to transfer ownership of Île Notre-Dame to the Government, in keeping with the city contract signed by the two parties in 2003. It also amends the Charter of Ville de Montréal and various other legislative provisions in order to help the city offset the current unfunded actuarial liability of the former Ville de Montréal with respect to various pension plans to which employees of the former city contribute.*

*Moreover, this bill amends the Cities and Towns Act and the Municipal Code of Québec so that loans contracted by municipalities to finance the amortization of an unfunded actuarial liability or solvency deficiency that is required by the Supplemental Pension Plans Act need not be submitted to qualified voters for approval. Temporary measures are also enacted in relation to such liabilities or deficiencies in order to lessen its impact on the financial position of municipalities and supramunicipal bodies.*

*Lastly, this bill contains other legislative provisions addressing specific problems.*

### **LEGISLATION AMENDED BY THIS BILL :**

- Charter of Ville de Montréal (R.S.Q., chapter C-11.4);
- Cities and Towns Act (R.S.Q., chapter C-19);
- Municipal Code of Québec (R.S.Q., chapter C-27.1);
- Act respecting the negotiation of agreements concerning the reduction of labour costs in the municipal sector (1998, chapter 2).

# Bill 1

## AN ACT TO AMEND VARIOUS LEGISLATIVE PROVISIONS CONCERNING MUNICIPAL AFFAIRS

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

### CHARTER OF VILLE DE MONTRÉAL

**1.** Section 8 of the Charter of Ville de Montréal (R.S.Q., chapter C-11.4), amended by section 12 of chapter 77 of the statutes of 2002, is again amended by adding the following sentence at the end of the eighth paragraph: “The proceeds from the alienation of Parc de l’Île-Notre-Dame pursuant to the city contract entered into in 2003 between Ville de Montréal and the Government are deemed to constitute a surplus of Ville de Montréal as it existed on 31 December 2001.”

**2.** Schedule C to the said Charter is amended by inserting the following section after section 37:

**“37.1.** A regulation under the second paragraph of section 2 of the Supplemental Pension Plans Act (chapter R-15.1) relating to the pension plans referred to in section 135.1 of that Act may have retroactive effect from any date that it determines.

Such a regulation may, from any date that it determines and that may be prior to the date of its coming into force, amend or repeal any provision contained in sections 135.1 to 135.5 and 306.2 to 306.6 of the Supplemental Pension Plans Act and in sections 29 to 32 of the Act respecting the negotiation of agreements concerning the reduction of labour costs in the municipal sector (1998, chapter 2).”

**3.** Section 223 of Schedule C to the said Charter is amended by adding the following paragraph after the second paragraph:

“In the case of Notre-Dame island, the city may exercise the power provided for in the second paragraph in favour of the Government or a minister or body of the Government. The Act respecting sales of municipal public utilities (chapter V-4) does not apply in that case.”

### CITIES AND TOWNS ACT

**4.** Section 556 of the Cities and Towns Act (R.S.Q., chapter C-19) is amended by inserting “or the financing of an amount the municipality must

pay in respect of an unfunded actuarial liability or an amount established pursuant to subparagraph 4 of the second paragraph of section 137 of the Supplemental Pension Plans Act (chapter R-15.1), determined by an actuarial valuation of a pension plan to which the municipality contributes,” after “specifications” in the second line of the second paragraph.

## MUNICIPAL CODE OF QUÉBEC

**5.** Article 1061 of the Municipal Code of Québec (R.S.Q., chapter C-27.1) is amended by inserting “or the financing of an amount the municipality must pay in respect of an unfunded actuarial liability or an amount established pursuant to subparagraph 4 of the second paragraph of section 137 of the Supplemental Pension Plans Act (chapter R-15.1), determined by an actuarial valuation of a pension plan to which the municipality contributes,” after “specifications” in the second line of the third paragraph.

## ACT RESPECTING THE NEGOTIATION OF AGREEMENTS CONCERNING THE REDUCTION OF LABOUR COSTS IN THE MUNICIPAL SECTOR

**6.** Section 32 of the Act respecting the negotiation of agreements concerning the reduction of labour costs in the municipal sector (1998, chapter 2) is amended by inserting the following paragraph after the second paragraph :

“If the city pays a contribution exceeding that required under the Supplemental Pension Plans Act, the excess paid shall not be taken into account in determining the actuarial gain referred to in this section.”

## TRANSITIONAL AND FINAL PROVISIONS

**7.** The property assessment rolls of Municipalité de Saint-Blaise-sur-Richelieu and Paroisse de Saint-Valentin, in force since 1 January 2001, remain in force until the end of 2005.

The property assessment rolls of Municipalité de Notre-Dame-de-Pontmain, Municipalité de Ferme-Neuve, Municipalité de Lac-Saint-Paul, Municipalité de Sainte-Anne-du-Lac, and Municipalité régionale de comté d’Antoine-Labelle in respect of the unorganized territory included in its territory, in force since 1 January 2001, remain in force until the end of 2004.

For the purpose of determining the municipal fiscal years for which the property assessment rolls subsequent to those referred to in the first two paragraphs must be drawn up, in accordance with section 14 of the Act respecting municipal taxation (R.S.Q., chapter F-2.1), for the municipalities mentioned in those paragraphs, the rolls referred to in the first paragraph are deemed to have been drawn up for the fiscal years 2003, 2004 and 2005 and the rolls referred to in the second paragraph, for the fiscal years 2002, 2003 and 2004.

**8.** In the case of Ville de Montréal, sections 2 to 7 of the Regulation to amend the Regulation respecting the real estate assessment roll, enacted by a ministerial order dated 14 June 2000 and published on 5 July 2000 on pages 3423 and 3424 of Part 2 of the *Gazette officielle du Québec*, have effect, notwithstanding section 8 of that regulation, in respect of any property assessment roll filed after 1 November 2003.

**9.** As of the date of the transfer of ownership of the immovables constituting Parc de l'Île-Notre-Dame pursuant to the city contract entered into in 2003 between Ville de Montréal and the Government, no municipal or school taxes or compensation in lieu thereof shall be paid in respect of those immovables.

The Act respecting duties on transfers of immovables (R.S.Q., chapter D-15.1) does not apply to the transfer referred to in the first paragraph.

The first paragraph ceases to apply to an immovable as soon as its ownership is transferred to a person other than the State or one of its mandataries.

**10.** A loan contracted by Ville de Montréal with respect to any pension plan referred to in section 135.1 of the Supplemental Pension Plans Act (R.S.Q., chapter R-15.1) may, if it has received the approval required under section 563.1 of the Cities and Towns Act (R.S.Q., chapter C-19), bear interest from 1 July 2003. Such approval may be given by the Minister after the date on which the loan is contracted.

A certificate prescribed in section 12 of the Act respecting municipal debts and loans (R.S.Q., chapter D-7), given by the Minister in respect of a loan referred to in the first paragraph, is deemed to be in conformity with that section.

**11.** The council of any municipality or of any body referred to in section 18 of the Act respecting the Pension Plan of Elected Municipal Officers (R.S.Q., chapter R-9.3), as the case may be, that is a party to a pension plan to which Chapter X of the Supplemental Pension Plans Act (R.S.Q., chapter R-15.1) applies may choose to value the plan as at 31 December 2001.

This choice must be made before 30 September 2003. A copy of the resolution whereby the council makes the choice must be sent as soon as possible to the pension committee concerned.

The report relating to the actuarial valuation made following this choice must be sent to the Régie des rentes du Québec not later than 31 December 2003.

This section does not apply to a municipality referred to in section 110 of the Act to amend various legislative provisions concerning municipal affairs (2002, chapter 77) or to Ville de Gatineau.

**12.** Despite any provision of the pension plan or of any document ancillary to the plan, the surplus assets of a pension plan to which a municipality or a body referred to in section 18 of the Act respecting the Pension Plan of Elected Municipal Officers (R.S.Q., chapter R-9.3) is a party may, on a resolution of the council of the municipality or the body, as the case may be, and according to the terms and conditions stated in sections 146.1 to 146.3 of the Supplemental Pension Plans Act (R.S.Q., chapter R-15.1), be appropriated to the payment of contributions payable by the municipality or the body up to the value of the amounts that the municipality or body has paid in respect of a technical actuarial deficiency or an amount established pursuant to subparagraph 4 of the second paragraph of section 137 determined by an actuarial valuation of the whole plan dated not earlier than 31 December 2001 or later than 1 January 2003 or, where two or more valuations were made, by the earliest of these.

For the purposes of the first paragraph, the value of the amounts paid by the municipality or the body and that of the contributions paid by the appropriation of surplus assets are calculated using the same interest assumption as that used for the actuarial valuation by which the deficiency and the amount referred to in that paragraph were determined.

**13.** Section 12 does not apply in respect of a pension plan or any document ancillary to a pension plan that is the subject of an agreement, entered into after 6 June 2003 between a municipality or a body and a certified association, that expressly mentions that the agreement applies notwithstanding section 12.

**14.** This Act comes into force on 16 July 2003.