

For Immediate Release

LAPP Celebrates Independence Day

March 1, 2019 - Today is Independence Day for the Local Authorities Pension Plan (LAPP) of Alberta.

Now in its 57th year of providing pensions for workers in the sectors of health, education and municipalities, LAPP joins other large public sector pension plans across Canada in gaining full independence from government. Effective March 1, 2019, LAPP formally becomes a jointly-sponsored pension plan registered under the Employment Pension Plans Act (EPPA) of Alberta.

With assets over \$45-billion, LAPP is the 7th largest pension plan in Canada, with more than 265,000 members. Although LAPP has effectively operated as a jointly-trusted plan for years, it was created under a provincial statute that designated Alberta's ministers of finance as official trustee and administrator of the Plan.

Today, under enabling legislation passed in December, a new LAPP Corporation takes the reins as trustee and administrator of the Plan. With it comes a bicameral system of governance that creates a representative Sponsor Board and a fiduciary Corporation Board.

"Today is a great day for our members, who will now have a direct say in the future of their defined-benefit pension plan," says Gil McGowan, Sponsor Board Chair.

"Employee and employer stakeholders have lobbied for independence for more than 25 years and beginning today, this Plan truly belongs to the people who have been paying for it."

Darren Sander, Chair of the LAPP Corporation Board says the Plan has hit the ground running with all the staff and assets of the former corporation (Alberta Local Authorities Pension Plan Corp.) transferring over to the new LAPP, effective March 1.

"The Plan is well funded and will continue to be an industry leader in risk management," says Sander.

"Over the past few years, our CEO Chris Brown has strategically led us on a successful path to sustainable financial wellness and we are excited to have him and his small executive team heading up the new LAPP Corp."

LAPP will continue to use Alberta Investment Management Corporation (AIMCo) as its investment manager and Alberta Pensions Services Corporation (APS) as its benefit administrator. Both organizations will remain crown corporations of the Alberta government, with LAPP as the largest single client of each organization.

“We have successfully negotiated and signed business agreements with both of our key service providers,” says Brown. “We look forward to a continued long-term relationship with both of them.”

“For all of us it is business as usual, providing a secure retirement benefit at a reasonable cost to all,” he adds, explaining that 2019 is the second year in a row that LAPP has been able to reduce contribution rates for members and employers by 1% each, per year.

LAPP is 104% funded at its last valuation (Dec. 31, 2017) and continues to provide all the same guaranteed pension benefits it has offered since inception, including annual cost of living increases.

Our members are **Always a LAPP Ahead!** Learn all about the Plan at www.lapp.ca

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Local Authorities Pension Plan

Local Authorities Pension Plan (LAPP) is a jointly-sponsored defined benefit pension plan, providing retirement security for more than 265,000 members throughout Alberta. With assets totalling more than \$45-billion, LAPP is the 7th largest pension plan in Canada.

For more information please visit www.lapp.ca.