

For Immediate Release

2020 Contribution Rates

September 10, 2020 - Member and employer contribution rates will remain the same for 2021 after a decision by LAPP's Sponsor Board to be prudent in the face of unpredictable economic times brought on by COVID-19.

At its recent regularly scheduled meeting, LAPP's Sponsor Board set rates based on preliminary valuation results presented by the Plan's actuary to LAPP Corporation.

"Board members were unanimous in their decision to keep rates on an even keel considering the uncertainty brought on by the pandemic," says LAPP CEO Chris Brown.

"With more unknowns ahead, like the timing of a vaccine or the impact on markets resulting from the U.S. presidential election, financial markets continue to be volatile and investment returns could be unstable for some time to come."

In 2021, contribution rates for the year will remain the same as they are currently, with members paying between 8.4% and 11.3% of pensionable pay, depending on their salary. Employers contribute at a rate 1% higher than their employees.

"The good news is that LAPP is fully funded and was in a good financial position before the pandemic hit in the first quarter of 2020. Barring any huge catastrophes, LAPP is well placed to weather any future storms and is managing risks on an ongoing basis," says Brown.

In addition, prior to 2020, LAPP contributions were decreased an aggregate of 2% per year, for two years in a row, in 2018 and 2019. These decreases reduced the employer rate by 1% and the employee rate by 1% in each of those two years.

The 2021 contribution rates have been posted to the LAPP Website and are communicated to members and employers as soon as possible so as to give plenty of advance notice, helping everyone with budget planning.

[See contribution rates](#)

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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 275,000 members throughout Alberta. With assets totalling about \$50-billion, LAPP is the 7th largest pension plan in Canada.

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