

# Member Handbook

## Are you online?

Sign up to **mypensionplan** and get your pension information online, anytime.



Go Green! Help the environment and eliminate paper waste by registering on **mypensionplan**. We'll notify you by e-mail when your pension highlights (member annual statement) and other member publications are ready.

Registration is quick and easy!

**mypensionplan** features:

- Update your contact and **beneficiary** information;
- View your most recent pension highlights (member annual statement);
- View your salary, service and contributions;
- Use calculators to estimate future pension benefits; and
- Read member newsletters and other publications

To register go to [www.lapp.ca](http://www.lapp.ca) and click on **mypensionplan**.

For registration you will need:

- your member identifier (this can be found on your pension highlights (member annual statement), or on your welcome letter);
- the last four digits of your Social Insurance Number; and
- your date of birth

or

- your first and last name;
- your date of birth;
- the last four digits of your Social Insurance Number;
- the name of your most recent employer; and
- the name of your pension plan (i.e. LAPP)

All active and deferred members are eligible to register on **mypensionplan**.

We are committed to keeping your information confidential by using the highest level of security available.

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## Using this handbook

This handbook provides a brief overview of your choices and benefits, and other information about the Plan. Please read it carefully so you can take full advantage of your membership in the Plan. Words appearing in **bold** are defined in the Glossary on page 18.



When there is an information sheet (available on [www.lapp.ca](http://www.lapp.ca)) on one of the topics in this handbook, this symbol will appear.



When there is a time limit on a feature of the Plan, this symbol will appear.

**Note: this handbook provides general information only. Should anything in this handbook conflict with the governing legislation, the legislation will apply.**

# Welcome!

The Local Authorities Pension Plan (LAPP) was established 50 years ago for employees of local authorities in Alberta. The employers include organizations from the health care sector, cities, towns, villages, municipal districts, colleges, school boards and other public sector organizations.

LAPP is a defined benefit pension plan, which means that as a member of LAPP you will receive a pension based on your **pensionable salary** and years of **pensionable service**. LAPP is financed by member and employer contributions and by investment earnings.

This type of pension plan has many advantages for members. It enables you to plan for your retirement because you can estimate your future pension income. The Plan provides you with a specified lifetime income regardless of market conditions and how long you live.

LAPP is an important part of your overall retirement savings. Even if you are many years away from retiring, there may be choices available to you now that can enhance your future benefits.

## Governance of LAPP

Alberta's President of Treasury Board and Minister of Finance is the legal trustee and administrator of the Plan, which is governed by a 14-member Board of Trustees. The trustees are nominated by employees, employers, retirees and government. As legal trustees, the minister delegates different functions of the Plan as follows:

- Alberta Local Authorities Pension Plan Corporation (ALAPP) is responsible for strategic guidance and Board support;
- Alberta Pensions Services Corporation (APS) is responsible for benefit administration; and
- Alberta Investment Management Corporation (AIMCo) is responsible for investment management.

## Services Provided to Members

We want you to understand how your pension works, whether you are a new member, a mid-career member or a soon-to-be retired member.

If you have questions about the Plan, contact the Member Services Centre. Please have your member identifier ready when you contact us. Your member identifier can be found on your pension highlights (member annual statement) or on your welcome letter.

**Member Services Centre**  
**LAPP c/o Alberta Pensions Services Corporation (APS)**  
**5103 Windermere Blvd. SW Edmonton, AB T6W 0S9**  
**1-877-649-LAPP (5277)**  
**memberservices@lapp.ca**

## Website and Publications

Publications available to members can be found in the Members section of the LAPP website ([www.lapp.ca](http://www.lapp.ca)). In addition to annual reports and information sheets, you will find member newsletters and the member handbook. Members also receive an annual statement (called pension highlights) summarizing pension contributions and service.

### **mypensionplan**

**mypensionplan** is a secure website for members to:

- Go green, eliminate paper waste, and receive publications online
- Update contact and **beneficiary** information
- View your previous pension highlights (member annual statement)
- View salary, service and contributions
- Use calculators to estimate future pension benefits
- Read member newsletters and other publications

## Membership

If you're a full-time continuous employee (regularly scheduled to work at least 30 hours per week), you automatically become a member of the Plan as soon as you start your employment, unless your employer delays your entry into the Plan for up to one year during a probationary period.

If you're employed on a full-time basis for a predetermined period, you may participate if your employer has a policy to enroll you.

If you're employed on a part-time basis (regularly scheduled hours of at least 14 hours per week), you may participate depending on your employer's policy.

If you're employed with one employer and working in more than one position, your total hours worked must be combined to determine your eligibility to participate in LAPP.

## How Much do You Contribute?

Your contributions to LAPP are based on a percentage of your **pensionable salary** and are made through payroll deduction. Your employer's contribution rate is one per cent more than yours. Both your contributions and your employer's contributions go directly to the LAPP fund. The fund is invested by LAPP's investment manager, AIMCo. The Board of Trustees sets benchmarks and policies to guide these investments.

Visit [www.lapp.ca](http://www.lapp.ca) to view the current LAPP contribution rates.

## Your Income Tax Treatment

For every year that you are active in LAPP, your employer will report a Pension Adjustment (PA) which represents the value allocated by the Canada Revenue Agency (CRA) to the increase in your LAPP benefit entitlement and will reduce your **Registered Retirement Savings Plan (RRSP)** contribution room. When CRA reviews your tax return, they will consider this PA in determining the amount of **RRSP** contribution room that will be available to you for the following year.

## What is Your Benefit?

LAPP pays a monthly pension based on a formula that includes **pensionable salary** and years of **pensionable service** in the Plan. Your benefit is defined, regardless of how much money is in the pension fund.

**Pensionable service** refers to the service credited to you in LAPP. Your future pension amount will be based on your number of years of **pensionable service** and your **pensionable salary**.

The maximum **pensionable service** you can accumulate is 35 years. However, your **pensionable salary** for all years following the date you reach 35 years of service will be considered towards the calculation of your highest five years of salary (**highest average salary**).

You must be **vested** in LAPP in order to qualify to receive a pension from the Plan. To be **vested**, you must satisfy at least one of the following conditions:

- You have two years of **LAPP membership**
- You have two years of LAPP **pensionable service**; or
- You have contributed to LAPP after December 31, 2003 and were at least age 65 when you contributed.

### LAPP Benefit

- LAPP pays a 1.4% benefit on your **highest average salary** times your years of **pensionable service** up to the matching **average year's maximum pensionable earnings (YMPE)**. The **YMPE** for a given year represents the maximum amount of earnings on which contributions to the Canada Pension Plan (CPP) are based.
- LAPP pays a 2% benefit on the **highest average salary** above the matching average **YMPE**, times your years of **pensionable service**.
- The salary used in the calculation of your LAPP benefit entitlement will be subject to any limits set out under the tax rules.



## How Can You Increase Your Benefit?

You may be able to increase your future benefits by increasing your length of **pensionable service** through the following methods:

**Note: the word “service” refers to “pensionable service” throughout this handbook.**

### 1. Purchasing Prior Service

You may increase your future benefits by purchasing prior service. Your employer’s human resources staff will be able to tell you which types of employment are eligible. Examples could include:

- previous employment with your current employer;
- previous employment with another employer who participates in LAPP; or
- previous periods where you participated under another pension plan in Canada.

Visit our online Buying Back Service Estimator at [www.lapp.ca](http://www.lapp.ca) to calculate an estimate of the cost to purchase your prior service. You can apply to purchase a period of prior service through your employer’s human resources office.

Your contributions for prior service are tax deductible within the maximum limits set under the *Income Tax Act*.

### 2. Transferring Between Pension Plans

Members of LAPP with benefit entitlements in a different pension plan may be eligible to transfer those entitlements to LAPP through a **transfer agreement**. LAPP has transfer agreements with a number of provincial and federal public sector pension plans in Canada. Visit [www.lapp.ca](http://www.lapp.ca) for a list of the pension plans that LAPP has transfer agreements with.

Each pension plan has its own benefit formula and contribution rates. If you transfer your **pensionable service** from your former pension plan into LAPP, the value of the benefit attached to that transferred-in service will be calculated according to the LAPP benefit provisions.

If you have a service with another pension plan that does not have a **transfer agreement** with LAPP, please see the LAPP information sheet *Can't Transfer? Buy Prior Service*, for more information on buying all or a part of that service as prior service under LAPP.

### 3. Leaves of Absence



If you take a leave without salary, you may add that period of leave to your **pensionable service**. You have the option of either making pension contributions while on leave without salary, or waiting until you return to work to purchase that leave.

Members can purchase up to three years of parental leave in addition to their maximum five years of non-parental leave, provided the parental leave occurs after June 30, 2002.

For the first year of leave that you purchase, your employer pays the employer share of contributions. After the first year, you are responsible for paying both the member and employer share of contributions.

If your employer notifies LAPP that you have a leave of absence that can be purchased, you will be sent a Buyback Proposal. This Buyback Proposal will be sent to you early in the year and will inform you of what you need to know to purchase the gap in your service. You must elect to purchase your leave of absence by the earlier of 90 days from the date you are sent your Buyback Proposal or May 1st of the year following your return to work. The election due date shown on your Buyback Proposal will be set based on these limits. Payment(s) must be made based on the schedule shown on your Buyback Proposal



If you do not return to work at the end of your leave, or if you change to a non-participating position, you must apply to purchase the leave period within 30 days of the day you stop participating in LAPP.

## Options if You Leave Before Retiring

When you terminate your employment or change to a non-participating position, you stop participating in LAPP. As pension benefits may be a major source of your retirement income, you should carefully consider each of the following options before making your decision.

### With Fewer Than Two Years of LAPP Membership or Pensionable Service



If you have fewer than two years of **LAPP membership** or **pensionable service**, you are not eligible to receive a pension.\*

You can do any one of the following:

- Leave your member contributions with interest in LAPP
- Transfer your LAPP benefit entitlement to another pension plan under a **transfer agreement**
- Withdraw your member contributions and interest as a taxable cash payment
- Transfer your member contributions and interest to your **RRSP**

If you end your employment or change employment status so that you no longer participate in LAPP, you will automatically receive a Termination Statement. You will be asked to make an election within 90 days of the date of your Termination Statement. If APS has not received your choice within this timeframe, your member contributions with interest (less income tax withholdings) will automatically be sent to you as a taxable cash payout.

\* If you are at least 65 years of age while you are contributing to LAPP, you are eligible to receive a pension even if you do not have two years of LAPP membership or pensionable service.

## With Two or More Years of LAPP Membership or Pensionable Service



With two years of **LAPP membership** or **pensionable service** you become **vested**. This means you are eligible to receive a pension at retirement.

If you are under 55 at termination, you are eligible to receive a benefit which reflects the value of the pension you have earned on your service. In this case, these are your options:

- leave your funds with LAPP. If you start contributing to the Plan again, your new service will be added to your previous service
- transfer your LAPP benefit entitlement to another pension plan under a **transfer agreement**
- transfer your **commuted value** to a **Locked-In Retirement Account (LIRA)**. You will receive a refund of any **excess contributions** or any funds that cannot be transferred to a **LIRA**
- defer your pension to start any time between 55 and the end of the year in which you turn 71

If you are 55 or older at termination, you have the following options:

- take an immediate pension\*\*
- defer your pension until any time up to the end of the year in which you turn age 71
- transfer your LAPP benefit entitlement to another pension plan under a **transfer agreement**

If the pension earned on your LAPP service is lower than a minimum amount established under LAPP rules, you will be offered an opportunity to have the value of the pension paid as a single payment. This amount can be paid directly to you as a taxable cash payment or transferred tax sheltered to an **RRSP**.

\* If you are at least 65 years of age while you are contributing to LAPP, you are eligible to receive a pension even if you do not have two years of LAPP membership or pensionable service.

\*\* If you choose to receive your pension before you turn 65, or before your age and years of service add up to 85, your pension will be reduced. (See Reduced Pension on page 11.)

## When Can You Retire?

### Unreduced Pension



If you retire between ages 55 and 65, your LAPP pension may be reduced. To retire with an unreduced pension, you must be at least 65 years of age, or your age plus your years of **pensionable service** must equal at least 85 (we refer to this as having 85 points).

For example, if you are age 55 with 30 years of service, you are eligible to retire with an unreduced pension (age 55 + 30 years of service = 85 points). The same would apply if you are age 56 with 29 years of service, age 57 with 28 years of service, and so on.

### Reduced Pension

If you retire early – at any age between 55 and 65 – with fewer than 85 points, your pension will be reduced by 3% per year for each year you are short of age 65 or 85 points, whichever is less. The maximum pension reduction is 30%. The reduction will be prorated for partial years.

## How is Your Pension Calculated?

Your pension is based on your length of **pensionable service** and your **highest average salary** up to the salary cap.

Use the Pension Projection Tool on **mypensionplan** to estimate your future pension benefits.

## Cost-of-Living Adjustments (COLA)

Every year your pension will increase at a rate of 60% of the change in the *Alberta Consumer Price Index (ACPI)*. This is a significant feature of your pension plan.

COLA increases are calculated by taking the average of the *ACPI* during a 12-month period (November to October), and comparing it to the immediate previous year's 12-month average.

**Note: the ACPI is a weighted average of the cost of a basket of goods and services that are normally purchased by Alberta households. This includes things such as clothing, food, housing, gasoline, health and personal care, recreation, and education.**

## Difference between pension partner and beneficiary

Your **pension partner** is automatically the recipient of your LAPP survivor benefits. Your **pension partner** can be your legally married spouse or common-law partner.

A **pension partner** may waive their rights to the survivor benefits before or at time of retirement by signing a waiver form. Once a pension is in pay, your **pension partner** cannot decide to waive his or her rights to a survivor benefit.

If you pass away without a **pension partner**, or if your **pension partner** has waived his or her rights to the survivor benefit, your **beneficiaries** are the persons you name to receive a benefit if you die before retirement or who will receive pension payments for the remainder of a guaranteed term if you die after retirement. You can name people or charitable organizations as your beneficiaries. If you have not named a **beneficiary**, your estate is your **beneficiary**.

## What are Your Pension Options?



**When you retire, you can choose from a selection of pension options. All pensions will be paid for your lifetime.**

All pensions are based on a base form (normal form) and will be adjusted to take into account factors such as the length of any guaranteed period and the provision of **pension partner** survivor benefits.

### Single Lifetime Guaranteed At Least 5 Years – Normal Form

This pension option is the normal pension for LAPP and is paid for your lifetime. It is guaranteed for a five-year period following the commencement of your pension. If you die before the end of the guaranteed period, payments will continue to your designated beneficiaries until the end of the guaranteed period. This means that if you die before the guaranteed period ends, payments will continue to your designated beneficiaries or your estate for the remainder of the five-year period.

### Joint Lifetime Options

Members who have a **pension partner** at the time of their retirement must select one of the Joint Lifetime pension options unless the **pension partner** signs a Pension Partner Waiver, waiving his or her right to the survivor benefit.

### Joint Lifetime Guaranteed At Least 5 Years

A Joint Lifetime Guaranteed At Least 5 Years pension is payable for the lives of you and your **pension partner**. On the death of either you or your **pension partner**, the pension is paid to the survivor for his or her life. The same monthly payment is paid as long as either you or your **pension partner** is alive.

If both you and your **pension partner** die within five years from the date your pension begins, a benefit is paid to your designated beneficiaries until the end of the five year period.

## Joint Lifetime Reduced by 1/3 Guaranteed At Least 5 Years

A Joint Lifetime Reduced by 1/3 Guaranteed At Least 5 Years pension is payable for the lives of you and your **pension partner**. At the first death of either you or your **pension partner**, the monthly payment is reduced by 1/3. This reduced pension will continue to be paid to the survivor for his or her life. This means that if your **pension partner** dies before you, your pension will be reduced to 2/3 of the pension amount.

If both you and your **pension partner** die within five years from the date your pension begins, the reduced benefit is paid to your designated beneficiaries until the end of the five year period.

## Single Lifetime Guaranteed Term Options

A Single Lifetime Guaranteed Term option is paid to you for as long as you live. If you die before the end of the guaranteed period, payments will continue to your designated beneficiaries until the end of the guaranteed period. Below is a list of the Single Lifetime Guaranteed Term options:

- Single Lifetime Guaranteed At Least 5 Years (normal form)
- Single Lifetime Guaranteed At Least 10 Years
- Single Lifetime Guaranteed At Least 15 Years

## Single Lifetime Options

A Single Lifetime pension (with no guaranteed term) is payable for your lifetime. No payments are paid to beneficiaries after your death.

## Pension Partner Protection

If you have a **pension partner** when you begin your pension, you must choose one of the Joint Lifetime options with your **pension partner** as your **nominee**. By doing this, your **pension partner** will be guaranteed a pension for life. It is important to understand who qualifies as a **pension partner**, and how he or she can waive his or her right to a survivor benefit.

Your **pension partner** can choose to sign a **pension partner** waiver form giving up their right that requires you to select a joint life pension, meaning your **pension partner** gives up his or her entitlement. If your



**pension partner** signs a waiver form giving up his or her rights to the survivor benefit, you can choose one of the Single Lifetime pension options.

## Coordinating Your Pension

If you retire before age 65, you may be eligible to coordinate your pension with Old Age Security (OAS) and/or CPP. Coordination lets you increase your monthly payment temporarily from the time you retire until you turn 65. At age 65, the increase to your monthly payment stops and a permanent reduction to your monthly pension payment begins. The reduction will continue as long as you live and may add up to more than the increase you received before 65.



**For more detailed information on this subject, please see the LAPP information sheet, *Coordination*.**

## Working as a Retiree



If you are working after you retire, you will continue to receive your pension from LAPP. If you work while receiving your LAPP pension and your employer is a LAPP employer, you will not be able to recommence participating in the plan. However, if you work for an employer under another pension plan, you may be required to contribute to their plan.

Let your LAPP employer know if you are receiving a pension from LAPP so contributions are not deducted from your pay.

Additionally, there may be tax implications to working while receiving a pension.

## Disability Benefits



If you are not able to continue to work because of a disability, you may qualify for a disability pension. For more detailed information on this subject, please see the LAPP information sheet, *Disability Pensions*.

## Death Before Retirement



It is your **pension partner's** right to be paid a lifetime pension benefit if you die. However, pension rules allow your **pension partner** to waive his or her right to the death benefit that would be paid to him or her if you die before you retire by signing a waiver form.

If your **pension partner** completes the waiver and you die before retirement, your death benefit will be paid to your designated beneficiaries.

Only the **pension partner** can revoke the waiver and the revocation of this waiver must be received before you die. To be valid, the revocation of the waiver must be made in writing and must fully describe the document that is to be revoked.

If you die with fewer than two years of **LAPP membership** or **pensionable service**, your **pension partner** or **beneficiary** will receive a one-time payment of your member contributions and interest.

If you die with two or more years of **LAPP membership** or **pensionable service**, your **pension partner** can choose either an immediate pension or a one-time payment. A one-time payment must be transferred to your **pension partner's LIRA**. Beneficiaries other than a **pension partner** will receive a one-time payment. This one-time payment cannot be transferred to a **LIRA**, and must be taken as a cash payment (with income tax withheld).

## Marital Breakdown

If you are currently undergoing a marital breakdown, your pension benefits may be subject to division and distribution between you and your soon to be ex-spouse. For pension benefits to be divided and distributed, a court-certified copy of a **Matrimonial Property Order (MPO)** must be obtained and filed with APS. You should consult your legal counsel about obtaining and filing an **MPO** and the division and distribution of your pension benefits.

Under the Matrimonial Property Act, an **MPO** can only be obtained in respect of a legal marriage. In certain circumstances, the regulations governing LAPP allow for the division and distribution of your pension benefits by making a one-time payment to the non-member ex-spouse without having to wait for the member to become eligible for a benefit. If you are a LAPP member going through a marital breakdown, your legal counsel should take these regulations into account when working on your matrimonial property settlement.

## Appealing Decisions About Your Pension



If you disagree with a decision made by APS about your pension, contact the Member Services Centre for a full explanation: **Toll-free in Canada: 1-877-649-LAPP (5277)**

If you are not satisfied with the response to your initial inquiry, you can request an administrative review. This request should be made in writing within 30 days from the date you received a written response to your initial inquiry.



**If, after the administrative review, you feel your rights have not been recognized, you can request an appeal of the administrative review to the LAPP Board of Trustees. While the Board of Trustees can make a final decision, it can only provide benefits based on the legislation. A request for an appeal must be made in writing within 60 days of the administrative review.**

## Glossary

### **Average Year's Maximum Pensionable Earnings (Average YMPE)**

The average YMPE is determined by averaging the YMPE (see definition of "YMPE") of the coinciding years of your highest average salary. Your employer or LAPP can tell you the amount of the current or past year's YMPEs.

### **Beneficiary**

The person(s) you designate to receive a benefit if:

- you die before retirement; or
- you die before the end of the guaranteed period. This is only applicable if:
  - you chose one of the Single Lifetime Guaranteed Term options; or
  - you chose one of the Joint Lifetime options and both you and your pension partner die within the guaranteed period.

A beneficiary can be a charitable organization. If you do not name a beneficiary and you do not have a pension partner or your pension partner signs a waiver form, waiving his or her rights to the survivor benefit, your estate is your beneficiary.

### **Commuted Value**

The actuarial present value of accrued benefits, determined using actuarial assumptions and methods recommended by the Canadian Institute of Actuaries. This represents the amount of money that must be set aside today, based on current interest rates, to provide pension payments at a future date.

### **Diversified Portfolio**

The pension plan fund is invested in common stocks (both Canadian and international), bonds, mortgages, and real estate and is managed by the Alberta Investment Management Corporation (AIMCo).

### **Excess Contributions**

The amount of contributions with interest returned to the member to ensure that the member's contributions with interest in the account do not exceed 50% of the commuted value.

### **LAPP Membership**

The period of time, in calendar days, between the commencement of contributions with an employer under LAPP, and termination of participation in LAPP.

### **Locked-In Retirement Account (LIRA)**

A special type of RRSP designed specifically to hold locked-in pension funds. Alberta public sector pension plans, like LAPP, are not subject to the Employment Pension Plans Act (EPPA) however, once locked money is transferred out of LAPP it must be locked-in under the rules of the EPPA. Most financial Institutions offer LIRAs however APS will only send the locked-in funds to a financial institution that appears as a LIRA provider on Alberta's Superintendent's List of Financial Institutions Offering Locked-in Pension Products.

### **Long-Term Disability Income (LTDI)**

An income replacement plan sponsored by an employer for its employees that will pay you a portion of your pre-disability salary while you are off work. Where the LTDI plan is filed with APS, the period of LTDI coverage is considered mandatory service for pension purposes.

### **Matrimonial Property Order (MPO)**

A Matrimonial Property Order (MPO) is a court order made at the time of or after divorce that divides the assets (usually those acquired during the marriage) of the spouses or ex-spouses between them.

### **Nominee (usually your Pension Partner)**

The person you name to receive your Joint Lifetime pension if you die first. If you have a pension partner on the effective date of your pension, the nominee must be your pension partner unless they sign a waiver sent with the Retirement Benefit Statement. The nominee must be a valid nominee under the *Income Tax Act* (e.g. a spouse, ex-spouse or ex-common-law partner).

### **Pension Partner**

A "pension partner" means:

- (i) a person who, at the relevant time, was married to a participant or former participant and had not been living separate and apart from him or her for 3 or more consecutive years, or
- (ii) if there is no person to whom subclause (i) applies, a person who, as at and up to the relevant time, had lived with the participant or former participant in a conjugal relationship
  - (A) for a continuous period of at least 3 years, or
  - (B) of some permanence, if there is a child of the relationship by birth or adoption.

Persons are living separate and apart

- if they are living apart and either of them has the intention to live separate and apart from each other, or
- if, before the relevant time,
  - they had been living separate and apart for any period,
  - and

- that period was interrupted or terminated by reason only that either of them became incapable of continuing to live separate and apart or of forming or having the intention to continue to live separate and apart of that person's own volition, and the separation would probably have continued if that person had not become so incapable.

### **Pensionable Salary**

Basic pay for the performance of regular duties. Salary also includes pay for shift work, weekends, acting pay, and the provision of an automobile for personal use if the employer treats it as pensionable salary under the employer's salary policy and if it is paid on a uniform and consistent basis. Variable pay is also pensionable to certain limits. Salary does not include earnings such as expense allowances or overtime payments. The salary used in the calculation of your LAPP benefit entitlement will be subject to any limits set out under the tax rules.

### **Pensionable Service**

Your years of service during which you contribute to the pension plan, plus service recognized from a transfer or purchase of prior service. The maximum pensionable service limit in LAPP is 35 years.

### **Pre-pension Commencement Death Waiver**

The pension partner may waive his/her right to a lifetime pension by completing the Pension Partner Waiver of Pre-Pension Commencement of Death Benefit form. This allows the pension to be paid to the beneficiary on file with APS instead of to the pension partner. This waiver can be completed by the pension partner any time before pension commencement but it may only be revoked by the pension partner prior to the member's death.

### **Registered Retirement Savings Plan (RRSP)**

A type of tax-deferred investment that is set up to hold and invest your savings until you retire. Most can be withdrawn at any time, but you will be taxed on the amount withdrawn.

### **Transfer Agreement**

An agreement negotiated with another pension plan that allows members to transfer their service when they move between plans.

### **Vested**

A term used by pension plans that means you are eligible to receive a monthly pension. Members of LAPP are vested after two years of LAPP membership, two years of pensionable service, or immediately if you are active in LAPP at age 65 or later.

### **Year's Maximum Pensionable Earnings (YMPE)**

The maximum amount of earnings on which your contributions to CPP are based.



## For information about your pension plan contact:

LAPP c/o  
Alberta Pensions Services Corporation (APS)  
5103 Windermere Blvd. SW  
Edmonton, AB T6W 0S9

Toll-free: 1-877-649-5277

E-mail: [memberservices@lapp.ca](mailto:memberservices@lapp.ca)

Fax: 780-421-1652

Local Authorities Pension Plan  
Executive Offices  
P.O. Box 1315  
Edmonton, AB T5J 2M8

[www.lapp.ca](http://www.lapp.ca)