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### Did you know?

Contribution rates have been reduced by an average 1% for members and 1% employers in 2022.

*Read more about our contest winners inside!*



Anna King



Kimberly Jensen

## LAPP pensions contribute to economic activity in Alberta

LAPP members and employers are helping to fuel economic activity in Alberta through the contributions they pay toward a workplace pension in retirement. Add to that the amount of money LAPP retirees are spending in their communities, while also paying taxes, and the volume of economic activity created by LAPP pensions is really quite staggering.

According to the results of a recent cross-Canada research project conducted by the Canadian Public Pension Leadership Council (CPPLC), the contribution to government revenue from public sector pensions is \$21.4 billion a year in Canada and \$1.3 billion in Alberta.

LAPP and other Alberta public sector pension plans represent \$6.4 billion of economic activity, which in turn accounts for about 1.8% of the Alberta economy. At least \$3.4 billion of this activity results from spending of pension payments by retirees and the spending of wages by employees working in the pension industry. The balance of economic activity,

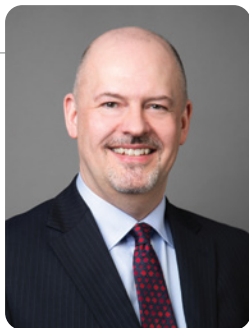
the other \$3.0 billion, is driven by indirect economic activity generated from the spending.

Titled the ***Economic Benefits of Canadian Public Sector Pension Plans***, the research was conducted by the Canadian Centre for Economic Analysis (CANCEA), which concludes, in the case of the provincial Alberta data, that for every \$10 of pensions paid, \$14.60 in economic activity was generated.

Business and households in Alberta benefit from the economic activity, which include over \$1.2 billion of private investment. Of the over 3,500 businesses that benefitted from the economic activity, 2,500 are small businesses with fewer than 10 employees. There are 56,000 jobs supported (42% of which go to people under 35), totaling \$2.4 billion in wages annually.

Check out more information on the study online on the news page at [LAPP.ca](http://LAPP.ca).

## Message from LAPP's President and CEO



As we reach year-end, it is customary to look back over the last 12 months and take account of all that has happened. By any measure, 2021 was a difficult year for many of our LAPP members, as COVID-19 continued to overshadow our daily lives at work and at home.

As public sector employees in health, education and municipal government, our members continue to be on the front-line of the response to COVID-19, keeping Albertans as healthy and as safe as possible. We are so grateful to you, our members, for your continued dedication to your work. We know that you do this in the face of difficult budgetary circumstances in the public sector and perhaps at great personal cost to yourselves and your families, as we all continue to be squeezed by a disrupted global economy that is trying to find its feet again.

Given all this, I am so pleased to be able to share some good news with you about your pension plan which remains strong, secure, and well-funded. The Plan is 106.5% funded on a going concern basis and 110% funded on an accounting basis (two different methods used to measure the strength of the Plan). Plan assets are above \$58 billion, and if the markets hold to December 31, we can also look forward to a strong annual return from our asset manager, Alberta Investment Management Corporation (AIMCo).

In 2022, contribution rates paid by members and employers will each be reduced again by about 1% each. This cut will produce a savings of about \$700 for those members earning around \$72,000 a year. The rate reduction is the third one in the last five years. To be clear, this means that the cost of the pension

to you is going down, while the same level of pension benefit remains assured. At a time when many public sector salaries continue to be frozen, we hope that a reduction in other costs will be welcome news.

While no one has a crystal ball, it seems we can still count on days of uncertainty ahead with both the pandemic and the economy. Forecasters raise concerns about the ability of the global economy to kick-start economic growth domestically, as the pandemic and its variants continue to destabilize markets going forward. Product shortages caused by interruptions in manufacturing and transportation are expected to lead to continued price increases, which, combined with labour shortages, brings on the challenge of rising inflation.

The only certainty seems to be that things will not return to a pre-pandemic normal for some time. At LAPP, we will continue to do what we can to help ease the burden on our members. In the short term, that is reducing contribution rates in 2022 while maintaining the same level of pension benefit as promised. In the longer term, that is continuing to ensure we have a healthy cushion to see your Plan through uncertain times and any unexpected market volatility ahead.

Managing risks continues to be the critical focus at LAPP Corporation as we meet the needs of our members and our retirees now and in the years ahead.

In 2022, the Local Authorities Pension Plan turns 60 years old, and we are proud to celebrate the legacy of those years as we chart the path ahead. We will be engaging with you in the coming weeks, providing opportunities for you to give your feedback and input. Please watch the website at [LAPP.ca](http://LAPP.ca) and join in the conversation.

**Chris Brown, President & CEO, LAPP Corporation**

## LAPP facts at a glance



**44,138**

Average number of **UNIQUE LAPP WEBSITE USERS** /mth



**253,125**

Average number of **LAPP WEBSITE PAGE VIEWS** /mth

**45.8**

**AVERAGE AGE  
OF ALL ACTIVE  
MEMBERS**

**9.3**

**AVERAGE YEARS  
OF PENSIONABLE  
SERVICE**

of all active members

**72.0**

**AVERAGE AGE  
OF ALL LAPP  
RETIREES**

**\$19,819**

**AVERAGE  
YEARLY LAPP  
PENSION PAID**



## LAPP celebrates 60 years of sustainable success

This coming year is a special one for LAPP as we celebrate the 60th anniversary of your pension plan. There are many good reasons to celebrate this milestone with the most significant being that the Plan remains strong and secure today and into the future.

Unlike many other large defined benefit pensions plans in Canada, LAPP has managed to sustain its original benefits throughout the years, despite the global recession in 2008 and other significant downturns in the economy. In fact, LAPP is one of the few plans in Canada still offering a guaranteed cost of living adjustment (COLA) to its retirees, along with other benefits like early retirement options.

We are a family of 275,000 members, including retirees, and have accumulated more than \$58 billion in assets. This money belongs to you, our members, and we at LAPP Corporation work to ensure it is wisely invested and that it will continue growing to meet the needs of retirees for generations to come.

We have a lot to celebrate this coming year, but we really want to mark the milestone by hearing from our many members, retirees, and stakeholders about the Plan. We want to know what you think about your plan and its benefits. We want to know if you understand how your

pension works and what you can do to make the most of it as you work towards your retirement.

To that end, LAPP will be reaching out to you to hear your feedback and opinions. We want to know how you feel about the cost of the Plan and the level and quality of service you receive. We wonder whether you have used any of the tools we have created and posted on our website at [LAPP.ca](http://LAPP.ca), and whether they have been helpful to you when making important decisions about your pension.

We will ask retirees how they feel about the Plan and their pension. We will ask them to look back and see if they have any advice or wisdom they want to share for those just starting out. We will continue to hold contests and create new fun videos for the website and would love to hear your ideas about other things we can do to make it easier to understand your pension and make the most of growing it throughout your career.

To mark this milestone we have created a new anniversary logo that you will see on our website, newsletters and correspondence for the year, at 60 years, we are strong and secure and proud to shout it! We look forward to hearing from you.

## LAPP members provide valuable feedback on our website



**19,362**  
TOTAL SURVEY  
RESPONSES



**96%**  
WILL RETURN TO  
THE WEBSITE

### Top liked website features:

- Accessing my personal information
- Calculators
- Information on the site

### Top suggested website improvements:

- Add live chat
- Log-in process
- Add Webinars

## Congratulations to our website contest winners

The winners from our most recent contest are sure are happy they took the time to visit the LAPP website to check out what's new! We offered members and retirees a chance to win an iPad or Apple Watch by telling us how [LAPP.ca](#) and our new secure section, *Your Pension Profile*, are meeting your needs.



**Anna King**, of Red Deer, Alberta, is the delighted winner of an Apple iPad Air. Her name was drawn from the 19,362 total responses to our survey, which was almost three times the number of responses we received last year!

Anna works in the educational sector at a local college and has proudly worked for LAPP-participating employers throughout her 30+ year career. Anna tells us she loves LAPP's mascot, Benny, and the playful approach he brings to pensions - an otherwise complex topic - and that she can't wait to explore the LAPP website and *Your Pension Profile* account on her new gold iPad!



**Kimberly Jensen**, of Spruce Grove, Alberta, is the lucky winner of a Samsung smart watch, chosen in place of the Apple Watch prize offered. Her name was drawn from the 12,609 responses correctly answering that Ben E. Fit is the full name of LAPP's mascot, Benny.

Kimberly, a registered nurse, retired this fall after spending her entire 34-year career working at the Royal Alexandra Hospital in Edmonton. Kimberly's husband also recently retired, and together they are looking forward to exploring the east coast of Canada and spending more time enjoying their gorgeous backyard, all year-round. We wish you all the best and a very happy retirement.

Congratulations to both of our winners and thank you to everyone who participated in the survey held between August 16 and September 30, 2021. Your valuable feedback and survey responses will help shape the ongoing work and updates we do to ensure our members are *Always a LAPP Ahead*. Be sure to check out the website often and get in on future contests.

## Be a LAPP ambassador - Tell us your LAPP story

We are always looking for members who would like to share their LAPP stories from any stage of their life with LAPP.

- Are you just getting started with LAPP and want to share what being a new or returning member means to you?
- Are you ready to retire and want to tell us the ways in which your LAPP pension will help provide for your next "lapp" in life?

- Are you a LAPP retiree and would like to let us know how you've been spending retired life?
- Are you a surviving pension partner and would like to share what receiving a LAPP survivor pension has meant for you?

We are looking forward to sharing stories as diverse as our membership, and we want to hear from you! Every LAPP story matters.

Please get in touch by writing to us at [letterstolapp@lapp.ca](mailto:letterstolapp@lapp.ca).

## Your steps to retirement



If you've made the decision to retire, you might be wondering what your next steps are. Look for these handy online resources to help you along.

1. Read [LAPP.ca/StepsToRetirement](#).
2. Access the Member Retirement Kit at [LAPP.ca/EmployerToolkits](#).

There you can watch videos about the pension options, download the retirement checklist, and access links to more information to help you prepare for retirement.

3. Apply online using the Retirement Application tool.

To access the tool, register or log in to *Your Pension Profile* in the top right corner of [LAPP.ca](#).

Once logged in, use the dropdown menu in the top right beside your name to access the Retirement Application tool.

## Do we have the right information?

Keeping your personal information up to date with LAPP can be a big help at an important time. LAPP is able to provide you with the timeliest information about your pension when your contact information, pension beneficiaries, and pension partner status are accurate.

To review and change your personal information, all you need to do is register/log in to *Your Pension Profile*, the secure area of [LAPP.ca](#), by clicking "Login" in the top right corner of the site.

### From *Your Pension Profile*, you can:

- Access your **annual statements** or any **tax slips**
- Run **pension projection calculations** to help you plan for retirement
- Update your **contact information**, including **mailing and email address**
- Change your **communications preference**
- View and update your chosen **beneficiary(ies)**
- **Submit documents/forms** or **communicate with us** using Secure Messages

## I received a *Buyback Proposal* – what comes next?

You will receive a *Buyback Proposal* in the mail if you had a period of unpaid leave or if you requested a proposal to purchase a period of prior service.

***A period of unpaid leave, where you did not contribute to the Plan could include many things, such as an unpaid day off for a sick day or parental leave.***

If you wish to purchase the service detailed on your *Buyback Proposal*, you will need to confirm your choice with us online or by mail.



### Tip

The easy-to-access online tool will have the quickest processing and turnaround time. To get started, log in to *Your Pension Profile* in the top right corner of [LAPP.ca](#) and use the dropdown menu beside your name that appears in the top right to access the Buyback Purchase page.

For more information read [LAPP.ca/BuyingService](#).



## Important news about your pension plan inside!

Even though pensions may not seem exciting, it's important to learn about LAPP and how your pension works, no matter where you are in your career.

### Looking for more information?

Check out the LAPP website at [LAPP.ca](https://lapp.ca). Everything you need to know, and more, is there! Your LAPP pension is a valuable asset and you owe it to yourself to ensure you are **Always a LAPP Ahead!**

LAPP Corporation is committed to providing members with easy-to-understand pension information on a regular basis. If you have thoughts on how this newsletter or other communications can be improved, please send an email to [news@lapp.ca](mailto:news@lapp.ca).

### Contact Us

For information about your personal pension details, please contact us at:

1-877-649-5277

[LAPP.ca](https://lapp.ca)