



TITLE: LOCAL AUTHORITIES PENSION PLAN

Approved by Council

Date: January 13, 2026

Policy Applies to ALL Full-Time Employees

PURPOSE OF POLICY

The purpose of this policy is to ensure all full-time employees entitled to the Local Authorities Pension Plan (LAPP) are enrolled according to plan membership requirements, and that the Municipal District of Pincher Creek No. 9 (MD) is compliant with all membership criteria.

POLICY STATEMENT

1. The MD of Pincher Creek No. 9 will participate in the Local Authorities Pension Plan as set out and defined by the LAPP Corporation.

DEFINITIONS

2. For this policy, the following definitions shall apply:
 - a. “MD” shall mean and refer to the employer, the Municipal District of Pincher Creek No. 9.
 - b. “LAPP” shall mean and refer to the Local Authorities Pension Plan.
 - c. “Member” shall mean all eligible employees enrolled in LAPP.
 - d. “Pensionable Salary” shall mean a member’s gross basic pay for the performance of regular duties, including any acting pay a member may receive while covering for another employee during their absence.
 - e. “Pensionable Service” shall mean the number of years of eligible and qualifying employment.

GENERAL GUIDELINES

3. LAPP is a defined benefits plan, which provides members with a set (defined) pension for their lifetime once the member retires.
4. The math used to figure out a member’s pension payment includes a member’s salary and years of service, not how much the member contributes or the returns on pension fund investments.

MEMBERSHIP ELIGIBILITY

5. All permanent full-time employees who work 30 or more hours per week on average during a service year must participate in LAPP, unless they are not eligible under the Plan’s terms.

6. Participation shall begin upon successful completion of the probationary period as established in the employment contract and/or CUPE agreement. The Director of Corporate Services, or designate, may waive the waiting period.
7. New employees who are already participating in LAPP upon hire will continue in the Plan with no waiting period, provided there is no gap in service.

CONTRIBUTIONS

8. Contributions are paid by both the member and the employer and are invested to fund pension benefits. The LAPP Sponsor Board sets contribution rates.

PENSIONABLE SALARY/EARNINGS

9. The following shall be included as pensionable salary
 - a. Regular Pay
 - b. Retroactive pay: remuneration that is paid at the current time but related to a prior period of pensionable service.
 - c. Vacation Pay: paid in respect of time off while the member was employed.
 - d. Acting Pay
 - e. Any other pay deemed eligible by LAPP or the MD.
10. The following shall never be included in pensionable salary
 - a. Overtime Pay
 - b. Payouts of Banked Earnings
 - c. Expense Allowances
 - d. Holiday and Vacation Pay paid in a lump sum
 - e. Holiday and Vacation Pay paid as a percentage of earnings, if paid out as a lump sum
 - f. Pay for individual achievement or bonuses
 - g. Value of work vehicle provided for personal use
 - h. Severance Pay
 - i. Shift or weekend work premium
 - j. Any other pay deemed ineligible by LAPP or the MD.

PENSIONABLE SERVICE

11. Hours per pay period are used as the base unit in calculating pensionable service. For Non-Union members, a pay period shall include 75 to 80 hours (or 37.5 to 40 hours per week); for Union members, a pay period shall consist of 80 hours (or 40 hours per week). The number of pay periods per year is either 26 or 27.

BUY BACK

12. Members have the option to increase their pensionable service by transferring service into LAPP or purchasing periods of eligible service that are not already credited as pensionable service under the Plan. Buyback service includes:
 - a. probationary service as outlined in the employer's LAPP participation policy;
 - b. periods of leave without pay;
 - c. eligible prior service; and
 - d. transfer service and shortfall service.
13. Members can request options for buying back prior service directly from the LAPP.

WORKERS' COMPENSATION BOARD BENEFITS

14. Members who receive temporary total or temporary partial disability benefits from the Workers' Compensation Board (WCB) under section 56(12) of the Workers' Compensation Act are required to continue to participate in LAPP. Contributions are to be remitted by the MD as if the member was at work.



Rick Lemire
Reeve



Roland Milligan
Chief Administrative Officer