



TOWN OF PINCHER CREEK POLICY



Approved by: Council	Date: January 4, 2017	Policy Number: 165-17
Reference: Motion #2017-005	Revision	Date/by:
Title: Local Authorities Pension Plan (LAPP) Policy		

Policy Statement

It is the policy of the Town of Pincher Creek to define participation in the Local Authorities Pension Plan (LAPP) for those employees of the Town of Pincher Creek and the Pincher Creek and District Municipal Library who do not qualify for mandatory membership in the Plan and are not excluded from membership. This policy determines membership for:

- Part-time, permanent employees;
- Fixed Term Contract Employees; and
- Part-time, temporary employees.

1. Definitions

1.1. Mandatory Membership – Membership is mandatory for full-time permanent employees except those who are specifically excluded from membership. To be considered full-time an employee's regularly scheduled hours of work must not be fewer than 30 hours per week.

1.2 Excluded from Membership - any employees who:

- are permanent and work fewer than 14 hours per week or 728 hours per year unless they are working multiple positions and when the hours worked are combined, they work a minimum of 14 hours per week or 728 regularly scheduled hours per year for the same LAPP employer.
- are completing a probationary period
- are excluded from membership according to this policy
- receive a monthly pension from LAPP based on their previous participation in LAPP

1.3 Part-time employees – for the purpose of determining membership in the Plan, the regularly scheduled hours of work must be at least 14 hours per week or 728 hours per year and must be fewer than 30 hours per week.

- 1.4 **Fixed Term Contract Employees** – management employees working full time under a fixed term contract.
 - 1.5 **Normal Working Year** – usually 26 pay periods but on occasion 27 pay periods
 - 1.6 **Pensionable Earnings** – are types of pay that are considered pensionable at the Town of Pincher Creek
 - 1.7 **Regular Earnings** – normal working hours (1820 or 2080) at the employee’s regular rate of pay
2. **Responsibilities**
- 2.1 **Director of Finance and Human Resources** – ensure that this policy is applied fairly and equitably and in accordance with pension legislation.
 - 2.2 **Administrative Manager** – ensure that employees are informed of their membership status at the time of hire. For those employees who belong to the voluntary membership, supply them with a copy of the member handbook and encourage them to discuss the implications of their choice with Alberta Pension Services.
3. **Legislation**
- 3.1 Public Sector Pension Plans Act (PSPPA) and its regulations
4. **Membership**
- 4.1 **Part-time, permanent employees** – part-time permanent employees may participate in the Local Authorities Pension Plan (LAPP) if they choose to but once enrolled in LAPP an employee may not opt out.
 - 4.2 **Fixed term contract employees** – mandatory participation unless otherwise excluded.
 - 4.3 **Part-time, temporary employees** – are not eligible to participate.
5. **Pensionable Service – Full-Time Equivalent Base Unit(s)**
- 5.1 **Inside Workers, Pool Staff, Library Employees and Management (except Director of Operations)** – 1820 hours per year
 - 5.2 **Outside Workers, Community Peace Officer, Bylaw Officer, Arena Staff and Director of Operations** – 2080 hours per year

6. Leave Without Salary (LWOS)

- 6.1** An employee on Leave Without Salary may continue paying contributions (contributory leave) or defer the payments until the leave ends (non-contributory leave). In either case, if the employee chooses to make LAPP payments the Town will continue to make the employer payments to the extent of the leave limits.

7. Pensionable Earnings

The following types of pay are pensionable as per the Town of Pincher Creek:

7.1 Regular Earnings

7.2 All earnings to cover for regular earnings

- Sick Time
- Vacation Earnings paid while on vacation
- Bereavement Leave
- Earned day off when used to cover a regular work day
- Banked time when used to cover a regular work day
- Leave of Absence – Union business
- Statutory Holidays

8. Non-Pensionable Earnings

8.1 Overtime or Double Time including hours worked on a statutory holiday

8.2 All premiums

- shift differential
- weekend differential
- standby pay
- instructor premium
- Level I Water Wastewater
- Level II Water Wastewater
- Per Diem

8.3 Payouts with no time taken

- Vacation
- Banked time

End of Policy