



Federation of Alberta Gas Coops in Partnership with AMSC

## ALBERTA COMMUNITIES PENSION PLAN AT A GLANCE

This document provides an overview of the Alberta Communities Pension Plan (ACPP). If anything in this document conflicts with the provisions within the ACPP, the formal ACPP Pension Plan text shall apply.

### THE PENSION PLAN

The ACPP is a registered Defined Contribution Pension Plan under the Income Tax Act of Canada (Canada Revenue Agency) and regulated under the Employment Pension Plans Act of Alberta.

Under the Plan, the employer matches contributions made by the employee. At retirement the accumulated employee and employer contributions, along with any investment earnings, provides the source of an employee's retirement income.

### PLAN ADMINISTRATOR

Alberta Municipal Services Corporation

### FUND HOLDER

Sun Life Financial

### WHO'S ELIGIBLE TO JOIN AND WHEN

Eligible employers must be regular or associate members (members may be municipalities, municipally-related organizations or not-for-profit organizations) of the Alberta Urban Municipalities Association (AUMA) in order to participate in the plan. Eligible participants include full and part-time employees as well as elected officials who do not participate in a public sector pension plan. An employee's participation is voluntary; however, once enrolled in the ACPP participation must continue until termination or retirement.

### THE WAITING PERIOD

- (a) Full-time employees: on the first day of any month coincident with or next following completion of 12 months of Continuous employment with a Participating Employer.
- (b) Part-time Employees: Have completed of 2 years of Continuous employment with a Participating Employer and have earned at least 35% of the YMPE in each of the 2 consecutive calendar years immediately prior to membership.
- (c) Municipal Councillors: on the first day of the month next following the swearing in of the Councillor.

The Participating Employer may waive the eligibility requirement for an employee or a class of employees provided the waiver does not contravene any applicable legislation.

### CONTRIBUTION RATE OPTIONS

#### Fixed Rate Option

An employer may choose a fixed contribution rate of either 3%, 4%, 5%, 6%, 7%, 8% or 9% of an employee's earnings which are matched by the employee. Employees may also make additional voluntary contributions (which are not matched by the employer).

The employer may also choose to offer a higher matching contribution rate to management employees as well as to those who are considered long service employees. It is permissible to have more than one long service threshold.

OR

#### Variable Rate Options

A participating employer may offer a variable contribution rate enabling each employee to choose a contribution

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ranging from 3% to 9% which will be matched by the employer. If this option is chosen by the employer, the employer must give the employee the option to change their contribution rate on an annual basis.

## **INVESTMENT OPTIONS**

An employee is responsible for selecting an investment option(s) from a list of funds provided by Sun Life Financial which have been reviewed and approved by AMSC.

The employee can change their investment options at any time either online at [www.mysunlife.ca](http://www.mysunlife.ca) or by calling the Sun Life Financial Customer Centre toll free at 1-866-733-8613.

## **VESTING AND LOCKING IN OF CONTRIBUTIONS**

An employee vests immediately in the ACPP upon enrollment. Funds are locked-in and must be used to provide a retirement income payable for the employee's lifetime unless the value is under the small benefit threshold. In this instance, the employee may withdraw the funds as either a taxable lump sum cash payment or a tax deferred direct transfer to a personal RRSP.

Please note that additional voluntary contributions are not locked-in, but may only be withdrawn upon an employee's termination of employment.

## **CONTACT INFORMATION**

### **Alberta Municipal Services Corporation - Retirement Services**

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