

Re-employment of LAPP Pensioners

In Management / Out-of-Scope Positions

I. Introduction

The Local Authorities Pension Plan (LAPP) permits an individual in receipt of LAPP pension benefits to be employed by a local authority (i.e. City of Edmonton) without such employment affecting his or her pension benefits.

This Administrative Directive outlines the terms and conditions under which LAPP pensioners, who have retired from their employment with the City of Edmonton, may be temporarily re-employed by the City.

II. Procedures

A General Manager, with the prior approval of the City Manager, may enter into, amend or renew a contract of employment with a LAPP pensioner without the need to hold an open competition for the position. The position to be occupied must be managerial or otherwise out-of-scope of all civic bargaining units.

The normal job evaluation process for leveling the position shall be completed prior to the commencement of negotiations with any LAPP pensioner.

The General Manager will provide a copy of the employment contract to the City Clerk's Office and the Corporate Services Department (Law Branch and Human Resources Branch) whenever such an employment contract is entered into, modified or renewed.

III. Conditions for the Temporary Re-employment of LAPP Pensioner

Re-employment of an LAPP pensioner is normally only appropriate when it is necessary:

- to re-employ a former employee(s) based on his/her involvement in a unique and essential project or strategy; or
- to access special skills which are essential to facilitate knowledge transfer, coaching and mentoring; and
- where this requirement can only be fulfilled by a specific former employee(s) who has become an LAPP pensioner.

All contracts of employment for LAPP pensioners authorized to be employed under this Administrative Directive shall conform to the following conditions unless prior approval of the City Manager has been received:

A. Salary

The salary offered to the LAPP pensioner shall be established within the salary range established for the position to be occupied. LAPP pensioners shall not be eligible to participate in the annual performance bonus program, but shall be eligible to receive economic increases provided to the majority of other managerial / out-of-scope employees.

B. Length of Contract

Employment contracts shall have a maximum duration of twelve (12) months. Extensions to an LAPP pensioner's employment contract for up to an additional twelve (12) months must have the prior approval of the City Manager.

C. Health and Welfare Benefits

In lieu of a LAPP pensioner's eligibility for participation in all City benefit programs (including pensions), a monetary payment of ten (10) percent of the pensioners base salary shall be paid.

In addition, an LAPP pensioner shall be eligible to receive the same statutory holidays that the majority of other managerial / out-of-scope employees receive; plus, up to ten (10) days sick leave per year for periods when the LAPP pensioner is unable to perform his / her assigned duties as a result of a non-compensatory illness or injury; plus annual paid vacation based on a rate of twenty (20) vacation days per twelve (12) months employment.

D. Contract Termination

All contracts of employment must contain a termination clause, with the notice period calculated in accordance with Employment Standards. This notice period may only be extended with the approval of the City Manager. The employer must also be able to terminate the employment contract at any time without penalty, payment or notice for just cause.

E. Contract Extensions

Extensions or renewals must be undertaken in advance of the contract expiry date with the employee being notified accordingly.

F. Income Replacement Payouts

Re-employed LAPP pensioners (employees receiving pension monies and contract salaries) are eligible for 100% of their income replacement payout upon their retirement to LAPP benefits.

NOTE: Individuals who are in receipt of pension income (LAPP or other) who are the successful candidates on positions filled by competition are not subject to this Administrative Directive.

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