

**Calgary**



# Retirement Process and Retiree Benefits



**January 1, 2025**

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## Introduction

Ready to retire? We know this is one of the most important life events you will ever experience, from both a personal and professional perspective. Retirement can be the best time of your life; it is your reward as you wind down your professional career with The City of Calgary.

This booklet provides information about retiring from The City of Calgary. It is also a guide to understanding the major provisions of the various benefit/pension plans. Should any questions arise concerning the interpretation or administration of benefit/pension plans referred to in this booklet, the official plan documents will govern in all cases.

The contents of this booklet are subject to change. We encourage you to take the time to review the information and refer questions to the contacts listed on pages four and five.

# Thinking about retiring from The City?

1. Determine if and when you are eligible to retire.

## When can I retire and at what age?

### *Members of the Local Authorities Pension Plan (LAPP):*

- *Members can retire with a pension at age 55.*
- *Members who have not retired prior to December 30<sup>th</sup> of the year in which they turn 71, are required to start their pension on December 31<sup>st</sup> of that year.*

### *Members of the Special Forces Pension Plan (SFPP):*

- *Once members have participated in the pension plan for two years, they become eligible to retire and can start receiving a pension at age 55, or at any age with 25 years of pensionable service.*
- *Members who have not retired prior to December 30<sup>th</sup> of the year in which they turn 71, are required to start their pension on December 31<sup>st</sup> of that year.*

### *Members of the Firefighters Supplementary Pension Plan (FSPP):*

- *Members can retire with a pension at age 55, or at any age with at least 25 years of pensionable service.*
- *Members must retire no later than the first day of the month immediately following their 60<sup>th</sup> birthday.*

2. Get an estimate based on a potential retirement date you have in mind. Get a few estimates for comparison. How?

- If you are a member of **LAPP**, go to [Pension Estimator](#) and login to complete a pension estimate on your own or call **1-877-649-5277**.
- If you are a member of **SFPP**, go to [Pension Estimator](#) and login to complete a pension estimate on your own or call **1-877-809-7377**.
- If you are a member of **FSPP**, contact TELUS Health at **1-877-351-5911**.
- If you are a member of **SPP** or **OCP**, go to the [on-line calculator](#) or contact Aon at **403-303-1516** or [Calgary.SPP.help@aon.com](mailto:Calgary.SPP.help@aon.com).
- Go to [Service Canada](#) (**CPP/OAS**) or call **1-800-277-9914** for an estimate.

3. Review the steps involved in "[I've decided to retire – what do I do?](#)". A checklist has been provided to help you.

4. Review information on your pension plan provider(s):
  - Local Authorities Pension Plan ([LAPP](#))
  - Special Forces Pension Plan ([SFPP](#))
  - Firefighters Supplementary Pension Plan ([FSPP](#))
  - Supplementary Pension Plan ([SPP](#))
  - Overcap Pension Plan ([OCP](#))
5. Additional financial advice is available through [The City of Calgary - Employee and Family Assistance Program \(EFAP\)](#). Contact them to talk with a financial advisor.

## Contacts

Here is a list of people to help you with the retirement process:

Resource	Contact Number	Comments
Pay Services	403-268-5800	To submit your intent to retire and finalize your last day of pay.
HR Support Services	403-268-5800	To book an appointment to finalize your retirement paperwork or to update your beneficiary(ies).
HR Support Services	403-268-5800	Retiree Benefit inquiries.
Alberta Pension Services – LAPP	1-877-649-5277	External pension administrator for the Local Authorities Pension Plan (LAPP).
Alberta Pension Services – SFPP	1-877-809-7377	External pension administrator for the Special Forces Pension Plan (SFPP).
Aon	403-303-1516	External pension administrator for <b>active employees</b> : <ul style="list-style-type: none"> <li>• City Supplementary Pension Plan (SPP)</li> <li>• Overcap Pension Plan (OCP)</li> <li>• Police Chief &amp; Deputy Overcap Pension Plan (PCDOP)</li> </ul>
HR Support Services	403-268-5800	Bank account changes for the above pension plans.
Finance	403-268-5198	Contact for <b>current Retirees</b> : <ul style="list-style-type: none"> <li>• Overcap Pension Plan (OCP)</li> <li>• Fire Chief &amp; Deputy Overcap Pension Plan (FCDOP)</li> <li>• Police Chief &amp; Deputy Overcap Pension Plan (PCDOP)</li> <li>• Police Supplementary Pension Plan (PSPP)</li> <li>• Executive Pension Plan</li> <li>• Individual Contracts</li> </ul>

<b>Resource</b>	<b>Contact Number</b>	<b>Comments</b>
TELUS Health	1-877-351-5911	External pension administrator for Fire Supplementary Pension Plan (FSPP).
Canada Pension Plan	1-800-277-9914	Government pension plan administrator.
Old Age Security	1-800-277-9914	Government pension plan administrator.

## Employee Pension Plan Presentations

In conjunction with The City, Alberta Pensions Services (APS) offers virtual information sessions which are usually held throughout the year for the Local Authorities Pension Plan (LAPP) and the Special Forces Pension Plan (SFPP).

LAPP Corporation has a lot of excellent information on their website, [LAPP](#). SFPP Corporation also has information on their website, [SFPP](#). If you are a firefighter and participating in the Calgary Firefighters Supplementary Pension Plan (FSPP), you can find information on that pension plan at [FSPP](#).

In addition, consulting your personal financial advisor will help you plan for the financial aspects of retirement. Additional financial advice is also available through [The City of Calgary - Employee and Family Assistance Program \(EFAP\)](#).



## I've decided to retire – what do I do?

Once you make the decision to retire from The City of Calgary, there are a series of steps you need to take. The steps provided below will tell you what to do **at least four months** prior to your intended date of retirement.

1. Decide how to handle any accrued vacation. You may choose to have your accrued vacation taken as either:
  - a) Time off prior to your last day of pay, or
  - b) Cash payment on your last cheque, or
  - c) Transfer to your Registered Retirement Savings Plan (RRSP), or
  - d) Combination of the three choices above.

**Note:** To transfer funds to your RRSP, you must have the RRSP room available as per your CRA Notice of Assessment. You must also complete the Declaration for Source Deduction Relief form (available from your Pay Services Administrator) if you choose this option.

2. Contact your business unit's Pay Services Administrator to inform them of your decision. You can call **403-268-5800** to determine your pay services contact. This person will also help you complete a letter of retirement, which clearly states your last day of 'work' and your last day of 'pay'. Your retirement date is the day following your last day of pay.

**Note:** The last day of 'work' and the last day of 'pay' are not always the same. For example, if, prior to retirement, you have been on vacation, Workers' Compensation Board (WCB), Sickness and Accident (S&A), or Long Term Disability (LTD).

3. Complete the Intent to Retire form (P 924).
4. Obtain the required signatures on the Intent to Retire form and the letter of retirement. Forward the completed form and letter to your Pay Services Administrator. Note that once your signed Intent to Retire form has been forwarded to Pay Services, **it may not be rescinded**.
5. A Retirement Analyst will contact you within 90 days of your retirement date to set up an appointment in order to finalize your pension application.

**Note:** Government-issued ID for you and your pension partner will be required, such as a driver's licence or passport.

## Retiree Benefit Plan

The City of Calgary offers a Retiree Benefit Plan up to age 65 for employees who are eligible to retire as outlined in the table on page 2 and are receiving a monthly pension from a pension plan in which The City participates immediately upon leaving The City of Calgary. These benefits are optional and provide a bridge between early retirement and access to government benefits at age 65.

The Retiree Benefit Plan is intended to supplement your provincial health care plan. It is your responsibility to ensure your provincial health care coverage continues into retirement. If you have questions regarding provincial health care coverage, contact the provincial health authority for your province of residence.

### Enrolment

The decision to enrol in the Retiree Benefit Plan should be considered as part of your overall retirement planning process. Enrolling in retiree benefits is optional.

Once you apply for your pension benefit, your Retirement Analyst will review your options under the Retiree Benefit Plan. You may select one, all or none of the following benefits:

- Extended Health Care
- Dental Care
- Basic Group Life Insurance

### Things to consider:

You should consult with your family members and financial planner before selecting your options.

- Does your partner have benefit coverage and for how long?
- What are you and your family's medical or dental needs?
- How much life insurance do you really need? Are you adequately insured?
- How much would it cost if you purchased an individual benefits package elsewhere and what would it cover?

### Benefit premiums

- The premiums are cost shared 50%/50% by The City and the retirees.
- Retirees will be setup on a pre-authorized debit plan to ensure premiums are taken monthly from their accounts. The debit to the account will be the second to last business day of the month except for December, which will be one business day prior to December 24<sup>th</sup>.
- Retirees will receive a monthly invoice from The City of Calgary (this is for information purposes only).
- Extended Health Care and Dental Care benefit premiums paid by The City are non-taxable.
- The City-paid portion of Basic Group Life Insurance is taxable to the retiree.

## **Annual Premium Statements**

Each year, an Annual Premium Statement is sent out in January to advise retirees of the new premium rates for that year, as well as the total premiums paid in the previous year. If you are claiming health and dental expenses on your tax return, you can include the premiums you paid for Extended Health Care and Dental Care. This annual statement can be used as documentation for tax purposes.

The final Annual Statement you receive after reaching age 65 or 10 years of reduction of life insurance indicates the amount of your death benefit. Please keep this in a safe place with other estate papers.

## **Submitting Claims**

Online claim submission is available from Alberta Blue Cross at [www.ab.bluecross.ca](http://www.ab.bluecross.ca) or if you require assistance call 1-800-661-6995. Direct deposit is available for payment of your eligible claims.

### **Prescription drugs:**

- Use Alberta Blue Cross ID card in most pharmacies.
- Claim the expenses you paid in full by submitting your claim online.

### **Hospital – semi-private or private accommodation:**

- Direct bill by some hospitals.
- Claim the expenses you paid in full by submitting your claim online.

### **Extended Health services:**

- Claim the expenses you paid in full by submitting your claim online.

### **Dental services:**

- Direct bill by some dentists.
- Claim the expenses you paid in full by submitting your claim online.

### **Out-of-Province/Country emergency medical travel:**

- Contact the Travel Assistance phone number on the ID card immediately upon emergency.
- Claim the expenses you paid in full by submitting official receipts with a completed Out-of-Province/Out-of-Country Claim form.

### **Co-ordination of benefits for Extended Health Care and Dental claims**

Co-ordination of Benefits (COB) is a process where individuals, couples or families with more than one benefit plan combine their coverage. This allows you and your dependents to have coverage for up to 100% of the dollar value for eligible prescription drugs, dental and health services benefits. Generally, your plan pays first on your claims, and you recover the balance from your partner's plan. Partner's plan pays first on their claims and you would recover the balance from your Retiree Benefit Plan.

For your dependent children's claims, your plan pays first if your birthday (e.g. March 20) is before your partner's (e.g. Oct. 10). Otherwise, it's your partner's plan that pays first.

Example of how co-ordination can improve your coverage:

You Purchase	Your Plan covers	Your Partner's Plan Covers
Prescription drugs	80%	20%
Dental services	80%	20%

### **Beneficiaries**

Basic Group Life Insurance or the Death Benefit is paid out upon your death. The beneficiary should contact HR Support Services at 403-268-5800 for claim assistance.

#### **To change your beneficiary:**

Contact HR Support Services at 403-268-5800 to obtain a Designation of Beneficiary form.

Return your completed form to HR Support Services #8107BN, The City of Calgary, PO Box 2100, Station M, Calgary, AB T2P 2M5.




## Retiree Benefit Plan Premium Rates 2025


The premium rates below reflect the Retiree's share.

Benefit	Single	Couple/Family
Extended Health Care (EHC)	\$50.90	\$123.20
Dental Care	\$32.06	\$66.54
Basic Life Insurance example: \$50,000 would cost \$23.00 per month	\$0.46 cents per \$1,000 of coverage	

## Retiree Benefit Plan Summary

### Extended Health Care Plan

Benefits	Coverage
Prescription drug	80% coverage, generic pricing*  *The maximum unit price as determined by Alberta Blue Cross that will be paid for drug product (whether it is brand or generic product) within a grouping. Groupings are determined by Alberta Blue Cross.
Hospital	100% private or semi-private room
<a href="#">Health services</a> 	100% on medical supplies and services with some limits on specific services
<a href="#">Paramedical services</a> 	\$300 per person/ per year* maximum combined services including: acupuncture, allergy testing, chiropractic, magnetic therapy, massage therapy, midwifery, naturopathy, nutritional counselling, phototherapy, physiotherapy, podiatry/chiropracist, speech language therapy, ultraviolet therapy *subject to Reasonable and Customary visit amounts
Registered Psychologist/Master of Social Work	\$75 per visit to \$750 annual maximum per family
Vision	\$200 every 24 months per person for prescription glasses and/or contacts
Annual maximum	\$30,000 maximum per year combined on above services per participant
<a href="#">Out of province/country emergency medical travel plan</a> 	100% coverage, \$5 million maximum per incident, 30-day trip limit

<b>DENTAL CARE PLAN</b>																							
<b>Benefits</b>	<b>Coverage</b>																						
Fee Schedule <a href="#">Dental Plan</a> 	The Alberta Blue Cross Usual and Customary fee schedule is based on the current Alberta Provincial Fee Guide.																						
<b>BASIC LIFE INSURANCE PLAN</b>																							
Election at retirement	Decline or elect coverage based on ½, 1, 1½ or 2x the annualized base pay most worked 60 days prior to the last day of pay before retirement or last day actively at work.																						
Reduction schedule	<p>The life insurance coverage amount reduces in equal increments on the first of the month following each anniversary date of retirement until age 65 or 10 years of retirement whichever occurs first at which time a death benefit takes effect. Premiums are no longer required.</p> <p>The following is the reduction schedule.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Age at retirement</th> <th style="text-align: left;">Annual reduction</th> </tr> </thead> <tbody> <tr> <td>• 55 or less</td> <td>• 1/10<sup>th</sup></td> </tr> <tr> <td>• 56</td> <td>• 1/9<sup>th</sup></td> </tr> <tr> <td>• 57</td> <td>• 1/8<sup>th</sup></td> </tr> <tr> <td>• 58</td> <td>• 1/7<sup>th</sup></td> </tr> <tr> <td>• 59</td> <td>• 1/6<sup>th</sup></td> </tr> <tr> <td>• 60</td> <td>• 1/5<sup>th</sup></td> </tr> <tr> <td>• 61</td> <td>• 1/4<sup>th</sup></td> </tr> <tr> <td>• 62</td> <td>• 1/3<sup>rd</sup></td> </tr> <tr> <td>• 63</td> <td>• 1/2<sup>nd</sup></td> </tr> <tr> <td>• 64</td> <td>• no reduction</td> </tr> </tbody> </table>	Age at retirement	Annual reduction	• 55 or less	• 1/10 <sup>th</sup>	• 56	• 1/9 <sup>th</sup>	• 57	• 1/8 <sup>th</sup>	• 58	• 1/7 <sup>th</sup>	• 59	• 1/6 <sup>th</sup>	• 60	• 1/5 <sup>th</sup>	• 61	• 1/4 <sup>th</sup>	• 62	• 1/3 <sup>rd</sup>	• 63	• 1/2 <sup>nd</sup>	• 64	• no reduction
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Death benefit at age 65	<p>Coverage reduces to a death benefit based on employment service:</p> <ul style="list-style-type: none"> <li>• Less than 5 years of service - \$0</li> <li>• Five to 10 years of service - \$1,500</li> <li>• Over 10 years of service - \$3,000</li> </ul> <p>There is no death benefit if the retiree does the following:</p> <ul style="list-style-type: none"> <li>• is age 65 or older at retirement</li> <li>• decline the Basic Life Insurance at retirement</li> <li>• at the request from the retiree to terminate their basic insurance at a later date</li> <li>• at age 65 if the retiree has less than 5 years of eligible service, coverage ceases on the retirees 65 birthday</li> </ul>																						
Beneficiaries	Upon your death, proceeds from your life insurance are paid to your designated beneficiary. Review your beneficiary designations regularly to ensure they are up-to-date for life insurance, pension and any other personal insurance. This ensures that your wishes are carried out and avoids undue delay in settling your estate.																						

Conversion	<p>You may convert to an individual policy within 31 days of retiring if you declined Retiree Basic Life Insurance coverage or you retired at age 65 or older.</p> <p>As a retiree when your Retiree Basic Life Insurance is reduced each year, you may also replace the amount of insurance by converting to an individual policy.</p> <p>The total amount of conversion cannot exceed the original amount of insurance held at retirement or \$200,000 maximum (\$400,000 for Firefighters). Contact Canada Life Assurance Company at 1-888-252-1847 or Sun Life of Canada at 1-877-893-9893 if you are a Firefighter for more information.</p> <p>Firefighters may convert to an individual policy within 31 days of retiring if they had the 1 X times Enhanced Basic coverage prior to retiring or declined Retiree Basic Life Insurance coverage. Contact Sun Life of Canada at 1-877-893-9893 for more information.</p>
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## Retiree Benefit Plan Eligibility Provisions

Employee	<p>An employee is eligible for the Retiree Benefit Plan if the employee:</p> <ul style="list-style-type: none"> <li>• has retired from employment of The City of Calgary or the Calgary Police Commission</li> <li>• resides in Canada</li> <li>• is under age 65</li> <li>• is in immediate receipt of a pension from: <ul style="list-style-type: none"> <li>– Local Authorities Pension Plan (LAPP)</li> <li>– Special Forces Pension Plan (SFPP)</li> <li>– Firefighters Supplementary Pension Plan (FSPP)</li> <li>– Supplementary Pension Plan (SPP)</li> <li>– Overcap Pension Plan (OCP)</li> </ul> </li> <li>• "immediate receipt of a pension" means that the employee must have applied for one of the above pensions and be eligible to receive these benefits the first day following termination of employment. This includes FSPP members who have 25 years of service, resign within 6 months of reaching age 50 and elect a commuted value (CV).</li> </ul> <p>All employees eligible for coverage under this plan must apply prior to last day of employment.</p> <p>Benefit coverage starts on the first day of retirement.</p> <p>If benefit coverage is declined at retirement, neither the retiree nor a surviving partner will be able to start coverage at a later date.</p> <p>If a retiree declines to cover a current partner or dependents at retirement, they cannot be added to coverage at a later date.</p> <p>Benefit coverage ends under the following circumstances:</p>
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	<ul style="list-style-type: none"> <li>• benefit coverage for the <b>retiree, partner and dependent</b> terminates the first of the month following the month in which the retiree reaches the age of 65.</li> <li>• If the retiree's <b>partner</b> reaches the age of 65 before the retiree, the <b>partner's</b> coverage terminates the first of the month following the month the <b>partner</b> reaches the age of 65. At this time the retiree remains on the Retiree Benefit Plan and the Alberta Blue Cross status is changed to single coverage (if no other dependents are to be covered) until the retiree reaches the age of 65</li> <li>• no longer reside in Canada</li> </ul> <p>If a retiree becomes an active employee of The City and is covered for benefits under another City plan, the benefits under the Retiree Plan are suspended until such time as the retiree returns to retirement or coverage ends, whichever occurs first.</p> <p>Out-of-province emergency medical travel coverage ends on the first of the month following the retirees 65<sup>th</sup> birthday.</p> <p>For pre-1995 retirees, coverage may continue for your life as long as you are in receipt of a pension and do not reside in Alberta.</p> <p>You can apply within 30 days of coverage termination for an individual plan through Alberta Blue Cross at 1-800-394-1965. 661-6995. You must reside in Alberta and have Alberta Health Care Senior's benefits.</p>
<p>Dependent eligibility (extended health &amp; dental plans only)</p>	<p>"Dependent" shall mean and include:</p> <ul style="list-style-type: none"> <li>• Partner – the person under age 65 to whom the retiree is legally married or who has cohabited with the retiree for a minimum of 12 consecutive months</li> <li>• Children - unmarried and financially dependent: <ul style="list-style-type: none"> <li>- biological, adopted, step or common-law, less than 21 years of age</li> <li>- less than 25 years of age who are in full time attendance at an accredited educational institute</li> <li>- dependent because of a physical or mental infirmity that occurred prior to the age of 21.</li> </ul> </li> </ul> <p>Benefit coverage for eligible dependents will begin on the same date as the retiree's coverage.</p> <p>If an eligible dependent is added later, dependent benefits will commence on the first of the month following the date of notification.</p> <p>Any dependent for whom coverage was declined at retirement may not be added later.</p> <p>If the retiree terminates coverage for their current partner, a new partner under age 65 may be added effective the first of the month following the date of marriage or the first of the month following the termination of</p>



	coverage of the previous spouse, provided the retiree has lived with their current partner for a minimum of 12 consecutive months.
Surviving partner eligibility	<p>A surviving partner and dependents may be eligible to continue extended health care and dental benefits upon the death of a retiree provided that they are:</p> <ul style="list-style-type: none"> <li>• currently covered as a dependent under the plan</li> <li>• under the age of 65</li> <li>• reside in Canada</li> <li>• eligible to receive a monthly pension from a City sponsored pension plan.</li> </ul> <p>Coverage will continue for one year or until the surviving partner reaches age 65, whichever occurs first.</p> <p>For Pre-1995 retirees, coverage for health (minus travel coverage) and dental may continue for your life as long as you are in receipt of a pension and do not reside in Alberta.</p>
Optional group life and spousal insurance	<p>Retirees are not eligible for optional or spousal group life insurance</p> <p>An employee, who had optional group life coverage (employee and/or spousal) prior to retiring, may convert their insurance to an individual policy within 31 days of retirement</p> <p>The amount of insurance that can be converted is less than or equal to the coverage in place at retirement, subject to a maximum of \$200,000.</p> <p>For more information, contact <a href="#">Canada Life</a> at <b>1-888-252-1847</b>. When you call, a Canada Life or Freedom 55 advisor will assist you. Freedom 55 Financial is a division of Canada Life.</p> <p>If you are a Firefighter, contact <a href="#">Sun Life</a> at <b>1-877-893-9893</b> for more information.</p>
Employee and Family Assistance Program (EFAP)	<p>To assist you and your family with the transition into retirement, the EFAP is available to you for three months after you retire. For more Information on this service, visit <a href="http://calgary.ca/benefits">calgary.ca/benefits</a> or call HR Support Services at 403-268-5800.</p>

For more information contact HR Support Services at **403-268-5800**.