LAPP Pension Calculation 2026

Retire on or by December 31, 2026

United Nurses of Alberta

ASSUMPTIONS:

Top Increment, Staff Nurse, Lump Sums, + Degree Bs $1.25, LSPA (Long Service Pay Adjustment)

Pensionable Salary = Regular Pay (with LSPA) + $1.25 (BScN) X 1914.25 hours/year

Pensionable Salary for Part-time = the same as Full Time in same classification

Increased Pensionable Salary: higher paid classification; education allowance (BScN or other); more regular hours of work (University of Alberta Hospital...)

December 31, 2022	$52.08/ hr	$100,084
December 31, 2023	$53.74/ hr	$102,379
December 31, 2024	$56.52	$106,863
December 31, 2025	$61.64	$115,543
December 31, 2026	$63.45	$120,592

AVERAGE BEST OF 5 CONSECUTIVE YEARS EARNINGS

$548,395/5 = **$109,679** Pensionable Salary

5 Year Average of YMPE (years maximum pensionable earnings) for December 31, 2026 = **$69,180**

YEARS OF PENSIONABLE SERVICE

Full time = 1.0/year unless reduced by time spent on LOA

Part Time = Full Time Equivalency + Extra hours worked at straight time less time spent on LOA

* Part time employee's pensionable salary is "annualized". This means the pension is calculated based on what the salary would have been is the employee worked full time.

PENSION CALCULATION WITH 85 FACTOR OR AT AGE 65

Highest 5 Consecutive Years Average Earnings X **1.4 %** up to the YMPE X Years of Pensionable Service

+ Highest 5 Consecutive Years Average Earnings X **2.0%** over the YMPE X Years of Pensionable Service

1.4%	X	$69,180	=	$968.52year/12 months	= $80.71/month
2.0%	X	($109,675 - $69,180)	=	$809.98 year/12 months	= $67.50/month

$148.21/month

Multiply **$148.21** by "years of pensionable service" = monthly pension for Individual Top Increment, with $1.25 for BScN, Staff Nurse, Lump Sums, LSPA (Long Service Pay Adjustment)

LAPP is also affected by early retirement, classification, education allowances, longer hours of work per year

RETIREMENT AGE IS NORMALLY AGE 65

The LAPP will pay a pension after age 55 but will reduce the pension by 3% for each year less than age 65.

The plan chooses the method which provides the smallest penalty.

85 FACTOR

The pension will pay an unreduced pension after age 55 if a member's age and years of LAPP pensionable service meet or exceed 85.

A member less than 65 years and retiring with less than the 85 factor would have their LAPP reduced by 3% for each number less that 85

EXAMPLE:

Retire age 60 with 23 years of service = Factor 83. The LAPP payment would be reduced by 2 x 3% = 6%