



Supplemental Executive Retirement Plan (SERP)

Background

The SERP is a CBE-sponsored retirement program. It is in addition to the Alberta School Boards Association (ASBA) registered portion. [SiPP \(Supplemental Integrated Pension Plan\)](#) and pension limits imposed by the Canada Revenue Agency are waived for this non-registered plan.

SERP is an agreement between the CBE and the employee; ASBA is not involved.

Eligibility

Superintendents who have not yet reached the 35 year service cap, which is related to the date he/she joined either the [Local Authorities Pension Plan \(LAPP\)](#) or [Alberta Teachers' Retirement Fund \(ATRF\)](#).

Governance

Standard Life manages the investment funds for the SERP. The CBE may consent to the ear-marking of certain assets in respect of the SERP. Unless and until paid to an employee, ear-marked assets belong to the CBE and, as such, are available to the CBE's general creditors. Third party provider, Morneau Shepell, provides actuarial standings for the SERP components, as well as guidance on processing SERP payment upon an employee's retirement.

Benefit Formula

The SERP benefit is intended to bring the employee's LAPP/ATRF and SiPP pensions to a full 2.0 per cent, multiplied by the employee's entire highest average earnings, multiplied by post-SERP entry service. The full two per cent benefit is determined as though payable and indexed during the employee's lifetime with the two-thirds continued to a surviving pension partner with a guarantee of five years of payment, as applicable. If the employee has no pension partner at benefit commencement, the benefit is payable and indexed during the employee's lifetime with a guarantee of ten years of payments.

Payout Eligibility

If an employee takes normal retirement, he/she is entitled to:

- A lump sum payment less appropriate withholdings from income tax (converted to a present value equivalent).

If an employee takes early retirement, they are entitled to:

- 100 per cent reduced by 0.25% for LAPP members, and 0.1667% for ATRF members, for each calendar month by which the employee's early retirement date precedes their attainment of the 85 points or age 65, whichever date first occurs.

Employees must be enrolled in the plan for a minimum of one year to be eligible for payment.