



Meeting Highlights November 16 and 17, 2016 Victoria, BC

The *Meeting Highlights*¹ document is a summary of issues that were considered, or decisions that were made, by the Municipal Pension Board of Trustees (board) at their latest board meeting.

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Items of Note

Trustee Appointments

Gary Yee will be chair of the board for 2017. Hilary Brown was elected vice chair for 2017 and will be chair in 2017.

Bonnie Pearson was appointed as a primary trustee, for a term from October 5, 2016 to December 31, 2017.

Josef Rieder was appointed as an alternate trustee, for a term from October 4, 2016 to December 31, 2018.

The board recognized departing trustees Frank Leonard, Jane Lindstrom and Steven Polak at its annual board dinner on November 16, 2016.

¹ Please note that the *official Board Minutes* record the business conducted by the Municipal Pension Board of Trustees and their decisions. If there are any discrepancies between the *Meeting Highlights* and the *official Board Minutes*, the *official Board Minutes* shall govern. Disclosure of any document referred to in the *Meeting Highlights* or the *official Board Minutes* is subject to applicable Board policies.

COLA for Pensions in 2017

The board approved a cost-of-living adjustment (COLA) to pensions of 1.3 per cent, effective January 1, 2017. This is the increase in the Consumer Price Index (CPI) between September 2015 and September 2016.

Annual General Meeting

The 2016 Annual General Meeting was held on October 13, 2016 with approximately 350 people in attendance, including 42 trustees and service providers.

Frank Leonard, Board Chair, welcomed attendees. Presentations regarding the pension funding and financial highlights of the plan, the 2015 valuation results and changes to the post-retirement group benefits program were delivered by Gary Yee, Board Vice Chair, Philip Twyford, Valuation Committee Chair and Deb Ducharme, Benefits Committee Chair, respectively. An overview of the current investment climate and challenges was delivered by Bryan Thomson of bcIMC. A Question & Answer session followed.

The presentation slides and audio recording from the AGM are available on the plan website [here](#).

The 2017 Annual General Meeting will be held on October 12, 2017, at the Anvil Centre, New Westminster, BC.

Board Governance

The Board approved a budget of \$1,723,597, including applicable taxes for board operations and a budget of \$972,519, including applicable taxes for secretariat services, for the fiscal period January 1 to December 31, 2017.

The board approved hiring a third-party consultant to conduct a review of the current status of information management and cybersecurity for the Municipal Pension Plan.

Reports from Service Providers

Administration services are provided by the BC Pension Corporation and investment services are provided by the BC Investment Management Corporation (bcIMC). Both agents report to the board at each regular board meeting. The post-retirement group benefits program is administered by Pacific Blue Cross (PBC).

A. Plan Administration – Report from the Pension Corporation (corporation)

The corporation reported on service performance metrics for the six months ending September 30, 2016. The report included service statistics on meeting member expectations, transaction volumes and on-time service results against performance targets established in the corporation's [Service Delivery Plan](#).

The corporation delivered an update on the progress of the [Service Delivery Plan](#), including progress on implementation of the changes to the post-retirement group benefit program and on the plan's simplification of employer contribution rates. The corporation's update included a presentation on development of the member online retirement functionality scheduled to roll out with the new plan website in March 2017.

B. Plan Investments – Report from the British Columbia Investment Management Corporation (bcIMC)

The Municipal Pension Plan’s preliminary annualized return as at June 30, 2016 was 2.4 percent, equal to the benchmark. The five year annualized return was 9.1 per cent compared to a benchmark of 7.6 per cent. The market value of the fund was \$43.5 billion.

The board received a presentation from bcIMC providing information regarding bcIMC’s three-year strategic plan and related costs.

Further information about the Municipal Pension Plan’s investments is available on the website at www.mpp.pensionsbc.ca. Select “Plan Governance” and then click “Investment Information” in the Investment Holdings section.

Committee Reports

The Municipal Pension Board has five standing committees: Benefits, Communications & Advocacy, Governance, Investment, Valuation, and an Appeals Panel.

C. Benefits Committee

The board approved renewal of the post-retirement group benefit contract between the Municipal Pension Board of Trustees and Pacific Blue Cross.

The board approved the 2017 post-retirement group benefits premiums, effective February 1, 2017 as follows:

	Extended Health	Essential Dental	Enhanced Dental
Single	\$ 78.00	\$ 26.73	\$ 51.44
Couple	\$ 156.00	\$ 50.83	\$ 97.66
Family	\$ 304.00	\$ 85.66	\$ 137.92

It was noted that the premiums remained unchanged from 2016.

The board approved the Pacific Blue Cross administrative service changes for the extended health care plan in the amount of \$3.88 monthly (\$46.51 annually) per plan member.

The board approved various Group 5 and new employer applications, and various employer withdrawals and modification of participation.

D. Communications and Advocacy Committee

The board approved holding the Municipal Pension Plan’s 2017 AGM in person at the Anvil Center, New Westminister, BC on October 12, 2017.

E. Governance Committee

The committee reported on the renewal of fiduciary liability insurance and on expenditures under the Board's Significant Life Events Policy.

F. Investment Committee

The board approved posting the Municipal Pension Plan 2016 Principles for Responsible Investment Assessment Report on the plan website. The results indicate that based on all peer groups, MPP ranks well overall, outperforming or ranking in line for all reporting modules. The report is available on the plan website [here](#).

G. Valuation Committee

The board approved extending the actuarial services agreement with Eckler Ltd. to December 31, 2020.

The board approved the revisions to the Municipal Pension Plan Funding Policy, that reflect updated statistical information about plan membership, contribution rates information, the establishment of the rate stabilization account, the narrowing of the asset value smoothing corridor from ten per cent to eight per cent, the establishment of a voluntary dental program effective January 1, 2017, and some housekeeping amendments.

H. Appeals Panel

The Board's Appeals Panel did not need to meet this past quarter. The Panel posts decisions issued by the Panel on the Plan website, with all information that could identify an individual removed from the written decision. You can find these decisions at mpp.pensionsbc.ca by following these links: Plan Governance > Board Governance > Appeals.

Interplan Committee Reports

Municipal Pension Trustees also represent the Board on two standing committees with the other BC public sector pension plans: the Interplan Audit and Interplan Trustee Education committees, and on ad hoc or special purposes interplan committees such as the Interplan Website Review Committee.

I. Interplan Audit Committee

The Interplan Audit Committee is a committee of the College, Municipal, Public Service and Teachers' Pension Boards of Trustees, to assist the four boards in meeting their duties in respect of the financial administration of the plans.

The board nominated Philip Twyford to the Interplan Audit Committee, replacing Steven Polak, effective November 17, 2016.

The board approved the Interplan Audit Committee's 2017/2018 funding request to the four pension boards in the amount of \$32,000 for professional and other expert resources, and for committee education. The amount is to be split equally between the four pension boards.

J. Interplan Trustee Education Committee

Trustees represent the board at the Interplan Trustee Education Committee with other BC public sector pension plans.

The Interplan Trustee Education Committee organizes the BC Public Sector Pension Conference and provides recommendations for updating the Board's Trustee Orientation, Mentoring and Education Policy. The conference is an initiative of the College, Municipal, Public Service and Teachers' Pension Boards of Trustees and is held annually to provide training and information of mutual interest to the four boards.

The board approved that the 2018 BC Public Sector Pension Conference be held on April 25 and 26, 2018, at the Delta Victoria Ocean Pointe Resort, Victoria, BC.

K. Interplan Website Review Committee

There was no report for the period.

Future Board Meeting Dates

The next regular meeting of the board will take place March 29 and 30, 2017, in Victoria, BC.

The board's next Annual General Meeting (AGM) will be held on Thursday, October 12, 2017, at the Anvil Centre in New Westminster, BC.

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