



Municipal Pension Plan

Report to Members



An important update on your plan

What powers your pension plan?

MESSAGE FROM THE TRUSTEES

We, the Municipal Pension Board of Trustees, work to guide the plan into the future. A long-term view, strong investment strategies and strategic planning are just a few elements that power your pension plan.

A long-term view

You can rely on your pension because we take a long-term, disciplined view.

Your plan has a solid track record that has lasted more than 80 years—the *Municipal Superannuation Act* was enacted on April 1, 1939, and 2020 marked the 20th anniversary of the plan's joint trusteeship model. The model is part of the plan's success, allowing plan members and employers to share the risks and rewards of plan sponsorship.

Strong investments

About 75 per cent of your pension comes from investment returns. The remainder comes from member and employer contributions.

Our investment management agent, British Columbia Investment Management Corporation (BCI), manages the plan's investments, and we monitor progress. BCI ensures investments are well diversified to weather today's uncertain markets.

Managing investment risks is just as important as generating returns. We believe that companies that consider environmental, social and governance matters have less risk and generate long-term value. Learn about the plan's investment approach on the plan website.

Strategic planning

We undertake long-range strategic planning every few years to revisit our goals and vision. Doing this work ensures we remain focused on the plan's sustainability for current and future members. See our strategy on the plan website.

Joint governance

Together, the plan partners and board have made progress toward plan changes. Changes will improve equity, align benefits with how they are mainly used, maintain a strong foundation for the plan's sustainability and stay within current costs of the plan.

Visit the plan website to learn more and use the tools available to see how changes may affect you.

Prudent management

Our goal is to ensure lifetime pensions. This is a commitment we make to every member who contributes to the plan, and we are on track to deliver.

Year at a glance (\$ millions)

59,440 + 7,091 + 2,447 - 2,287 - 211 = 66,480

Net assets
January 1, 2020

Investment income

Contributions

Benefits
payments

Investment and
administration costs

Net assets
December 31, 2020

Removing references to MSP in group benefits rules

EFFECTIVE JANUARY 1, 2020

Post-retirement group benefits rule amendment no. 6 removed references to and provisions for coverage under the Medical Services Plan (MSP), following the elimination of MSP premiums.

Announcing new leaves of absence under the ESA

EFFECTIVE MARCH 23, 2020

Plan rule amendment no. 52 incorporated two new leave types—personal illness or injury, and COVID-19-related—that the BC government added to the *Employments Standards Act* (ESA). Members may purchase service for these new leaves.

Clarifying Pension Corporation’s authority to approve backdating pension

EFFECTIVE MARCH 25, 2020

Plan rule amendment no. 50 clarified the Pension Corporation’s delegated authority to determine if a member has a good and sufficient reason for requesting a backdated pension or disability benefit.

Allowing members to make continuous contributions under the ESA

EFFECTIVE MAY 1, 2020

Plan rule amendment no. 49 provided members with a new option for buying service for a leave of absence. Members can now make continuous contributions during an ESA-approved leave of absence.

Delegating authority to Pension Corporation to approve certain new employer enrolments

EFFECTIVE JULY 1, 2020

Plan rule amendment no. 51 addressed the plan’s exemption from the federal *Pension Benefits Standards Act* and compliance with regulator instructions on interest rates. This amendment also allows the Pension Corporation to approve certain new employer enrolments.

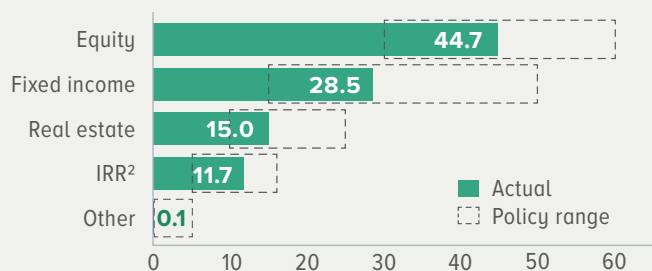
Join the **Annual General Meeting**
on **October 14, 2021**
More info at mpp.pensionsbc.ca

PLAN PERFORMANCE¹

The information here is an overview of the plan’s financial status. For audited financial information and statements, read the *2020 Annual Report*, available on the plan website in August 2021.

Asset allocation (%)

as at December 31, 2020



¹ These highlights are preliminary and unaudited

² Infrastructure and renewable resources

For the plan’s full investment strategy, see the Statement of Investment Policies and Procedures (SIPP), on the plan website. The SIPP provides objectives, policies and principles for plan asset management.

Net assets available for benefits

(\$ billions)

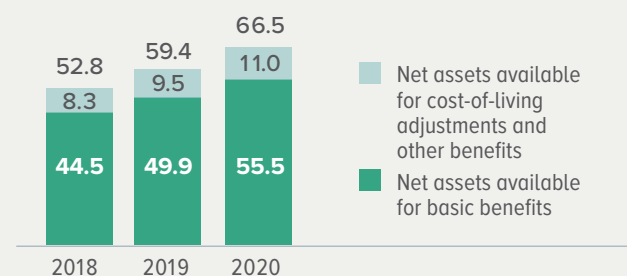


Photo: MPP member **Donna McCallum**

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