



# Meeting Highlights

## June 22 and 23, 2022

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Meeting Highlights<sup>1</sup> is a summary of issues considered or decisions made by the Municipal Pension Board of Trustees (board) at its latest board meetings.

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<sup>1</sup> Please note: the official Board Minutes record the business conducted by the Municipal Pension Board of Trustees and its 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.

## Items of note

### Trustee appointments

The board welcomed new trustee Carol Delveris to the board, replacing Chris Finding.

Various trustee appointments to the board's committees occurred. More information about the trustees and their appointments can be found on the plan website at [mpp.pensionsbc.ca](http://mpp.pensionsbc.ca). Click About us > Who we are > [Municipal Pension Plan](#).

### Board governance

The board approved the Municipal Pension Plan financial statements for the year ending December 31, 2021. The financial statements will be included in the Annual Report, which will be published on the plan website in August 2022.

The board approved a revised Funds Investment and Management Agreement (FIMA) and Investment Reporting Framework (IRF) between the Municipal Pension Board of Trustees and BC Investment Management Corporation. The FIMA sets out the terms upon which BCI must provide funds investment and management services to the board, and the IRF outlines the reporting requirements of BCI to the board.

The Municipal Pension Board Secretariat will be known as the "Office of the Municipal Pension Board of Trustees"; informally the "board office" and "board staff."

## Reports from service providers

Administration services are provided by BC Pension Corporation, and investment services are provided by BCI. Both agents report to the board at each regular board meeting.

### Plan administration – report from BC Pension Corporation

The board received a report from the BC Pension Corporation regarding recent organizational activities and accomplishments, including the return to a hybrid campus, increased automation of various pension calculators, and improvements made to information security capabilities. The report also included compliance and operational reporting, volume metrics, and service delivery costs.

### Plan investments – report from BCI

The board received the pension fund performance and strategy report as of March 31, 2022. The market value of the Municipal Pension Fund as at March 31, 2022 was \$71.2 billion. The annualized return for the total plan fund over the five years ended March 31, 2022 was 8.1 per cent, outperforming the weighted benchmark return of 6.9 per cent.

The board received a report from BCI regarding achievements for the quarter ended March 31, 2022, the economic consequences of the Russia-Ukraine war, and client engagement.

More information about Municipal Pension Plan investments can be found on the plan website at [mpp.pensionsbc.ca](http://mpp.pensionsbc.ca). Click About us > [Investments](#).

## Committee reports

### Standing committee reports

The board has five standing committees (Benefits, Communications and Advocacy, Governance, Investment and Valuation) and an Appeals Panel.

#### A. Benefits Committee

The board approved a plan rule amendment regarding the calculation of pre-retirement death benefits.

The board approved one new employer application, two Group 5 employer applications, one employer extension, and four employer withdrawals.

#### B. Communications and Advocacy Committee

The communications plan regarding the 2022 Annual General Meeting (AGM) was approved. It was noted that the 2022 AGM will take place virtually on Thursday, October 13, 2022.

The draft 2021 Annual Report was approved, with final approval delegated to the Communications and Advocacy Committee. The 2021 Annual Report will be published on the plan website at [mpp.pensionsbc.ca](http://mpp.pensionsbc.ca) in August 2022.

#### C. Governance Committee

The board approved revisions to the [Expense Policy](#) regarding travel medical and trip protection insurance, and other housekeeping items.

The board approved revisions to the [Remuneration Policy](#) regarding remuneration for attendance at meetings, remuneration for committee alternate chairs, the travel claim scale, service recognition, and other non-substantive amendments.

#### D. Investment Committee

The board approved amendments to the Municipal Pension Plan Statement of Investment Policies and Procedures (SIPP) regarding adding unsecured debt issuance into the funding program, participating in the new Indexed Europe, Australasia, and Far East (EAFE) pool, benchmark changes resulting from BCI's annual review of pooled fund consolidated product descriptions, and other housekeeping amendments, effective July 1, 2022.

The SIPP sets investment guidelines and direction for BCI in accordance with the investment policies and objectives established by the board. The SIPP is available on the plan website at [mpp.pensionsbc.ca](http://mpp.pensionsbc.ca). Click About us > [Governance Documents](#).

#### E. Valuation Committee

The board approved the economic and demographic assumptions to be used for the actuarial valuation of the plan as at December 31, 2021. Early indicators show there will be no contribution rate increase required as a result of this valuation.

The board will consider the report on the valuation at a special meeting scheduled for September 19 and 20, 2022, and announce the valuation results thereafter.

**F. Appeals Panel** - There were no items to report for the period.

## Interplan committee reports

Municipal plan trustees also represent the board on two standing interplan committees with the other BC public sector pension plan boards (College, Public Service and Teachers' pension boards of trustees); the Interplan Audit and Interplan Trustee Education committees.

### G. Interplan Audit Committee

The Interplan Audit Committee helps the four public sector pension boards meet their duties regarding financial administration of the plans.

The board approved KPMG as its auditor to conduct the financial statement audit for the year ending December 31, 2022.

The board ratified the nomination made by the Teachers' Pension Board of Trustees of Chung Yan Ip for appointment to the Interplan Audit Committee.

### H. Interplan Trustee Education Committee

The Interplan Trustee Education Committee organizes the BC Public Sector Pension Conference (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 and held annually to provide training and information of mutual interest to the four boards.

The board approved a preliminary conference budget for the April 19 and 20, 2023 conference.

## Future board meeting dates

A special meeting of the board will take place on September 19 and 20, 2022, in Victoria, BC.

The next AGM will be held virtually on Thursday, October 13, 2022. Visit the plan website at [mpp.pensionsbc.ca](http://mpp.pensionsbc.ca) for updates on how to participate. Click About us > Who we are > Municipal Pension Plan > [Annual general meeting](#).

## Coming up

Issues for board consideration at future meetings include:

- Actuarial valuation as at December 31, 2021
- Cost-of-living adjustment (COLA) Cap
- Initiatives related to implementation of [Strategic Plan June 2020-23](#), including net zero
- Strategic Plan Renewal

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For comments or questions regarding this report, please contact the Municipal Pension Board of Trustees:

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