



# Meeting Highlights

## June 21 and 22, 2023

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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 Adam Molineux to the board, replacing Megan Pratt.

### **Committee appointments**

The board appointed trustees and alternate trustees to the board's standing committees and to the Appeals Panel for a two-year term, from June 22, 2023 to the June 2025 board meeting. The board also approved renewing the appointment of non-trustee Investment Committee member, Jill Pepall, for another two year term. 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 completed its triennial strategic planning review, and approved its Strategic Plan 2023-2026, which includes the board's mission, vision, guiding principles, long-term goals and strategic direction.

The board approved the Municipal Pension Plan financial statements for the year ending December 31, 2022. The financial statements will be included in the Annual Report, which will be published on the plan website in August 2023.

## Reports from service providers

Administration services are provided by BC Pension Corporation, and investment services are provided by BC Investment Management Corporation (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 progress on its strategic plan, as well as various service delivery plan accomplishments and ongoing operational achievements including My Account updates.

### **Plan investments – report from BCI**

The board received the pension fund performance and strategy report as at March 31, 2023. The market value of the Municipal Pension Fund as at March 31, 2023 was \$73.5 billion. The annualized return for the total plan fund over the five years ended March 31, 2023 was 7.09 per cent, compared to the benchmark of 5.85 per cent.

The board received a report from BCI highlighting achievements for the quarter ended March 31, 2023.

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

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

### A. Benefits Committee

The board approved one new employer application, two Group 5 (public safety occupation) employer applications, and two employer withdrawal applications.

### B. Communications and Advocacy Committee

The communications plan regarding the 2023 Annual General Meeting (AGM) was approved. The 2023 AGM will take place on Thursday, October 12, 2023.

The draft 2022 Annual Report was approved, with final approval delegated to the Advocacy, Benefits and Communications Committee<sup>2</sup>. The 2022 Annual Report will be published on the plan website at [mpp.pensionsbc.ca](http://mpp.pensionsbc.ca) in August 2023.

### C. Governance Committee

The board approved the Terms of Reference for the consolidated Advocacy, Benefits and Communications Committee and revisions to its Code of Conduct to clarify the board's conflict of interest procedures.

The board also approved revisions to its Education Policy to clarify educational expectations and update the trustee course map.

### D. Investment Committee

The board revised its existing investment belief regarding climate change to include the board's goal to achieve net zero greenhouse gas emissions in the investment portfolio by 2050, and its belief that mitigating climate change and transitioning to a low-carbon world is in beneficiaries' best financial interest.

The board approved amendments to the Municipal Pension Plan Statement of Investment Policies and Procedures (SIPP). The amendments included edits to align the SIPP with the June 2022 updates to the Funds Investment and Management Agreement and Investment Reporting Framework, updates to Pooled Investment Portfolios Consolidated Product

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<sup>2</sup> At its March 14 and 15, 2023 meeting, the board approved, in principle, consolidating the Benefits and Communications and Advocacy committees, effective June 22, 2023. The Advocacy, Benefits and Communications Committee will hold its first conference call in July 2023.

Descriptions and changes to the long-term policy asset mix, policy ranges, and benchmarks, effective July 1, 2023. The amendments also increased the explicit policy limit on participation in the Global Partnership Fund from 4% to 10% of total Municipal Pension Plan assets under management, incorporated various environmental social, and governance (ESG) topics and addressed investment risk management and other housekeeping amendments.

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 changes to the plan's actuarial factors and option tables used in calculating pension benefits, actuarial purchase of services, reciprocal transfers, early retirement programs and commuted values, effective April 1, 2024. The changes were made to reflect the outcomes of the plan's most recent actuarial valuation.

Further information regarding the changes is available in the Board Communiqué, available on the plan website.

#### **F. Appeals Panel**

There were no items to report for the period.

#### **G. 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.

#### **H. 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, 2023.

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

#### **I. 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 17 and 18, 2024 conference.

## Future board meeting dates

The next board meeting will take place September 27 and 28, 2023.

The next Annual General Meeting will be held virtually on Thursday, October 12, 2023. 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:

- Initiatives related to implementation of Strategic Plan June 2023-2026
- Funding Policy

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

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