



**ALBERTA LOCAL AUTHORITIES PENSION PLAN CORP.
BOARD OF DIRECTORS**

MINUTES of the meeting of the Alberta Local Authorities Pension Plan Corp. Board of Directors held on December 14, 2018, at Suite 2000, 10130 103 Street, Edmonton.

Board members

Present:

T. Agoto - Chair
D. Sander – Vice-Chair
K. Balkwill
S. Bradshaw
B. Burton
K. Craig
T. Giesbrecht
P. Marsden
S. McGillivray
S. Odegard
S. Pusch
H. Rogers
L. Thompson

Absent:

R. West

Staff/Board Advisors (Present at the request of the Board):

██████████, President and CEO
██████████, Vice-President, Pension Policy and Funding (**PPF**)
██████████, Vice-President, Investment Policy and Risk Management (**IPRM**)
██████████, Vice-President, Stakeholder Relations and Communications (**SRC**)
██████████, Board Secretary



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BOARD OF DIRECTORS
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The Chair, T. Agoto, convened the Board of Directors meeting at 9:00am on December 14, 2018 with 12 Board members present. (B. Burton and R. West absent at start of meeting)

CONFLICT OF INTEREST DECLARATION

The Chair asked if any Board member had any conflicts of interest to declare. Hearing none, the meeting commenced.

1. IN CAMERA WITH THE CEO

██████, ██████, ██████, and ██████ joined the meeting at 9:05 am.

2. APPROVAL OF AGENDA

MOTION AL18:12:01 That the Board of Directors approve the agenda.

Carried 12-0

3. APPROVAL OF MINUTES –October 19, 2018

MOTION AL18:12:02 That the Board of Directors approve the minutes of the October 19, 2018 Board of Directors meeting.

Carried 12-0

4. BUSINESS

4.1 Management's Business Report

The ALAPP Corp. VP IPRM provided a brief update to the Board on the recent market correction.

MOTION AL18:12:03 That the Board receives this report for information

Carried 12-0

4.3 LAPP Amendment Regulation

The ALAPP Corp. VP PPF provided an overview of the report.

B. Burton joined the meeting at 9:10am.

There was discussion about the ownership of the list of employers, suggestions for updates to the employer list, the Town of Kitscotty participation and availability of Board members to approve the final version of the amendment regulation.

MOTION AL18:12:04 That the Board of Directors:

- 1.1 recommend that the Board of Trustees approve the amendments to the LAPP Plan Rules contained within the *Local Authorities Pension Plan Amendment and Repeal Regulation*, related to the creation of Schedule 3 to the LAPP Plan Rules, where such schedule represents a complete listing of all LAPP participating employers as of February 28, 2019, and further providing for the repeal of the LAPP Plan Rules on the date that section 5(2) of Schedule 4 to the *Joint Governance of Public Sector Pension Plans Act* comes into force.
- 1.2 recommend that the Board of Trustees authorize any two Trustees, one of whom must be an employer nominee and one of whom must be an employee nominee, to

approve changes to the Schedule 3 listing within the Amendment Regulation, but only where such change is sought by an authorized representative of the Minister.

Carried 13-0

4.2 Annual SIP&G Review

The ALAPP Corp. VP IPRM provided an overview of the proposed SIP&G changes to the Board. She advised that the changes had been reviewed by AIMCo and that Aon had also been consulted on the proposed changes.

██████████, AIMCo Chief Investment Officer, and ██████████, AIMCo Director, Client Relations joined the meeting at 9:20am.

The AIMCo Chief Investment Officer provided the CIO Investment Strategy presentation to the Board. There was discussion about the China and US conflict, the effect of Brexit and past investments in Brazil.

██████████, AIMCo Chief Investment Officer and ██████████, AIMCo Director, Client Relations left the meeting at 9:55am.

MOTION AL18:12:05 That the Board of Directors recommend that the Board of Trustees approve the amended Statement of Investment Policy and Goals.

Carried 13-0

The Board recessed from 9:55am to 10:00am.

4.4 Conflict of Interest Policy and Ethics and Conduct Policy Review and Certificates

The Board members present reviewed the policies and signed the Conflict of Interest annual Certificate and the Ethics and Conduct annual Certificate.

4.5 HR&C Committee Update

The Board went in camera to discuss the CEO performance evaluation.

██████████, ██████████, ██████████, ██████████ and ██████████ left the meeting at 10:05am.

██████████, ██████████, ██████████, ██████████ and ██████████ the meeting at 10:15am.

MOTION AL18:12:06 That the Board approve the 2018 ALAPP Corp. CEO performance review and 2018 incentive package as recommended by the Human Resources and Compensation Committee.

Carried 13-0

MOTION AL18:12:07 That the Board approves the minutes of the November 2, 2018 Human Resources and Compensation Committee Meeting.

Carried 13-0

4.6 Audit Committee Update

The Audit Committee Chair provided an overview of the report. The ALAPP Corp. CEO advised the Board that the Office of the Auditor General was going to try and complete the



ALAPP Corp. Audit prior to February 28, 2019, so the current Board could approve the 2018 Audit and Financial Statements

MOTION AL18:12:08 That the Board approves:

- 1.1 the 2018 ALAPP Corp. Audit Plan; and
- 1.2 the minutes of the November 2, 2018 Audit Committee meeting.

Carried 13-0

4.7 SCG Debrief

The ALAPP Corp. VP SRC provided an overview of the report. There was discussion about options for stakeholder contact in the new governance structure and an inquiry was made as to what other large plans do for stakeholder consultation.

MOTION AL 18:12:09 That the Board receives this report for information.

Carried 13-0

4.8 2018 Business Plan Completion Report

The ALAPP Corp. CEO provided an overview of the report and the tasks completed in 2018. There was discussion about past practice with the Business Plan Completion Report and the current recommendation.

MOTION AL 18:12:10 That the Board approves the 2018 Business Plan Completion Report.

Carried 13-0

4.9 Delegation of Approval of Minutes

As the current meeting is most likely that last meeting of the ALAPP Corp. Board of Directors, it is recommended that the Board delegate approval of the December 14, 2018 minutes to the Chair and Vice-Chair.

MOTION AL 18:12:11 That the Board delegate approval of the Board of Directors December 14, 2018 meeting minutes to the Chair and Vice-Chair of the Board.

Carried 13-0

4.10 Board of Directors Resignation

There was discussion about the process and timing of the wind-up of ALAPP corp. by government, as the shareholder, following the transition to the new governance structure. There was also discussion about the need for government to determine the transition date before the current board would cease acting.

MOTION AL 18:12:12 That each Board member who is a current ALAPP Corp. Board of Directors member and whose term does not end on December 31, 2018, review and sign the attached resignation form.

Carried 13-0

The Board Chair acknowledged and recognized the Board members who would not be appointed in the new governance structure.

5. INFORMATION ITEMS

5.1 Board Correspondence

The Board reviewed the most recent correspondence.

MOTION AL18:12:13 That the Board receives this report for information.

Carried 13-0

5.2 Conferences/Calendar of Events

The Board reviewed the Conferences and Calendar of Events.

MOTION AL18:12:14 That the Board receives this report for information.

Carried 13-0

5.3 Presentation Review

The Board reviewed the presentation from AIMCo.

6. BOARD IN CAMERA

██████████, ██████████, ██████████, and ██████████ left the meeting at 11:25am.

██████████ left the meeting at 11:27am.

As the agenda was completed, the Chair declared the meeting adjourned at 11:35am.



Chair
December 14, 2018



Board Secretary