



**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 April 19, 2018, in the Braemar Room, Royal Glenora Club, 11160 River Valley Road, Edmonton.

Board members

Present:

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

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

██████████, President and CEO - by phone
██████████, Vice-President, Investment Policy and Risk Management
██████████ Vice-President, Pension Policy and Funding
██████████ Vice-President, Stakeholder Relations and Communications
██████████, Board Secretary

NEXT REGULAR BOARD MEETING SCHEDULED FOR: May 25, 2018



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BOARD MEETING
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T. Agoto, Chair, convened the Board of Directors Meeting at 3:30pm on April 19, 2018 with 14 Board members present.

1. BUSINESS

1.1 Laboratory Services of Alberta Employer Application

The ALAPP Corp. VP Pension Policy and Funding, provided an overview of the report to the Board. The CEO discussed the Board’s existing Conflict of Interest Policy and recently enacted changes to the Conflicts of Interest Act to ensure all Board members had a current understanding of the applicability of the requirements of the policy and legislation.

There was discussion about the exceptions requested by the employer making the application, specifically in respect of vesting of employees currently in a retirement savings arrangement and grandfathering of current employees who wish to remain in their current savings arrangement. There was additional discussion about the potential precedent-setting nature of the requests, concerns about two-tiered rules within plan, the cost to APS, and if the bargaining agent(s) for the employees agreed to terms set out in the application.

MOTION AL18:04:01 That the Board of Directors makes a recommendation to the Board of Trustees to recommend, as separate recommendations:

- 1.1 that the Minister’s guidelines related to new employer participation in LAPP be updated to clarify that “operating on a non-profit basis” includes those organizations which effectively operate on a cost recovery basis; and
- 1.2 that for any CLS employee who joins LAPP on the Transition Date (as defined in Motion 2.2), such employee’s prior periods of participation up to the Transition Date, in either of the CLS retirement savings arrangements, shall count towards the attainment of the employee’s vesting threshold in LAPP.

Carried 14-0

MOTION AL18:04:02 That the Board of Directors makes a recommendation to the Board of Trustees to recommend to the Minister:

- 2.1 That CLS’s application for participation in LAPP, as amended by the recommendations below, be approved;



- 2.2 That CLS be added to Schedule 2, Part 1 of the LAPP Regulation with effect from the date CLS's participation in LAPP begins (the Transition Date), as such date will be defined by CLS and specified in the Order in Council giving effect to these recommendations;
- 2.3 That subject to recommendations 2.4 and 1.2, all CLS employees on the Transition Date commence participating in LAPP in accordance with the Local Authorities Pension Plan Regulation (Alberta Regulation 366/93 as amended or the LAPP Regulation) and the submitted employee participation policy as such policy may be amended by recommendations 2.4 and 1.2;
- 2.4 That each CLS employee on the Transition Date, who is not an existing active LAPP participant, but is instead a participant in either of the two retirement savings arrangements sponsored by CLS on the Transition Date, be granted a one-time opportunity to opt out of participation in LAPP, with such exemption to apply for so long as the employee remains continuously employed with CLS and continues to participate in either of CLS retirement savings arrangements.

Carried 12-2
Trustee West, Trustee Pusch against the motion

1.2 In Camera with the CEO

██████████ and ██████████ left the meeting at 4:30pm.

As the agenda was completed, the Vice-Chair declared the meeting adjourned at 4:40pm. (14 members present)

{Original signed}

Chair
April 19, 2018

{Original signed}

Board Secretary