



**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 July 21, 2017, in the Local Authorities Pension Plan Board Room, Suite 1202, 10250 – 101st Street, Edmonton.

Board members

Present:

- D. Sander - Chair
- T. Agoto, Vice-Chair
- K. Balkwill
- S. Bradshaw
- B. Burton
- K. Craig
- P. Marsden
- S. Pusch
- H. Rogers
- L. Thompson
- R. West
- J. Whaley

Absent:

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

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

NEXT REGULAR BOARD MEETING SCHEDULED FOR: September 22, 2017



**ALBERTA LOCAL AUTHORITIES PENSION PLAN CORP.
BOARD MEETING
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July 21, 2017**

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D. Sander, Chair convened the Board of Directors Meeting at 8:00am on July 21, 2017 with 12 Board members present.

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

████████████████████ joined the meeting at 8:10am.

2. APPROVAL OF AGENDA

MOTION AL17:07:01 That the Board of Directors accept the agenda.

Carried 12-0

3. APPROVAL OF MINUTES – April 28, 2017 and May 31, 2017

MOTION AL17:07:02 That the Board of Directors accept the minutes of the April 28, 2017 meeting and the May 31, 2017 meeting.

Carried 12-0

4. BUSINESS

4.1 Management's Business Report

The ALAPP Corp. CEO provided an update to the Board on the meeting with the Minister, noting that government does not seem as intent on self-governance as it has been in the past. There was discussion about the impact of the Essential Services Legislation interpretation pertaining to leaves of absence, Board appointments, and the June investment performance.

MOTION AL17:07:03 That the Board receives this report for information.

Carried 12-0

4.2 Semi-Annual Report on 2017 Business Plan

The ALAPP Corp. CEO provided an overview of the report to the Board

MOTION AL17:07:04 That the Board receives this report for information.

Carried 12-0

4.3 Semi-Annual Report on 2017 Stakeholder Relations Plans

The ALAPP Corp. VP, Stakeholder Relations and Communications, provided an overview of the report to the Board. There was discussion about the proposed buy-back campaign at APS and if ALAPP Corp. would have a role in the communications going out to members.



MOTION AL17:07:05 That the Board receives this report for information.

Carried 12-0

4.4 2017 Consultant RFP Process

The ALAPP Corp. VP, Pension Policy and Funding, provided a brief overview of the report and recommendation from management. The Board agreed with the approach recommended, as well as the timing and creation of an ad hoc group for the short-list interviews.

MOTION AL17:07:06 That the Board provides input on management's proposed approach in tendering RFPs for actuarial and investment consulting services.

Carried 12-0

4.5 Advisory Stakeholder Committee Report

The ALAPP Corp. VP, Stakeholder Relations and Communications, provided an overview of the issues raised in the report. There was discussion about the requests from the City of Edmonton and the City of Calgary on the composition of the Committee, the addition of a management and out-of-scope representative, and the need to ensure stakeholders are aware this is not a decision-making body, that the intention is to provide stakeholder perspective to the Board in order for the Board to make its decisions with stakeholder input.

There was additional discussion about the engagement opportunity with stakeholders.

MOTION AL17:07:07 That the Board approves the composition of the Advisory Stakeholder Committee as recommended in scenario two.

Carried 11-1

MOTION AL17:07:08 That the Board approves and recommends to the Board of Trustees that it approve the *Advisory Stakeholder Committee Engagement Policy*.

Carried 12-0

MOTION AL17:07:09 That the Board passes a formal resolution (as per its policy) to refer the matter of CPP Reform to the Advisory Stakeholder Committee to provide a sponsor perspective on how pending reforms will impact LAPP and to report back by January 1, 2018 on whether any changes should be made to LAPP as a result.

Carried 12-0

4.6 Amendment to SIP&G Standing Instructions

The ALAPP Corp. VP, Investment Policy and Risk Management, provided an overview of the report to the Board. There was discussion about the current interim benchmark and the historical failure to meet it and if the recommended change would have any impact on the discount rate.



MOTION AL17:07:010 That the Board of Directors recommends to the Board of Trustees that it approve an amendment to the Standing Instructions for the Interim Benchmark pursuant to section 3.7 of the LAPP Statement of Investment Policy and Goals such that, where filling policy allocations takes extended periods of time, funds allocated in the long term policy to private investments are temporarily allocated to a combination of public equities and fixed income, and that the Chair be authorized to communicate such updated Standing Instructions to AIMCo.

Carried 12-0

The Board of Directors meeting adjourned at 9:54am.

The Board of Directors meeting resumed at 10:06am.

4.7 Board Governance Committee Report

The Board Governance Committee Chair provided an overview of the report to the Board.

MOTION AL17:07:11 That the Board receives this report for information.

Carried 12-0

4.8 Audit Committee Report

The Audit Committee Chair provided an overview of the report to the Board.

MOTION AL 17:07:12 That the Board receives this report for information.

Carried 12-0

4.8 HR&C Committee Report

The Human Resources and Compensation Committee Chair provided an overview of the report to the Board.

MOTION AL 17:07:13 That the Board receives this report for information.

Carried 12-0

4.10 Education Session: Pension Plan Financial and Funding Principles

The ALAPP Corp. VP Investment Policy and Risk Management provided the Pension Plan Financial and Funding Principles education presentation to the Board.

MOTION AL 17:07:14 That the Board receives this report for information.

Carried 12-0

5. INFORMATION ITEMS

5.1 Board Correspondence

The Board reviewed the most recent correspondence.

MOTION AL17:07:15 That the Board receives this report for information.

Carried 12-0

5.2 Conferences/Calendar of Events

The Board reviewed the Conferences and Calendar of Events. There was discussion about Board members attending the ACPM conference whose re-appointments by government may not be made by mid-September.

MOTION AL17:07:16 That any Board member whose term expires July 31, 2017, who is currently registered for any conferences may still attend but, if not reappointed, shall reimburse ALAPP Corp. on or before December 31, 2017.

Carried 11-1

5.3 Presentation Review

The Board reviewed the presentations by ALAPP Corp.

■ ■ ■ left the meeting at 12:20pm.

6. Board In-Camera

■ ■ ■ left the meeting at 12:25pm

7. Board Self-Evaluation

■ ■ ■, Hope Learning Systems, joined the meeting at 1:00pm.

The Board went in-camera to complete their annual self-evaluation.

■ ■ ■ joined the meeting at 2:00pm

As the agenda was completed, the Chair declared the meeting adjourned at 2:15pm.

Chair
July 21, 2017

Board Secretary