



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

MINUTES of the special meeting of the Alberta Local Authorities Pension Plan Corp. Board of Directors, held on May 31, 2017, via conference call.

Board members

Present:

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

Absent:

K. Balkwill
S. Pusch

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

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

NEXT REGULAR BOARD MEETING SCHEDULED FOR: July 21, 2017



**ALBERTA LOCAL AUTHORITIES PENSION PLAN CORP.
BOARD MEETING
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The Chair convened the meeting at 9:00am with 10 Board members in attendance.

Absent at start of meeting: K. Balkwill and S. Pusch.

1. IN CAMERA WITH THE CEO

No items to discuss

CONFLICT OF INTEREST DECLARATION

The Chair asked if any Board member had any conflicts of interest to declare. Trustee Marsden advised that he is on the APS Board of Directors, but did not see a conflict with any items on the agenda. As such, the meeting commenced.

2. APPROVAL OF AGENDA

MOTION AL17:05:01 That the Board of Directors approve the agenda.

Carried 10-0

3. BUSINESS

3.1 Board Governance Committee Report

The ALAPP Corp. CEO provided an overview of the report. There was discussion about the letter to the Minister regarding the retiree nominee process, the contingency plan, the past retiree nomination process and if Hope Learning Systems was available to provide the service requested within the revised timelines.

MOTION AL17:05:02:

1.1 That the Board of Directors:

- 1.1.1 direct management to prepare a letter to the Minister recommending that Mr. Balkwill be reappointed to a full term, which would include recommending that Mr. Balkwill be granted an exception by the Minister to exceed the otherwise-applicable 12-year term limit; and if the term above is not palatable, that Mr. Balkwill be reappointed to an additional 1-year term expiring at the end of 2018; and,
- 1.1.2 in the event the Minister does not agree to any extension to Mr. Balkwill's term, that the Retiree Nominee selection process be carried out in the same format as the 2016 Management/ Out-of-Scope nomination process.

1.2 That the Board approve the following recommendations from the Committee:

- 1.2.1 the timing of the Board's annual self-evaluation process be moved up in the year, such that the results can be presented and discussed at the July Board meeting (or, when applicable, at a Board retreat occurring in the summer months);
- 1.2.2 the new process contain elements specifically geared at reviewing and evaluating each of (i) the Board itself, and (ii) organizational elements for ALAPP Corp.; and



1.2.3 the Board's 10-year master planning calendar have added to it a more comprehensive organizational review to occur every 5 years.

1.3 That the Board approve [REDACTED] Hope Learning Systems to assist with the 2017 Board self-evaluation process.

Carried 10-0

3.2 LAPP Crown Nominee

The ALAPP Corp. CEO provided an overview of the report. There was discussion about the interview process.

MOTION AL17:05:03 That Board appoint the Board Chair to participate in the interview process for the LAPP Crown nominee.

Carried 10-0

3.3 2016 Valuation Data Report

The ALAPP Corp. CEO provided an overview of the situation. He advised the Board on the options available to them on completing the 2016 actuarial valuation due to issues with APS not being able to provide the member data within the usual timelines. There was discussion about the impact on the Board's 2017 work plan, the implications of changing the timing of the valuation process, contingency plans in the event of that there are further issues with the valuation data delivery, the need to keep stakeholders apprised of the changes to the Board's normal valuation timing, the implications of the potential loss of quorum prior to the October meeting, and implications for employer relationships and reputational risk to the Plan created by APS' handling of the year-end closure and data delivery process.

There was additional discussion about communications. The Board directed management to prepare correspondence to the Minister, the APS Board Chair and the Office of the Auditor General regarding the APS valuation data delivery delay.

MOTION AL17:05:04

- 1.1. That the Board endorse the alternatives for changes to the 2016 actuarial valuation process as recommended, with the option to be implemented dependent on Alberta Pensions Services Corporation's ability to deliver Plan membership data on a timely basis;
- 1.2. That the Board direct management to prepare a communication plan in order to communicate the changes to the valuation process to stakeholders; and
- 1.3. That the Board provide its response in connection with the issues related to delivery of the Plan membership data as discussed.

Carried 10-0

