

# **Municipal Employees Pension Plan Commission Report**

## **September 20, 2007 Meeting Highlights**

1. On September 20, 2007, three (3) interviews were held for the hiring of an Infrastructure Manager. The firms interviewed were:
  - a. Babcock & Brown
  - b. Macquarie North America Ltd.
  - c. Global Infrastructure Partners

The Commission decided to hire Babcock & Brown and Global Infrastructure Partners.

2. Funding of Infrastructure Mandate – Commission decided to take away 3% from the Bonds Mandate and 2% from the Canadian Equities mandate to allocate to Infrastructure.
3. Received the June 30, 2007 Quarterly Report from John Myrah from Hewitt Associates – the fund’s Consultant. The fund added 0.9% of value in the quarter. The closing market value of the total fund was \$1.4 billion.
4. The Commission approved the actuary - Eckler Ltd for a 3-year period ending with the valuation December 31, 2009.
5. The Commission approved a positive review of the Plan’s Auditor – Meyers Norris Penny LLP.
6. The Commission received the Administration Report from Brian Smith for the quarter ending June 30, 2007, with the highlights in the quarter being: Annual Report was tabled in the Legislature, 4-page highlight of Annual Report was sent to Plan members, PEBA (Public Employees Benefits Agency – the Plan’s Administrator), PEBA initiated the selection process for the Plan’s actuary, the Plan’s funding policy was approved.

## **September 21, 2007 Meeting Highlights**

1. The Commission had a presentation for the first time since 1988 from the Custodian – RBC Dexia. The key services provided by the Plan’s Custodian are they act as the safe-keeper of the plan’s assets. This includes settling trade deals, collection of dividends and interest, benefit payments to members, processing corporate actions, securities lending, and provide web-based financial reporting on MEPP’s assets and compliance reporting to the Commission.
2. The Commission approved the 1<sup>st</sup> phase of the Stakeholder Consultation Process, where Brian Smith, the CEO of PEBA, along with 2 Commission members will meet with each appointing body to the Commission to present the plan’s new Funding Policy. It is anticipated this process may be implemented by early winter.
3. The Commission reviewed the amendments to its Governance Manual to address the conduct of the Commission members with respect to laws, rules and regulations that apply to MEPP. The amendments will be implemented upon a further review.

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4. The Governance Manual was reviewed and approved the policy and housekeeping updates. The sections amended were Code of conduct (Sections 9 & 12), Complaint Process (Sections 14 & 15) and Commission Member Indemnification (Section 16).
5. The Commission approved the process for Commission Member Indemnification, in which the Executive Secretary of the Commission will decide whether a Commission member is entitled to an advance of funds in the event of a lawsuit.
6. The Commission reviewed the Contract with PEBA, the plan's Administrator with outside legal Counsel, Bill Hood. There were some small amendments to the Contract and the contract was approved.
7. The Commission met and reviewed a proposal from Meyers Norris Penny LLP to review the services provided by PEBA, to ensure there is compliance with the PEBA Contract and how they are carrying out the required duties of the contract. The Commission agreed to a review of PEBA to be performed and the conclusions reported to the Commission.

Next Meeting Date – October 19, 2007

If your Local or Union has any concerns, questions or complaints please let me know and I will bring up the item for discussion at our Commission meeting. You can get a hold of me as follows:

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Home Phone: 306-763-4088 – leave message

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MEPP has a good web-site @ <http://www.peba.gov.sk.ca/mepphome.htm>. You can also contact MEPP as follows:

Toll-free: 1-877-506-6377

Regina: 787-2684

Fax: 787-8822

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Respectfully Submitted,

**Carrie McCoshen**

Trade Union Commission Member