

HALIFAX REGIONAL MUNICIPALITY PENSION PLAN
ANNUAL GENERAL MEETING
Monday, June 18, 2018
Casino Nova Scotia, Compass Room
1983 Upper Water Street, Halifax, NS
5:30 p.m. – 6:30 p.m.

MEMBERS: Andrew Bone, NSUPE
Dwayne Tattrie, CUPE 108
Rick Dexter, NUMEA
R. Scott MacDonald, HRP
Louis de Montbrun, Management
Dan White, IAFF, Co-Chair
Ray MacKenzie, ATU
Mike Sampson, Management

ALTERNATES: Melanie Gerrior, NSUPE
Ted Moore, IAFF

STAFF: Rob Ritchie, Chief Executive Officer
Matt Leonard, Director, Finance & Operations
Lisa Tanner, Director, Plan Member Services
Mark Whidden, Director, Pension Management
Vishnu Mohanan, Manager, Private Investments
Laura McLellan, Senior Pension Consultant
Kimberly Clinton, Executive Assistant

GUESTS: Kevin Skerrett, Senior Researcher, CUPE 108

1. WELCOME

Mr. White called the meeting to order at 5:30 pm. He introduced himself as well as the members of the Pension Committee that were present, the new CEO of the Pension Plan, Mr. Rob Ritchie and Mr. Matt Leonard, who was in the acting CEO role.

Mr. Leonard introduced the staff of the Pension Office who were in attendance.

The 2017 Annual Report was made available for information purposes.

2. PRESENTATION:

Mr. Leonard presented an overview of the Plan including key facts, what makes the Pension Office unique, an overview of investments, 2017 accomplishments and 2018 goals. Copies of the 2017 Annual Report were available at the meeting.

Mr. Leonard explained the governance structure of the Pension Committee, which is made up of five management representatives, five union representatives, one non-union representative as well as one retired member. The organizational chart for the Pension Office was also reviewed. He continued to review key facts about the plan members statistics, funded status, member service highlights, investments, and cost savings as of December 31, 2017.

Mr. Leonard reviewed what makes the Pension Office unique, such as the highly-experienced staff who are dedicated to supporting active, retired and deferred members and their availability for face-to-face contact with members. On the investment side, he discussed the Pension Office's relationships with other institutional investors and how this enables the Plan to access attractive investments. The plan size is such that it is small enough to access investment opportunities that are too small for larger plans yet the Plan can form partnerships with other plans to participate in larger investment opportunities that would be too large for the Plan to pursue by itself.

Mr. Leonard provided an investment review, which included the inception to date performance, calendar year performance, and asset mix as of December 31, 2017. He then talked about the accomplishments of the Pension Plan over the year and highlighted upcoming goals for 2018 under the leadership of the Plan's new CEO.

3. QUESTION & ANSWER:

During the presentation there were questions and discussion on various topics.

Mr. Todd Masters asked how the Plan Member Services team obtains knowledge of deceased members. Ms. Tanner explained that this information is obtained through Equifax, based on changes in patterns of credit. Equifax provides a list of possibly deceased members with confidence matches rated on a scale from 1-5, from possible to probable. The Plan Member Services team then reaches out to all the matches who are flagged to determine which members of the Plan have actually passed.

Ms. Mary Ellen Donovan asked about the funded status and the going concern trendline? Mr. Leonard advised that the going concern funded status has been trending upward and it is expected to be higher again for 2017.

Mr. Masters also asked about the Plan's solvency funded status and asked what the plan would be going forward around solvency relief. Mr. White said that the Pension Committee is focused on the going concern funded status as the Plan was previously granted an exemption from funding solvency deficits. However, the solvency position of the Plan should not be completely ignored. As long as the Plan's funded position on a solvency basis is under 85% the Plan must file an annual valuation with the Superintendent's Office.

Ms. Donovan asked about the increase in plan members. Mr. White explained that the hiring freeze HRM was under for a number of years has been lifted and therefore more hiring is being done.

Mr. Ed Bryan noted that since the Plan appears to be in good shape, has consideration been given to a cost of living increase for pensioners? Discussion ensued about the last time a cost of living adjustment was granted and how much it was. Mr. Bone noted that the Plan is not fully funded. When it is fully funded, this will allow for further consideration of increases to retired members.

4. ADJOURNMENT

MOTION: To adjourn the HRM Pension Plan Annual General Meeting at 6:17 p.m.

MOVED BY: Rick Dexter

Dan White, Co-Chair