



Sponsor Board Terms of Reference

Document Type: Policy

Owner/Approver: SFPP Sponsor Board

Date Approved: February 25, 2019

Effective Date: February 25, 2019

Next Scheduled Review: Annually

A. ROLES, RESPONSIBILITIES AND AUTHORITIES

1. The Sponsor Board shall have the roles, responsibilities and authorities as outlined in Section 6 of Schedule 3 of the Joint Governance Act, and may make rules outlined in Sections 7 and 8, and must make rules outlined in Section 9, of Schedule 3 of the Joint Governance Act.
2. The following summarizes the Sponsor Board's responsibilities:
 - (a) making and amending the Plan Text;
 - (b) setting contribution rates;
 - (c) making any decision to terminate the Plan or to convert it to a different kind of pension plan;
 - (d) establish a funding policy (including in relation to the frequency of actuarial valuations of the Plan and in relation to investment risks and other risks);
 - (e) reviewing the annual budget of the Corporation and providing directions to the Corporation in regard to that budget;
 - (f) establishing a code of conduct and conflict of interest policy;
 - (g) determining the resources it requires to be provided by or through the Corporation; and
 - (h) notifying the Corporation of its key decisions.

In fulfilling its responsibilities, the Sponsor Board shall act in accordance with the *Employment Pension Plans Act* (Alberta).

3. The Sponsor Board will develop rules governing the recruitment of members of the SFPP Corporation Board of Directors to achieve a suitable mix of competencies, a diversity of perspectives and gender balance.
4. The Sponsor Board sets the remuneration of the SFPP Corporation Board of Directors.



5. The Sponsor Board must establish the rules governing the participation of new employers in the SFPP.
6. The Sponsor Board must establish the employer withdrawal rules from the SFPP within 5 years after March 1, 2019.

B. MEMBERSHIP

1. The Sponsor Board will be comprised of six members: three employee appointees and three employer appointees as per section 4(1) of Schedule 3 of the Joint Governance Act.
2. The three employee appointees will include one member appointed by the Edmonton Police Association, one member appointed by the Calgary Police Association and one member appointed by the Alberta Federation of Police Associations on behalf of the Police Associations of Lethbridge, Medicine Hat, Lacombe, Camrose, and Taber. The three employer appointees will include one member appointed by the City of Calgary, one member appointed by the City of Edmonton and one member who will initially be appointed by the City of Medicine Hat but will, after the initial term ending March 1, 2022, be appointed by agreement between the City of Lethbridge, the City of Medicine Hat, the City of Lacombe, the City of Camrose and the Town of Taber.

C. TERMS OF APPOINTMENTS

1. A Member shall be appointed by the sponsor body for a fixed term not exceeding three (3) years and may be reappointed four times to a maximum of 12 years.

D. ELECTION OF CHAIR AND VICE-CHAIR

1. The Sponsor Board shall elect from its own Members its Chair and Vice-Chair for a three (3) year term.
2. The offices of the Chair and Vice-Chair will rotate every three (3) years between a Member appointed by an Employee Organization and a Member appointed by an Employer Organization.
3. Where the Chair or Vice-Chair is a Member appointed by an Employee Organization, that Member will be determined by the Members appointed by Employee Organizations. Where the Chair or Vice-Chair is a Member appointed by an Employer Organization, that Member will be determined by the Members appointed by Employer Organizations.
4. At any one time, the offices of Chair and Vice-Chair are to be occupied by a Member appointed by an Employee Organization and a Member appointed by an Employer Organization. For clarity, both



offices of Chair and Vice-Chair cannot be held by individuals representing the same type of organization (either employer or employee, as the case may be).

E. MEETINGS

1. Meetings of the Sponsor Board shall be held on such day and at such time as the Chair may determine. The Sponsor Board shall meet in person at least once annually with additional meetings as required to be held via alternate methods (e.g. teleconference).
2. In addition to any regularly scheduled meetings, any Member may request a meeting of the Sponsor Board by submitting a written notice to the Chair setting out the items to be discussed at such meeting.
3. Notice of any regular meeting or special meeting of the Sponsor Board will be provided verbally or in writing.
4. If additional information is necessary for decision-making, or clarification is needed, the member should make efforts to obtain that information prior to the meeting.

F. DISCLOSURE OF CONFLICT OF INTEREST AND CONFIDENTIALITY

1. Each Member will comply and follow the Sponsor Board's Code of Conduct and Conflict of Interest and Ethics policy.
2. The Chair or the Top Executive of SFPP Corporation may designate any materials or information (collectively, the "Information") provided to the Sponsor Board as confidential.
3. A Member shall be entitled to share and discuss any provided Information that is not designated as confidential.
4. Any such designation of information as confidential by the Chair or the Top Executive may be overridden by resolution of the Members, passed in accordance with the voting procedures of the Sponsor Board as prescribed in section G(2). Notwithstanding the above, designation of the following information as confidential by the Chair or the Top Executive may only be overridden by a two-thirds vote of the Members:
 - (a) Information pertaining to ongoing or potential litigation involving the SFPP Corporation; and
 - (b) Information concerning the negotiation of a proposed or potential agreement, protocol or settlement between the SFPP Corporation and any third party.

G. PROCEDURAL REQUIREMENTS

1. A quorum at any meeting of the Sponsor Board shall require a majority of the employee



representatives (two out of three) and a majority of the employer representatives to be present (two out of three). If a quorum is present at the opening of a Sponsor Board meeting, the Members present may proceed with the business of the meeting, other than for a resolution to pass, even if a quorum is not present throughout the meeting.

2. A quorum must be present for a resolution to pass. Other than a resolution or decision under Subsection 3, there must be at least eight votes cast in favour of a resolution. The Sponsor Board will have ten votes in total, if all representatives are present, with the following number of votes per employee or employer representative:

	Representative Body	Number of Votes
Employee Representatives	Edmonton Police Association	2
	Calgary Police Association	2
	Police Associations of Lethbridge, Medicine Hat, Lacombe, Camrose and Taber	1
Employer Representatives	City of Calgary	2
	City of Edmonton	2
	Municipalities of Lethbridge, Medicine Hat, Lacombe, Camrose and Taber (appointed by Medicine Hat for the first three years)	1

3. If there is a resolution or decision to terminate the Plan or convert it wholly or in part from a defined benefit plan to a defined contribution plan or a target benefit plan, a unanimous vote in favour by all Sponsor Board members present must be cast.
4. Meetings of the Sponsor Board will be supported by staff of the SFPP Corporation. The Chair can invite any guests to provide information or advice to the Sponsor Board.
5. The Chair may, with the approval of a majority of the Members or upon the direction of a majority of the Members, call an *In Camera* session of a meeting. An *In Camera* session will be ended with a motion that receives the approval of a majority of the Members.
6. Any meetings of the Sponsor Board may be adjourned to any future date. The business to be transacted at such adjourned meeting may be announced at the original meeting or indicated in a



subsequent notice of the adjourned meeting. Notice of an adjourned meeting of the Sponsor Board is not required if the time and place of the adjourned meeting is announced at the original meeting.

7. The minutes of all Sponsor Board meetings (excluding meetings held *In Camera*) shall be written within ten working days following the meeting and made available to the Members, each of whom shall receive a copy of such minutes, subject to the proviso that Members who have declared a conflict with respect to a particular matter shall not receive that portion of the minutes relating to that matter.

H. COMMUNICATIONS

1. Within two business days following the meeting of the Sponsor Board, SFPP Corporation staff will provide Members with key messages which can be shared with the Member's Sponsor organization.
2. The Sponsor Board is also required to notify the SFPP Corporation in writing of any decisions it makes.

I. SPONSOR BOARD COMMITTEES

1. The Sponsor Board may appoint committees as necessary. The Sponsor Board shall establish the mandate and determine the duties of such committees.

F. REMUNERATION AND EXPENSES

1. The Sponsor Board Members serve without remuneration but may be reimbursed for expenses in accordance with the SFPP Sponsor Board, and SFPP Corporation Expense Policy.