

### **PURPOSE**

The purpose of the Actuarial Valuation Policy (“Policy”) is to identify the intention, objectives and timing of actuarial or funding valuations for the Management Employees Pension Plan (“MEPP” or the “Plan”) and the Public Service Management (Closed Membership) Pension Plan (“PSM Closed Plan”) (collectively referred to as “the plans”).

### **SCOPE**

This Policy applies to the actuarial valuations performed for the plans by the Management Employee Pension Plan Board’s (“MEPB” or the “Board”) actuary.

### **POLICY STATEMENT**

This Policy has been established in accordance with the Income Tax Act (“ITA”) that requires that the President of Treasury Board and Minister of Finance (the “Minister”), as the Trustee of the MEPP and the PSM Closed Plan, complete and file a funding valuation with Canada Revenue Agency (“CRA”), at least once every three years.

Section 5(1), Schedule 5 and Section 5 of Schedule 6 of the Public Sector Pension Plans Act (“PSPPA”) states the following with respect to the MEPP and PSM Closed Plan:

“The Minister, in consultation with the Board, shall have an actuarial valuation of the Plan performed, and a report on that valuation prepared, by the Plan’s actuary at least once every three years.”

Additionally, the 2008 Operating Protocol, as well as the Mandate and Roles Document (“MRD”) clarify the roles of the Board, her Majesty the Queen in right of Alberta, as represented by the President of Treasury Board and Minister of Finance, through the Financial Sector Regulation and Policy Division (“FSRP”), and Alberta Pensions Services Corporation with respect to actuarial valuations. The MRD identifies that the Board will conduct actuarial valuations with respect to the MEPP and PSM Closed Plan and the Operating Protocol identifies that the Board shall select the actuary and arrange for an actuarial valuation of the plans to be completed every two years or at any other interval that may be agreed to by the Parties. The Board may also recommend to FSRP that interim actuarial valuations of the plans be performed for information purposes.

### **POLICY GUIDELINES**

#### **Actuarial Valuations**

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Section 5(1), Schedule 5 and Section 5 of Schedule 6 of the Public Sector Pension Plans Act (“PSPPA”) states the following with respect to the MEPP and PSM Closed Plan:

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Actuarial valuations of the MEPP will also consider the goals outlined in the MEPP Funding Policy. The MEPP Funding Policy sets the goals and funding target of the Plan and will be reviewed by the Board on an annual basis with the MEPP Investment Policy.

### Extrapolations

Extrapolations of the plans are conducted annually by the plans’ actuary on behalf of Treasury Board and Finance. The valuation and subsequent extrapolation are prepared to provide updated information on the plan’s financial position from the most recent funding recommendation that has been filed with the CRA, and are utilized in preparing the annual financial statements of the Plan. The MEPP financial statements are reported in the MEPP Annual Report.

### POLICY REVIEW

This Policy will be reviewed at least every three years (M05:06:11).

<b>Effective:</b>	February 15, 2000
<b>Revised:</b>	June 6, 2005 (M05:06:11)
	May 14, 2012 (M12:05:07)
	March 5, 2015 (M15:03:05)
	September 14, 2018 (M18:09:10)
	June 24, 2021 (M21:06:01)