

Municipal Employees Benefits Program

# **2009 Annual Report to Members**

[www.mebp.mb.ca](http://www.mebp.mb.ca)

Toll Free: 1-800-432-1908

For a copy of The Audited Financial  
Statements, please call our office.



# Mission Statement

The Municipal Employee Benefits Program will provide secure pension and benefit services to our members and their families in a cost-effective manner.

## MESSAGE FROM THE CHAIR

Dear Plan Members:

I am pleased to present my review for the 2009 year - a year which, more than most, has seen economic and financial events dominate the news. These events have impacted the entire pension industry, and it should not come as a surprise to anyone that the Trustees' main focus continues to be the long term security of the Fund. The Board has done an exceptional job in steering the Fund through such times of upheaval.

Turning to financial matters, the fund experienced a 2009 investment rate of return of slightly over 14%, which is a dramatic turnaround from the market setback of minus 16% a year ago. This is very good news, but it does not put the Fund out of harm's way. These healthy returns are needed for several more years; however, with the volatility of the current financial markets, I will offer no speculation on what may occur. The Board's diligence will dwell on the key principle of maintaining the optimum balance between risk and return for the best benefit of the members, both active and retired.

During 2009, the triennial valuation was completed for the fiscal years 2006 - 2008, and preliminary estimates are already in process for the next valuation scheduled for the end of 2011. These valuations show going concern and solvency calculations at a specific point in time. The Board has applied to the Provincial Government for a solvency funding exemption. We are hopeful that the Province will grant our request. The solvency funding issue is the only problem, as the fund is financially sound on a going-concern basis.

In closing, I would like to extend my thanks to all those involved with the continued operation of the Fund; the Trustees, the Investment Committee, the Investment Managers and not least, the Fund Executive Director Rose Neufeld and the rest of the Fund staff. I am confident that with these great resources, we can meet the challenges that lie ahead of us.

Jack Kehler,  
Chair

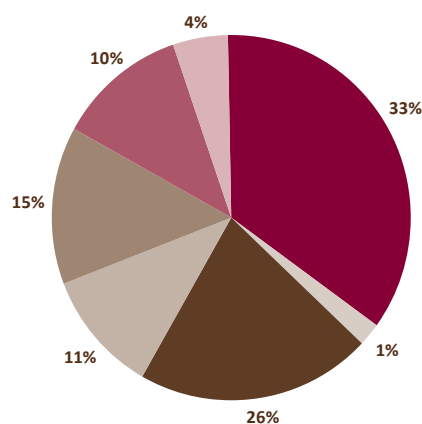
# Investment Overview

The Fund registered a return of 14.5% in 2009, compared to -16.8% in 2008. This return was 1.13% more than the benchmark and exceeded the rate required by the valuation to fund benefits by 8%.

## PENSION PLAN HIGHLIGHTS

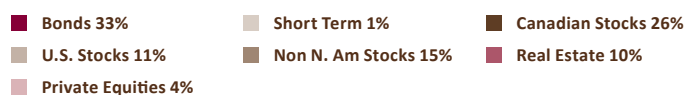
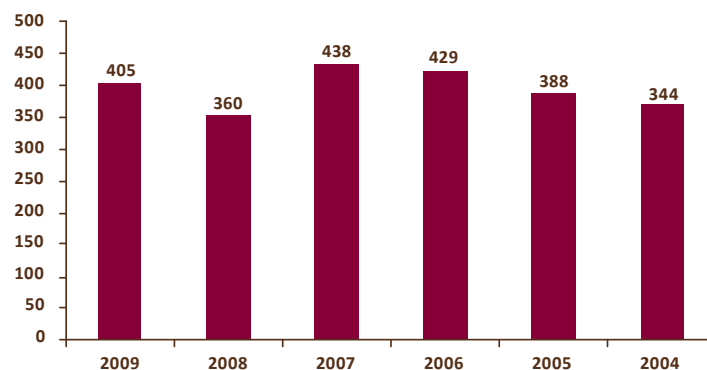
(\$ Thousands)	2009	2008
Market Value of Investments	\$402,372	\$357,516
Investment Income	\$12,461	\$15,659
Employee Contributions	\$8,526	\$9,886
Employer Contributions	\$7,962	\$6,637
Pension Payments	\$15,219	\$13,988
Refunds and Transfers	\$4,609	\$4,763
Investment Rate of Return	14.5%	-16.8%
Investment Benchmark	13.4%	-13.9%
Employees and Former Employees	3,715	3,559
Pensioners and Beneficiaries	1,554	1,497
Total Members	5,269	5,056

## PENSION PLAN ASSET MIX



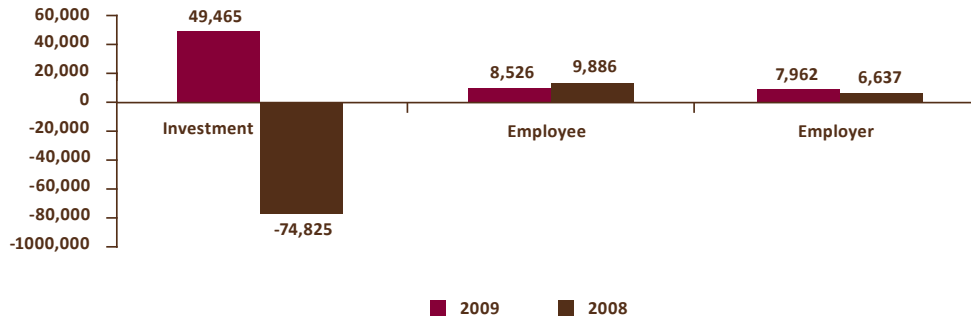
## PENSION FUND ASSETS

(\$ millions)

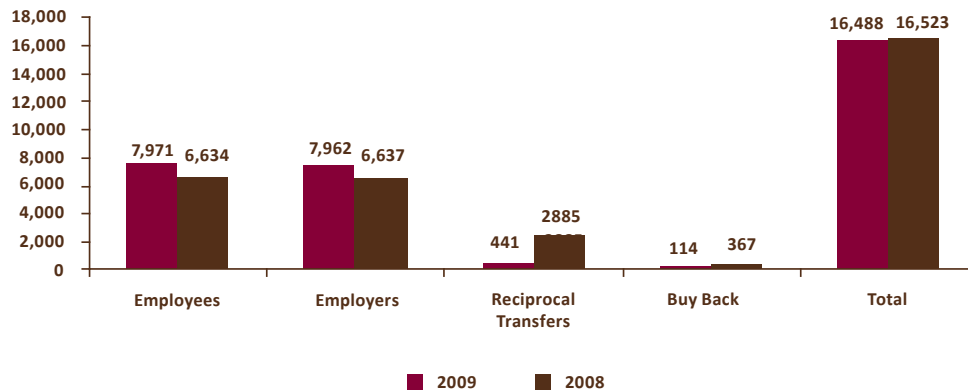


# The Pension Plan

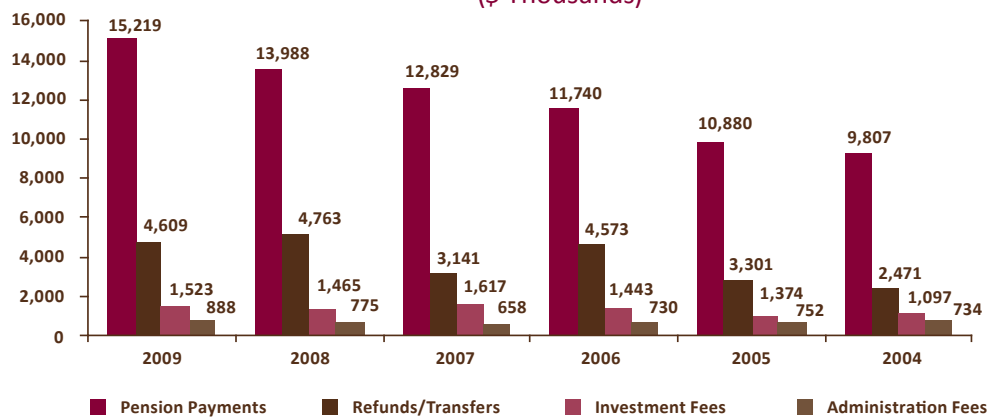
## SOURCES OF INCOME (\$ Thousands)



## PENSION CONTRIBUTIONS (\$ Thousands)



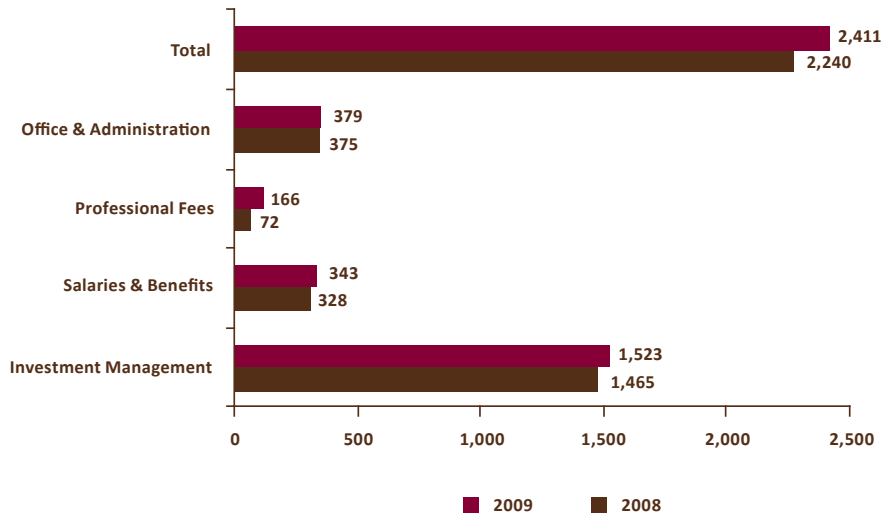
## PAYMENTS FROM THE FUND (\$ Thousands)



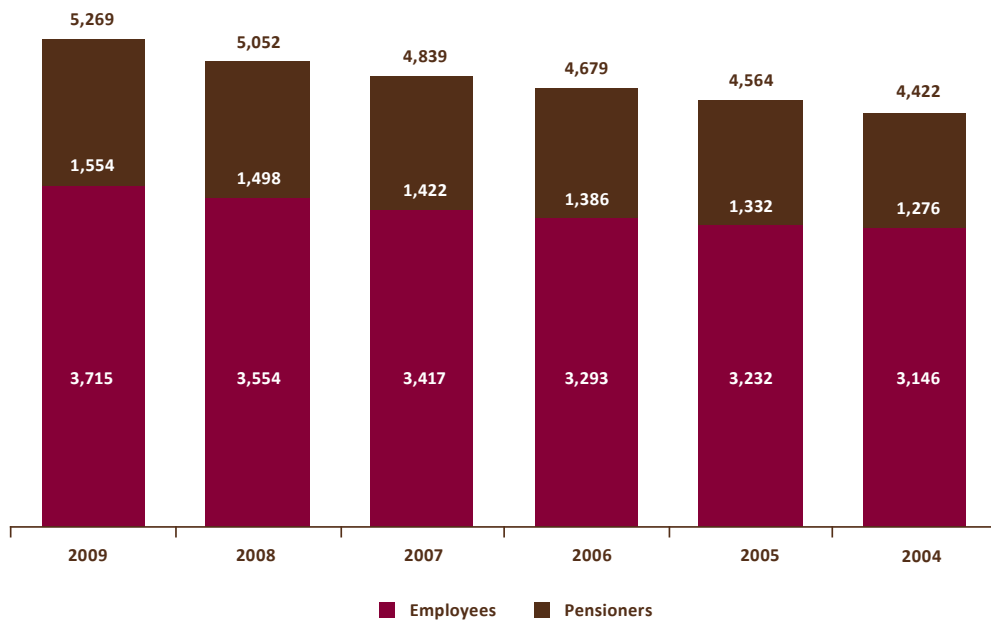
## ADMINISTRATION

Total administration costs, including investment expenses, amounted to \$2.4 million. This translates into an annual cost of \$458 per member.

(\$ Thousands)

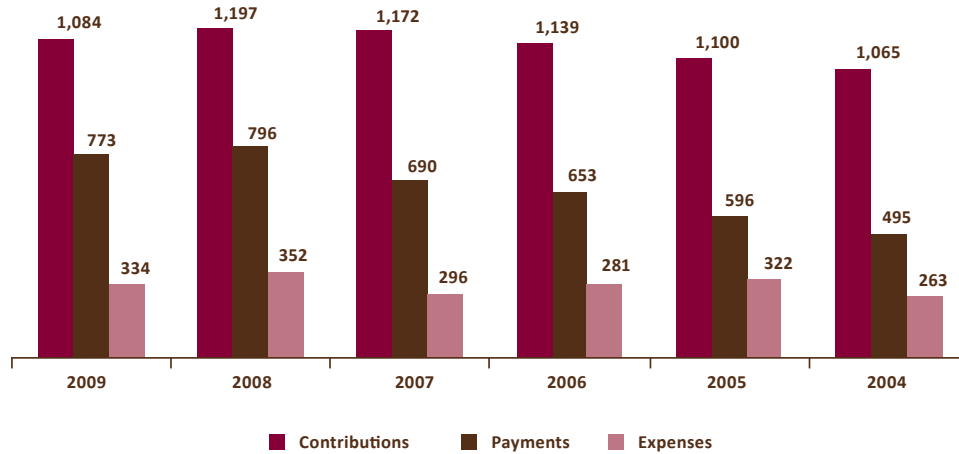


## PENSION PLAN MEMBERS



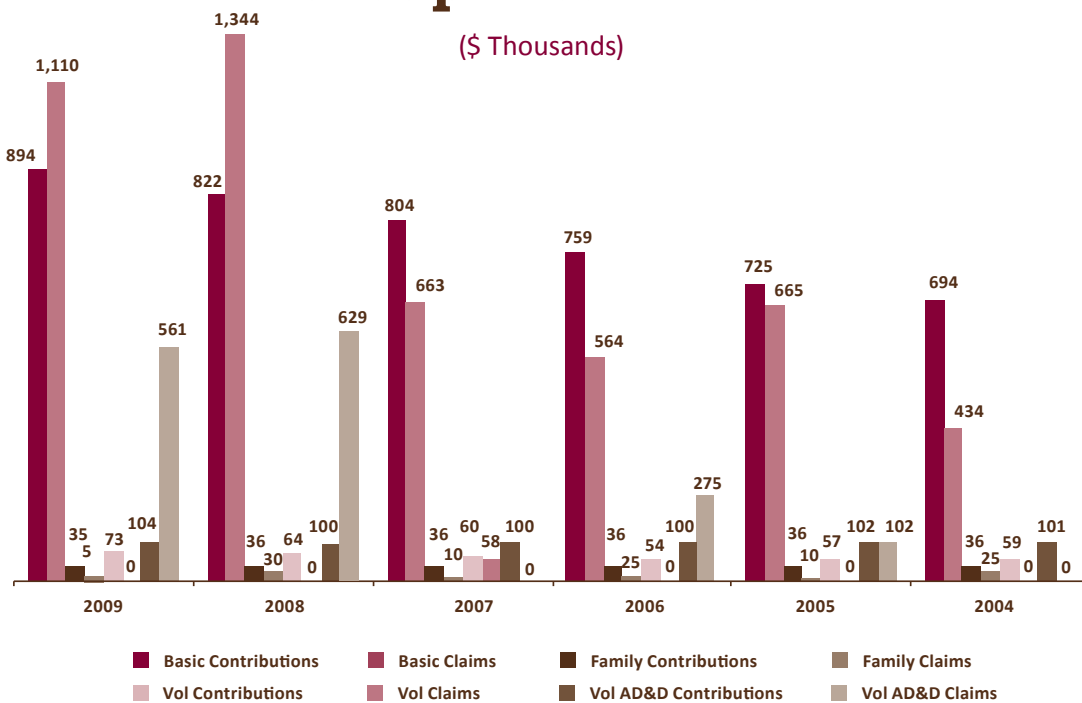
# The Disability Income Plan

(\$ Thousands)



# The Group Insurance Plan

(\$ Thousands)



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