



Quarterly Performance Review

The Plan's investment consultant provided an update on the Fund's performance for the third quarter 2014.

The Fund experienced an absolute return of 1.4%, matching the benchmark for the time period. Year-to-date, however the total Fund performance is 15.6%, outperforming the benchmark by 80 basis points.

	Quarter	One Year	Four Year	Ten Year
Benchmark	1.4%	14.8%	9.6%	7.0%
Total Fund	1.4%	15.6%	10.9%	7.7%
Value Added	0.0%	0.8%	1.3%	0.7%

Investment Presentations

The Board received presentations from two of SHEPP's investment managers – Franklin Templeton and Bentall Kennedy. Franklin Templeton manages an active non-North American equity portfolio and Bentall Kennedy manages a Canadian core real estate mandate for the Plan. At September 30, 2014, Franklin Templeton had \$380.3 million under the firm's management and Bentall Kennedy had \$171.2 million under management.

Both managers:

- Reviewed the previous period's strategy and investment results;
- Discussed how the conditions of the capital markets affected the investment strategy of their respective portfolios;
- Outlined economic and market expectations; and
- Reported changes, if any, in investment personnel, philosophy and processes, or in ownership.

2014-2016 Strategic Plan Process Update

The Board received a progress report from Plan management on the implementation of the Plan's 2014-2016 Strategic Plan.

2014 Service Provider Reviews

The Board approved an updated Service Provider Review Policy and discussed the 2014 Tier 1 Service provider assessments.

Other Items

The Board also:

- Received the 2014 third quarter financial report;
- Received an updated Governance and Administration report;
- Approved five Board policies: Personal Information Policy, Travel Policy, Reimbursement of Expenses Policy, Recognition of Trustees Policy, and the Funding Policy;
- Reviewed the results of the Asset Liability Study;
- Reviewed the 2014 audit plan;
- Approved the 2015 operating budget;
- Confirmed the Chair and Vice Chair for 2015; and
- Reviewed and amended the Statement of Investment Policies and Procedures along with the Investment Manager and Selection Policy.