

LIFECYCLE FUNDS
Potential Topics of Discussion

1. Should we keep working on lifecycle funds?
2. Should we use an external provider or develop the lifecycle funds internally?
3. Do we need outside help (consultant, investment manager)? Several of our investment managers already offer lifecycle funds (T. Rowe Price, Fidelity, AllianceBernstein)
4. Determining the desired level of equity exposure for members at or near retirement
5. Determining the philosophy regarding asset class diversification
6. Use of alternative investments
7. Determining the glide path
8. How to handle the various risk levels of members in the same age group
9. Review recordkeeper and custodian capability in handling lifecycle funds
10. Coordination with RIF (guaranteed income)
11. Impact of the current market environment
12. Performance measurement
13. Legal implications

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Project Outline

1. Background
 - 1.1. Description of Lifecycle Funds
 - 1.2. Industry Data on Lifecycle Funds
 - 1.3. Lifecycle Fund Providers
 - 1.4. Pension Plan Data
 - 1.5. Members' Behaviour
 - 1.6. Legal Implications of Offering Lifecycle Funds
 - 1.7. Timeline for Development and Implementation
2. Portfolio Simulation
3. Lifecycle Fund Development
 - 3.1. Internal VS. External Product
 - 3.2. Determining Equity Exposure at Retirement
 - 3.3. Determining Glide Path
 - 3.4. Determining Asset Mix
 - 3.5. Alternative Investments
 - 3.6. Investment Manager Selection
 - 3.7. Cost Analysis
4. Implementation
 - 4.1. Recordkeeping
 - 4.2. Custodian
 - 4.3. Portfolio Rebalancing
 - 4.4. Communication
 - 4.5. Member Education
 - 4.6. Member Trading Rules
5. Monitoring
 - 5.1. Performance Benchmark
 - 5.2. Members' Behaviour