

THE UNIVERSITY OF WINNIPEG
TRUSTEED PENSION PLAN
BOARD OF TRUSTEES

Minutes of the Meeting of
Monday, June 9, 2014

ATTENDANCE:

Present: Henry Hudek (Chair), Laurel Repski (Vice-Chair), Mary Anne Walls (Secretary), Mike Emslie (Treasurer), Barry Barske, Jane Barske, Ed Byard, Ray Erb, Greg Gillis, Kyle MacDonald, Colin Morrison, Hans Werner, Murray Wiegand, Ron Youngson.

Absent: Annabelle Mays.

Also In Attendance: Lorne Hilton (incoming Trustee) , Andrew Kulyk (Plan Actuary) Paula Hossack (Recording Secretary)

i. Approval of Agenda

It was MOVED: (M. Wiegand /R. Youngson)

That the agenda be approved as submitted.

...CARRIED

ii. Approval of Minutes of the meeting of March 3, 2014

It was MOVED: (J. Barske/L. Repski)

That the minutes of March 3, 2014 be approved as submitted.

...CARRIED

1. Reports from Committees

i. Report from DB Committee

M. Emslie indicated to the Board that the DB committee had met on May 5th and reported on the following Committee activities:

- Went over the AON Hewitt analytics report and is looking at reducing the cash balance in the fund;
- Considered changing the monthly pension payment date to the middle of the month but the Committee decided that it was not in favour of any changes to the payment date;
- Will be meeting with the new money manager, CSSB;
- Considered the issue of payment of excess cola since the CPI was .21% less than the 4-year return on the fund. Following a discussion, the Committee decided that In light of the funding deficit, the Committee is not recommending a discretionary COLA increase.

A. Kulyk provided an overview of the actuarial assumptions for the December 31, 2013 Actuarial Valuation:

- The Plan experienced strong investment returns in 2013;
- The Canadian Institute of Actuaries released a final report on Canadian Pensioner Mortality Study which forms the new standard; the new mortality standard will have negligible impact on the Plan since an adjustment had already been incorporated into the mortality assumptions a few years ago to take into account longer life expectancy;
- The discount rate assumption is being decreased from 6.2% to 6% due to the updating of the SIPP leading to derisking by gradually moving over to long bonds.

Andrew indicated that the valuation report would come to the Board in September after being presented to the DB Committee (the filing deadline is September 27th).

It was MOVED: (M. Emslie/G. Gillis)

That the Actuarial Assumptions for the December 31, 2013 Actuarial Valuation of the Plan be approved as presented.

CARRIED

ii. Report from DC Committee

K. MacDonald reported to the Board that the DC committee had met on May 27th. In July 2013 the Committee received a letter from some DC members regarding the limited availability of socially responsible investment (SRI) funds in the DC component. Due to the impending RFP for DC services, SRI questions were included in the RFP process. He informed the Board that a response to the members had been drafted commenting on the general lack of availability of SRI funds and indicating that the Committee is satisfied with the current fund line up, however will continue to revisit. Other items that the committee reviewed are: Sun Life communications, statement messaging, and a custom landing page on the Sun Life website.

iii. Report from Operations Committee

a. Automatic Deductions from Pensions

The Operations Committee had discussions with RBC concerning automatic deductions from pensions and is recommending that the Board approve automatic deductions specifically for the United Way and the University of Winnipeg Foundation at a cost to the plan of \$600 per year.

It was MOVED (H. Werner/C. Morrison)

That automatic deductions from pensions for the United Way and the University of Winnipeg Foundation be approved.

A question was raised as to what the parameters were for choosing the two organizations, and it was noted that the decision was made on the basis of there being an association with the University as the two organizations are affiliated with or supported by the University of Winnipeg.

A friendly amendment to the Motion was made to add that the use of the automatic deductions be evaluated and reported to the Board after eighteen months.

It was MOVED by (H. Werner/C. Morrison)

That automatic deductions from pensions for the United Way and the University of Winnipeg Foundation be approved, and that the deductions be evaluated for usage and reported to the Board after eighteen months.

...CARRIED (G. Gillis abstained)

b. Filing of Plan Text Consolidation

H. Werner informed the Board that the Operations Committee had followed up on the Board's decision to file the Plan Text Consolidation, and discovered that for a variety of reasons it would be more complicated than originally thought and may not be the desirable thing to do. Therefore, the Committee is recommending that the Plan Text Consolidation not be filed at this time.

It was MOVED: (H. Werner/L. Repski)

That the Board not proceed with a formal filing of the Plan Text Consolidation at this time.

... CARRIED

c. CAPSA guidelines

H. Werner indicated that the Committee will be reviewing CAPSA guidelines at its next meeting and will be farming out various components of the guidelines to appropriate Committees.

d. Calendar of Deliverables

H. Werner noted that an updated Calendar of Deliverables had been provided to Board members. He indicated that the Calendar is a yardstick for the Board's deliverables and that every Trustee and every Committee should review the updated Calendar and provide comment.

e. Financial and Audit Statements

M. Emslie gave a brief overview of the financial statements and H. Werner gave a brief overview of the Audit statements. H. Werner noted that the Operations Committee serves as the audit committee for the statements. He indicated that as M. Emslie represents management, the process is for him to leave the room and that a discussion with the auditor takes place without him. H. Werner confirmed that no concerns were identified by the auditor.

It was MOVED: (H. Werner/E. Byard)

That the Financial Statements and Audit report be adopted, as presented.

...CARRIED

ACTION ITEM:

It was requested that in the future, actual number of members be added to the Pension Plan Members by Type graph in the financial statements.

f. Signatories Resolution

The Operations Committee presented the Board with a draft Signatories Resolution for the Board of Trustees. H. Werner pointed out that the resolution contains a disclaimer to allow for the existing designation of authorized signatories that is already in place with the Plan custodian. It was noted that the resolution is consistent with current University practice.

It was MOVED: (H. Werner/R. Erb)

(1.) That in accordance with Article 4.10 of the Trust Agreement, the execution of cheques, deeds, transfers, assignments, contracts, obligations, bills of lading, promissory notes, bills of exchange, powers of attorney, and all other instruments of whatever nature entered into by the Board of Trustees for The University of Winnipeg Trusteed Pension Plan directly or through a transfer agent or registrar for any stock company as more particularly set forth in Article 6.00 of the Trust Agreement,

(a) with a value or representing a liability over \$5,000.00, shall be signed by any two of the following:

**Chair, Board of Trustees
Vice-Chair, Board of Trustees
Treasurer
Secretary**

(b) with a value or representing a liability less than or equal to \$5,000.00, may be signed by any one of the following:

**Chair, Board of Trustees
Vice-Chair, Board of Trustees
Treasurer**

(2.) That in recognition of there being already an authorization on file (Certificate of Authorized Signatories) with the Pension Plan custodian, the foregoing does not derogate from nor in any way affect and is only supplemental to such authorization.

...CARRIED

A question was raised as to whether the Trust Agreement would need to be amended; it was noted that an amendment is not required since the resolution is in line with the provisions of the T.A.

g. Certificate of Foreign Status Form

M. Emslie informed the Board that State Street, the custodian for CSSB, had asked that the Board complete a Certificate of Foreign Status (W-8BEN) form for U.S. tax withholding purposes. Mike noted that the form was completed as per Jody Langhan's recommendations which are consistent with the form that is on file with RBC Investor Services. He also noted that based on his research the US Government has changed the form. It is now more complicated and there is a possibility that if the current form is submitted it may be sent back.

It was MOVED: (H. Werner/C. Morrison)

That the W-8BEN form be submitted as is.

...CARRIED

h. Expired Trustee Terms

- G. Gillis will be replaced by L. Hilton for a three year term to June 30, 2017, representing AESES;
- H. Werner will be on leave from January 1, 2015 to June 30, 2015; at that point he will return with a renewed three year term to 2018, representing UWFA;
- I. Mustapha has been appointed to a three year term to June 30, 2017, representing UWFA-C;
- IUOE representation remains vacant;

- J. Barske's term has been extended to December 31, 2014, at which time she will be replaced by E. Byard for an 18 month term to June 30, 2016, representing UWRA;
- H. Hudek and R. Youngson have accepted reappointment for one-year terms, as External Trustees;
- M. Walls has been reappointed for a further three year term to June 30, 2017, representing Excluded employees.

i. Election of Board Executive

- H. Hudek was nominated to continue as Chair (acclaimed);
- L. Repski was nominated to continue as Vice-Chair (acclaimed);
- M. Emslie was nominated to continue as Treasurer (acclaimed);
- M. Walls was nominated to continue as Secretary (acclaimed).

j. Committee Membership

Committee Membership was determined as follows:

The DB Committee

M. Emslie, C. Morrison, R. Youngson, M. Wiegand, B. Barske, L. Hilton, A. Mays.

The DC Committee

H. Werner, R. Youngson, R. Erb, H. Hudek, M. Walls, L. Repski.

The Operations Committee

I. Mustapha, H. Hudek, C. Morrison, J. Barske, M. Walls, M. Emslie, H. Werner.

k. Conflict Report

M. Walls reminded Board members to submit their Conflict Report for July 1, 2014 to June 30, 2015.

2. Other Business

L. Repski informed the Board that there may be considerations that the University may wish to bring forward that may have an impact on the Pension Plan. If decision is made by the University to move forward, information will be provided at the next meeting of the Board.

3. Adjournment

As there was no further business to come before the meeting,

It was MOVED: (H. Werner/M. Wiegand)

That the meeting be adjourned.

...CARRIED

Chair

Secretary