

THE UNIVERSITY OF WINNIPEG
TRUSTEED PENSION PLAN
BOARD OF TRUSTEES

Minutes of the Meeting of
Monday September 8, 2014

ATTENDANCE:

Present: Henry Hudek (Chair), Laurel Repski (Vice-Chair), Mary Anne Walls (Secretary), Mike Emslie (Treasurer), Barry Barske, Jane Barske, Ray Erb, Lorne Hilton, Annabelle Mays, Colin Morrison, Ishmael Mustapha, Hans Werner, Murray Wiegand, Ron Youngson.

Absent:

Also In Attendance: Paula Hossack (Recording Secretary)

i. Approval of Agenda

It was MOVED: (J. Barske, B. Barske)

That the agenda be approved as submitted.

...CARRIED.

ii. Approval of Minutes of the meeting of June 9, 2014

It was MOVED: (R. Youngson, J. Barske)

That the minutes of June 9, 2014 be approved as submitted.

...CARRIED.

1. Reports from Committees

i. Report from DB Committee

a. Committee Chair

M. Emslie reported that at the August 25th meeting of the DB Committee, he had been re-elected as Chair.

b. Actuarial Valuation Report

M. Emslie indicated that it had been a busy meeting. The DB committee had gone through the second quarter review with AON Hewitt. It was noted that the Investment Policy calls for moving into Long Bonds and AON Hewitt is suggesting that the Committee evaluate their position in regard to moving into Long Bonds at the end of the year. The meeting was then joined by the CSSB real estate team who shared their investment philosophy and explained why the current benchmark against which their performance is measured is not an appropriate measurement.

Andrew Kulyk then went over the actuarial report with the Committee. The Plan is about 88% funded on Going Concern Basis as at December 31, 2013. As a result of the funding increase, the University's additional contribution obligations have decreased. It was noted that since the Plan is still less than 90% funded on solvency basis, another valuation will need to be done next year. It was also noted that the valuation report will need to be filed by the end of September.

It was MOVED (M. Emslie, R. Erb)

That the Actuarial Valuation Report be approved.

...CARRIED.

A further discussion followed concerning the Investment Policy. It was noted that the Going Concern Basis is the trigger for reducing the Plan's equity holding and that the glide path is independent from the move to Long Bonds. It is expected that a glide path move will be triggered with effect from January 1, 2015. The issue will be dealt with at the next meeting of the DB Committee.

ACTION ITEM:

The DB Committee will review the Plan's position vis-a-vis the Investment Policy to determine what action is needed concerning moving along the glide path and also potentially moving into Long Bonds.

ii. Report from Operations Committee

a. Committee Chair

C. Morrison reported that at the last meeting of the Operations Committee, he had been elected as Chair.

b. 2014 Annual Budget and Financial Statements

The June 30, 2014 Financial Statements and budget were presented for information. C. Morrison indicated that the budget allocation for Trustee education is \$ 15,000, but only \$2,500 had been spent. It was suggested that Trustees should be encouraged to take part in more conferences and Professional Development. M. Walls indicated that she was working on a list of education opportunities for Trustees and H. Hudek indicated that he was working of a list of Critical Knowledge for a Trustee.

c. Member Privacy Issue

C. Morrison reported that there had been a privacy breach by the Plan Custodian affecting one retired member of the DB plan. It was noted that the Custodian took immediate steps to rectify the situation and to ensure non-recurrence. The Committee had resolved that the Custodian be asked to contact the affected member to notify them of the breach and the steps that were taken to correct the error.

C. Morrison further reported that the Operations Committee had resolved that a review take place on the current custodian arrangement with the view of going to market for a variety of reasons including good governance practice since the current custodian agreement has been in place for many years without review.

d. CAPSA/CAP Guidelines (Updated Calendar of Deliverables)

C. Morrison indicated that the Operations Committee prepared a good governance document concerning the regular review of CAPSA/CAP guidelines. He explained that the document would go to the DB and DC Committees along with a revised Calendar of Deliverables. The Committees would be expected to review relevant CAPSA/CAP guidelines in March, and report on the Guidelines to the Operations Committee for its May meeting. The Operations Committee would also be dealing with certain portions of the guidelines and report to the Board of Trustees at the June meeting.

ACTION ITEM:

M. Walls to send to the DB and DC Committee the good governance document with links to the CAPSA/CAP guidelines.

e. Automatic Deductions from Pensions

It was noted that this is not as yet in place. In order to implement the deductions, an agreement needs to be signed with the Custodian. There were some concerns with the agreement that were communicated to the Custodian and the issue is still not concluded. It is hoped that the agreement will be concluded in time for the upcoming United Way campaign.

iii. Report from DC Committee

a. Committee Chair

R. Youngson reported that at the last meeting of the DC Committee he had been elected as Chair.

b. Service Agreement with Sun Life

R. Youngson reported that the DC Committee is still in the process of implementing a new service agreement with Sun Life. He further reported that there had been some items in the service agreement which caused concern and the agreement had gone back to Sun Life to be amended.

He indicated that the Committee reviewed a number of items including a Sun Life service update as well as Sun Life's updated action plan. He noted that Sun Life had introduced a new game called Money Up which is designed to generate more interest in the Plan. However, it was noted that uptake on the game at the University has been low. He also indicated that Sun Life is working on a customized sign in page for the University on the Sun Life website. He noted that Sun Life presented the option of online enrolment, but that the Committee decided to remain with paper enrolment for the time being since it is felt that going to online enrolment would likely cause more employees who are able to defer entry into the Plan to defer enrolment. He further indicated that the Board should consider eliminating the deferral option, as it serves little purpose.

2. Other Business

I. Mustapha introduced himself as a new member of the Board.

3. Adjournment

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

Chair

Secretary