

THE UNIVERSITY OF WINNIPEG
TRUSTEES PENSION PLAN
BOARD OF TRUSTEES

**Minutes of the Meeting of
Monday, September 14, 2015**

ATTENDANCE:

Present: Henry Hudek (Chair), Laurel Repski (Vice-Chair), Mary Anne Walls (Secretary), Mike Emslie (Treasurer), Barry Barske, Ray Erb, Bill Evans, Lorne Hilton, Marc Lafond, Colin Morrison, Hans Werner, Murray Wiegand

Regrets: Edward Byard, Robert Sveinson, Ron Youngson

Also In Attendance: Andrew Kulyk (Plan Actuary) and Betty Song (Recording Secretary).

i. Approval of Agenda

It was MOVED: (B. Evans/L. Hilton)

That the agenda be approved as submitted.

...CARRIED.

ii. Welcoming of New Trustees

H. Hudek welcomed the new IUOE Representative, Marc Lafond.

iii. Approval of Minutes of the meeting of June 8, 2015

The Minutes of the Meeting of June 8, 2015, were circulated in advance of the meeting. M. Walls made a revision to the Minutes in the 2nd paragraph on page 2 of the report from the DB Committee, that "They reviewed the 2nd quarter financial results", be revised to "1st quarter". This was agreed.

It was MOVED: (B. Barske /M. Emslie)

That the minutes of June 8, 2015 be approved as amended.

...CARRIED.

1. Reports from Committees

i. Report from DB Committee (meeting September 8, 2015)

M. Emslie was confirmed as Chair of the DB Committee. He reported on the activities of the DB committee as follows:

They reviewed the 2nd quarter financial results with Aon Hewitt. Q2 was not as good as we've seen recently and it's gotten worse since. Our international manager Sprucegrove continues to struggle. The Committee is keeping a close eye on Sprucegrove in the next quarter or two before determining their fate.

The Committee then reviewed the actuarial valuation results with the Plan Actuary.

The Committee reviewed a DB risk document and will forward it to the Operations Committee when it is completed.

The Committee also reviewed actuarial service and reported being very happy.

The Committee also reviewed Aon Hewitt services (analytics and advice) and discussed the fees. Aon Hewitt has agreed to make changes (change to primary contact) to reduce their service and travel fees.

It was MOVED: (M. Emslie/M. Wiegand)

The DB Committee recommends a change to the relationship with Aon Hewitt to reduce costs.

...CARRIED.

Andrew Kulyk then went over the actuarial report with the Committee. It was noted that funded ratio hasn't hit the threshold and annual valuations will continue; no move is to be made this year on the glide path. Position of the fund has improved and the University will be paying less in special contributions.

It was MOVED: (M. Emslie/C. Morrison)

That the Actuarial Valuation Report be approved.

...CARRIED.

Andrew Kulyk then reported to the Board that a new mortality table for commuted values was coming into effective October 1, 2015. The new table is expected to result in increases to some commuted values and therefore will impact valuations. It is not expected to have a material effect on the funding of the plan.

ii. Report from DC Committee

R. Erb reported on the activities of the DC committee, as the Chair of the DC Committee was not present.

The DC Committee met on September 9, 2015. R. Youngson was elected by acclamation to serve as Chair for another year.

The DC Committee reaffirmed its decision to not offer a Sun Life Group LIF/RRIF because of concerns of the Board endorsing a product that may not be competitive in the market place. This decision is to be reviewed annually.

Revising the Committee's Terms of Reference document is still being worked on.

Member utilization of online tools and calculators was reviewed. Utilization is low however Sun life is to be asked to provide more details if possible.

The Sun Life Fund review was discussed. While most of the suggested changes are ok further due diligence needs to be done on the Canadian Equity offerings. The idea of having a single fund offering was discussed. Members are generally not engaged and a large proportion of the assets are in the default fund, further discussions will take place.

The Committee is to identify DC pension risks and will table a report at a future meeting.

Sun Life services and action plan were reviewed and are satisfactory.

The Committee has completed its review of the Sun Life Fee Agreement and now recommends execution by the Board of Trustees. It was noted that the fees in the Agreement are in line with the DC services RFP.

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

That the Sun Life Fee Agreement be approved.

...CARRIED.

iii. Report from Operations Committee (meeting of August 31, 2015)

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

RFP for Custodian Agreement has been issued. The Committee struck a subcommittee: M. Emslie, H. Hudek, M. Walls, to review the responses of the RFP.

The Committee reviewed the Terms of References. It was noted that the Operations Committee is awaiting the submission of DB Committee and DC Committee Terms of Reference.

As part of governance, the Committee is still reviewing the issue of succession as it relates to the Board, particularly with respect to External Trustees, but also relating to internal Trustees. The Operations Committee is urging Trustees to think of who may succeed to the Board.

The Committee also conducted an annual review of risks. Divestment was noted as a potential risk and discussed ethical investments. The Committee is considering having an Education Session on this. The Accessibility for Manitobans Act may have impact on how we communicate with our members.

The Committee also discussed deaccumulation and urges the DC Committee to take another look at the issue which it was noted the DC Committee has done.

The Committee discussed the development of a Records Retention Policy for the Board of Trustees' records, the Committee decided to start the process by asking M. Walls to do inventory of Board records.

The Committee did a survey regarding Trustees education requirements. There are some patterns and gaps that have been identified and the Committee will try to address these with in-house education.

2. Other Business

M. Walls provided the UW-Wireless key to the Board members.

3. Adjournment

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

That the meeting be adjourned.

Chair

Secretary