

THE UNIVERSITY OF WINNIPEG
TRUSTEED PENSION PLAN
BOARD OF TRUSTEES

Minutes of the Meeting
Monday, February 9, 2009

ATTENDANCE:

Present: Mary Anne Walls, Laurel Repski, Valerie Gilroy, Greg Gillis, Barry Barske, Wendy Josephson, Jim Clark, Karen Zoppa, David Torz, Brent Stearns, Maurice Mearon, Henry Hudek, Ray Erb.

Also in Attendance: Jody Langan, Legal Counsel to the Plan, Doug Poapst, Actuary to the Plan, and Barbara Doran, recording secretary.

Regrets: Gary Maksymyk

i. Approval of Agenda

It was MOVED: Josephson/Repski

That the agenda be approved as distributed.

...CARRIED

ii. Approval of Minutes

Minutes of the meeting of December 10, 2008

It was MOVED: Barske/Josephson

That the minutes of December 10, 2008 be accepted as distributed.

...CARRIED

1. Business arising from the December 10th meeting

- (a) Amendment of the Trust Agreement to reflect consolidation of the Operations, Governance and Audit Committee and the Appointments and Investigations Committee into the Operations Committee, and the removal of the requirement for an External Trustee on the Operations Committee.

Advice was received from Jody Langan, the Plan's Counsel, that the Trust Agreement does not need a formal amendment to reflect the Committee change. All that is required is the attachment of the Minutes of November 13, 2008 and December 10, 2008 meetings to the Trust Agreement.

- (b) Report on the requirement of an audit

The Trustees were advised that based on V. Gilroy's review of the University of Winnipeg Act, the University of Winnipeg Trusteed Pension Plan is not an account of the University of Winnipeg but a separate entity governed by a Board of Trustees, and therefore the Auditor General Office, does not have a role in the audit of the Pension Plan. The OAG have accepted the University's legal opinion. It is the intent of the Board of Trustees to use KPMG for the 2008 audit pending a cost estimate from them. As the Board of Trustees is free to pursue its own auditor, it will be going to tender for next year's audit.

M. Emslie, Controller and Executive Director, Financial Services is meeting with KPMG and has been asked to instruct KPMG to forward their cost estimate to the Board of Trustees.

ACTION ITEM:

L. Repski will contact M. Emslie to ensure that KPMG is advised to forward their estimate to the Board of Trustees.

- (c) Estimate of going concern position of the Plan

The going concern liability at December 31, 2008 is estimated at approximately \$30M (give or take 5 or 6 million).

- (d) Update on Plan amendment to include UWFA as participating employer

The Trustees were advised that J. Langan, the Plan's Counsel, drafted an Extraordinary Resolution which requires signatures of all Plan Stakeholders and all Trustees. A report from the Plan's actuary was also prepared as required by the Trust Agreement. It was clarified that the Plan amendment is not open ended and the Plan would have to be amended each time a participating employer is to be added to the Plan.

Since there are legal and actuarial costs associated with the preparation of amendments, a discussion ensued as to whether parties requesting inclusion should be required to pay these costs. It was decided that since UWFA was not appraised of these costs prior to the process, they would not now be billed but would be asked if they are willing to pay a portion of the costs. In the future, a Participating Employer will have to pay any implementation costs. It was determined that the costs relating to the amendment should be charged against the DC component.

ACTION ITEM:

L. Repski to write to K. Hansen, President of UWFA, to explain the costs incurred and to ascertain if UWFA would be willing to pay a portion or all of the costs.

- (e) Cost estimate from KPMG – deferred to next meeting

- (f) Committee Terms of Reference

The Operations Committee has prepared guidelines for the Board Committees to develop their own Terms of Reference. All Terms of Reference are to come back to the Operations Committee for approval.

ACTION ITEMS:

Terms of Reference are to be forwarded by the DB and DC committees to B. Doran who will forward same to the Operations Committee.

Committee Chairs to forward key dates to L.Repski so they can be included in the Annual Cycle by February 24-25, 2009.

Committees are to forward all Minutes to M. Walls.

2. Court of Appeal Decision on DB Surplus Payment.

J. Langan, the Plan's Counsel, and D. Poapst, the Plan's Actuary, joined the meeting for this discussion.

J. Langan advised the Board that the role of the Trustees is to enforce the Order and obtain answers where they are required. There are two parts to the Order:

1. The submission of a governance framework by March 31, 2009, the foundation of which is the Trust Agreement, and
2. The distribution of Plan Surplus to DB members.

J. Langan recommended to the Board of Trustees that they should file a report with the Superintendent of Pensions by the required date of March 31, 2009. The report should include the following items: that the necessary committees have been formed; that Terms of Reference are being developed; that CAPSA audit has been done and a work in progress report. An Action Plan for the Future should also be provided.

Clarification should also be sought concerning the Surplus Distribution. The main concern being that the Order does not give concise direction regarding a cash payment and this should be clarified before any action is taken. The starting amount of the surplus also has to be clarified.

ACTION ITEM:

J. Langan is to prepare a document proposing a course of action that would implement the order which document would be submitted to the Superintendent in order to receive confirmation and clarification on what is required by the Order from the Superintendent of Pensions. The document is to be provided to the Plan Stakeholders for review with their respective legal counsel and to ensure that there is agreement on the issues before the document is submitted to the Superintendent.

It was MOVED: Repski/Barske

That the Board of Trustees follow the recommendations put forward by the Plan's Legal Counsel.

...CARRIED

3. Other Business

Expenses incurred by Trustees should be submitted to M. Walls.

It was MOVED: B. Barske

That the meeting be adjourned.

...CARRIED

Next meeting is to take place during the week of February 23, 2009.

Chair

Secretary