

THE UNIVERSITY OF WINNIPEG
TRUSTEED PENSION PLAN
BOARD OF TRUSTEES

Minutes of the Meeting
Wednesday, March 18, 2009

ATTENDANCE:

Present: Mary Anne Walls, Laurel Repski, Valerie Gilroy, Bill Balan, Greg Gillis, Barry Barske, Wendy Josephson, Jim Clark, Karen Zoppa, Brent Stearns, Maurice Mearon, Henry Hudek, Gary Maksymyk

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

Regrets: David Torz, Ray Erb

i. Approval of Agenda

M.Walls requested that Item 4 be moved to Item 1 (a). Item 1 (a) will become Item 1 (b); Item 1 (b) will become Item 1 (c) and Item 1 (c) will become Item 1 (d).

It was MOVED: Josephson/Repski

That the agenda be approved as amended.

...CARRIED

ii. Approval of Minutes

Amendment to the Minutes of the meeting of February 25, 2009 – Approval of Minutes – that Gary Maksymyk’s “name” be removed from being Present at the Meeting of February 9, 2009.

It was MOVED: Repski/Balan

That the minutes of February 25, 2009 be accepted as amended.

...CARRIED

1. Business arising from the February 25th meeting

(a) DB Surplus Distribution

J. Langan, Legal Counsel to the Plan, reported that he spoke to Marjorie Webb (legal counsel for the Office of the Superintendent). Ms. Webb acknowledged receipt of the letter from the Trustees. She also advised him that her office had received correspondence from some of the Stakeholders as well as a letter from a Trustee. It was noted that it is not appropriate for any Trustee to make an individual submission. The Trustee in question indicated that the letter stemmed from a misunderstanding and apologized for sending it. It was suggested that it would be appropriate for the Trustees to send a second letter to the Superintendent to confirm the purpose of the first letter, indicating that the Trustees only want clarification of the decisions that have been made and are not trying to change the Order. It was also suggested that the letter indicate that if the Board of Trustees has discretionary power with respect to the Order, then any Stakeholder submissions should more appropriately be made to the Board of Trustees and not to the Superintendent.

It was suggested that a copy of the second letter be forwarded to the legal counsels for the stakeholders. It is necessary to build confidence with the stakeholders and an explanation should be given that the Trustees were doing their due diligence and that future submissions should be to the Board of Trustees. The letter also needs to confirm that an extension to the deadline will be required with respect to the surplus distribution. A draft copy of the letter will be forwarded to the Board of Trustees prior to being submitted to the Superintendent.

It was MOVED: Balan/Mearon

That J. Langhan write to Marjorie Webb reiterating that the Board of Trustees was not asking for new decisions but seeking clarification on the Revised Order. J. Langhan will ask for an extension of the March 31, 2009 deadline so that the Board can receive the clarification requested in the February 27, 2009 correspondence.

...CARRIED (with 1 abstention)

(b) Rate of Return on the DB component for 2008

A letter was provided by the Plan Actuary detailing the calculation of the actuarial rate of return on the DB component for 2008. On a market value basis, the DB component net rate of return on the fund was -14.58%. On an actuarial basis (smoothing approach), the return on the fund was 2.19%. As a result, the Plan Actuary's recommendation is that the actuarial rate of return of 2.19% be used to credit member accounts for 2008. Also, as the actuarial rate of return in excess of 6% was zero, there would be not cost of living adjustment made to pensions effective July 1, 2009.

It was MOVED; Gillis/Repski

That the Plan Actuary's recommendation to credit the actuarial rate of return of 2.19% to member accounts for 2008, and to grant zero increase for pensioners at July 1, 2009 be accepted.

...CARRIED

(c) KPMG cost estimate for 2008 Audit

M.Mearon reported that the estimate received from KPMG to conduct the 2008 audit of the Pension Plan was very high and not reasonable as it appeared to be 30 – 50% higher than expected. The Operations Committee will review the cost estimate based on costs in prior years and will report back at a later date. It was suggested that KPMG be advised that the expected cost estimate range was between \$7,500 and \$8,000 and if this is not agreeable, the Trustees will be seeking quotes elsewhere.

(d) UWFA Amendment – Decision of UWFA to pay all or part of the implementation costs

Deferred to next meeting

2. Reports from Committees:

Operations Committee:

L. Repski reported the Operations Committee is working on the following:

- Budget development
- Developing Calendar of Key Deliverables

- Terms of Reference have been received from the DB Committee and DC Committee. An overall Terms of Reference for the Trustees will be developed and submitted to the Superintendent of Pensions.
- On-going education guidelines for the Trustees
- Potential membership in national organizations
- Superintendent's Order was reviewed with respect to governance requirements, CAPSA guidelines have been reviewed, and CAPSA self-assessment questionnaire has been completed. Will identify how gaps in governance will be closed.
- Governance materials will be submitted to the Superintendent by the March 31, 2009 deadline.

DC Committee:

V. Gilroy reported that the DC Committee is working on the following:

- Deliverables, timelines
- Will look at CAP guidelines
- Will be looking at the DC investment funds
- Will be requesting more information on plan member activity
- Met with 2 members of Sun Life who responded to questions from the committee

DB Committee:

G. Gillis reported that the DB Committee is working on the following:

- Met with fund managers and RBC Dexia
- Draft Terms of Reference will be reviewed at the next meeting of the DB Committee

It was noted that Trustees can attend the Committee meetings if they wished to do so.

ACTION ITEM:

M. Walls to post dates of Committee meetings.

3. Request to add Stakeholders to the distribution list for meeting notice and agenda

It was MOVED: Clark/Josephson

That Stakeholders be added to the distribution list for meeting notice and agenda.

...CARRIED

It was MOVED: V.Gilroy

That the meeting be adjourned.

...CARRIED

Next meeting is to take place during the week of April 13, 2009 in the latter part of the day.

Chair

Secretary