

**THE UNIVERSITY OF WINNIPEG**  
**TRUSTEED PENSION PLAN**  
**BOARD OF TRUSTEES**

**Minutes of the Meeting**  
**Wednesday, November 18, 2009**

**ATTENDANCE:**

**Present:** Mary Anne Walls, Bill Balan, Laurel Repski, Valerie Gilroy, Greg Gillis, Barry Barske, Wendy Josephson, Karen Zoppa, Brent Stearns, Maurice Mearon, Henry Hudek, Gary Maksymyk, Ray Erb, Hans Werner, Mike Emslie

**Also in Attendance:** Shelley Mangiacotti, recording secretary.

**Regrets:** Dave Torz

**i. Approval of Agenda**

Additions to the Agenda:

Under Item #1:

- Personnel Changes
- Report on Financial Statements
- Pension Benefits Act amendments

It was MOVED: Barske/Hudek

**That the agenda be approved with the noted changes**

...CARRIED

**ii. Approval of Minutes**

Minutes of the meeting of October 9, 2009

It was MOVED: Balan/Josephson

**That the minutes of October 9, 2009 be accepted as distributed.**

...CARRIED

1.

- a) Barb Doran has moved to the Provost and VP Academic Office and is replaced by Shelley Mangiacotti from Human Resources who will record the minutes for the Board.

Bill Balan has stepped down as Trustee and is replaced by Mike Emslie from Financial Services. (At this point Bill Balan departed from the meeting)

- b) Financial statements for the period ending September 30, 2009 for the Pension Plan were reviewed. It was noted that while some recovery has been achieved in the last nine months, the plan liabilities are exceeding the income.

**ACTION ITEM:**

Mike Emslie was asked to report back to the Board on the reasons for the lower income in 2009.

- c) Pension Benefits Act Changes – a report from Eckler Ltd. was presented. Doug Poapst & Jody Langhan will be invited to the January meeting to guide the Board regarding these

changes. It was reported that according to Doug Poapst, some fine tuning was done to the final regulations. It was also reported that J. Langan had indicated that based on his review, the Board's governance structure will satisfy the committee requirements of the Act.

There will be one major cost item resulting from the PBA changes (approx, \$2 million) due to the increased value of pension benefits after postponed retirement, but the Plan has no choice but to comply with the changes.

d) External Trustee replacement

It was moved: Repski/Barske

**That the Board move "in-camera" for this item.**

...CARRIED

It was moved: Repski/Hudek

**That the Board move out of "in-camera" to continue the meeting.**

,,,CARRIED

It was moved: Gilroy/Josephson

**That the Operations Committee seek the agreement of Don Dillistone to serve as an External Trustee.**

...CARRIED

2. Beneficiary Dispute update

It was reported that to date response has been received from two beneficiaries as a result of Jody Langan's letter.

J. Langan is moving to seek interpleader status to allow the courts to make a decision regarding the beneficiaries in this situation.

It was noted that if the court should decide that one of the listed beneficiaries is not entitled to share in the death benefit, this will create an administrative problem. A burden would result, in the event a plan administrator must look behind the plan documents.

It was noted that this would be a good question to ask J. Langan.

**ACTION ITEM:**

M. Walls was asked to check the language used by major pension plans. (This item was tabled until after the court decision).

3. Draft Policy on relationship between Board and Stakeholders

The draft policy (emailed draft of November 16<sup>th</sup> from K. Zoppa) was reviewed. An error was noted where the Retirees Association should have been listed as a stakeholder in place of Excluded Staff.

A suggestion was made to include wording to the effect that the stakeholders have acknowledged and indicated their support for the policy through their signing of the Trust Agreement. It was further suggested that the policy is an element of the Trustee Code of Conduct.

**ACTION ITEM:**

K. Zoppa will amend the draft policy and send the revised draft to the Operations Committee.

It was moved: Repski/Mearon

**That the Policy on Relationship between Board and Stakeholders be adopted with amendments, and added to the Code of Conduct Policy.**

...CARRIED

4. Other Business

i. Report from Operations Committee

- Need a contribution from the DB Committee for the Fall Newsletter; have something from the Operations Committee and DC Committee.
- Approached 4 national audit firms: BDO Dunwoody, Price Waterhouse, Ernst & Young, and Meyers, Norris, Penny to submit proposals for Plan audit services. KPMG will also send proposal. Have received two proposals and expect to receive the other two in the near future.

A concern with timing was noted as the Plan Auditor usually starts some work on the audit in December. A concern was also raised with the potential loss of efficiency stemming from a change in auditors.

Because of time constraints, it was suggested that the criteria for selecting an auditor be set by email.

It was moved: Gilroy/Emslie

**That the Operations Committee be vested with the authority to make a decision concerning the selection of an auditor on behalf of the Board.**

It was moved that the motion be amended as follows: Gillis/Josephson

**That the Operations Committee be vested with the authority to make a decision concerning the selection of an auditor on behalf of the Board. Mike Emslie will sit on the Committee as a consultant for this purpose but will not have a vote. The Board will be informed of the selection criteria but will not be asked for approval.**

...CARRIED

ii. Report from DC Committee

- An update meeting was held with the Sun Life Representative today.
- The results of the DC Member Survey were reviewed. A summary of the survey results will be provided for broad communication in the Fall Newsletter. As a result of the survey, the DC Committee will be examining education offerings, reviewing the default fund and looking at fund fees. The DC Committee expects to have recommendations ready by February 2010.
- It was reported that the recently conducted DC Education Session was very well received by participants. Suggestions were made to offer different levels of education to encourage members to attend sessions more than once and to have multiple time slots for the sessions to cover various schedules. It was suggested that alternative methods of publicizing Education Sessions should be looked at (dedicated email address for the Board of Trustees).

iii. Report from DB Committee

- Interest Rate Error – A letter was received from the plan administrator acknowledging the error and offering some compensation.

It was moved: Gillis/Repski

**That the Board accept the offer. A reply will be sent addressing some of the issues outlined in the letter.**

... CARRIED

- Timing of CRA approval – Doug Poapst will follow-up with CRA after November 27<sup>th</sup> if an answer has not been received by then. If a response has not been received from CRA by December 4<sup>th</sup> a further extension will be requested from the Superintendent.

It was also noted that some issues need to be resolved in advance of the surplus distribution payments being made, such as the issue of a minimum payment to pensioners. Doug Poapst also needs to calculate the individual payment amounts.

**ACTION ITEM:**

Follow-up with Doug Poapst on December 4<sup>th</sup> re answer from CRA to determine if an extension needs to be requested.

**ACTION ITEM:**

The DB Committee is to meet in order to review options for a minimum payment to pensioners. A recommendation is to be provided to the Board within next two weeks.

Next meeting is to take place in January, 2010.

L. Repski moved that the meeting be adjourned.

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Chair

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Secretary