

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

**Minutes of the Meeting of**  
**Monday, December 10, 2018**

ATTENDANCE:

Present: Henry Hudek (Chair), Mike Emslie (Treasurer), Colin Morrison, Murray Wiegand, James Townsend, Lorne Hilton, Laurel Repski (Vice-Chair), Andrew Bendor-Samuel, Barry Barske, Bill Evans, Ray Erb, Ed Byard.

Regrets: Mark Betcher (Secretary), Trevor Yuriy, Ron Youngson

Also In Attendance: Mary Anne Walls (Admin Support)

i. Approval of Agenda

It was MOVED: (M. Wiegand/R. Erb)

**That the agenda be approved as amended.**

...CARRIED.

ii. Approval of Minutes of the meeting of September 10, 2018

It was MOVED: (L. Repski/L. Hilton)

**That the minutes of September 10, 2018 be approved as submitted.**

...CARRIED.

1. Reports from Committees

i. Report from DB Committee (met November 21, 2018)

M. Emslie reported for the DB Committee. The Committee met with Jeffrey King via teleconference to review third quarter results. It was noted that the plan was doing well through 2018 until October. The news for the fourth quarter is not good so far. Sprucegrove is not performing as expected. A manager search was conducted a year ago and at that time it was felt that since Sprucegrove continued to behave according to their mandate, the hope was that they would perform well in a down market. Since that is not happening, the Committee will need to re-evaluate. It was noted that an alternate firm was decided on a year ago, and as such if Sprucegrove's performance does not improve, the Committee may make a recommendation for a change without doing a further manager search. A question arose as to how long the evaluation process may take. M. Emslie indicated that Sprucegrove is being closely monitored and that a decision can be made fairly quickly.

M. Emslie indicated that Jeffrey King proposed some updates to the DB SIPP in terms of language and indexes, including the change in the name of the FGP bond fund that was reported at the last meeting of the Board.

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

**That the revised DB SIPP be approved as presented.**

...CARRIED.

M. Emslie also reported that the DB Committee finalized the RFP for an Asset Liability Modelling study. The RFP has gone out with responses expected early January 2019. M. Emslie noted that he is working on developing a funding policy for the plan.

ii. Report from the DC Committee (met November 19, 2018)

In the absence of M. Betcher, L. Repski reported for the DC Committee. The Committee reviewed Sun Life's Action Plan. Sun Life has reverted to previous termination letter wording that they had previously agreed to change; M. Betcher is following up with Sun Life. The Committee also reviewed the service standards report. It was noted the current Sun Life representative assigned for 2018 may be continuing on in that capacity.

Other items discussed by the Committee were as follows:

- Sun Life is working on a diversification campaign targeting specific members. M. Betcher will follow up to determine if Sun Life can provide an education session on diversification; if not, may need to look at providing it externally.
- The Committee has noted that a lot of members are invested in the TDAM Balanced Fund which shows a lack of conscious decision making; the Committee may consider closing the Fund in order to force plan members to make an active decision.
- The DC Risk Assessment was reviewed. It was noted that operating costs/fees, should be reviewed every few years. It's been about five years since the last DC RFP was conducted so will need to revisit in the next couple of years. In the meantime, M. Betcher will review the Sun Life agreement to determine whether the costs/fees can be renegotiated.
- Reviewed the calendar of deliverables.
- Have added a review of CAP guidelines to every DC meeting.

L. Repski also reported that the University has been working on a project with other pension plan stakeholders, looking at the DC plan. The group will be tabling a findings document with the University executive as well as the plan stakeholders early in the New Year; can also provide the report to the Board. Willis Towers Watson had conducted an education session for the group, reviewing the University's plan vs. other plans, and would be willing to do a similar presentation for the Board. It was noted that it may be valuable to provide the session to the entire Board rather than just the DC Committee. Since the Operations Committee has responsibility for Board education, it will review the presentation and decide where it may fit in the Board education calendar.

iii. Report from Operations Committee (met December 3, 2018)

E. Byard reported for the Operations Committee. The Operations Committee is recommending the draft 2019 budget for approval. It was noted that the biggest change in the budget is the planned ALS study. M. Emslie indicated that the cost of the study may be a bit less than projected.

It was MOVED: (E. Byard/L. Hilton)

**That the 2019 draft budget be approved as presented.**

...CARRIED.

The Committee reviewed the third quarter Financial Statements which have been provided to the Board for information. E. Byard indicated that the Committee made a housekeeping change to the Calendar of Key deliverables moving the presentation of a revised DB SIPP from the September Board meeting to the December Board meeting in accordance with current practise.

The Committee has set the dates for 2019 Board meetings as follows:

Monday, March 11, at 2:00 p.m.  
Monday, June 3, at 2:00 p.m.  
Monday, September 9, at 2:00 p.m.  
Monday, December 9, at 2:00 p.m.

E. Byard reported that the Plan Actuary received a letter from the Superintendent of Pensions requesting a pension plan consolidation. The Committee is recommending that the consolidation be done by Eckler since their work would include a peer review process. Following a discussion it was decided that the consolidated Plan text should also be reviewed by the Plan's legal counsel.

It was MOVED: (E. Byard/R. Erb)

**That Eckler be instructed to proceed with the Plan text consolidation, following which the consolidated Plan text will be reviewed by the Plan's legal counsel, Fillmore Riley. Final review of the consolidated Plan text will be done by the Operations Committee, who will then provide the Plan Actuary with filing instructions.**

...CARRIED.

The Operations Committee also reviewed the Trustee Education guidelines and is recommending that the guidelines be changed to increase the threshold above which Operations Committee approval is required for education expenses. The recommended increase is from \$100 to \$200.

It was MOVED: (E. Byard/R. Erb)

**That the threshold be increased from \$100 to \$200 for Trustee Education expenses requiring Operations Committee approval.**

...CARRIED.

The Committee also discussed deliverables. E. Byard indicated that when the Plan's legal counsel reviewed Plan governance last year he made recommendations with respect to accessibility and transparency. As a result of the recommendations, the Operations Committee implemented the use of Civic Web for all meeting documents. The Committee noted that all Terms of Reference documents need to have their review dates updated to reflect the most recent reviews. The Trustee education plan for the rest of the Board year has been set, following which the Operations Committee will be canvassing Trustees and will also look at the Towers Watson presentation. There are no outstanding service agreements that need to be tendered. E. Byard noted that the Plan Services Agreement between the University and Board is in the process of being reviewed.

E. Byard indicated that there are a number of Trustees whose terms of office will be expiring June 30, 2019, including: both of the AESSES Trustees, two UWFA Trustees, one UWRA Trustee as well as the Board Chair. The Committee will need to look at external Trustee nominations, depending on whether H. Hudek decides to continue on the Board.

It was noted that L. Repski will be retiring from the University and as a result, a new Vice-Chair needs to be elected. A nomination was received from M. Emslie, nominating C. Morrison for the position. C. Morrison accepted the nomination, and with no further nominations forthcoming, was confirmed as Vice-Chair by acclamation. Laurel was thanked for all her hard work on the Board over the last 10 years.

## 2. Other Business

Andrew Bendor-Samuel presented Trustee education highlighting trustee fundamentals. The main areas touched on included: key legislation, fiduciary obligations, checking all fee levels frequently, review of SGE factors, accessibility of plan documents to Trustees, and errors and omissions insurance for Trustees.

It was confirmed that the Board of Trustees has errors and omissions insurance which would cover the Board/Trustees in the event that the Board/Trustees are sued; however, the coverage does not cover fines. The University is looking at additional insurance, although it was noted that the Board/Trustees are not susceptible to fines in the same way that University Officers are, and that the current coverage is likely adequate.

## 3. Adjournment

As there was no further business to come before the Board, H. Hudek called the meeting to be adjourned.

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Chair

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Secretary