

THE UNIVERSITY OF WINNIPEG
TRUSTEED PENSION PLAN
BOARD OF TRUSTEES

Minutes of the Meeting of
Monday, March 12, 2018

ATTENDANCE:

Present: Henry Hudek (Chair), Mike Emslie (Treasurer), Mark Betcher (Secretary), Barry Barske, Bill Evans, Colin Morrison, Ed Byard, Murray Wiegand, Ray Erb, James Townsend.

Regrets: Lorne Hilton, Laurel Repski, Trevor Yuriy, Ron Youngson, Andrew Bendor-Samuel.

Also In Attendance: Mary Anne Walls (Admin Support).

i. Approval of Agenda

It was MOVED: (R. Erb/B. Evans)

That the agenda be approved as submitted.

...CARRIED.

ii. Approval of Minutes of the meeting of December 4, 2017

It was MOVED: (C. Morrison/B. Barske)

That the minutes of December 4, 2017 be approved as submitted.

...CARRIED.

1. Reports from Committees

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

M. Emslie indicated that the Committee met with AON for the purpose of the year-end review. Generally, the Fund did well, slightly outperforming the benchmark (not taking into account fees). FGP did well. Somerset also did well, although they lagged their benchmark due to being underweight in IT holdings. This was not noted to be a concern as their positioning should provide some protection during a down market. M. Emslie noted that Sprucegrove has created a new fund with increased emerging markets exposure. Since we already have exposure to emerging markets, the decision was made to not move assets into the new fund. However, other Sprucegrove investors moved their assets to the new fund, which has resulted in the percentage of our ownership of the current fund to increase beyond the 10% exposure limit for any one fund that is set out in the DB SIPP. Both AON and the DB Committee are comfortable with the increased exposure.

M. Emslie noted that FGP changed the name of their Corporate Bond Fund to reflect the fund's expanded holdings. Both AON and the DB Committee are comfortable with the changes. M. Emslie and H. Hudek are having discussions with A. Kulyk concerning investment mix options.

The Committee reviewed CAPSA guidelines and the DB Committee Terms of Reference. It was noted that the DB rate of return is still outstanding (M. Walls to follow up). The Committee also discussed the MB pension legislation review.

ii. Report from the Operations Committee (met March 5, 2018)

E. Byard indicated that the Committee conducted a custodial services review; no service issues were noted. The Committee also reviewed Trustee education and is suggesting that when the current review of the MB Pension Benefits Act has been completed, a Trustee education session relating to PBA changes will be conducted. With respect to proposed PBA changes, it was noted that MGEU, AESSES as well as Eckler have made submissions to the government, although the Committee is not aware of the content of those submissions. Potential PBA changes include items such as introduction of target benefit plans, changes to solvency and going concern funding, compulsory membership, etc.

The Committee reviewed CAPSA guidelines. It was noted that the DB Committee also completed their CAPSA review. Confirmation from the DC Committee is pending concerning their CAP/CAPSA review. As part of the governance review, specifically access to committee documentation, it was noted by M. Walls that the Civic Web file storage will be operational for the next meeting; relevant documents will be uploaded retroactive to January 1, 2018.

E. Byard confirmed that he was re-elected by UWRA for a further two-year term, and that Ray Erb accepted a further three-year term as an External Trustee. As a result, there are no vacancies on the Board for June 30, 2018. The Committee reviewed the audit plan for 2018. No deviations from prior audit plans were noted. The cost of the audit is expected to be a bit higher than last year, which the Committee had been aware of from the RFP process. The Committee also reviewed the Calendar of Deliverables. E. Byard noted that a reminder concerning the Annual Report to plan members was sent to Chairs.

The Committee reviewed the 2018 fee schedule from Eckler. It was noted that starting from 2019, Eckler will start charging for producing lump sum payment authorizations. The Committee also reviewed the Plan amendments which are mostly housekeeping in nature. The amendments will be coming to the June meeting of the Board for approval.

iii. Report from DC Committee (met February 21, 2018)

In the absence of R. Youngson, M. Betcher provided the DC Committee report.

M. Betcher noted that the Committee met with Sun Life for the purpose of the annual investment and plan review. It was noted that there has been no shift this year in member contribution allocation. Market Funds represent only 1% of allocations, which is a good thing. The one Fund that had been on Sun Life's watch list has been removed; currently there are no Funds on the watch list.

A couple of items were raised by Sun Life for future consideration by the Board. The first is implementing an automatic transfer of funds for terminated plan members from the Plan to Sun Life's Group Choices plan after 90 days. It was noted that the fees would likely be higher in the Group Choices plan, although no information on fees was provided by Sun Life. The second is a suggestion by Sun Life to implement a TFSA. It was noted that the University would need to

agree to the TFSA as it would be a University contract. M. Betcher informed the Board that as at December 31, 2017, only \$60 was invested in the new Fossil Fuel Free fund. M. Betcher noted that since the entire meeting was devoted to the Sun Life review, the balance of the agenda has been deferred to the next meeting of the Committee.

J. Townsend joined the meeting.

2. Other Business

Civic Web:

- It was confirmed that there is no intent to duplicate information that is already on the publicly accessible Trustee web page, with the exception of the Board minutes which will also be posted to Civic Web to ensure that all Trustee meeting materials are accessible from the same location. Starting with the June meeting, Trustees will receive a link with sign-in information for Civic Web where an electronic Agenda will be posted with links to any relevant Board material. The Agenda will also continue to be sent as an attachment to the meeting reminder email for easy reference.

Trustee Education:

- C. Morrison attended a session through PH&N on Investment Perspectives. The session dealt with investment outlook and investment evaluation. C. Morrison noted that the session was not particularly useful as the information was mostly theoretical with no practical application.

3. Adjournment

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

H. Hudek called the meeting to be adjourned.

Chair

Secretary