

Meeting Minutes

Saint Mary's University Pension Committee

Committee Members – Present		Regrets	Committee Support - non voting
Gabe Morrison	John Irving	Ashraf Al Zaman	Darrell Rooney, Financial Services
Marc Patry	David Lane	Lori Francis	Maureen Hayward, Financial services
Cindy Harrigan	Kim Squires	Joe Chrvala	Sheree Delaney, HR Officer
Rob Thacker	Nicola Young	Zak McLaren	Todd Saulnier, Pension Consultant, Mercer Lori Park, Pension Consultant, Mercer

The Chair called the meeting to order at 10:05 a.m.

1. Pension Committee Meeting Minutes (November 10, 2016)

MOTION: To adopt the November 10, 2016 committee minutes.

Motion: Nicola Young
Second: Kim Squires

In Favour: 7
Opposed: 0
Abstentions: 0

Carried

**2. Pension Committee financial report – September 30, 2016 and December 31, 2016
(Maureen Hayward)**

Maureen Hayward reviewed the September 30, 2016 and December 31, 2016 financial reports. Maureen Hayward noted that the fees are in compliance with the agreement with SunLife. Maureen Hayward notes that there are some variances because of individual transactions. Maureen Hayward noted that there will be adequate funds to continue the Pension Committees' work for the remainder of the 2016/2017 year.

3. Report from subcommittees:

• **Investment**

Rob Thacker reported that the Subcommittee along with Maureen Hayward, Sheree Delaney and Todd Saulnier had met on December 6, 2016.

Rob Thacker noted that as part of the Investment Subcommittee terms of reference, the members regularly review the Statement of Investment Policy and Goals (SIP&G). Currently, there is one portion of the asset mix which is unfilled, Global Small Cap Equity Fund. At the time the new asset mix was implemented, as part of the target date fund implementation, there was no suitable fund on

the SunLife platform. Mercer has conducted an initial screening, which indicated that there are not suitable funds currently available but there may be funds through the SunLife Open Investment Solution (OIS) option. The Pension Committee has used the OIS option to add funds previously.

MOTION: The Investment Subcommittee to conduct an evaluation and search for a Global Small Cap Equity Fund available through the Sun Life Open Investment Solution (IOS) option to fulfill the vacant allocation in the Pension Plan SIP&G and provide a recommendation to the Pension Committee.

Motion: Rob Thacker
Second: John Irving

In Favour: 7
Opposed: 0
Abstentions: 0

Carried

Rob Thacker reported that the bulk of the fixed income portion of the Base Portfolio is filled with the BlackRock Canadian Bond Index which is based on the bond universe. In 2013, the Investment Subcommittee reviewed the active versus passive bond management and other options to enhance the return on fixed income funds. Passive bond management is one of the underlying beliefs incorporated in the SIP&G. According to the analysis prepared by Mercer there are several active bond fund options that can offer the possibility of better returns that will out-perform the benchmark by more than enough to cover the additional fees paid for active management.

There was discussion around the table and Nicola Young noted that an expansion of choices is good.

MOTION: The Investment Subcommittee to conduct an evaluation and search for a bond fund to improve overall returns, net of fees, for the fixed income portion of the pension plan investments, including consideration of funds with active management and including non-Canadian bonds and other investment options defined within the Core Plus strategies, and provide a recommendation to the Pension Committee. The Subcommittee to draft updated Statement of Investment Policies and Goals to include active bond management and investment in out-of-benchmark, mostly non-Canadian, fixed income and derivative strategies to enhance returns on fixed income investments.

Motion: Rob Thacker
Second: Nicola Young

In Favour: 7
Opposed: 0
Abstentions: 0

Carried

Kim Squires requested that communication material be developed to explain the changes to Pension Plan members.

- **Internal agents**

Nicola Young reported to the Pension Committee that the Delegation of Plan Functions to the University as Internal Agents had become less and less formal so the Internal Agents Subcommittee would like to introduce new forms that would be signed by the respective areas that their responsibilities have been delegated.

MOTION: To adopt the forms as amended at the April 3, 2017 meeting.

Motion: Nicola Young
Second: Marc Patry

In Favour: 7
Opposed: 0
Abstentions: 0

Carried

Gabe Morrison, Chair left the room at 10:35 a.m.

Nicola Young reported that the Chair Assessment had been completed and reported to the Chair. There were 10 surveys completed as one Pension member was on sabbatical. Nicola Young noted that there were two outliers so the results were reported to Gabe Morrison, Chair both ways, 3.11 out of 4.0 and 3.68 out of 4.0.

Gabe Morrison returned to the room at 10:40 a.m.

- **External agents – Retention and Supervision of agents (external)**

No report.

ACTION: Sheree Delaney will email the External agents survey to the Pension Committee Members and Committee Support members.

- **Education – (Kim Squires) Education/Information sessions update**

Kim Squires reported that the following Education/Information sessions have taken place:

- January 1, 2017 in conjunction with the Wellness initiatives held a Homebuying Insights with RBC. There were 7 attendees.
- February 2017 an email sent out to Pension Plan members to promote RRSP season.

Kim Squires reported that the following Education/Information sessions are upcoming:

- Annual Retirement Session scheduled for April 22, 2017 and currently 22 members plus 8 Spouses/Partner registered.
- May 12, 2017 a SunLife education session targeted for mid-career.

MOTION: To adopt the Pension Subcommittee Terms of References as amended at the April 3, 2017 meeting.

Motion: Cindy Harrigan
Second: Kim Squires

In Favour: 7
Opposed: 0
Abstentions: 0

Carried

ACTION: Sheree Delaney will update the Terms of Reference for each of the Subcommittees as agreed at the April 3, 2017 Pension Committee meeting.

ACTION: Gabe Morrison and Sheree Delaney will review Subcommittee membership for the next meeting.

4. Pension Committee Governance

a. Report to the Board (Chair –verbal)

The Chair reported that the Board of Governors was provided with the slide presentation from the 2016 Pension AGM, a summary of the Mercer report and the Committee's self-assessment report including the change regarding the NSGEU vacancy.

b. CSAE 3146 Report (Darryl Rooney - verbal)

Darrell Rooney reviewed the CSAE 3146 Report and reported to the Pension Committee that he has no major concerns with the report and that it was consistent with prior years. Darrell Rooney noted that SunLife had provided a bridging letter for the period from December 1, 2016 to December 31, 2016.

The Pension Committee agreed to adopt the report as received.

c. CAP Guidelines Certification (Darryl Rooney – verbal report)

Darrell Rooney confirmed to the Pension Committee that the SunLife Certification is consistent with CAP Guidelines.

The Pension Committee agreed to adopt the Certification as received.

5. Other Business

- a. Next meeting** – June 1, 2017 from 3:00 p.m. to 5:00 pm
- b. AGM** – June 20, 2017

6. Adjournment

The meeting adjourned at 10:55 a.m.