

Meeting Minutes

Saint Mary's University Pension Committee

| Committee Members – Present | | Regrets | Committee Support - non voting |
|-----------------------------|-----------------|------------------------------|---|
| Gabe Morrison | Marc Patry | Keith Hotchkiss | Darrell Rooney, Financial Services |
| Kim Squires | Jeff Power | David Lane | Maureen Hayward, Treasury |
| Cindy Harrigan | Lori Francis | Rob Thacker | Sheree Delaney, HR Officer |
| Joe Chrvala | Darlene Goucher | Yigit Aydede (sabbatical) | Todd Saulnier, Pension Consultant, Mercer |
| Nicola Young | | | Lori Park, Pension Consultant, Mercer |

1. **Call to Order**

The Chair called the meeting to order at 11:00 a.m.

2. **Pension Committee Meeting Minutes (April 22, 2014)**

MOTION: To adopt the April 22, 2014 committee minutes.

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| Motion: | Joe Chrvala |
| Second: | Nicola Young |
| In Favour: | 8 |
| Opposed: | 0 |
| Abstentions: | 0 |
| Carried | |

Lori Francis joined the meeting at 11:20 p.m.

3. **Business Arising from the Minutes**

a. Investment and Education Subcommittee meeting

Todd Saulnier, Mercer provided the Pension Committee with an overview of the Target Date Fund Project Implementation. Todd Saulnier, Mercer reported that when the Investment and Education Subcommittees had met on May 1, 2014, there was much discussion surrounding the default transition approach and the sub committees concluded that best approach was to map current mix to target date that is closest to the matching and were recommending this approach to the Pension Committee.

Communication and Education Plan Overview: Notify members at the AGM, develop communication material, have SunLife provide individual statements to members, organize group sessions conducted by SunLife, do written reminders and follow ups, have SunLife provide individual confirmations statement and report to Committee post implementation.

Target Date Glidepath and Portfolio Construction Overview: Prepare analysis, review and make recommendations to Pension Committee, assist Education Subcommittee on background information for employee communication, confirmation documentation to SunLife.

There was some discussion surrounding the timelines and the default transition approach. Nicola Young expressed concern surrounding a member who may be fairly young and have their pension funds invested in a money market account. Todd Saulnier, Mercer commented that the communication piece surrounding the transition would be important to ensure that members review the default fund to ensure that it is an appropriate fund for them.

MOTION: To adopt the Default Transition Approach and map current mix to target date that is closest to matching mix.

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| Motion: | Kim Squires |
| Second: | Joe Chrvala |
| In Favour: | 9 |
| Opposed: | 0 |
| Abstentions: | 0 |
| Carried | |

3. **Pension Committee Financial Report – March 31, 2014**

Maureen Hayward reported to the Pension Committee that the March 31, 2014 report had been completed within the 45 day timeframe and included a breakdown of expenditures, Committee activities and a detailed breakdown of the funds. Maureen Hayward noted that there was an excess in expenditures over the budget for 2013/2014 so money from the Pension Governance Reserve was used to fund other expenditures over budget.

Jeff Power noted that the dollar amount allocated to the Pension Committee each year had not changed in a number of years and asked what was the procedure to request additional funds. Kim Squires reported that the Pension Committee would propose recommendation to the Budget Committee.

Action: Gabe Morrison will review the funding for the Pension Committee over the summer.

4. **Investment Monitoring Report**

Todd Saulnier, Mercer provided the members with an overview of the Investment Monitoring Report for the year ended March 31, 2014 which was distributed to Pension Committee members prior to the meeting. Todd Saulnier advised members the main purpose of the report is to review and evaluate the current investment managers used within the investment structure of the Saint Mary's University Pension Plan.

Todd Saulnier reviewed Members behaviour and how members have their funds allocated. There was some discussion surrounding how the change to Target Date Funds may change the members' behavior.

5. **SunLife Financial confirmations**
a. **CSAE 3416 Report (former CICA 5970 Report)**

Darrell Rooney reported to the Pension Committee that the the review of these reports had been moved to the Spring meeting as per the request of the Pension Committee to ensure they are reviewed closer to the period that is being reported. Darrell Rooney reported that this was the second year in transition. Darrell Rooney reported that there were no deviations.

b. CAP Guidelines Certification

Darrell Rooney reviewed the CAP Guidelines Certification provided by SunLife Financial which satisfies the requirements under Section 6.1 of the CAP Guidelines. Darrell Rooney noted that it was consistent with prior years.

MOTION: To accept the CSAE 3416 Report (former CICA 5970 Audit Report) and the CAP Guidelines Certification.

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| Motion: | Nicola Young |
| Second: | Cindy Harrigan |
| In Favour: | 9 |
| Opposed: | 0 |
| Abstentions: | 0 |
| Carried | |

6. Pension Committee Governance

- a. Election of Subcommittee Members – As the Pension Committee is currently in the middle of transitioning to Target Date Funds, with the approval of the Pension Committee, the Chair proposes that the Subcommittees stand.**

MOTION: To adopt that the membership on the Subcommittees stand during the transition process to Target Date Funds.

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| Motion: | Kim Squires |
| Second: | Marc Patry |
| In Favour: | 9 |
| Opposed: | 0 |
| Abstentions: | 0 |
| Carried | |

7. Standing Report from subcommittees:

- **Investment**

No report.

- **Internal agents**

No report

- **External agents**

No report

Action: Gabe Morrison will schedule a meeting of the External Agents Subcommittee over the summer.

- **Education**

Kim Squires reported that the following sessions have been completed since the April 22, 2014 Pension Committee meeting:

1. The Annual Retirement Day - April 26, 2013. 13 employees plus 5 spouses/partners attended.
2. Successful transition to Retirement – April 30, 2014 – 9 attendees
3. Pension Member Responsibilities and How to Select a Financial Advisor delivered by Dan Radisuela, RBC – May 22, 2014 – 20 attendees

8. **Other Business**

- a. AGM – June 26, 2014

There was some discussion surrounding the draft agenda. The Pension Committed agreed that there should be additional information provided on Target Date Funds.

10. **Adjournment**

The meeting adjourned at 12:50 p.m.