



Pension Committee Meeting #113 Minutes

Date of meeting: 26-Nov-2024
Time: 9:00am - 10:30am
Location: Teams Meeting

PENSION COMMITTEE MEMBERS
Voting Members

COMMITTEE SUPPORT
Non-Voting Members

- Chair - Ayo Makanjuola - absent
Chair - Florian Muenkel (SMUFU)
Christine Panasian (SMUFU)
John Fiset (SMUFU)
Rob Thacker (SMUFU)
Nabil El Meslmani (SMUFU) - absent
Margaret McKee (SMUFU)
John Irving (SMUFU)
Sarah Gough (NSGEU)
Greg Hilliard (NSGEU)
Shannon Rhode (NSGEU)
Mark Moffett (Non-union)
Todd Williams (Non-union)

Meghan Thorpe, People & Culture
Jonathan Croft, Mercer

Meeting called to order at 9:03am.

- 1. Approval of Agenda
2. Approval of Minutes

Table with 3 columns: Chair, Meeting Content, and Actionable Items. Contains details of agenda approval and minutes approval motions.

- 3. Business Arising from the Minutes
a. Environmental, Social, and Governance (ESG)

Jonathan	Will cover when he reviews the Monitoring report.	Actionable Items:
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b. Pension Docs on website

Meghan	The Pension website has been updated with all current dated or most recent version of material.	Actionable Items:
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4. New Business

a. Pension Financial Report to Sep 2024

Chair	<p>Florian shares the report on the screen. He points to the Fee Reconciliation section at the bottom of page one and notes that the committee usually highlights this section as it is a comparison of what our Financial Services department projects the fees should be versus what is charged by Sun Life. There is always a slight variance due to the way the Sun Life fees are charged, but as long as the variance is low, this means the fees being charged are correct. At 0.08% variance, this is in line with expectation.</p> <p>There is not much projected in the budget yet for the current fiscal year. We will see a charge from Mercer for the Monitoring Report and other services rendered in the next quarter.</p> <p>Pension governance reserve is empty due to legal fees incurred over the pension grievance that was settled last year.</p> <p>A question was raised from Todd regarding the elimination of the past-dated TDF portfolios, ie, the TDF 2020. Jonathan confirms standard practice is that these funds are usually left active for 4-5 years past the date and will eventually get removed off the platform, and assets within that fund will get moved to the Retirement fund.</p> <p>Chair – States the Pension Financial Report to September 2024 has been accepted as submitted.</p>	Actionable Items:
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b. Monitoring Report

Jonathan	Jonathan reviews the Monitoring Report in detail. It is from 01-Apr-2023 to 31-Mar-2024. Overall, strong performance is driven by large CAP equities.	Actionable Items:
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c. New CAP Guidelines

Jonathan	Jonathan shares the New CAPSA Guidelines Report. These do not have the force of law but are guidelines that are generally viewed as best practices and committees would be well served to comply with the guidelines if ever challenged from a legal aspect. He points to two new/updated guidelines (No 3 and No 10) as a focus for the committee in 2025 – member education framework and governance framework.	Actionable Items:
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d. Hot Topics – pension plan flexibility

Jonathan	Defined Contribution plans are historically retirement focused. Some companies are becoming more interested around holistic financial health – retirement is important and a key focus but not the whole picture. For example, younger members have different accumulation goals at their stage of life, and not necessarily making an income that requires a full 14% retirement savings. A number of plan sponsors have recognized that members are in different stages in their life and are allowing members to shift a little bit of savings away from the retirement fund and into a TFSA, for example. If an organization is exploring this flexibility, it must be conscious that they are not significantly reducing member's retirement position. Education and engagement would be key to this strategy. There is discussion among the Committee Members, and for today's meeting purpose it was just mentioned as an idea to potentially explore in the future.	Actionable Items:
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5. Subcommittee Updates

Investment	<p>Christine (Chair of Investment Subcommittee) provides an update from their last meeting (Oct 30). She notes to Jonathan that a section on ESG needs to be added to the committee's Statement of Investment Policies & Goals. Todd comments that we should ensure alignment with broader University goals to be consistent with regards to our ESG policy wording.</p> <p>Motion: Adding TDF Portfolios 2060 & 2065 to our platform.</p> <p>Made by: Christine Seconded by: Rob</p>	Actionable Items: Jonathan to have Sun Life add 2060 and 2065 and remove 2020 and move those to retirement funds.
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	In favor - all	
Internal Agents	No update – subcommittee is still without a Chair.	
External Agents	Jonathan exits the meeting. Florian (Chair of the External Agents Subcommittee) provides an update. The Subcommittee organized and executed a survey via electronic poll to voting members of the Committee. Florian reviews survey results on Mercer and Sun Life, reporting no major flags with either service provider.	
Education	<p>Sun Life has agreed to host two customized member education sessions in 2025. One is the annual Retirement Readiness session in May. The subcommittee has narrowed down the topic of the other one (in February) to two topics: Your Health and Wealth or Reviewing Your Financial Roadmap. Meghan will be sending our a poll via email to members to vote on the topic that is of most interest to them.</p> <p>Included in the last SMU Community Bulletin was a link to all free financial wellness sessions offered by Sun Life during the academic year of 2024/25. This was also included in the fall Benefits Bulletin sent to staff members enrolled in the health plan.</p>	<p>Meghan to send a poll to pension plan members to vote on one of two choices for an education session.</p>

Remainder of items on the agenda are non-urgent and due to time constraints of the meeting, will be moved forward to the next meeting's agenda.

Without further business to address, the meeting is adjourned at 10:31am.

Respectfully submitted,

Meghan Thorpe
Benefits & Pension Consultant
People and Culture