
**Meeting Minutes
Saint Mary's University Pension Committee**

Committee Members – Present		Regrets sent	Committee Support - non voting
Larry Corrigan, Chair	Julee Adams	Lori Francis	Ron Cochrane, Advisor
Walt Finden	Darryl Bruce		Lori Park, Mercer
Nicola Young	Sheldon Glick		Janine Rose, Recording Secretary
Cindy Harrigan	David Lane		Maureen Hayward, Mgr Treasury
Keith Hotchkiss	Jeff Power		
Kim Squires	Bob Cook		

Steve Sherwin and Sandra Kashbara from Sun Life financial were both in attendance for the meeting.

The Chair called the meeting to order at 2:00 p.m.

The following items were added or removed from the agenda:

- Nova Scotia Pension Review Discussion Paper – added
- Request to post the Monitoring Report – added
- Items #4 and #5 were removed from the agenda – Sheldon Glick indicated that these items had been addressed

1. Pension Committee Minutes (May 22, 2008)

Motion: David Lane
Seconded Kim Squires

That the minutes of May 22, 2008 be approved as amended.

Motion Passed:	In Favour	11
	Opposed	0
	Abstentions	1

2. Investment Monitoring Report

An electronic copy of the Investment Monitoring Report was circulated to Committee Members for review prior to meeting; hard copies were circulated to Members at the meeting. Yvan Breton, Mercer Investment Consultant provided highlights from the annual Investment Monitoring Report from the following sections and Members discussed the Investment Monitoring Report at length:

- Performance Summary as at March 31, 2008 (p 4)

Yvan explained the differences between active and passive investment managers. Passive managers aim to replicate the returns of the benchmark and active managers aim to beat the benchmark. No concerns were raised regarding the performance of the current funds offered through the Saint Mary's University Pension Plan.

- Executive Summary (p 5)

Yvan indicated that Saint Mary's University Pension Plan is currently using modified portfolios, which could be improved and would be discussed further. Yvan discussed items that are evolving in the DC plan market, indicating a move in plan sponsors towards target based funds.

The Chair indicated that this item would need to be added as a separate agenda item to allow for time to discuss in more detail.

- Canadian Equity, BGI – Comparison with the Mercer Active Pooled Funds Universe: Performance based fees for period ended March 31, 2008 (p 14)

A comparison of BGI to other Canadian Equity managers.

- BGI – Canadian Equity Sector Analysis – March 31, 2008 (C6)
- Canadian Equity, BGI – Comparison with the Mercer Active Pooled Funds Universe: Risk and Return Characteristics for the 4-year period ending March 31, 2008 (p 15)

Yvan indicated that BGI was one of the less volatile managers and that value was added consistently.

- Acadian Asset Management – Assets Under Management (p 17)

Yvan indicated that the drop was due mainly to the market and that Acadian continues to attract new clients.

- International Equity, Acadian – Comparison with the Mercer Active Pooled Funds Universe: Performance based fees for period ended March 31, 2008 (p 21)

A comparison of Acadian to other International Equity managers.

- International Equity, Acadian – Comparison with the Mercer Active Pooled Funds Universe: Risk and Return Characteristics for the 4-year period ending March 31, 2008 (p 22)
- Fees Analysis (p 39)

The fees analysis is completed every 2-years. Yvan reviewed the methodology for comparison.

- Comparison to Plans in Mercer's Fee Database (p 40-43)

Yvan reviewed the results of the survey and reviewed the conclusions. Overall the Saint Mary's plan remains very competitive, and the record keeper fees are also very competitive.

- GIC Analysis – Competitiveness of Rates (p 46)

Yvan reviewed competitiveness of rates indicating the rates are competitive when compared to the external index.

Janine Rose and Sandra Kashbara indicated that there is currently a process in place with Sun Life in which Sun Life notifies participants when they are approaching or exceeding the \$100,000 protection limit. At this same time, the participants are informed of the additional protection available. To access this additional protection a form must be completed in HR.

Walt Finden brought up his concern regarding the sub-prime issue and offering within the plan. Committee Members discussed the concern.

The Chair suggested adding the topic of Money Market funds and the sub-prime risk to a future agenda for further discussion.

- Investment Choice Review (p 47)

Yvan pointed out that the current plan offers model portfolios for five risk profiles; this current platform has communication challenges including several members selecting different portfolios for member and employer contributions.

Yvan suggested the Committee explore different plan options available including a new platform that is available from Sun Life for custom portfolios called the "Portfolio Series" platform or composite funds. Yvan also highlighted the benefits of this approach and indicated that fees for these options would need to be reviewed. Alternatively, the offering of target based funds could also be reviewed as another alternate plan option.

Sandra Kashbara indicated that since the portfolios were introduced additional vehicles have been introduced that should be reviewed. Sandra Kashbara reviewed the composite funds and provided a summary of the fees for these funds. The additional administration fees for offering these funds would be \$22,500.

Committee Members discussed the composite funds at length. The Chair indicated that he would work with Mercer and Sun Life to explore and review the available options. The item would be added to the next agenda as a separate item for further discussion.

3. Pension Review Panel Discussion Paper

Bob Cook indicated that SMUFU was reviewing the discussion paper and is considering responding.

Lori Park provided Committee Members with an overview of the discussion paper indicating the deadline for response is July 4, 2008. Although the paper is DB focused, Lori suggested that the Pension Committee may want to respond to the DC discussion questions.

Action – The Chair will coordinate and prepare a response to the questions on behalf of the Saint Mary's University Pension Committee. The response will be circulated to Committee Members prior to submission. Committee Members to send specific submissions to the Chair directly.

4. Debrief the Annual General Meeting (AGM)

Committee Members discussed feedback received from the AGM, indicating the feedback received had been positive. Committee Members received the following specific feedback from plan members:

- The Information and Education Sessions seem to be targeted at those nearing retirement and a suggestion was made to see more targeted education for the younger demographic (i.e. age 30-45).
- Members found the graph on the allocation portfolios based on age to be very helpful and the topic seemed to generate much discussion among plan members.
- Suggestion to have a specific example illustrating investment and fees specific to the plan member.
- Suggestion to explain to plan members why some funds are actively managed while others are passively managed.

5. Posting of the Monitoring Report on the HR/Pension Website

The HR/Pension website is available through the internet, and therefore, is not only available to plan members.

Mercer indicated the report should not be posted on the site if it is available to more than the plan members. Yvan also indicated that the Pension Committee is responsible for the selection and monitoring of funds, and Committee Members questioned the value added for plan members if the monitoring report was available to all members.

Committee Members agreed that a hard copy would be available in the Chair's office for viewing by plan members upon request.

6. Socially Responsible Investments

In interest of time, the Chair suggested this item be reviewed when the Committee Members review the investment options.

Adjourned 4:05 pm