

Minutes of the Meeting of
Monday, December 9, 2019

ATTENDANCE:

Present: Henry Hudek (Chair), Mark Betcher (Secretary), Colin Morrison (Vice-Chair), James Townsend, Barry Barske, Lorne Hilton, Andrew Bendor-Samuel, Murray Wiegand, Ed Byard

Regrets: Ray Erb, Mike Emslie (Treasurer), Ron Youngson, Roberta Marsh, Lorraine Parrington

1. Approval of Agenda

It was MOVED: (C. Morrison/M. Wiegand)

That the agenda be approved as presented.

CARRIED

2. Approval of Minutes of the meeting September 6, 2019

It was MOVED: (L. Hilton/A. Bendor-Samuel)

That the minutes of September 6, 2019 be approved as presented

CARRIED

3. Report from the DB Committee

Q3 Performance performance is lagging because Sprucegrove and FGP are underperforming, Sprucgrove because of their value basis and FGP because they have been struggling for 4 quarters. Their 1 quarter, 1 year and 2 year returns are all below the 95% percentile. Combined with the Committee s assessment they are not sticking to their stated values so the Committee is going to recommend replacing them.

Manager search is progressing well. The Committee met with 4 finalists and the Committee will meet December 18 to make a call on which of the 4 managers to move on. Two dividend managers are being considered, one value manager and one low-volatility manager that relies on analytics. It would be good to see if the Board has any willingness for a quick meeting in January to approve the recommendation of the DB Committee for the new manager which is planned to be finalized before the end of December.

ACTION ITEM: C. Morrison to circulate e-mail to set up an early January 2020 meeting for discussion on recommended fund manager.

The Committee is waiting to hear back from Andrew on the impact of the proposed change to the Bond glide path discussed with Willis Towers Watson. The Committee is looking at a move away from time and interest rates dictating a move to long-bonds and instead looking at using interest rates to trigger a

revising the SIPP soon, and not increase the allocation to long bonds in line with the current policy at the end of year.

4. Report from DC Committee

The DC Committee had some general discussion in regards to the service standards provided by Sun Life. There has been a concern raised with Sun Life with the calculation of relationship breakdown amounts.

5. Report from the Operations Committee

The 3rd quarter financial statements do not reflect anything out of the ordinary. The 2020 operating budget was reviewed including a comparison for the last 3 years going back to 2017. Eckler fees have increased. Education costs increased over the last year and are getting close to the \$15,000 budget. This is due to many Trustees taking training which will be beneficial to the Board.

It was MOVED: (E. Byard/L. Hilton)

That the 2020 Budget be approved as presented

CARRIED

2020 Board of Trustees meeting dates: March 9 2:00 pm
June 8 2:00 pm
September 21 2:00 pm
December 14 2:00 pm
Room to be determined

Calendar of Deliverables DC has added CAPSA as an ongoing review and SIPP in August.

CAPSA Guideline #4 M. Walls has been provided with the updated corrected copy. Major changes consolidated plan text has been filed. J. Langhan did a high level review of plan governance and had one recommendation more internal transparency on the committees (Civic Web). An education plan is also in place.

6. Trustee Education Policy

R. Erb had suggested to change the guideline to a policy. Trustees have a responsibility to educate themselves. Ops will support money should not be an obstacle provided the funds are available. ACPM has also been added as an education opportunity.

It was MOVED: (E. Byard/C. Morrison)

That the Trustee Education Policy be approved, with ACPM added, as presented

CARRIED

A revised date should be added using the format yyyy-mm-dd.

7. Other Business

No other business was discussed.

8. Adjournment

Chair

Secretary