



One University. One World. Yours.

Saint Mary's University Pension Plan

Annual General Meeting

June 2014

Agenda

- ✓ **Governance Overview and Financial Report**
 - Chair, Pension Committee
- ✓ **Pension Plan Investments**
 - Mercer
- ✓ **Presentation from Custodian and Record keeper**
 - Sun Life Financial
- ✓ **Open Forum**
 - Member comments and questions
- ✓ **Members' Luncheon**



Year in Review

- Pension Committee continues to focus on
 - Administering the plan prudently
 - Monitoring pension plan investments and our agents
 - Providing appropriate information support and tools to members
 - Reviewing Target Date Funds

Pension Governance – Mission Statement

The University and Pension Committee maintain the Pension Plan to assist Plan Members to achieve financial security in retirement. This assistance will take two forms:

Optimization of the pension plan

Timely provision of information and tools to support pension plan members in making informed and rational decisions regarding their retirement income

Our objective is to be 100% compliant with the Capital Accumulation Plan Guidelines as established by the Joint Forum of Financial Market Regulators



Member Support

- As pension plan member, you direct the investment of your pension assets
 - Members have the responsibility to use the tools and information provided to make appropriate investment choices
 - This may involve getting independent financial advice

- Pension Committee's responsibilities
 - Provide access to the right tools and information
 - Monitor use/utility of tools and information
 - Stay current with changes in pension environment
 - Respond to your feedback and questions

Pension Plan – education opportunities for plan members

- **Sun Life Information and Education Sessions**
 - E-mail and link to mobile application information
 - Your SMU Retirement and Plan
 - Advanced Investment Seminar and Individual Sessions
 - E-mail to promote saving and RRSP season

- **Pension information tailored to members nearing retirement**
 - Annual Retirement Seminar
 - One-on-one consulting – first session paid by SMU
 - Book purchase on retirement lifestyle

- **Successful transition to Retirement session**

- **Plan member Responsibilities & How to Select a Financial Advisor session**

- **HR Department one-on-one orientation sessions for new members**

- **Pension Website (SLF and SMU)**

- **Quarterly statements**

- **Annual General Meeting**

**Pension Committee met 3 times in 2013
and 2 times so far in 2014**

Pension Plan – financial / budget report

The pension committee has adequate funding to operate effectively:

- Operating funding → \$60,000 annual budget provided by SMU
- 2013/14 expenses → \$97,200

(pension consulting, member meetings and training, investment monitoring, information return to pension superintendent, member communication)

- **Reserve for pension administration**

→ decreased from \$86,400 to \$53,400

(\$86,400 - \$37,200 surplus + \$4,700 interest - \$400 admin fee)

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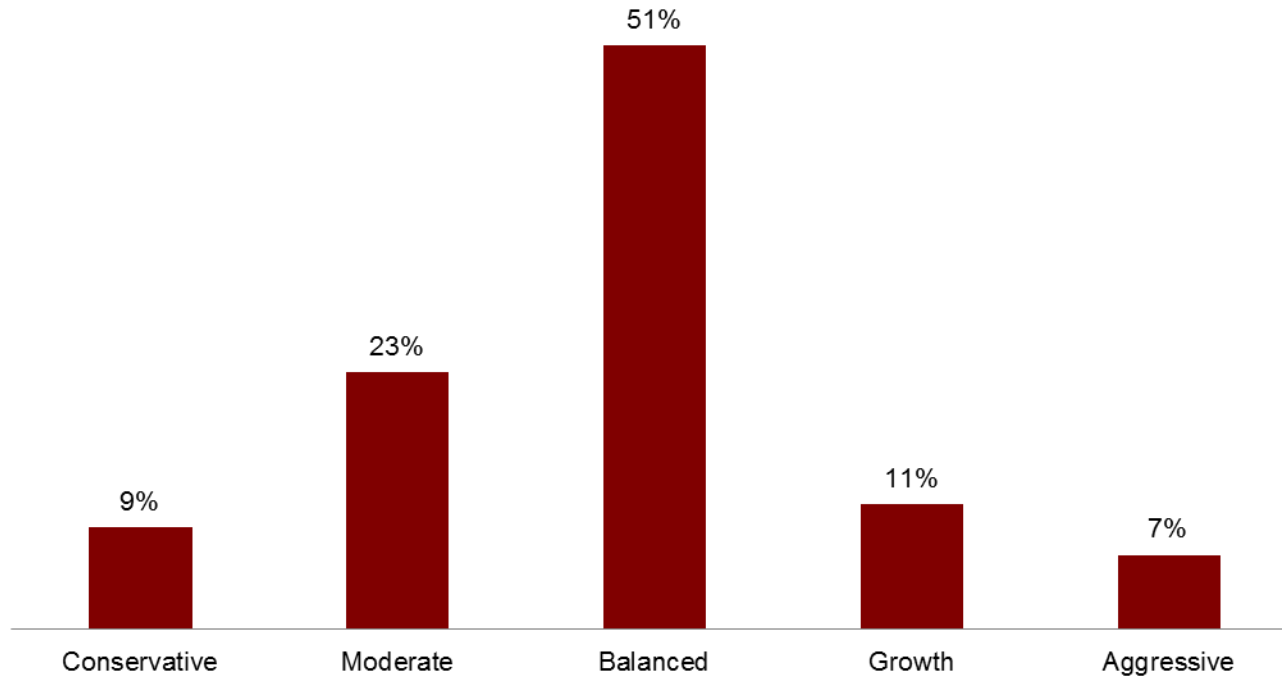
Pension Assets (\$ millions) – March 31, 2014

(928 members)



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Asset Allocation Portfolios - March 31, 2014



The above distribution shows the proportion of members in the various asset allocation portfolios
→ 857 of 928 SMU plan members (92.3%) participate in the asset allocation portfolios

Saint Mary's University Pension Committee

13 members – one vote each

- Faculty, 7 members appointed by SMUFU

Yigit Aydede, Lori Francis, Cindy Harrigan, Marc Patry, Rob Thacker, Nicola Young, Jeff Power

- Support Staff, 2 members appointed by NSGEU, Local 79

Darlene Goucher, David Lane

- Non-union Employees, Senior Director of HR + one member elected by non-union employees

Kim Squires, Keith Hotchkiss

- Custodial, Maintenance and Security Employees, 1 member appointed by NSUPE, Local 20

Joe Chrvala

- University, ex officio, Vice President, Finance & Administration (Committee Chair)

Gabrielle Morrison

Committee Support (non voting): Darrell Rooney, Maureen Hayward, Sheree Delaney



Coming Soon – Target Date Portfolios

- At last year's AGM, Rob Thacker provided an overview of target date portfolios as well as an update on the Committee's work on the topic to date
- Since that time, the Committee, with the assistance of Mercer, conducted further review and analysis of the relative merits of target date portfolios
- The Pension Committee has voted unanimously to move forward with the implementation of target date portfolios

Target Date Portfolios

- Diversified, multi-asset portfolios (e.g. equities, bonds) with varying risk levels depending upon the portfolios' time horizon to maturity (*i.e.* the date you plan to retire)
- As you progress through your career, target date portfolios gradually and automatically reduce your overall level of investment risk
- Designed for members who prefer to take a more “hands-off” approach to investing their pension assets

Target Date Portfolios: What to Expect

- Pension Committee has drafted a communication and education plan
 - November 2014: Communiqué to be sent with portfolio details and specific dates for education sessions
 - January 2015: Election forms to be provided
 - February/March 2015: Group education sessions held on target date portfolios
 - April 2015: Statements confirming investment selections to be sent to members
 - May 2015: Target date portfolios rolled out and assets mapped from current asset allocation portfolios

Extensive education to be provided, with plenty of opportunity to ask any questions you might have.

Target Date Portfolios: Impact to You

- When the target date portfolios are introduced, you will have the opportunity to...
 - Select a target date portfolio based on when you expect to retire
 - Build your own portfolio from the available funds
- If you don't provide investment instructions, your assets will automatically be mapped to the target date portfolio with an asset mix that most closely matches your overall asset mix at the time of transition
 - Always have the opportunity to make changes after the transition takes place

Members are strongly encouraged to review their retirement goals and to make an investment selection that is best for them