

The primary purpose of this report is:

- \* to review investments and investment performance of the Plan in 2016
- \* to provide membership data information
- \* to report on the activities of the Academic Money Purchase Pension Plan Committee (AMPPC)

### **➤ PENSION PLAN INFORMATION at December 31, 2016**

#### **Market Value of Pension Plan Assets**

<b><i>Distribution of Assets Among Investment Funds Available to Members</i></b>	<b><i>2016 (\$000)</i></b>	<b><i>% of Market Value</i></b>
<i>Money Market Fund</i>	\$ 12,180	2.1
<i>Universe Bond Index Fund</i>	13,221	2.3
<i>Conservative Life Cycle Fund</i>	22,948	3.9
<i>Balanced Life Cycle Fund</i>	441,780	75.5
<i>Aggressive Life Cycle Fund</i>	42,395	7.2
<i>Canadian Equity Fund</i>	20,804	3.6
<i>U.S. Equity Index Fund</i>	21,591	3.7
<i>International Equity Fund</i>	10,341	1.8
<b><i>Total Market Value</i></b>	<b>\$ 585,260</b>	<b>100%</b>

<b><i>Distribution of Assets Among Investment Managers</i></b>	<b><i>2016 (\$000)</i></b>	<b><i>% of Market Value</i></b>
<i>Sun Life – Money Market</i>	\$ 12,180	2.1
<i>BlackRock Asset Management</i>	399,323	68.2
<i>Mawer Investment Management</i>	112,614	19.2
<i>Triasima</i>	61,145	10.4

#### **Allocating Member Funds among the Various Investment Options**

As Plan members have differing risk preferences, the Plan makes several investment options available to members. These options allow members to select segregated funds with a mix of underlying assets that meet their investment needs.

***Members are reminded of their responsibility to review periodically the portfolio structure of their participation in the Plan and to revise it as appropriate given their needs.***

The investment risk profile, provided on the Sun Life member website (mysunlife.ca), helps to determine the type of investor you are, and provides information to help you understand risk, the benefits of diversification and develop an investment mix to match your goals.

### **Investment Performance**

The following is a summary of the Plan's annual investment performance as at December 31, 2016 exclusive of Plan expenses:

<b>Investment Performance by Fund</b>	<b>2016</b>	<b>Last 4 years</b>
<b>Money Market</b>		
Return	0.6%	0.9%
Benchmark	0.5%	0.8%
<b>Bond Fund</b>		
Return	1.6%	3.1%
Benchmark	1.7%	3.1%
<b>Conservative Life Cycle Fund</b>		
Return	2.7%	5.5%
Benchmark	3.1%	5.4%
<b>Balanced Life Cycle Fund</b>		
Return	4.7%	10.2%
Benchmark	5.9%	10.0%
<b>Aggressive Life Cycle Fund</b>		
Return	5.7%	12.5%
Benchmark	7.3%	12.3%
<b>Canadian Equity</b>		
Return	14.4%	9.3%
Benchmark	21.1%	8.5%
<b>U.S. Equity</b>		
Return	8.0%	23.1%
Benchmark	8.1%	23.2%
<b>International Equity</b>		
Return	-2.0%	12.4%
Benchmark	-2.5%	12.0%

The benchmark portfolios for each of the funds have been determined using the actual returns of the market indexes such as the FTSE TMX 91-Day Treasury Bills, the FTSE TMX Universe Bond Index, the S&P/TSX Capped Composite Index, Standard and Poor's 500 U. S. Stock Index and Morgan Stanley's Europe, Australia and Far East Index.

### **MEMBERSHIP DATA at December 31, 2016**

<b>Plan Membership:</b>	
Active members	2299
Other members (inactive, deferred, pending transfers)	525
<b>Total Plan Membership</b>	<b>2,824</b>

This communication, future communications and other pension plan information are available online at:  
[www.usask.ca/fds/faculty\\_staff/pension\\_plans](http://www.usask.ca/fds/faculty_staff/pension_plans)



<b>Plan Member Utilization of Investment Options:</b>	<b>Number of Members</b>
<i>Money Market Fund</i>	147
<i>Universe Bond Index Fund</i>	210
<i>Conservative Life Cycle Fund</i>	220
<i>Balanced Life Cycle Fund</i>	2,481
<i>Aggressive Life Cycle Fund</i>	626
<i>Canadian Equity Fund</i>	433
<i>U.S. Equity Index Fund</i>	341
<i>International Equity Fund</i>	315

### ■ **EDUCATION and COMMUNICATION to MEMBERS**

As part of the ongoing education and communication strategy, the AMPPC organized several information sessions presented by Sun Life, including three **enrolment and investment information sessions** (one webinar), two interactive investment workshops, as well as one on one consultation sessions in November 2016 to familiarize members with the structure of the Plan and the principles of building an investment portfolio, respectively. The Committee also organized five **retirement planning workshops** presented by Sun Life in March 2017, as well as one-on-one consultation sessions with a qualified Sun Life Retirement Specialist to offer in-person individual pre-retirement support to the members. The one-on-one sessions filled up so quickly that another full day of sessions with two Sun Life Retirement Specialists was added.

The Committee arranged for a general meeting on March 3, 2017 that provided members with the opportunity to discuss the annual performance of the Plan with our Investment Consultant. A Sun Life representative also provided a presentation on the University of Saskatchewan Group Retirement Fund; a custom Prescribed Retirement Income Fund (PRIF) available to University of Saskatchewan Plan members. This meeting acts as an opportunity for plan members to ask any questions they have regarding the pension plan.

### ■ **Group Retirement Fund**

When the time comes to convert your retirement savings to retirement income, you can choose to direct your money to the University of Saskatchewan customized Prescribed Retirement Income Fund (PRIF). As a member of the **University of Saskatchewan Group Retirement Fund**, you will benefit from paying lower fees that would generally not be available to you as an individual investor at a mutual fund company or other financial institution.

You can also enjoy access to licensed Retirement Consultants at no cost to you. At your convenience, they will provide you with advice and guidance on the investment funds included in your Plan, and assist you in meeting your unique retirement goals. For further information please see the attached memo.

## ■ **ACADEMIC MONEY PURCHASE PENSION COMMITTEE**

### **Committee Members**

#### **USFA Representatives:**

George Tannous (Chair), Finance & Mgmt Sc.

Marie Racine, Finance & Mgmt Sc.

Don Gilchrist, Economics

#### **Board of Governor Representatives:**

Timothy Beke, Director, Human Resources  
Compensation, Benefits & Wellness

Jim Traves, University Advancement

Heather Fortosky, Treasurer and Director,  
Pensions

**Observer:** John Costa, ASPA

**Recording Secretary:** Nimco Moumin

### **Meetings of the Committee**

The Academic Money Purchase Pension Plan Committee met 4 times during the year. The Committee is responsible to monitor the governance, administration and operation of the Plan and to provide recommendations to the Board of Governors on a timely basis. The Committee activities over the past year in fulfilling these responsibilities are outlined in the following table.

<b>Meeting Date</b>	<b>Time allocated</b>	<b>Purpose</b>
September 16, 2016	2.5 hours	*Quarterly Investment Performance Review to June 30 <sup>th</sup> * Investment Manager Presentation: BlackRock *Investment Manager Presentation: Triasima
November 18, 2016	2.5 hours	* Quarterly Investment Performance Review to Sept 30 <sup>th</sup> * Statement of Investment Policies & Procedures Review
February 16, 2017	3.0 hours	*Quarterly Investment Performance Review to Dec 31 <sup>st</sup> *Investment Manager Presentation: Mawer *Statement of Investment Policies & Procedures Review
June 7, 2017	3.0 hours	*Investment Presentation: Sun Life Financial *Financial Statements to Dec 31, 2016 *Quarterly Investment Performance Review to March 31 <sup>st</sup> *Annual Newsletter to Membership



## ■ **ACADEMIC MONEY PURCHASE PENSION PLAN INFORMATION**

### ***Plan Documents***

Copies of the following documents are on file in the Pensions and Treasury office (Financial Services). They are available for inspection by any member of the Plan during regular working hours by prior arrangements.

- \* Plan Text
- \* Financial Statements
- \* Auditor's Report
- \* Committee meeting agendas and minutes

### ***Sun Life Financial Member web site:***

**[www.mysunlife.ca](http://www.mysunlife.ca)**

- \* Investment risk profile
- \* Investment performance information
- \* Account balance
- \* Asset allocation and transaction decisions
- \* Quarterly statements

### ***Other Agents of the Plan***

Investment Consultant: Aon Hewitt  
Record Keeper: Sun Life Financial

### ***Pension Administration & Support***

Pensions and Treasury Office, Financial Services  
Room E180, Administration Building, 105 Administration Place  
306-966-6633  
[pensions.inquiries@usask.ca](mailto:pensions.inquiries@usask.ca)  
[www.usask.ca/fsd/faculty\\_staff/pension\\_plans](http://www.usask.ca/fsd/faculty_staff/pension_plans)

***Please contact the Pensions and Treasury Office at 306-966-6633 or any member of the Academic Money Purchase Pension Plan Committee if you have any questions about the items covered in this newsletter.***



# University of Saskatchewan Group Retirement Fund

- Prescribed Retirement Income Fund (PRIF)
- Registered Retirement Income Fund (RRIF)

We know how hard you have saved for your future. When the time comes to convert your savings to retirement income, University of Saskatchewan plan members have the following options:

- University of Saskatchewan Group Retirement Fund (customized PRIF/RRIF) with Sun Life Financial;
- PRIF/RRIF with Sun Life Financial or another financial institution; and/or
- Annuity with Sun Life Financial or another insurer.

The **University of Saskatchewan Group Retirement Fund** is a custom product available only to members who participate in a University of Saskatchewan Pension Plan.

## Investment options

There are eight (8) different investment options to choose from, identical to that of the 2000 Academic Money Purchase Pension Plan and the Research Pension Plan.

Fund categories	Fund lineup	Fund Management Fees (FMFs)*
Life cycle	Conservative Life Cycle Fund (80% bonds, 20% equities)	0.22%
	Balanced Life Cycle Fund (40% bonds, 60% equities)	0.32%
	Aggressive Life Cycle Fund (20% bonds, 80% equities)	0.38%
Money market	Sun Life Financial Money Market Segregated Fund	0.21%
Bond (fixed income)	BlackRock Universe Bond Index Segregated Fund	0.20%
Canadian equities	University of Saskatchewan Canadian Equity Fund (Triasima and BlackRock)	0.46%
U.S. equities	BlackRock U.S. Equity Index Segregated Fund	0.20%
International equities	University of Saskatchewan International Equity Fund (Mawer International Equity)	0.65%

\* FMFs as at June 30, 2017. The FMFs displayed in this document include Sun Life Financial's administrative fee of 0.10%, but do not include the applicable sales tax (which will be charged to your account), or the \$50 University of Saskatchewan annual administrative fee.  
Example: Balanced Fund 0.22 + 0.10 = 0.32 as shown above

## Fee advantage

As a member of the **University of Saskatchewan Group Retirement Fund**, you will benefit from paying lower fees that would generally not be available to you as an individual investor at a mutual fund company or other financial institution. Lower fees are an important benefit of belonging to a group plan, and the result of the collaboration between the University of Saskatchewan, the fund managers and Sun Life Financial is more bargaining power than you probably would have had on your own. Lower fees can have a large impact on the costs you incur in your retirement income plan, and you keep more money where it belongs – in your account.

Retirees are charged an annual Sun Life Financial administrative fee of 1/10 of one percent (0.10%) of balances, and an administrative fee of \$50 per year is charged by the University. Fund management fees are charged in the same manner as the 2000 Academic Money Purchase Pension Plan and the Research Pension Plan.

You can find up-to-date information on the fees you pay online. Simply sign in to **mysunlife.ca** using your access ID and password, and under **Investments** select **my financial centre** > **Accounts** > **Account fees**.

## Contact information

### Licensed Financial Services Consultants at Sun Life Financial

As a member of the **University of Saskatchewan Group Retirement Fund**, you enjoy access to licensed Financial Services Consultants<sup>1</sup> **at no cost to you**. At your convenience, the Financial Services Consultants will help you understand your conversion options and other insurance and investment plans that are available to you. They will also provide you with advice and guidance on the investment funds included in your Plan, and assist you in meeting your unique retirement goals.<sup>2</sup>

**Sun Life Financial's Client Solutions Centre** has a team of licensed Financial Services Consultants available at **1-866-224-3906** (select option 1), any business day from 8 a.m. to 8 p.m. ET.

### University of Saskatchewan

For additional information, please contact the University of Saskatchewan Pensions Office at **306-966-6633** or **pensions.inquiries@usask.ca**.

<sup>1</sup> Registered as Financial Security Advisors in the province of Quebec.

<sup>2</sup> Offered as a service to plan members. As a University of Saskatchewan Plan participant, you are responsible for making investment decisions and for using the tools and information that have been provided to help you make these decisions. You should decide if seeking investment advice from a qualified individual makes sense for you. Choosing a financial advisor is an individual decision; the University of Saskatchewan does not make recommendations on choosing a financial advisor.