

The primary purpose of this report is:

- * to review investments and investment performance of the Plan in 2014
- * to provide membership data information
- * to report on the activities of the Academic Money Purchase Pension Plan Committee (AMPPC)

▣ INVESTMENTS of the PENSION PLAN at December 31, 2014

Market Value of Pension Plan Assets

By Investment Fund	2014 (\$000)	% of Market Value
<i>Money Market Fund</i>	\$ 9,516	1.9
<i>Universe Bond Index Fund</i>	14,180	2.8
<i>Conservative Life Cycle Fund</i>	19,904	4.0
<i>Balanced Life Cycle Fund</i>	381,072	76.4
<i>Aggressive Life Cycle Fund</i>	28,137	5.6
<i>Canadian Equity Fund</i>	21,024	4.2
<i>U.S. Equity Index Fund</i>	17,265	3.5
<i>International Equity Fund</i>	8,204	1.6
Total Market Value	\$ 499,302	100%

By Investment Manager	2014 (\$000)	% of Market Value
<i>Sun Life – Money Market</i>	\$ 9,516	1.9
<i>BlackRock Asset Management</i>	343,157	68.7
<i>Mawer Investment Management</i>	92,672	18.6
<i>Triasima</i>	53,957	10.8

International Equity Fund – Investment Manager Changes

The International Equity Fund of the Academic Money Purchase Pension Plan was managed by Sky Investment Counsel through a subsidiary arrangement with Phillips, Hager and North Investment Management Company. Effective August 13, 2014, the funds are managed by **Mawer Investment Management Company**. Please see the communication from the AMPPC *International Equity Fund – Investment Manager Change* dated July 31, 2014 at the following link:

www.usask.ca/fsd/faculty_staff/pension_plans/whats_new/pension_news_amppp.php

Investment Performance

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, 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.

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. The following is a summary of the Plan's annual investment performance as at December 31, 2014 exclusive of Plan expenses:

Investment Performance by Fund	2014	Last 4 years
Money Market		
Return	1.0%	1.1%
Benchmark	0.9%	1.0%
Bond Fund		
Return	8.8%	5.1%
Benchmark	8.8%	5.1%
Conservative Life Cycle Fund		
Return	9.6%	6.5%
Benchmark	9.5%	6.4%
Balanced Life Cycle Fund		
Return	11.3%	8.9%
Benchmark	11.1%	8.9%
Aggressive Life Cycle Fund		
Return	12.1%	10.0%
Benchmark	11.8%	10.1%
Canadian Equity		
Return	9.0%	7.1%
Benchmark	10.6%	5.1%
U.S. Equity		
Return	23.9%	20.0%
Benchmark	23.9%	20.1%

This communication, future communications and other pension plan information are available online at:
www.usask.ca/fsd/faculty_staff/pension_plans

International Equity		
Return	6.0%	6.4%
Benchmark	3.7%	8.8%

MEMBERSHIP DATA at December 31, 2014

Plan Member distribution:	
Active members	2,122
Other members (inactive, deferred, pending transfers)	397
Total Plan Membership	2,519

Plan Member distribution by Fund:	
Money Market Fund	116
Universe Bond Index Fund	210
Conservative Life Cycle Fund	188
Balanced Life Cycle Fund	2,228
Aggressive Life Cycle Fund	472
Canadian Equity Fund	410
U.S. Equity Index Fund	273
International Equity Fund	254

EDUCATION and COMMUNICATION to MEMBERS

As part of the ongoing education and communication strategy, the AMPPC together with Sun Life organized four **enrolment and investment information sessions** (including one webinar), two interactive investment workshops, as well as one on one consultation sessions in November, 2014 to familiarize members with the structure of the Plan and the principles of building an investment portfolio, respectively. The Committee also partnered with Sun Life to hold five **retirement planning workshops** in March, 2015, 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 Committee arranged for a general meeting on February 6, 2015 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 PRIF available to University of Saskatchewan Plan members.

❖ RETIREMENT PLANNING SEMINARS – April & May 2015

The University of Saskatchewan, supported by the Pensions & Treasury Office, offered 7 full day retirement planning seminars, available to employees age 55 and over who are members of a University of Saskatchewan Pension Plan. The sessions, facilitated by Aon Hewitt, covered a variety of topics such as university pension plans, lifestyle planning, legal and estate planning, and tax and financial strategies. As a result of the overwhelming demand and positive feedback received to date, the sessions will be offered again in 2016.

❖ ACADEMIC MONEY PURCHASE PENSION COMMITTEE

Committee Members

USFA Representatives:

George Tannous, Finance and Management Science
Abdullah Mamun, Finance and Management Science
Andy Pollak, Economics

Board of Governor Representatives:

Jim Traves, University Advancement
Mike Sander, Financial Services
Laura Kennedy (Chair), Office of the VP
(Finance & Resources)

Observer: John Costa, ASPA

Meetings of the Committee

The Academic Money Purchase Pension Plan Committee met 6 times during the year. Acting in its capacity as managing fiduciary; 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.

<i>Meeting Date</i>	<i>Time allocated</i>	<i>Purpose</i>
<i>June 18, 2014</i>	<i>5.0 hours</i>	<i>*International Equity Fund – Investment Manager Interviews and Selection</i>
<i>September 30, 2014</i>	<i>2.0 hours</i>	<i>* Quarterly Investment Performance Review to June 30th * Investment Manager Presentation: Triasima</i>
<i>November 25, 2014</i>	<i>2.0 hours</i>	<i>*Quarterly Investment Performance Review to Sep 30th * 2014 Investment Policy Review</i>
<i>March 16, 2015</i>	<i>2.0 hours</i>	<i>*Quarterly Investment Performance Review to Dec 31st * Investment Manager Presentation: Mawer</i>
<i>May 21, 2015</i>	<i>2.0 hours</i>	<i>*Quarterly Investment Performance Review to Mar 31st *Investment Manager Presentation: BlackRock</i>
<i>June 10, 2015</i>	<i>2.0 hours</i>	<i>*Financial Statement Review December 31st, 2014</i>

This communication, future communications and other pension plan information are available online at:
www.usask.ca/fsd/faculty_staff/pension_plans



❏ 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.com

- * Investment risk profile
- * Detailed 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 220, Research Annex, 105 Maintenance Road
306-966-6633
pensions.inquiries@usask.ca
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.