

TRIO Board of Directors Meeting
Minutes

April 20, 2016
10:00AM

Holiday Inn
St. John's, NL

| DIRECTORS PRESENT | ALSO PRESENT | REGRETS |
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| Dennis Kelly, President Rodney Cumby, Director Carol Ann Smith, Director Brian Peckford, Director | Terry Taylor, General Manager Mary Galway, Manager, Risk & Insurance Programmes Lori Park, Mercer Jonathan Croft, Mercer Katherine Burgess, Mercer | John Dawson, Vice President Claude Elliott, Director |

1. Call to order and Opening Remarks

Dennis Kelly called the meeting to order at 10.20AM and welcomed everyone present.

2. Approval of Agenda

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| Motion: | Carol Ann Smith/Brian Peckford |
| CARRIED | That the agenda be approved |

3. Adoption of previous meeting's minutes

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| Motion: | Carol Ann smith/Brian Peckford |
| CARRIED | That the minutes of the meeting of November 4, 2015 be adopted . |

- 4.** T. Taylor presented his report which was accepted by the Board. He thanked those present for changing their schedules on short notice so that this meeting would have quorum.

5. Group Plans Report

- a) M. Galway reported that the Town of Pasadena had joined the plan. Several smaller towns have expressed interest in joining the Small Town plan
- b) M. Galway confirmed that an underwriter has committed to underwrite EAP coverage for first responders. A critical mass of 200 participants is required.

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| Motion: | Brian Peckford/Carol Ann smith |
| CARRIED | That the development of this programmes proceed |

- c) M. Galway confirmed that EAP coverage can be added to the Small Town Plan, and will be marketed to Small Town plan participants.

6. Board Administration Action Items

- a) The Board accepted the revised wording of the policy regarding the selection and qualifications for persons appointed as Director-at-Large.
- b) T. Taylor reported that he is in negotiations with Mercer for the renewal of the pension administration, consulting and investment contract, effective for a 5 year term effective July 1, 2016. Agreement is expected before the next meeting.

7. New Business

There was no new business

8. Communications & Marketing Committee

- a) The Board accepted the report of marketing activities since February 2016.

9. Board Administration

- a) T. Taylor presented the summary of the revenue and expenses for January 1-March 31, 2016 which was accepted by the Board.
- b) The Board authorized the renewal of the existing Guaranteed Investment Certificate for the best combination of term and interest rate available
- c) T. Taylor advised that two nominations for Employee Director had been received. An election will be held during the PMA conference.
- d) At this point, B. Peckford acted as chair. D. Kelly retired from the meeting.

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| Motion: | Rodney Cumby/Carol Ann smith |
| CARRIED | That Dennis Kelly be appointed "Director-at-Large", effective for a two year period, commencing 11:00AM, April 22, 2016 |

At this point, D. Kelly resumed the chair.

- e) T. Taylor announced that only a small number of people had pre-registered for the cocktail party, but that additional attendees are likely and expected.
- f) The Board received the Mercer invoice for Q4-2015 which had already been paid.
- g) The Board was presented with the cheque register for the period February 5 to April 6, 2016 which the Board accepted.
- h) At this point the meeting went in camera and staff was excused from the meeting.

The meeting resumed and the floor considered a motion

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| Motion: | Rodney Cumby/Carol Ann smith |
| CARRIED | That the that the staff compensation recommendations be accepted with an effective date of January 1, 2016 |

10. Pension Plan Items

The Town of Petty Harbour-Maddox Cove is considering participation in the pension plan.

11. Outstanding Action Items

a) *03-01-13 - Blanket Municipal Solvency Exemption*

A letter requesting a meeting has been sent to Ministers Joyce and Bennett requesting a meeting. We are awaiting a reply.

12. Business Arising from Previous Meetings

Increases in the value of the Canadian dollar has rendered the currency hedging strategies inapplicable.

13. New Business

No items

Due Diligence Items

a) Recurring Items

The Board received the contributions report. There are three overdue balances.

b) Plan Amendments

There were no new amendments

c) Items Assigned to This Meeting

I. Monitor Investment Performance

J. Croft reviewed the financial results of the pension investments for 2015. An overall return on investment of 8.9% was realized.

II. Review of SIPP

J. Croft recommended that the pension fund invest in Private Equity funds and Growth Fixed Income funds. The expectation is that such further diversification will result in lower volatility and an increase in the expected excess return above the liability benchmark return. Rebalancing existing investments will provide the required funds for the new investments.

The Board accepted the recommendation in principal and asked Mercer to provide further information at the next meeting.

III. Frozen Assets Upgrade

Mercer advised that economic conditions at the moment will not permit the Board to consider an upgrade to frozen assets

14. The next meeting of the Board will be on Friday, June 10, 2016 in Port Blandford.
15. At this point, Dennis Kelly tendered his resignation as president, effective 11:00AM, Friday April 22, 2016
16. The meeting adjourned at 1:00PM