

TRIO Board of Directors Meeting

August 10, 2018  
Noon

Delta Hotel  
St. John's, NL

DIRECTORS PRESENT	ALSO PRESENT	REGRETS
Dennis Kelly, President Carol Ann Smith, Director Tony Pollard, Director Keith Keating, Director Glenn Clarke, Director Steve Kent, Director	Terry Taylor, General Manager Mary Galway, Manager, Risk & Insurance Programmes Doug Brake, Mercer Lori Park, Mercer Jonathan Croft, Mercer Matt MacLean, Mercer	John Dawson, Vice President Brian Peckford, Director

**1. Call to order and Opening Remarks**

Dennis Kelly called the meeting to order at 12:56PM and welcomed everyone present. He especially bid welcome to Steve Kent who was attending his first TRIO Board meeting.

**2. Approval of Agenda**

“MNL Convention registration”, “retirement options” and “office location” were added to the agenda

<b>Motion:</b>	<b>Carol Ann Smith/Keith Keating</b>
<b>CARRIED</b>	That the amended agenda be approved

**3. Adoption of previous meeting's minutes**

<b>Motion:</b>	<b>Tony Pollard/Keith Keating</b>
<b>CARRIED</b>	That the minutes of the meeting of June 6, 2018 be adopted.

4. T. Taylor presented his report which was accepted by the Board.

**5. Group Plans Report**

a) M. Galway reported that she has provided quotations to every town that had indicated an interest in the health care plan in the survey conducted by LW Consulting.

b) M. MacLean provided an extensive report on the group plan's competitive market survey. Five insurers were approached to provide a plan quotation. Two declined, citing that their plan was no more competitive than our present plan. Three insurers did provide a quote. One was higher than our present plan. Our present

insurer provided a quotation which featured some reductions in costs. A fifth insurer provided a quotation which seemed to be marginally more competitive than our present plan. However, it was discovered that the fifth insurer's quotation was not exactly equal to our present plan and in reality would have been more expensive than our present plan.

<b>Motion:</b>	<b>Tony Pollard/Steve Kent</b>
<b>CARRIED</b>	<ul style="list-style-type: none"> <li>• That Sun Life continue to be the primary underwriter of the group plan</li> <li>• That TRIO call for competitive quotations every 5-7 years, at the discretion of the Board</li> <li>• That TRIO inform the municipal community of the results of the market Study</li> </ul>

**6. Board Administration Action Items**

- a) T. Taylor reported that the \$10,000 had been transferred from the current account to the pension plan.

**7. New Business**

- a) The Board sadly acknowledged the passing of Mary Dawson.

<b>Motion:</b>	<b>Keith Keating/Glenn Clarke</b>
<b>CARRIED</b>	That \$250 be donated to Kids Eat Smart Foundation in memory of Mary Dawson

<b>Motion:</b>	<b>Carol Ann Smith/Tony Pollard</b>
<b>CARRIED</b>	That the Board Policy Manual be amended to reflect that in future, all such memorials be limited to a \$250 donation to a suitable charity.

- b) T. Taylor explained that elected officials who serve on the TRIO Board could only attend the MNL Annual General Meeting if they register for the MNL convention through their municipality. The MNL convention registration cost will be refunded to such Board members by TRIO.
- c) T. Taylor advised the Board that the staff payroll would now be processed in house, effective July 1,2018.
- d) T. Taylor announced that MNL had advised of their intention to move to a new location in St. John's and had invited TRIO to join them at their new location, subject to signing a three year lead and paying a monthly rent of \$600.00. The Board noted that neither T. Taylor nor M. Galway had need of a central office as they both work from home.

<b>Motion:</b>	<b>Carol Ann Smith/Tony Pollard</b>
<b>CARRIED</b>	<ul style="list-style-type: none"> <li>• That TRIO decline the offer to continue as a tenant at the new MNL office</li> <li>• That T. Taylor secure a post office box for future mail delivery</li> </ul>

	<ul style="list-style-type: none"> <li>• That T. Taylor make suitable arrangements to store historical TRIO Documents</li> <li>• That T. Taylor make arrangements to ensure that the main TRIO telephone numbers remain unchanged.</li> <li>• That T. Taylor ensure that a secure computer backup plan is in place</li> </ul>
--	---

**8. Communications & Marketing Committee**

- a) The Board accepted the report of marketing activities since June 2018. The Board also noted the increased marketing activities connected to the efforts of LW Consulting.

**9. Strategic Plan Items**

- a) The Board acknowledged receipt of the final report and expressed its satisfaction.
- b) T. Taylor presented a list of Action Items arising from the Strategic Planning exercise. They were grouped as follows:
  1. Marketing Initiatives
  2. Board Structural Issues
  3. AGM Issues
  4. Code of Conduct issues
  5. Succession Planning Issues

The following actions will be taken:

- i. MNL and PMA will be asked to support changes to the TRIO bylaws concerning Board membership(Kelly/Taylor)
- ii. A thorough review of the process that surrounds the selection, election and length of service for Board members
- iii. A thorough review of the content, timing and structure of the Annual General Meeting (Pollard/Kent)

**10. Board Administration**

- a) The Board was presented with the revenue/expenses report for the period January 1- July 31, 2018. T. Taylor advised that expected expenses are in line with expected revenues.

<b>Motion:</b>	<b>Keith Keating/Glenn Clarke</b>
<b>CARRIED</b>	That the Board accepts report as presented

- b) The Board asked T. Taylor to submit suggestions on changing the per diems for the President and Board members.
- c) The Board accepted the cheque register for the period June 1- July 31 2018

**11. Changes to Pension Plan Participants**

There were no new participants since the last Board meeting.

**12. Outstanding Action Items**

none

**13. Business Arising from Previous Meetings**

none

**14. New Business**

- a) D. Brake reported that the combination of interest rate hikes and investment performance will likely be sufficient to maintain Special Payments at their current levels in 2019.
- b) There has been no change to the current asset mix of investments since the last meeting.

**Due Diligence Items**

- a) Recurring Items  
The Board received the contributions report. Delinquent participants are being addressed.
- b) Plan Amendments  
There were no new amendments.
- c) Items Assigned to This Meeting
  - i. Review Investment Performance for 2017  
J. Croft presented his report. TRIO's pension plan earned 11.5% investment return in 2017. He did not recommend any change in our investment asset mix but did suggest that it be re-examined in 2018
  - ii. J. Croft did suggest that some rebalancing of assets occur. This is due to the growth of assets under management and to maintain long term policy targets.

<b>Motion:</b>	<b>Carol Ann Smith/Tony Pollard</b>
<b>CARRIED</b>	<ul style="list-style-type: none"><li>• That Mercer be authorized to commit an additional \$16MM of pension plan assets as follows: \$8MM to Private Equity Investments \$4MM to Infrastructure Investments \$4MM to Sustainable Opportunity Investments</li><li>• That Mercer be authorized to invest \$1.75MM in hedge fund Investments</li></ul>

- iii. J. Croft presented our Statement of Investment Principles and Policies, to which he had suggested some housekeeping amendments.

<b>Motion:</b>	<b>Steve Kent/Tony Pollard</b>
<b>CARRIED</b>	That the SIPP document be amended as suggested.

- iv. T. Taylor reported that the Annual Information Return had been filed with the Superintendent of Pensions on June 30, 2018
- v. L. Park made a presentation on the number of options that a pension plan participant has upon retirement when choosing how his/her pension is to be paid. The current number of options is confusing and Mercer is suggesting that reducing the number of options will serve participants better.

<b>Motion:</b>	<b>Carol Ann Smith/Steve Kent</b>
<b>CARRIED</b>	<p>That only the following options be offered to retirees:</p> <ul style="list-style-type: none"> <li>• Single Life with a 10 year guarantee</li> <li>• Single Life with a 15 year guarantee</li> <li>• Joint Survivor with 60% guarantee</li> <li>• Joint Survivor with 75% guarantee</li> <li>• Joint Survivor with 100% guarantee</li> </ul>

- vi. T. Taylor reported that all statutory and fiduciary duties had been met.

15. The next meeting will be on Wednesday, October 3, 2018 in Gander

16. The meeting adjourned 5:49PM