



SIMON FRASER UNIVERSITY

Administrative/Union Staff Pension Plan

2004 Annual Report

The Board of Trustees of the Administrative/Union Staff Pension Plan was established December 1, 1991. The Trustees are charged with the administration of the Fund on behalf of the Members. There are six Trustees appointed by the Board of Governors of Simon Fraser University, including one nominated by each of the Employee Organizations (APSA, CUPE, Poly Party).

As of December 31, 2003 the Board of Trustees consisted of:

Chair: Denis Bérubé (Director, Finance and Ancillary Services)
Secretary: Elio Fata (CUPE)
Rob Ballantyne (APSA)
Leo Eutsler (Poly Party)
Joanne Curry (Executive Director, Surrey Campus)
Bruce L. Anderson (Executive Director, Human Resources & Safety)

The Plan Administrator is Alan G. Black. The investment managers are Beutel, Goodman Company Ltd., Sceptre Investment Counsel Ltd., Jarislowski Fraser Ltd., Sprucegrove Investment Management Ltd. and McKinley Capital Management Inc. The funds are invested prudently by using an asset mix of bonds, equity, domestic and foreign and other balanced funds. The Custodian of the Fund is CIBC Mellon. Quarterly performance reports are prepared by Towers Perrin. The Actuarial Consultant is Eckler Partners Ltd. and the Auditor is Ernst & Young.

At its meeting on April 19, 2005, the Trustees of the Simon Fraser University Pension Plan for Members of the Administrative and Union Staff approved the financial statements of the Fund as at December 31, 2004. These financial statements were audited by Ernst and Young whose report dated April 5, 2004 was qualified only in respect of not providing information on the actuarial present value of accrued pension benefits as at December 31, 2003, or the principal components of the change in that value during the year. While such information is recommended in the CICA Handbook, neither the Pension Plan Text nor Revenue Canada require an actuarial valuation report to be prepared more frequently than every three years. The most recent actuarial valuation report was completed as of December 31, 2001. The actuarial valuation as of December 31, 2004 is currently being prepared by the Plan's Actuary.

Complete copies of the audited financial statements are available at the Human Resources, A.P.S.A., C.U.P.E. and Poly Party offices.

The Pension Plan is a defined benefit plan which will provide a monthly pension according to a formula. The University makes all the contributions to fund the pension benefits.

The membership of the Plan for the last three years was as follows:

	2004	2003	2002
Active Members	1,367	1,274	1,254
Disabled Members	35	25	22
Deferred Pensioners	430	414	414
Pensioners and Survivors	<u>211</u>	<u>194</u>	<u>175</u>
TOTAL	<u>2,043</u>	<u>1,907</u>	<u>1,865</u>

The attached table II shows the financial comparisons in the fund over the last three years.

The Net Rates of Return for the last five years after deduction of investment fees are as follows:

Table I

Year	2004	2003	2002	2001	2000
Net Annual Rate of Return	10.7%	13.7%	-5.7%	1.5%	9.2%

Historical Performance	1 Year	2 Year	3 Year	4 Year	5 Year
Net Annualized Rate of Return	10.7%	12.2%	5.9%	4.7%	5.6%

I hope you find this report useful. If you have suggestions or questions, you can forward them to me.

I wish to thank the trustees of the Plan and the Plan Administrator, Alan G. Black, for their conscientious efforts on behalf of the Plan Membership.



Denis Bérubé – Chair

Changes in Pension Fund

Table II	2004	2003	2002
Market Value of Fund at Beginning of Period	<u>\$ 134,216,140</u>	<u>\$ 115,816,355</u>	<u>\$ 122,949,254</u>
Increase in Net Assets			
Contributions:			
- University	7,372,129	6,828,850	6,402,390
- Voluntary	32,022	20,836	91,801
Investment Gains (Losses):			
- Interest & Dividends	4,922,028	3,351,420	4,201,483
- Capital Gains (Loss) - Realised	2,495,564	18,770,240	2,523,519
- Unrealised	7,525,407	(5,620,330)	(13,290,170)
Total Increase (Decrease) in Net Assets	<u>\$ 22,347,150</u>	<u>\$ 23,351,016</u>	<u>\$ (70,977)</u>
Decrease in Net Assets			
Benefits:			
- Commuted amounts paid out	4,836,210	2,405,906	4,732,863
- Pensions Paid	1,911,531	1,709,159	1,457,607
- Voluntary Conts. Refunded	14,815	30,111	
- Surplus Distribution - paid out	277,362	176,096	250,420
Fees & Expenses:			
- Investment Fees	548,509	493,200	422,616
- Trust Company, Custodian	47,775	47,858	48,725
- Administrative	58,711	57,583	51,146
- Audit, Actuarial & Legal	43,593	31,318	98,545
Total Decrease in Net Assets	<u>\$ 7,738,506</u>	<u>\$ 4,951,231</u>	<u>\$ 7,061,922</u>
Market Value of Fund at End of Period	<u>\$ 148,824,784</u>	<u>\$ 134,216,140</u>	<u>\$ 115,816,355</u>