



SIMON FRASER UNIVERSITY

Administrative/Union Staff Pension Plan

2006 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, 2006 the Board of Trustees consisted of:

Chair: Denis Bérubé (Acting A.V.P. Financial Services)
Secretary: Elio Fata (CUPE)
Ken Thornton (APSA)
Leo Eutsler (Poly Party)
Joanne Curry (Executive Director, Surrey Campus)
Dario Nonis (Executive Director, Human Resources & Safety)

The Plan Administrator is Alan G. Black. The investment managers are Beutel, Goodman Company Ltd., Alliance Bernstein through Sceptre Investment Counsel Ltd., Jarislowski Fraser Ltd., Sprucegrove Investment Management Ltd. and McKinley Capital Management Inc and Greiner-Pacaud Management Associates. The funds are invested prudently by using an asset mix of bonds, equity, domestic, foreign, real estate 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 May 15, 2007, 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, 2006. These financial statements were audited by Ernst and Young whose report dated April 17, 2007 was qualified only in respect of not providing information on the actuarial present value of accrued pension benefits as at December 31, 2006, 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 the Canadian Revenue Agency 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, 2004 and the next valuation will be as of December 31, 2007.

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:

	2006	2005	2004
Active Members	1,482	1,396	1,367
Disabled Members	37	31	35
Deferred Pensioners	468	450	430
Pensioners and Survivors	<u>212</u>	<u>230</u>	<u>211</u>
TOTAL	<u>2,229</u>	<u>2,107</u>	<u>2,043</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	2006	2005	2004	2003	2002
Net Annual Rate of Return	13.5%	13.1%	11.1%	14.1%	-5.3%

Historical Performance	1 Year	2 Year	3 Year	4 Year	5 Year
Net Annualized Rate of Return	13.5%	13.3%	12.5%	12.9%	9.0%

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

	2006	2005	2004
Market Value of Fund at Beginning of Period	<u>\$ 167,673,870</u>	<u>\$ 148,824,784</u>	<u>\$ 134,216,140</u>
Increase in Net Assets			
Contributions:			
- University	9,201,519	8,467,240	7,372,129
- Voluntary	35,220	11,321	32,022
Investment Gains (Losses):			
- Interest & Dividends	4,780,970	5,135,709	4,922,028
- Capital Gains (Loss) - Realised	5,122,062	3,146,843	2,495,564
- Unrealised	12,786,885	10,593,613	7,525,407
Total Increase (Decrease) in Net Assets	<u>\$ 31,926,656</u>	<u>\$ 27,354,726</u>	<u>\$ 22,347,150</u>
Decrease in Net Assets			
Benefits:			
- Commuted amounts paid out	7,236,780	5,159,130	4,836,210
- Pensions Paid	2,463,551	2,148,212	1,911,531
- Voluntary Conts. Refunded		14,920	14,815
- Members' money purchase account - paid out	456,366	320,303	277,362
Fees & Expenses:			
- Investment	679,388	633,427	548,509
- Custodian	51,917	57,842	47,775
- Administrative	61,334	60,151	58,711
- Audit, Actuarial & Legal	56,887	111,655	43,593
Total Decrease in Net Assets	<u>\$ 11,006,223</u>	<u>\$ 8,505,640</u>	<u>\$ 7,738,506</u>
Market Value of Fund at End of Period	<u>\$ 188,594,303</u>	<u>\$ 167,673,870</u>	<u>\$ 148,824,784</u>