



Board of Governors Minutes of the Meeting – Open Session

Video Conference, October 8, 2021

Present: D. Cooper Burger (Chair), C. Bonello, B. Cowie, G. Cubitt, R. Dart, P. Dilworth, C. Gray, L. Groarke, R. Jacobson, M. Keefer, D. Kirk, V. Lovekin, J. McKenna, C. Nelan, D. Palberg, R. Porter, K. Scaldwell, S. Sinclair, A. Slepko, J. Smith, (Acting Vice-President, Finance & Administration) T. Al-idrissi, (Acting Vice-President, Research & Innovation) C. Bruce, (Vice-President, Communications & Enrolment) M. Burns, (Vice-President, External Relations & Development) J. Davis, (Provost & Vice-President, Academic) M. Khan, (Vice-President, Human Resources) S. Williams, (Associate Vice-President, Finance) C. Turk, (Interim University Secretary) B. Blackburn, R. Hall (Recording Secretary).

[The Secretary confirms that quorum was present for this meeting.]

1. Welcome and Adoption of Agenda. The Chair called the open session of the meeting to order at 1:00 p.m. Hearing no amendments to the agenda, and no declarations of conflict of interest, it was moved/seconded (Keefer/Dart),

That the Board approve the agenda as presented. Carried.

2. Consent Agenda. It was moved/seconded (Scaldwell/McKenna),

That the consent agenda be approved as presented. Carried.

2.1 Approval of Minutes. The Open Session of June 26, 2021 was approved as presented.

2.2 Financial Update. Received for information.

2.3 Capital Projects Update. Received for information.

2.4 Housing Capital Development Update. Received for information.

2.5 Investment Performance Summary (Pension) – Q2. Received for information.

2.6 Investment Performance Endowment/SRI Fund – Q2. Received for information.

2.7 Annual Report on Distribution from the Endowment Fund. Received for information.

3. Chair's Remarks. The Board Chair shared with the Board the events that took place on both campuses to mark National Day of Truth and Reconciliation. There was an event held at the Peterborough Symons campus where a Treaty Rock was unveiled, and the Durham campus hosted an unveiling of the new Treaty Wall.

The Board Chair commented on the importance of the Board of Governors Leadership Scholarship, which is presented to an incoming student each year who has shown outstanding leadership and involvement in their community, as well as academic achievement. This scholarship is supported by both current and past Board

members. The Chair encouraged Governors to contribute to this fund when the ask comes forward this fall, noting that the goal was to receive 100% participation. This year's recipient will be presenting at the December meeting.

4. President's Report. The President provided an update on recent activities and developments including:

National Day of Truth and Reconciliation. The President commented on the events of the day, noting it provided the opportunity for learning and reflection. He asked that VP Davis provide background on Trent's relationship with the Indigenous communities. VP Davis recalled that in March 2018 the Board approved an action plan as a complement to the Senate Special Committee on Indigenous Education and provided an overview of steps taken to move the plan forward. She further provided details on the consultation and work undertaken which led to the installation of the Treaty Rock that was unveiled on November 3.

COVID-19 – Status Update. The President reported that classes were taking place on campus and comments had been received by both students and faculty about the excitement of being back on campus. There have been minimal cases on both campus, but he noted that they were all detected and under control. He commented on the University's vaccine requirement and that almost 97% of people on campus were double-vaccinated and weekly testing was in place for those with exemptions. Plenty of health and safety measures were in place to ensure the safety of the community.

Head of the Trent. The Head of the Trent events took place from September 27 to October 2. The President noted that the event looked different this year with the regatta not being open to spectators, the varsity games open to student spectators only with strict health and safety protocols in place as well as live-streaming, and all other homecoming events being virtual. Administration had received comments regarding gatherings in the downtown and was looking at ways to manage this for next year, such as running events for students on campus.

Governor Gray joined the meeting at this time.

5. 2020-2021 Audited Financial Statements. Governor Smith, as Chair of the Audit and Investment Committee, presented the 2020-21 audited financial statements for approval. A material misstatement was identified related to the calculation of the employee future benefits obligation. Following corrections the auditors were of the opinion that the financial statements presented fairly in all material respects.

For the 2020/21 fiscal year, Trent University had a total revenue of \$196.2M, primarily from government grants and tuition fees, and total expenses of \$185.3M, with the majority of the expense related to salaries and benefits, scholarships and bursaries, and supplies, resulting in a total excess of revenue over expense for the fiscal year of \$10.9M. The unrestricted net assets fund balance deficiency decreased to \$101.0M at April 30, 2021, of which \$74.6M is related to employee future benefits and the pension plan deficiency. The Operating Fund ended the fiscal year with a nominal

surplus of \$0.1M before fair value and pension actuarial adjustments. This financial result was primarily due to tuition-only enrolment growth.

It was moved/seconded (Smith/Kirk).

That the Board of Governors approve the Trent University Audited Financial statements for the fiscal year ending April 30, 2021, as presented.
Carried.

6. Preliminary Report from Working Group on Endowment Fund Strategy.

Governor Smith, as Chair of the Audit and Investment Committee, recalled that in March 2021 LifeWorks (formerly Morneau Shepell Ltd.) was contracted as the investment consultant for the Endowment Fund. Part of the work was to include an asset allocation modelling. Mr. Joe Connolly, the lead investment consultant from LifeWorks, presented the recommended asset mix of 25% fixed income, 50% equities and 25% alternatives. This asset mix would significantly improve all risk metrics, provide a good inflation hedge, the core plus bonds would provide additional returns with less risk than the current universe bonds, and it would allow for spending to potentially be increased.

Mr. Connolly noted that the working group had numerous discussions on ESG and the need to make it a key priority in the investment manager selection process. During the manager search process, LifeWorks will investigate how each manager prioritizes a commitment to responsible investments (ESG) and gauge how the manager would fit with the needs of Trent, in addition to viewing their history of returns. Governor Smith added that the proposed strategy will allow Trent the flexibility to incorporate the ESG policy as it develops.

It was moved/seconded (Smith/Sinclair),

That the Board of Governors approve the asset mix as presented and approval to proceed with the search for the necessary managers, whose ESG expertise will be considered. Carried.

7. Session Adjournment. The open session of the meeting was adjourned at 1:48 p.m.

Brenda Blackburn
Interim University Secretary

Debra Cooper Burger
Chair