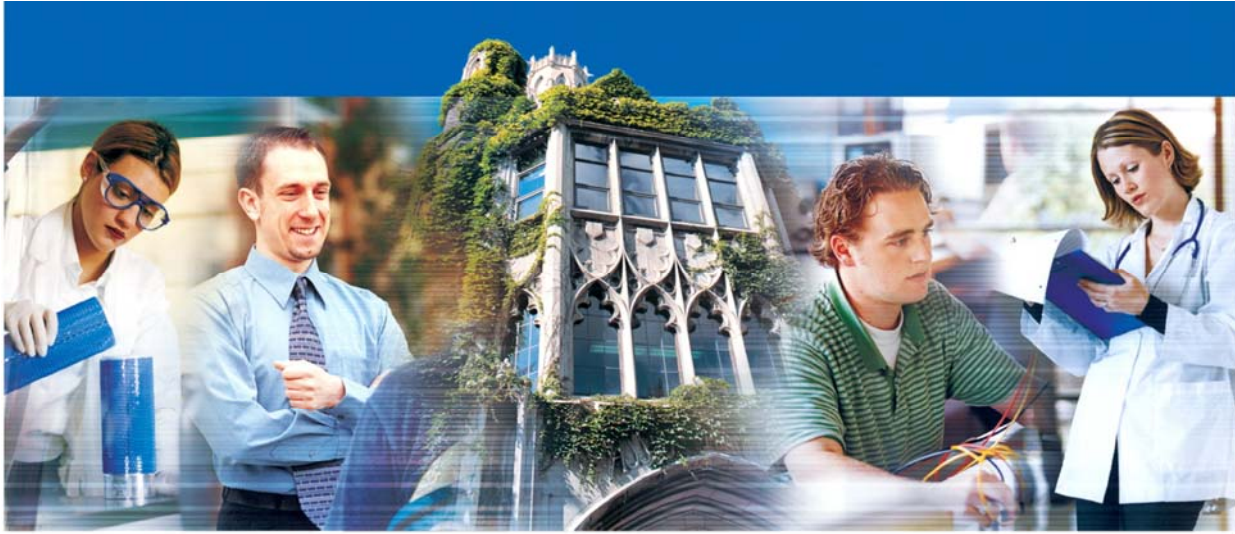


U of W Open Pension Meeting (handout) December 4, 2006



Agenda for Open Meeting 2006

- Markets and Overview of Pension Fund
- Manager Presentations:
 - Background of firm
 - Performance to June 30, 2006
 - Investment Outlook
- Questions at end of all presentations

U of W Pension Plans

Fund Manager Structure and Assets as at June 30, 2006

Manager	Benchmark Allocation				Position at June 30 2006		
	Bonds	Canadian Equities	U.S. Equities	EAFE Equities	Total	Assets (\$000's)	Allocation
Foyston, Gordon & Payne	13.3%	10.0%			23.3%	\$ 98,082	24.4%
Phillips Hager & North	13.3%	10.0%			23.3%	\$ 98,762	24.6%
McLean Budden	13.3%	10.0%			23.3%	\$ 98,117	24.5%
State Street			20.0%		20.0%	\$ 67,830	16.9%
New Star				5.0%	5.0%	\$ 19,254	4.8%
Sky Investments				5.0%	5.0%	\$ 19,210	4.8%
Cash						\$ 13	
Total	40%	30%	20%	10%	100%	\$ 401,268	100%

U of W Pension Plans Annual Returns

	Mkt value 000's	One Year to June 30/06	One year to June 30/05	One year to June 30/04	One year to June 30/03
Total Fund	\$ 401,268	5.3%	10.0%	16.4%	2.0%
U of Windsor Benchmark		6.9%	9.6%	15.3%	0.3%
Faculty Plan portion	\$ 282,399 70%				
Non-Faculty Plan portion	\$ 118,869 30%				

Impact of Investment Performance for Faculty Plan

- **Gross fund return 5.3% for the year ended June 30, 2006; Net return of 4.91%.**
- Money Purchase balances increased by 4.91% for active members
- Money Purchase pensions for retirees decreased by -1.35% for those who retired before July 1, 2004 and by -1.94 % for those who retired on and after July 1, 2004
 - Actual increase is excess over 6% with adjustment for mortality
- Minimum Guaranteed pensions for all retirees increased by 2%

Impact of Investment Performance for Employees' Plan

- **Gross fund return 5.3% for the year ended June 30, 2006; Net return of 4.72%.**
- Rate of credited interest on employee contributions for the year ending June 30, 2006 is 2.64%
- Net return for pension increases 7.71%
 - 4 year average of fund return
- Pensions increased by 0.85%
 - Actual increase is 50% of excess average return over 6%, limited to 50% of CPI

Investment Manager Presentations

- Phillips, Hager & North
- Foyston, Gordon & Payne
- McLean Budden
- Sky Investments
- New Star
- State Street Global Advisors

**University of Windsor
Pension Fund Investments**
Gross rates of return

Phillips, Hager & North

	000's Mkt Value	BM Weight	Actual Weight	One Year to June 30/06	Annualized to June 30 2006		
					2 Years	3 Years	4 Years
Actual return- domestic mandate				5.4%	n/a	n/a	n/a
Domestic mandate benchmark				8.0%	n/a	n/a	n/a
Canadian Equity	\$ 40,845	43%	41%	12.2%	15.8%	19.0%	15.4%
Index: S&P/TSX capped				19.6%	18.8%	20.7%	15.1%
Value added target- index +1.0%				20.6%	19.8%	21.7%	16.1%
Value added (shortfall)				-8.4%	-4.0%	-2.7%	-0.7%
Fixed Income	\$ 56,740	57%	58%	0.4%	6.1%	5.3%	7.0%
Index: SCU Bond				-0.7%	5.5%	4.7%	6.3%
Value added target- index +.25%				-0.5%	5.8%	5.0%	6.6%
Value added (shortfall)				0.8%	0.4%	0.4%	0.5%
Cash	\$ 1,177		1%				
Total MV	\$ 98,762	100%	100%				

NOTES:

Converted to domestic manager mandate Jan 2005

Pension Fund Investments

Gross rates of return

Foyston, Gordon & Payne

	000's Mkt Value	BM Weight	Actual Weight	One Year to June 30/06	Annualized to June 30 2006		
					2 Years	3 Years	4 Years
Actual return- domestic mandate				6.7%	n/a	n/a	n/a
Domestic mandate benchmark				8.0%	n/a	n/a	n/a
Canadian Equity	\$ 39,115	43%	40%	17.3%	19.5%	22.0%	17.6%
Index: S&P/TSX capped				19.6%	18.8%	20.7%	15.1%
Value added target- index +1.0%				20.6%	19.8%	21.7%	16.1%
Value added (shortfall)				-3.3%	-0.3%	0.3%	1.5%
Fixed Income	\$ 52,218	57%	53%	0.3%	6.2%	5.6%	7.1%
Index: SCU Bond				-0.7%	5.5%	4.7%	6.3%
Value added target - index +.25%				-0.5%	5.8%	5.0%	6.6%
Value added (shortfall)				0.8%	0.5%	0.7%	0.5%
Cash	\$ 6,749	-	7%				
Total MV	<u>\$ 98,082</u>	<u>100%</u>	<u>100%</u>				

NOTES:

Converted to domestic manager mandate Jan 2005

**University of Windsor
Pension Fund Investments**
Gross rates of return

McLean Budden

	000's Mkt Value	BM Weight	Actual Weight	One Year to June 30/06	Annualized to June 30 2006		
					2 Years	3 Years	4 Years
Actual return- domestic mandate				7.0%	n/a	n/a	n/a
Domestic mandate benchmark				8.0%	n/a	n/a	n/a
Canadian Equity Fund	\$ 43,844	43%	45%	17.7%	16.6%	19.5%	15.1%
Index: S&P/TSX capped				19.6%	18.8%	20.7%	15.1%
Value added target - index +1.0%				20.6%	19.8%	21.7%	16.1%
Value added (shortfall)				-2.9%	-3.2%	-2.2%	-1.0%
Fixed Income	\$ 53,630	57%	55%	-1.5%	5.2%	4.5%	6.0%
Index: SCU Bond				-0.7%	5.5%	4.7%	6.3%
Value added target- index +.25%				-0.5%	5.8%	5.0%	6.6%
Value added (shortfall)				-1.1%	-0.6%	-0.5%	-0.6%
Cash/Pending transactions	\$ 643						
Total MV	\$ 98,117	100%	100%				

NOTES:

Converted to domestic manager mandate Jan 2005

**University of Windsor
Pension Fund Investments**
Gross rates of return

Sky Investments

	000's Mkt Value 0	One Year to June 30/06	Annualized to June 30 2006		
			2 Years	3 Years	4 Years
Int'l Equity Fund	\$ 19,210	10.0%	7.1%	20.0%	12.2%
Index: MSCI EAFE		15.4%	9.7%	16.4%	7.3%
Value added target- index +1.5%		16.9%	11.2%	17.9%	8.8%
Value added (shortfall)		-6.9%	-4.1%	2.1%	3.4%

NOTES:

Returns provided by manager

**University of Windsor
Pension Fund Investments**
Gross rates of return

New Star

	000's Mkt Value	<u>One Year to June 30/06</u>
Int'l Equity Fund	\$ 19,254	9.2%
Index: MSCI EAFE		15.4%
Value added target- index +1.5%		16.9%
Value added (shortfall)		-7.7%

NOTES:

Added as International Equity pooled fund manager in 1st qtr of 2005

**University of Windsor
Pension Fund Investments
Gross rates of return**

State Street

	000's	
	Mkt Value	<u>One Year to June 30/06</u>
Actual return U.S. Equity Fund	\$ 67,830	-1.3%
Index: S&P 500		-1.3%
Positive (negative) variance		-

NOTES:

Added as U.S. Equity index manager in 1st qtr of 2005

Tracking error target per year is + / - .20% to index