

incidental and very minor activities of a personal nature, such as to stop off at a convenience store directly on the way home, thereby allowing no extra time nor trips, and that such change, in his opinion, was in full conformity with the policy Council approved. Mr. Brown clarified that, while former City Manager G. Taylor was of the opinion that it would be possible to not allow City vehicles to be taken to employees' places of residence and so advised Council that such would be the case, Council was also advised that the situation would be left with the Assistant City Manager - Operations to address and to propose a solution for within thirty days, and Mr. Robichaud explained that he met with Mr. Taylor in this regard to express his concern that the City has to be able to respond to a problem immediately, not about whether an employee lived in or outside the City, and that the reason an employee should take a vehicle home was to be able to respond for operational purposes, although it is realized that residing too far outside the City limits is relevant to responding to an issue and the employee has to be able to respond within a reasonable period, otherwise the employee would not take a vehicle home, and that Mr. Taylor appreciated the fact that the City could not operate properly if what he proposed was put in place and he decided not to put it in place. Mr. Brown expressed the opinion that the policy in place very reasonably covers the intent of providing to staff members vehicles consistent with their ability to provide duties to the City and advised his intent to review the vehicle policy in 1992 and submit any recommendations for Council's consideration.

Question being taken, the original motion was carried with Councillors Coughlan and Rogers voting "nay".

On motion of Councillor Knibb

Seconded by Councillor Flewwelling

RESOLVED that the 1991 Annual Report of the Board of Trustees of the City of Saint John Pension Fund be received and filed with appreciation.

Mr. Wilson, Treasurer of the Board of Trustees, highlighted the above Annual Report by recognizing the Board's investment manager, the firm of Jarislowsky, Fraser & Company, in that the Board commenced the year with approximately \$102 million and completed the year with \$121,609,261, an increase of \$19,437,583 from the previous year, being a rate of return for the year of 19.7% which is exceptionally good, and the Fund's ranking in the top 16% of similar funds measured by the firm of SEI Limited, which is again an exceptional performance; and noted that, for the past 5 years, the average rate of return has been 9.6%, with inflation during that period having been 4.4%, meaning that the real rate of return was 5.1%, far in excess of inflation. Mr. Wilson also noted that the Board has before it an actuarial review of December 31, 1986 which indicates an unfunded liability of \$7,020,000, as well as an intervaluation estimate as of December 31, 1987 indicating that the unfunded liability had grown to \$11,387,000, and also that the Plan is due for another actuarial review as at December 31, 1991 which should be completed within the next three months. Mr. Wilson commented on the matter of 1992 Federal and Provincial legislation which will impact the City's Pension Fund, the latter dealing with minimum standards that must be followed for any pension fund in the Province, although it is believed that the benefits in the City's Pension Plan exceed those prescribed as minimum by legislation thereby requiring no major changes in the City's benefits, with an added administrative responsibility relating to specifications for types of communication that should take place between a plan sponsor and its participants; and the former being significant to the City because of its comments with respect to disability in that the City's Plan prior to 1992 had a disability definition with disability benefits paid from the Pension Plan, while the Federal legislation will require compliance with its definition of disability, in order to continue to have pension plans registered, and its definition is much more stringent and restrictive than the definition in the City's Pension Plan.

(Councillor Coughlan withdrew from the meeting during the above remarks.)

Question being taken, the motion was carried.

On motion of Councillor Knibb