



**PUBLIC SERVICE PENSION BOARD OF TRUSTEES
MEETING HIGHLIGHTS**

December 10 and 11, 2020
Victoria, British Columbia

The Meeting Highlights is a summary of issues that were considered, or decisions that were made, by the Public Service Pension Board of Trustees [Board] at its latest meeting.

Please note that the official Board Minutes record the business conducted by the Public Service Pension Board of Trustees and their decisions. If there are any discrepancies between the Meeting Highlights and the official Board Minutes, the official Board Minutes shall govern. Disclosure of any documents referred to in the Meeting Highlights or the official Board Minutes is subject to applicable Board policy and the *Freedom of Information and Protection of Privacy Act*.

Pension Board Matters

Tom Vincent was elected Chair of the Board for a three-year term from April 1, 2021 to March 31, 2024. Maria Middlemiss was elected Vice Chair of the Board for a two-year term from April 1, 2021 to March 31, 2023.

The following trustees were re-appointed to the Public Service Pension Board of Trustees, each for a three-year term from April 1, 2021 to March 31, 2024: Tiffany Ma, Harp Sandhu, Tom Vincent and Kelly Wheeler.

The Board appoints two of its members as directors of the Pension Corporation, on nomination from the Plan Partners. Chan-Seng Lee was re-appointed as a director of the Pension Corporation for a term from April 1, 2021 to March 31, 2024. Harp Sandhu was been appointed as a director of the Pension Corporation for a term from January 1, 2021 to April 1, 2022, replacing David Vipond.

[Short biographies](#) of all the Board members are available on the plan website.

Inflation Adjustments to pensions in pay

The Board approved a 1.0% increase to pensions in pay beginning January 1, 2021. The inflation adjustment is based on the percentage change in the average Consumer Price Index for the past 12 month periods ending October 31. Inflation adjustments are not guaranteed and are subject to available funding. Once granted, they become part of the

basic, guaranteed benefit. The plan website has more information about the [inflation adjustments](#) under the Public Service Pension Plan.

Trustee Remuneration

Trustees are remunerated for their time spent carrying out Board business. Trustees receive this remuneration directly if they are not receiving remuneration from any other source and may, if they are receiving remuneration from an organization, direct that the payment be made to the organization. Trustee remuneration is reported in the [Public Service Pension Plan Annual Report](#).

The Board's remuneration policy provides for an annual adjustment equal to the inflation adjustment to pensions in pay, which is an increase of 1.0% for 2021. The trustee remuneration rates effective January 1, 2021 are shown below:

Trustee Remuneration

	2020	2021
Annual Retainers (\$ per year)		
Board Member <i>(except Board Chair, Vice Chair or Committee Chair)</i>	\$5,428	\$5,484
Board Chair	\$16,288	\$16,452
Vice Chair	\$10,860	\$10,968
Committee Chair	\$5,428 plus \$2,172 per committee, to a maximum of \$9,772*	\$5,484 plus \$2,196 per committee, to a maximum of \$9,876*
Travel Retainer**	\$1,088	\$1,100
Meeting Fee (\$ per day)	\$428	\$432 per day

* For committees scheduled to meet at least 3 times per year

**For trustees who regularly travel 4 or more hours, one way, to attend meetings. Payment of travel retainer had been suspended due to virtual meetings since March 2020.

Reports from Service Providers

Administration services are provided by the BC Pension Corporation and investment management services are provided by the BC Investment Management Corporation [BCI].

The provider of post-retirement group health and dental benefits administration is Green Shield Canada [GSC].

A. Plan Administration – Report from the Pension Corporation

The Board received a report from the Pension Corporation including increased online member and employer education, service activity and volumes, service experience feedback and a financial summary for the six months ended September 30, 2020.

B. Plan Investment – Report from BCI

The Board received performance, strategy and operational reports from BCI. The Board also received a report on Canadian energy equity investments.

The one-year rate of return for the total pension fund as at September 30, 2020 was 8.5% compared to the benchmark of 10.2%. The five-year annualized return was 8.5% and the ten-year annualized return was 9.1% compared to the benchmarks of 8.3% and 8.1% respectively. The 15 year annualized return for the total pension fund was 7.6%. The market value of the fund at September 30, 2020 was \$36.22 Billion.

C. Post-retirement Group Health and Dental – Report from GSC

In the quarter, the Board approved the renewal rates for the extended health care (EHC) and dental plans available to retired plan members. Dental rates will remain unchanged from 2020 and EHC rates will increase by 7% effective February 1, 2021. Details on the EHC and dental rates for members and their dependents are published in the Winter 2021 edition of the [Pension Life](#) retired members newsletter.

Committee Reports

A. Audit Committee – No report.

B. Benefits Committee

The Board approved Plan Rule Amendment No. 55, to reflect new *Employment Standards Act* leaves, update the terminology for maternity leave and ensure gender-neutral language.

The Board agreed to modify the terms of participation for TransLink Security Management Ltd. (TSML) in the plan effective January 1, 2021, contingent on the

Municipal Pension Board of Trustees approving TSML as a Group 5 employer. The Board also approved the request to grand parent certain TSML employees in the plan.

The Board agreed to provide deferred members of the School District No. 43 plan, who are active in the Public Service Pension Plan, a one-time opportunity to transfer their service to the Public Service Pension Plan, with conditions. The transfers will allow the School District to settle its obligations to these members.

C. Communications Committee

The Board approved the Communications Strategy for 2021-2024 and approved communications related to the 2020 actuarial valuation.

D. Governance Committee

The Board approved updates to some of its operational policies. Many of the Board's [operational policies](#) are available for review on the plan website.

The Board approved a new Board Capacity and Succession Planning Framework. The Board also agreed to develop guidelines on committee member rotation and guidelines on term limits for Board-related leadership roles.

The Board approved revisions to the Governance Committee mandate. The revisions reflect the expansion of the Committee's mandate to include, among other things, regular review of the Strategic and Risk Management Framework.

E. Investment Committee

The Board approved participation in the Government Bond Fund and related amendments to the [Statement of Investment Policies and Procedures](#).

F. Other Committees – No issues.

Website

The [Public Service Pension Plan website](#) contains valuable information about the Plan. You can find many of the Board's governance documents and operational policies in the website under [About us > Who we are > Public Service Pension Plan](#). The web content is updated regularly.

Future Board Meetings

The next regularly scheduled quarterly meeting of the Public Service Pension Board of Trustees will take place on March 8 and 9, 2021 in Victoria, by video conference.

Please direct any questions or comments about this document to:

Public Service Pension Board of Trustees

By phone 250 387-8200
By fax 250 387-4199
By email pspbt@pensionsbc.ca

For general questions about the Public Service Pension Plan, or about your pension, please contact the **BC Pension Corporation**:

By phone Victoria: 250 953-3033
 Toll-free in Canada and the U.S.: 1 800 665-3554
By fax 250 953-0425