



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

December 14-15, 2023
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*.

Board Matters

The board received updates from the Board Chair, the Executive Director and the Director of Board Operations on activities for the quarter.

Inflation Adjustments to Pensions In Pay

The board approved a 4.4 per cent increase to pensions in pay beginning January 1, 2024, as an inflation adjustment. Inflation adjustments are not guaranteed and are subject to available funding. Once approved, they become part of the basic, guaranteed benefit.

The inflation adjustment is based on the annual average index, the same method used by the Canada Pension Plan. Other BC public sector pension plans calculate the inflation adjustment based on the change in CPI in one year (rather than the average of each month in the year) and may provide different inflation adjustments than the Public Service Pension Plan in any given year. Over the course of several years, the two methods yield near-identical results. Please see the website for more information about [inflation adjustments](#).

New Employer

The board approved the application of the North Island-Coast Development Initiative Trust (doing business as Island Coastal Economic Trust) to join the 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 4.4 per cent for 2024. The trustee remuneration rates effective January 1, 2024, are shown below:

Trustee Remuneration

	2023	Effective January 1, 2024
Annual Retainers (\$ per year)		
Board Member (<i>except board chair, vice chair or committee chair</i>)	\$6,000	\$6,264
Board Chair	\$17,996	\$18,788
Vice Chair	\$11,996	\$12,524
Committee Chair*	\$6,000 plus \$2,404 per committee, to a maximum of \$10,808 per annum	\$6,264 plus \$2,508 per committee, to a maximum of \$11,280 per annum
Travel Retainer **	\$1,200	\$1,252
Meeting Fee		
	\$472	\$493

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

** For trustees who regularly travel four or more hours, one way, to attend meetings.

Trustee Education

The board approved the attendance of trustees at out of country training and conferences not offered locally.

Reports from Service Providers

Administration services are provided by the BC Pension Corporation (Pension Corporation) and investment management services are provided by the BC Investment Management Corporation (BCI). The post-retirement group benefits plans are provided by Green Shield Canada (GSC); health and dental consultation services are provided by Willis Towers Watson (WTW); actuarial services are provided by Eckler Ltd.

A. Plan Administration – Report from the BC Pension Corporation

The board received a report from the BC Pension Corporation on accomplishments for the quarter including implementation of a program to measure and increase quality and accuracy in the Member Employer Experience division, enhancement to the employer portal, began phase two of the new document management system initiative and continued migrating applications to the cloud.

The board approved the Pension Corporation's 2024-2027 Service Delivery Plan.

B. Plan Investment – Report from BCI

The board received the quarterly performance report, reviewed the Q3 2023 fee statement and received an investment strategy and risk update.

Assets under management (AUM) at September 30, 2023, were \$41.8 billion. The one-year annualized rate of return was 5.8% compared to the benchmark of 9.8% and the return objective of 6.0%. The five-year annualized rate of return was 6.8% compared to the benchmark of 5.8% and the average return objective over the five years of 6.1%.

The board reviewed and commented on the results of BCI's bi-annual client satisfaction survey.

C. Post-Retirement Group Health and Dental

In the quarter, the board received an update from the post-retirement group benefits carrier on health and dental claims, call insights and service standards.

The board approved the renewal rates for the extended health care (EHC) and dental plans available to retired members. The rates will see an increase of 8.0 per cent to dental premiums and an increase of 3.7 per cent for health proxy rates for the period of February 1, 2024, to January 31, 2025. Details on the EHC and dental rates for members and their dependents are published in the Winter 2024 edition of the [Pension Life](#) retired members newsletter.

D. Actuarial Services

The board received the valuation report as of March 31, 2023. Once filed with the regulator, the valuation report will be published on the plan website: <https://pspp.pensionsbc.ca/valuation-report>.

Committee Reports

The Board has four standing committees: Benefits, Communications, Governance, and Responsible Investment.

A. Benefits Committee

In the quarter, the Board undertook evaluations of its service providers for the extended health and dental plans and provided feedback to them.

B. Communications Committee

The board approved the trustee message and a feature article for the Winter 2024 edition of the [Pension Life](#) retired members newsletter.

C. Governance Committee

The board updated its policies on travel expense reimbursement and trustee education, as well as the committee mandate. Many of the board's [operational policies](#) are available to view on the plan website.

D. Responsible Investment Committee

The board received an update on the committee's work to support the board in its pursuit of continuous improvement of its approach to overseeing BCI's responsible investing activities.

Additional information on the board's approach to responsible investing can be found on the plan website: <https://pspp.pensionsbc.ca/responsible-investing>.

Information on BCI's ESG approach and responsible investing is available on the BCI website at <https://www.bci.ca/approach/esg/>.

Interplan Committees

The Public Service Pension Plan trustees represent the Board on the Interplan Audit Committee and Interplan Trustee Education Committee with the other three BC public sector pension plan boards (Public Service, Municipal, and Teachers' Pension Boards of Trustees), and represent the Board on the Interplan Investment Committee in collaboration with trustees representing the College and Public Service Pension Boards.

A. Interplan Audit Committee

No report – there was no Interplan Audit Committee for the quarter.

B. Interplan Investment Committee

The board approved the annual funding request for the Interplan Investment Committee to engage professional resources to assist in executing its mandate. The board also approved a housekeeping amendment to the Statement of Investment Policies and Procedures (SIPP). Once finalized, the updated SIPP will be posted to the plan website.

C. Interplan Trustee Education Committee

The board received an update on planning for the 2024 BC Public Sector Pension Conference.

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 on the website under [About us > Who we are > Public Service Pension Plan](#). The web content is updated regularly. New additions for the quarter include:

- Meeting Highlights - <https://pspp.pensionsbc.ca/board-meeting-highlights>
- 2023 Annual Report - <https://pspp.pensionsbc.ca/annual-report>

Future Board Meetings

The next regularly scheduled quarterly meeting of the Public Service Pension Board of Trustees will take place on March 11 and 12, 2024 in Victoria.

**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