

PUBLIC SERVICE PENSION BOARD OF TRUSTEES
MEETING HIGHLIGHTS

June 3 and 4, 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

The Board approved the expenditure of up to \$103,000 for the purchase of fiduciary liability insurance for the period June 30, 2020 to June 30, 2021.

The 2021 Board and Committee meeting dates were approved.

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 on the measures taken by the Pension Corporation to respond to COVID-19, including communications to plan members. Other reports included the financial summary for the year ended March 31, 2020, service initiatives, transaction statistics and member feedback. A close-out summary report on the implementation of the plan design changes announced in January 2018, including costs, was also received.

B. Plan Investment – Report from BCI

The Board received a report on the measures taken by BCI and portfolio companies to deal with COVID-19, and estimates on the timeframe and extent of the anticipated economic recovery. The Board also received reports on investment strategy and risk, environmental, social and governance (ESG) engagement and proxy voting and investment management fees.

The rate of return for the total pension fund for the year ended March 31, 2020 was 3.2 per cent compared to the benchmark return of -0.4 per cent. The five year annualized return was 6.3 per cent, compared to the benchmark return of 5.0 per cent and the annualized 15-year return was 7.5 per cent compared to a benchmark of 6.5 per cent.

Committee Reports

A. Audit Committee

The Board received the audit plan for the audit of the Public Service Pension Plan for the year ended March 31, 2020.

B. Benefits Committee

The Board approved an 8% EHC proxy premium rate reduction and a 75% dental premium rate reduction, for coverage in August, September and October 2020, or earlier if administratively possible.

The Board approved a request by the Provincial Health Services Authority (PHSA) to amend the grand-parenting agreement for Emergency Health Services BCGEU, CUPE 873 and non-contract employees, effective retroactive to October 10, 2014, to allow covered employees to continue to participate in the PSPP if they move to positions in any organization governed and funded by the PHSA. The Board also agreed to amend the grand-parenting agreement for all Forensics staff to correct an administrative error.

The Board approved Plan Rule Amendment No. 54. The amendment will add criteria for “good and sufficient reason” for pension backdating to the Plan Rules; update references to the legislated refund interest rate and repeal redundant reference to locking-in provisions.

In the quarter, the Board agreed to postpone the PRGB consultation originally scheduled for April to June 2020, due to COVID-19. The engagement survey is rescheduled for fall 2020. The implementation of EHC changes, if any, is planned for January 1, 2022. A video about the long term financial viability of the EHC plan will be posted on the plan website in July 2020.

C. Communications Committee

The Board approved the 2020 Report to Members. The report will be distributed to active members with the annual Member's Benefit Statement in September, and will also be available on the website.

The Board approved the trustees' message for the summer 2020 edition of the Pension Life newsletter for retired members.

D. Governance Committee

The Board approved the Strategic and Risk Management Framework. The document provides the Board with a comprehensive record and approach to identify, mitigate and monitor risks to the plan.

E. Trustee Education Committee

The Trustee Education Committee organizes the annual BC Public Sector Pension Conference, an initiative of the College, Municipal, Public Service and Teachers' Pension Boards of Trustees. The Board approved a preliminary budget for the 2021 conference.

F. Interplan Coordination Committee

The Board approved a joint letter from the College, Teachers' and Public Service Pension Boards of Trustees to Green Shield Canada regarding Maple telemedicine. The letter advises that, following recent discussions with GSC and Maple, the Boards are satisfied with the legality of Maple telemedicine. The letter also asks GSC not to promote Maple to plan members, because the Boards do not have a mandate to promote one telemedicine provider over another.

Website

The [Public Service Pension Plan website](#) contains valuable information about the Plan.

You can also 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 September 10 and 11, 2020 in Victoria.

This document is a report of the
Public Service Pension Board of Trustees

Please direct any questions or comments about this document to:

Public Service Pension Board of Trustees

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

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