



PUBLIC SERVICE PENSION BOARD OF TRUSTEES MEETING HIGHLIGHTS

September 11 and 12, 2018 and September 19, 2018
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

Alyson Blackstock was appointed to the Board by the Plan Employer Partner for a term from July 4, 2018 to March 31, 2022, replacing John Davison. Angie Sorrell was appointed to the Board by the Plan Employer Partner for a term from July 5, 2018 to March 31, 2020, replacing John Mazur.

The Joint Trust Agreement requires the Board to appoint two of its members to the Pension Management Board of the BC Pension Corporation. The Board appointed Chan-Seng Lee, a nominee of the Plan Employer Partner, as a director of the corporate board for a term from September 11, 2018 to March 31, 2021, replacing John Mazure.

In accordance with its trustee education policy, the Board approved a request for additional trustee education funding towards the Institute of Corporate Directors (ICD)-Rotman Directors Education Program.

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 Pension Corporation

The Board received a financial summary for the three months ended June 30, 2018, and other reports on post-retirement group benefit cost forecasts, website updates and risk management. The Board also received a report on the annual international benchmarking exercise, which showed that the administrative agent continues to be a low cost service provider relative to peers.

The Board received an updated Inflation Adjustment Account (IAA) sensitivity model illustrating the effect on the IAA of various economic scenarios.

B. Plan Investment – Report from BCI

The one-year rate of return for the total pension fund as at June 30, 2018 was 10.2 per cent; the five-year annualized return was 10.4 per cent and the ten-year annualized return was 7.7 per cent compared with the benchmarks of 8.6, 9.4 and 7.1 per cent respectively. The market value of the fund at June 30, 2018 was \$31.9 Billion.

The Board received summaries of the 2017 annual reports for the private equity, infrastructure, renewable resources and global real estate asset classes. The Board also received a report on BCI's securities lending program and the 2017 Responsible Investing Annual Report.

C. Post-Retirement Group Benefits – Reports from Green Shield Canada

The Board receives regular call centre and service performance reports from Green Shield Canada for the extended health and dental plans for retired members of the Public Service Pension Plan.

Committee Reports

A. Audit Committee

The Board approved the financial statements of the Public Service Pension Plan for the year ended March 31, 2018. Information on the financial statements is distributed to active plan members in the Report to Members and to retired plan members in the Winter edition of Pension Life. The full financial statements will be available in the 2018 Annual Report of the Public Service Pension Plan which is posted to the website in November.

The Board approved the appointment and fee of KPMG to conduct the audit of the Public Service Pension Plan financial statements for the year ended March 31, 2019.

The Board approved the Audit Committee's annual request for funding for professional and other expert resources and Committee education.

B. Benefits Committee

The Board approved changes to the extended health care plan administered by Green Shield Canada. The changes add coverage for a shingles vaccine, registered clinical counsellors and glucose monitoring systems, with conditions. The Board also approved an increase in the extended health care lifetime claims maximum amount from \$200,000 to \$250,000.

The Board approved a five per cent decrease to the extended health care proxy premium rates and a 13 per cent increase to the dental premium rates, effective February 1, 2019.

C. Communications Committee

The Board approved the 2018 Annual Report.

D. Governance Committee – No issues.

E. Investment Committee – No report.

F. 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 the dates and venue for the 2020 BC Public Sector Pension Conference.

G. Other Committees

The Board appointed Kelly Wheeler to the Audit Committee and ratified the appointment of Rob Taylor, a nominee of the Teachers' Pension Board of Trustees, to the Audit Committee.

Website

The Public Service Pension Plan website contains valuable information about the Plan. The website includes the executive director's blog, [BOOM!](#)

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 December 13 and 14, 2018 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

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