



PUBLIC SERVICE PENSION BOARD OF TRUSTEES
MEETING HIGHLIGHTS

September 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

The September 10 and 11, 2020 Board meeting was held by video conference.

The Board agreed to amend the [Statement of Investment Policies and Procedures](#) to reflect a transition period of up to one year to implement currency hedging policy.

The Board approved changes to the terms and conditions for the participation of two employers in the plan: ISM Information Systems Management Canada and ESIT Advanced Solutions Inc. The changes expand the existing terms and conditions for these employers, subject to the employer providing support work to a “Public Function Entity.”

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 extended health care and dental benefits is Green Shield Canada [GSC].

A. Plan Administration – Report from the Pension Corporation

The Board received a report on the long-term considerations of COVID-19 for pension plans.

The Board received a report on member service initiatives to distribute material electronically to members who so choose, provide courtesy call back and deliver pension education online. The Board also received a financial report summary for the three months ended June 30, 2020, a report on post-retirement group benefit costs and report on the results of the Pension Corporation's annual benchmarking exercise.

The Board also received an annual report on the Pension Corporation's Enterprise Risk Management program and the updated Inflation Adjustment Account (IAA) sensitivity model illustrating the effect on the IAA of different economic scenarios.

B. Plan Investment – Report from BCI

The Board received the pension fund performance report. The market value of the Public Service Pension Fund at June 30, 2020 was \$35.1 billion. The one year total fund return was 6.8 per cent compared to the benchmark return of 7.3 per cent. The five year annualized return was 7.5 per cent compared to the benchmark return of 7.0 per cent. The annualized 10 year total fund return was 9.4 per cent compared to a benchmark of 8.3 per cent.

The Board received reports on investment risk, BCI's corporate culture and HR trends and an annual review of BCI's key performance indicators. The Board also received the BCI Environmental, Social and Governance (ESG) Annual Report, investment strategy report and trends and issues report. Summaries of the 2019 asset class annual reports for private equity, real estate and infrastructure and renewable resource investments were also reviewed.

Committee Reports

A. Audit Committee

The Board approved the Financial Statements of the Public Service Pension Plan for the year ended March 31, 2020. Information about the Financial Statements is distributed to active plan members in the Report to Members and to retired plan members in the winter edition of the *Pension Life* newsletter. The full Financial Statements will be available in the 2020 Annual Report of the Public Service Pension Plan, which is posted to the plan website in November.

The Board appointed KPMG as its auditor to conduct the 2021 audit of the Public Service Pension Plan, and extended the engagement with KPMG for five years commencing with the year ending March 31, 2022.

The Board approved the Audit Committee's annual request for funding for professional and other expert resources and Committee education. The cost of the request is shared equally between the College, Municipal, Public Service and Teachers' Pension Boards of Trustees.

B. Benefits Committee – No report.

C. Communications Committee

The Board approved the Public Service Pension Plan Annual Report for the year ended March 31, 2020. The [Annual Report](#) with Financial Statements is posted on the website in November.

D. Governance Committee – No report.

E. Investment Committee – No report.

F. Trustee Education Committee – 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 December 10 and 11, 2020 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 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 Toll-free in Canada and the U.S.: 1 800 665-3554