



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

December 15-16, 2022
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

Trustee Appointments

Maria Middlemiss and Doug Dykens were reappointed as members of the Board, each for a three-year term ending March 31, 2026. [Short biographies](#) of all the Board members are available on the plan website.

Inflation Adjustments to pensions in pay

The Board approved a 6.5 per cent increase to pensions in pay beginning January 1, 2023 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 PBC Health Benefits Society (PBC) to join the plan, with terms and conditions. The [terms and conditions of new employer eligibility](#) to join the plan are provided on the plan website.

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 6.5 per cent for 2023. The trustee remuneration rates effective January 1, 2023 are shown below:

Trustee Remuneration		
	2022	Eff. January 1, 2023
Annual Retainers (\$ per year)		
Board Member <i>(except Board Chair, Vice Chair or Committee Chair)</i>	\$5,632	\$6,000
Board Chair	\$16,896	\$17,996
Vice Chair	\$11,264	\$11,996
Committee Chair	\$5,632 plus \$2,256 per committee, to a maximum of \$10,144 per annum	\$6,000 plus \$2,404 per committee, to a maximum of \$10,808 per annum
Travel Retainer**	\$1,128 per annum	\$1,200
Meeting Fee		
	\$444 per day	\$472

* 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.

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 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]. The Board's group health and dental consultant is Willis Towers Watson [WTW].

A. Plan Administration – Report from the Pension Corporation

The Board received a report from the Pension Corporation, including service targets and results for the six months ending September 30, 2022, service delivery plan highlights, and compliance and financial reporting.

B. Plan Investment – Report from BCI

The Board completed its asset-liability review, and approved the asset mix management framework for the next three years. The asset mix management framework is comprised of asset class allocations, policy ranges, benchmarks and transition schedule. The Board also approved amendments to the Statement of Investment Policies and Procedures (SIPP) required to implement the asset mix management framework, effective February 1, 2023.

The Board received reports on investment strategy and risk, economic and market updates, and the plan's performance.

As at September 30, 2022, the total fund one-year return was -1.9% compared to the benchmark return of -6.5%. The five-year annualized return was 7.8% compared to the benchmark 5.5%. Assets under administration were \$40.03 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. The rates for the EHC plan will increase by 5.8% and the dental rates will increase by 7.8% effective February 1, 2023. Details on the EHC and dental rates for members and their dependents are published in the Winter 2023 edition of the [Pension Life](#) retired members newsletter.

Committee Reports

A. Audit Committee – No report.

B. 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 (Green Shield Canada and Willis Towers Watson).

C. Communications Committee

The Board approved the trustees' message for the Winter 2023 edition of Pension Life.

D. Governance Committee

The Board updated its policy documents related to risk, governance, and the roles and responsibilities of the Board Secretary. Many of the Board's [operational policies](#) are available to view on the plan website.

The Board reviewed the services provided by legal counsel and provided feedback.

E. Investment Committee

The Board approved the annual funding request for the Investment Committee to engage professional resources to assist in executing its mandate. The Board also approved a revision to the Investment Committee's mandate to clarify terms of the committee chair and vice chair.

F. Responsible Investment Committee

In the quarter, the Board reviewed the results of the Principles of Responsible Investment (PRI) assessment report. The PRI assessment results will be posted on the [plan website](#) in the New Year.

G. Trustee Education Committee

The Board agreed to provide access to the in-house trustee curriculum to staff of the BC Pension Corporation, BCI, the pension advisory committees and appointing authorities, and select Plan Partner representatives, with conditions.

H. Other Committees – No issues to report.

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 2 and 3, 2023 in Victoria.

Please direct any questions or comments about this document to:

Public Service Pension Board of Trustees

By phone 250 387-8200
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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