



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

March 17-18, 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

Trustees are appointed in accordance with the provisions of the Public Service Pension Plan Joint Trust Agreement. The appointing authorities are the Plan Member Partner (BC General Employees' Union), the Plan Employer Partner (BC government), and the BC Government Retired Employees' Association (BCGREA).

Johanna Morrow was appointed for a term from April 1, 2022 to March 31, 2025, replacing Lawrence Johnson who retired from the Board. Tiffany Ma left the Board January 17, 2022 and Sadaf Mirza was appointed for the remainder of the term to March 31, 2024. Troy Clifford was reappointed for a term from April 1, 2022 to March 31, 2023.

The Board made several committee appointments, effective April 1, 2022.

The Board approved the trust fund expenditure of up to \$1,519,911 for Board expenses, Pension Board Secretariat operating costs and consulting and other costs for the year from April 1, 2022 to March 31, 2023.

The Board corrected a technical issue related to Plan Rule Amendment No. 57, which was approved in the last quarter and pertains to surplus allocation.

The Board approved Plan Rule Amendment No. 58, effective retroactive to April 1, 2018, regarding early retirement reduction factors for members with less than two years' service.

The Board approved Amendment No. 5 to the Public Service Pension Plan Post-Retirement Group Benefit Rules, effective April 1, 2022 for housekeeping updates.

The Board approved the withdrawal of Fraser River Marine Transportation as a plan employer.

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 approved the service cost allocation of \$19,495,000 for the administration of the Public Service Pension Plan for the period April 1, 2022 to March 31, 2023, plus up to a one per cent variance tolerance of \$195,000 and net GST of \$650,000 for a total of \$20,340,000.

B. Plan Investment – Report from BCI

The Board received performance, strategy and operational reports from BCI. The one-year rate of return for the total pension fund as at December 31, 2021 was 10.1%; the five- and ten-year annualized returns were also close to 10%, compared to benchmarks of 8.8% (one-year) and 9.1% (five- and 10-year).

The Board approved investment management fees of up to \$170.8 million (38.6 basis points) for internal and external direct costs, for the Public Service Pension Plan for the period April 1, 2022 to March 31, 2023.

C. Post-retirement Group Health and Dental – Report from GSC

In the quarter, the Board received a report from GSC including call statistics, claim statistics and experience analysis for 2021.

Committee Reports

A. Audit Committee

The Board received the triennial audit of schedules of annual performance returns.

B. Benefits Committee

The Board agreed to remove “category 3, plan sponsor distribution” from the list of approved categories of GSC direct emails to plan members that were approved in December 2021 due to technical issues with the intended distribution.

The Board provided standing approval for GSC to continue its biosimilar transition initiative to align with the PharmaCare biosimilar transition initiative, and to send letters to affected plan members at each phase, along with a Board cover letter.

The Board approved Eckler undertaking annual stochastic modelling, and the fee.

The Board agreed to dissolve the PRGB Sub-committee effective February 28, 2022 and deal with PRGB matters at the Benefits Committee.

The Board agreed to undertake a drug compliance audit to confirm that confirm that the new tiered formulary has been correctly implemented.

C. Communications Committee

The Board approved a request by the BC Government Retired Employees’ Association to facilitate mailing information about the organization to retired plan members, with conditions.

D. Governance Committee

The Board approved revisions to its Information Governance Policies, Guidelines for Corporate Directors, Policy Review Schedule and Communication Policy.

E. Investment Committee

The Board approved in principle the use of unsecured debt as a leverage tool, subject to approval of related revisions to the Statement of Investment Policies and Procedures and Funds Investment and Management Agreement.

The Board participation in the US Dollar money market fund (ST4), based on the long-term policy asset mix, and the related amendments to Appendix A of the Statement of Investment Policies and Procedures.

The Board approved the revisions to the Investment Committee mandate to create an optional vice-chair position for the Committee.

F. RI Committee

The Board approved guidelines for voting in PRI elections.

G. Other Committees – 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](#). The website is updated regularly.

Future Board Meetings

The next regularly scheduled quarterly meeting of the Public Service Pension Board of Trustees will take place on June 27 and 28, 2022 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