

University of Waterloo
Board of Governors
PENSION & BENEFITS COMMITTEE
Minutes of the 24 June 2022 Meeting
[in agenda order]

Present: Peter Barr (chair), Sara Cressman, Tony Giovinazzo, Melissa Graham, Mike Grivicic (secretary), Michelle Hollis, Lily Hua, Dennis Huber, Ranjini Jha, James Rush, David Saunders, David Taylor

Regrets: Terrence Birmingham

Resources: Anata Alphonso, Sarah Hadley, Lee Hornberger, Joan Kennedy, Sue McGrath, Allan Shapira, Tim Weber-Kraljevski, Tyler Wendland

Guests: Danial Cockayne (7)

Organization of Meeting: Peter Barr took the chair, and Mike Grivicic acted as secretary. The secretary advised that a quorum was present. The agenda was accepted as distributed.

OPEN SESSION

1. APPROVAL OF THE 20 MAY 2022 MINUTES (OPEN SESSION) AND BUSINESS ARISING

There was a motion to approve the minutes as presented. Giovinazzo and Hollis. Carried. Items (a)-(c) were received for information.

2. EXECUTION AGAINST THE WORK PLAN

This item was received for information.

3. UPDATE ON GOVERNMENT PENSION PLAN INITIATIVES

Shapira observed that with recent shifts in the financial markets and movement on interest rates, an update to the plan's valuation will likely be timely in the fall.

4. UPDATE ON THE PAYROLL PENSION PLAN

Huber provided an overview of the exhibit, and highlighted that with participating employees now earning all pension benefits under the registered plan, the University will direct a portion of the PPP assets to the RPP over time (~\$8 million per year over the next three years) with the transfer amounts to fund a portion of the University's additional contributions to the RPP.

5. PENSION ADMINISTRATION, INTERNAL SUPPORTING RESOURCES

Hornberger discussed the exhibit provided, noting that it has been more than 10 years since the committee discussed a new staff allocation, and in that time the growth of the plan's membership and overall demands on support staff have grown significantly. Current plan demographics show a large number of members reaching retirement age in coming years, which will also significantly increase the demands on staff to support their needs. The proposed new hires are estimated to cost about \$175,000 annually. A motion was heard to approve the funding of two net new pension administrator positions by the plan, and to direct that a formal review of internal resources again be conducted within the next five years and in conjunction with the competitive bidding process that is required to support the pension administration system effective November 1, 2026. Jha and Saunders. Carried. An annual review of plan staffing will be added to the committee workplan.

6. BENEFITS UTILIZATION REPORT

Kennedy provided a PowerPoint presentation and observed: overall cost of benefits program rose in 2021-22; plan experience by specific category of benefit; recent plan changes implemented on 1 May 2021 included new benefits (vision coverage) and amendments to existing benefits (e.g. removal of doctor's note requirement for massage therapy). Members noted the rise in experience pertaining to mental health and observed that proactive therapies/interventions can be beneficial to individuals while help to reduce costs to the plan; the EFAP program and other wellness programs aim to provide such proactive assistance.

**7. DRAFT TERMS OF REFERENCE – WORKING GROUP TO REVIEW IN-VITRO
FERTILIZATION COVERAGE**

Members discussed the draft including prospective membership, utilizing expert support from Aon, and focusing on fact-finding and prospective implications to the plan of expanding coverage beyond the current scope. The secretary will revise the draft and circulate to members for review electronically following the meeting.

[*Secretary's note:* the revised terms of reference were approved via email on 6 July 2022]

8. ANNUAL REVIEW OF COMMITTEE TERMS OF REFERENCE

Barr observed that the governance review process is reviewing all terms of reference holistically, and Jha noted that PIC has been active for two years. Members may relay comments to the secretary.

9. OTHER BUSINESS

There was no other business.

NEXT MEETING

The next regular meeting is scheduled for Friday 16 September 2022, 9:30 a.m. – 12:00 noon

1 September 2022

Mike Grivicic
Associate University Secretary