

**University of Waterloo**  
**Board of Governors**  
**PENSION & BENEFITS COMMITTEE**  
**Minutes of the 17 November 2023 Meeting**  
**[in agenda order]**

**Present:** Sara Cressman, Elizabeth Demers, Teresa Fortney (chair), Melissa Graham, Sarah Hadley, Lily Hua, William Povelofskie, Jacinda Reitsma, James Rush, David Saunders, David Taylor, James Thompson, Sarah Willey-Thomas (secretary)

**Regrets:** Michelle Hollis

**Resources/Guests:** Anata Alphonso, Melanie Figueiredo, Patti Hancock, Lee Hornberger, Sue McGrath, Michelle St-Amour, Allan Shapira, Tyler Wendland

**Organization of Meeting:** Teresa Fortney took the chair, and Sarah Willey-Thomas acted as secretary. The secretary advised that a quorum was present. The agenda was accepted as distributed.

**OPEN SESSION**

**1. AGENDA / ADDITIONAL AGENDA ITEMS**

The Chair noted that the December Committee meeting would be canceled and that materials have been adjusted to reflect the cancellation.

Saunders and Taylor.

Motion to approve the 17 November 2023 agenda.

**CARRIED**

**2. MINUTES OF THE 13 OCTOBER MEETING AND BUSINESS ARISING**

Thomson and Saunders.

Motion to approve the minutes of the 13 October 2023 meeting.

**CARRIED**

**a. Pension Projection Tool – Early Retirement Reduction Disclosure**

The Committee received an update on the language drafted for the pension portal including the placement within the portal and heard that Aon had been engaged in drafting the language.

**b. Request at Board – Information on Health of Pension**

The Committee received an update on the health of the pension plan which had been submitted to the Board of Governors at its 31 October 2023 meeting.

**3. EXECUTION AGAINST WORK PLAN**

The Committee reviewed the updated work plan.

**4. REPORT FROM PENSION INVESTMENT COMMITTEE**

The Committee received an update from the Pension Investment Committee. The Committee discussed that the negative returns would be discussed during a subsequent agenda item.

**Benefits**

**5. ANNUAL BENEFITS UTILIZATION REPORT**

Lee Hornberger presented the Annual Benefits Utilization Report. The Chair noted appreciation for the comprehensive information provided by the report.

## **Pension**

### **5. UPP REVIEW**

Allan Shapira presented the UPP review. The Committee discussed how employee groups decide on joining the UPP and particularly where employee groups are not fully unionized; allocation of representation seats across member institutions; governance and fiduciary responsibilities; lack of representation for retirees; culture change associated with change in Committee representation on UPP; process for managing liabilities over ten year period; reason for not fully funding pensions; initial genesis for the UPP; lack of solvency requirements; strong representation on University of Waterloo Pension Plan for Staff and Faculty; potential size of the UPP if all Ontario universities were to join; need for scenario testing; how assets of UPP are backed in case of insolvency; how member university can remove themselves from the UPP; returns on plan over the last ten years; and impact on bargaining.

Committee members were invited to come with any questions they might have for the January Committee meeting.

### **6. SUMMARY OF TOTAL FUND INVESTMENT PERFORMANCE**

Shapira presented the Summary of Total Fund Investment Performance. The Committee discussed the fees associated with the return; and return for the quarter and year to date performance.

### **7. PENSION RISK MANAGEMENT DASHBOARD Q3 2023**

Shapira presented the Pension Risk Management Dashboard for Q3 2023. The Committee noted some corrections to the report and that an update would be brought forward to the next meeting.

### **9. MAXIMUM PENSION LIMITS AND CAPS ADJUSTMENTS, BASED ON AIW INCREASE**

Sue McGrath presented the Maximum Pension Limits and Caps Adjustments, Based on AIW Increase.

### **10. OTHER BUSINESS**

The Committee discussed Bill 124 salary increases, including timing of payments and impact for pensionable earnings as well as pensions in pay, noting that the Staff and Faculty agreements have been implemented but processing for CUPE is targeted for February 2024 pending the final agreement. . The Committee noted it would receive an update in the new year and that questions could be directed to Hornberger in the interim.

24 November 2023

Sarah Willey-Thomas  
Associate University Secretary