

## 2025 01 17 Pension & Benefits Committee Meeting Book

### AGENDA

#### 1 Governance Resources

1.1 <https://uwaterloo.ca/secretariat/governing-bodies/board-governors/pension-benefits-committee>

#### 2 OPEN SESSION

9:00 a.m.

#### 3 Agenda and Minutes

##### 3.1 Declaration of Conflict of Interest

3.1.1 Agenda and Minutes Memo

4

##### 3.2 Approval of Agenda

Decision

##### 3.3 Approval of November 15, 2024 Minutes

Decision

3.3.1 PB 2024-11-15 OPEN Minutes

6

##### 3.4 Business Arising from the Minutes

9:05 a.m.

#### 4 Pension

##### 4.1 Approval of Actuarial Assumptions [Aon]

Decision

4.1.1 Approval of Actuarial Assumptions Memo

9

4.1.2 Approval of Actuarial Assumptions Slide Deck

10

##### 4.2 UPP Update [Reitsma]

Information

4.2.1 UPP Update Memo

37

10:00 a.m.

#### 5 Benefits

##### 5.1 Annual Benefits Utilization Report [Hornberger]

Information

5.1.1 Annual Benefits Utilization Report Memo

38

5.1.2 Annual Benefit Utilization Report

39

##### 5.2 Health Care Spending Account [Hollis]

Decision

5.2.1 5.2 Health Care Spending Account Memo

48

5.2.2 5.2 Health Care Spending Account Correction

49

5.2.3 5.2 Health Care Spending Account for Faculty Report

50

11:00 a.m.

#### 6 Other Business

##### 6.1 Pension & Benefits Committee Work Plan [Willey-Thomas]

Information

6.1.1 Pension & Benefits Committee Work Plan Memo

51

6.1.2 Pension & Benefits Committee Work Plan Report

52

**For Decision**

**Open Session**

**Date of Meeting:** January 17, 2025  
**To:** Members, Pension & Benefits Committee  
**From:** Sarah Willey-Thomas, Associate University Secretary  
**RE:** **3. Agenda and Minutes**

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### **3.1 Declarations of Conflict of Interest**

Members are invited to declare any conflicts related to the confidential agenda at this time. Should a conflict of interest arise during the course of discussion, Members are invited to declare a conflict of interest as it arises.

The Secretariat can provide guidance regarding any potential conflicts of interest in advance of or during the Board meeting.

Members are invited to review the Conflict of Interest webpage on the Secretariat [website](#).

### **3.2 Approval of Agenda**

**Recommendation:**  
**That the January 17, 2025 meeting agenda be approved.**

### **3.3 Minutes of the November 15, 2024 Meeting**

**Recommendation:**  
**That the minutes of the November 15, 2024 meeting be approved.**

### **3.4 Business Arising**

At the October 29, 2024 Meeting, the Board of Governors approved the following:

- Pension Plan Text Amendments;
- Pension Statement of investment Policies and Procedures; and,
- Extended Plan Design Amendments.

All other matters of business arising will be addressed throughout the balance of the agenda.

**Documentation Provided:**

- November 15, 2024 Meeting Minutes

**University of Waterloo**  
**PENSION AND BENEFITS COMMITTEE**  
**Minutes of the November 15, 2024 Meeting**  
**[in agenda order]**

**Present:** Teresa Fortney (chair), Trevor Askes, Linda Blair, Danielle Deveau, Melissa Graham, Sarah Hadley, Michelle Hollis, Lily Hua, Jacinda Reitsma, David Taylor, James Thompson, Sarah Willey-Thomas (secretary).

**Resources/Guests:** Anata Alphonso, Aubrey Basdeo (2), Linday Byron, Melanie Figueiredo, Gen Gauthier-Chalifour, Patti Hancock, Lee Hornberger, Sue McGrath, Brad Richards, Allan Shapira, Jessica Tran, Michael Wallace, Tyler Wendland.

**Regrets:** Sara Cressman, Elizabeth Demers, James Rush.

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

**OPEN SESSION**

**1. Agenda and Minutes**

**1.1. Declarations of Conflict of Interest**

No conflicts were declared.

**1.2. Approval of Agenda**

Graham and Hadley.

**That the November 15, 2024 meeting agenda be approved. CARRIED**

**1.3. Approval of October 17, 2024 Minutes**

Hollis and Graham.

**That the minutes of the October 17, 2024 meeting be approved. CARRIED**

**1.4. Business Arising**

A member requested information to prepare an annual Pension & Benefits Committee report to faculty and the discussion was deferred to other business.

**2. Reports from Sub-Committee**

**2.1. Report from Pension Investment Committee**

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Aubrey Basdeo presented the report from the Pension Investment Committee as included in the agenda package. Basdeo further outlined changes to how the asset mix has evolved over time (including asset liability study) and the impact of the Magnificent Seven on the current market. The Committee discussed whether Eckler provides statistics regarding the pension's performance benchmark relative to risk and how benchmarks are established.

### **3. Pension**

#### **3.1. Pension Risk Management Dashboard**

Linda Byron presented the Pension Risk Management Dashboard for Q3 2024 as included in the agenda package. The Committee discussed holding a Pension Education Meeting as an outcome of the discussion at the October Board of Governors meeting; review of the evolution of the Pension Plan at the education session, including annualized data, asset mix evaluation and market history; how solvency is tracked; government requirements related to solvency; and the impacts of an overfunded pension on a going concern basis.

#### **3.2. Maximum Pension Limits and Caps Adjustments Based on AIW Increase**

Lee Hornberger presented the Maximum Pension Limits and CAP Adjustments based on the Average Industrial Wage (AIW) increase as included in the agenda package. There were no questions.

### **4. Benefits**

#### **4.1. Extended Health & Dental Benefits – Indexation of Maxima Effective January 1, 2025**

Lee Hornberger presented the Extended Health & Dental Benefits – Indexation of Maxima effective January 1, 2025 as included in the agenda package. The Committee discussed whether similar decisions are being taken across the University because of the University's financial situation; discussion at the Board of Governors around recent benefit changes presented for approval; and expected take up rates associated with extended health and dental benefits.

Taylor and Blair.

**That the Pension & Benefits Committee will approve to maintain the current maxima of extended health and dental benefits, effective January 1, 2025.**

**CARRIED**

#### **4.2. Health Care Spending Account Update**

Michelle Hollis provided an update on the Health Care Spending Account, noting the item would be deferred to the January meeting as a result of ongoing discussions. The

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Committee discussed the timing of approval for implementation by May 2025.

## **5. Other Business**

The Committee discussed the Committee's annual report as well as Pension & Benefits Committee reports created by Committee members for their respective employee groups. The Committee further discussed the timing of the Committee's annual report and areas for additional detail in the Committee's annual report, including investment performance.

### **5.1. Committee Orientation**

The Committee received the orientation slide deck as enclosed in the agenda package. The Committee discussed the process by which changes are made to benefits.

### **5.2. Review of Workplan**

The work plan was provided for information. There were no questions.

January 10, 2025

Sarah Willey-Thomas  
Associate University Secretary

**For Decision****Open Session**

**Date of Meeting:** January 17, 2025

**To:** Members, Pension & Benefits Committee

**From:** Sarah Willey-Thomas, Associate University Secretary

**RE:** **4. Pension**

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**4.1 Approval of Actuarial Assumptions**

Allan Shapira and Linda Byron of Aon will present the Actuarial Valuation Assumptions for the January 1, 2025 actuarial valuation of the Registered Pension Plan (RPP) and Payroll Pension Plan (PPP). A full report has been included for members' review.

Members will recall that the University of Waterloo Pension Plan is a defined benefit plan. The Plan is funded by contributions from the employees and the University, and by investment returns.

An actuarial valuation report is required to be filed with the Ontario pension regulator at least every three years. In practice, the Committee commissions a report on an annual basis for planning and monitoring purposes and recommends filing the valuation more regularly than required. The Board approved the filing of the valuation most recently at its meeting on 6 June 2023.

**Recommendation:**

**That Pension & Benefits Committee approve the actuarial valuation assumptions for the January 1, 2025 actuarial valuation of the Registered Pension Plan and Payroll Pension Plan, as presented.**

**Documentation Provided:**

- Approval of Actuarial Assumptions Slide Deck



# Actuarial Assumptions (Preliminary)

University of Waterloo  
Pension & Benefits Committee  
(P&B) Meeting

January 17, 2025  
Posted with Permission of Aon

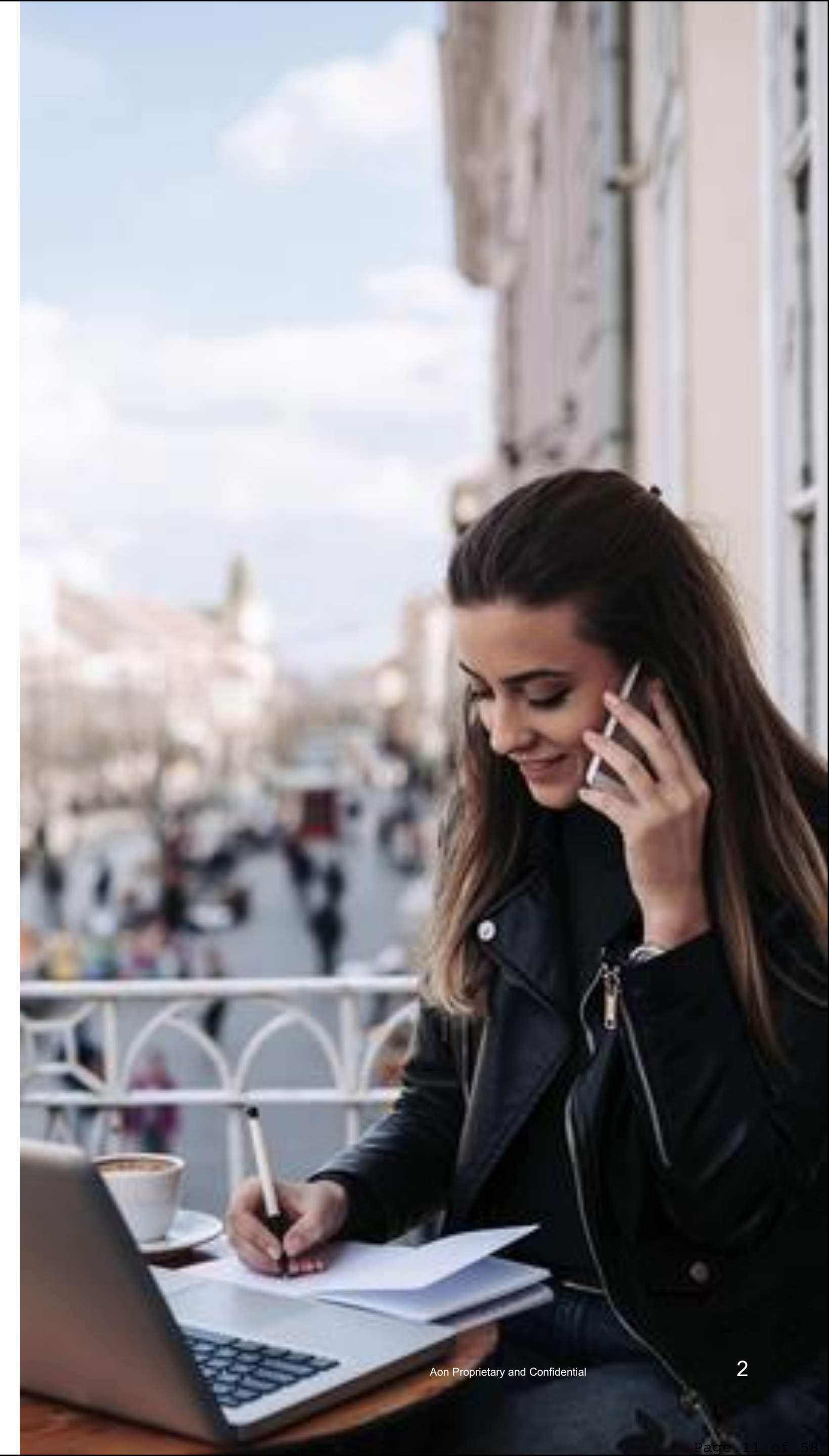
January 2025





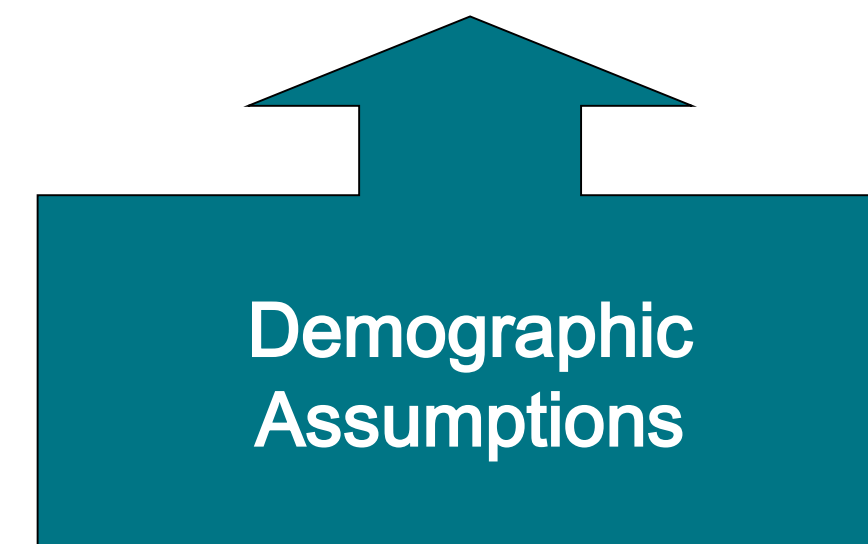
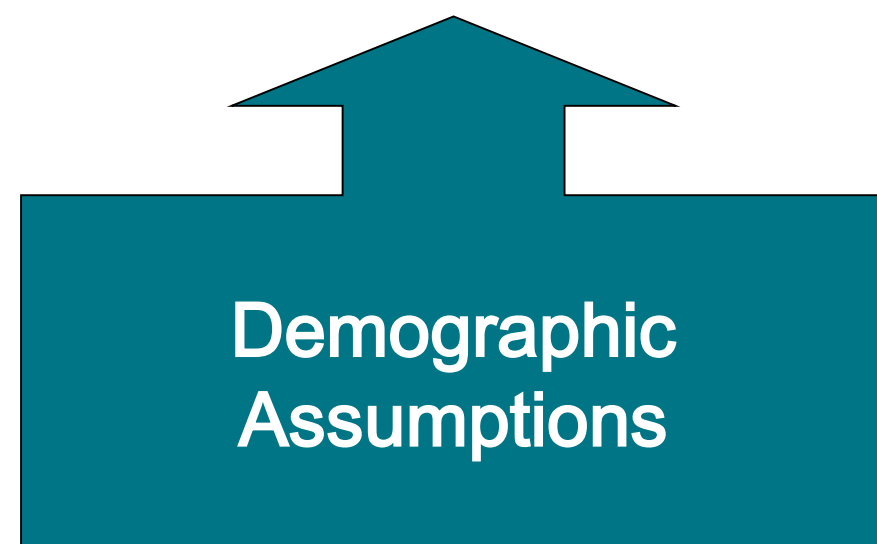
# About This Material

- This material provides information for purposes of setting the actuarial assumptions to use for the January 1, 2025 actuarial valuation of the Registered Pension Plan (RPP) and Payroll Pension Plan (PPP)
- While this valuation is not required to be filed with the pension regulators (FSRA and Canada Revenue Agency), consideration will likely be given to filing the valuation given the anticipated funded position of the plan
- Under the funding rules which came into effect May 1, 2018 for Ontario-registered pension plans:
  - Going concern assumptions should be “best estimate”
  - An explicit provision for adverse deviations (PfAD) is added to the best estimate non-indexed going concern liabilities and normal cost
  - Additional margin could be added to assumptions if deemed appropriate by P&B
- The valuation results will include the Protocol calculations that determine the liabilities and normal cost without the RPP Hard-Dollar Cap but with the projected *Income Tax Act* maximum pension
- No further benefits accrue to active members in the PPP as the RPP Cap now exceeds the PPP Cap:
  - Benefits for retired members will continue to be covered in the PPP



# Actuarial Assumptions for Going Concern Valuation

Assumptions to Estimate:			
When Pension Benefits Are Payable	Amount of Pension Benefits Payable	How Long Pension Benefits are Payable	How Much Money to Set Aside
<ul style="list-style-type: none"> <li>• Termination Rates</li> <li>• Disability Rates</li> <li>• Preretirement Mortality Rates</li> <li>• Retirement Ages</li> </ul>	<ul style="list-style-type: none"> <li>• Increases in CPP Wage Base</li> <li>• Increases in ITA Maximum Pension</li> <li>• Increases in Salaries</li> <li>• Inflation</li> </ul>	<ul style="list-style-type: none"> <li>• Postretirement Mortality Rates</li> </ul>	<ul style="list-style-type: none"> <li>• Investment Return on Pension Fund</li> </ul>



# Real Growth

## Benefits

### Pension Benefits Before Retirement

- CPP Wage Base increases
- ITA maximum pension increases
- Salary increases

### Pension Benefits After Retirement

- Indexation

**Inflation**

## Assets

**Investment Return on  
Various Assets Classes**

Since inflation drives both the pension benefits paid out and the funding earned from investment return, it is the excess of interest rates and investment return over inflation, or “real return” and the excess of salary and government benefit increases over inflation that are the key factors.

# Actuarial Assumptions For Going Concern Valuation— Economic Assumptions – Prior Valuation

Economic Assumptions	January 1, 2024 Valuation (Last Filed Valuation)
Increase in Consumer Price Index (CPI)	2.00% per year
Indexation of Benefits	May 1, 2024 – 3.90% for 100% indexed benefits; 2.93% for 75% indexed benefits; May 1, 2025 – 3.00% for 100% indexed benefits; 2.25% for 75% indexed benefits  Carry forward of 1.80% for 100% indexed benefits and 0.1% for 75% indexed benefits held in reserve  2.00% per year thereafter for 100% indexed benefits and 1.50% per year thereafter for 75% indexed benefits
Increase in Year's Maximum Pensionable Earnings under Canada Pension Plan	2.75% per year (CPI + 0.75%)
Increase in Income Tax Act Maximum Pension	\$3,610.00 in 2024; increased after 2024 at 2.75% per year up to a hard-dollar cap of \$4,039.29 in 2024, which increases at 0.92% per year beginning in 2024
Increase in Salaries (Active members)	4.00% per year (CPI + 2.00%) reflects PTR, grid steps and merit
Increase in Salaries (Disabled members)	2.00% per year (CPI + 0.00%)
Interest Rate Used to Discount Liabilities	6.00% per year (CPI + 4.00%)
Interest Rate Used to Calculate 50% Rule	2.40% per year for 10 years; 2.50% per year thereafter (100% indexed) 2.80% per year for 10 years; 2.90% per year thereafter (75% indexed)
Interest Rate for Crediting on Required Member Contributions	3.00% per year
Loading For Administrative Expenses	Explicit assumption of \$1,704,000 in 2024 added to normal cost
Provision for Adverse Deviations	9.60% of non-indexed liabilities and normal cost

# Actuarial Assumptions For Going Concern Valuation— Demographic Assumptions – Prior Valuation

Demographic Assumptions	January 1, 2024 Valuation	
Mortality Rates	2014 Canadian Pensioners Public Sector Mortality Table (“CPM2014 Public”) with Improvements Under Scale MI-2017, projected from 2014	
Retirement Rates	<b>Age</b>	<b>Rates Per 100</b>
	60	5
	61	5
	62	25
	63	10
	64	10
	65	50
	66	25
	67	25
	68	25
	69	50
	70	100

# Actuarial Assumptions For Going Concern Valuation— Demographic Assumptions – Prior Valuation

Demographic Assumptions		January 1, 2024 Valuation	
Termination Rates	Age	Rates Per 100	
	20	10.0	
	25	10.0	
	30	5.6	
	35	3.2	
	40	2.2	
	45	1.7	
	50	1.2	
	55	0.0	

# Increase in Consumer Price Index (CPI)

- As of December 31, 2024, the underlying inflation rate implicit in the market yield of Government of Canada real return bonds (1.51%) and nominal bonds (3.33%) is 1.82%
- Bank of Canada target range for inflation extends from 1% to 3%; monetary policy aimed at the 2% target midpoint; recent experience has been higher but is trending towards target and is currently just below 2%
- Assumption for increase in CPI has been set at 2.00% per year since the January 1, 2015 actuarial valuation; other economic assumptions (pension indexation, salary, YMPE, discount rate etc.) build off of the inflation rate
- The valuation will reflect actual inflationary increases to be granted at May 1, 2025 and any carry-forward to 2026
- Previous two valuations included a temporary allowance for a higher indexation adjustment (3.0% plus any carry forward), followed by the long term assumption of 2.0%

Benefits in pay earned prior to January 1, 2014 are indexed at 100% of the increase in CPI

Benefits in pay earned on or after January 1, 2014 are indexed at 75% of the increase in CPI

The Plan provides for the indexation adjustment to be capped at 5% for pre-2014 benefits and 3.75% for post-2013 benefits, with a provision for carry-forward to the following year of the difference between the increase granted and actual CPI

Inflation adjustment to be granted May 1, 2025 will be discussed at the February P&B meeting; carry-forward from 2023 will be included in liabilities

# Increase in Pensionable Earnings

Increase in pensionable earnings of 4.00% per year based on:

Long term assumed  
across-the-board  
increase of 2.00% per year

Long term assumed  
2.00% increment  
representing PTR/grid steps/merit  
across Faculty and Staff groups

- Additional 0.80% catch-up adjustment for Faculty at May 1, 2025 will be included



# Discount Rate

Based on expected investment return of UW pension fund reflecting long-term target asset mix as stated in the current SIPP:

Canadian Equities:	5.0%
Non-Canadian Equities:	48.0%
Nominal Fixed Income:	20.0%
Listed Real Estate:	5.0%
Direct Real Estate:	5.0%
Listed Infrastructure	5.0%
Direct Infrastructure:	5.0%
Private Debt:	5.0%
Cash:	2.0%



# Discount Rate

For the January 1, 2024 actuarial valuation, the target asset mix generated an expected return of 6.35% per annum, net of passive investment expenses and before other expenses

The valuation utilized a discount rate of 6.00% which was net of an additional margin for adverse deviation of 0.35%

For the January 1, 2025 actuarial valuation, the target asset mix in the SIPP generates an expected return of 6.59% per annum net of passive expenses and before other expenses

These results are based on Aon's September 30, 2024 capital market assumptions

Once Aon's December 31, 2024 capital market assumptions are available, we will bring an update to the Committee

# Expected Investment Returns on Various Asset Classes

Asset Class	30-Year Annualized Mean <sup>1</sup> (Nominal Return)	Annual Standard Deviation
Inflation	2.0%	2.3%
Cash (365-Day T-Bills)	3.3%	3.7%
Long term Universe Bonds	4.3%	12.1%
Canadian Equities	5.9%	16.7%
Global Equities	7.0%	16.1%
Listed Infrastructure	6.5%	15.5%
Direct Infrastructure	7.3%	11.7%
Global Listed Real Estate	6.6%	19.4%
Direct Real Estate	5.9%	15.9%
Private Debt	5.3%	12.1%

Note: Above returns determined at September 30, 2024 using Aon's September 30, 2024 capital market assumptions

<sup>1</sup>Takes into effect the compounding for each underlying asset class

# Expected Investment Returns For UW Pension Fund

- Expected rate of return (net of passive investment fees) as of September 30, 2024 calculated based on the following target asset mix:

Asset Class	%
• Canadian Equities	5.0%
• Global Equities	48.0%
• Fixed Income	20.0%
• Cash	2.0%
• Infrastructure (Listed)	5.0%
• Infrastructure (Direct)	5.0%
• Real Estate (Listed)	5.0%
• Real Estate (Direct)	5.0%
• Private Debt	<u>5.0%</u>
	<b>100.0%</b>
<b>Annual Expected Return (50<sup>th</sup> Percentile)</b>	<b>6.59%</b>
<b>Annual Standard Deviation (Asset Only)</b>	<b>10.48%</b>

- A discount rate within the 40<sup>th</sup> to 60<sup>th</sup> percentile (6.00% to 7.20%) is generally considered a reasonable range

# Expected Investment Returns For UW Pension Fund (cont'd)

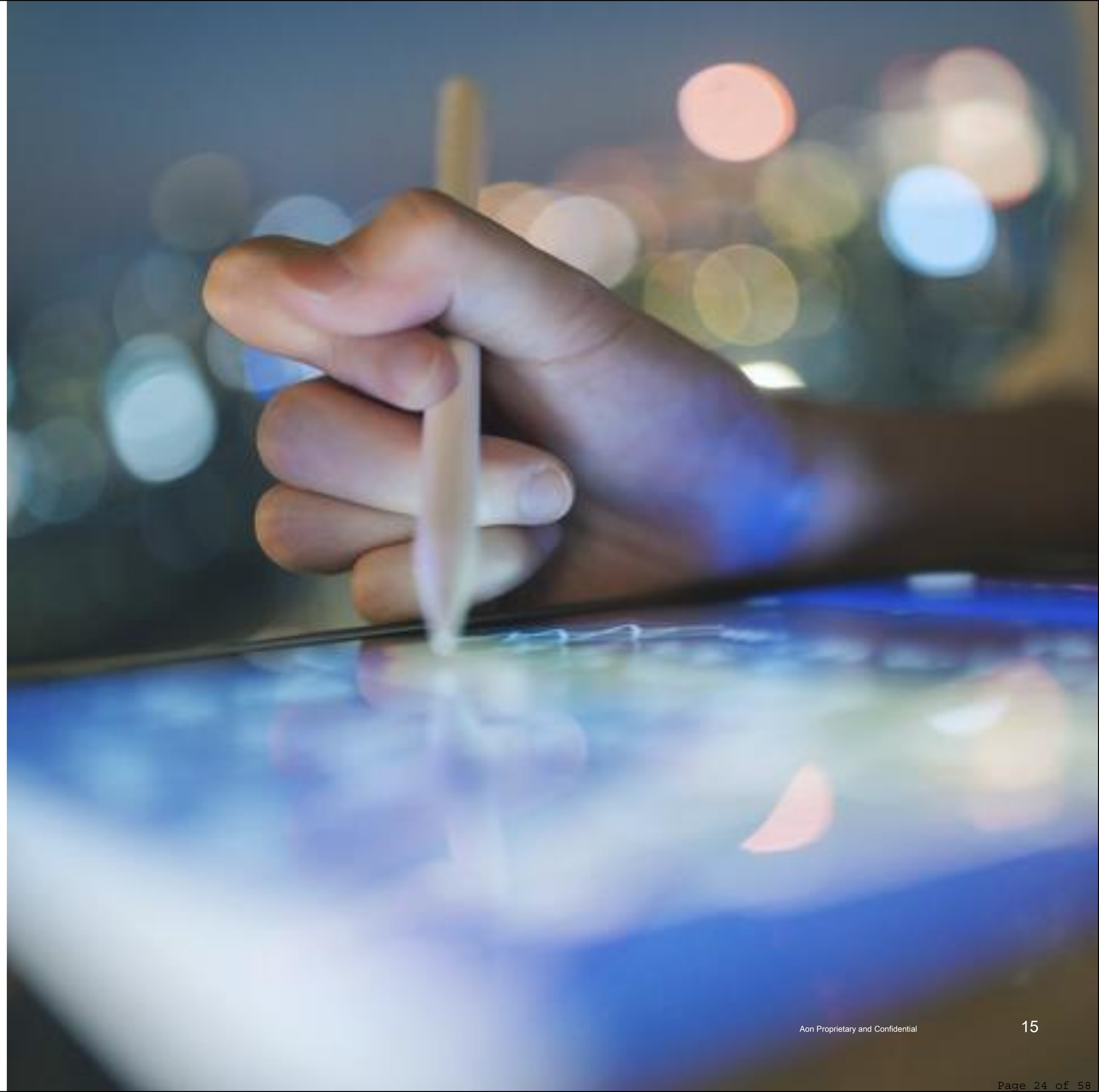
- The chart below provides the range of outcomes for the 30-year rate of return based on the target asset mix of the University of Waterloo pension fund:

Annualized Rate of Return over a 30-Year Period (September 30, 2024)



# Provision for Expenses

- An explicit provision of \$1,772,000 for administrative expenses will be added to the normal cost in 2025 (increase of 4% over 2024 expense provision)
  - Alternatively, an adjustment of 0.10% can be made to the discount rate
  - Prior to 2018, the administrative expenses were accounted for as an adjustment to the discount rate



# Retirement Age Assumption

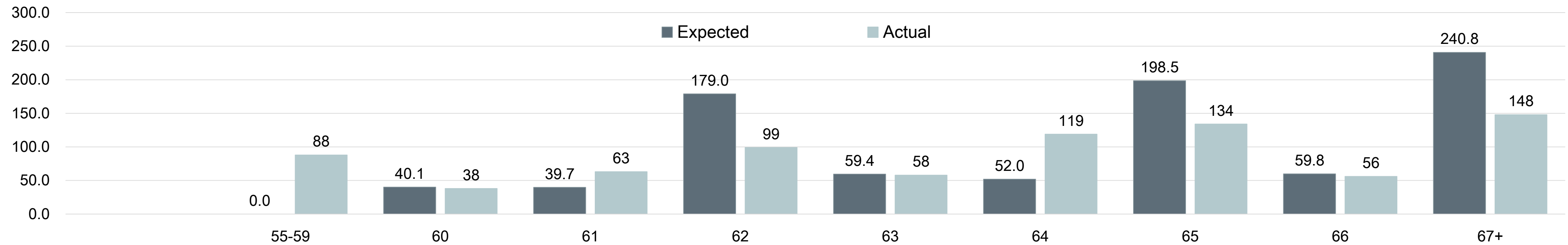
- Effective with the January 1, 2020 valuation, the valuation uses retirement rates which are based on historical retirement experience
- Prior to the January 1, 2020 valuation, a single point retirement age of 64, but no earlier than one year following the valuation date, was used



# Retirement Age Experience

The following chart compares the actual retirements in the period January 1, 2018 to December 31, 2023 to the retirements that would have been expected during the period based on the assumed retirement rates adopted at the January 1, 2020 valuation.

Expected Compared to Actual Retirements from January 1, 2018 to December 31, 2023



Ages	Expected	Actual
55-59	0.0	88
60	40.1	38
61	39.7	63
62	179.0	99
63	59.4	58
64	52.0	119
65	198.5	134
66	59.8	56
67+	240.8	148



# Mortality Rates

- Since January 1, 2020, the mortality table being used is 2014 Canadian Pensioners' Public Sector Mortality Table with Improvements Under Scale MI-2017, projected from 2014
- Following table shows actual versus expected deaths for members of the RPP for 2015 through 2023:

	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Actual Deaths	51	57	53	62	61	74	68	87	73	586.0
Expected Deaths (2014 CPM Public Table with Improvements Under Scale MI-2017)	55.8	58.6	61.6	63.7	66.4	68.3	70.0	73.9	75.2	593.5

# Mortality Assumption

- Mortality assumption has two components

## 1. Base Table–

The University uses the 2014 Canadian Pensioner Mortality – Public Sector Table

## 2. Improvement Scale –

Recognizes that longevity improves over time and applies annual improvement rates to the base table mortality rates; the University uses Mortality Improvement Scale 2017 (MI-2017) to project improvements into the future to the base table

- As an example, a 65 year old person ten years from now is assumed to have a longer life expectancy than a 65 year old person today
- In 2024 the Canadian Institute of Actuaries released research on a new improvement scale, Age-Period-Cohort-Integrated (APCI-2024) Model
  - APCI-2024 accounts for how mortality improvements vary by age, over periods of years and by the year of birth.
- The CIA has indicated that three improvement scales are currently acceptable

### CPM B

(used for solvency and hypothetical wind-up valuations)

### MI-2017

(used by the University for going concern valuation)

### APCI-2024

(the new 2024 table)

# Mortality Assumption (Cont'd)

- Adopting the APCI-2024 table is expected to result in about a 2.5% - 3% increase in liabilities
  - The APCI-2024 table assumes higher improvement in the short term than MI-2017
  - Trends to a long term annual improvement of 1.3% by 2050 compared to MI-2017 which trends to 1.0% per year by 2033
  - Based largely on pre-pandemic experience (annual improvement from 1980 to 2019 was 1.45%)
  - COVID impact was not within scope and not reflected
  - Prior improvement scales relied more on expert judgement in setting the long term rate
- Considerations in adopting the new improvement scale

Adopting the new APCI-2024 table is not required at this time

Longer term, a two dimensional table (with a select and ultimate period) is in line with Canadian Institute of Actuaries guidelines

A new base table is expected later in 2025 and it may make sense to review both components of the mortality assumption at that time

Question is whether the long term trend will bounce back to pre-pandemic levels, or there is a change in the long term trajectory

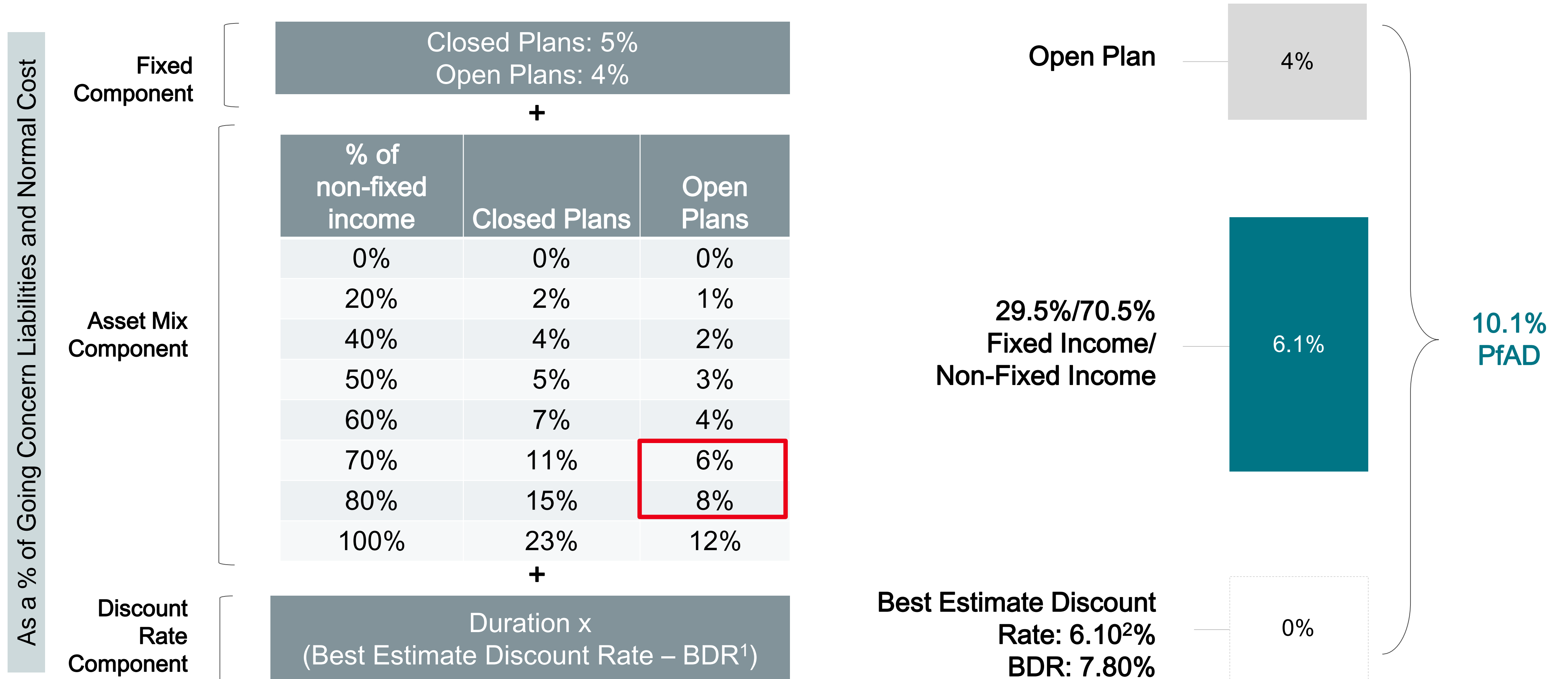
- Aon recommends maintaining the current mortality assumption for this valuation and reviewing both components of the mortality assumption (base table and the improvement scale) together when the new base table is released – likely for the 2026 valuation

# Provision for Adverse Deviations (PfAD)

	% Fixed Income for PfAD	Target Asset Mix at January 1, 2025
Canadian Equities	0%	5%
Global Equities	0%	48%
Fixed Income / Cash	100%	22%
Real Estate (REITs)	0%	5%
Real Estate (Direct)	50%	5%
Infrastructure (Listed)	0%	5%
Infrastructure (Direct)	50%	5%
Private Debt	50%	5%
<b>% Fixed Income for PfAD Purposes</b>		<b>29.5%</b>

- The PfAD is based on the SIPP that is in effect on the valuation date
- Fixed Income Allocation for PfAD and BDR = 29.5% at January 1, 2025 (was 32% at January 1, 2024)
- PfAD = Base component of 4% (open plan) plus asset-based component, plus a component related to the Benchmark Discount Rate (BDR) |

# Provision for Adverse Deviation (PfAD) (cont'd)



<sup>1</sup> Benchmark Discount Rate = V39056 Rate (3.33% at December 31, 2024) + 5% x % of Non-Fixed Income + 1.5% x % of Fixed Income + 0.5% for diversification

<sup>2</sup> Assumes going concern discount rate of 6.00% after adjustment for passive investment fees; 6.10% is before adjustment for passive fees; to be adjusted once actual discount rate is selected from recommendation on next slide

# Preliminary Actuarial Assumptions for January 1, 2025 Going Concern Valuation—Economic Assumptions

Economic Assumptions	January 1, 2025 Valuation
Increase in Consumer Price Index (CPI)	2.00% per year
Indexation of Benefits	May 1, 2025 – Actual indexation; May 1, 2026 and thereafter –2.00% per year for 100% indexed benefits and 1.50% per year thereafter for 75% indexed benefits, plus carry forward of 1.80% for 100% indexed benefits and 0.1% for 75% indexed benefits held in reserve;
Increase in Year's Maximum Pensionable Earnings under Canada Pension Plan	2.75% per year (CPI + 0.75%)
Increase in Income Tax Act Maximum Pension	\$3,756.67 in 2025; increased after 2025 at 2.75% per year up to a hard-dollar cap of \$4,093.70 which increases at 0.92% per year after 2025
Increase in Salaries (Active Members)	4.00% per year (CPI + 2.00%) reflecting PTR/grid steps/merit; Additional 0.8% in 2025 for Faculty
Increase in Salaries (Disabled Members)	2.00% per year (CPI + 0.00%); actual adjustment at May 1 to be reflected
Interest Rate Used to Discount Liabilities	6.00% - 6.25% per year <to be confirmed>
Interest Rate Used to Calculate 50% Rule	2.00% per year for 10 years; 2.70% per year thereafter (100% indexed) 2.50% per year for 10 years; 3.20% per year thereafter (75% indexed)
Interest Rate for Crediting on Required Member Contributions	3.00% per year
Loading For Administrative Expenses	Explicit assumption for \$1,772,000 in 2025 added to normal cost
Provision for Adverse Deviation	10.1% of non-indexed liabilities and normal cost

# Preliminary Actuarial Assumptions For Going Concern Valuation— Demographic Assumptions – January 1, 2025

Demographic Assumptions		
Mortality Rates	2014 Canadian Pensioners Public Sector Mortality Table (“CPM2014 Public”) with Improvements Under Scale MI-2017 projected from 2014 <to be confirmed>	
Retirement Rates	Age	Rates Per 100
	60	5
	61	5
	62	25
	63	10
	64	10
	65	50
	66	25
	67	25
	68	25
	69	50
	70	100

# Preliminary Actuarial Assumptions For Going Concern Valuation— Demographic Assumptions – January 1, 2025

Demographic Assumptions		
Termination Rates	Age	Rates Per 100
	20	10.0
	25	10.0
	30	5.6
	35	3.2
	40	2.2
	45	1.7
	50	1.2
	55+	0.0



# Actuarial Assumptions For Solvency and Wind-Up Valuations

Assumptions	January 1, 2024 (Last Filed Valuation)	January 1, 2025
Retirement Ages	50% at unreduced age and 50% at age that results in highest commuted value	No change
Mortality Rates	CPM2014 Combined with Improvements Under Scale CPM-B	No change
Interest Rates—Solvency Valuation (Per Year)		
Active Members Age 55 and Over, Pensioners and Deferred Pensioners <sup>1</sup>	4.55%	4.82% <sup>3</sup>
Active Members Under Age 55 <sup>2</sup>	4.10% for 10 years; 4.20% thereafter	3.90% for 10 years; 4.60% thereafter
Interest Rates— Wind-Up Valuation (Per Year)		
Active Members Age 55 and Over, Pensioners and Deferred Pensioners <sup>1</sup>	1.40% (100% indexed) <sup>3</sup> 2.19% (75% indexed) <sup>3</sup>	1.51% (100% indexed) <sup>3</sup> 2.27% (75% indexed) <sup>3</sup>
Active Members Under Age 55 <sup>2</sup>	2.40% for 10 years; 2.50% thereafter (100% indexed) 2.80% for 10 years; 2.90% thereafter (75% indexed)	2.00% for 10 years; 2.70% thereafter (100% indexed) 2.50% for 10 years; 3.20% thereafter (75% indexed)

<sup>1</sup> Settled through annuity purchase

<sup>2</sup> Settled through commuted value

<sup>3</sup> Depends on release of final guidance from Canadian Institute of Actuaries for January 1, 2024 actuarial valuations

# About Aon

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**For Information****Open Session**

**Date of Meeting:** January 17, 2025  
**To:** Members, Pension & Benefits Committee  
**From:** Sarah Willey-Thomas, Associate University Secretary  
**RE:** **4. Pension**

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**4.2 UPP Update**

Jacinda Reitsma, Vice-President, Administration and Finance, will provide a brief verbal update with respect to the University Pension Plan (UPP).

**Documentation Provided:**

- N/A

**For Information**

**Open Session**

**Date of Meeting:** January 17, 2025  
**To:** Members, Pension & Benefits Committee  
**From:** Sarah Willey-Thomas, Associate University Secretary  
**RE:** **5. Benefits**

---

### **5.1 Annual Benefits Utilization Report**

**Background:**

The Annual Benefits Utilization Report summarizes usage of various components of the group benefits program and is enclosed for the information of members.

Members will recall that the enclosed report is noted on the workplan.

**Documentation Provided:**

- Annual Benefits Utilization Report

**Report to the Pension & Benefits Committee**  
**17 January 2025**

**FOR INFORMATION**

---

**Annual Benefits Utilization Report**  
**From Human Resources**

**Overview**

The group benefits program consists of four components, provided through engagements with three providers/vendors:

Component	Vendor	Underwriting Method	Cost Sharing Arrangement
Life Insurance	Sun Life Financial <i>(renewed contract effective May 1, 2024)</i>	Member of the University Life Insurance Plan (ULIP) which is experience-rated, refund accounting	<u>Employee Coverage</u> 100% employer paid for 1 x earnings 67% employer paid for 1-2 x earnings 100% employee paid for 1-3 x earnings  <u>Spousal Coverage</u> 100% employee paid  <u>Retiree Coverage</u> 100% employer paid for retiree life
Long Term Disability (LTD)	Sun Life Financial <i>(effective May 1, 2022)</i>	Experience-rated, non-refund accounting	100% employee paid
Extended Health and Dental	GreenShield <i>(effective January 1, 2023)</i>	Administrative Services Only (ASO), individual pooling level of \$50,000 per year	100% employer paid for full-time employees; part-time employees pay a pro-rated portion based on FTE (arrangement continues into retirement for those eligible for extended health)
Employee & Family Assistance Program (EFAP)	Homewood Health <i>(renewed 5-year contract effective September 1, 2023)</i>	Pooled - flat rate plus fee for service arrangement for special services requested by the University	100% employer paid

Plan members belong to one of five programs, two of which are closed (retiree populations) and three are open to new members; components of the three open programs are highlighted below:

Category	Benefit	Current Employees		Former Employees
		Full Benefits Program*	Temporary Benefits Program**	Employees who retired on or after June 6, 2000***
Income Security	Life Insurance	1-6 x earnings plus spousal coverage	1 x earnings only	Flat benefit based on year of retirement
	LTD	Yes	--	--
Health Protection	Extended Health	Yes	Yes	Yes
	Dental	Yes	--	--
	EFAP	Yes	--	--

\*Employment commitment of 2 years or longer

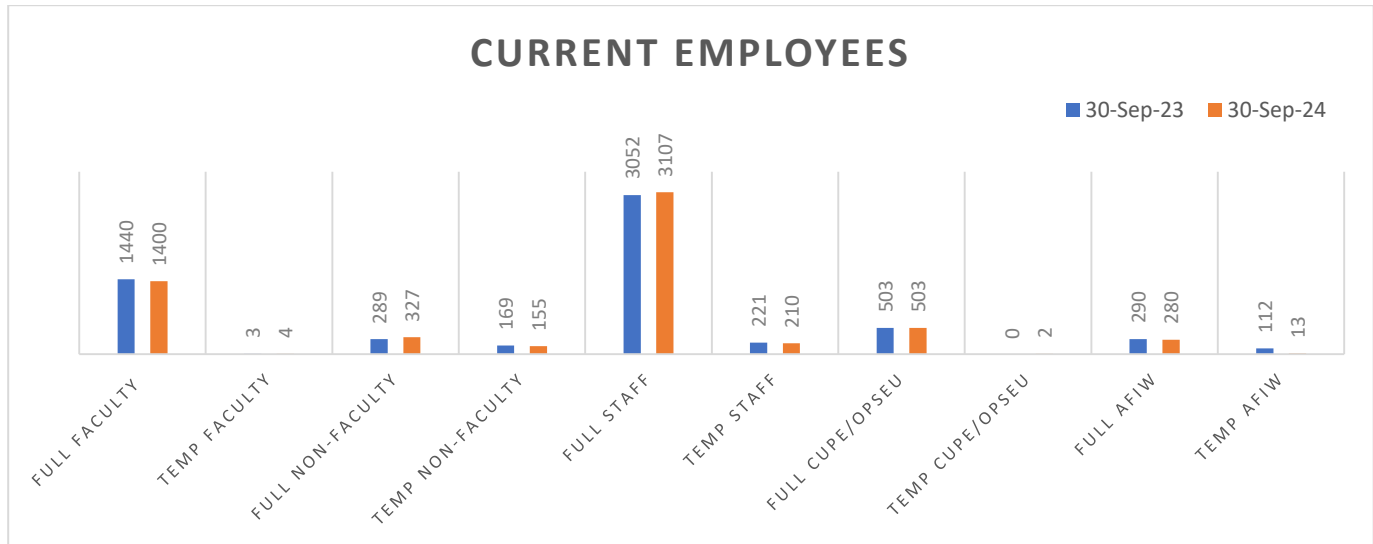
\*\*Employment commitment of at least one year but less than 2 years

\*\*\*Eligibility criteria: 10 or more years of continuous employment with benefits participation, and commencement of an immediate pension following employment

**Participation**

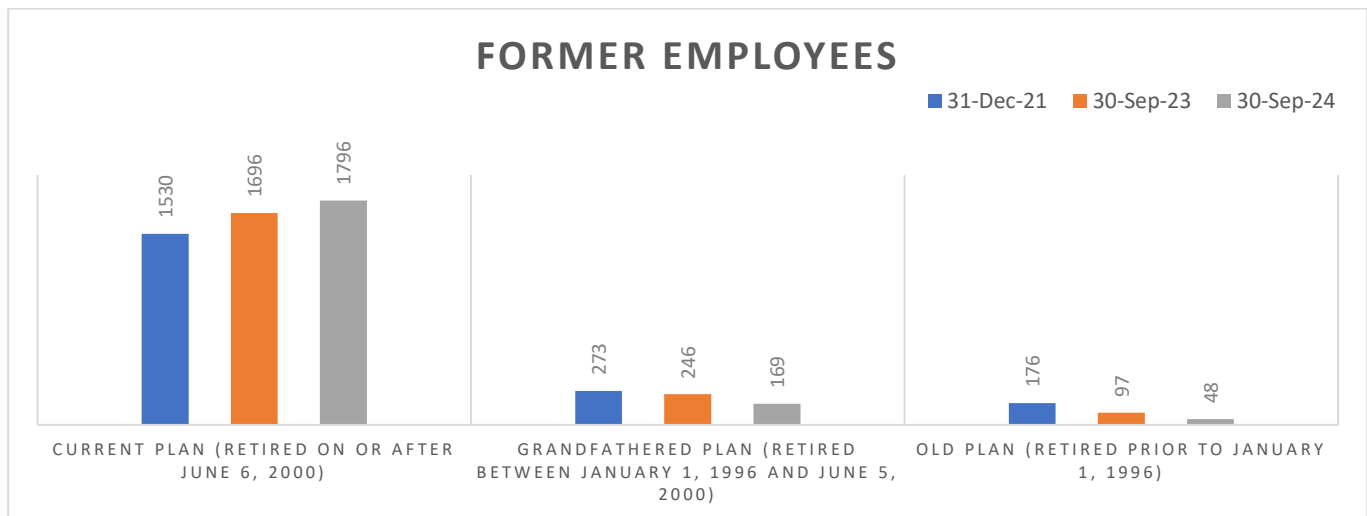
As of September 30, 2024, there are 18,938 members of the group benefits program which includes current and former employees, as well as eligible spouses and/or dependent child(ren).

Thirty-two percent (32%) of membership is attributable to current employees, with 6,001 members as of September 30, 2024 (in comparison, there were 6,079 members last year). The distribution across the employee groups participating in the temporary and full benefits program as well as the Affiliated and Federated Institutions of Waterloo (AFIW) – the majority being staff employees, followed by faculty employees – has not changed significantly in comparison with last year, as illustrated below:



*Note: The Non-Faculty category is comprised of Post-doctoral Scholars and Research Associates.*

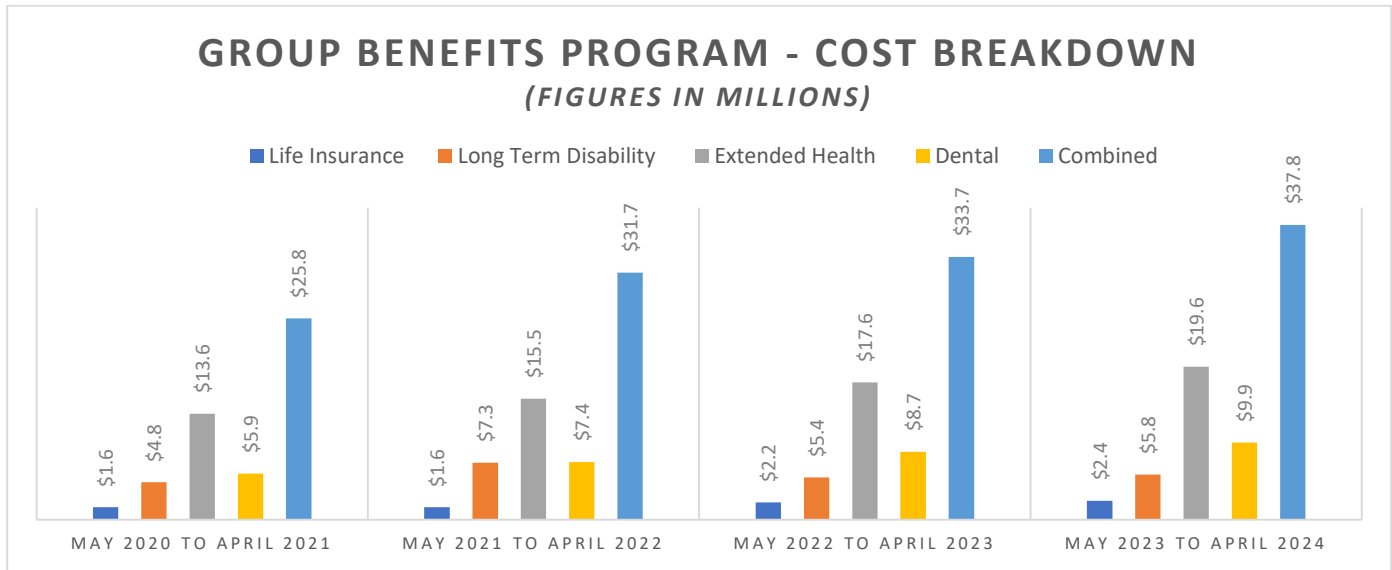
Eleven percent (11%) of membership is attributable to former employees, with 2,013 members as of September 30, 2024 (in comparison, there were 2,039 members last year). The distribution across the three programs – two closed and one open – is illustrated below:



The balance of membership, fifty-seven percent (57%) is attributable to dependents of current and former employees - 5,514 spouses and 5,082 dependent children plus 328 surviving dependents are members as of September 30, 2024. The extended health benefit continues for the lifetime of a surviving spouse of a former employee whereas the extended health and dental benefits continue for 24 months for surviving eligible dependents of a current employee.

## Cost Summary

Excluding EFAP, the cost of the benefits program for the May 2023 to April 2024 fiscal year amounted to approximately \$38 million which represents an increase of 12% from the \$34 million cost in the May 2022 to April 2023 fiscal year. More than half of the cost was associated with extended health, followed by dental at 26%, long term disability at 15%, and life insurance at 6%. This breakdown is comparable with previous years.



The cost of the EFAP (excluding services obtained on a fee for service basis) for the May 2023 to April 2024 period for the University of Waterloo amounted to \$182,363 based on a monthly rate of \$2.99 per eligible employee paid through Human Resources' budget. Homewood Health invoices the three participating AFIW separately for their employees and due to this lack of central oversight, the aggregate costs are excluded from the above cost summary. The EFAP represents less than 1% of the total cost of the group benefits program.

## Cost Sharing Arrangement with Current Employees (inclusive of Temporary and Full Benefits Program)

Benefit	Costs for the May 1, 2023 to April 30, 2024 Fiscal Year		
	Employee	Employer	Combined
LTD	\$5,718,217.09	\$0	\$5,718,217.09
Basic & Additional Life Insurance – 1-3 x earnings	\$396,010.91	\$1,625,027.96	\$2,021,038.87
Optional Life Insurance – Combined with above, 4-6 x earnings)	\$262,472.77	\$0	\$262,472.77
Spousal Life Insurance	\$88,893.86	\$0	\$88,893.86
Extended Health	\$109,086.50	\$15,348,207.94	\$15,457,294.44
Dental	\$72,764.34	\$9,818,646.54	\$9,891,410.88
EFAP	\$0	\$182,362.60	\$182,362.60
<b>Combined</b>	<b>\$6,647,445.47</b>	<b>\$26,974,245.04</b>	<b>\$33,621,690.51</b>
	<b>19.8%</b>	<b>20.2%</b>	<b>100%</b>

## Cost Sharing Arrangement with Former Employees (inclusive of all three Retiree Benefits Programs)

Benefit	Costs for the May 1, 2023 to April 30, 2024 Fiscal Year		
	Retiree	Employer	Combined
Life Insurance	\$0	\$24,040.93	\$24,040.93
Extended Health	\$46,262.40	\$4,136,522.60	\$4,182,785.00
<b>Combined</b>	<b>\$46,262.40</b>	<b>\$4,160,563.53</b>	<b>\$4,206,825.93</b>
	<b>1.1%</b>	<b>98.9%</b>	<b>100%</b>

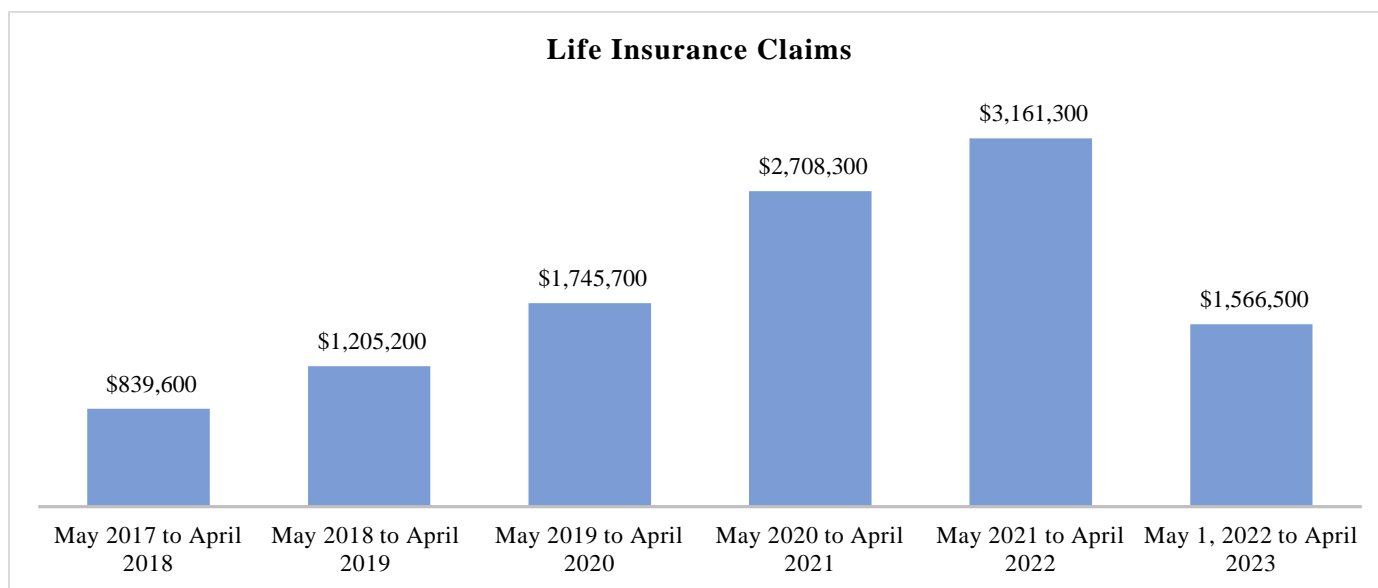
\*Note that in addition to the costs of the life insurance and extended health benefits in a given year, there is a liability for the future cost of the benefits in the University's financial statements which is not highlighted in this summary

Extended health and dental benefits are provided on an ASO basis and as such, the costs included in the above tables are based on the monthly invoices from GreenShield less any employee/retiree contributions. Employee deductions are managed through payroll processing whereas retiree contributions are managed through deductions from pension payments issued by CIBC Mellon.

The above tables demonstrate that on aggregate, active employees contribute 20% towards the cost of the benefits program with the University (and participating AFIW) contributing 80%. For former employees, retirees on aggregate contribute 1% to the cost of the benefits program with the University (and participating AFIW) contributing 99%.

### Life Insurance

Life insurance can be an unpredictable benefit, and insurers typically review five years of claims experience when establishing required premium rates. The University participates in the University Life Insurance Plan (ULIP), which recently underwent a competitive bidding process to select a vendor, effective May 1, 2024. Sun Life Financial was retained as the insurer for the next 5-year period, with no changes to the current rates for the first year. There is a lag in the claims experience reporting through the ULIP and information for fiscal 2023/24 is not yet available; however, the life insurance claims paid over the previous six fiscal years is illustrated below:



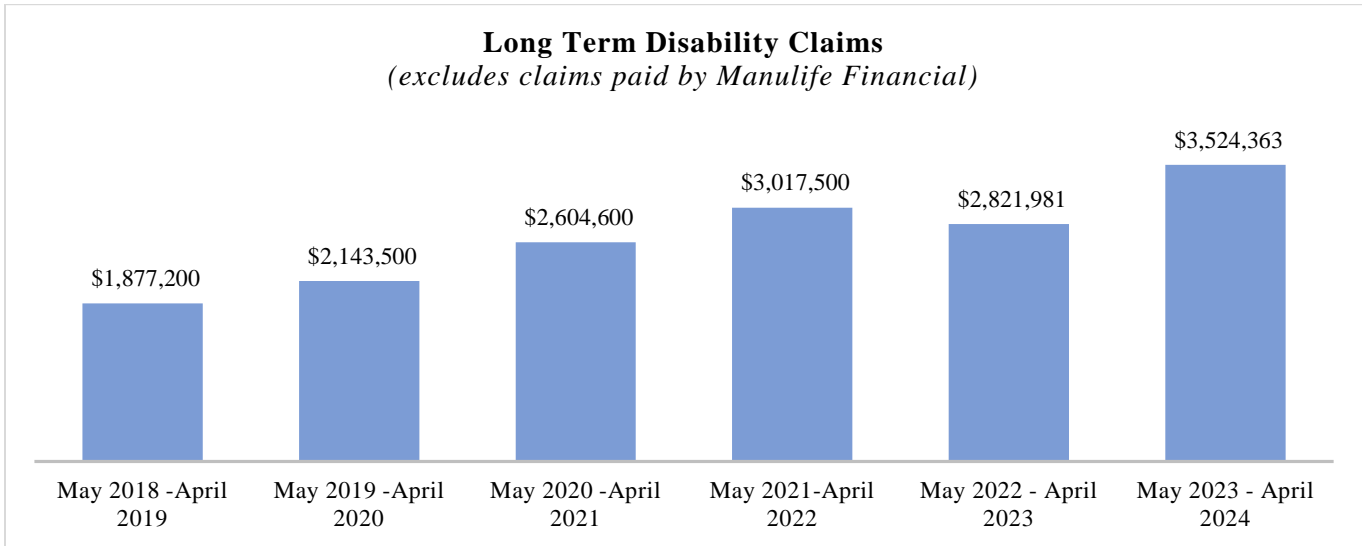
During the May 2022 to April 2023 fiscal year (note: May 2023 to April 2024 information will be available in early 2025), there were a total of 70 life insurance claims. Of these, five claims were for active employees, totaling \$896,900, which represents 57% of the total claims paid. This reflects a decrease from the May 2021 to April 2022 fiscal year, where active employees accounted for 75% of the total claims paid.

At the March 2024 Pension & Benefits Committee meeting, members approved to: (i) an increase to the paid rate by 5% effective May 1, 2024 which would reduce the subsidy from the Unrestricted Deposit Account (UDA) to 5%, and (ii) to transfer the remaining UDA funds to the Claims Fluctuation Reserve during the May 1, 2024 to April 30, 2025 policy year. With this action, the paid rate will increase by 15% effective May 1, 2025 based on the terms of the ULIP agreement as well as the current plan design.

### Long Term Disability (LTD)

Similar to life insurance, LTD benefits can be volatile, and insurers typically assess five years of claims experience when determining premium rates. The insurer for the LTD benefit changed from Canada Life to Sun Life Financial effective May 1, 2022, with the first claims adjudicated in Fall 2022 due to the LTD elimination period (i.e. the sick leave benefit period). Canada Life and Manulife Financial continue to administer benefit payments to disabled employees who became eligible during their respective contract periods (i.e. Manulife prior to 2008 and Canada Life between 2008 and 2022). The historical claims summary below excludes claims paid by Manulife Financial but continues to include payments made by Canada Life as well as claims paid by Sun Life Financial.



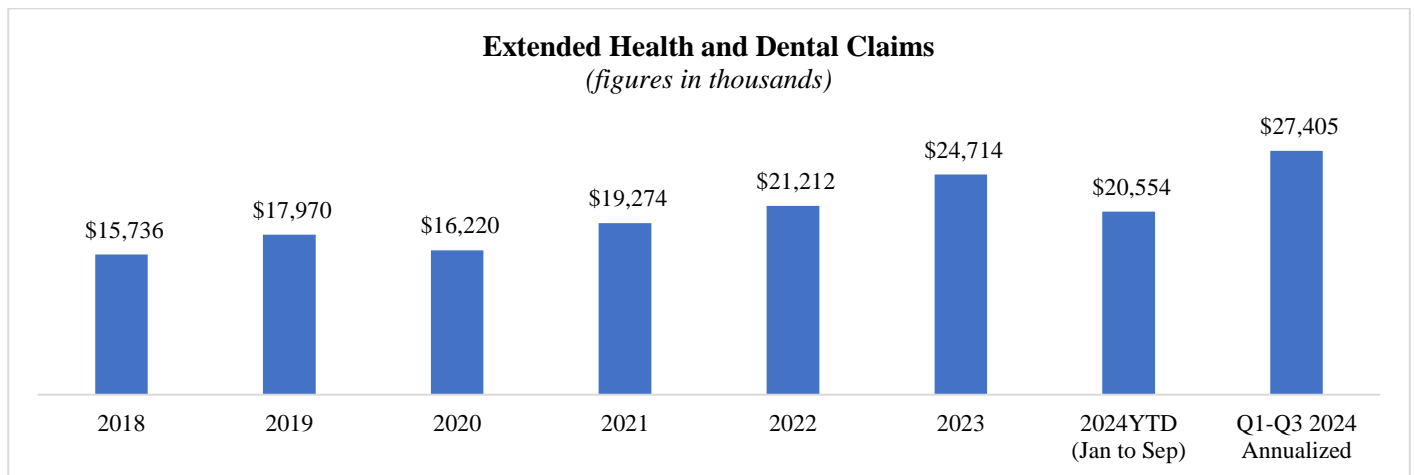


During the May 2023 to April 2024 fiscal year, Sun Life Financial received 75 claims, of which 43 were approved, 25 were declined, and 7 were pending a decision. Of the 43 that were approved, 25 have been closed. As of September 30, 2024, there are 41 open LTD claims being managed by Sun Life Financial and 55 open LTD claims being managed by Canada Life.

At the March 2024 Pension & Benefits Committee meeting, members approved: (i) the 15% increase to the LTD premium rate which is guaranteed for a two-year period (until April 30, 2026); and, (ii) to maintain the current maximum insured earnings of \$192,454 effective May 1, 2024 until at least April 30, 2025. Based on the claims experience with Sun Life Financial since contract inception, a premium increase effective May 1, 2026 is anticipated based on the current plan design.

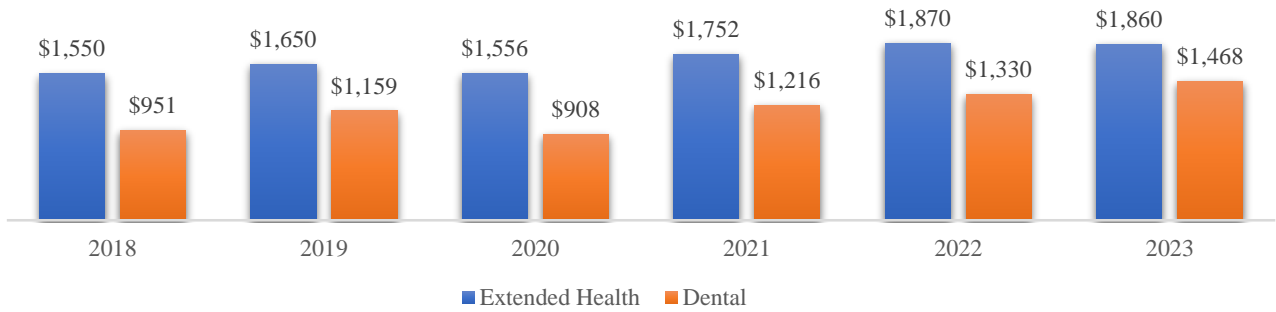
**Extended Health and Dental**

Effective January 1, 2023, the extended health and dental benefits have been provided by GreenShield. The historical claims summary below is comprised of claims paid by Canada Life as well as GreenShield.



In comparison with 2022, the 2023 claims cost for extended health and dental benefits increased by 17% and data for the first three quarters of 2024 is trending towards an increase of 11% over 2023. On a per capita basis, the claims cost of extended health increased by 0.5% in 2023 in comparison with 2022 and for dental, an increase of 10.4%.

### Extended Health and Dental Claims per Capita

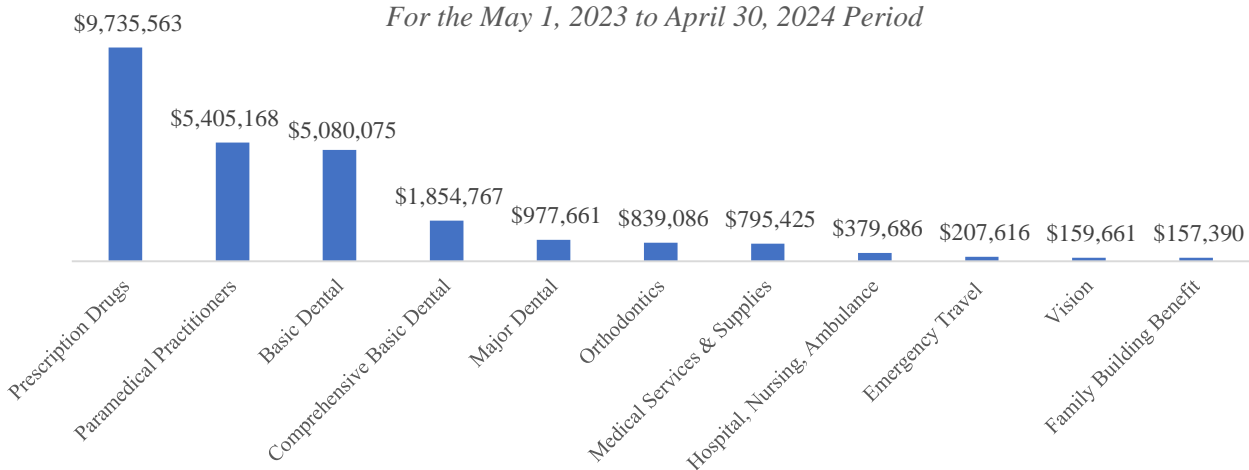


Source: 2024 Renewal Report, Aon Solutions Canada Inc., January 29, 2024 (note: claims per capita data for 2024 will be available in early 2025 to support the establishment of budget rates effective May 1, 2025)

During the May 2023 to April 2024 fiscal year, members submitted 338,389 extended health and dental claims to GreenShield representing an expense incurred of \$38.5M; GreenShield provided claims reimbursement in the amount of \$25.9M which represents an aggregate reimbursement rate of 67%. The distribution of claims paid is comparable to previous years with prescription drug expenses being the most prominent, followed by paramedical practitioners and basic dental services based on amount paid as well as the number of claims submitted.

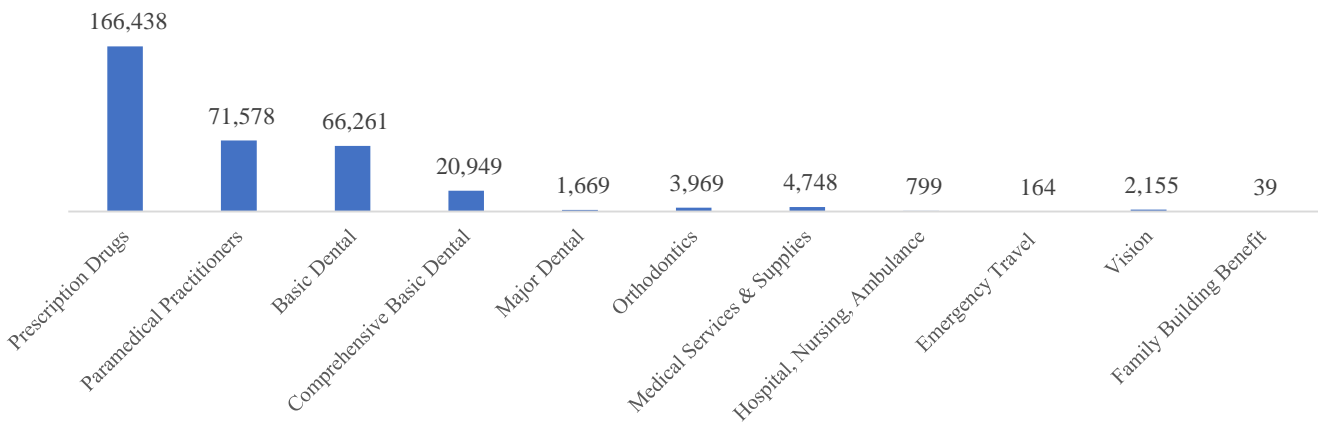
### Extended Health and Dental - Distribution of Paid Claims

For the May 1, 2023 to April 30, 2024 Period



### Extended Health and Dental - Distribution of Claims Incidence

For the May 1, 2023 to April 30, 2024 Period

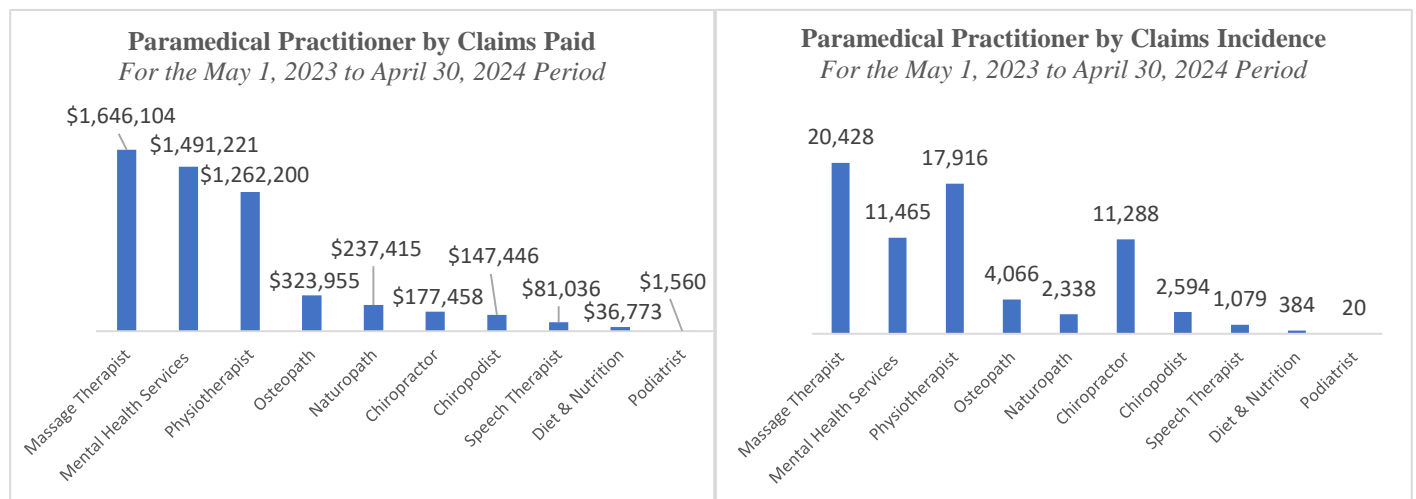


**Prescription Drugs.** A total of 166,438 prescription drug claims were submitted during the May 2023 to April 2024 period with an incurred expense of \$15,909,519; GreenShield provided reimbursement in the amount of \$9,735,563. This represents an increase of 11% in comparison to the claims paid for prescription drugs in the first 9 months of 2023 annualized which amounted to \$8,765,155.

- The top three therapeutic categories based on claims paid were rheumatoid arthritis, cancer, and depression/anxiety for a total of \$3,187,661 claims paid in the May 2023 to April 2024 fiscal year. This represents 32.7% of the prescription drug claims paid during the period.
- The top three therapeutic categories based on claims incidence were depression/anxiety, attention deficit hyperactivity disorder (ADHD), ulcers/heartburn/gastroesophageal reflux for a total of 28,717 claims processed in the May 2023 to April 2024 fiscal year. This represents 17.3% of the prescription drug claims processed during the period.

In comparison, the top three categories for the first 9 months of 2023 were rheumatoid arthritis, cancer, and diabetes by amount paid and hypertension, depression/anxiety, and diabetes by claims count.

**Paramedical Practitioners.** A total of 71,578 paramedical practitioner claims were submitted during the May 2023 to April 2024 period with an incurred expense of \$7,326,244; GreenShield provided reimbursement in the amount of \$5,405,168. This represents an increase of 16% in comparison to the claims paid for paramedical practitioner services as reported in the first 9 months of 2023 annualized which amounted to \$4,544,133. The distribution of claims experience for the May 2023 to April 2024 period across type of paramedical practitioner is illustrated below.



As in previous years, massage therapy was the most prominent in terms of both claims incidences and reimbursement provided during the May 2023 to April 2024 period. Mental health services ranked second in terms of reimbursement provided but third in terms of claims incidence whereas physiotherapist expenses ranked second in terms of claims incidence but third in terms of reimbursement provided. Chiropractor services stand out as having a relatively high number of claims incidence, but low level of reimbursement provided based on the current plan design. Of the claims submitted for mental health services, 48% were services provided by either a registered psychotherapist or registered social worker – both of which first became eligible under the extended health benefit effective May 1, 2021.

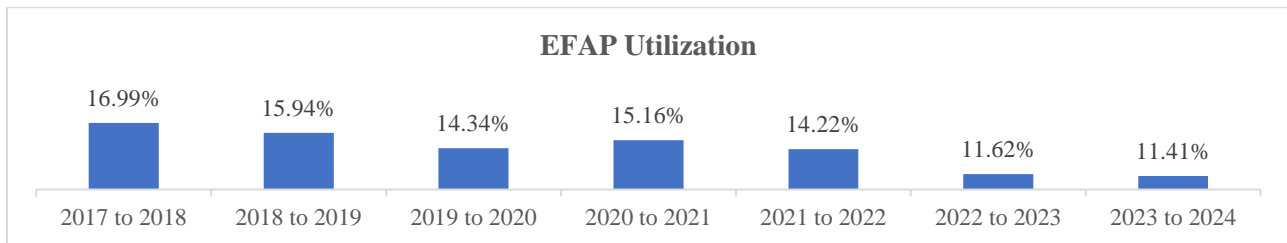
**Dental Services.** A total of 92,848 dental claims were submitted during the May 2023 to April 2024 period with an incurred expense of \$12,249,992; GreenShield provided reimbursement in the amount of \$8,751,581. This represents an increase of 7% in comparison to the claims paid for dental services in the first 9 months of 2023 annualized which amounted to \$8,148,473.

- Basic dental – 71% of dental claims submitted (58% of dental claims paid) corresponded with this category which includes services such as dental exams, x-rays, fluoride, polishing, filings, extractions anesthesia, stain removal. The figures above also include services that GreenShield classifies as “generally excluded” (mainly therapeutic intravenous drug injection) but since these were eligible through Canada Life, coverage was maintained with the transition to GreenShield.
- Comprehensive basic dental – 23% of dental claims submitted (21% of dental claims paid) corresponded with this category which includes services such as scaling, pulp treatment, root canal.
- Major dental – 2% of dental claims submitted (11% of dental claims paid) corresponded with this category which includes services such as crowns, veneers, inlays, onlays, dentures, bridges.
- Orthodontics – 4% of dental claims submitted (10% of dental claims paid) corresponded with this category which includes services such as fixed or removable orthodontic appliances including initial fees and repairs.

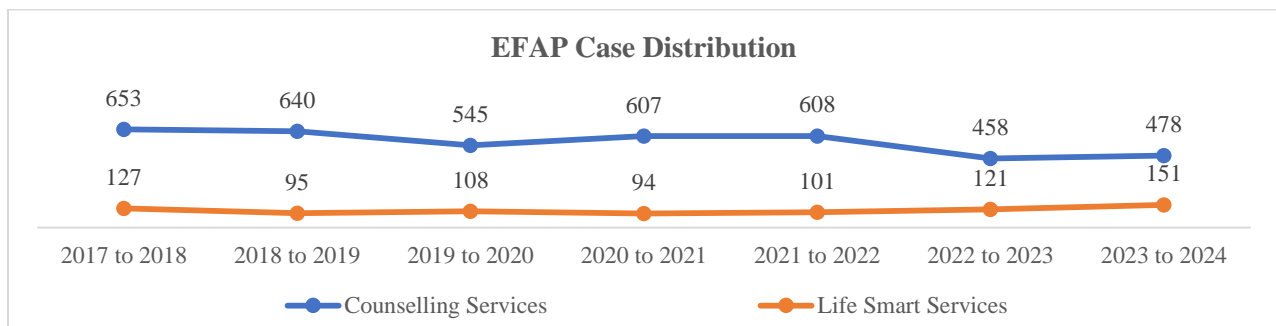
At the March 2024 Pension & Benefits Committee meeting, members approved a 9.8% increase to the budget rates for extended health and a 13.2% increase to the budget rates for dental, effective May 1, 2024. Based on the claims experience with GreenShield and trend factors impacting projected utilization, further increases to the budget rates are expected to be necessary effective May 1, 2025 based on the current plan design.

**Employee and Family Assistance Program (EFAP)**

The utilization during the September 1, 2023 to August 31, 2024 policy year was 11.41%, representing 633.83 cases, including 4.83 online cases. This represents a 2% decrease from the 11.62% utilization (and 587.33) cases from the previous policy year. In comparison with Homewood Health’s benchmark data, utilization is below their “education-universities sector” average (12.41%) but above their “all industries” average (8.9%). The utilization over the last seven policy years is illustrated below:



Excluding online services, there were 629 cases during the September 2023 to August 2024 policy year which reflects a 9% increase – there were 20 more counselling cases and 30 more Life Smart Service cases – compared to the previous policy year. As a percentage of usage, counselling access decreased (75.4% versus 78% last year) while Life Smart coaching requests increased (23.8% versus 20.6% last year).

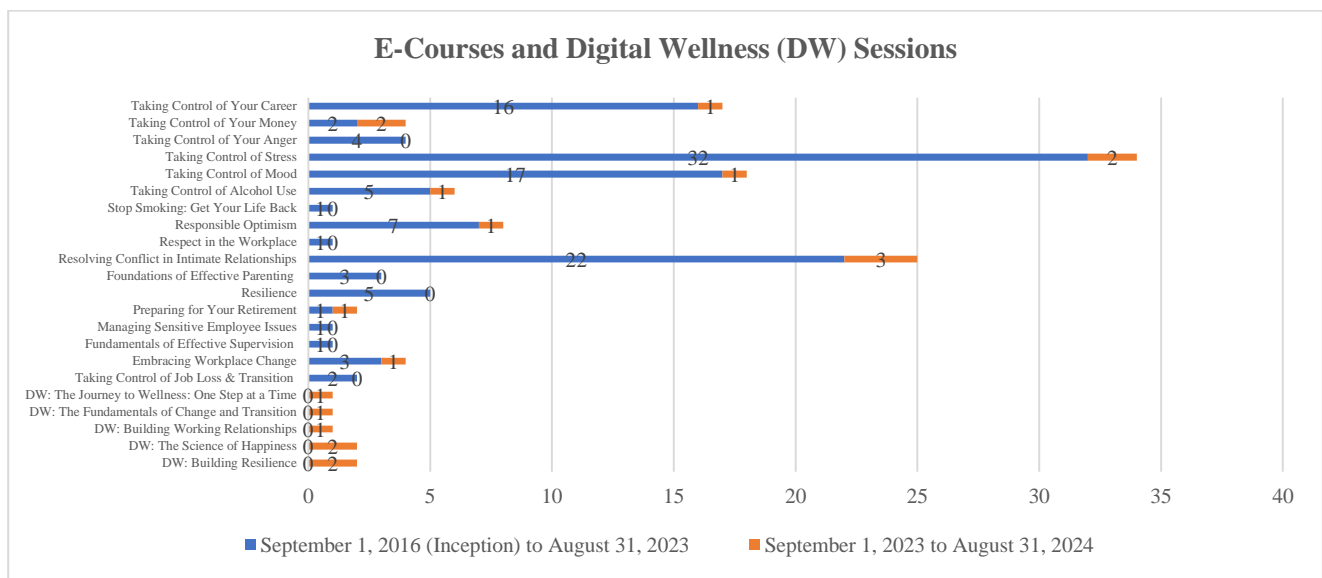


Within Counselling Services, the cases for Crisis/Trauma cases decreased by 38% from 32 to 20 cases compared to the previous policy year. As in previous years, Psychological counselling services was the highest category in the year with 205 cases (43% of the 478 cases). Stress was the most prominent subcategory within the Psychological category with 75 cases representing 37% of the Psychological cases versus 18% last year – historically, Stress has been the third

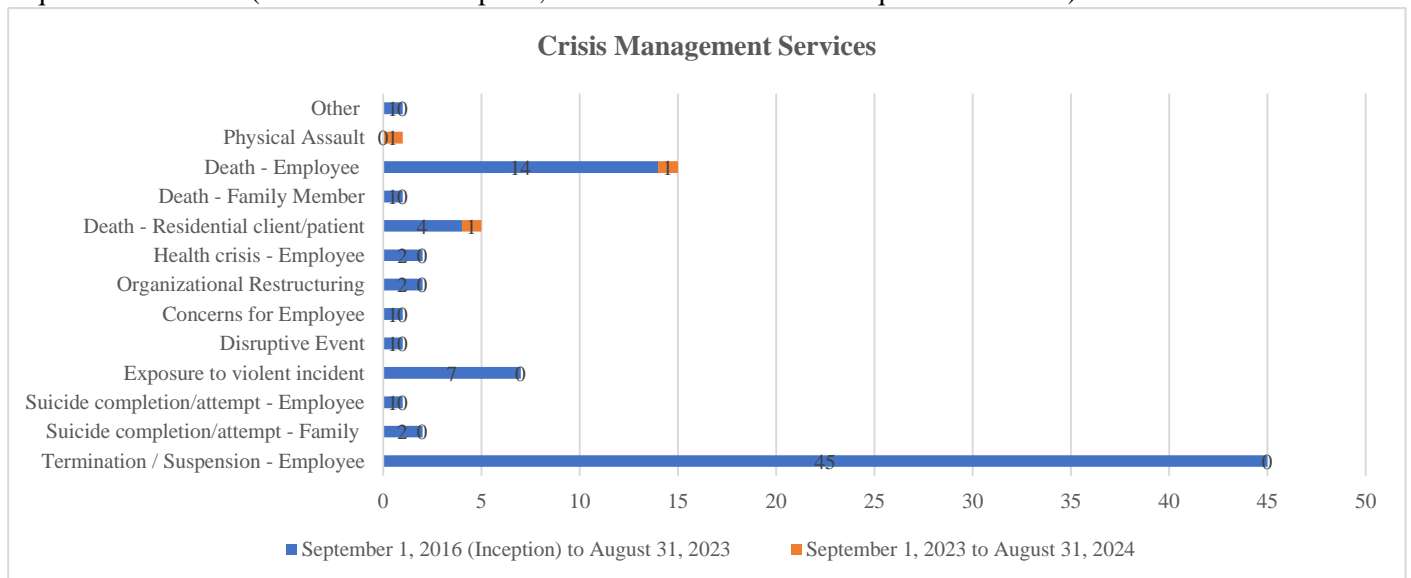
most prominent. Anxiety and Depression ranked second and third within the Psychological category with 20% and 15% of the Psychological cases versus 25% and 37% of the 212 cases last year, respectively.

Within Life Smart Services, 25% of the 151 cases related to Burnout and Stress Solutions – the number of cases in this category more than doubled with 39 cases in comparison with 17 from the previous policy year. Similarly, the number of cases associated with Relationship Solutions (20% of the 151 cases) increased significantly with 31 cases in comparison with 19 from the previous policy year. The third most prominent category was Legal Advisory Services with 21 cases in the policy year which represents a decrease from previous years where this category has typically been the most prominent.

The overall usage of online services in the September 1, 2023 to August 31, 2024 policy year is similar to the previous policy year with 21 cases in comparison with 22 cases last year; however, some slight differences exist within the suite of services available. Of the 21 cases, 13 cases representing 62% of the total were for e-courses (vs 15 last year), followed by 7 cases for digital wellness sessions (newly available this period), followed by 1 case for elder/childcare locator (vs 6 last year), and zero health risk assessments (vs one last year). The topics of interest are captured below:



Homewood Health provides Crisis Management Services through the EFAP contract on a fee for service basis and requests are centrally managed when a need arises. In the September 2023 to August 2024 period, CMS services were required three times (since contract inception, these services have been requested 84 times).



**For Decision****Open Session**

**Date of Meeting:** January 17, 2025

**To:** Members, Pension & Benefits Committee

**From:** Sarah Willey-Thomas, Associate University Secretary

**RE:** **5. Benefits**

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**5.2 Health Care Spending Account**

Michelle Hollis, Chief Human Resource Officer, will present the Health Care Spending Account (HCSA) for faculty and correction to the discussion at the October 2024 Committee meeting.

Members will recall Aon delivered an education session at the June 2024 Committee meeting regarding HCSA benefits and an administration provided an update regarding relevant background information about the HCSA at the September 2024 Committee meeting.

Members will recall discussion of the HCSA at the October 2024, and the Committee agreed that further conversations between administration and FAUW would be undertaken with an update to the Committee in November.

**Recommendation:**

That the Pension & Benefits Committee recommend the Board of Governors approve that a new Health Care Spending Account ("HCSA") benefit be established effective May 1, 2025, as presented, and in accordance with the Faculty Association of the University of Waterloo (FAUW) arbitration award in effect as of May 1, 2024.

**Documentation Provided:**

- Report - Health Care Spending Account (HCSA) Correction
- Report - Health Care Spending Account (HCSA) for Faculty

**Report to the Pension & Benefits Committee  
17 January 2025**

**FOR INFORMATION  
CORRECTION**

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**Health Care Spending Account (HCSA)  
From Human Resources and Finance**

**Background**

On October 17, 2024, Human Resources (HR) presented a recommendation to the Pension & Benefits Committee to introduce a new benefit for faculty members, in the form of a Health Care Spending Account (HCSA).

The arbitration award for Faculty stated the following: “the University’s benefit proposal of an HCSA has been accepted by the Association. The University’s proposal was and continues to be conditioned upon a recommendation for acceptance to the Pension and Benefits Committee. Given that the HCSA was proposed by the University as both less costly and more effective than that proposed by the Association, the reasonable expectation of the final offer selector and the Association is that the Pension and Benefits Committee will approve. The final offer selector remains seized pending this approval”.

This means that in the event that the parties have a problem with the implementation of the arbitrator’s order, the parties, which include the University and FAUW will reconvene with the arbitrator. In the October 17<sup>th</sup> recommendation, HR noted that “if the HCSA is not approved by the Pension & Benefits Committee, the amount shall be awarded as additional salary for FAUW members only (this provision will not be extended to other employee groups)”. This statement was made in error. After consultation with legal counsel, we have been informed that should the proposal be rejected the arbitration order provides that the University and FAUW will reconvene with the arbitrator.

**Report to the Pension & Benefits Committee  
17 January 2025**

**Health Care Spending Account (HCSA)  
From Human Resources and Finance**

**Background**

The arbitrated award effective May 1, 2024 for the faculty employee group provides for the introduction and implementation of a Health Care Spending Account (HCSA) in the amount of \$300 per policy year effective date of May 1, 2025 per faculty member actively employed on that date (i.e. those who are eligible for the annual Faculty Salary Increase process).

The award states the following: “the University’s benefit proposal of an HCSA has been accepted by the Association. The University’s proposal was and continues to be conditioned upon a recommendation for acceptance to the Pension and Benefits Committee. Given that the HCSA was proposed by the University as both less costly, and more effective than that proposed by the Association, the reasonable expectation of the final offer selector and the Association is that the Pension and Benefits Committee will approve. The final offer selector remains seized pending this approval”.

This means that in the event that the parties have a problem with the implementation of the arbitrator’s order, the parties, which include the University and FAUW will reconvene with the arbitrator.

Aon has advised that based on an HCSA of \$300 per year for 1384 faculty members, the cost equates to \$415,200 per year. GreenShield charges 2.75% of paid claims for administration services plus applicable taxes; however, Aon has advised that these charges are typically offset (or even slightly more than offset) by forfeitures (i.e. amounts that go unused by plan members, either due to their low claims volumes, lack of understanding on how to use the benefit, or termination mid-year). The University’s cost associated with the benefit would be invoiced on a monthly basis based on claims reimbursed and the corresponding charges.

Following approval by the Board of Governors, implementation and education efforts will be led by Human Resources with support from other Administrative Support Units (incl. IST and Finance) with respect to the modification of processes and systems to support administration by the University as well as GreenShield, and the development of a corresponding education campaign to enable eligible employees to understand and access the new coverage.

Any recommendation from the Pensions and Benefits Committee will go to the Board of Governors for approval.



**For Information****Open Session**

**Date of Meeting:** January 17, 2025

**To:** Members, Pension & Benefits Committee

**From:** Sarah Willey-Thomas, Associate University Secretary

**RE:** **6. Other Business**

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**6.1 Review of Work Plan**

Members will recall that the work plan is an iterative document which is supplied for the Committee's information and reference at each Committee meeting.

The Work Plan is derived from responsibilities outlined in the Committee's terms of reference.

**Documentation Provided:**

- 2024/25 Pension & Benefits Committee Work Plan

## 2024-2025 Pension & Benefits Committee Work

<b>Pension &amp; Benefits Committee Agenda Items</b>	<b>May 17, 2024</b>	<b>June 11, 2024</b>	<b>September 13, 2024</b>	<b>October 17, 2024</b>	<b>November 15, 2024</b>	<b>January 17, 2025</b>	<b>February 11, 2025</b>	<b>March 21, 2025</b>
P – Planned ✓ - Complete								
<b>OPEN SESSION</b>								
Execution against Committee Work Plan	✓	✓	✓	✓	✓	P	P	P
Minutes of the Previous Meeting	✓	✓	✓	✓	✓	P	P	P
<b>GOVERNANCE</b>								
Previous Years' Fees and Expenses	✓							
Annual Audit of the Pension Plan Fund Financial Statements	✓							
Carbon Metrics Reporting	✓							
Summary of Total Fund Investment Performance		✓	✓		✓		P	
Statement of Investment Policies and Procedure and Fund Implementation Procedures; Pension Statement SIPP					✓			
Pension Risk Management Dashboard (Quarterly)	✓		✓		✓		P	
Approval of Actuarial Valuation Assumptions						P		
RPP Actuarial Valuation, decision on filing								P
Review of RPP Contribution and Protocol Caps					✓			
<b>BENEFITS</b>								
Extended Health & Dental Benefits – Indexation of Maxima effective January 1					✓			
Retiree Life Insurance – Indexation of Coverage effective January 1					P			
Annual Benefits Utilization Report					✓	P		
Maximum Pension Limits and Caps Adjustments, Based on Average Industrial Wage Increase (AIW)					✓			
Cost of Living Adjustments <ul style="list-style-type: none"> <li>• Pensions in Pay</li> <li>• Deferred Pensions</li> <li>• Pensionable Earnings for Members on LTD</li> </ul>								P
Group Benefits program – Annual Renewal <ul style="list-style-type: none"> <li>• Life Insurance – Premium Rate</li> <li>• Long Term Disability</li> <li>• Premium Rate</li> <li>• Maximum Insured Salary (Indexation)</li> <li>• Health Care Benefits – ASO Fees/Charges</li> <li>• Health Care Benefits – Budget Rates</li> </ul>					P			

## 2024-2025 Pension & Benefits Committee Work

<b>Pension &amp; Benefits Committee Agenda Items</b>	<b>May 17, 2024</b>	<b>June 11, 2024</b>	<b>September 13, 2024</b>	<b>October 17, 2024</b>	<b>November 15, 2024</b>	<b>January 17, 2025</b>	<b>February 11, 2025</b>	<b>March 21, 2025</b>
P – Planned ✓ - Complete								
<b>GOVERNANCE</b>								
Review of Committee Terms of Reference		✓						
Annual Report to the Community							<b>P</b>	
Annual Committee Self-Assessment								<b>P</b>
Committee Planning								<b>P</b>
<b>CONFIDENTIAL SESSION</b>								
Minutes of the Previous Meeting	✓	✓	✓	✓	✓	<b>P</b>	<b>P</b>	<b>P</b>
Other Business	✓	✓	✓	✓	✓	<b>P</b>	<b>P</b>	<b>P</b>
<b>IN CAMERA SESSION</b>								
Minutes of the Previous Meeting	✓	✓	✓	✓		<b>P</b>	<b>P</b>	<b>P</b>
Other Business	✓	✓	✓	✓		<b>P</b>	<b>P</b>	<b>P</b>

**For more information:**  
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