

University of Waterloo
Board of Governors
PENSION & BENEFITS COMMITTEE
Minutes of the 15 November 2019 Meeting
[in agenda order]

Present: Peter Barr (by phone), Terrence Birmingham, Ted Bleaney, Mike Grivicic (secretary), Michael Herz, Dennis Huber, Ranjini Jha, David Kibble, Jim Rush, David Saunders, Michael Steinmann, Mary Thompson, Ken Vetzal

Absent: Marilyn Thompson*
*regrets

Consultant: Linda Byron, Allan Shapira

Resources: Sarah Hadley, Lee Hornberger

Organization of Meeting: At the request of chair Peter Barr, Jim Rush took the chair for this meeting, and Mike Grivicic acted as secretary. The secretary advised that a quorum was present.

1. APPROVAL OF THE 18 OCTOBER 2019 MINUTES (OPEN SESSION) AND BUSINESS ARISING

A motion was heard to approve the minutes. Jha and Huber. Carried. There was no business arising.

2. EXECUTION AGAINST THE WORK PLAN

This item was received for information.

3. UPDATE ON GOVERNMENT PENSION PLAN INITIATIVES

Shapira observed the recent passage of Bill 124, with no provisions included for so-called “double dipping”. He noted that an inaugural board chair for the University Pension Plan is to be appointed in the next few weeks.

4. EXTENDED HEALTH AND DENTAL BENEFITS – INDEXATION OF MAXIMA EFFECTIVE JANUARY 1, 2020

Hornberger provided an overview of the materials distributed, highlighting the cost of indexing health and dental benefits as well as retiree life insurance, and noting that the general approach is to recommend a change in increments of \$100. A motion was heard to approve indexing of health and dental benefits maxima effective 1 January 2020 as described in the report. Bleaney and Kibble. Carried. A motion was heard to approve indexation of retiree life insurance coverage effective 1 January 2020 as described in the report. Jha and Mary Thompson. Carried.

5. EMPLOYEE AND FAMILY ASSISTANCE PROGRAM – UTILIZATION REPORT

Hornberger spoke to the material distributed: origin and cost of these services; vendor confirmed for next two years, along with maintenance of current fee levels; services on offer; breakdown of usage. Members discussed: most individuals’ usage averages 2-3 sessions, with some cases running more than that; significant positive feedback has been received on the services overall, though some employees have observed that the change from Counselling Services in 2016 has been a net negative; content and summaries of surveys can be obtained via EAP Committee; no identity management is in use for services provided online.

6. ANNUAL REVIEW OF STATEMENT OF INVESTMENT POLICIES AND PROCEDURES

Huber observed: requirement to review annually; rates of return in SIPP are not identical as those utilized for the actuarial valuation, and are not required to be; Aon has suggested that the SIPP could implement a return range, and this could be done in the coming year; Aon has recently reviewed the SIPP with respect to requirements under regulations and no changes are recommended at this time; could potentially include notation of the UN PRI signatory status in SIPP once this is achieved. Shapira noted that the asset mix can change with market conditions, thus impacting the rate of return at any point in time. A motion was heard to affirm the committee’s review of the SIPP for 2019, with no revisions. Bleaney and Vetzal. Carried. The SIPP and issues noted in discussion may come forward again in the new year.

7. EMPLOYEE REPRESENTATIVES APPOINTED TO PENSION INVESTMENT COMMITTEE

Jha indicated that employee constituency groups are working to select their members for this committee, and information on this will likely come to the December meeting. A short update report was requested regarding the committee's overall progress in filling its membership, as well as prospective next steps.

8. UPDATED PRESENTATION FOR PENSION INFORMATION SESSIONS

Shapira provided a revised PowerPoint, following up with amendments noted from the previous meeting. Members discussed: communications should be crafted with care so as to not cause unwarranted concern among the community; helpful to add high-level summary slides to the presentation, and to accentuate the goal of promoting the plan's sustainability; sessions would best be held in December once classes are completed; should be careful to guide conversation that is germane to the plan design and to avoid non-related subjects; presentation is predicated on a static investment paradigm; should be ready to answer why other comparator universities' plans have proceeded to change their contribution rates before Waterloo has considered this step.

9. UPDATE RE: HOLISTIC BENEFITS WORKING GROUP

Hornberger observed that the survey went out in October, and response rate appears to be good. Data analysis will occur in the coming weeks, and focus groups will be considered for some time in 2020.

10. OTHER BUSINESS

Vetzel inquired as to the progress on supplying the benefits benchmarking material, from the October meeting. The secretary will liaise with Aon on this and will reply to the members in question.

Members observed that future agenda item (c) ought to be removed, given the activity around pension plan design.

With no further business in open session, the committee proceeded into confidential session.

NEXT MEETING

The next meeting is scheduled for Friday 13 December 2019, 9:30 a.m. – 12:00 noon in NH 3318

3 December 2019

Mike Grivicic
Associate University Secretary