

University of Waterloo
Board of Governors
PENSION & BENEFITS COMMITTEE
Minutes of the 12 June 2020 Meeting
[in agenda order]

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

Consultant: Linda Byron, Allan Shapira

Resources: Sarah Hadley, Lee Hornberger

Regrets: Tony Giovinazzo

Organization of Meeting: Peter Barr took the chair, and Mike Grivicic acted as secretary. The secretary advised that a quorum was present. The meeting was held via videoconference.

The committee exited confidential session and entered open session.

4. APPROVAL OF THE 15 MAY 2020 MINUTES (OPEN SESSION) AND BUSINESS ARISING

A motion was heard to approve the minutes as distributed. Bleaney and Herz. Carried.

a. Board Approval - Filing of Actuarial Valuation dated 1 January 2020. Byron advised that the filing is targeted for the end of this month.

5. EXECUTION AGAINST THE WORK PLAN

This item was received for information.

6. UPDATE ON GOVERNMENT PENSION PLAN INITIATIVES

Shapira noted that some new regulations on funding relief are expected, though these are not likely to impact the university at this time. It is expected that plans will deal with solvency deficits for some time going forward.

7. AMENDMENT TO ARTICLE 12 OF REGISTERED PENSION PLAN, “TRANSFER OF MONIES TO AND FROM PENSION FUND” WITH COVERING NOTE

Shapira provided an overview of the draft amended plan language, noting the plan takes on risk in facilitating these transfers and that this provision is meant to facilitate transfers from the prior employer and not to be a mechanism to aggregate benefits. Members discussed: common usage of terms, including “active member”, “former member” and “retired member”; normal time limit for transferring service at another institution upon joining pension plan; between 2017 and 2019, 84 requests were made for such a transfer; some concern at impacts on talent acquisition if this process is impaired or inconsistent with what can be done at comparator institutions, though this goes beyond the direction given by the committee to clarify wording so as to align with accepted existing practices. The committee discussed the merits of the recommendation and some members were hesitant to support such a recommendation without more comparison of practices with other institutions. A motion was heard to recommend to the Board of Governors revisions to Article 12 of the registered pension plan text as presented, subject to additional review of comparator practices from the plan consultant at the September 2020 meeting. Huber and Kibble. Carried.

8. BENEFITS UTILIZATION REPORT

Hornberger spoke to the report, providing details on usage of the spectrum of benefits in the most recent year as well as year-over-year. Aon has seen a reduction in claims to plans during the broad COVID lockdown period, given that practitioners have been required to be closed during the pandemic, though this may catch up over time as services resume.

9. HEALTHCARE BENEFIT PROVISIONS - CANADA LIFE'S STANDARD VERSUS UNIVERSITY OF WATERLOO

Hornberger spoke to the report, noting that the differences in provisions have not changed since the June 2019 report.

10. INVESTMENT FUND PERFORMANCE REPORTS FROM AON – Q1 2020

Huber provided an overview of the report. A member observed that performance data beyond 10 years would be beneficial.

11. UPDATE RE: HOLISTIC BENEFITS WORKING GROUP

Byron noted that the working group will be gathering feedback from employee group leadership as the group considers potential changes to the benefits offerings.

12. ANNUAL REVIEW OF COMMITTEE TERMS OF REFERENCE – P&B AND PIC

Members are invited to forward observations to the secretary at their convenience.

13. OTHER BUSINESS

There was no other business.

With no further business in open session, the committee was adjourned.

NEXT MEETING

The next meeting is scheduled for Friday 18 September 2020, 9:30 a.m. – 12:00 noon.

10 September 2020
revised 9 October 2020

Mike Grivicic
Associate University Secretary