

**University of Waterloo**  
**Board of Governors**  
**PENSION & BENEFITS COMMITTEE**  
**Minutes of the 19 November 2021 Meeting**  
**[in agenda order]**

**Present:** Peter Barr, Terrence Birmingham, Sara Cressman, Tony Giovinazzo, Michael Herz, Dennis Huber, Ranjini Jha, David Saunders, David Taylor, Marilyn Thompson, Ken Vetzal, Rebecca Wickens (secretary)

**Regrets:** James Rush

**Consultants/Resources:** Linda Byron, Sarah Hadley, Lee Hornberger, Joan Kennedy, Sue McGrath, Allan Shapira

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

**OPEN SESSION**

**1. APPROVAL OF THE 22 OCTOBER 2021 MINUTES (OPEN SESSION) AND BUSINESS ARISING**

There was a motion to approve the minutes as distributed. Giovinazzo and Huber. Carried.

**2. EXECUTION AGAINST THE WORK PLAN**

This item was received for information. The secretary noted that there are adjustments to make in order to reflect the relative roles of the Pension Investment Committee and Pension & Benefits Committee. The chair noted that he and the chairs of Pension Investment Committee and Finance & Investment Committee had their annual meeting and agreed to review the mandates for all three committees with a view to clarifying responsibilities and increasing efficiency.

**3. UPDATE ON GOVERNMENT PENSION PLAN INITIATIVES**

Members heard: Trent University was just approved to join the University Pension Plan (UPP) for one of their pension plans; the universities that participated in creating the UPP have either joined or are considering it; others may join, but the bargaining process takes time.

**4. Q3 PENSION DASHBOARD**

Members heard: results are positive for this quarter – going concern deficit, risk-free deficit and solvency deficit decreased; drivers included asset performance in line with expectations, increased contributions, and an increase in the effective interest rate; this represents a significant turn-around over the last twelve months; in early 2022, the committee should be prepared to discuss filing the valuation. Discussion included: benefits of filing the valuation if the results continue in a positive direction; inflation expectations – potential impact on the valuation, the indexation provision in the plan and the possibility of inflation exceeding the 5% cap. Aon Hewitt will look at inflation trends.

**5. POLICIES 23 AND 59 – FOLLOW-UP**

Kennedy provided an update on a meeting with representatives from Finance, Legal & Immigration Services and Human Resources, reporting: following a review of the data, the cost of moving eligibility for full benefits from three years to two would cause total compensation costs to exceed 1% per year during the moderation period (from Bill 124); the university is seeking a formal legal opinion to confirm the analysis and options.

**6. INDEXING OF PLAN MAXIMA**

Kennedy took members through the report, noting: the adjustments were calculated by Aon Hewitt; the ongoing annual cost of the increases to health and dental benefits maxima will be \$99,300; the flat benefit amount for retiree life insurance coverage will increase from \$5,700 to \$5,900. In response to a question about how the university's retiree life insurance coverage compares, Byron reported: some universities do not offer this benefit; of the nine that do, Waterloo is fourth or fifth.

There was a motion to approve the cost of living adjustment to the health and dental benefit maxima as presented, effective 1 January 2022. Birmingham and Vetzal. Carried.

There was a motion to approve the cost of living adjustment to the retiree life insurance coverage as presented, effective 1 January 2022. Jha and Saunders. Carried.

#### **7. EMPLOYEE AND FAMILY ASSISTANCE PROGRAM UTILIZATION**

Kennedy reviewed the data in the presentation and report distributed with the agenda, highlighting: the current services provided; Homewood will maintain their rates until 2023 when the university will go out to bid for these services; utilization rates are trending upward; the university's utilization rates are above Homewood's benchmark data for all institutions and for higher education clients; counselling has higher utilization than life coaching; crisis management services was trending downward, but is expected to go back up. In discussion, members requested: the data be shown as a percentage of total eligible population, not only an absolute number; reasons that the university's utilization rates exceed Homewood's benchmark, including different demographics and how the program is marketed; whether and when services will return to in person or a hybrid of in person and online.

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

#### **NEXT MEETING**

The next regular meeting is scheduled for Friday 10 December 2021, 9:30 a.m. – 12:00 noon.

2 December 2021

Rebecca M. Wickens  
Associate University Secretary