

Feb 16/24

WTW Meeting - Pension Surplus

- Solvency Pmt from now
 until failing of new
 valuation \rightarrow potential \$1mil - \$1.2
 need to risk assess
 stopping pmts

Surplus Utilization Options

- ① Amend the plan i.e. so
 contribution of employees
 does not need to match
 employer
- ② Modify Solvency Assumption
- ③ Modify Going Concern
 Assumptions + Actuarial
 Cost Methods
- ④ Adjust Investment Strategy
 - change asset allocation
- ⑤ Annuity Purchase
 - De-risking the Plan is
 the primary reason
 implemented
- ⑥ TFSA/RRSP

Short Term

- Reduce LOC as much as possible
- Avoid ^{possible} Solency Rits as much possible
- status quo. or for as contribution
 - deter change
- Need to bring forward ^{time to analyze} viable + feasible to governance level.

Mar 15/21 Pension Amendment Mtg

- Forced contribution holiday issue
- Current ~~text~~ requires 50/50 contribution however not required by law
- Board may make decision to fund differently
ie: YHC takes fund holiday
Employees do not
- Timing is an issue
- want to get this amended through ASAP

Section 6(10)
Text working - "amount of contrib YHC working cannot be less than members"

can we consider the payments to date including solvency to be part of that statement

- Pension Commission consideration of IEE impa
If the "amortization payments" is contribution payment"

Need to buy time to

have we give 90 day notice
Can we do anything with CBL at

- Schedule a call

Brenda.Pilatzke-Vanier

From: Erna Post <poste@psac-afpc.com>
Sent: Friday, March 22, 2024 1:02 PM
To: Christie.Harper - Yukon Hospitals
Cc: Patrick Michael; 3rd Party Personal Info Kathleen Chapman; Becky Nash;
susan.fisher@labour-travail.gc.ca; Bateman, Karlene D [NC]; awinter; Kelly.Steele;
Jason.Bilsky
Subject: Pension Surplus
Attachments: 2024-03-22 Pension surplus signed.pdf

Please see attached.

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Erna Post (she/her/elle)
Negotiator 300-5238 Joyce St.
Vancouver, BC V5R 6C9
C: 604-679-7559, F: 604-431-6727



Public Service Alliance of Canada
Alliance de la Fonction publique du Canada

I respectfully acknowledge that I live, work and learn in the beautiful traditional territories unceded of Coast Salish Peoples including the territories of the xʷməθkwəyəm (Musqueam), Salilwataʔ/Selilwitulh (Tsleil-Waututh), Skwxwú7mesh (Squamish) and Stó:lō Nations.



To: Christie Harper
Director People Services and Culture
Yukon Hospitals

March 22, 2024

Via email: Christie.Harper@wgh.yk.ca

Re: Pension Plan Surplus

Dear Christie,

Following the conclusion of negotiations on February 29, 2024; on March 13, 2024, the YHC Pension Advisory Committee was provided with an actuarial report that indicated a very substantial increase in the Pension Plan surplus.

Based on the current regulatory and legislative framework, the nature of the surplus, once reported, will trigger a temporary and forced contribution holiday for the Employer.

The current plan text requires that the contribution holiday also be provided to employees of the hospital who are also plan contributors. We note the current plan text also forms part of the current collective agreement pursuant to Article 40.01.

It is our understanding that there is a recommendation from the Employer's consultants to change the plan text so that employees will be required to continue having pension contributions deducted from their pay while the Employer takes its required contribution holiday.

The Union believes that this pension surplus was foreseeable to the Employer, and it appears that the Employer may have chosen to withhold this crucial information from the Union during collective bargaining.

During the course of negotiations, the parties spent considerable time discussing the impact of the pandemic, chronic understaffing, retention and recruitment issues and the importance of fair pay as a means of recognizing the contributions all hospital employees have made over the past years.

The PSAC is fundamentally opposed to such a recommendation and with respect, proposes that the plan text should remain unchanged, so that employees can enjoy the same benefit as the Employer and put a good deal more money into their own pockets every pay day while the contribution holiday lasts. In the present economic climate, we view the proposal to change the plan text as both an insult and an injury to YHC's hard-working employees.



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If the recommendation to exclude PSAC members from the same contribution holiday accorded to the Employer is enacted, it is our view that this decision would serve to materially undermine the progress the parties had made during the course of negotiations.

Given the impact this proposed change will have on PSAC members, we will be temporarily postponing our ratification process to review, discuss, and assess the full implications of the consultants' recommendation, with the membership.

The Union is also carefully considering its legal position and options in light of these circumstances.

Again, we strongly encourage the advisory committee and the board to abide by the current plan provisions and extend the contribution holiday to employees and leave the current plan document unchanged.

Sincerely,

Erna Post
PSAC Negotiator

cc: Josée-Anne Spirito, REVP North
Justin Lemphers, President YEU
PSAC Bargaining Team
YHC Pension Advisory Committee
YHC Executive Board

Marshall Pension Contribution Holiday

Date

- Issue is Stability of Employee Contributions
- Aware - Early February
 - Mid-Feb discussions of options for surplus utilization began
- Bargaining up to Nov 23
PSAC files for conciliation
Conciliation occurs
- Pension Comm Mar 13, materials out 2 week in advance.
Presented with valuation and probable ~~forced~~ contribution holiday and options of surplus utilization very few feasible options.
 - discussion only
- Next Pension Comm May
 - 2 union members on pension committee
 - Recommendation to Board
- Article 40 of ... forms part of

Page

From: [Kelly Steele](#)
To: [Jason Bilsky](#); [Katherine Davidson](#)
Cc: [Liam Shannon](#)
Subject: WTW information March 26-24
Date: Tuesday, March 26, 2024 1:35:08 PM

Hi Jason and Kate,

I had a discussion with WTW this afternoon to review all outstanding issues prior to my retirement. A summary of items that will required follow-up are as follows:

1. Pension actuarial valuation for December 31, 2023
 - a. The valuation is typically filed by June 30/24 and we will be obligated to continue to make solvency payments up to May 2024 (\$208K per month since January 2024).
 - b. There is an ability to file the valuation earlier (May 31st would be the earliest) saving YHC a month of solvency payments.
 - i. Filing the valuation early is contingent on YHC calculating and providing WTW with the retroactive earnings from the new collective agreements once ratified. This would need to occur as soon as possible and consideration needs to be given to supporting payroll with this work with a heavy dose of review for accuracy.
2. Mercer's performance and WTW oversight option
 - a. WTW has confirmed that given they are a competitor in the OCIO world, it would not be appropriate for them to provide oversight and recommendations on Mercer's performance.
 - b. They can however provide a list of questions from their investment team for the committee to ask Mercer regarding investment performance and expectations.
 - c. Jesal also indicated that the WTW investment team would be willing to provide education on OCIO, emerging trends and what an organization can expect from their OCIO provider to assist in discussions and expectation setting of Mercer. Jesal indicated this work would be free of charge (I would hold them to that ☺).

Regards

Kelly

Kelly Steele CPA, CMA
CFO Executive Director Corporate Services
Yukon Hospital Corporation
Phone: 867-393-8751
Email: Kelly.steele@wgh.yk.ca

April 14/24 Pension Plan Amendments

- Recategorize of special payments as normal contributions
- Accelerate the valuation - to possibly May

- Retroactive earnings calculation

- Valuation triggers the contribution holiday
 - if we recategorize the special contributions and allow employees to continue to make payments

Best interest to file valuation

- ^{asap} Consult with Pension Committee

From: Christie.Harper - Yukon Hospitals <Christie.Harper@yukonhospitals.ca>

Sent: Tuesday, March 26, 2024 8:23 AM

To: Erna Post <poste@psac-afpc.com>

Cc: Patrick Michael 3rd Party Personal Info Kathleen Chapman <kchapman@pipsc.ca>; Becky Nash
3rd Party Personal Info susan.fisher@labour-travail.gc.ca; Bateman, Karlene D [NC] <karlene.bateman@labour-
travail.gc.ca>; awinter <awinter@harrisco.com>; Kelly.Steele <Kelly.Steele@yukonhospitals.ca>; Jason.Bilsky
<Jason.Bilsky@yukonhospitals.ca>

Subject: RE: Pension Surplus

Importance: High

Good morning Erna,

Attached, please see the attached letter, which we believe significantly impacts your meetings with members today and tomorrow. I am available should you wish to discuss this.

Thank you,

Christie Harper (she/her)
Director, People Services & Culture
Yukon Hospitals
Direct Phone: 867-393-8701
www.yukonhospitals.ca



yukon
hospitals

2024-03-22
1:02 PM
Christie Harper

Our vision: A journey together. The best care every time.

We acknowledge, recognize, and respect that we live and work within the traditional territory of the people of Kwanlin Dün First Nation and the Ta'an Kwäch'än Council.

This e-mail may contain information that is privileged, confidential, or otherwise exempt from disclosure under applicable laws. Unauthorized use, reproduction or dissemination of this e-mail is strictly prohibited. If you have received this e-mail in error, please contact me immediately.

From: Erna Post <poste@psac-afpc.com>

Sent: Friday, March 22, 2024 1:02 PM

To: Christie.Harper - Yukon Hospitals <Christie.Harper@yukonhospitals.ca>

Cc: Patrick Michael
3rd Party Personal Info

3rd Party Personal Info

Kathleen Chapman <kchapman@pipsc.ca>; Becky Nash

susan.fisher@labour-travail.gc.ca; Bateman, Karlene D [NC] <karlene.bateman@labour-travail.gc.ca>;

awinter <awinter@harrisco.com>; Kelly.Steele <Kelly.Steele@yukonhospitals.ca>; Jason.Bilsky <Jason.Bilsky@yukonhospitals.ca>

Subject: Pension Surplus

Please see attached.

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Erna Post (she/her/elle)
Negotiator 300-5238 Joyce St.
Vancouver, BC V5R 6C9
C: 604-679-7559, F: 604-431-6727



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I respectfully acknowledge that I live, work and learn in the beautiful traditional territories unceded of Coast Salish Peoples including the territories of the xʷməθkwəy̓əm (Musqueam), Salilwataʔ/Selilwitulh (Tsleil-Waututh), Skwxwú7mesh (Squamish) and Stó:lō Nations.



whitehorse
dawson city
watson lake

March 26, 2024

Erna Post
Negotiator, PSAC
Via email

Dear Erna,

We are writing in response to PSAC's communication to YHC on March 22nd, 2024 which made inaccurate allegations about the conduct of YHC followed by PSAC's communication to its members that it is cancelling the ratification votes scheduled for this week.

We wish to be clear that YHC will not be making unilateral recommendations in regards to addressing the pension surplus through the Pension Committee process. As you are aware, the Pension Committee is long-standing, and its processes are well established. Importantly, it is a tri-partite process between PSAC, PIPSC, and YHC. YHC cannot presuppose PIPSC's position, and cannot unilaterally remove their voice at the Pension Committee. However, YHC commits to following the language of Section 6.10 of the Pension Plan Text, in that "[u]nder no circumstances shall the amount of contributions made by YHC in a year be less than the total amount of the contributions made by the Members in that same year."

We encourage and expect that PSAC will communicate this positive information to your membership today and tomorrow, and that PSAC ensures the ratification process occurs without further delay and with the full support of PSAC's negotiating team.


Sincerely,

Christie Harper
Director, People Services & Culture

5 Hospital Road, Whitehorse, Yukon Y1A 3H7 | T 867 393-8700 : F 867 393-8707 | yukonhospitals.ca

Brenda.Pilatzke-Vanier

From: Erna Post <poste@psac-afpc.com>
Sent: Tuesday, March 26, 2024 5:36 PM
To: Christie.Harper - Yukon Hospitals
Cc: 3rd Party Personal Info kchapman@pipsc.ca; 3rd Party Personal Info
susan.fisher@labour-travail.gc.ca; karlene.bateman@labour-travail.gc.ca; awinter;
Kelly.Steele; Jason.Bilsky
Subject: RE: Pension Surplus

 You don't often get email from poste@psac-afpc.com. [Learn why this is important](#)
Thanks Christie, well received.

From: Christie.Harper@yukonhospitals.ca <Christie.Harper@yukonhospitals.ca>
Sent: Tuesday, March 26, 2024 5:35 PM
To: Erna Post <poste@psac-afpc.com>
Cc: 3rd Party Personal Info kchapman@pipsc.ca; 3rd Party Personal Info susan.fisher@labour-travail.gc.ca; karlene.bateman@labour-travail.gc.ca; awinter <awinter@harrisco.com>; Kelly.Steele@yukonhospitals.ca; Jason.Bilsky@yukonhospitals.ca
Subject: Re: Pension Surplus

Good afternoon Erna,

Thank you for your reply. We are reviewing your response and attached document, and will get back to you tomorrow morning.

Christir

Brenda.Pilatzke-Vanier

From: Erna Post <poste@psac-afpc.com>
Sent: Wednesday, March 27, 2024 12:02 PM
To: Christie.Harper - Yukon Hospitals
Cc: 3rd Party Personal Info kchapman@pipsc.ca; 3rd Party Personal Info
susan.fisher@labour-travail.gc.ca; karlene.bateman@labour-travail.gc.ca; awinter;
Kelly.Steele; Jason.Bilsky
Subject: RE: Pension Surplus

With respect Christie, and to be clear, I have been attending all meetings thus far, I can tell you that is not what PSAC has been presenting to the members at our meetings. There is no need for a correction on our part. PSAC has been presenting that all plan members regardless of status would benefit from any contribution relief.

That said we are in agreement with your proposed letter. Will someone from the board be signing on your end?

We are ready to sign today and proceed with ratification meetings as soon as possible once both parties have signed the letter.

From: Christie.Harper@yukonhospitals.ca <Christie.Harper@yukonhospitals.ca>
Sent: Wednesday, March 27, 2024 10:31 AM
To: Erna Post <poste@psac-afpc.com>
Cc: 3rd Party Personal Info kchapman@pipsc.ca; 3rd Party Personal Info susan.fisher@labour-travail.gc.ca; karlene.bateman@labour-travail.gc.ca; awinter <awinter@harrisco.com>; Kelly.Steele@yukonhospitals.ca; Jason.Bilsky@yukonhospitals.ca
Subject: RE: Pension Surplus

Good Morning Erna,

Attached is a draft LOU with some amendments from your initial document. You are welcome to call me to discuss. We will also be providing this LOU to PIPSC for their consideration.

It has come to the attention of YHC that PSAC is telling your membership that managers would get a pension holiday, and not bargaining unit members. This is concerning, as all employees (PSAC, PIPSC, and management/excluded) are equal members of the pension plan, and any holiday (or lack thereof) would apply to them all equally. Our expectation with this LOU is that PSAC corrects the information you are providing to your membership, and corrects it to those who have already been provided this inaccurate information.

Additionally, with this LOU, YHC expects that PSAC will make good faith efforts to conclude collective bargaining through setting ratification dates, and supporting ratification to your membership.



Christie Harper (she/her)

Director, People Services & Culture
Yukon Hospitals
Direct Phone: 867-393-8701
www.yukonhospitals.ca

Our vision: A journey together. The best care every time.

LETTER OF AGREEMENT

Between

Yukon Hospital Corporation

And

The Public Service Alliance of Canada

Re: Pension Plan Surplus

The Parties agree to the following:

Whereas the current pension plan circumstances, once reported, will trigger a forced contribution holiday for the Employer; and

Whereas the pension plan forms part of the current collective agreement pursuant to Article 40.01, and the current plan text section 6.10 states "[u]nder no circumstances shall the amount of contributions made by YHC in a year be less than the total amount of the contributions made by the Members in that same year", as such, any contribution holiday also be provided to employees of the hospital who are contributors.

Therefore, the parties agree that the current YHC Pension Plan text will remain unchanged as it relates to governing contributions, until a resumption of contributions occurs pursuant to the rules and processes governing the administration of the Pension Plan, unless the parties agree otherwise in writing.

March 27, 2024

For the Employer

For the Union

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