



Laborers' Benefit

NEWS

September
2018

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Pension Fund Update:

Pensioners on Direct Deposit	3,859
Pensioners via Cheques	90
Total Pensioners	3,949

Total Monthly Amount Paid:

\$2,803,467.00

LABORERS' PENSION FUND OF WESTERN CANADA

CHAIRMAN'S ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2017

It is certainly encouraging that the 2016 and 2017 investment results were much improved over 2015. As of December 31, 2017 the Fund's investments totaled \$1,032,193,174 bolstered by an overall rate of return of 11.6%. This return has contributed to an increase in the Funded Status of the Fund to 111% from 104% (2016).

2017 was the year of significant changes in Pension Regulations in both Saskatchewan and Alberta. Saskatchewan had undergone a complete review of regulations affecting Negotiated Cost Pension Plans which resulted in a new regime for multi-employer plans like ours. These plans are now referred to as Limited Liability Plans. The Regulations came into effect August 25, 2017.

Alberta also made a change to the Employment Pension Plans Regulations for Collectively Bargained Multi-Employer Pension Plans which came into effect November 21, 2017. In both instances the key change was the provision to calculate Commuted Value Transfers (CVT) on the Going Concern basis, eliminating the previous requirement to calculate the CVT's using the solvency ratio. These changes are extremely important to members of the Fund and have come as a result of lobbying efforts of numerous persons over many years including your Fund, the Building Trades of Alberta and the Multi-Employer Benefit Plan Council of Canada.

The Board of Trustees initiated a review of the Trust Agreement which had last been consolidated in 2000. The review included incorporating all previous amendments as well as updating some information. The Board also initiated a Performance Review process to evaluate the performance of the Board, Trustees and Service Providers. The review is essentially an assessment which will identify areas needing improvement, if any.

During 2017 there were a number of changes to the Board of Trustees. Mr. Dale Milne left the Board and Mr. John Desrosiers was added.

The Trustees acknowledge the support given to them by Funds Administrative Service Inc., by our investment consultant, by our benefit consultant, and by all of our service providers.

Respectfully submitted,

S.D. (Sid) Matthews, Chairman

LABORERS' PENSION FUND OF WESTERN CANADA

STATEMENT OF FINANCIAL POSITION as at December 31, 2017

ASSETS

Cash and Cash Equivalents	4,313,503
Investments	1,032,193,174
Accrued Investment Income	1,114,742
Contributions Receivable	2,000,343
Other Receivables	81,802
Prepaid Expenses	<u>16,838</u>

\$1,039,720,402

LIABILITIES

Accounts Payable and Accrued Liabilities	22,041,758
Due to Funds Administrative Service Inc.	<u>30,993</u>
	\$22,072,751

NET ASSETS AVAILABLE FOR PLAN BENEFITS

\$1,017,647,651

Note:

The statement of financial position and changes in net assets available for plan benefits are a condensed version of the Fund's audited Financial Statements prepared by KPMG LLP, Chartered Accountants. The complete Financial Statements, including the Auditor's Report, are available for examination at the Fund Office during business hours.

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS For the Year Ended December 31, 2017

ADDITIONS

Investment Income	\$107,835,418
Contributions	34,027,962
Less Outgoing Reciprocals	<u>(176,793)</u>
	\$141,686,587

DEDUCTIONS

Investment expenses	4,241,084
Administrative services	1,130,607
Audit & Accounting	34,456
Conference fees and expenses	7,627
Consultants' fees	288,995
Insurance	19,251
Legal	65,391
Printing and communication	36,110
Registration fees and taxes	153,961
Trustees' travel and expenses	<u>66,469</u>

\$6,043,951

BENEFIT PAYMENTS

Pension	\$36,440,637
Commuted Values	<u>10,511,196</u>

\$46,951,833

Increase in Net Assets	\$88,690,803
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Net Assets Available for Plan Benefits, Beginning of Year	\$928,956,848
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**Net Assets Available for
Plan Benefits, End of Year \$1,017,647,651**

**LABORERS' PENSION FUND
OF WESTERN CANADA
Board of Trustees**

Mr. Sidney Matthews – Chair
Ms. Lori Sali – Co-Chair
Mr. Shawn Campbell
Mr. John Desrosiers
Mr. Mike Murphy
Mr. Lyall Nash
Mr. Mark Olsen
Mr. Larry Sandham

**SASKATCHEWAN CONSTRUCTION &
GENERAL WORKERS' TRAINING
TRUST FUND**

Board of Trustees
Mr. Trevor Drost - Chair
Ms. Lori Sali – Co-Chair
Mr. Shawn Campbell
Mr. Shane Sali

**LABORERS' HEALTH & WELFARE TRUST
FUND OF WESTERN CANADA
Board of Trustees**

Mr. Mike Murphy – Chair
Ms. Lori Sali – Co-Chair
Mr. Mike Brodziak
Mr. John Desrosiers
Mr. Richard Gordon
Mr. Don Kettle
Ms. Amanda Stefanizyn
Ms. Karen Ross



KEEP YOUR ADDRESS CURRENT!



**REGISTERING WITH
THE FUND OFFICE**

It is important to ensure that you and your dependents are registered with the Fund Office (FAS Inc.).

When you receive your New Eligible package, you are provided with Registration Forms for Pension and Health. These forms must be completed in full and returned to our office.

Unless up to date information is provided to Funds Administrative Service Inc., you may miss out on important information related to your Pension and/or Health & Welfare benefits.

Check with Funds Administrative Service Inc. to ensure your information is up to date by calling 1-800-770-2998 or via email at info@fasadmin.com.

How to Complete the Registration / Change Form

The form must be completed legibly in ink as this is a legal document. The Member must complete all sections, as applicable to their personal circumstances.

- Member Information
- Spousal Information (co-habitation date for common-law spouses is necessary to ensure proper effective date of coverage)
- Spousal Coverage/Coordination of Benefits
- Dependent Children Information
- Beneficiary for Life Insurance
- Declaration Appointing Trustee (if the beneficiary designated is under 18 years of age)

The Member must also sign and date page 2 of the form where indicated. Any changes made directly on the form must be initialled by the member. Changes to the beneficiary cannot be made by crossing out completed information.

**** The original Registration / Change Form must be completed and returned as soon as possible after starting work or when information changes as it will affect the member's (and dependents') coverage***

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**Net Assets Available for
Plan Benefits, End of Year \$1,017,647,651**



LABORERS' HEALTH & WELFARE TRUST FUND OF WESTERN CANADA



ANNUAL REPORT TO MEMBERS Year Ended December 31, 2017

We are pleased to present our Annual Report outlining the activities of the Fund during the year ended December 31, 2017.

During the year under review, benefits of approximately \$15.9 million were paid on behalf of eligible Laborers and their dependents. This includes insurance benefit payments and payments from members' Health Care Expense Option accounts.

As illustrated in this report, the Fund ran a \$3,839,530 deficit for the year as the Board determined the Fund could reasonably spend more on benefits than it took in through contributions. The operating Fund Balance at December 31, 2017 decreased to \$8,215,347. An audit has been performed on the records of the Fund. Financial Statements are available for examination at the Fund Office.

We are pleased with the operations of the Fund during the past year. With your continued support, we are looking forward to many more years of successful operation.

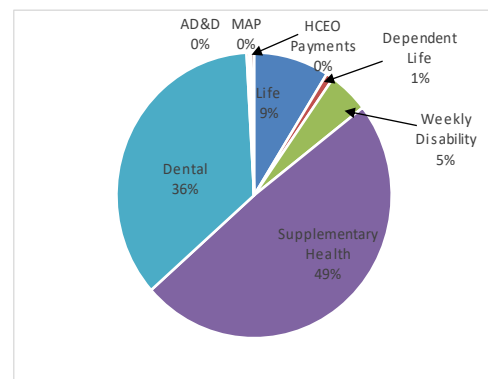
Sincerely,

Board of Trustees

BENEFIT PAYMENTS IN 2017

BENEFITS	
Life Insurance	\$1,410,000
Dependent Life	140,000
Accidental Death & Dismemberment (AD&D)	50,000
Weekly Disability	756,469
Supplementary Health	7,800,648
Dental Care	5,680,131
Member Assistance Program (MAP)	36,097
Health Care Expense Option Payments (HCEO)	56,685
Total Benefits Paid*	\$15,930,030

* Not including claims in the course of payment, unreported claims and pending claims as at December 31, 2017.



**STATEMENT OF
FINANCIAL POSITION**
as at December 31, 2017

ASSETS

Investments	\$13,844,305
Cash	3,311,288
Restricted Cash*	173,172
Contributions Receivable	1,908,895
Premium Rebate Receivable**	57,724
Investment Income Receivable	19,707
Prepaid Premiums and Expenses	8,218
Investment in Funds Administrative Service Inc.	<u>1,026,775</u>
Total Assets	\$19,350,084

* Premium Stabilization Fund or Claims Fluctuation Reserve (CFR) held by Insurance Company

** A refund payable in the amount of \$230,626 was available at the end of 2017. \$173,172 was transferred to the CFR, with the remaining \$57,724 is to be paid as a refund as displayed above.

LIABILITIES & FUND BALANCE

Accounts Payable and Accrued Liability	\$251,871
Hour Bank Liability	9,449,498
Reserve for Health Care Expense Option	1,433,368
Due Insurance Carrier	0
Total Liabilities	\$11,134,737
Operating Fund Balance	<u>8,215,347</u>
Total Assets	\$19,350,084

**STATEMENT OF
OPERATIONS & FUND BALANCE**
For the Year Ended December 31, 2017

REVENUE

Contributions	\$15,712,329
Investment Income	<u>647,912</u>
Total Income	\$16,360,241

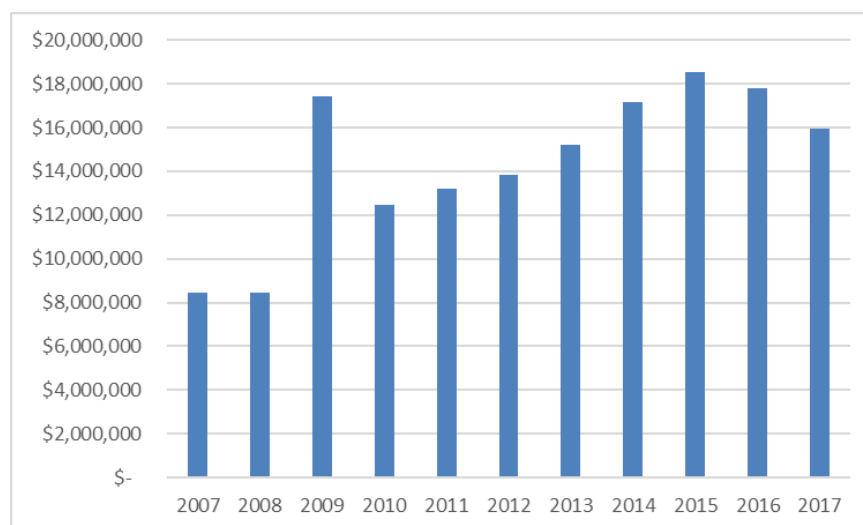
EXPENSES

Net Insurance Premiums	\$17,047,411
Health Care Expense Option Claims	56,685
Reciprocal Payments	53,773
Member Assistance Program	36,097
Administration	1,626,508
All Other Expenses	<u>220,572</u>
Total Expenses	\$19,041,046

Income (Loss) From Operations	(2,680,805)
Decrease/(Increase) in Hour Bank Liability	(732,573)
Share of Income of FAS	(140,918)
Remicade – Claimsecure RxAdvantage	76,558
Decrease/(Increase) in Health Care Expense Option Reserve	<u>(361,792)</u>
Net Income (Loss) for the Year	\$(3,839,530)

Note: This report provides a summary of the Fund's Statement of Financial Position and Statement of Financial Fund Balance. In addition, an audit of the Financial Statements of the Fund is obtained each year from the Fund's auditors. A copy of the audited Financial Statements can be made available for examination at the Fund Office during business hours.

ANNUAL BENEFIT PAYMENTS FROM 2007 – 2017



We'd love to hear from you!

Please let us know what you think of the newsletter or any related issues by writing us at

The Editor
Laborers' Benefit News
c/o Funds Administrative Service Inc.
10154 - 108 Street, NW
Edmonton, AB T5J 1L3

You may also contact us by e-mail at
info@fasadmin.com
or by telephone at
1.800.661.7369

We appreciate
suggestions and feedback

We're Looking For....

The following pensioners, members or their next of kin. We no longer have current contact information on file, and they may have important documents waiting for them. Please help us out by having the individuals below contact the Fund Office at 1-800-661-7369. Thank you for your assistance.

Alves, Antonio	Dosouto, Antonio Estevao
Angell, Carol Martha	Estrada, Miguel
Angell, Judy	Fuschetto, Pasquale
Bartlett, Robert	Grandjambe, Wilfred
Bird, Arnold	Hajar, Mohamad
Boucher, Raymond	Jennison, Louise
Boucher, Russell	Marchand, Jean Paul
Bruse, Mary Susan	Nichols, Ervin
Bueckert, William	Thompson, Douglas
Buonincontri, Gabriele	Romo, Jose Luis
Cardinal, John H	Vieira, Don
Carreno, Jose	Walsh, M Elaine
Coombs, Carol	Wheeler, Linda
Csonka, Istvan	Whitelock, Donald
Dampha, Momodou	

Return undeliverable Canadian address to:
FUNDS ADMINISTRATIVE SERVICE INC.
10154 - 108 STREET NW
EDMONTON, AB T5J 1L3