



ANNUAL REPORT – DECEMBER 31, 2022

For the ELECTRICAL INDUSTRY PENSION TRUST FUND OF ALBERTA



ECAA

Electrical Contractors
Association of Alberta

Plan Administrator:

Employee Benefit Funds Administration Ltd.

4211 – 95 St NW

Edmonton, Alberta, Canada T6E 5R6

www.ebfa.ca



ELECTRICAL INDUSTRY PENSION TRUST FUND OF ALBERTA

To: All Plan Members, Pensioners, and ECAA Contributing Employers

We are pleased to present our Annual Report highlighting the activities and progress of the Pension Fund to December 31, 2022.

This Fund results from Collective Agreement between Local Union 424 of the International Brotherhood of Electrical Workers and the Electrical Contractors Association of Alberta. The Pension Fund is for the benefit of those Employees working for unionized contractors and is supported solely by Employer Contributions.

In 2022, 275 new Pensioners and Beneficiaries were awarded monthly pensions. This makes a total of 4,167 Pensioners and Beneficiaries who received pension benefits as of December 31, 2022. In addition, 94 commuted values were paid to terminated Plan Members, former Spouses, and Beneficiaries. The 2022 annual net rate of return on Pension Fund assets was – 2.13% and the year-end balance was over \$1.62 billion.

An actuarial valuation was completed by the Pension Fund's Actuary, showing the status of the plan as at December 31, 2021. The valuation showed the Fund to be in a solid financial position, being funded at 122.4% on a going concern basis and 141.9% on a solvency basis. The valuation was filed with the Superintendent of Pensions.

In-person Trustee meetings resumed in March 2022.

Over the course of the 2022 year, there were multiple enhancements to the benefits covered through the Pension Plan, which were reflected in the revised *Plan Booklet*:

- The *Electrical Industry Savings Plan* was created for pension-receiving employees who continue to work.
- Plan Members may now request, for a fee, an estimate of their pre-retirement death benefit.
- A Canadian Driver's Licence or an Alberta Identification Card are now considered as acceptable proof-of-age documentation.

The Trustees consistently and prudently oversaw the invested resources of the Fund, working with their Investment Consultant and Investment Managers. 2022 included a special project, a 10-year Projection Valuation Report, in addition to the regular year-end actuarial valuation report as of December 31, 2021.

In April, the Trustees engaged in their annual review of their *Statement of Investment Policies and Procedures* (SIPP). They actively used this newly approved SIPP in their investing decisions for the year.

Throughout the year, the Trustees provided important feedback to several bodies. First, they completed questionnaires for the Canadian Association of Pension Supervisory Authorities. They also submitted a “Consultation Paper – Private Sector Pensions Review” to Alberta Treasury Board and Finance. More locally, they received and answered questions and concerns coming from IBEW pensioners.

In April 2022, a Joint Pension and Health and Welfare Governance Review Committee was established to finalize outstanding items from the last review of the Governance Plans.

In May 2022, Trustee T. Brower presented at the ECAA AGM. In June 2022, Trustees B. Townsend and T. Brower were re-elected as Chair and Co-Chair, respectively.

Audits have been performed on the records of the Fund. The complete Financial Statements are kept on file at the Fund Office.

Yours very truly,

BOARD OF TRUSTEES

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

For the Year Ending December 31, 2022 (in thousands)

Additions

Contributions	\$ 21,885
Investment Income	66,743
Admin Fees and Other	<u>8</u>

Total Additions **88,636**

Deductions

Retirement Benefits	47,832
Termination Benefits	2,826
Death Benefits	1,681
Loss on Investments	92,113
Investment Expenses	13,123
Administration Expenses	1,163
All other Expenses	643

Total Deductions **159,381**

Decrease in Net Assets **(70,745)**

Net Assets Available for
Plan Benefits at Beginning of Year **1,691,691**

Net Assets Available for
Plan Benefits at End of Year **\$ 1,620,946**

STATEMENT OF FINANCIAL POSITION

As at December 31, 2022 (in thousands)

Assets

Cash and Cash Equivalents	\$ 14,004
Contributions Receivable	1,419
Goods and Services Tax Rebate	88
Investment Income Receivable	1,216
Investments	1,605,458
Prepaid Expenses	<u>213</u>

Total Assets **1,622,398**

Current Liabilities

Accounts Payable	<u>1,452</u>
------------------	--------------

**Net Assets Available
For Plan Benefits** **\$ 1,620,946**

Actuarial Valuation as at December 31, 2021

Going-Concern Surplus	\$ <u>278,936,000</u>
-----------------------	-----------------------

The Plan is 122.4% funded on a going- concern basis as at December 31, 2021.

Solvency Excess	\$ <u>498,403,000</u>
-----------------	-----------------------

The Plan is 141.9% funded on a solvency basis as at December 31, 2021.

Trustees' Fees and Expenses

Trustees are paid for attendance at Board Meetings, educational conferences, and time spent on specified Fund business, in accordance with an established remuneration policy. In addition, Trustees are reimbursed for reasonable expenses, travel, meals, and accommodations required as a result of the duties assumed. In 2022, there were 15 Board of Trustee meetings (held both in-person and virtually), 1 committee meeting, and 3 education conferences (2021 - 19 Board of Trustee meetings, held both in-person and virtually).

	2022 (in thousands)	2021 (in thousands)
Trustee' fees	\$179	\$ 175
Trustee expenses	<u>35</u>	<u>4</u>
Total	<u>\$214</u>	<u>\$ 179</u>



Board of Trustees (January 1, 2022 – December 31, 2022):

Timothy Brower
Brian Halina
Kelly E. Morris
Kevin Levy
Michael A. Reinhart
Brian Townsend

Actuary: Ellement Consulting Group

Investment Managers: Blackrock (Private Equity)
Brookfield Asset Management (Global Real Estate, Private Debt, Infrastructure)
CBRE Investment Management (Infrastructure, Private Equity)
Fiera Capital Corporation (Global Equity)
Global Infrastructure Partners (Infrastructure)
IFM Investors, LLC (Infrastructure)
J.P. Morgan Asset Management (Infrastructure)
Letko Brosseau (Canadian Equity)
Lincluden Investment Management Limited (Canadian Equity)
MGG Investment Group LP (Private Debt)
Macquarie Asset Management (Infrastructure)
Partners Group (Private Equity)
Phillips, Hager & North Investment Management Ltd. (Bonds)
Romspen Investment Corporation (Private Debt)
Sustainable Growth Advisers LP (Global Equity)
TD Asset Management (Canadian Real Estate)

Investment Consultant: Ellement Consulting Group

Custodian: RBC Investor & Treasury Services

Auditor: Donnelly & Co. LLP

Legal Counsel: WBA Law LLP