OVER the WIRE
Spring 2017 EDITION

Employee Benefit Funds Administration ALBERTA

Financial Strength of the *Health and Welfare Fund*

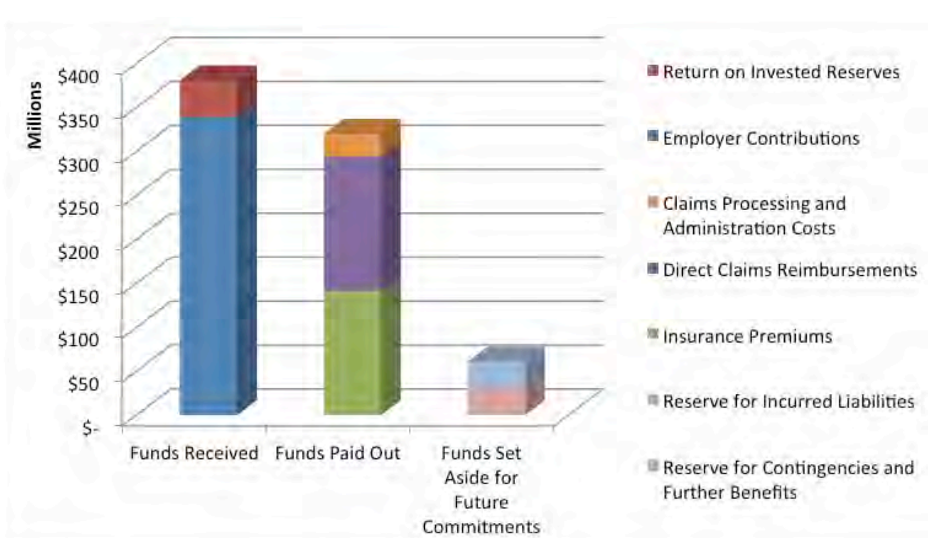
This year marks the 45th anniversary of your Health and Welfare Fund. Starting with approximately 815 Plan Members in 1971 and rising to now provide Benefits to over 6,419 Plan Members and their families.

Throughout this period the Fund received 339 million dollars in Contributions and earned 42 million dollars of investment income on the Fund's reserves. This has resulted in 381 million dollars of resources to provide benefits for our Plan Members. Of the 381 million dollars, 278 million was used to secure medical, dental, vision, disability, life and employee assistance benefits to Plan Members and their families. When unionized electrical workers from across North America were needed to meet Alberta's labour needs, the Fund reciprocated 16 million dollars in Contributions to these Employees' home Locals to ensure their Benefit Coverage remained continuous. The claims processing and administrative cost of providing these Benefits was less than 7% of the monies received by the Fund.

The Board of Trustees is proud to report that 31 million dollars remains available to provide Benefits through Plan Members' Hour Banks and Years-of-Service Banks to help Plan Members during periods of unemployment and into their retirement. This leaves almost 30 million dollars to assist the Fund to meet its commitments in periods of higher than anticipated Benefit utilization and for future Benefit improvements.

The Fund is well positioned to continue to provide Health and Welfare Benefits well into the future.

45 Year Results based on Financial Information to September 30, 2016



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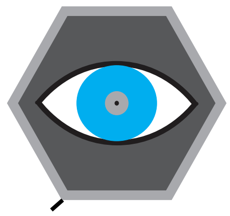
Available Options to Maintain Benefits when your Hour Bank or Years-of-Service Bank Ends

A Plan Member whose eligibility for Benefits through their Hour Bank or Years-of-Service Bank (YSB) ends has the option to continue Benefit Coverage by making Self-Payments.

This option is only available at the time that the eligibility through hours or YSB is ending. The Self-Payment application and first payment must be received in the Fund Office prior to the termination of the Plan Member's eligibility.



In the month that your Hour Bank or YSB eligibility ends, a Benefit Package will be mailed to you. To ensure you don't miss your opportunity to enroll in the Self-Payment program, please ensure that you notify the Fund Office of all address changes. The package will include information regarding the amount of your Self-Payment monthly premium, a summary of the Benefits available to you and your eligible Dependents, the Self-Payment Application, and a Personal Pre-Authorized Debit (PAD) Plan Agreement form.

All Self-Payments are due prior to the start of the month. For example, the Self-Payment for May is due no later than the last business day of April. As April 30, 2017 is a Sunday, the Self-Payment for May is due no later than end of business on April 28, 2017. To avoid any disruption in your Coverage, it is recommended that you select the Personal Pre-Authorized Debit (PAD) payment option. Other types of payments made in the last few business days of the month will require a number of days to process and should be made in advance of the last business day of the month. Please note that if you are making a payment in the last few days of the month, you may need to wait to use some of your Benefits while computer systems like those used for your Drug Card are updated.

Plan Members who make Self-Payments have access to many, but not all, of the Benefits that are available to Plan Members who are actively working, so be sure to review the information in your package. Disability Benefits are not available to any Plan Members on Self-Payments.

There are several methods that Plan Members can use to make their Self-Payments. The recommended method is PAD. The PAD allows the Fund Office to automatically withdraw your Self-Payment from your bank account. Using PAD means that you don't need to remember to arrange your payment each month. Other methods include payment by cheque, credit card, or on-line bill payment through your financial institution. If you pay by cheque, credit card, or online payment, you will need to ensure your payment is received by the Fund Office prior to the deadline or risk an interruption or a cancellation of your Benefit Coverage. Please note that on-line payments and cheques sent through the mail can take a number of days to reach the Fund Office and are considered a late payment if not received by the Fund Office by the due date.

The first time a Plan Member makes a late payment after the deadline for the month, the Plan Member and their eligible Dependents will not have Coverage for the Benefits during the month of the late Self-Payment. The Plan Member must then sign up for PAD payments. A second late payment will result in the termination of their Benefit Coverage.

If a Plan Member does not make a Self-Payment for the month, the Benefit Coverage will terminate at the end of the month preceding the month in which no payment was made. For example, if no Self-Payment is made for the month of May, the Benefits would terminate at the end of April.

When a Plan Member returns to work, it is important to understand that, in order to maintain Benefit eligibility, Self-Payments will need to be made until the Plan Member has regained eligibility through Hours reported.

What Monthly Pension Options are Available to you at Retirement?

As a Plan Member of the Pension Plan you will receive a monthly pension for as long as you live.

The monthly pension option you choose at retirement will determine what is payable when you die, so this makes the decision on what option you pick very important. It's also important to be aware that once your pension starts, your monthly pension amount will only change due to a marriage breakdown supported by specific legal documents. If you acquire a new Spouse after retirement, divorce, or your Spouse pre-deceases you, your new Spouse cannot be added to your pension.

The normal form of pension if you do not have a Spouse at retirement is guaranteed for 60 monthly payments. So if 60 or more monthly payments have been paid to you before you die, then your pension stops upon your death. When you die and you have received less than 60 monthly payments, then the remaining number of payments will be paid to your Beneficiary. For example, if you die after receiving 12 monthly payments your Beneficiary will receive 48 monthly payments (60 – 12 = 48) and then the pension terminates. This form of pension is used to calculate the other monthly options.

If you have a Spouse, government regulations state that you must (unless your Spouse signs a government waiver document) pick an option that upon your death provides your Spouse with a pension equal to 60% of your monthly pension. This is the normal form of pension for a Member with a Spouse. This is called a Joint & 60% Survivor pension.

There are two other monthly pension options available to Plan Members who do not have a Spouse at retirement, or in the event the Spouse signed the required government waiver document. These options are:

10-year guarantee

This option will pay less than the normal form of pension as the guarantee period is twice as long, however the Plan Member still receives a monthly pension for their lifetime. If at the time of the Pensioner's death less than 120 monthly payments have been made, then the remaining number of payments will be made to your Beneficiary. For example, if the Pensioner dies after receiving 24 pension payments then the Beneficiary will receive 96 monthly payments .

15-year guarantee

Of the four options, this option pays the lowest amount as it has the longest guarantee period but the Pensioner will receive a monthly pension for their lifetime. If at the time of the Pensioner's death less than 180 monthly payments have been made, then the remaining number of payments are made to your Beneficiary and then the pension ends.

Option at retirement	Member receives pension for their lifetime	What happens when Member dies
Normal form	Yes	Spouse at retirement 60% of Member's pension is paid to the Spouse for the balance of their lifetime. Pension ends upon death of both Member and Spouse. No Spouse, or Spouse waives their entitlement to 60% survivor pension If 60 or more monthly payments made, then the pension stops. If less than 60, then balance paid to Beneficiary.
10 year guarantee option	Yes	If 120 or more monthly payments made, then pension stops. If less than 120, then balance paid to Beneficiary.
15 year guarantee option	Yes	If 180 or monthly payments made, then pension stops. If less than 180, then balance paid to Beneficiary.

Ongoing Changes in the Work Environment and How They May Impact Your Future Pension

Although Alberta's gross domestic product is expected to experience the biggest growth in all of Canada in 2017, 2015 was a year of economic slowdown. We are well aware that this slowdown resulted in limited work opportunities for many Plan Members. As a result, changes took effect on May 1, 2016 to the Collective Agreement that will affect your future pension.

These changes have reduced the pension contribution rate per hour for apprentices. **Under the new agreements no pension Contributions are required for first year apprentices and the pension contribution rate for a second year apprentice is 50% of the contribution rate for all other classifications.** This means that a second year apprentice will have five Covered Employment Hours for every ten hours worked. Your Covered Employment Hours will count towards the determination of Future Hours Credit once you have accumulated at least 350 hours of Covered Employment in each of two consecutive years.

Let's look at an example: You are now a fourth year apprentice and have worked 1,000 hours per year for each of the four calendar years you have been an apprentice. You will have no Covered Employment Hours as a first year apprentice, but you will have 500 Covered Employment Hours as a second year apprentice and 1,000 Covered Employment Hours for both your third and fourth apprenticeship years.As you have had at least 350 Covered Employment Hours in the years as a second and third year apprentice, you will receive 2,500 Future Hours Credit for your 2,500 Covered Employment Hours. At age 65 you will receive a monthly pension of $150 for your apprenticeship years.

We ask that when you review your annual Pension Statement, you recognize that the Future Hours Credit reported may not equal the hours you have worked in the year if you are an apprentice.

If you have any questions, or require more information on how the changes affect you, please contact the Fund Office

Electrical Workers' Pension Plan ALBERTA

Electrical Workers' Benefits Plan ALBERTA