



2015

IATSE 873 HEALTH & WELFARE TRUST Annual Report

STRONG FINANCIALS = MORE VALUE FOR MEMBERS



Strong financial growth in the first four years of the Trust's operation has allowed us to invest in IATSE Local 873 members and our vision of supporting members through every stage in life.

Keeping with this vision, the IATSE Local 873 Health & Welfare Trust achieved a significant milestone in 2015—the launch of the new retiree benefits program. Retirees now have the option to participate in extended health care, prescription drugs, dental, insurance protection (life, accidental death and dismemberment, critical illness) and more.

Additional key investments in 2015 included: new maternity and parental top-up benefits, extended critical illness coverage to age 75, and an increase to the age limit for the health and dental plan (from 70 to 75). Another valuable change in 2015 was moving our Member Assistance Program to the industry-leader, Morneau Sheppell, to take advantage of new services and resources.

2015
QUICK
STATS

2487
Active
members

47
Retired
members

4.99%
1-year
investment
return

8.17%
3-year
investment
return

\$7.4
million
Paid in
claims &
premiums



ALL OF OUR EFFORTS CONTINUE TO FOCUS ON THE TRUST'S MISSION: to maximize the benefit value for members from the dollars we receive from our employers. We will continue to build on the Trust's success into 2016 and beyond.



Great benefits

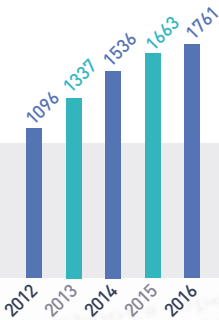
For active IATSE Local 873 members

- Extended health care
- Prescription drugs
- Dental care
- Hospital stays
- Emergency out-of-country/province medical
- Health Spending Plan Visa
- Vision care
- Member Assistance Program
- Best Doctors
- Short-term disability
- Critical illness insurance
- Life insurance and member death benefit
- Accidental death and dismemberment insurance
- Everest funeral planning services

Our membership now has

2487

active members



Health and dental plan membership





2015 At-a-glance

Benefit improvements

- New retiree benefits program
- New maternity/parental leave top-up benefits
- Member Assistance Plan moves to Shepell
- Critical illness insurance extended to age 75
- Working past age 70
- Maintained a network of 16 AEDs covering the majority of our studios' workplaces

Growing membership

- 2487 active members
- 47 retired members

Continued active governance

- Investment and financial monitoring
- Plan oversight
- Increased investment in Trust education

Strong financial performance

4.99%

Investment return for the year

\$9,695,989

In total contributions

\$7,410,329

Spent on claims and premiums



Substantial growth



	Health/dental plan members	Union membership	Benefits delivered*
2012	1096	2089	\$3,981,000
2013	1337	2285	\$5,349,000
2014	1536	2351	\$6,707,000
2015	1663	2411	\$7,410,000
2016	1761	2487	n/a



*Rounded to the nearest thousand



More about the financials

About the investments

Investments are prudently managed with a combination of fixed income and equity investments in pooled mutual funds with strong diversification. Though 2015 proved to be a difficult financial market, the Trust earned an investment return of 4.99%.

The Trust earned
4.99%
return in 2015

Annual investment returns*

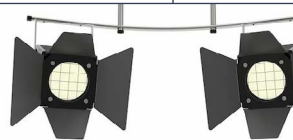
2012	5.74%
2013	11.69%
2014	7.90%
2015	4.99%

Asset mix



- 6.1% Money market funds
- 47.3% Bond & mortgage funds
- 28.5% Equity funds
- 9.6% Real estate funds
- 8.5% Dividend funds

*Since inception

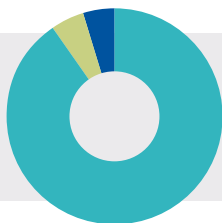


About the plan funding and costs

Plan value is used to:

- Pay life and critical illness insurance premiums
- Reimburse health and dental claims
- Fund future plan improvements
- Provide a financial cushion

Sources of plan funding



- 90.5%** ■ Employer contributions
- 4.9%** ■ Top-up payments from members
- 4.6%** ■ Investment earnings

Cost of benefits delivered

	2015	2014
Dental	\$1,814,699	\$1,788,641
Prescription drugs	\$1,742,368	\$1,370,234
Life insurance	\$940,986	\$853,953
Health Spending Account	\$930,465	\$812,009
Other health	\$832,493	\$773,957
Short-term disability	\$553,627	\$565,297
Critical illness	\$347,378	\$296,895
Vision care	\$104,178	\$95,608
Member Assistance Plan	\$68,204	\$71,769
Accidental death & dismemberment	\$40,931	\$40,493
Death benefits	\$35,000	\$38,500
Total	\$7,410,329	\$6,707,356





More about the financials (cont'd)

Summary of financial position

The Trust continued to realize healthy asset growth this past year.

The cumulative growth since the Trust's inception made it possible to provide additional benefit improvements for members and build reserves for present and future benefit obligations.

	2015	2014
Balance at beginning of year	\$2,493,171	\$1,732,267
INCOME & CONTRIBUTIONS		
Contributions from employers	\$9,201,601	\$7,490,880
Contributions from members	\$494,388	\$361,500
Investment income	\$467,094	\$622,288
Total income & contributions	\$10,163,083	\$8,474,668
DISBURSEMENTS & EXPENSES		
Increase in claim reserves	\$2,039,056	\$128,192
Increase in dollar bank reserves	\$1,619,725	\$230,846
Benefit premiums and payments	\$7,410,329	\$6,707,356
Administration fees	\$345,624	\$371,172
Investment management fees	\$57,982	\$49,895
Other expenses	\$101,088	\$125,908
Total disbursements & expenses	\$11,573,804	\$7,613,369
Balance at December 31	\$1,031,654	\$2,493,171



Plan governance

Top priorities for the Trust

The Trust is committed to accountability and is focused on key governance activities:

- Monitoring plan investment managers for performance and adherence to Statement of Investment Policy and Goals
- Working with trust advisors (legal, accounting, actuarial and benefits) to monitor plan performance and implement plan improvements
- Investing in Trustee education (one trustee attended a Foundation of Trust Management course, four trustees attended the Benefits Canada Summit)

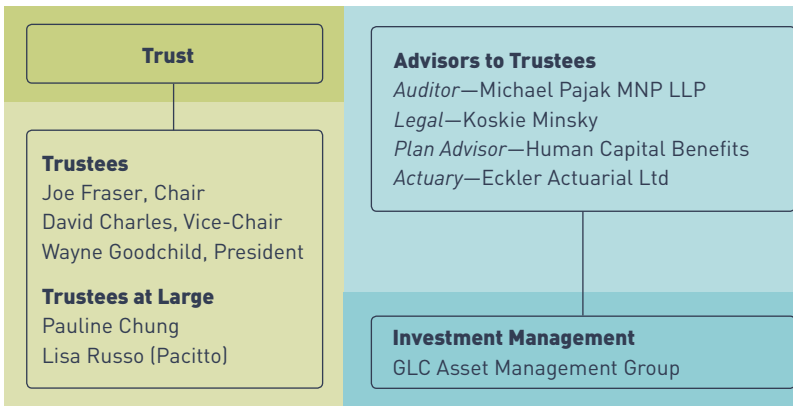


The Trustees are responsible for overseeing all operations of the plan

- Financial management
- Investment oversight and monitoring
- Plan administration
- Member communications

Trust governance

A commitment of accountability to plan members

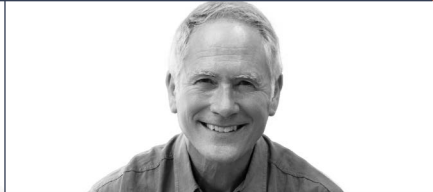
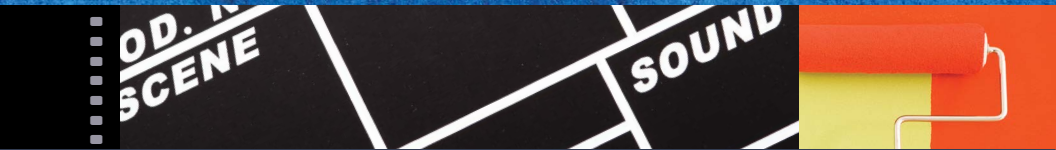




Need more information?

Check out the Health & Welfare Trust website:
www.873healthplan.com

The IATSE 873 Health & Welfare Trust is a separate legal entity whose sole accountability is to manage the funds and benefits for members of IATSE Local 873.



OUR MISSION: TO MAXIMIZE BENEFIT VALUE FOR MEMBERS

ABOUT THIS BULLETIN *This annual report is intended to inform members of the IATSE Local 873 Health & Welfare Trust about certain aspects of their benefits plan. Complete descriptions of the plan can be found in the official plan documents. Care has been taken to provide an accurate summary of plan features, the financial status of the Trust, and the work of the Trust. If there are any differences between the information contained in this report and legal documents, the legal documents will take precedence. While it is our intention to continue the plan indefinitely, the Board of Trustees reserves the right to change, amend or terminate the plan at any time, and may be required to do so if there are changes in legislation.*



IATSE Local 873 Health and Welfare Trust

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