



# IATSE Local 873 Health & Welfare Trust 2022 Annual Report

## Coverage You Can Count On

Welcome to your 2022 Annual Report for the IATSE Local 873 Health & Welfare Trust!

Across the globe, 2022 was a challenging economic year, but the Trust's investments weathered fairly well. In fact, the Trust continued to maintain a strong financial status and remains fully funded so that our benefits plan can continue to support you and your family's health and well-being.

Our benefits plan is designed to help you through periods of ambiguity like the pandemic and work shortages. It's why we have a core level of member benefits coverage available to all IATSE Local 873 members in good standing, along with our hour bank system and benefits – which give you the option to top up your hours to maintain your health, dental and vision coverage, even during slower periods. For an overview of our benefits plan and details about how you and your family can get coverage, see pages 4 and 5 of this report. We also encourage you to review the resources, including the plan booklet, available on our website ([www.873healthplan.com](http://www.873healthplan.com)).

Physical well-being is critical to our long-term health – and supporting and maintaining mental well-being is equally important. Our benefits plan offers a range of mental health resources, such as psychology coverage (provided through our hour bank benefits' extended health care plan), addiction care, and Teladoc Health. If you or your family need immediate help, 24/7, confidential one-on-one support with a dedicated counsellor is just a call away through our Member Assistance Program (MAP) at 1-800-387-4765.

As always, we wish you and your family good health as we move closer to the end of the year – and hope for a bright year ahead.

Sincerely,

Your Board of Trustees

## About This Report

The following pages summarize the plan's financial status as of December 31, 2022, and include details about plan costs and funding sources.

This report also includes critical information you need to know about the benefits plan coverage available to you.



### WHAT'S INSIDE



## 2022 in Review

Although our benefits plan remained well funded in 2022, it was a challenging year, earning a negative return of -3.96% as of December 31, 2022 – adding up to nearly \$2.4 million in investment losses. Unfavourable economic and market conditions and a withdrawal of \$3.2 million to pay for ongoing plan expenses in early 2022 also led to a decrease in total investment assets, which were down by \$5.7 million from 2021 to \$54.6 million. However, the three- and five-year returns as of December 31, 2022, remained positive at 3.19% and 3.93% respectively.

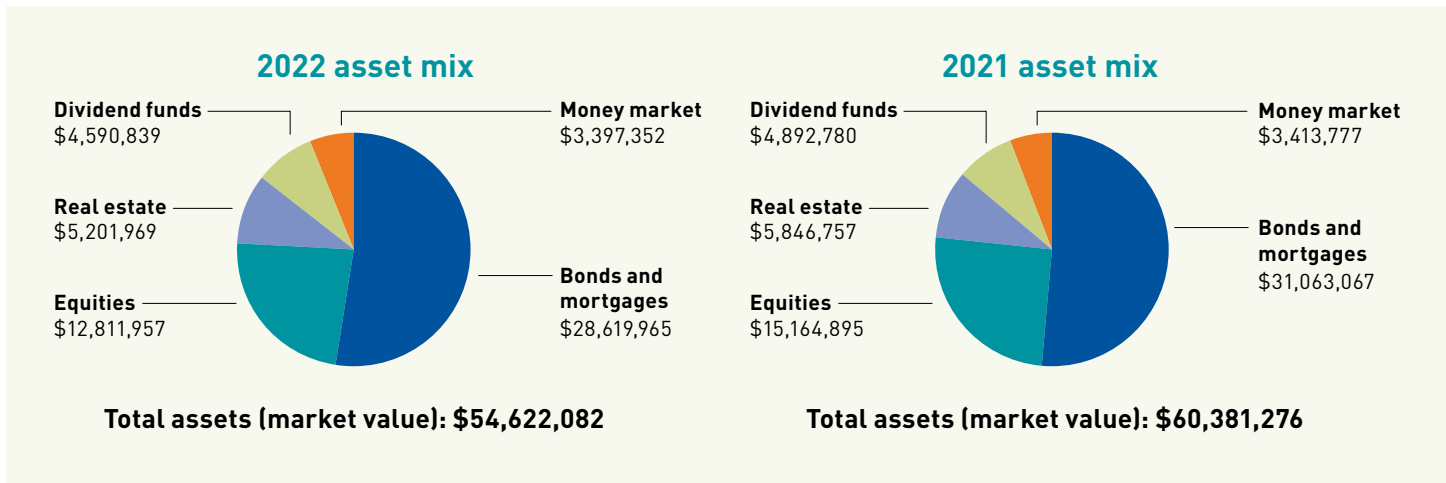
What’s also encouraging are the more recent results: our plan’s returns are bouncing back – with a positive return of 3.25% as of June 30, 2023, and three- and five-year returns at over 4%. It’s all thanks to improved global market conditions as well as the Trust’s strong investment policy and focus on long-term sustainability.

Our benefits plan invests in a mix of assets to ensure we’re maintaining a well-diversified portfolio. This helps us pay our plan costs and enables us to build reserves in case of difficult times. Here’s how the funds were invested at the end of 2022:

### Covering the Cost of Benefits

**Key highlights:**

In 2022, employer contributions were up by \$1 million. What’s more, benefit premiums paid on behalf of members increased by \$5.4 million year-over-year.



## The Current Marketplace

2022 was a challenging year for investors across the globe due to negative returns across many asset classes, including the downturn in bonds. The financial markets were impacted by economic uncertainty, inflation, and rising interest rates as a result of the Ukraine-Russia conflict, supply-chain bottlenecks, and an energy crisis in Europe. These factors largely contributed to the plan portfolio’s negative return.

However, the IATSE Local 873 Trust is designed to withstand market ups and downs. Overall, the past results for our annual returns have exceeded our 10-year benchmark. The sustainable, risk-focused investment strategy has helped deliver strong returns and has reduced volatility.

# Financial Highlights

## Investment returns

Annualized rate of return as of December 31, 2022

**-3.96%**

3-year return

**3.19%**

5-year return

**3.93%**

## Membership Growth

### Union Members



2022  
**5,078**



2021  
**4,911**

### Health/Dental Plan Members



2022  
**4,412**



2021  
**4,269**

### Dependants



2022  
**3,645**



2021  
**3,349**



## Benefits Paid on Members' Behalves

	2022	2021
Prescription Drugs	\$4,507,740	\$3,854,461
Dental Care	\$5,653,980	\$4,512,658
Extended Healthcare	\$3,332,691	\$2,068,864
Health Spending Account	\$791,312	\$961,640
Vision Care	\$828,470	\$370,201
Short-Term Disability	\$2,186,857	\$1,064,439
Member Assistance Program	\$181,487	\$150,544
Parental Benefits	\$187,274	\$116,886
Death Benefits	\$126,000	--*
Addiction Care	\$115,413	\$198,681
<b>Total</b>	<b>\$17,911,224</b>	<b>\$13,298,374</b>

\*Death benefits in 2021 were paid by the Good & Welfare Fund

## Group Insurance Premiums

	2022	2021
Life Insurance	\$2,216,111	\$1,599,862
Critical Illness Insurance	\$860,670	\$855,121
Accidental Death and Dismemberment	\$178,687	\$117,222
Health Pooling Insurance	\$458,507	\$365,617
<b>Total</b>	<b>\$3,713,975</b>	<b>\$2,937,822</b>









## Statement of Changes in Net Assets

	2022	2021
<b>Surplus At Beginning Of Year</b>	\$17,305,522	\$9,584,459
<b>Income &amp; Contributions</b>		
Employer Contributions	\$25,439,655	\$24,414,297
Member Contributions	\$683,545	\$859,460
Contributions from General Fund	\$211,176	\$748,471
Investment Income	\$586,588	\$493,290
Gain/(Loss) on Sale of Marketable Securities – realized	\$722,273	\$864,539
Gain/(Loss) on Sale of Marketable Securities – unrealized	(\$3,612,790)	\$2,180,045
<b>Total Income &amp; Contributions</b>	<b>\$24,030,447</b>	<b>\$29,560,102</b>
<b>Disbursement &amp; Expenses</b>		
Increase In Claim Reserves	\$4,859,901	\$3,567,074
Increase In Hour Bank Reserves	\$412,304	\$208,838
Benefit Premiums And Payments	\$21,625,199	\$16,236,196
Administration Fees	\$1,879,963	\$1,415,070
Investment Management Fees	\$257,694	\$230,986
Other Expenses	\$171,504	\$180,875
<b>Total Disbursement &amp; Expenses</b>	<b>\$29,206,565</b>	<b>\$21,839,039</b>
<b>Surplus At End Of Year</b>	<b>\$12,129,404</b>	<b>\$17,305,522</b>

# Benefits Overview

## Member Benefits Coverage









Available to all IATSE Local 873 members in good standing:

	<b>Life Insurance</b>	\$100,000*
	<b>Accidental Death and Dismemberment Insurance</b>	\$100,000*
	<b>Critical Illness Insurance</b>	\$30,000 for 21 conditions (e.g., Alzheimer's, cancer, heart attack, stroke, organ failure and more) + \$6,000 for hip and/or knee replacement*
	<b>Member Assistance Plan (MAP)</b>	24/7 confidential counselling and work/life services to support you and your family's physical, mental, social, and financial welfare. Services include short-term professional counselling, family, nutrition, financial and legal support, and so much more!
	<b>Addiction Care</b>	Counselling and financial support for in/out-patient treatment for alcohol and/or drug addiction, to a lifetime maximum of \$20,000 for eligible expenses
	<b>Teladoc Health</b>	Support to help you and your extended family members (e.g., parents and in-laws) access specialists, resources, information and clinical guidance related to a physical or mental health condition
	<b>Death Benefit</b>	\$7,000 – paid to your beneficiary or estate
	<b>Funeral Planning Services</b>	Personalized assistance to prepare for and organize all aspects of a funeral

\*Coverage reduces by 50% when you retire or at age 70 (whichever is earlier); Coverage ends at age 75

## Hour Bank Benefits Coverage

Available to all members with a minimum of 140 hours in their hour bank:

	<b>Prescription Drugs</b>	Includes coverage for brand and generic drugs, preventative vaccines and smoking cessation
	<b>Extended Health Care</b>	Includes coverage for chiropractors, physiotherapy, speech therapy, psychology, orthotics, ambulance, semi-private hospital room, travel medical assistance, and more!
	<b>Dental Care</b>	Includes coverage for major restorative work, orthodontics, periodontics (gums), and endodontics (root canal)
	<b>Vision Care</b>	Includes coverage for prescription eyeglasses/contacts and eye exams
	<b>Health Spending Account/ HSP VISA</b>	Money to pay for eligible expenses not covered by the benefits plan. Eligible HSA expenses are determined by Canada Revenue Agency (CRA) – see the CRA website for a full list
	<b>Short-Term Disability</b>	If you're unable to work due to a disability caused by an illness or accidental injury, coverage includes up to 52 weeks of benefits and top-ups to supplement income from EI benefits
	<b>Parental Top-Up</b>	Includes a \$200 per week top-up to supplement the income from EI or QPIP – payable up to 52 weeks from your child's birth or the date of placement of your adopted child
	<b>Travel Medical Emergency Assistance</b>	24/7 out-of-province/country travel medical support for you and your eligible family members

## For More Information...

Or to get your benefits questions answered, see the plan booklet on our website ([www.873healthplan.com](http://www.873healthplan.com)) or contact Canada Life toll-free at **1-855-729-1839**.

## Are You Retired?

See our website ([www.873healthplan.com](http://www.873healthplan.com)) for retired membership coverage details.

# Hour Bank Spotlight

## Protecting Your Health When You're Working Or Not

Even if you're not working regularly, you can still get the health and dental coverage that you and your family need to support and maintain good health – and it's all thanks to our hour bank system!

### How It Works & Key Features



#### How To Qualify For Coverage

- Each paid hour you work under an IATSE Local 873 contract is logged in your personal hour bank account (managed by AGA Benefit Solutions).
- You need at least 280 hours in your hour bank account to put you and your family “in coverage” for hour bank benefits (e.g., health, dental and vision).
- Each month, 140 hours are withdrawn from your hour bank to pay for hour bank benefits. You can check your hour bank account 24/7 when you log in to <https://jdbenefits.onvitalobjects.com/portal>.



#### Buying-Up Coverage

- If you are short of hours, you can buy-up (i.e., top up) your hours when you log in to your account on the AGA Benefit Solutions website. You can buy-up to 1,680 hours in your hour bank (i.e., 12 consecutive months of coverage) at \$1.80 per hour + RST (\$1.95 per hour).



#### Paying For Coverage When You're Not Working

- When you are not working, your hour bank will have 140 hours withdrawn monthly until your hour bank runs out. If you are receiving EI, you may get credits in your hour bank. Contact AGA Benefit Solutions for more information.



#### What Happens If You Are Sick, Disabled, Or On Leave

- If you are receiving short-term disability, EI medical, or on parental leave, you can get credits in your hour bank for any periods you are receiving these benefits. Contact AGA Benefit Solutions for more information.



#### Coverage For Members Over 65

- There is no age limit for hour bank benefits (e.g., health, dental, vision). However, we do offer a health plan for retired members over age 65 who have earned eligibility by working for at least 10 years, with a threshold level of employer contributions. Eligibility for this retiree plan is currently based on hours worked in the previous plan year.

# About the Trust

*As with other large multi-employer plans, IATSE Local 873 set up a Trust to run its benefits plan. Since the Trust is a separate legal entity, it operates at arm's length from the Union.*

The Trust is governed by an elected, five-member Board of Trustees who are responsible for overseeing all plan operations, including the investment of plan assets.

The Trustees have a legal obligation to act in the best interest of all plan members. They engage various experts to ensure the plan is appropriately managed – including an auditor, lawyer, benefits consultant, investment manager, actuary and third-party administrator. The Trustees also regularly attend educational sessions to ensure they stay current with issues related to managing a health and welfare trust.

Trustees	Board Advisors	Third-party Administrator
Angela Mastronardi (President)*	<b>Auditor</b> – MNP LLP	AGA Benefit Solutions (formerly J&D Benefits Inc.)
Lisa Pacitto-Russo (Treasurer)*	<b>Legal</b> – Koskie Minsky LLP	
Joe Fraser (Chair)**	<b>Benefits Consultant</b> – Human Capital Benefits	
Sheila Pruden (Vice-Chair)**	<b>Actuary</b> – Eckler Ltd.	
David Charles (Trustee-at-Large)**	<b>Investment Manager</b> – Canada Life Institutional Investment Solutions	

\*Serve as Trustees by the elected office

\*\*At-large Trustees elected to six-year terms



## For More Information

Check out IATSE Local 873's health plan website ([www.873healthplan.com](http://www.873healthplan.com)) or contact Canada Life toll-free at **1-855-729-1839**.

## About This Report

This annual report is intended to inform the 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 and the financial status of the Trust. If there are any discrepancies between the information contained in this report and legal documents, the legal documents take precedence. While we intend to continue the plan indefinitely, the Board of Trustees, in their fiduciary capacity as "overseers," reserves the right to change, amend or terminate the plan at any time, should unforeseen work stoppages, financial, legislative, or other such changes necessitate this action.