



Millwrights Local 2736 Health Benefits and Pension Plans Member Newsletter

WINTER 2023

Extended Health or Dental benefits questions?

Access your PBC Member Profile on the website www.pac.bluecross.ca or mobile app for details on what is covered, your claims history, and more!

Phone the Pacific Blue Cross Call Centre for details on what is covered:

604-419-2000 or
1-877-722-2583 toll free

Hourbank or pension questions?

Visit the Plan website mw2736benefits.com for an outline of your health and pension benefits and access to downloadable resources.

Phone
604-299-7482
1-800-663-1356 toll free

Email for Hourbank
mw2736admin@datownley.com

Email for Pension
pensions2@datownley.com

Mailing Address
D.A. Townley
4250 Canada Way
Burnaby, BC, V5G 4W6

HEALTH BENEFITS PLAN

Health Benefits Plan Update

The Trustees review all aspects of the Plan on a regular basis to ensure an appropriate balance between the competitiveness and the long term sustainability of the benefits being provided. The Plan remains in a favourable financial position as a result of responsible management, stability within the industry, and the hard work of Millwrights Local 2736 members.

New Residential Rehabilitation Benefit

The Trustees recently approved the addition of a new Residential Rehabilitation Assistance Benefit. This benefit provides funding to support eligible members who are entering a recovery program within a residential rehabilitation facility. The benefit is available to Union Members in good standing, who are also covered under the hourbank plan.

The Plan will pay for residential rehabilitation treatment on the following basis:

- Services must be provided via a licensed treatment facility. More information regarding recovery services and a list of licensed facilities in B.C. can be found here: <https://www.bccsu.ca/bc-recovery-services/>
- Payment can be paid by the Plan in advance directly to the facility. Alternatively, the member or other individual who paid the facility may be reimbursed upon successful completion of the program.
- The Plan's maximum payment is \$10,000 per member per lifetime.

For further details, or to apply for this benefit, please contact the Union Office or the Plan Office.

Last Chance to Use Your Health Spending Account

You can use any remaining Health Spending Account (HSA) entitlements carried over from 2022 to pay for claims incurred in 2023. Submit any 2023 HSA expenses by March 31, 2024. Any unused credits will be forfeited. There are no new HSA credits being awarded at this time.

PLAN OFFICE WEBSITE

The new Plan Office website was launched last year. On this site you will find information regarding your coverage and access to downloadable resources for both the Health Benefits Plan and Pension Plan. Please visit the website which is accessible via our union website or directly at mw2736benefits.com.

Reminders

Have you moved recently? Please inform the Plan Office if your address changes.

Do you know who your named beneficiaries are? If you have a spouse, then they are automatically your beneficiary for the Pension Plan. For Life Insurance, you must complete a beneficiary designation. If you need to designate or update your beneficiary for the Pension Plan or for Group Life Insurance, please contact the Plan Office.

Ensure your dependents (spouse and dependent children) are enrolled for extended health and dental benefits so they have access to benefits they are entitled to. New dependents should be enrolled within 30 days.

DC pension questions?

Contact Canada Life or the Plan's investment advisor Daniel Sember.

Canada Life

1-800-724-3402

grsnet@canadalife.com

Daniel Sember

604-370-3370

In addition to investment advice, Daniel Sember can also offer advice on other financial planning topics like retirement investment structure, life insurance, critical illness insurance and mortgage insurance.

PENSION PLAN

Annual Statements

D.A. Townley has recently mailed Target Benefit Plan member statements. Your statement provides information on your benefits accumulated to June 30, 2023. By reviewing this statement, you can see contributions made by your employer(s) and confirm the information the Administrator has on file for you (e.g. address and beneficiary). Contact D.A. Townley if updates are required.

If you elected not to convert your defined contribution benefits, then you will also receive a separate statement from Canada Life.

Plan Fiscal Year

The Trustees have applied to the BC Financial Services Authority for approval to change the Pension Plan's fiscal year end from June 30 to December 31. If the request is approved, you will receive another statement for the period July 1 to December 31, 2023, and then going forward you will receive statements that align with the calendar year. In all cases, pension statements will be issued based on the required timeframe (180 days after year end). Please watch for more information about this potential change on the Plan Office website, the Union's blog site, and by direct email.

Pension Plan Update

Our Target Benefit pension plan has been in place since January 2021. This time frame has been challenging from an investment perspective. 2022 was one of the worst years for both equities and bonds, 2023 has been better but equities have been mostly flat (Canadian equities down, Global equities up), bonds have been down and real assets have had their first year of negative returns in many years as higher interest rates have taken hold.

The good news is the new Target Benefit Plan investments have been structured in a conservative and diversified manner (a mix of Long Term Bonds, Mortgages, Canadian Equity, International Equity, Real Assets and Real Estate) and as of the end of September 2023 our rate of return since inception has been almost flat which is an improvement from the loss reported last year.

This year interest rates increased significantly from 2022 and this is more good news for the Target Benefit Plan as it means less assets are needed to pay retirement benefits.

The above two factors (slightly negative returns and much higher interest rates) mean the Target Benefit Plan is in a good position from a funding perspective (ability to pay benefits). The Plan actuaries will be preparing a new actuarial valuation report in 2024 which will provide an updated financial position for the Plan.

As we reported last year there are a number of retirees that have been receiving monthly retirement benefits from the new Target Benefit Plan. The Trustees recently performed an analysis comparing the Target Benefit Plan monthly income to what the plan member would receive if they had not transferred their funds to the new plan. The Target Benefit Plan provided an income that was 16% higher than what the member would have received trying to structure retirement income on their own. This increase in income is the same percentage increase that was illustrated in the original presentations to members in early 2020.

The Trustees monitor the Plan on a quarterly basis to ensure the best choices possible are being made for the continued success of the new Target Benefit Plan.

For plan members with benefits remaining in the previous Defined Contribution plan, investment help can be obtained by contacting Canada Life or our investment advisor Daniel Sember.