A strong financial position

The 2014 valuation shows the plan is healthy and secure

We are pleased to report that an actuarial review of the plan’s inflation adjustment account, which pays cost-of-living adjustments (COLAs), shows the plan remains in a strong position. This review was completed along with the actuarial valuation. It is important to note that COLAs for retired members are not guaranteed.

As part of our responsibilities, we hire an independent actuary to assess the financial position of the plan at least once every three years. An actuary is a specialist in financial modelling, the laws of probability and risk management.

As required by provincial legislation, the actuary examines the plan from two perspectives: going concern and solvency.

Going-concern valuation
The going-concern valuation (which assumes the plan will continue into the future at least as long as the lifetime of all current members) showed an actuarial surplus of $242 million in the basic account. This means the plan is 124 per cent funded and therefore healthy and secure.

Solvency valuation
The solvency valuation (which measures the plan’s ability to pay promised pensions if the plan were to shut down) showed an actuarial surplus of $91 million. This represents a 107 per cent funding status. It means that, if the plan hypothetically shut down on March 31, 2014, enough money would have been available to pay promised pensions.

The next valuation is scheduled for March 31, 2017

Knowledge, dedication, enthusiasm

Your trustees ensure the plan is financially fit

Overseeing the financial health of a pension plan requires deep knowledge, dedication and enthusiasm. These qualities may sound simple, but they are important for the work done by your WorkSafeBC plan trustees, Brian Erickson, Paul Martin and James Morrison. Appointed by the WorkSafeBC Board of Directors, they oversee the prudent investment of plan assets and ensure plan administration services are provided to members.

Brian Erickson
Brian is the plan’s employer representative. After 15 years with Sears Canada, he joined WorkSafeBC in 1989. He started in internal auditing and then worked as a divisional controller and corporate controller. Now as senior vice-president and chief financial officer, he has undertaken trustee responsibilities.

Brian has completed his master of business administration, certified general accountant (now known as certified public accountant)
**Tax time**

Don’t throw away that envelope. Your T4A is inside.

**Important information for your taxes**

Your pension is income; it’s outlined in the T4A included with the printed copy of this newsletter. Make sure you report your pension income on your 2015 tax return. *Access your T4A securely at worksafebc.pensionsbc.ca > My Account*

When filing your taxes, take special note of two boxes on your T4A:
- Box 118 may have an amount for medical premiums benefits paid on your behalf if you have Medical Services Plan (MSP) coverage under your pension. Please note this is a taxable benefit. You may not claim the premiums you paid for MSP coverage on your tax return.
- Box 135 contains the total amount of premiums you paid for extended health and/or dental coverage under your pension if applicable. *Questions about completing your return? Visit cra-arc.gc.ca/contact or call 1 800 959-8281*

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**After Work reworked?**

Yes, this newsletter is different. After Work is now Pension Life.

Baby boomers have always set trends. Now, they’re trying on new roles as retirees. So as our plan membership is growing and changing, we’re growing too. We talked with members from around the province for their feedback on how to make this newsletter more helpful. Based on these conversations, you’ll see some changes over the next few issues.

And we’ll also reach out to you. You may receive an email or phone call from Ipsos on our behalf. Your participation is voluntary and all responses are kept confidential.

**Let us know what you think, email retired@pensionsbc.ca**

**Questions or comments about how the survey works? Email research@pensionsbc.ca**

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**Minor changes to your statement**

You’ll also notice two minor changes to your statement (included with the printed copy of this newsletter). Your statement now includes the pension plan’s registration number and your date of birth. This is because of updates to the Pension Benefits Standards Act and related regulations that legislate pension plans across the province, which came into effect on September 30, 2015. Please note: there’s nothing you need to do because of these changes.

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**Knowledge, dedication, enthusiasm (continued from page 1)**

design and Canadian securities course. “I see my responsibility as a trustee as an opportunity to share my financial insight and my knowledge of WorkSafeBC,” he says.

Together, Brian and his wife Wanda have explored many exciting places in the world, travelling to Europe, Africa, China, Australia, the Galapagos Islands and the Ecuadorian Amazon. They love the outdoors and are regular Grouse Grinders; they’ve completed a half marathon and many 10K runs. In the last couple years, they delayed Brian’s retirement and focused on extensive house renovations.

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**James Morrison**

James has been the plan’s member representative since July 2011. A case manager in WorkSafeBC’s Victoria office since 2004, he became involved in the plan in 2005 as the Compensation Employers’ Union pension observer. Before this, he worked for more than a decade as a pension committee member, participated in the joint trustee negotiations and was a trustee for the Insurance Corporation of British Columbia’s pension plan.

Having earned a bachelor’s degree, James continued his education to become a chartered insurance professional. He has also completed an Advanced Trustee Management Standards program and is continuing his trustee education with the Sauder School of Business and share Canada.

James enjoys his responsibilities, and his knowledge and understanding of the importance of a good pension continue to grow. “Being a trustee is fulfilling, challenging and interesting,” he says. “I like to know that I am acting to benefit the members of the plan.”

James and his wife Debra live in Victoria and have two grown children. Active skiers, they are also involved in Victoria’s basketball, fitness and rugby communities. They like travelling and spending time outdoors on the rugged West Coast.

“Being a trustee is fulfilling, challenging and interesting.”

**James Morrison**

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**Paul Martin**

Paul became an independent trustee for the plan in July 2012. He brings many years’ experience in the public service, including the BC Government and Service Employees’ Union, which he joined in 1984 as a social policy researcher. He dedicated more than 25 years to working on pension plans and policy before his retirement.

Having graduated from the University of Victoria, Paul went on to obtain a diploma in public sector management and complete trustee-specific training and seminars. He has held numerous positions on the Public Service and College pension boards of trustees and is a former director of both BC Investment Management Corporation and BC Pension Corporation. “Serving as a trustee is a privilege,” he says. “It’s an opportunity to work on a group solution for a social objective that is so important to a person’s financial security in retirement.”

Paul and his wife Shirley live in historic New Westminster. They have two grown children and two grandchildren, and enjoy going on walks and travelling.

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**Cost-of-living adjustment 1.0% for 2016**

Retired members of the WorkSafeBC Pension Plan (plan) received a one per cent cost-of-living adjustment (COLA), effective January 1, 2016. This amount matches the change in Canada’s consumer price index from September 2014 to September 2015. The actual dollar amount varies for each retired member, depending on the amount of the pension. If you retired partway through 2015, your cost-of-living adjustment will be pro-rated based on the number of months in 2015 you received a pension.

It’s important to remember the granting of COLAs depends on available funds. Future COLAs are not guaranteed, but once granted, they become part of your guaranteed basic pension.

Cost-of-living adjustments are valuable—they allow your pension to keep pace with increases in the cost of living over time. The graph shows the effect of COLAs on your pension.

For example, if you retired in 1996 with an annual pension of $20,000, today your annual pension would be more than $28,900.

**Effect of cost-of-living adjustments ($) 1996 to 2016**

<table>
<thead>
<tr>
<th>Year</th>
<th>Original basic pension ($20,000)</th>
<th>Cost-of-living adjustments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>$20,000</td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>$21,885</td>
<td>$1,885</td>
</tr>
<tr>
<td>2006</td>
<td>$24,710</td>
<td>$3,625</td>
</tr>
<tr>
<td>2011</td>
<td>$26,636</td>
<td>$1,926</td>
</tr>
<tr>
<td>2016</td>
<td>$28,974</td>
<td>$2,338</td>
</tr>
</tbody>
</table>

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**Knowledge, dedication, enthusiasm (continued from page 1)**

...
Plan rule changes

Beneficiaries
The Wills, Estates and Succession Act sets rules on nominating beneficiaries for pension purposes. You may be able to customize your estate planning to include organizations or multiple/alternate beneficiaries.

Your current beneficiary nomination remains valid. If you are thinking about making changes to your beneficiary nomination, consult your financial advisor, estate planner and/or lawyer to determine the best options for you.

For more information, go to worksafebc.pensionsbc.ca › Retired Members › Publications › Protecting Your Pension Benefit: A Guide for Nominating Beneficiaries when Retiring

View your current beneficiary nomination and personal details at worksafebc.pensionsbc.ca › My Account

Your monthly deductions
Your pension is taxable income. We are required to deduct the minimum amount of tax allowable by Canada Revenue Agency (CRA) unless you specify otherwise. Are we taking off too much or too little tax? You can send us a TD1 or a TD12C Personal Tax Credits Return form or advise us in writing if you would like to change the amount of tax we deduct from your pension. Note that if you have additional forms of income, including old age security and Canada Pension Plan, this could put you into a higher tax bracket and result in more taxes owed to CRA.

If you move out of BC to another province or territory, your tax will be withheld at the rate for the province you live in. You may see a change in your pension payments. If you live outside Canada, we use tax rates given to us by the Canadian Consolidated Taxation Tables. If you have additional forms of income, including old age security and Canada Pension Plan, this could put you into a higher tax bracket and result in more taxes owed to CRA.

For more information, go to worksafebc.pensionsbc.ca › Retired Members › Publications › Protecting Your Pension Benefit: A Guide for Nominating Beneficiaries when Retiring

View your current beneficiary nomination and personal details at worksafebc.pensionsbc.ca › My Account

Report on the plan as at March 31, 2015

Year at a glance ($ millions)

<table>
<thead>
<tr>
<th>Net assets, April 1, 2014</th>
<th>Investment income</th>
<th>Contributions</th>
<th>Benefits payments</th>
<th>Investment &amp; administration</th>
<th>Net assets, March 31, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,584.0</td>
<td>224.4</td>
<td>40.6</td>
<td>(46.1)</td>
<td>(3.5)</td>
<td>1,799.4</td>
</tr>
</tbody>
</table>

A major responsibility of the plan trustees is overseeing the financial health of the plan. Together with the British Columbia Investment Management Corporation (the plan’s investment manager), trustees work to get the strongest possible returns for the plan through prudent, long-term investments.

For more information, go to worksafebc.pensionsbc.ca › Board publications › 2015 Annual Report

Approved asset mix (%)

<table>
<thead>
<tr>
<th>Other</th>
<th>Private placements</th>
<th>Real estate</th>
<th>Equities</th>
<th>Fixed income</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>5</td>
<td>10</td>
<td>20</td>
<td>25</td>
</tr>
<tr>
<td>30</td>
<td>35</td>
<td>40</td>
<td>45</td>
<td>50</td>
</tr>
<tr>
<td>55</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Return on investments

<table>
<thead>
<tr>
<th>Benchmark¹</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.7%</td>
<td>14.0%</td>
</tr>
</tbody>
</table>

In the 2015 fiscal year, the plan exceeded its benchmark return of 12.7 per cent. Over the long term, the plan looks to meet its targets.

Members

<table>
<thead>
<tr>
<th>Members</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active</td>
<td>3,138 (207 new) 60%</td>
</tr>
<tr>
<td>Inactive¹</td>
<td>464 9%</td>
</tr>
<tr>
<td>Retired</td>
<td>1,648 (115 new) 31%</td>
</tr>
</tbody>
</table>

Funding of the total basic benefit liability ($ millions)

<table>
<thead>
<tr>
<th>2009</th>
<th>2012</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>732</td>
<td>876</td>
<td>994</td>
</tr>
</tbody>
</table>

Investment holdings ($ millions)

<table>
<thead>
<tr>
<th>31%</th>
<th>$558.7 Global equities</th>
<th>6%</th>
<th>$110.3 Emerging markets equities</th>
</tr>
</thead>
<tbody>
<tr>
<td>20%</td>
<td>$552.2 Bonds</td>
<td>5%</td>
<td>$86.0 Real estate</td>
</tr>
<tr>
<td>15%</td>
<td>$245.4 Real estate</td>
<td>5%</td>
<td>$85.9 Private placements</td>
</tr>
<tr>
<td>10%</td>
<td>$185.1 Canadian equities</td>
<td>7%</td>
<td>$126.6 Mortgages</td>
</tr>
<tr>
<td>7%</td>
<td>$126.6 Mortgages</td>
<td>5%</td>
<td>$75.7 Mortgages</td>
</tr>
<tr>
<td>3%</td>
<td>$37.3 Other¹</td>
<td>1%</td>
<td>$23.6 Other¹</td>
</tr>
</tbody>
</table>

1 Inactive members have terminated their employment but have left their contributions in the plan. They may or may not be eligible for a pension in the future.
2 Includes strategies and investments specifically approved by the trustees that do not correspond to the listed asset classes.
3 Infrastructure and renewable resources.
4 Benchmarks are standards to compare against actual investment returns.

WCB Retirees Association › wcbra.com
The WCB Retirees Association was established for former WorkSafeBC employees to maintain the friendships created while working at WorkSafeBC. Currently, the association has several hundred members and is involved in many events through the year.

To join, email info@wcbra.com or visit wcbra.com.

Fair PharmaCare

Have you registered for Fair PharmaCare? Fair PharmaCare provides financial assistance to BC residents for eligible prescription drugs and designated medical supplies. Registering is easy. If you are a BC resident, you must be registered for Fair PharmaCare to receive full reimbursement for prescription drug expenses under your extended health care (EHC) plan.

Register at pharmacare.moh.hnnet.bc.ca or call 1 800 663-7100

If you have questions about how this government program integrates with the coverage under your EHC plan, contact Pacific Blue Cross (see back page).

Questions about your extended health or dental coverage?

Email WorkSafeBC People Services at penhb@worksafebc.com or call 1 888 757-5552

When to contact us

Email, call, fax or message us through My Account if you have changes or questions about:

Beneficiaries and marital status
• If you have married, become common law or are going through a separation or divorce
• If you have changed your name
• If your spouse or beneficiary has died
• If your beneficiary has a new address
• If you want to change your beneficiary: worksafebc.pensionsbc.ca › retiredforms › Change of Beneficiary

Pension benefit payments, deductions and tax slips
• If you have questions
• If you want to change the amount of tax taken off your pension payment
• If you have changed your direct deposit information

NEW MAILING ADDRESS
If you or your power of attorney move to a new residence or long-term care facility and do not give us your new mailing address, you risk having your pension suspended until we receive your current details. For your security, we will stop your payments if Canada Post returns your mail to us three times.

worksafebc.pensionsbc.ca › retiredforms › Change of Address
Pre-authorizations:
When are they required?
Medical equipment can be very costly. Before making a significant purchase at a medical supply store, be sure to call PBC first to obtain instructions on submitting a pre-authorization.

Pre-authorizations are also required for significant dental expenses, but in most circumstances, your dentist will submit this on your behalf.

Pre-authorizations give you the peace of mind you need to know exactly how much you will be reimbursed to help you to make an informed choice.

Stay healthy this flu season
In flu season, it’s important to protect ourselves from exposure to influenza viruses. It is estimated 2,000 to 8,000 Canadians die from flu or complications from flu each year. People at higher risk for flu complications include infants, seniors, pregnant women and people with chronic medical conditions such as asthma, heart disease and diabetes.

Symptoms of flu can include fever, chills, cough or sore throat, runny nose, body aches, headaches, tiredness, diarrhea and vomiting.

Cold and flu viruses are spread when people come into contact with airborne droplets or surfaces containing a flu virus, which can live up to 48 hours on hard surfaces. On clothing or other soft surfaces, these germs can live for 8 to 10 hours. To avoid spreading the flu:

• Wash your hands often
• Disinfect work spaces
• Cover up your cough or sneeze into your arm
• Stay at home when sick
• Get an annual flu shot (contact your physician or pharmacist)

People develop symptoms of flu from one to four days after being infected. They can be contagious from the day before symptoms appear until at least five to seven days after symptoms start.

Ways to avoid spreading the flu
Wash your hands often, clean your workplace, sneeze into your arm, stay at home when sick, get an annual flu shot.

Pacific Blue Cross (PBC) administers WorkSafeBC’s group health. Please log on to CARESnet or contact Pacific Blue Cross directly with specific questions about your coverage.
Please contact PBC directly with specific questions about your coverage.
Phone: 1 888 275-4672
1 888 873-9200 (for members living outside of BC)
Web: pac.bluecross.ca

Pharmacy Compass: Pointing you towards savings
Pharmacy Compass is a free, interactive online tool developed by PBC to help you save money on prescription drugs. Accessible via a computer or mobile device, Pharmacy Compass helps you compare prices at different pharmacy locations across BC to help lower your out-of-pocket costs.

Use the tool: pharmacycompass.ca
Read Before you use this site and click I agree to continue to use the tool.
Follow these simple steps to begin your search:
1. Enter the drug name or drug identification number (DIN)
2. Select the strength
3. Enter your desired pharmacy location (e.g., city name or postal code)
4. Click Find Average Price
Smart shopping can save consumers and our health care system millions of dollars!

Blue Advantage
This program allows Blue Cross members to save on medical, vision care, dental products, hearing products and services, health and wellness products, and many others offered by participating providers across Canada.

Sign up for the Blue Advantage email newsletter to keep up-to-date on the savings available to you.