

Pension Life®

Your continued connection to your plan

The WorkSafeBC Pension Plan Newsletter for Retired Members

2019

HIGHLIGHTS

| | |
|--|---|
| New improvements to My Account | 2 |
| Helpful resources | 2 |
| Plan finances and statistics | 3 |
| Voluntary dental plan updates | 4 |
| Pacific Blue Cross | 4 |

Don't throw away
that envelope!
Your T4A is inside

Tax time, page 2

Your plan remains healthy and strong

A message from your Pension Committee

As a retired member of the WorkSafeBC Pension Plan, you count on the plan to keep your pension secure; as your Pension Committee, it's our pleasure to share the news that your plan remains healthy and strong. These findings were confirmed in the latest valuation report.

► *Learn more in the 2018 Annual Report at worksafebc.pensionsbc.ca*

While you're on the website, be sure to sign in to My Account and see what's new. Now you can view your payment history, review your health benefits and deductions, nominate a beneficiary and even print a copy of your T4A. My Account is continually improving to serve you better with personalized online information and services. Check out the article on page 2 to learn more.



Brian Erickson Paul Martin James Morrison

More good news for retired members: you've received a 2.2 per cent cost-of-living adjustment (COLA) effective January 1, 2019. COLAs are valuable because they help maintain your purchasing power throughout your retirement. The article below explores how COLAs help your pension keep pace with the rising cost of living.

As we head into another new year, we remain committed to preserving plan value, maintaining sustainability and helping you make the most of your retirement.

Preserving pension value over time

Cost-of-living adjustments help maintain your buying power throughout retirement

Each year, your WorkSafeBC Pension Plan Pension Committee (Pension Committee) carefully reviews a range of factors to decide whether to grant a cost-of-living adjustment (COLA) and, if so, determine the amount. While not guaranteed, COLAs help maintain the purchasing power of your pension by increasing your monthly payment. To understand how the COLA works, it helps to know how your pension is funded.

- **Basic account = funding for your basic pension**

Member contributions, WorkSafeBC contributions and investment returns fund the basic account. Your basic pension is paid each month using funds in the basic account.

- **Inflation adjustment account = funding for inflation adjustments**

The inflation adjustment account (IAA), which is separate from the basic account, provides funding for COLAs. A percentage of member contributions, WorkSafeBC contributions and

investment returns helps to fund this account.

If the Pension Committee grants a COLA in a particular year, funds are transferred from the IAA to the basic account so they can be applied to your basic pension. A COLA may not be granted every year and the amount may change from year to year; however, once granted it becomes part of your lifetime pension and, if applicable, your bridge benefit and temporary annuity for as long as you receive them.

To ensure COLAs are sustainable over the long term, the Pension Committee considers available funds in the IAA and changes in the Canadian consumer price index (CPI) over the previous 12 months. The CPI measures changes in the average prices of 600 goods and services consumed by Canadian households, such as food, housing, transportation, energy, furniture, clothing and recreation.

Effective January 2019, retired plan members received (continued on page 2)

Pension payments 2019

| | | | |
|--------------------|----|---------------------|----|
| January | 30 | July | 30 |
| February | 27 | August | 29 |
| March | 28 | September | 27 |
| April | 29 | October | 30 |
| May | 30 | November | 28 |
| June | 27 | December | 23 |

Sign in to My Account to view your payment history. Your pension payment is deposited directly to your bank account on the second-to-last business day each month—except in December, when we deposit your payment two business days before December 25.

If you are still receiving a cheque, and you have a Canadian or U.S. bank account, visit My Account and sign up for direct deposit.

Though we process direct deposit payments for plan members living in the United States, your deposit date may vary from the scheduled date depending on U.S. bank processing requirements.

► *Sign up for direct deposit at myaccount.pensionsbc.ca*

Tax time

Don't throw away that envelope! Your T4A is inside

Important information for your taxes

Your T4A is included with the printed copy of this newsletter. You can also sign in to My Account to access your current and previous T4As. Your pension is taxable income. Make sure you report your pension income on your 2018 tax return.

Note

When filing your taxes, take special note of Box 135 on your T4A, which shows your premiums for health coverage, if you have extended health care and/or dental coverage under your pension. You cannot claim the premiums you paid for Medical Services Plan coverage on your tax return.

- Questions about completing your return? Visit canada.ca or call 1-800-959-8281

Your monthly deductions

We deduct income tax from your monthly pension payment according to Canada Revenue Agency (CRA) requirements.

Send us a completed TD1 or TD1BC *Personal Tax Credits Return* form (available online) if you would like to decrease the amount of tax deducted from your pension payment. Advise us in writing if you would like to increase the amount of tax we deduct from your pension. Note that if you have additional forms of income, including old age security or Canada Pension Plan payments, you might be in a higher tax bracket and owe more tax to CRA. We recommend you seek professional advice from an independent financial advisor before making any decisions about tax deductions.

If you move out of BC to another province or territory, we will withhold tax at the rate for that province or territory; you may see a change in your pension payments. If you live outside Canada, we will use tax withholding rates given to us by CRA for the country you live in.

- Download forms or get more information at canada.ca or call 1-800-959-8281

Join WorkSafeBC for 2019 Day of Mourning

Day of Mourning, April 28, 2019

Each year, ceremonies are held to remember those who lost their lives on the job, and to renew the commitment to creating healthy and safe workplaces.

- To see a list of where local ceremonies are held, visit dayofmourning.bc.ca

New improvements to My Account



We've improved My Account based on feedback from retired members like you. All the information you need is still available; it's simply easier to find.

When you first sign in, you will see a new dashboard page with your most recent

pension payment—including itemized deductions—and your most recent annual statement. You will also see notifications and updates about your plan in the sidebar.

Sign in to My Account to stay in touch with the plan

- Update your personal information, address and phone number
 - Change your banking information
 - Update your account settings
 - Use Message Centre to contact Pension Corporation; your messages and our replies are saved for easy reference
- Sign in to myaccount.pensionsbc.ca to see the new dashboard

Do you live outside BC? Here's what you need to know

Pension Declaration forms are sent randomly to members who live outside BC. If you receive this form, you must sign it with a witness present. If we do not receive the completed declaration form within 90 days, your pension payment may be interrupted.

Why is it important?

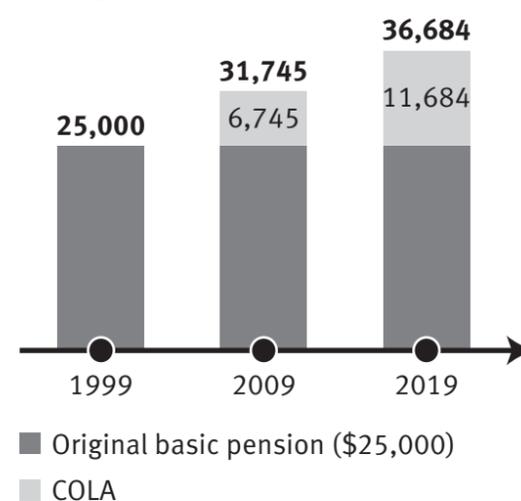
The *Pension Declaration* form helps us make sure your contact information with the plan is up to date. We require a signed form to ensure we pay only eligible benefits and safeguard the assets of the plan for all members. Remember to sign in to My Account and change your address and phone number with the plan when you move.



Preserving pension value over time, continued from page 1

a COLA of 2.2 per cent. The COLA matches the change in the CPI between September 2017 and September 2018. The actual dollar amount varies for each retired member, depending on the amount of their pension. If you retired partway through 2018, your COLA was pro-rated based on the number of months in 2018 you received a pension.

Effect of COLAs (\$) 1999–2019



Helpful resources

Canada Pension Plan, Old Age Security, Guaranteed Income Supplement › canada.ca

Phone: 1-800-277-9914 TTY: 1-800-255-4786

Canada Revenue Agency › canada.ca Phone: 1-800-959-8281

Medical Services Plan › hibc.gov.bc.ca Phone: 1-800-663-7100 Lower Mainland: 604-683-7151

SeniorsBC › seniorsbc.ca Phone: 1-877-952-3181

Resources and tips for planning and living a healthy life

Ageing Well › healthyfamiliesbc.ca/aging-well Email: healthyfamiliesbc@gov.bc.ca

Free access to health professionals, and community health and fitness programs

Plan finances and statistics

All data as at March 31, 2018, unless otherwise stated

Your Pension Committee works closely with British Columbia Investment Management Corporation to manage the plan's assets. For more information, visit the plan website and see the WorkSafeBC Pension Plan 2018 Annual Report.

Year at a glance (\$ millions)

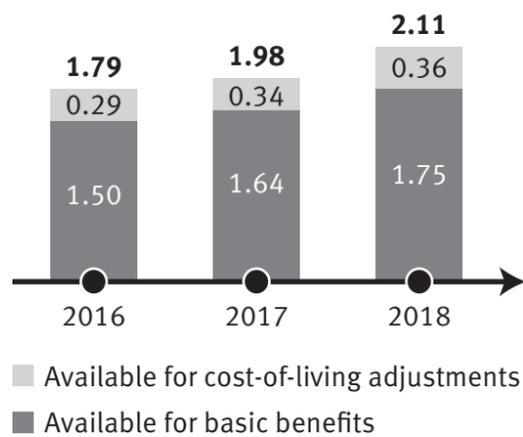
$$1,980.4 + 165.4 + 35.0 - 60.2 - 5.8 = 2,114.8$$

| | | | | | |
|-----------------------------|----------------------|---------------|----------------------|----------------------------------|------------|
| Net assets April 1, 2017 | Investment income | Contributions | Benefits payments | Investment and administration | Net assets |
|-----------------------------|----------------------|---------------|----------------------|----------------------------------|------------|

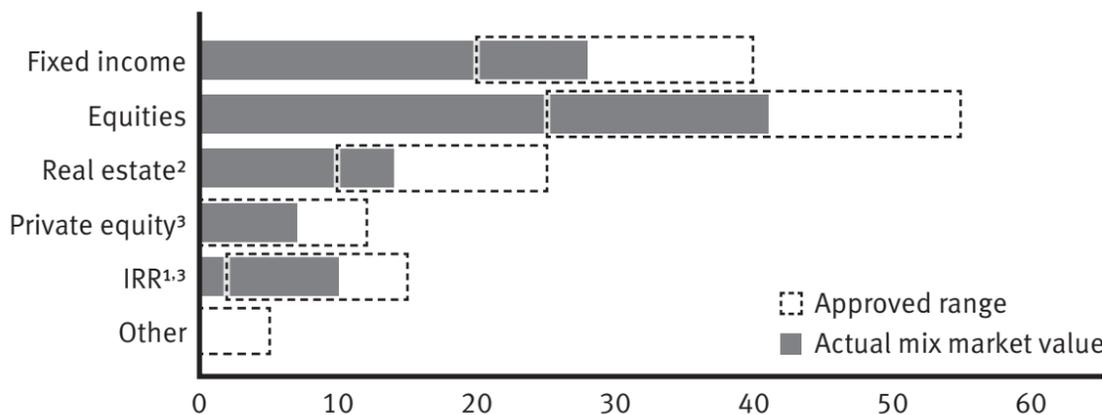
Investment holdings (\$ millions)

| | | |
|---------------------------|---------|-----|
| Global equities | \$487.2 | 23% |
| Bonds | \$467.3 | 22% |
| Real estate | \$300.8 | 14% |
| Canadian equities | \$243.7 | 12% |
| IRR ¹ | \$215.8 | 10% |
| Private equity | \$137.6 | 7% |
| Emerging markets equities | \$122.8 | 6% |
| Short-term | \$76.8 | 4% |
| Mortgages | \$47.9 | 2% |
| Other | \$2.7 | 0% |

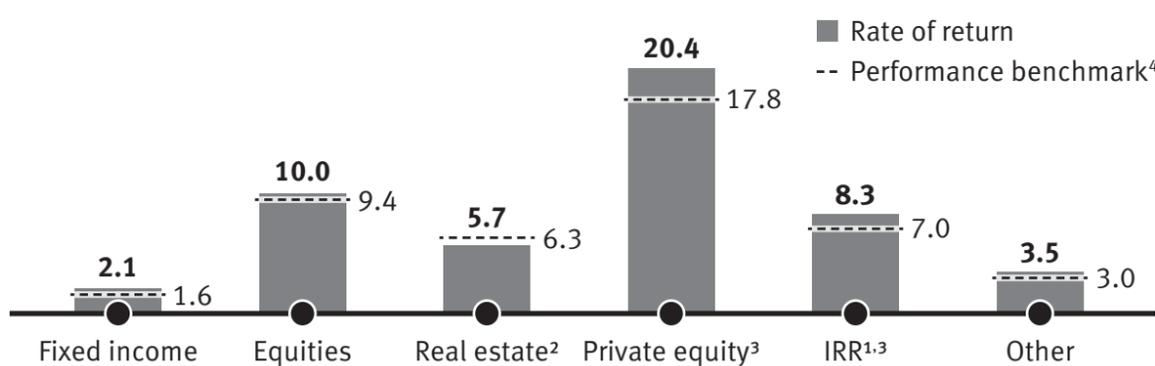
Net assets available for benefits (\$ billions)



Asset allocation (%)



Rate of return vs. benchmark (%)

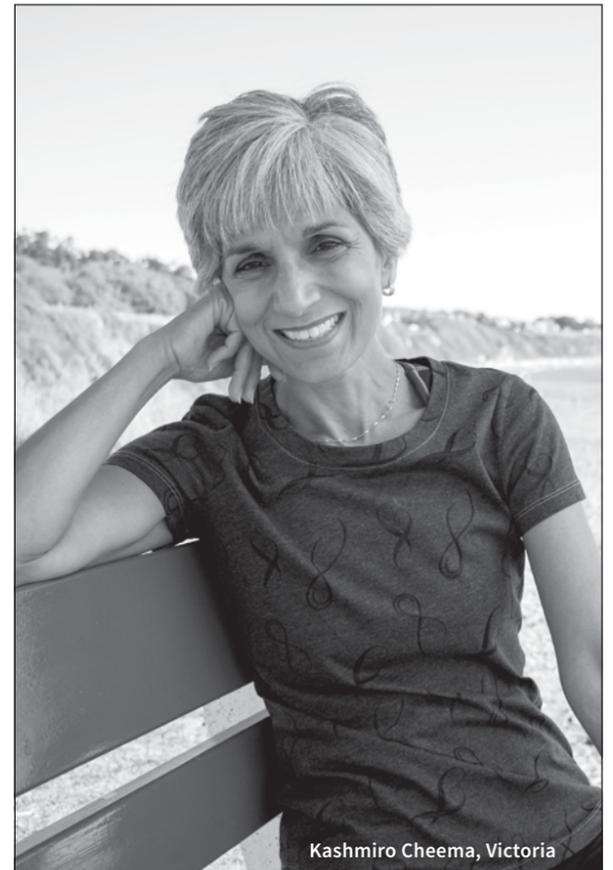


1 Infrastructure and renewable resources.
 2 Returns are for domestic real estate only. The one-year return for global real estate as at December 31, 2017, was 10.7 per cent against a benchmark of 7.0 per cent.
 3 The illiquid assets are only valued once a year as at December 31. The rates of return for private equity, and infrastructure and renewable resources reflect the December 31, 2017, internal rates of return, which is the industry standard for calculating returns for illiquid assets.
 4 Benchmarks are standards to compare against investment returns.

Check your annual statement

You now only receive one pension statement per year instead of two. Please review your statement carefully.

If there is important information we need to tell you during the year, we'll get in touch with you. Also, you can find all your pension information in My Account anytime.



Ready when you are.

Sign in to My Account to

- use the My Account Message Centre to communicate with Pension Corporation staff,
- update your personal information, address and phone number,
- change your banking information, and
- update your account settings.

your pension online. anytime.
myaccount.pensionsbc.ca



Let us serve you better

We regularly contract companies to do research on our behalf. Why? To help us improve the services we provide you as a plan member. You may be contacted to complete a survey or participate in a focus group or personal interview. Your involvement in this research is voluntary, and all responses are confidential. Thank you for your participation.

- Questions about how research works? Email research@pensionsbc.ca

WCB Retirees Association (WCBRA) › wcbra.com

The WCBRA 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.

Voluntary dental plan updates

Dental rates have decreased

Effective October 1, 2018, your monthly premium has decreased. Your pension payment will be adjusted in February to reflect this lower rate.

| Number of people | Sep. 30, 2018, and earlier | Oct. 1, 2018, and after |
|------------------|----------------------------|-------------------------|
| Single | \$ 50.17 | \$ 48.33 |
| Couple | \$ 95.37 | \$ 91.89 |
| Family | \$144.37 | \$139.10 |

Pre-authorized payments moving to the first day of each month

If you opted into the voluntary dental plan when you retired, and you are still

participating in that plan, WorkSafeBC will contact you by mail in late February to help transition your premium payment directly to Pacific Blue Cross (PBC).

Currently, Pension Corporation deducts dental premiums from your pension payment in advance (e.g., your premium for February is deducted in January). Starting July 1, 2019, PBC will withdraw dental premiums directly from your bank account as a pre-authorized payment at the beginning of each month (e.g., your premium for July will be withdrawn on July 1).

- For more information, search “voluntary dental plan” at worksafebc.pensionsbc.ca

Updating your information

Contact Pension Corporation staff through Message Centre in My Account. Your messages and our replies are saved for easy reference.

New mailing address

If you (or your power of attorney) do not give us your new mailing address, **you risk having your pension suspended** until we receive your current address. For your security, we may stop your payments if your mail is returned to us three times.

If you're staying in your current province or country for an extended period of time, update your address in My Account—otherwise, notify the plan in writing.

New phone number

Update your phone number in My Account.

Beneficiaries and marital status

- Name a beneficiary
- You have married, become common law or are going through a separation or divorce
- You have changed your name
- Your spouse or beneficiary has died
- Your beneficiary has a new address

Health and dental coverage

For questions about your extended health care and dental coverage, contact WorkSafeBC People Services.

- Email penhb@worksafebc.com or call 1-888-757-5552

Pension payments, deductions and tax slips

- To change the amount of tax taken off your pension payment

Sign in to My Account to register for or update your direct deposit information.

WorkSafeBC Pension Plan

Include your Person ID number (see your pension statement) in all correspondence.

Web: worksafebc.pensionsbc.ca

Email: retired@pensionsbc.ca

Phone: 1-866-322-9277
(toll-free in Canada & U.S.)
8:00 a.m. to 4:30 p.m. weekdays

Mail: PO Box 9460
Victoria BC V8W 9V8



WorkSafeBC Pension Plan works with Pacific Blue Cross (PBC) to administer group health benefits to members.

For questions about your extended health care and dental coverage, contact WorkSafeBC People Services.

Email: penhb@worksafebc.com Call: 1-888-757-5552 PBC online: pac.bluecross.ca

Save money on staying healthy with these helpful tips.

When getting a prescription filled, the choices you make can save time and money—both for you and your plan. Here are six ways to save on health care.

1. Use generic drugs when possible

If you are able to use a generic version of a drug, please ask your doctor and pharmacist for it. This can do a lot to help reduce drug costs.

2. Compare prescription costs with Pharmacy Compass

Pacific Blue Cross' Pharmacy Compass tool is available to anyone (not just those with coverage through Pacific Blue Cross). Simply enter the drug name and your postal code to find which local drugstore has the best price and dispensing fee for prescription medications.

3. Submit your claim on the spot with Insta-Claim

Use Insta-Claim to locate an Insta-Claim health provider that can process your claim instantly. Insta-Claim submits your claim directly to Pacific Blue Cross on your behalf, so you only pay the difference.

4. Find savings with the Blue Advantage program

Pacific Blue Cross' national Blue Advantage Program helps you find discounts on things like hearing assessments and aids, nursing services, wheelchairs, scooters and other medical equipment.

5. Get connected with your Member Profile and Pacific Blue Cross Mobile

Sign in online or use the Pacific Blue Cross Mobile app to check your coverage, submit and review claims, set up or change your direct deposit information and more.

6. Locate a Preferred Pharmacy Network vendor near you

Pharmacies that participate in the Pacific Blue Cross Preferred Pharmacy Network offer lower drug costs and dispensing fees, expanded health care support and help with special authority and high-cost drugs. Preferred Pharmacy Network is available in many pharmacies, including Costco, London Drugs, Safeway, and Save-On-Foods.

- Learn more at pac.bluecross.ca

A healthy dose of service

We're working to make our customer service process better than ever. Whether you're calling or emailing, we're working hard every day to get you the answers you need, when you need them. Remember, our mobile app is available 24/7 so you can submit claims as easily as taking a photo of your receipt, we're here to serve you.

WORK SAFE BC

Pension Life

Pension Life is published once a year. You may receive more than one copy of *Pension Life* if you receive a pension from more than one pension plan. Read your statement letter to determine which plan provides your group benefits.

Any person entitled to a benefit, or their agent, has the right to examine plan documents, data and public information about the plan.