



# SHEET METAL WORKERS LOCAL UNION 30 WELFARE AND PENSION TRUST FUNDS

## PLAN ADMINISTRATION: EMPLOYEE BENEFIT PLAN SERVICES

45 McIntosh Drive, Markham, Ontario L3R 8C7

Telephone: (905) 946-9700 • Toll Free: 1-800-263-3564 • Fax: (905) 946-2535 • Website: [www.lu30plan.com](http://www.lu30plan.com) • E-mail: [ebps@mcateer.ca](mailto:ebps@mcateer.ca)  
[www.facebook.com/smwialocal30benefits](http://www.facebook.com/smwialocal30benefits)

December 2018

## IMPORTANT NOTICE TO MEMBERS ABOUT IMPROVEMENTS TO YOUR WELFARE PLAN AND OTHER IMPORTANT NEWS

The Trustees are pleased to announce the following benefit improvements and other news:

### 2019 ALLOCATION OF \$600 TO YOUR HEALTH CARE SPENDING ACCOUNT (HCSA)

The Trustees are happy to report that the HCSA will continue for 2019.

On January 1, 2019, an allocation of **\$600** will be deposited to the HCSA of:

- all Active Members in Good Standing with the Union who are in benefit as of January 1, 2019; and
- all retired members in Good Standing with the Union who are covered under Plan A or Plan B as of January 1, 2019.

Expenses that can be paid from your HCSA are:

- Expenses that qualify for the medical expense tax credit under Canada Revenue Agency (CRA) Income Tax guidelines;
- The unpaid portion of medical expenses partially paid by the Welfare Plan such as Ontario Drug Benefit (ODB) and other deductibles, co-insurance amounts and dispensing fees.

The January 1, 2019 allocation of \$600 will be added to your HCSA in January 2019. The January 2019 allocation will be available for you to use until December 31, 2020. Any money left over from the \$600 allocation at the end of 2020 is forfeited and is returned to the Welfare Fund in compliance with the Income Tax Act. The table below shows how the HCSA works:

Year of Allocation to the Health Care Spending Account	Health Care Spending Account Allocation	Last Day the Health Care Spending Account Allocation for the year is available
2017	\$600	December 31, 2018
2018	\$600	December 31, 2019
2019	\$600	December 31, 2020

While the Trustees anticipate the HCSA benefit will continue, it is important that members understand this may not be a permanent benefit. On a regular basis, the Trustees determine if future allocations can be made to the HCSA. Their decision is based on the Welfare Fund's financial results, overall claims experience and the expected future cost of benefits. The long-term financial stability and sustainability of the Welfare Plan are of primary importance.

### **DENTAL PLAN**

Dental claims incurred on and after January 1, 2019 will be paid on the basis of the 2018 Ontario Dental Association (ODA) Suggested Fee Guide for General Practitioners.

### **MATERNITY LEAVE BENEFIT**

Effective January 1, 2019, the Plan's disability benefit coverage will include a maternity leave benefit. The benefit will be available to women who are laid off work prior to their due date because of their pregnancy. The benefit will help to bridge the gap before regular employment insurance (EI) maternity and parental leave benefits begin. The benefit is intended to be a special benefit and not to interfere with EI maternity and parental leave benefits. The maximum benefit period provided by the Plan would be four weeks. The maximum benefit will be the EI declared maximum weekly disability benefit. Please contact the Plan Administration Office for further eligibility and benefit details.

### **MONTHLY DOLLAR BANK DRAWDOWN INCREASE**

Effective January 1, 2019, the dollar bank drawdown will be \$420 per month. The increase from \$409 to \$420 recognizes the increasing cost of the plan's generous benefits.

Members should not need to work additional hours to support the increase in the drawdown. This is because the Trustees are allocating an additional \$0.12 per hour from the Welfare Plan contribution rate in your collective agreement to your dollar bank. The allocation to the Extended Benefits Reserve will be reduced by \$0.12. Extended Benefits are granted to members who are unemployed. The Extended Benefits Reserve is adequately funded at this time and the Union has almost full employment therefore the decrease in the funding allocation is reasonable. Like all other aspects of the Welfare Plan, the Trustees may decide to change the funding allocation for Extended Benefits or the dollar bank drawdown in the future.

## **NEW ALL IN ONE BENEFIT CARDS**

Included in this letter is your new All-In-One Benefit Card. The new laminated card has been created as a more durable option to the old card. Please note the old card will still work as the information on it remains the same. On the back of the card is contact information regarding your Emergency Travel Assistance coverage. If you need a duplicate All-In-One Benefit Card, please visit the Green Shield Canada website link on the Member's website – [www.lu30plan.com](http://www.lu30plan.com).

## **RETIRED MEMBER WELFARE PLAN PAY DIRECT**

The Trustees are pleased to announce that the amount retired members pay for their benefits will not change for 2019. The amount retired members pay is:

Effective Date	January 1, 2016	January 1, 2017	January 1, 2018	January 1, 2019
Plan A	98.77	98.77	98.77	98.77
Plan B	39.16	39.16	39.16	39.16
Plan C	2.40	2.40	2.40	2.40

## **RETIRED MEMBER SURVIVING SPOUSE COVERAGE**

Effective November 1, 2018, the coverage period for the surviving spouse of a retired member has been extended to six months following the death of the member. Spouses must have been covered by the Welfare Plan at the date of the retired member's death and must be receiving a survivor's pension under the Pension Plan. The Welfare Plan will subsidize 50% of the cost of coverage for six months following the death of the retired member.

## **CLAIM PAYMENTS BY DIRECT DEPOSIT**

In order to enhance the efficiency of processing benefit claims, direct deposit has been introduced as the sole claim payment method. As of June 1, 2018, it has enhanced security of the payments, shortened processing time, and reduced the cost of processing claims. Please ensure that you are signed up for payments by direct deposit if you have not already done so. Please contact the Plan Administration Office for the necessary form or download it from the member website – [www.lu30plan.com](http://www.lu30plan.com).

## **MEMBER ASSISTANCE PROGRAM (MAP)** Now we're talking.

The Plan's Member Assistance Program (MAP) is provided and administered by Family Services Employee Assistance Programs (FSEAP). FSEAP provides confidential counseling services for crisis support, advice and information by telephone, face-to-face or online. FSEAP has updated their website which provides information on their services and how to access their services. The FSEAP website is [www.myfseap.ca](http://www.myfseap.ca).

## **PENSION PLAN UPDATES:**

### **A look back to Pension Plan history – 1959**

The first actuarial valuation of the Plan was completed at the end of 1959. There were 1,279 Active Members and 15 Retired Members. Retired Members were receiving an average monthly Pension of \$29.89 that was mostly their Past Service Pension. The assets of the Plan were \$118,672 and the Plan had an Unfunded Liability of \$247,565 that the Board of Trustees planned to pay off over the next 17 years. In 1959 there were no legislated funding standards for pension plans in Ontario.

### **Pension Plan Update:**

In September 2018, the Trustees filed an actuarial valuation report with the Financial Services Commission of Ontario with an effective date of December 31, 2017. In the valuation report, the Trustees elected to continue to have the Pension Plan designated as a “Specified Ontario Multi-Employer Pension Plan” (SOMEPP). The statutory notice for the Pension Plan is attached.

The Trustees will provide an update on the Pension Plan as at December 31, 2018 in the upcoming annual report.

Sincerely,

### **The Board of Trustees**

Fernando Canonico

Shannon Kilgar

Bowen LaFave

Martin Roberts

Art White

Bill Wilkinson

Encls.