



PUBLIC EDUCATION BENEFITS TRUST FUND

# 2018 Annual report

## What's inside

### FIND ANSWERS TO THESE KEY QUESTIONS:

- What changed in 2018?
- Who is responsible for plan governance and operations of the Trust?
- Why is the JEIS so important?
- How does the LTD program support our members?
- What other benefits are offered through the PEBT?
- How did the PEBT's investments perform?



This annual report summarizes the yearly performance and activities of the Public Education Benefits Trust Fund (PEBT) that provides 22,000+ members in the K-12 sector with group life, disability and health coverage, and support for their eligible dependents and beneficiaries. It also highlights the important work done by the PEBT to administer the Trust and the benefits offered.

Through the PEBT, our members enjoy many advantages, which include:

- Help making a safe and timely return to work through the Joint Early Intervention Service (JEIS) program
- Financial support in the event of a long-term illness or disability through a Long Term Disability (LTD) program funded through the provincial government
- A modernized and standardized benefits administration system
- Improved governance due to the PEBT's setup as a trust
- Financial savings due to the PEBT's size and purchasing power
- Generation of additional income from investment of reserves to offset administration/Trust costs
- Promoting positive labour relations that encourage stakeholders to work together for a common purpose

You may also notice that we have updated the report to make it shorter and easier to follow. These enhancements will make information about the structure and activities of the Trust, as well as the performance of the services and programs offered through the Trust, more accessible.

We encourage you to read this refreshed annual report and become familiar with all that the PEBT does to support its members and stakeholders.

**Irene Schoemaker**  
Board Chair

**Alan Chell**  
Board Vice Chair

To learn more about the PEBT, and everything it has to offer, visit [www.pebt.ca](http://www.pebt.ca).

# Noteworthy in 2018

## Trustee changes

- **Board Chair:** Leslie Franklin assumed this position
- **Member Trustees:** Ellen Bryden replaced Colin Pawson
- **Employer Trustees:** Lorelei Russell replaced Joe Strain

## Trust Secretary and Strategic Disability Advisor changes

After serving in the role as Trust Secretary since its inception, Diane Moore retired at the end of 2018. We wish to thank Diane for her years of guidance and service and wish her all the best moving forward. We are also pleased to announce the addition of Alison Coelho as Diane's replacement in this important role providing support to the Board and assisting in the day-to-day management of Trust activities.

The PEBT added Ray Parker to the team, a Disability Management Strategic Advisor with extensive knowledge and experience in disability management. Ray's mandate will be to analyze data from the JEIS and LTD programs, gather feedback from PEBT stakeholders, and engage with industry experts to develop, implement and monitor disability management support programs for members.

## Cost of living adjustment benefit

Each year, the cost of living rises with inflation. That means a dollar today will not have the same purchasing power 20 years from now. To offset the effects of inflation, the "Core" LTD program may provide a cost of living adjustment (COLA). In 2018, the "Core" LTD program monthly benefit increased by **1.6%**, effective July 1, 2018 for all active claims. This, and any future COLA, will be considered by the Board, depending on the financial position of the Trust.

## Administration system update

The pilot groups SD 51 (Boundary) and SD 82 (Coast Mountains) have successfully transitioned to the new administration platform. Valuable feedback was provided by these pilot groups, which resulted in improvements to processes and standard reports. A new member site that provides more benefits information in an easier to navigate format will also be available once groups are moved to the new administration platform. Configuration for the next round of user groups (six additional school districts) is complete.

In addition, a new eligibility and coverage data file that integrates better with Pacific Blue Cross's benefits system was implemented to resolve the issues with member benefit coverage levels that districts were previously experiencing.



## PEBT – QUICK FACTS

**2** sponsors: the British Columbia Public School Employers' Association (BCPSEA) and the Canadian Union of Public Employees (CUPE)

**59** participating school districts

**67** union locals

**22,000+** plan members

**12** appointed Trustees with equal representation from the employer and union govern the plan, representing both school districts and support staff workers in the K–12 sector

**\$19,428,240**

Bargained funding provided by the provincial government annually to fund the "Core" LTD program

**43,438** members supported through the JEIS program since inception in 2002

**6,355** LTD claims approved since the inception of the Trust

**+6.1%** investment return over the past 5 years: \$151,296,000 investment portfolio



# Trust governance & operations

The Trustees and service providers work together to administer, manage and operate the Trust. Good plan governance is essential to making sure all members (22,000+) and their dependents continue to benefit from valuable programs that support their health and well-being now and into the future.

## Who is involved?



### Plan sponsors (BCPSEA and CUPE)

Responsible for appointing the Board of Trustees



### Board of Trustees

Governs and provides overall strategic direction to the PEBT

2018 BOARD OF TRUSTEES	
MEMBER TRUSTEES	EMPLOYER TRUSTEES
<ul style="list-style-type: none"> <li>Alison Pringle CUPE LOCAL 2769</li> <li>Irene Schoemaker CUPE LOCAL 561</li> <li>Leslie Franklin CUPE LOCAL 703</li> <li>Ellen Bryden CUPE LOCAL 3742</li> <li>Rob Hewitt CUPE NATIONAL SERVICING REPRESENTATIVE</li> <li>Tina Meadows CUPE NATIONAL SERVICING REPRESENTATIVE</li> </ul>	<ul style="list-style-type: none"> <li>Lorelei Russell SD 39 (VANCOUVER)</li> <li>Alan Chell SD 19 (REVELSTOKE)</li> <li>Laura Buchanan SD 38 (RICHMOND)</li> <li>Gerry Slykhuis SD 33 (CHILLIWACK)</li> <li>Hilary Brown BCPSEA</li> <li>Lynda Minnabarriet SD 74 (GOLD TRAIL)</li> </ul>

### DID YOU KNOW?

Each Trustee serves a three-year term – with staggered expiry dates – to ensure continuity at the Board level.



### Committees

To keep the Board efficient, the PEBT has created a number of committees to deal with specific areas of the PEBT's ongoing administration. This includes JEIS/LTD, Finance and Audit, Investment, Administration, Plan Design and Litigation. These committees meet on a regular basis (or as needed), providing updates and recommendations to the full Board for discussion and formal adoption.



**GOVERNANCE DEFINED:** Governance refers to the processes and procedures that are put in place so that the parties involved in the administration and management of the Trust can ensure the plan operates in the best interest of its members.

ACCOUNTABLE  
PARTICIPATORY  
CHARACTERISTICS OF  
GOOD GOVERNANCE  
INCLUSIVE  
TRANSPARENT EFFECTIVE  
EFFICIENT  
EQUITABLE  
RESPONSIVE





## The PEBT Secretariat

**Alison Coelho**, Trust Secretary and  
**Lori Lofthaug**, Administrative Assistant

Provides support and advice to the Board of Trustees; acts as a connection between the Board and the various providers; assists in the day-to-day management of Trust activities, including coordinating meetings, organizing events and preparing relevant documents.












**Ray Parker**, Disability Management Strategic Advisor

Develops, implements, and monitors support programs for plan members based on the analysis of data from the JEIS and LTD programs, and feedback gathered from PEBT stakeholders and industry experts.



## Service providers

The Board of Trustees selects best-in-class service providers to support with the management and operations of the PEBT.

<b>Desjardins Insurance</b>	<b>Pacific Blue Cross</b>	<b>Pacific Blue Cross</b>	<b>AIG Insurance Company of Canada</b>
			
JEIS and LTD Benefits	Extended Health and Dental Care Benefits	Group Life	Group Accidental Death and Dismemberment
<b>VanCity Savings Credit Union</b>	<b>RBC Investor Services Trust</b>	<b>Mawer Investment Management Ltd. and BCI</b>	<b>George &amp; Bell Consulting</b>
			
Banking	Investment Custodian	Investment Management	Investment Consulting
<b>Morneau Shepell</b>	<b>Hatch Law</b>	<b>Evolve Accounting Group</b>	<b>Ernst &amp; Young</b>
			
Actuarial, Consulting and Administration	Legal	Accounting	Audit

## 2018 in review

The PEBT provides many valuable benefits to support the health and well-being of its 22,000+ members, including:

- Joint Early Intervention Service (JEIS)
- “Core” Long Term Disability (LTD) benefits
- “Other” Long Term Disability benefits
- Other benefits: Group Life (including Optional benefits), Group Accident (including Optional benefits), Extended Health Care (including Medical Referral and Travel, where applicable), and Dental Care

Monitoring the year-over-year performance of key benefits and services is important to track program costs and usage, and to ensure the PEBT’s long-term sustainability. With support from the PEBT’s service providers, the Trustees are able to prioritize and make informed decisions relative to investments and innovative member programs into the future.



### AN OVERVIEW OF THE PLAN'S PERFORMANCE IN 2018

# 3,670

Active JEIS cases

# \$1,250,020

JEIS program costs

# 520

LTD claims approved

# 1,290

Members currently on LTD

# 1.6%

Cost of living adjustment on LTD monthly payments, effective July 1, 2018

# -0.3%

One-year investment return – higher than benchmark of -0.8%

# \$151,296,000

Value of the Trust's investments

# \$44,371,000

Total actuarial liabilities for all benefits (LTD, Extended Health, Dental, Group Life Waiver of Premium)



## JEIS: supporting members in their return to work

A caring, safe and timely recovery for ill or injured plan members is the foundation of the JEIS: a confidential service that supports and facilitates plan members' return to work.

### The JEIS...

- Provides early identification of member needs and active, caring treatment of health issues
- Encourages early referral from school districts for absences expected to be longer than six consecutive working days
- Is supported by unions, school districts and the PEBT
- Is funded by the provincial government through the "Core" LTD
- Ensures the long-term sustainability of the "Core" LTD program

### What our members say about the JEIS

" I can only say wonderful things about this program. The communication, support and respect that I received from [the HCMS] was exceptional, and I don't know what I would have done without it. "

" [The HCMS] made me feel at ease right away when I was feeling a lot of stress and anxiety. I appreciated his kindness, understanding and professional advice. Most importantly, [the HCMS] helped me to accept and understand it was okay to not be okay, to need help, to ask for help and accept help. "

" Throughout my disability and time off work, I was worried and scared. My concerns were valued and supported and [the HCMS] was very supportive. I have continued to do my best physically and medically to get myself back to work at a gradual pace. Emotionally having that extra staff support me helped immensely. "

### JEIS 2018 PERFORMANCE

67

Increase in active JEIS cases compared to 2017 (3,670 vs. 3,603)

\$41,886

Increase in JEIS program costs compared to 2017 (\$1,250,020 vs. \$1,208,134)

8

Total number of Health Care Management Specialists (HCMS) dedicated to the PEBT



## LTD: providing valuable income protection

When a member is unable to return to work due to illness or injury, the LTD benefit is designed to provide income protection so members can fully focus on recovery.

The monthly “Core” LTD benefit is 70% of a member’s earnings. This benefit may be reduced by other sources of income, such as Canada Pension Plan (CPP) benefits. In addition to the “Core” LTD benefit, some school districts/ union locals provide “Other” LTD programs to eligible members where previous arrangements or joint agreements are in place that provide for coverage above the “Core” benefit offered through the PEBT.

### Your LTD questions answered

#### **Q** When is LTD paid?

**A** LTD provides income protection up to age 65 (subject to certain restrictions) if an eligible member becomes totally disabled and is unable to work due to illnesses or injuries that are not work related, and therefore not covered by WorkSafeBC.

#### **Q** Who can receive LTD benefits?

**A** The benefit is payable to eligible members who remain totally disabled after participating in the JEIS program.

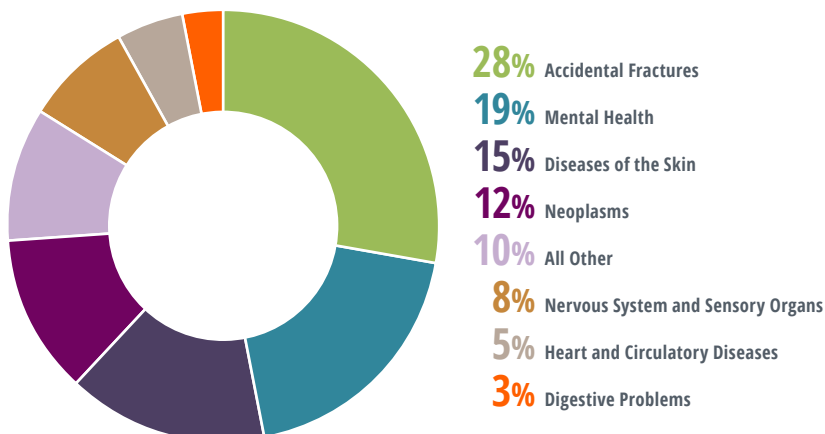
#### **Q** How is LTD funded?

**A** The PEBT LTD program is made up of two components; “Core” LTD and “Other” LTD, which are both administered and/or insured by Desjardins Insurance (Desjardins). The “Core” LTD plan is funded by contributions from the provincial government while the “Other” is funded by school districts and/or member contributions.

#### **Q** How is the PEBT protected financially in the case of extended disabilities?

**A** Managing financial risk and burden is important because LTD claims can become costly over a long period of time. That’s why the PEBT purchases pooling protection where Desjardins assumes the financial risk if a member’s disability continues for longer than five years.

### CAUSES OF DISABILITY – FULL BENEFIT CLAIMS



### LTD 2018 PERFORMANCE

# 106

Increase in total active LTD claims between 2017 and 2018 (1,290 vs. 1,184)

# 687

Members currently on LTD leave for less than five years

# 603

Members currently on LTD leave for longer than five years



## Other benefits: supporting members' health and well-being

In addition to the JEIS and LTD programs, the PEBT also supports plan members' health and well-being through other benefits, including:



Basic and  
Optional Life  
Insurance



Basic and  
Optional  
Accidental  
Death and  
Dismemberment  
(AD&D) Insurance



Dental Care



Extended  
Health Care  
(including  
Medical Referral  
and Travel,  
where applicable)

## OTHER BENEFITS 2018 PERFORMANCE

### Life Insurance:

# \$3,154,930

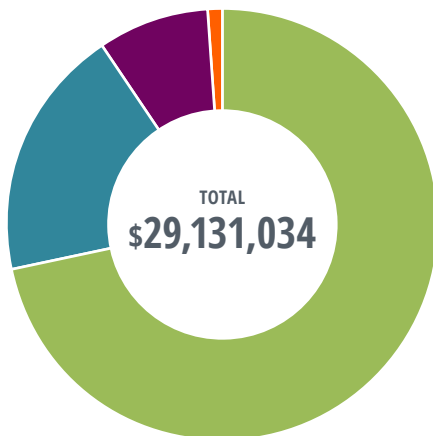
Basic and Optional Life claims paid in 2018  
(\$1,951,617 in 2017)

### AD&D Insurance:

# \$300,000

Basic and Optional AD&D claims paid in 2018  
(\$0 in 2017)

## DENTAL CLAIMS BY CATEGORY



**\$20,913,612** Basic  
**\$5,522,729** Major  
**\$2,414,771** Orthodontics  
**\$279,922** Other Services

### Dental Care:

# \$29,131,034

Dental care claims paid in 2018

# 8.5%

Increase in dental care costs compared to 2017





## Other benefits: supporting members' health and well-being (CONTINUED)

### How the PEBT helps manage costs to keep benefits sustainable

The cost to provide benefits is steadily increasing in Canada due to an aging population and more expensive treatments entering the market. The PEBT is taking active measures to keep the plan administration and claims costs sustainable, while still providing care required by the members. Some of these measures include:

- Negotiating reduced fees with benefits providers
- Managing claims risk (i.e., stop-loss protection, where the insurance company covers losses that exceed certain limits called deductibles)
- Generating additional income from investments of reserves to offset costs
- Modernizing and standardizing the benefits administration function through a common administration system for all participating districts
- Partnering with benefits providers who help prevent benefit fraud and abuse, and who provide a managed drug formulary, i.e., Blue RX – a list of covered drugs that is reviewed regularly to ensure any new drugs are both clinically proven and cost effective before they are added to the plan

### Extended Health Care (EHC) (including Medical Referral and Travel):

# \$32,614,100

Extended Health Care claims paid in 2018

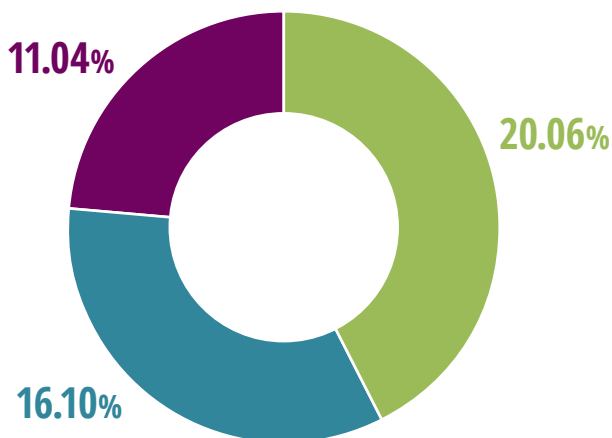
# 21%

Increase in Extended Health Care costs compared to 2017

# 44

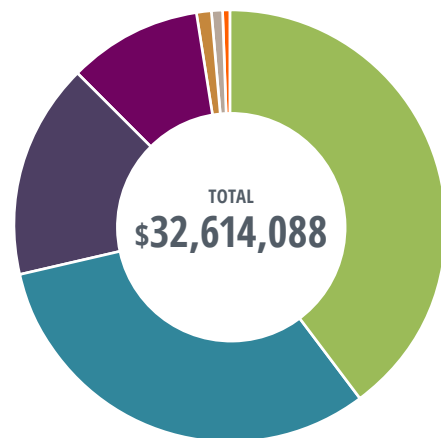
Districts/locals have adopted the Unionized Support Staff Provincial Standardized EHC Plan

### TOP 3 DRUGS BY CLASSIFICATION



**\$2,629,891** Nervous System  
**\$2,111,079** Gastrointestinal and Diabetes  
**\$1,447,782** Cardiovascular System

### EHC CLAIMS BY CATEGORY



**\$13,112,907** Drugs  
**\$11,431,987** Paramedical  
**\$4,809,326** Vision Care  
**\$2,781,437** Medical Aids & Equipment  
**\$317,969** Out of Province Emergency  
**\$84,236** Medical Travel Benefit  
**\$76,226** Other

## Making money last longer

One of the additional benefits of the Trust is the generation of additional income from investments of reserves – this helps the PEBT fund future benefits for the “Core” LTD and subsidize operating expenses incurred to manage the Trust.

The PEBT has two main objectives for its investments:

1. Generate investment earnings of at least 4% on average each year, over a 5-year period
2. Reduce the risk of losing capital in any year

The PEBT regularly reviews the investment performance and types of investments that are part of the investment portfolio (e.g., quality of investments and diversification) to ensure it meets these two main objectives. This includes conducting periodic reviews of the asset allocation and exploring alternative investments and strategies to ensure the right mix of assets is in place. These activities are part of our ongoing commitment to maintaining stability now and into the future.



## Important notice

All the terms of the PEBT are set out exclusively in the plan text. While the annual report summarizes certain terms of the plan, this annual report does not change or supplement the plan text in any manner whatsoever. Accordingly, the plan text will govern exclusively in all cases should any questions or differences arise.

## PEBT INVESTMENTS IN 2018

# -0.3%

One-year investment return – higher than benchmark of -0.8%. While the one-year investment return for 2018 was negative, the PEBT still met its objectives by earning +6.1% over the last 5 years.

# \$151,296,000

Value of the Trust's investments as at December 31, 2018

# \$3,686,273

Decrease in the Trust's investments compared to 2017

For more details on the PEBT's investments and policies, please see [Appendix 2](#).



# Appendices

Appendix 1:

**Audited financial statements**



# Public Education Benefits Trust Fund

Financial statements  
December 31, 2018



# Independent auditor's report

To the Trustees of the  
**Public Education Benefits Trust Fund**

## Opinion

We have audited the financial statements of the **Public Education Benefits Trust Fund** [the "Fund"], which comprise the statement of financial position as at December 31, 2018, and the statement of changes in net assets available for benefits and the statement of changes in actuarial obligations for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2018, and the changes in its net assets available for benefits and changes in its actuarial obligations for the year then ended in accordance with Part IV of the *CPA Canada Handbook – Accounting*, Section 4600 – *Accounting Standards for Pension Plans*.

## Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of trustees and those charged with governance for the financial statements

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Accounting Standards for Pension Plans, and for such internal control as the trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Vancouver, Canada  
June 17, 2019

*Ernst & Young LLP*

Chartered Professional Accountants



## Public Education Benefits Trust Fund

### Statement of financial position

As at December 31, 2018

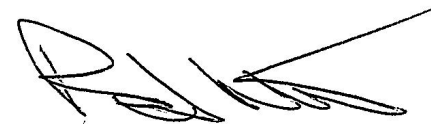
	Core LTD program \$	Other LTD benefits \$	Return to work program \$	Extended health \$	Dental \$	AD&D \$	Optional AD&D \$	Life \$	Optional life \$	2018 Total \$	2017 Total \$
<b>Assets</b>											
Cash (bank indebtedness)	(9,486,920)	(375,465)	—	8,593,058	2,135,168	229,307	(5,946)	19,944,731	(13,057)	21,020,876	12,059,799
Restricted cash [note 4]	—	—	—	6,088,992	8,088,620	—	—	—	—	14,177,612	18,682,650
Short-term investments	1,800,000	—	—	—	—	—	—	—	—	1,800,000	5,400,000
Investments at fair value [note 5[a]]	151,441,971	—	—	—	—	—	—	—	—	151,441,971	154,982,143
Contributions receivable	—	8,546	—	1,179,310	1,221,976	4,099	2,160	111,399	8,770	2,536,260	4,959,541
Prepaid benefit and premium costs	428,183	361,860	—	—	938,071	—	—	—	—	1,728,114	1,336,992
Claims fluctuation account [note 7]	—	—	—	—	—	—	—	454,296	—	454,296	475,330
<b>Total assets</b>	<b>144,183,234</b>	<b>(5,059)</b>	<b>—</b>	<b>15,861,360</b>	<b>12,383,835</b>	<b>233,406</b>	<b>(3,786)</b>	<b>20,510,426</b>	<b>(4,287)</b>	<b>193,159,129</b>	<b>197,896,455</b>
<b>Liabilities</b>											
Accounts payable and accrued liabilities	386,370	1,134	—	—	—	—	—	—	—	387,504	488,205
Benefit and premium costs payable	3,648,996	—	—	969,154	—	17,748	—	426,784	—	5,062,682	5,474,454
Deferred contributions [note 6]	—	3,476	—	78,297	47,185	153	105	4,799	613	134,628	70,095
Provision for claim reserves [note 8]	30,708,000	—	—	2,336,000	1,277,000	—	—	10,050,000	—	44,371,000	41,012,000
<b>Total liabilities</b>	<b>34,743,366</b>	<b>4,610</b>	<b>—</b>	<b>3,383,451</b>	<b>1,324,185</b>	<b>17,901</b>	<b>105</b>	<b>10,481,583</b>	<b>613</b>	<b>49,955,814</b>	<b>47,044,754</b>
<b>Net assets available for benefits</b>	<b>109,439,868</b>	<b>(9,669)</b>	<b>—</b>	<b>12,477,909</b>	<b>11,059,650</b>	<b>215,505</b>	<b>(3,891)</b>	<b>10,028,843</b>	<b>(4,900)</b>	<b>143,203,315</b>	<b>150,851,701</b>

See accompanying notes

On behalf of the Board:



Lynda Minnabarriet  
PEBT, Employer Trustee



Rob Hewitt  
PEBT, Member Trustee

## Public Education Benefits Trust Fund

### Statement of changes in net assets available for benefits

Year ended December 31, 2018

	Core LTD program \$	Other LTD benefits \$	Return to work program \$	Extended health \$	Dental \$	AD&D \$	Optional AD&D \$	Life \$	Optional life \$	2018 Total \$	2017 Total \$
<b>Increase in net assets</b>											
Contributions											
Province of British Columbia	19,428,240	—	—	—	—	—	—	—	—	19,428,240	19,428,240
School districts	—	129,424	—	33,410,963	29,708,155	92,517	89,570	3,558,339	148,010	67,136,978	61,686,707
Investment income											
Interest and dividends <i>[note 5[b]]</i>	8,145,218	1,279	—	300,410	277,886	1,762	—	44,939	—	8,771,494	4,876,648
Realized gains <i>[note 5[b]]</i>	3,922,868	—	—	—	—	—	—	—	—	3,922,868	2,620,616
Unrealized gains (losses)	(11,859,315)	—	—	—	—	—	—	—	—	(11,859,315)	4,813,536
<b>Total increase in net assets</b>	<b>19,637,011</b>	<b>130,703</b>	<b>—</b>	<b>33,711,373</b>	<b>29,986,041</b>	<b>94,279</b>	<b>89,570</b>	<b>3,603,278</b>	<b>148,010</b>	<b>87,400,265</b>	<b>93,425,747</b>
<b>Decrease in net assets</b>											
Benefits costs											
Change in claim reserves	2,234,000	—	—	407,000	102,000	—	—	616,000	—	3,359,000	(527,000)
Claims paid	11,993,664	—	—	32,318,754	29,100,900	—	—	—	—	73,413,318	65,127,370
Insurance premiums											
Durational pooling	5,063,369	—	—	—	—	—	—	—	—	5,063,369	4,593,691
Other <i>[note 9]</i>	1,407,570	203,833	—	—	—	85,598	93,461	3,147,016	152,910	5,090,388	4,165,453
Administration	1,397,617	1,653	879,949	2,232,937	1,456,324	2,277	—	58,066	—	6,028,823	4,908,301
Medical reports and other	531,172	—	370,071	—	—	—	—	—	—	901,243	1,016,983
Operating costs											
Bank charges	1,288	—	—	—	—	—	—	—	—	1,288	1,465
Consulting and actuarial fees <i>[note 10]</i>	216,268	576	—	136,981	125,202	794	—	20,248	—	500,069	420,776
Custodial fees	56,373	—	—	—	—	—	—	—	—	56,373	28,517
Investment management fees	205,112	—	—	—	—	—	—	—	—	205,112	249,494
Office	1,938	—	—	—	—	—	—	—	—	1,938	1,929
Professional fees <i>[note 10]</i>	317,355	—	—	—	—	—	—	—	—	317,355	369,385
Trustee costs											
Trustee travel and meetings	103,936	—	—	—	—	—	—	—	—	103,936	76,770
Wages and benefits	6,439	—	—	—	—	—	—	—	—	6,439	6,862
<b>Total decrease in net assets</b>	<b>23,536,101</b>	<b>206,062</b>	<b>1,250,020</b>	<b>35,095,672</b>	<b>30,784,426</b>	<b>88,669</b>	<b>93,461</b>	<b>3,841,330</b>	<b>152,910</b>	<b>95,048,651</b>	<b>80,439,996</b>

## Public Education Benefits Trust Fund

### Statement of changes in net assets available for benefits [cont'd]

Year ended December 31, 2018

	Core LTD program \$	Other LTD benefits \$	Return to work program \$	Extended health \$	Dental \$	AD&D \$	Optional AD&D \$	Life \$	Optional life \$	2018 Total \$	2017 Total \$
<b>Increase (decrease) in net assets</b>											
Net excess (deficiency) before undernoted	(3,899,090)	(75,359)	(1,250,020)	(1,384,299)	(798,385)	5,610	(3,891)	(238,052)	(4,900)	(7,648,386)	12,985,751
Transfers	(1,250,020)	—	1,250,020	—	—	—	—	—	—	—	—
<b>Net increase (decrease) in net assets</b>	<b>(5,149,110)</b>	<b>(75,359)</b>	<b>—</b>	<b>(1,384,299)</b>	<b>(798,385)</b>	<b>5,610</b>	<b>(3,891)</b>	<b>(238,052)</b>	<b>(4,900)</b>	<b>(7,648,386)</b>	<b>12,985,751</b>
Net assets available for benefits, beginning of year	114,588,978	65,690	—	13,862,208	11,858,035	209,895	—	10,266,895	—	150,851,701	137,865,950
<b>Net assets (deficit) available for benefits, end of year</b>	<b>109,439,868</b>	<b>(9,669)</b>	<b>—</b>	<b>12,477,909</b>	<b>11,059,650</b>	<b>215,505</b>	<b>(3,891)</b>	<b>10,028,843</b>	<b>(4,900)</b>	<b>143,203,315</b>	<b>150,851,701</b>

See accompanying notes



## Public Education Benefits Trust Fund

### Statement of changes in actuarial obligations

Year ended December 31, 2018

	Core LTD program \$	Other LTD benefits \$	Return to work program \$	Extended health \$	Dental \$	AD&D \$	Optional AD&D \$	Life \$	Optional life \$	2018 Total \$	2017 Total \$
<b>Changes in actuarial obligations</b>											
Benefits accrued	15,581,000	—	—	—	—	—	—	2,688,000	—	18,269,000	18,154,000
Benefits plus expenses paid	(12,281,000)	—	—	—	—	—	—	(2,699,000)	—	(14,980,000)	(16,112,988)
Interest accrued on benefits	1,117,000	—	—	—	—	—	—	373,000	—	1,490,000	1,437,000
Effect of experience gain or loss	(4,417,000)	—	—	—	—	—	—	(362,000)	—	(4,779,000)	(3,478,012)
Effect of demographic changes	1,351,000	—	—	—	—	—	—	476,000	—	1,827,000	939,000
Effect of change in valuation basis	290,000	—	—	—	—	—	—	—	—	290,000	(523,000)
<b>Total increase in actuarial obligations</b>	1,641,000	—	—	—	—	—	—	476,000	—	2,117,000	416,000
Actuarial obligations, beginning of year	20,684,000	—	—	—	—	—	—	7,456,000	—	28,140,000	27,724,000
<b>Actuarial obligations, end of year</b>	22,325,000	—	—	—	—	—	—	7,932,000	—	30,257,000	28,140,000
Incurring but not reported component of claim reserves	8,383,000	—	—	2,336,000	1,277,000	—	—	2,118,000	—	14,114,000	12,872,000
<b>Provision for claim reserves, end of year</b>	30,708,000	—	—	2,336,000	1,277,000	—	—	10,050,000	—	44,371,000	41,012,000

See accompanying notes

## **Public Education Benefits Trust Fund**

### **Notes to financial statements**

December 31, 2018

#### **1. Description of trust**

The following description of the Public Education Benefits Trust Fund [the "Trust" or "Plan"] is a summary only. For more complete information, reference should be made to the Trust Agreement, the Plan Text and the relevant collective agreements.

##### **General**

The Trust was created by a Trust Agreement on June 28, 2002. The Trust provides health and welfare benefits for certain employees of School Boards of British Columbia, and their dependents, who are members of the support staff union. The Trust was created in accordance with the recommendations issued by the Industrial Inquiry Commission appointed by the British Columbia Minister of Labour.

The intention of the Trust is to provide the following health and welfare benefits:

- [a] long-term disability ["LTD"] benefits;
- [b] early return to work benefits;
- [c] hospital, surgical, medical, dental, eyeglass, pharmaceutical, anaesthetic, diagnostic, and other private health service benefits;
- [d] accidental death and dismemberment benefits ["AD&D"]; and
- [e] group life benefits.

Participating School Board employers are required to participate in the Trust's Core LTD program, and if they also provide other benefits to their employees, then these additional benefits must be provided through the Trust's other benefits programs.

Under the Trust Agreement, certain cash balances of the Trust are commingled for investment purposes, but a continual accounting of the assets of the Trust is maintained for each benefit for the purpose of monitoring the actuarial experience of each benefit. Interest income is allocated to each benefit program based on the specified percentages approved by the Trustees. Inter-benefit transfers are made with the intention of repayment to the originating benefit program with an appropriate return.

Expenses that can be reasonably identified as pertaining to a particular benefit are allocated to that benefit program. All other expenses are allocated to the Core LTD program. Expenses incurred in respect of the Core LTD program and general expenses, which cannot clearly be identified as having been incurred exclusively in connection with benefits other than Core LTD, shall be charged to the Core LTD program.

Where the actuary identifies an actuarial surplus attributable to the Core LTD program, the Trust Agreement allows the use of the portion of such surplus attributable to investment income to reduce or eliminate implementation costs attributable to other benefits.

Where the actuary identifies an actuarial deficit attributable to other benefits such as the other LTD benefits program, the Trust Agreement requires that, on the actuary's advice, the level of contributions be increased in an amount actuarially determined to be necessary to eliminate such a deficit.

## **Public Education Benefits Trust Fund**

### **Notes to financial statements**

December 31, 2018

#### **Funding policy**

Under the terms of the Trust Agreement, the Trust is funded by the Province of British Columbia [the "Province"] for the Core LTD program and by contributions from employers and/or employees for other programs. Early return to work program expenses are paid out of government LTD funding for Core LTD benefits.

In accordance with the Trust Agreement and the May 2006 collective bargaining agreement, the Province contributes \$19,428,240 to the Trust annually for the purpose of funding the Core LTD program for certain employees of School Boards of British Columbia, and their dependents, who are members of the support staff union.

There were no changes to the funding policy during the period.

#### **Income tax status**

The Trust is registered with the Canada Revenue Agency and, as such, the Trust is subject to income taxes on investment income after deducting the expenses in relation to the operations of the Trust. The resulting calculation of this method of taxation has resulted in the Trust paying nil income taxes in 2017 and 2018.

### **2. Basis of presentation**

These financial statements have been prepared on a going concern basis and in accordance with Part IV of the *CPA Canada Handbook – Accounting*, Section 4600 – *Accounting Standards for Pension Plans*.

In accordance with Section 4600, accounting policies of the Trust that do not relate to its investment portfolio and provision for claim reserves comply on a consistent basis with Canadian accounting standards for private enterprises in Part II of the *CPA Canada Handbook – Accounting*, to the extent that those standards do not conflict with the requirements of Section 4600.

To satisfy the fair value measurement requirements in Section 4600 for the investment portfolio, the Trust follows International Financial Reporting Standards 13, *Fair Value Measurement*.

These financial statements are prepared using the accrual basis of accounting.

### **3. Summary of significant accounting policies**

#### **Financial instruments**

Financial instruments are measured at fair value on initial recognition. Financial assets include cash, restricted cash, short-term investments and investments, which are subsequently measured at fair value. Contributions receivable are subsequently measured at amortized cost. Accounts payable and accrued liabilities and benefit and premium costs payable are subsequently measured at amortized cost.

Transaction costs are expensed as incurred.



## **Public Education Benefits Trust Fund**

### **Notes to financial statements**

December 31, 2018

#### **Investments**

Investment transactions are recorded as of the trade date. Investments are measured at fair value. Fair value is the amount of consideration that would be agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act. The fair value of investment assets held in units of pooled funds is determined based on fair value information provided by the fund administrators. Interest income is recorded on the accrual basis, recognizing interest as it is earned. The net change in fair value of investments for the year is reflected in investment income in the statement of changes in net assets available for benefits. When pooled investments are charged investment management fees, the Trust's portion of the expense is added to the direct investment management fees charged by the Trust's investment managers. For the year ended December 31, 2018, such indirect fees included were \$56,373 [2017 – \$28,692].

#### **Revenue recognition**

##### *Contributions*

Contributions are recognized on the accrual basis of accounting.

#### **Realized investment income**

Realized investment income consists of interest, dividends and the gain on sale of securities. Interest income is recognized as it accrues. Dividend income is recognized at the ex-dividend date. Gains on the sale of securities are recognized on a trade date basis.

#### **Unrealized investment income**

The Trust records unrealized investment income as the difference between the fair value and book value of investments. Fair value is the quoted market price of a financial instrument traded in an active and liquid market. For financial instruments not traded in an active market, the fair value is determined using appropriate and reliable valuation techniques. Such techniques may include recent arm's-length market transactions; reference to the current fair value of another instrument that is substantially the same; and discounted cash flow analysis or other valuation models.

#### **Plan benefits**

Benefits received by members under the terms of collective agreements are paid under insured contracts and administrative services only contracts. The Core LTD program, return to work program, extended health, and dental benefits are provided under administrative services only contracts. Other LTD, life, and AD&D benefits are provided under insured contracts. Group life is administered on a cost recovery basis.

Subject to underwriting agreements, the Trust has entered into risk sharing arrangements with insurance carriers. The Trust has entered into a pooling arrangement with Desjardins Financial Security Life Assurance Company for Core LTD benefits, whereby the Trust pays for the first 60 months of benefits, and the insurance carrier pays for any amounts beyond 60 months.

The Trust has catastrophic insurance coverage under life benefits.

## **Public Education Benefits Trust Fund**

### **Notes to financial statements**

December 31, 2018

#### **Claims fluctuation account and unrestricted deposit account**

The Trust is required to fund the claims fluctuation account under basic life benefits. The excess over the required amount, if any, is transferred to the unrestricted deposit account. The Trust has full access to the amount outstanding in the unrestricted deposit account.

#### **Provision for claim reserves**

The provision for claim reserves is prepared by the Trust's actuary and comprises the following:

- [a] an estimated amount of claims to be submitted for services rendered and benefits incurred prior to December 31, 2018;
- [b] an estimated amount of the future costs of claims approved and expected claims to be approved relating to claims incurred prior to December 31, 2018 and not yet reported; and
- [c] an estimated amount of disability waiver premiums and claims for employees who are on disability leave and for whom premiums are not paid to the benefit providers.

The process of estimating claim reserves involves an estimate of future claims based on prior claim history. The actual amounts of claims expenses cannot be determined until all claims have been submitted and processed.

#### **Use of estimates**

The preparation of financial statements in accordance with Canadian accounting standards for pension plans requires estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of changes in net assets available for benefits and actuarial obligations during the year. In particular, significant estimates are required in the determination of the provision for claim reserves. Actual results could differ from those estimates.

#### **4. Restricted cash**

Restricted cash consists of cash balances held in accounts with a Canadian financial institution. The restricted cash has been received from the school districts and is held for payments of future claims made for extended health and dental coverage.

## Public Education Benefits Trust Fund

### Notes to financial statements

December 31, 2018

#### 5. Investments and realized investment income

##### [a] Summary by type of investment

	2018 \$	2017 \$
Canadian equity pooled funds	22,468,654	25,281,616
American equity pooled funds	10,065,603	10,744,547
Emerging market equity pooled funds	4,029,155	3,932,621
International equity pooled funds	30,907,649	32,516,900
Fixed income pooled funds	74,630,728	74,086,908
Canadian money market funds	9,340,182	8,419,551
	<b>151,441,971</b>	<b>154,982,143</b>

##### [b] Realized investment income by type

	2018 \$	2017 \$
Cash and short-term investments	859,005	526,041
Canadian equity pooled funds	3,548,398	1,347,281
American equity pooled funds	1,430,344	914,459
International equity pooled funds	3,642,558	2,822,701
Fixed income pooled funds	3,214,057	1,886,782
	<b>12,694,362</b>	<b>7,497,264</b>
Disclosed as		
Interest and dividends	8,771,494	4,876,648
Realized gains	3,922,868	2,620,616
	<b>12,694,362</b>	<b>7,497,264</b>

#### 6. Deferred contributions

In December 2018, the Trust received \$134,628 [2017 – \$70,095] from school districts as contribution payments for 2019 [2017 – 2018].

## Public Education Benefits Trust Fund

### Notes to financial statements

December 31, 2018

#### 7. Claims fluctuation account

The changes in the claims fluctuation account consist of the following:

	2018 \$	2017 \$
<b>Balance, beginning of year</b>	<b>475,330</b>	408,308
Required funding (payments) for the year	(21,034)	67,022
<b>Balance, end of year</b>	<b>454,296</b>	475,330

#### 8. Provision for claim reserves

The provision for claim reserves by status of claim is as follows:

	2018 \$	2017 \$
Claims in progress/ongoing	22,325,000	20,684,000
Group life waiver of premiums	7,932,000	7,456,000
	30,257,000	28,140,000
Incurred but not reported claims	14,114,000	12,872,000
	44,371,000	41,012,000

#### 9. Durational pooling [other]

On March 11, 2016, the Board approved an amendment to the Plan whereby monthly Core LTD benefits were increased from 66.67% to 70% of pre-disability earnings, subject to other limitations. This change is effective for existing and new claims on or after July 1, 2016. This increase was in addition to a cost of living adjustment to the Core LTD benefits implemented concurrently for existing claims only. The effect of this change on the financial statements was a one-time payment to Desjardins in the amount of \$7,814,661 and an ongoing impact to the actuarial obligation to reflect the updated payment requirements. During the year ended December 31, 2018, the Board approved a Cost-of-living adjustment to the Core LTD benefits for existing claims only. The effect of this change on the financial statements was a payment to Desjardins in the amount of \$1,407,570 [2017 – \$921,964].

#### 10. Operating expenses

	2018 \$	2017 \$
<b>Consulting and actuarial fees</b>		
Morneau Shepell Inc.	472,475	387,097
Other	27,594	33,679
	500,069	420,776

## Public Education Benefits Trust Fund

### Notes to financial statements

December 31, 2018

	2018 \$	2017 \$
<b>Professional fees</b>		
Ernst & Young LLP	40,425	39,900
Evolve Accounting Group LLP	29,426	29,169
Trust secretariat	242,502	236,045
Hatch Law	4,150	8,719
Lawson Lundell LLP	852	55,552
	<b>317,355</b>	<b>369,385</b>

#### 11. Fair value measurement

A fair value hierarchy is presented below that distinguishes the significance of the inputs used in determining the fair value measurements of the Trust's financial instruments. The hierarchy has the following levels:

Level 1 – quoted [unadjusted] prices in active markets for identical assets and liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, or assets with quoted prices in a less active market; and

Level 3 – inputs for the asset or liability that are not based on observable market data.

	2018			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Cash	21,020,876	—	—	21,020,876
Short-term investments	—	1,800,000	—	1,800,000
Restricted cash	14,177,612	—	—	14,177,612
Canadian equity pooled funds	—	22,468,655	—	22,468,655
American equity pooled funds	—	10,065,603	—	10,065,603
Emerging market equity pooled funds	—	30,907,649	—	30,907,649
International equity pooled funds	—	4,029,155	—	4,029,155
Fixed income pooled funds	—	74,630,728	—	74,630,728
Canadian money market funds	—	9,340,181	—	9,340,181
	<b>35,198,488</b>	<b>153,241,971</b>	<b>—</b>	<b>188,440,459</b>



## Public Education Benefits Trust Fund

### Notes to financial statements

December 31, 2018

	2017		
	Level 1	Level 2	Level 3
	\$	\$	\$
Cash	12,059,799	—	—
Short-term investments	—	5,400,000	—
Restricted cash	18,682,650	—	—
Canadian equity pooled funds	—	25,281,616	—
American equity pooled funds	—	10,744,574	—
Emerging market equity pooled funds	—	3,932,621	—
International equity pooled funds	—	32,516,900	—
Fixed income pooled funds	—	74,086,908	—
Canadian money market funds	—	8,419,520	—
	30,742,449	160,382,139	—
			191,124,588

There were no transfers of investments between the levels during the years ended December 31, 2018 and 2017.

#### 12. Financial instruments and risk management

The Trust's financial instruments consist of cash, restricted cash, short-term investments, investments, contributions receivable, accounts payable and accrued liabilities, and benefit and premium costs payable. The Trust is largely exposed to financial instrument risk on its investments, which are recorded at fair value.

The Trust's investment portfolio is subject to a variety of financial instrument risks that could adversely affect its financial position and changes in net assets available for benefits. These risks are categorized as market risk, credit risk and liquidity risk as detailed below.

##### Managing financial risk

The Trustees manage the Trust's financial instrument risks through the approval of the Trust's Statement of Investment Policies and Procedures ["SIPP"]. The SIPP sets out the Trust's investment objectives and risk framework, requires diversification of investments within asset classes, sets guidelines on investment categories, and limits the exposure to individual investments and counterparties. The Trustees also regularly monitor investment performance against a variety of criteria including compliance with the SIPP and investment manager performance against agreed upon benchmarks.

The Trust invests in pooled funds that are in turn invested in government and government guaranteed bonds, corporate bonds, debentures, mortgage-backed securities, and equities. The investment managers must adhere to the SIPP.

## **Public Education Benefits Trust Fund**

### **Notes to financial statements**

December 31, 2018

#### **Market risk**

The Trust's investments are susceptible to market risk, which is defined as the risk that the fair value or future cash flows of an investment will fluctuate as a result of changes in market prices. Market risk comprises foreign currency risk, interest rate risk, and other price risk. Market risk is managed through asset class diversification, diversification within each class, and credit quality constraints on investments.

Foreign currency risk is the risk that the value of the Trust's financial instruments will fluctuate due to changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Trust invests in units of pooled funds, which in turn invest in a diversified portfolio of assets. While underlying investments of the Trust are susceptible to both currency and interest rate risks, the risk of the Trust is indirect in nature. Given that the Trust does not directly hold any investments denominated in a foreign currency or any interest sensitive securities, the Trust believes it has no direct exposure to foreign currency or interest rate risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices [other than those arising from foreign currency risk or interest rate risk] whether those changes are caused by factors specific to the individual financial instrument, its issuer, or factors affecting all similar financial instruments traded in the market.

The investments of the Trust are directly exposed to other price risk. If the unit price of the pooled funds were to increase or decrease by 10%, with all other variables being held constant, the impact on the net assets available for benefits would be approximately \$15,144,197 [2017 – \$15,498,214].

#### **Credit risk**

Credit risk is the risk that loss may occur from the failure of another party to perform according to the terms of a contract. The Trust is indirectly susceptible to credit risk through investments in pooled funds and cash holdings. The Trust does not consider the risk in this area to be significant.

#### **Liquidity risk**

Liquidity risk is the risk of not being able to meet the Trust's cash requirements in a timely manner and includes the risk of not being able to liquidate assets at a reasonable price. The Trust forecasts its cash requirements over the near and long-term to determine whether sufficient funds are available. The Trust's primary source of liquidity is income generated from the Trust's investments and contributions. The Trust limits liquidity risk as the Trust primarily invests in securities that can be readily sold.

#### **13. Actuarial valuation**

Actuarial valuations are required annually under the Trust Agreement. The latest actuarial valuation was performed as at December 31, 2018 by Morneau Shepell Inc. Amounts reported in these financial statements are based on going concern results of this valuation. The actuarial assumptions used in determining the provision for claim reserves that were approved by the Trustees are set out in detail in the December 31, 2018 actuarial valuation. The primary assumptions for Core LTD benefits include the claim CPP approval rate, funding interest rate, claim related expense rate and claim termination rates based on modifications to the 1988–1994 CIA study of disability

## **Public Education Benefits Trust Fund**

### **Notes to financial statements**

December 31, 2018

termination experience based on Plan experience. The primary assumptions for group life benefits include rates of mortality and recovery, based on the CIA Long-term Disability Termination Study based on 2004–2008 experience, funding interest rate and claim related expense rate.

#### **14. Related party transactions**

Related parties of the Trust include members of the Board of Trustees [the “Board”]. For the year ended December 31, 2018, the Trust paid administrative expenses of \$57,685 [2017 – \$77,118] in support of Board meetings and training. All transactions with related parties are in the normal course of operations and recorded at the exchange amount agreed upon by the related parties.

#### **15. Capital management**

Capital of the Trust is defined as the net assets available for benefits and is not subject to external restriction. The Trustees’ primary objective when managing the net assets of the Trust is to safeguard its ability to continue providing benefits to members at current levels in the future.

The Trustees set the amount of the net asset balance taking into consideration anticipated changes in economic and investment conditions, benefit costs and actuarial determination. The Trustees have the ability to enhance or reduce benefits and to increase contributions as part of their management of the net assets of the Plan.

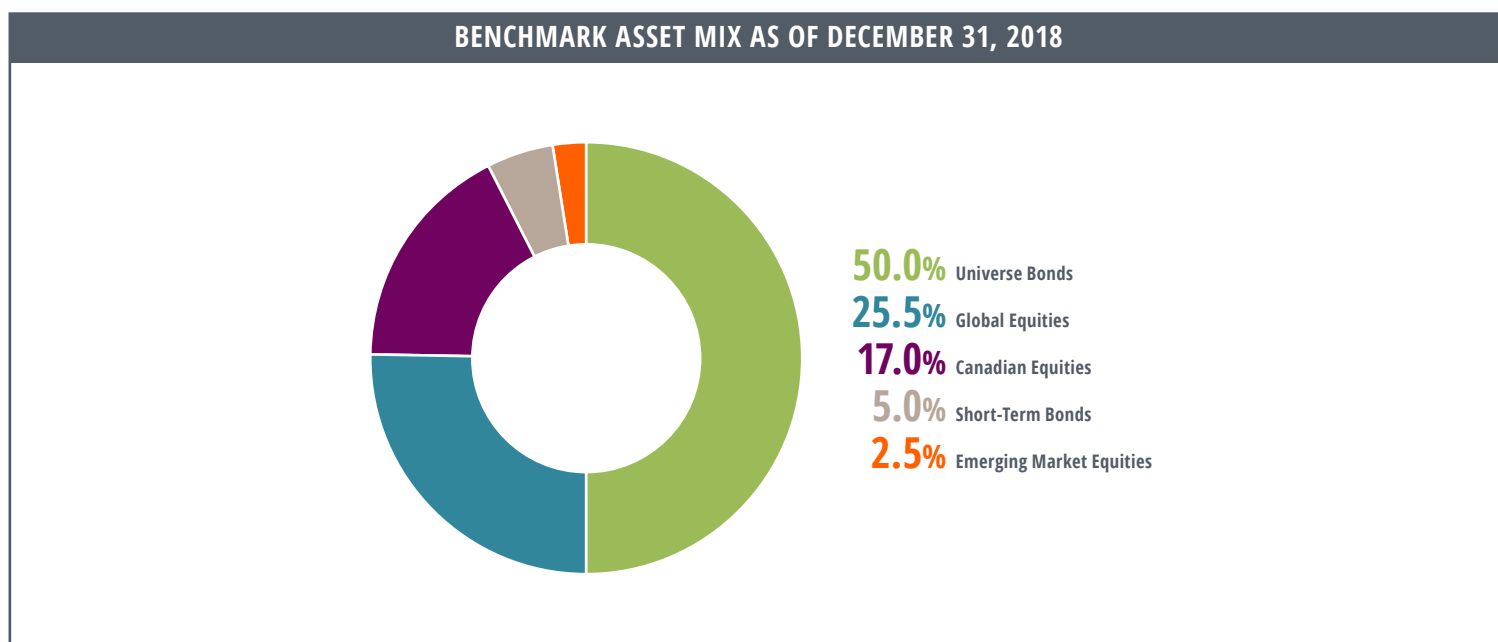
# Appendices

## Appendix 2: Investment Summary

# Investment summary

The PEBT invests its assets to earn additional income to fund future benefits for “Core” LTD and subsidize operating expenses incurred to manage the Trust.

The Board currently utilizes the following Benchmark Portfolio for their investments:



Over the course of the past five years, the dollar value and annual returns for PEBT Investments at Fair Value is summarized as follows:

INVESTMENTS — AT FAIR VALUE					
FUND	2018	2017	2016	2015	2014
Canadian equity funds	\$22,322,000	\$25,279,000	\$22,024,000	\$20,068,000	\$21,003,000
Global equity funds	\$40,973,000	\$43,261,000	\$40,889,000	\$42,505,000	\$38,083,000
Emerging market equities	\$4,029,000	\$3,933,000	\$3,820,000	\$3,561,000	\$3,488,000
Universe bonds	\$74,631,000	\$74,087,000	\$69,829,000	\$70,330,000	\$63,870,000
Short-Term bonds	\$6,267,000	\$6,157,000	\$6,171,000	\$7,230,000	\$6,504,000
Money market and cash	\$3,073,000	\$2,264,000	\$1,388,000	\$1,287,000	\$2,300,000
<b>Total Portfolio</b>	<b>\$151,296,000</b>	<b>\$154,982,000</b>	<b>\$144,121,000</b>	<b>\$144,981,000</b>	<b>\$135,249,000</b>
<b>In-Year Investment Returns</b>	<b>-0.3%</b>	<b>8.1%</b>	<b>4.8%</b>	<b>7.2%</b>	<b>11.4%</b>