



June 2024 Issue

Investment Fund **Pg.3**

Funded Status **Pg.6**

Rate Renewal **Pg.7**

Benefit Changes

Effective August 1st, 2024, the Vision Benefit will increase from \$350 to \$450 for members, and the dental deductibles for Single, Spouse, and Family coverages will be removed.

Benefit Subsidizing

At the April Board of Directors meeting, during the discussion and approval of the 2024 – 2025 group benefit rates, the NEBS Board made the decision to subsidize dental rates by over \$100,000 to achieve a -1.6% overall reduction in premium rates. More details on page 7 of this issue.

Statement from the NEBS Chief Executive Officer

NEBS is pleased to provide you with the first edition of the Northern Employee Benefits Services Insider. This newly rebranded and revitalized publication will be produced quarterly and sent out to all of our employer members. The Insider contains information on both the NEBS Pension Plan and the NEBS Group Benefits Plan, and it is intended to keep you informed.

In this edition of the NEBS Insider, you can find detailed insights on the NEBS Pension Plan Investment Fund, various informative visual displays of current plan statistics, along with a variety of resourceful information about both of the NEBS Plans.

Included in this update, you will find the August 1st, 2024 Group Benefits renewal rates where we have provided beneficial plan modifications with minimal to no change in premiums.

In addition to these informative reports, we have also included several reminders to employers on administrative tasks, along with a note from our Finance Officer.

On behalf of the NEBS Board of Directors, the Pension Committee, the staff and myself, we wish you all a safe and enjoyable summer.

Any questions on the information in this newsletter can be directed to myself at the NEBS Office.

Shawn Maley
Chief Executive Officer
shawn@nebsnorth.com



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Bob Mroszczak, AON
Lori Satov, CCL
Shishir Nigam, BentalGreenOak
Julianna Spiropoulos, TELUS Health
Kenneth Burns, Lawson Lundell
Dwight Anthony, People Corporation
Andrew Thorburn, The Co-Operators

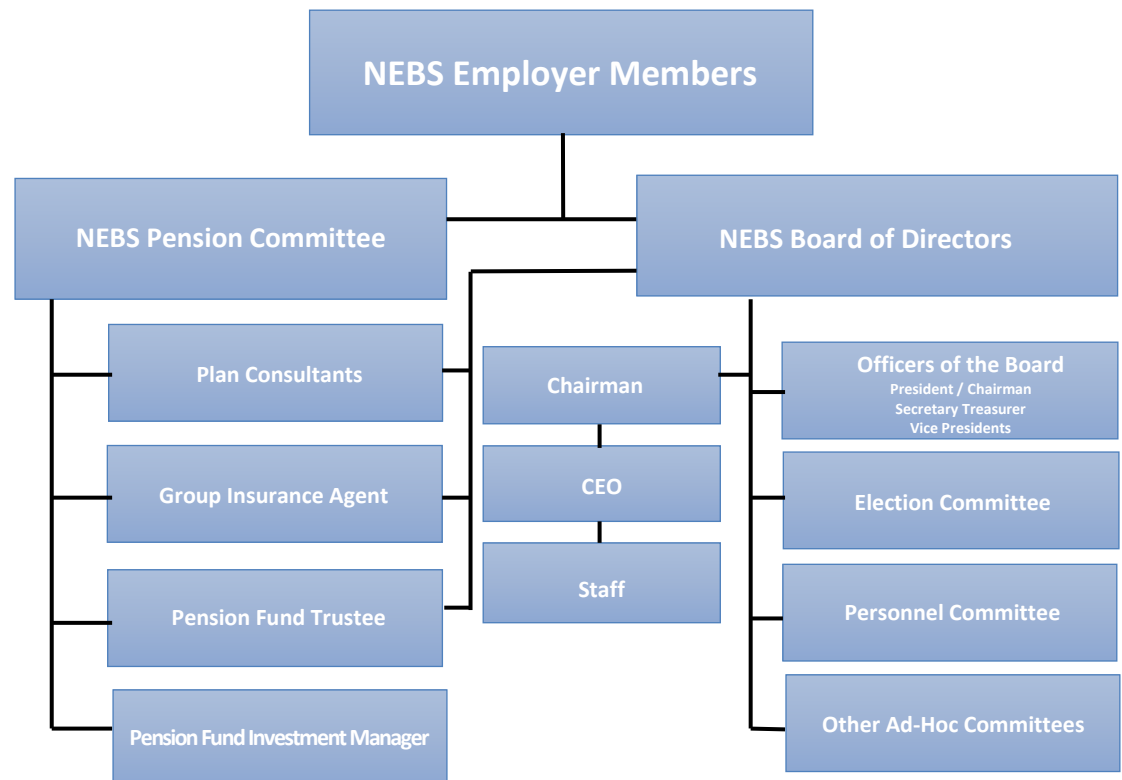


Plan Governance

The NEBS vision is to be the provider of choice for pension, health benefit and insurance services for the northern public sector.

NEBS was established in 1978 by an Act of the Government of the Northwest Territories and then incorporated in 1999 with the creation of Nunavut and Northwest Territories. Our programs and services are organized to be comparable and competitive with those offered by the Nunavut and NWT governments so that our member employers can recruit and retain high quality staff to manage and operate their organizations.

We are unique in that we operate and are headquartered in the north, provide programs and services specifically designed to meet the needs of northern public sector employers and their employees, and are managed by a Board of Directors that is elected by employer member organizations.



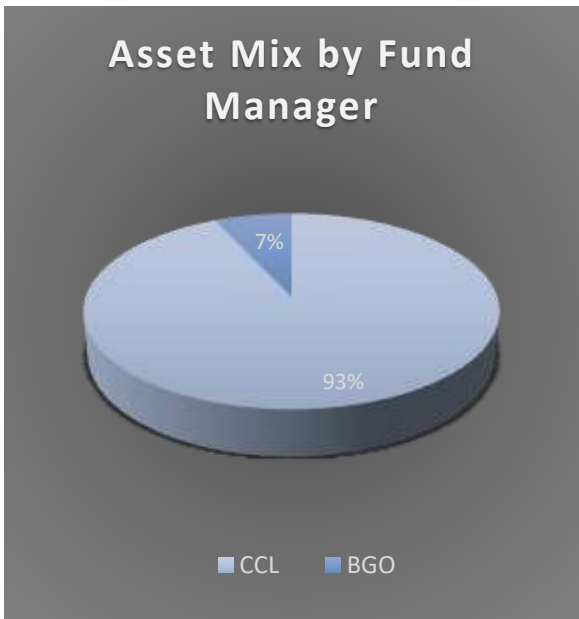


NEBS Investment Fund

The NEBS Pension Plan is invested to provide secure lifetime retirement income as broken down in the NEBS Plan Text. The investments are managed in accordance with the Statement of Investment Policies and Procedures, which gets regularly reviewed by our legal consultant and approved by the NEBS Pension Committee.

NEBS has a well-rounded team of investment managers and has also hired a third-party investment consultant to monitor and review the management of the Pension Fund.

NEBS holds the majority of its investments with Connor, Clark and Lunn, with a small allocation in Real Estate, which is managed by BentallGreenOak.



In April 2023, the NEBS Pension Committee, based on advice from the NEBS Investment Consultant, decided to add Infrastructure as a new asset class. Since the 2023 Annual General Meeting, the NEBS CEO, our Investment Consultant, and Pension Committee members have worked diligently to research, interview, and select an Infrastructure Manager.

After completion of interviews and deliberation, IFM Investors was selected as the new Infrastructure Manager. The onboarding process is currently underway. We are expecting to finalize the investment within the 2024 year. The allocation to the fund will be \$38 million.

New Software

PX3000



With the current software, CDAT, becoming increasingly outdated and unable to provide NEBS administration with the necessary features to improve our services and plan, NEBS started the search several years ago to find a new software provider.

After conducting research, interviews, and contacting clients of providers for reviews, NEBS selected PENAD as the new software provider.

PENAD was founded in 1983 and is run out of Kitchener, Ontario. It is one of the leading suppliers of pension and benefit software systems for employers, unions, insurance companies, brokers, and governments.

Agreements between PENAD and NEBS were finalized in 2023, and work is well underway in the development of the NEBS version of the platform.

PENAD holds bi-weekly meetings with the NEBS staff as they begin structuring their software to fit the NEBS' requirements. They held an in-person meeting and training session in Yellowknife in February 2024.

The project is intensive, and the anticipated launch date is expected to occur in 2025.



Connor Clark and Lunn

The NEBS Investment Fund is managed by Connor, Clark and Lunn out of their Vancouver office. Lori Satov is our Investment Manager.

CCL is one of Canada's largest privately owned asset management firms. Their teams collectively manage over \$127 billion in assets from offices across Canada and the United States.

Investment Consultant

TELUS Health is the NEBS Investment Consultant, and our representative is Julianna Spiropoulos. Julianna monitors the investments and reports on the performance of our investment managers. These reports are given to the Pension Committee three times per year at each Pension Committee meeting.

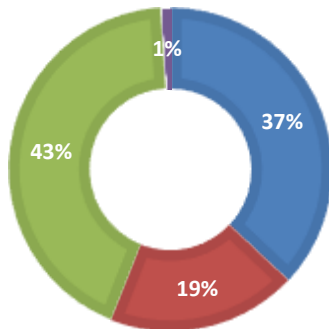
These reports provide a detailed review of annual and annualized returns over 4 years and compare the performance relative to other investment managers.

The Pension Committee's Statement of Investment Policy establishes five measures for assessing our Investment Manager.

1. Real Returns—to achieve 4.0% over a four-year term.
2. Returns Compared to Benchmark—to achieve 1.0% return over the portfolio benchmark.
3. Comparison to Other Investment Managers—in the 2nd quartile or better.
4. Compliance—adhere to the Statement of Investment Policy.
5. Service—accessible and responsive.



ASSET MIX POSITIONING



■ Fixed Income ■ Canadian Equities
■ Global Equities ■ Cash and Equivalents

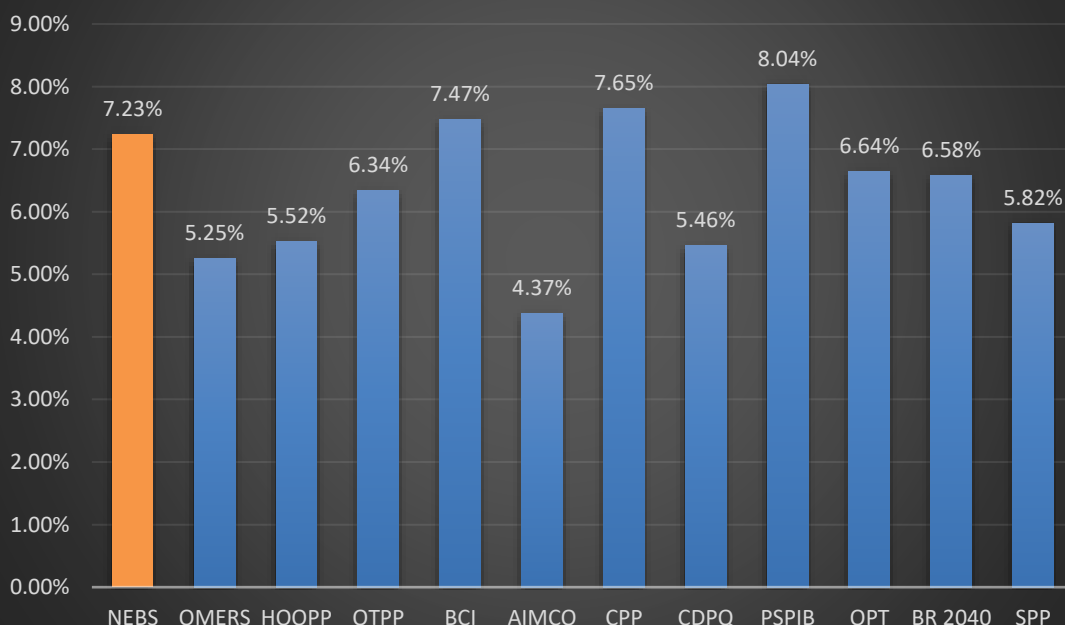
NEBS Investment Fund - CCL

CCL Returns

	2023	2022	2021	2020	2019
YTD Return	13.12%	-10.75%	15.39%	14.47%	19.05%
Benchmark	12.50%	-13.17%	12.05%	11.43%	18.00%
Added Value	0.62%	2.41%	3.35%	3.04%	1.05%
Market Value (\$CAD)	\$ 382,233,064	\$ 323,418,510	\$ 349,184,621	\$ 295,715,771	\$ 248,450,384

*Market Value as at December 31.

Comparison of Pension Fund Performance: 4YR Annualized Returns 2020-2023



*AIMCO 2023 results are only available for the first half of the year.



NEBS Real Estate Fund

NEBS holds an allocation in real estate through BentallGreenOak and their Prime Canadian Fund. Shishir Nigam is the Investment Manager.

BGO operates in 27 cities worldwide with a team of more than 1,400 employees. They pride themselves on providing a global portfolio with achievements in sustainable investing and environmental, social and governance performance.

NEBS has invested \$20.3 million of equity into the Prime Canadian Fund since its first investment on October 31, 2016. The NEBS account has since grown to \$30.3 million.

Contributed Capital	\$ 20,921,670
+ Dividend Reinvestment	\$ 5,345,042
+ Appreciation	\$ 3,996,070
Market Value of Investment—Dec. 31, 2023	\$ 30,262,782

Contribution Rates for 2024

Since 2002, NEBS has maintained contribution rates at 8% employee and 8% employer paid, which continues to be sufficient to fund the plan. The stability of the rates has been accomplished by sound investment strategies and good corporate practices. On an annual basis, the NEBS actuary completes a plan valuation which analyses the contribution rates against the assets and liabilities to determine the adequacy of the current rates in meeting the funding requirements of the plan. The NEBS Pension Committee is proud of its track record in holding these rates constant for the past 23 years.

	2023	2024
Maximum Pensionable Earnings	\$198,643.50	\$204,475.00
Maximum Monthly Contribution	\$1,324.29	\$1,363.17
Minimum Annual Salary to Participate	\$23,310.00	\$23,975.00

NEBS Pension Member Benefits

As a defined benefit pension plan, NEBS provides lifetime retirement income which is calculated based on earnings and years of service. Some of the benefits that NEBS offers includes:

- Regular monthly income;
- Indexing;
- Bridge benefit;
- Survivor and disability benefits.

For more information, please see our Plan Summary that is available on our website.

Pension Statements

Every year NEBS prepares pension statements for every active employee member that is enrolled in the NEBS Pension Plan. These statements get individually packaged and mailed in bulk to the employer for distribution. They are also uploaded to the NEBS website for employers to be able to login and download if employees request a duplicate copy.

December 31, 2023 pension statements will be mailed to employers on June 28th, 2024.

Pension Estimates

Upon request, NEBS is able to provide pension estimates for employees using up to two different estimated retirement dates. Contact our office for more information.

Online Claim Submission

Through our benefits provider The Co-Operators, members can create online accounts on their website or App (Benefits Now) in order to file extended health or dental claims online.

Members can enter their direct deposit information for quick payment, view their claims history, and review their benefit coverage maximums.

Members will need to phone the Co-Operators directly in order to set up an account and will need their PID information that is on the PID cards that get issued to them upon enrollment in the Extended Health and/or Dental Plan. The phone number for the Co-Operators is 1(800)667-8164.

Group Benefit Statements

Each August, NEBS prepares group benefit statements for every active employee member that is enrolled in the NEBS Group Benefits Plan. These statements provide a snapshot of the employees' coverages and beneficiaries. These statements are mailed in bulk to the employers for distribution.

NEBS Pension Plan Going Concern Funded Status

The NEBS Pension Plan actuaries are Sajad Abdulla and Bob Mroszczak from AON. The actuarial role in pension plans is very important as they conduct annual valuations to appraise the pension plan's assets and liabilities using investment, economic, and demographic assumptions to ensure the long-term viability of the plan.

In addition to the valuation, the actuaries are also called on to determine many specific functions of the plan, such as buy back calculations, commuted values, and actuarial reductions.

AON completes an annual valuation of the NEBS Pension Plan on both a going concern and a solvency basis. Preliminary results are presented during the Pension Committee's April meeting, with the final valuation completed in August.

	3/31/23	6/30/23	9/30/23	12/31/23
Market Value of Assets	\$ 376,200,000	\$ 383,800,000	\$ 383,100,000	\$ 415,200,000
Actuarial Value of Assets	\$ 392,700,000	\$ 402,000,000	\$ 409,700,000	\$ 426,700,000
Going Concern Liabilities	330,000,000	337,400,000	345,200,000	353,400,000
Going Concern Funded Status	62,700,000	64,600,000	64,400,000	73,300,000
Going Concern Funded Ratio	119%	119%	119%	121%

Pension Membership Snapshot

	2024	2023	2022	2021	2020
Active Members	2211	1997	1983	1980	1929
Disabled	9	10	11	13	13
On Leave	45	47	52	42	50
Deferred Members	1248	1119	1035	949	887
Pensioners	692	616	574	550	485
Total	4205	3789	3655	3534	3364

**As at January 1st.*

August 01, 2024 Rate Renewal

At the April Board of Directors meeting, during the discussion and approval of the new rates, the NEBS Board made the decision to add enhancements to the plan. Effective August 1st, 2024, the Vision Benefit will increase from \$350 to \$450, and the \$25 and \$50 deductibles for single and family dental coverages will be removed.

In addition, in this time of inflation, the NEBS Board of Directors has made the decision to subsidize the dental rates for 2024-2025 by over \$100,000 to achieve a -1.6% overall reduction in premium rates.

Effective August 1st, 2024, NEBS members will see a decrease in the rates for Long-Term Disability non-taxable, Short-Term Disability non-taxable, Medical (Single and Spouse Only), and Dental (Single and Spouse Only). There is an increase in the rates for Life Insurance (Group and Dependent), Short-Term Disability taxable, Medical (Family), Dental (Family), and Elected and Appointed Officials Coverage.

The rates that NEBS charges for premiums are the cost of the coverage with the carrier plus a 15% admin fee. NEBS regularly compares rates on the market to ensure our members are getting the best coverage and cost of that coverage possible.

In Fall 2024 NEBS will be going to market (RFP for benefit providers) to ensure that we are offering the best possible coverage at affordable rates for our members.

Coverage	2023—2024 Monthly Premiums	2024-2025 Monthly Premiums	Change
Group Life Insurance	\$0.539 / \$1,000 Benefit	\$0.550 / \$1,000 Benefit	2.0%
Dependent Life Insurance	\$3.94 Flat Rate	\$4.14 Flat Rate	5.1%
ADD&D Insurance	\$0.025 / \$1,000 Benefit	\$0.025 / \$1,000 Benefit	0.0%
LTD Coverage 60% Non-Taxable	\$3.678 / \$100 Benefit	\$3.347 / \$100 Benefit	-9.0%
LTD Coverage 70% Taxable	\$2.881 / \$100 Benefit	\$2.881 / \$100 Benefit	0.0%
*STD Coverage 60% Non-Taxable	\$0.223 / \$10 Benefit	\$0.189 / \$10 Benefit	-15.2%
*STD Coverage 70% Taxable	\$0.236 / \$10 Benefit	\$0.260 / \$10 Benefit	10.2%
*Extended Health and Vision (Single)	\$93.76 Flat Rate	\$88.26 Flat Rate	-5.9%
*Extended Health & Vision (Spouse Only)	\$93.76 Flat Rate	\$88.26 Flat Rate	-5.9%
*Extended Health & Vision (Family)	\$207.22 Flat Rate	\$211.84 Flat Rate	2.2%
*Dental Coverage (Single)	\$55.38 Flat Rate	\$54.28 Flat Rate	-2.0%
*Dental Coverage (Spouse Only)	\$55.38 Flat Rate	\$54.28 Flat Rate	-2.0%
*Dental Coverage (Family)	\$124.42 Flat Rate	\$130.28 Flat Rate	4.7%
*Elected & Appointed Officials Coverage	\$56.40 Flat Rate	\$57.50 Flat Rate	2.0%
Overall 2024-2025 Premium Change:			-1.6%

* Denotes optional plans in which employers may elect to participate.

NEBS Group Benefits Consultant

People Corporation is the NEBS Group Benefits Consultant, and our representative is Dwight Anthony. People Corporation is responsible for keeping the Board of Directors up to date on the plan experience, providing suggestions for ways to enhance the plan while keeping coverages affordable, and to ensure that we are receiving the best rates for our employee members.

Each year our benefits consultant negotiates our rates with the Co-Operators and provides the negotiated rates to the Board of Directors for discussion and approval.

At the recommendation of our Group Benefits Consultant, in the Fall of 2024 NEBS will be going to market (RFP for benefit providers) to ensure that we are offering the best possible coverage at affordable rates for our members.



Paying Premiums by Direct Deposit

When submitting premium payments by direct deposit, notifications of direct deposit (referencing the invoice number) must be emailed to NEBS immediately after the payment has been issued.

At the top of the page of the NEBS invoice you can see any payments that were received and applied during the last billing cycle. If 'NEDD' is beside the payment amount, this indicates that no direct deposit notification was received. If 'DD' is beside the payment, the direct deposit notice was received.

Given postage delays, many employers are moving to paying by direct deposit. If this is something you would like to consider, please contact Ritah Lunkuse, our Finance Officer, for more information.

Here 4 You @ Work – NEBS

NEBS employee members have access to a program for professional and confidential assistance services called Here 4 You @ Work – NEBS.

The Here 4 You @ Work – NEBS program is available to any employee that is a member of the basic group benefits plan who would like counselling support related to: mental health, relationships, family, personal or emotional problems, or workplace issues.

Employee members can receive support from a dedicated professional over the phone and online. This service is available 24 hours a day, 7 days a week.

Employee members just need to call 1 (844) 880-9142 and identify themselves as a Here 4 You @ Work – NEBS member. All communications with Here 4 You @ Work – NEBS is completely confidential.

Who Can Use the Benefit?

This benefit is attached to the LTD benefit. If the member has LTD they are eligible.

Can My Dependent Use This Benefit?

This benefit is only offered to the Employee Member and not their dependents.

Who Pays For This Benefit?

There is no extra charge to Employers or Employees for this benefit. It is included in the LTD premium.

How Many Hours (“Visits”) Are Included?

There is no maximum or set number of hours. Each case is assessed on its own merits and will be given the appropriate number of hours (visits).



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