

IATSE LOCAL 667/669
HEALTH & WELFARE FUND



2011 Report to the Membership

We are pleased to present an Annual Report which outlines the activities of the Plan during the year ended December 31, 2010. This report gives a broad overview of how the Health & Welfare Fund is financed and the costs to deliver the different types of services provided.

The Trustees utilize consultants in Health & Welfare Plan reviews, financial advisors for managing your funds obtain legal advice when required and have our records audited every year. The Trustees also attend educational sessions to upgrade their knowledge.

During the year under review, benefits of 1,736,287 were paid on behalf of eligible I.A.T.S.E. Local 667/669 Health & Welfare Fund members and their dependents. As illustrated in the attached report, the Fund's Revenue exceeded Expenditures by \$764,866. Following this, and an adjustment to the closing market value of invested assets, the Fund Assets at December 31, 2010 increased to \$7,374,697.

We are satisfied with the operations of the Plan during the past year. With your continued support, we look forward to many more years of successful operations for the benefit of you and your family.

Board of Trustees

BOARD OF TRUSTEES

Local 667

Nadine Dunsmore (Chairperson)

Rick Perotto

David Rumley

Ari Magder

Local 669

Christina Kasperczyk (Co-Chairperson)

Roger Vernon

Marcus Handman

Brian Whittred

LEGAL COUNSEL

Koskie Minsky LLP

CONSULTANT

The Segal Company, Ltd.

INVESTMENT MANAGER

UBS Global Asset Management (Canada) Co.

AUDITORS

Grant Thornton LLP

INSURANCE UNDERWRITERS

Manulife Financial

Medavie Blue Cross

Family Services Employee Assistance Programs

PLAN ADMINISTRATOR

Leta Labiuk

HOW THE PLAN'S BENEFITS WERE DISTRIBUTED FOR THE YEAR ENDED DECEMBER 31, 2010

| BENEFITS | |
|----------------------------------|--------------------|
| Life Insurance | \$ 60,000 |
| Accidental Death & Dismemberment | \$ 0 |
| Weekly Disability | \$ 50,600 |
| Supplementary Health | \$ 923,528 |
| Health Spending Benefit | \$ 139,772 |
| Substance Abuse Facility | \$ 0 |
| Dental Care | \$ 562,387 |
| Total Benefits Paid* | \$1,736,287 |

** This figure does not include claims in the course of payment, unreported claims and pending claims at December 31, 2010.*

STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2010

| ASSETS | |
|-----------------------------------|--------------|
| Cash | \$ 532,082 |
| Investments | \$ 6,565,021 |
| Account Receivable | \$ 85,235 |
| Restricted Cash (premium refunds) | \$ 246,899 |
| Prepaid Expenses | \$ 10,124 |
| | \$ 7,439,361 |
| LIABILITIES | |
| Accounts Payable | \$ 64,664 |
| Due to I.A.T.S.E., Local 669 | \$ 0 |
| Due to I.A.T.S.E., Local 667 | \$ 0 |
| | \$ 64,664 |
| NET ASSETS | |
| Members' Accounts | \$ 4,685,376 |
| Weekly Disability Fund | \$ 455,298 |
| Unrestricted | \$ 2,234,023 |
| | \$ 7,374,697 |
| | \$ 7,439,361 |

STATEMENT OF OPERATIONS AND NET ASSETS FOR YEAR ENDED DECEMBER 31, 2010

| REVENUE | |
|--|-------------|
| Contributions from producers | \$2,518,881 |
| Contributions from individuals | \$ 333,205 |
| Investment Income | \$ 235,929 |
| Total Income | \$3,088,015 |
| GENERAL AND ADMINISTRATIVE EXPENSES | |
| Benefit Premiums (including Claims Administration) | \$1,944,993 |
| Administration and Cost Sharing | \$ 198,100 |
| All Other Expenses | \$ 180,056 |
| Total Expenses | \$2,323,149 |
| Excess (Deficiency) of Revenue over Expenses | \$ 764,866 |
| Adjustment to closing market value | \$ 185,507 |
| Adjusted Excess (Deficiency) of Revenue over Expenses | \$ 950,373 |
| | |
| Net Assets, Beginning of Year | \$6,424,324 |
| Adjusted Excess (Deficiency) of Revenue over Expenses | \$ 950,373 |
| Net Assets, End of Year | \$7,374,697 |

For more information, contact The Administration office at
778-329-4455 or 1.866.366.9667
or visit www.iatse667-669healthplan.com

Financial Summary Definitions

Assets

Everything the Fund owns. Most assets are held as investments stocks, and bonds with UBS Global Asset Management. The Fund also holds cash to pay monthly expenses.

Liabilities

Everything the Fund owes. Most liabilities are the estimated future cost of benefits. The monies owed to the Locals are as a result of the cost-sharing agreement the Fund has with the Local's as part of the Trust Agreement.

Net Assets

Monies held to pay for future member benefits.

Revenue

Producer contributions received through collective agreements, and earnings on the Fund's investments and bank account

Benefit Expenses

Payments to the Manulife, Blue Cross, and Family Services Employee Assistance Programs for member coverage.

Administration and Cost Sharing

The cost of operating the Plan Office, trustee education and meetings, and professional fees (auditor, actuary and lawyer). Cost sharing expenses as a result of the cost-sharing agreement the Fund has with the Local's as part of the Trust Agreement. The current cost sharing formula is based on a flat rate and then a per production rate after that.