

## **ANNUAL GENERAL MEETING**

Performance Hall, Calgary Central Library  
800 – 3 Street SE  
Calgary, Alberta  
Thursday, June 19, 2025 - 12:00 p.m.

### **UNAPPROVED MINUTES – FOR REVIEW ONLY**

*(These minutes have been reviewed by the Executive Committee but are not yet approved.)*

Frank Donegan, MEBAC Vice President, called the Annual General Meeting of the Municipal Employees Benefit Association of Calgary (MEBAC) to order at 12:00 p.m. on June 19, 2025. The President declared an Annual General Meeting as the quorum of one hundred members for a regular meeting were present at the scheduled time of 12:00 p.m. There were 145 members in attendance.

#### **Introductions**

Frank Donegan started the meeting with the land acknowledgement and reviewed the agenda.

Frank Donegan introduced the officers, trustees and alternates of the MEBAC Executive Committee (the “Committee”) and acknowledged the MEBAC representatives who left the Committee in the past year. He explained MEBAC’s structure, trustee responsibilities and the various committees.

#### **Review Minutes of the 2024 Annual General Meeting**

Copies of the minutes from the 2024 Annual General Meeting were distributed in the handout package. Time was provided to the attendees to review last year’s minutes. No errors or omissions were noted.

*It was **MOVED** by Bill Johnson and Seconded by Harry Lew to accept the minutes from the 2024 Annual General Meeting. **CARRIED***

#### **Historic Member Count**

Frank Donegan presented the MEBAC member count over the last five years, which decreased during COVID, but has been increasing since then. There were 17,154 members at the end of 2024, an increase of about five percent over 2023.

#### **2024 MEBAC Financial Statements**

Anthony Montanaro, MEBAC Treasurer, presented the 2024 financial results for MEBAC. Copies of the financial statements were distributed in the handout package.

#### LTD Plan

- The contribution rate was decreased in 2022 and 2023 to 1.25% of pay in order to decrease the surplus which had been building.
- The contribution rate was increased in 2024 to 2.20% of pay in part due to the deficit and investment losses in 2022.
- There was an \$11.4M surplus in 2024, which was refunded to the Operating Plan.
- Expenses increased by about \$343k from 2023 to 2024, while claims were down about \$622k.

#### Health & Dental

- For 2024, the premiums collected for health and dental exceeded the claims paid.
- Over the prior five years, paid benefits exceeded the premiums collected, which was partly by design, as MEBAC has opted to use some of its increasing reserves to cover some of the costs. However, there was a surplus in 2024.

#### Optional Group Life & Critical Illness

- Premiums for these coverages are equal to the amount remitted to the providers.
- Premiums have been increasing over the past five years and interest in this coverage is expected to continue to grow.

#### 2024 Reserves

- There are four reserves: the Claims Fluctuation Reserve (CFR), the LTD Disabled Life Reserve (DLR), the Operating Reserve, and the Pre-95 LTD Reserve.
- The CFR was \$9.06M, an increase of \$0.84M as a result of the increased base on which it is calculated (requirement is 25% of the refund billed premium).
- The DLR was \$18.1M, an increase of \$180k over (requirement is 15% of the Canada Life DLR balance).
- The Operating Reserve had a net increase of \$16.7M, which consisted of \$11.4M from the LTD surplus and \$5.3M from operations.
- The Pre 95 LTD reserve was \$271k; the decrease of \$102K was a result of the accounting valuation. There were 3 claimants at the end of 2024.

#### Investment Returns

- Operating Plan: There was a large loss in 2022 which was consistent with the global market, and rebounds in 2023 and 2024, resulting in investment gains. The 2024 return was \$6.7M (13.4%), with fees of \$152k.
- Pre-95 LTD Plan: The trends are the same as the Operating Plan. The fund was invested in individual assets to the end of 2021, when it was switched to balanced pooled funds as it is small and getting smaller.

#### Operating Plan Financial Results

- Net assets available for benefits at the end of 2024 was \$75.8M, an increase of \$17.7M from 2023.
- The increase was mainly due to a rise in investments from the LTD surplus and a redemption from Northleaf.

#### Statement of changes in net assets

- Net increase in assets of \$17.7M compared to \$1.55M in 2023.
- Total increase in assets of \$20M (\$66M versus \$46M) mainly due to dental contribution of \$0.67M, extended health contribution of \$1.0M, LTD contribution of \$16M, investment income and realized gain contribution of \$1.6M.
- Total decrease in assets of \$4M (\$48M versus \$44M) mainly due to LTD premiums remitted to Canada Life.

#### Pre-95 LTD Plan

- Total assets decreased to \$280k, down from \$382k in 2023, primarily due to a drop in investments from \$311k to \$251k and the elimination of the LTD plan funding obligation receivable of \$36k.

#### **2024 Auditor's Reports**

Copies of the auditor's reports for 2024 were distributed in the handout package. Time was provided to the attendees of the AGM to review them.

*It was **MOVED** by Anthony Montanaro, and Seconded by Harry Lew, to accept the auditor's reports for 2024. **CARRIED***

#### **2024 Core Benefit Plan Financial Statements**

Joanne Kuang, Financial Services Lead, presented the 2024 financial results for the City of Calgary Core Benefit Plan. Copies of the financial statements were distributed in the handout package.

- The City administers the employer-paid components of the benefits plan, including Sickness & Accident ("S&A"), Group Life Insurance, Health Spending Accounts, a portion of extended health and dental, as well as 75% of the Pre-95 LTD Reserve.
- S&A was 38% of the expenses, Extended Health was 26% and Dental was 14%.
- The net contribution from The City in 2024 was \$155M, as compared to \$131M in 2023 (18.32% increase), mainly due to member count, increased utilization and cost.
- The expense for Health was \$46.2M and the expense for Dental was \$20.3M.
- Paid benefits are partially offset by revenue from the Employment Insurance rebate (\$1.66M in 2024).
- As The City Core plan absorbs the majority of uncapped costs, the cost sharing split has been gradually weighted towards The City (81% in 2024). This trend is expected to continue as inflationary pressures continue to act upon the cost of benefits.

### **Executive Committee Activity Report for 2024**

Frank Donegan provided an overview of the Committee activity report for 2024.

- The changes and benefit enhancements outlined during the 2023 AGM became effective January 1, 2024.
- An LTD Funding Policy is in process.
- The Benefit Agreement expired on December 31, 2024; negotiations are in process and targeted to be completed in time for enrolment period in November.
- There will be a joint MEBAC/City audit of the Sickness and Accident, LTD and Health & Dental service providers. The audit will be conducted by a third-party consultant.

### **Governance Update**

Dallas Smith, Governance Committee Chair, provided a summary of the Governance Committee's responsibilities, which include making sure they are doing all they can to ensure MEBAC's work is done properly and smoothly. The trustees and alternates put in a lot of work reviewing and updating the governing documents specific to MEBAC. He presented a list of governing documents with their review timetable.

Dallas Smith noted that MEBAC is a separate entity from The City and therefore needs its own policies and procedures.

### **New Business**

No new business noted.

### **Questions and Responses from Members**

Q- Revenue has gone up 30 percent. Is there a thought to improving benefits?

A- It is being looked at as part of the current negotiations.

Q- Is it possible to see a change in benefits for living with adult children not working?

A MEBAC will take that into consideration.

Q Is there a chance that a new employee could take vacation in their first year?

A That is not a MEBAC question. Further, for union members, it's in the collective agreement.

Q Dental benefits are missing mouth guard coverage.

A That is being looked at as part of the current negotiations.

Q What is the financial status of Sickness and Accident claims now versus pre-pandemic?

A We don't have the history here today, but 2023 was \$53M and 2024 was \$58M.

Q How long can somebody be on LTD?

A to age 65, as long as they are still unable to work.

**Adjournment**

The Annual General Meeting was adjourned at 12:46 p.m.

DRAFT – PENDING APPROVAL