

**LOOKING
AHEAD.**



**MOVING
FORWARD.**



ANNUAL REPORT



2019 TO 2020

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DANIEL MULLOY EXECUTIVE SUMMARY

The Alberta Retired Teachers' Association (ARTA) was established in 1963 as a province-wide organization. Its goal was to offer social activities to its members and to look at issues affecting retired teachers.



In 1995 the ARTA Health Care plan was introduced as a valuable service ARTA offered to retired teachers. In 2008, ARTA invited select public and private sector retiree groups to join the ARTA Health Care plan all in an effort to promote and support a healthy and engaged lifestyle in retirement.

ARTA continues to evolve and is proud to offer member-focused services to its members such as: health care, insurance, wellness information and activities, advocacy, retirement planning, technology information, scholarship awards, travel plans, social activities, as well as many other choice benefits.

ARTA continues to experience tremendous growth. As of June 30, 2020, ARTA had 24,987 members — shortly into the new year, we have over **25,000 members** within the education, public and private sectors. ARTA has seventeen branches throughout Alberta and one branch in British Columbia.

This Annual Report highlights some of our impressive operational and financial results over the past fiscal year as well as brings to light some of our achievements in satisfying

our strategic goals of Member Services, Wellness, Advocacy, and Organizational Excellence.

The ARTA Board of Directors, standing committees and dedicated staff continue to work with our members and partners to effectively provide programs, resources, and activities that ensure all of our members can enjoy a vibrant and engaged lifestyle in retirement.

This year has brought with it many challenges as well as opportunities. I would personally like to thank all the ARTA Board Members, Committee Members and Staff for their valuable contributions over this past year. The commitment and experience they all bring to their roles is a real asset to all those who benefit from what ARTA has to offer. I look forward to the year to come; excitement is in the air and ARTA is ready to take on new and exciting opportunities.

A stylized, handwritten signature in blue ink, consisting of a large loop and a trailing flourish.

Daniel Mulloy

Chief Executive Officer & Executive Director

ARTA BOARD OF DIRECTORS

**24,987
MEMBERS**

**MEMBERSHIP
GROWTH RATE
(2019-2020)**

7.80%

**AVERAGE
MEMBER AGE**

71.1

The Alberta Retired Teachers' Association is governed by a board of directors comprised of retired teachers who have selflessly volunteered their time to serve fellow retired teachers and like-minded professionals.

ARTA Board of Directors as of September 30, 2020:

Lorna McIlroy (President)

Marilyn Bossert (Past President)

Garry Hoffart (Vice President)

Dolaine Koch (Treasurer)

Daniel Mulloy (CEO & Executive Director)

Maxine Anderson

Vi Oko

Karen Atkinson

Doreen Pawlowski

Mel Deydey

Neil Pinder

Keith Elliott

Fred Resler

Erika Foley

Leo Richer

Bill Fraser

Iona Robertson

Joan Godbout

Laurie Semler

Joan Harrison

Brian Scott

Lynda Haverslew

Ron Thompson

Carol Henderson

Frank Tschabold

Larry Lambert

Edna Warriner

Marian Oberg

ARTA BOARD OF DIRECTORS

Looking Ahead: ARTA's Strategic Plan 2021-2025 was based off previous iterations of the strategic plan, including the foundational Strategic Plan, developed in 2013 and the second iteration, developed in 2017.



LOOKING AHEAD ARTA'S STRATEGIC PLAN 2021-2025

Read the full
strategic plan on our
website at
arta.net/strategicplan.

The next iteration of the strategic plan was developed by ARTA's Strategic Planning and Advocacy Committee over the past year and was presented to, and approved by, the Board of Directors on May 26, 2020.

ARTA's strategic goals are coming more into focus as each and every year passes. From the new programs and initiatives that have been created by our board and committees to the contributions by our dedicated partners and staff, our mission of supporting an engaged lifestyle after retirement through member-centred services, advocacy, communication, wellness, and leadership is becoming more of a reality.



MEMBER SERVICES STRATEGIC GOAL



ARTA fosters vibrant, engaged, and informed members.

ARTA is a member-centred organization, proactively identifying the needs of its present and future membership and providing information about programs and services to meet these needs.



ARTA strives to best serve its members at all times. Over the past year we invested in new initiatives and have introduced new programs and services to continue in our pursuit of meeting our members' needs. ARTA is also keen on ensuring our members know what is happening and are continuing to develop communication strategies and platforms to ensure that all eligible members have heard about our association and the opportunities within.

One of our most valued programs is our Benefits Plan. ARTA is always reviewing the plan and making improvements when required. We are constantly balancing our members' needs with the economic and environmental realities that exist; we remain proud to continue to offer one of the best retiree benefits plans in Canada. Our branches and their activities are important to the success of our association; ARTA continues to assist our branches in being strong resource centres for retired teachers.

2019–2020 Member Services initiatives and activities included:

- Continued to provide branch grants to assist in the areas of wellness, member recruitment, and social connectedness amongst members
- Addition of new participant groups (CSU52, Leduc Regional Housing Foundation, Real Estate Council of Alberta, Health Benefits Trust of Alberta, Alberta Council Association of Opticians, Covenant Health, Myers Norris Penny, Health Sciences Association of Alberta, and the Alberta Medical Association)
- Developed “**A Teacher’s Road Map — Your Career Journey**” document to connect active teachers with the correct teacher association
- Launched an improved discount program for ARTA members that is Alberta-based and operates nationally.

RETIREE BENEFITS PLAN **MEMBER SERVICES**

23,436
ENROLLED IN
BENEFITS

BENEFITS
COVERING MORE
THAN
37,012
LIVES

BENEFIT PLAN
GROWTH RATE
FOR 2019-2020
8.5%

The ARTA Retiree Benefits Plan had sustained growth over the past year, consistent with previous years. The Plan has 23,436 covered members, over 1,800 more covered members than last year. The growth in the plan is beneficial for all members — more people covered means more people to spread the risk over, allowing the plan experience to remain relatively stable.

The Plan experience in the first half of the 2020 calendar year was impacted by the COVID-19 pandemic. There was a marked increase in the number of trip cancellation claims and emergency travel claims, resulting in deteriorating experience for the travel benefit. The claims experience was largely offset, however, by the reduction in the number of Extended Health Care claims made because of the lack of access to certain services, even after changes were made to the plan to expand accessibility to other services which could be provided virtually. ARTA was able to reduce both the Extended Health Care and Dental Care rates effective November 1, 2020, as a result of this shift in experience.

The ARTA Health Benefits Committee recommended a number of changes to the ARTA Board of Directors over the past year recognizing the positive variance in the benefits overall could be used to improve the plan, while not requiring any change to the monthly premium rates paid by covered members.

The highlight of the changes the ARTA Board of Directors approved and implemented effective November 1, 2019, was the addition of coverage to flash blood glucose monitors and sensors, which has benefited several covered members.

MEMBER SERVICES RETIREE BENEFITS PLAN



The Board also approved a number of other benefit plan design improvements in November 2019, including:

- Increased the Accidental Dental maximum from \$1,000 per year to \$3,500 per year
- Increased private duty nursing maximum from \$3,000 every three (3) years to \$3,000 per year
- Added coverage for hearing aid accessories to the current hearing aids benefit. Accessories include devices which connect to the hearing aid either by wire or wirelessly, including microphones, television connectivity, and remote controls. Other devices include hearing aid dehumidifiers and cleaning tools
- Add coverage for purchase or rental of knee scooters and hands-free crutches, to a maximum of \$200 every five (5) years
- Added coverage for purchase of CPAP cleaners and sanitizers

More recently the Board approved a number of upcoming plan improvements effective November 1, 2020, including:

- Add coverage for prolotherapy when provided by a licensed health care practitioner
- Add coverage for repairs to walkers
- Loosen the requirements for access to home care coverage following a hospital stay
- Remove frequency limits associated with crowns on the same tooth

These plan improvements were made with monthly rate decreases November 1, 2020.

“Designing — and constantly improving — a Retiree Benefits Plan that empowers our members to live an active lifestyle in retirement is as rewarding for me as for them.”

Gary Sawatzky
Chief Operating Officer





“ARTA encourages work/life balance. During COVID-19, ARTA made it possible to work from home and continue their commitment to me and my fellow coworkers.”

Ameara Falloon
Member Support Specialist

“Being part of the Member Services Team allows me to make personal connections with our members. If I can brighten someone’s day, I know I’ve done my job!”

Antonietta MacEachern
Member Support Coordinator



“ARTA offers an amazing work life balance and I feel valued as part of the team. The organization goes above and beyond to look after the well-being of their staff and truly makes you feel like family.”

Danielle Drozdiak
Member Records Administrator





On February 26, 2020, the ARTA Board of Directors voted in favour of the implementation of the self-administration of the ARTA Retiree Benefits Plan.

This decision came after two months of research and consideration by the ARTA Executive and the ARTA staff. While self-administration of the Retiree Benefits Plan has been a future goal for the ARTA Health Benefits Committee, regulatory changes to Health and Welfare Trusts introduced by the federal government made it an imminent reality.

The ARTA Board of Directors recognizes the opportunities that this change will present for the ARTA membership, both in terms of improved experience for ARTA members when accessing their Retiree Benefits Plan, as well as the opportunity for funds budgeted for third-party administration fees to be reinvested back into the plan. This will also allow us to make significant improvements to the way the Plan is administered, including the capabilities for online claim submissions and a smartphone app.

“ARTA is an organization that recognizes and supports educational and career development, this truly shows how ARTA values their employees, I am proud to be a part of the team!”

Alana Raymond
Administrative Assistant



SELF-ADMINISTRATION MEMBER SERVICES

In order to prepare for self-administration, in this fiscal year, ARTA has:

- Signed an official termination agreement with ASEBP,
- Selected a proponent for benefits claim adjudication,
- Begun systems upgrades and improvements, including a new Customer Relationship Manager administrative software, ARTA Member's web-portal, claims submission capabilities both online and using a mobile app, new phone system, and more,
- Secured new office space to account for organizational growth, both in responsibility and team size, and
- Hired additional staff to help support our growing operations.

ARTA has been moving forward towards self-administration with the official transition date, from the current third-party administrator (ASEBP) to ARTA set for January 1, 2021.

The ARTA Board of Directors, Officers, and staff are excited for this opportunity to better serve our membership and strengthen the sustainability of the organization. We look forward to continuing to provide our members with one of the best Retiree Benefits Plans in the country.

**ONE
LOCATION
TO SERVE
ALL YOUR NEEDS**

15505 137 AVE NW
EDMONTON, AB
T: 780-822-2400



WELLNESS STRATEGIC GOAL



ARTA promotes a healthy, active and enhanced quality of life for retired people.

ARTA is a leader and advocate in the promotion of wellness for retirees. ARTA develops and implements strategies to enhance the quality of life of its members and retired people in the community.



Over the past year, ARTA has made tremendous strides in the area of wellness for its members. Focus continues to be in the areas of physical, intellectual, social, emotional, economic and spiritual wellness. Our Wellness, Health Benefits, and Pension & Financial Wellness committees have all spearheaded initiatives that address the overall wellness of our members.

Researching, analyzing and developing wellness-related programs and initiatives focused on our members' total wellness is a passion of our association that we hope will have a tremendous impact in our members' healthy pursuit of an engaged lifestyle after retirement.

2019–2020 Wellness initiatives and activities included:

- Wellness clinics, which has been expanded after working with our Registered Nurse Wellness Consultant
- to include blood glucose testing, weight management discussion, and hypertension screening, in addition to continuing to use the Inbody machine, which measures height, weight, body mass index, skeletal muscle mass, and lean body mass
- Wellness education, communication, and research
- Encouraging our members to be physically and mentally active with initiatives like the annual ARTA Wellness Challenge, ARTA Writing Contest, and ARTA Photo Contest, and ARTA mental wellness activity.
- Working with our strategic partners to make available pertinent wellness information to our members
- Relevant wellness focused information and articles in ARTA's *news&views* magazine, along with a four-part series on mental and emotional health provided by our Registered Nurse Wellness Consultant



931,317

MIN. OF PHYSICAL
ACTIVITY IN THE
2020 WELLNESS
CHALLENGE

THAT'S
EQUIVALENT TO
15,522
HOURS



ARTA ensures a unified voice is heard on issues affecting current and future retired individuals.

ARTA is an effective advocate for its members and retirees with similar interests and concerns. ARTA is recognized as a valued and respected spokesperson on behalf of its members and those in the broader community.



Ensuring our members' voices are heard on issues impacting them most is of vital importance to ARTA. Advocating for retirees in Alberta and beyond is a never-ending pursuit for our association. Over the last year, ARTA participated in advocacy on a number of issues and we continue that pursuit today.

Areas of focus include: health care, dental fees, housing for seniors, long-term health care, income equality, and more. ARTA, along with its strategic partners, continues to be active in bringing issues affecting seniors to the forefront, ensuring that those in political office are mindful of the needs of seniors.

2019-2020 Advocacy initiatives and activities included:

- Seat on the Board of Directors of ACER-CART (Canadian Association of Retired Teachers)
- Meetings with the Deputy Premier of Alberta and Minister of Health
- Member of PIA (Public Interest Alberta)
- Actively advocating on behalf of our members and all seniors in Alberta through communications, publicized opinions, and letter writing to the Premier and Cabinet Ministers on the following issues:
 - ATRF investment management change,
 - Changes to the Alberta Seniors Drug Plan,
 - Phasing out of the Seniors Advocate role,
 - The Choice in Education Act, and
 - The government partnership on curriculum development.



ARTA BRANCHES **ADVOCACY**

ARTA has seventeen branches in Alberta and one branch in British Columbia, and all offer unique opportunities for social connectedness, learning opportunities, and volunteerism.

Each of the branches operates independently, and while the events vary, the ability to connect with fellow retired teachers remains. Highlights for every branch include the “no bells breakfasts” held each September, as well as Christmas luncheons, often complete with caroling.

This year, many of the branch events were impacted by COVID-19, being postponed or cancelled, including a trip to Europe that had to return home much earlier than planned.

The branches were creative and resilient and moved online, distributing newsletters electronically or through the mail and hosting virtual Annual General Meetings. All branches will also “send” delegates to the ARTA virtual Annual General Meeting. They look forward to resuming in person activities and fostering camaraderie when it is safe to do so.

83%

OF EDUCATION
SECTOR MEMBERS
OPENED AND READ
ARTA ADVOCACY
EMAILS

97.7%

OF ARTA MEMBERS
VOTED IN THE
2019 FEDERAL
ELECTION



ARTA nurtures leadership, encourages communication, recognizes achievement and embraces sustainability.

ARTA is an effective, ethical, and transparent organization that provides services, resources, and advocacy in the pursuit of an engaged lifestyle after retirement for its members. ARTA is recognized as an employer of choice by the business and non-profit community in the province of Alberta.



In the first iteration of ARTA's strategic plan, organizational excellence was identified as a key component necessary for the success of all three goals. Since then, it was determined that it is so integral to the success of the association that ARTA positioned it as a fourth strategic goal in the 2017-2020 Strategic Plan.

2019-2020 Organizational Excellence initiatives and activities included:

- Continuous review and improvement of ARTA *news&views* magazine, email newsletter *ARTAfacts*, and Facebook
- ARTA's board members, committee members, staff, and appropriate branch representatives took advantage of opportunities for continued education and skills training to succeed in their roles
- Review and implementation of amendments to both of ARTA's governing documents: Bylaws and Policies and Procedures
- Completion of a successful audit of our financial position
- Launch of ARTA Instagram Account

STRATEGIC GOAL **ORGANIZATIONAL EXCELLENCE**



- Continual implementation of a marketing strategy to ensure the message of ARTA is meeting its target audiences
- Recipient of the 2019 Canadian Nonprofit Employer of Choice award, which recognizes ARTA as a nonprofit organization with exemplary talent management practices and successful mission delivery
- Recipient of a 2020 Gold Quill Award, an international competition that recognized ARTA for excellence in Communications, specifically for ARTA Wellness: The Diabetes Volume



It is a privilege to work for ARTA; it is such a dynamic organization where ideas and knowledge are valued. Each new team member makes the entire organization better and it is exciting to see where the future will take us.”

Amanda Shaw
Chief Marketing Officer



I am proud to be part of the ARTA team; we work collaboratively to achieve our goals and my ideas are heard. I truly enjoy coming to work every day.”

Jennifer Hope
Business Development and Marketing Coordinator

ARTA encourages me to push my creativity to enhance the ARTA brand. I get to work on so many different projects, and it’s great to see the impact my work has.”

Virginia Quist
Creative Designer



ARTA recognizes my full potential and fosters my strengths. When I’m here, I’m home.”

Tony Esteves
Digital and Creative Strategist



INTRODUCING OUR COVER MODELS — OUR MEMBERS!

news&views magazine is ARTA's largest communications piece and this year, it became even more representative of our membership by featuring actual ARTA members on the cover and in an article in each of the newly themed issues.



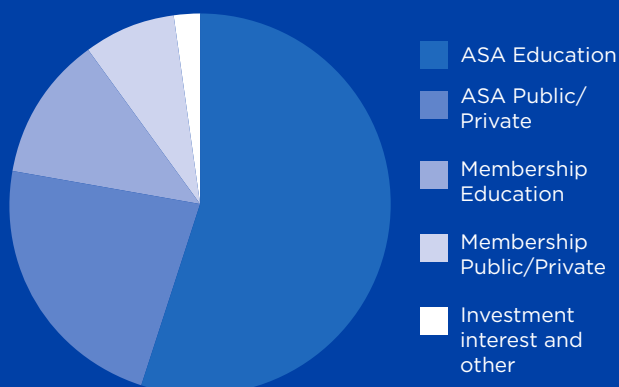


The 2020 fiscal year at ARTA ended with the strongest financial position that the organization has seen in over a decade. Overall revenue increased 10.5% — which was 0.3% less than forecasted budget. Overall expense increased 7% — which was 12% less than what had initially been forecasted.



REVENUE SUMMARY

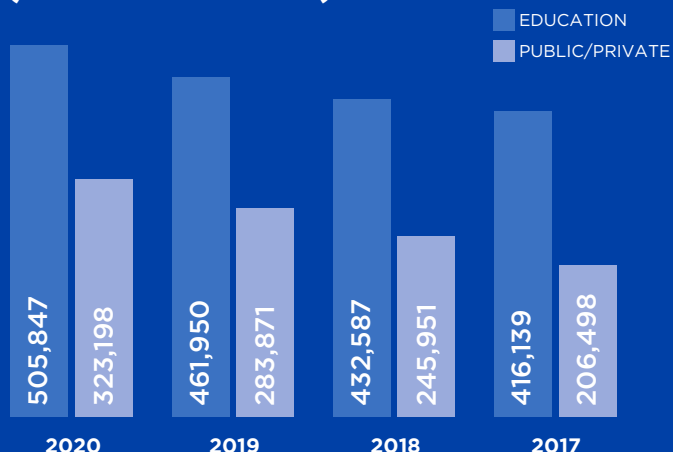
In the 2020 fiscal year, ARTA had total revenue and other income amounting to \$4.105M. The composition of this revenue was 55% administrative services agreement revenue (Education Sector), 23% administrative services agreement revenue (Public/Private Sector), 12% membership revenue (Education Sector), 8% membership revenue (Public/Private Sector). A final 2% of revenue was made up of investment interest and other income.



MEMBERSHIP REVENUE

Membership growth in ARTA continued to grow at a substantial pace. Overall membership revenue met budgeted expectations for the year. Education sector membership revenue edged upward significantly — with a 9.5% growth rate. Public/Private sector membership revenue saw a combined increase of 13.9%.

MEMBERSHIP REVENUE GROWTH (YEAR OVER YEAR)



ADMINISTRATIVE SERVICES AGREEMENT REVENUE (ASA)

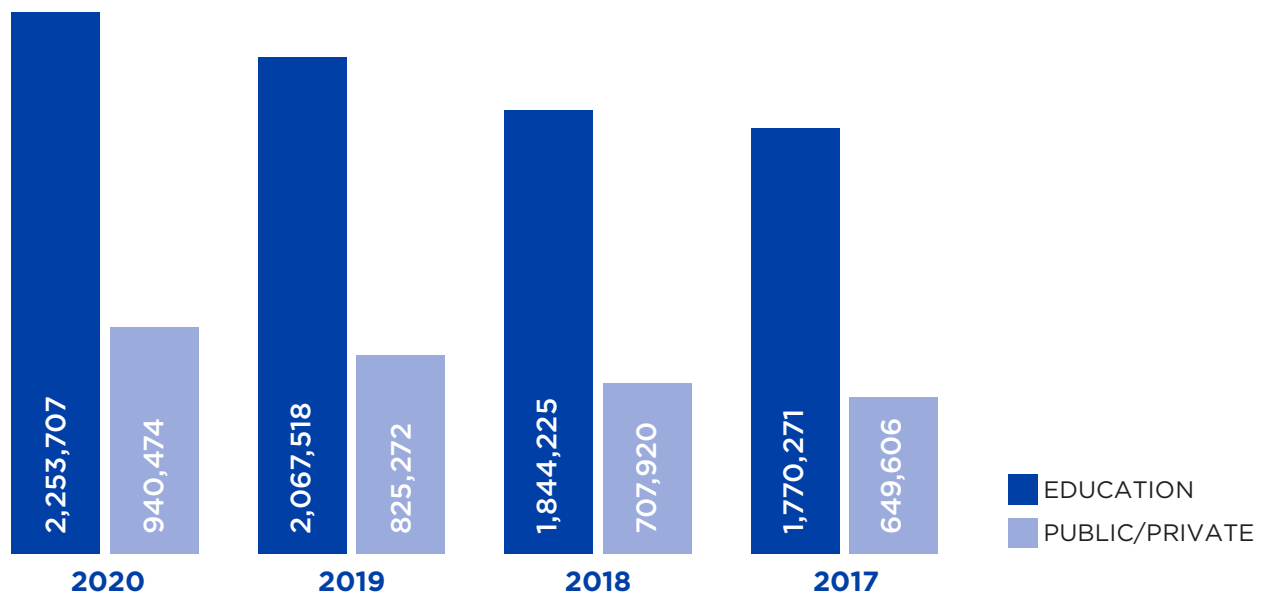
The ASA revenue was conservatively estimated at the beginning of the budget year based on actual experience reporting from the prior year. ASA revenue continued its push upward in direct correlation with the strong membership growth. Combined ASA revenue (Education and Public/Private sectors) met budget expectations. ASA revenue (Education sector) grew by 9% over the prior year. ASA revenue (Public/Private sector) grew by 14% over the prior year.

OTHER REVENUE

Advertising revenue increased slightly over the prior year. Investment interest continued to grow much higher than forecast. Interest rates increased (until fiscal year end re-investment) and more cash became available to invest. Cash holdings were evaluated against amounts required for future cash flow at the start of the 2020 fiscal year. No additional amounts were invested at the start of the year.

Overall revenue came in \$13,000 less than what had been budgeted. This was nearly spot on with revenue projections.

ASA REVENUE GROWTH (YEAR OVER YEAR)





EXPENSE SUMMARY

The majority of meetings and events which had been scheduled for the third and fourth quarter of the fiscal year were either cancelled or deferred because of the COVID-19 pandemic. Nearly all expense categories at year-end came in substantially below budgeted amounts.

Notable exceptions included the following:

- Annual General Meeting, ARTA *news&views* Magazine, salaries, wages and benefits, professional fees, and subcontracting expense.
- The ARTA Annual General Meeting held in October 2019 came in 16% over budget. There were more attendees than in the prior year — and a handful of the costs relating to supplies and subcontracting for the event were higher than expected.
- The *news&views* Magazine costs came in 11% over budget. This was in line with increased membership but primarily related to improvements in the magazine layout, page format, and overall size. There were some additional costs relating to the first run — weight and size — where marketing and communication additions were added.
- ARTA Salaries, wages and benefits came in 4% over budget. This increase was consistent with staff additions. Additional staff were required to assist with the self-administration initiative; these position could not be accounted for in our original budget submission.
- Professional fees were 46% greater than budget. These costs were completely unanticipated at the start of the fiscal year. COVID-19, self-administration, new building lease and other considerations required substantially more legal advice than had been anticipated.

Subcontracting costs came in 31% over budget. A new membership rewards program — BOOM was introduced to ARTA members. The costs for the inaugural year were \$57K. The remainder of anticipated costs related primarily to marketing endeavors. Unanticipated assessment and design costs relating to new ARTA building acquisition and plan self-administration — which had not been foreseen — accounted for the majority of overage.

Overall expenditures came in \$451,000 less than what had been budgeted. This was substantially less than initial projected.

EXCESS OF RECEIPTS OVER EXPENSES FROM OPERATIONS

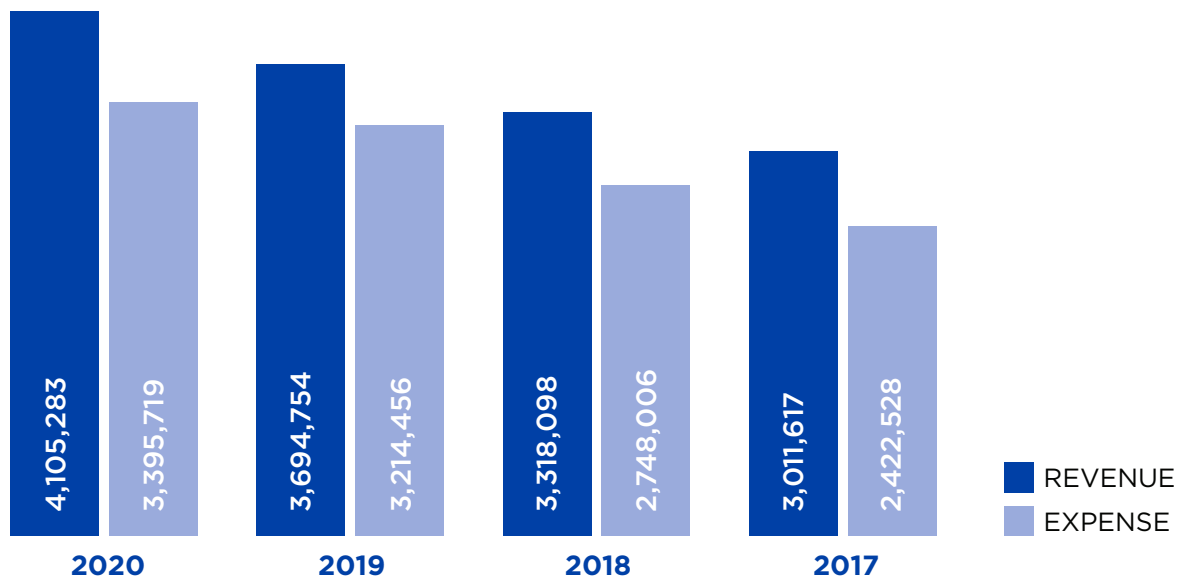
ARTA had an excess of receipts over expenses on the year amounting to \$709,564.

ARTA is embarking down the road toward self-administration of its Retiree Benefits Plan. The Go-Live date is scheduled for January 1, 2021. A significant portion of cash on hand currently held in ARTA's operating bank account will be required to meet the spending requirements of this initiative.

Reserves held in investments are expected to continue to be held (despite low interest rates) — serving as a backstop against any future losses that the association might encounter.

It can be assured that in the event of any short-term future losses, the association can continue to operate and that current and future liabilities can be met at this time.

REVENUE AND EXPENSE (YEAR OVER YEAR)



STATEMENT OF FINANCIAL POSITION

YEAR ENDED JUNE 30, 2020

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 1,655,583	\$ 1,318,609
Restricted cash	22,672	22,665
Investments	1,369,637	1,341,497
Accounts receivable	27,017	16,307
Inventory	15,705	5,755
Prepaid expenses and deposits	240,116	73,155
	3,330,730	2,777,988
PROPERTY AND EQUIPMENT	554,954	551,651
WEBSITE	53,931	45,951
	\$ 3,939,615	\$ 3,375,590
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 164,238	\$ 237,350
Current portion of deferred contributions	90,222	117,265
Current portion of improvement allowance	15,959	15,959
	270,419	370,574
DEFERRED CONTRIBUTIONS	31,500	60,925
IMPROVEMENT ALLOWANCE	90,434	106,393
	392,353	537,892
NET ASSETS	3,547,262	2,837,698
	\$ 3,939,615	\$ 3,375,590
LEASE COMMITMENTS		

ALBERTA RETIRED TEACHERS' ASSOCIATION

STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED JUNE 30, 2020

	2020	2019
REVENUES		
CURRENT		
Administrative revenue	\$ 3,194,181	\$ 2,892,790
Membership revenue	829,045	745,821
Home and auto royalties	30,000	30,000
Advertising revenue	14,739	8,150
Scholarships and awards	5,000	5,000
Grant revenue	-	500
	4,072,965	3,682,261
EXPENSES		
CURRENT		
Salaries and wages	\$ 1,643,744	\$ 1,491,632
Committees and Annual General Meeting	317,902	388,783
Rental	277,321	171,332
Magazine	257,813	214,946
Office	155,447	130,954
Sub-contracts	133,001	27,157
Amortization	92,383	95,267
Legal fees	73,932	57,379
Supplies	71,263	63,914
Equipment rentals	63,195	58,276
Donations	56,618	86,194
Printing	47,012	32,683
Training and conferences	30,032	31,023
Meals and entertainment	27,553	36,675
Travel	24,139	28,619
Repairs and maintenance	20,667	32,143
Insurance	20,257	15,669
Dues and memberships	18,455	15,876
Telephone	17,935	14,921
Professional fees	15,000	18,393
Advertising and promotion	13,721	14,915
Accommodation	8,215	19,494
Utilities	6,830	4,370
Interest and bank charges	3,284	3,659
Member retreat	-	150,868
Grants	-	5,000
	3,395,719	3,210,142
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	\$ 677,246	\$ 472,119

ALBERTA RETIRED TEACHERS' ASSOCIATION

STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED JUNE 30, 2020

	2020	2019
OTHER INCOME (EXPENSES)		
Other income	\$ 3,458	4,951
Interest income	28,860	26,636
Impairment loss	-	(6,847)
Loss on disposal assets	-	(19,094)
	32,318	5,646
EXCESS OF REVENUES OVER EXPENSES	\$ 709,564	\$ 477,765

ALBERTA RETIRED TEACHERS' ASSOCIATION

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2020

	2020	2019
NET ASSETS - BEGINNING OF YEAR	\$ 2,837,698	\$ 2,359,933
EXCESS OF REVENUES OVER EXPENSES	709,564	477,765
NET ASSETS - END OF YEAR	\$ 3,547,262	\$ 2,837,698



“ARTA is more than a workplace for me — it’s a second home. I love going to work every morning and being in an environment where everybody plays a role and is appreciated.”

Scott Tywoniuk
Chief Financial Officer

“I am encouraged not only to be myself at work, but also to bring my passions into the office. Music is part of me, and I love sharing it.”

Barrington Simpson
Accounting Coordinator



“ARTA is more than just a place of employment — it’s a well-managed environment where development and creativity thrive. I am so proud to be part of the team.”

Kristine Willis
Senior Executive Assistant



ROLE OF THE ARTA BENEFIT PLAN TRUST FUND

While the Trust is responsible for the collection of all premiums and dispersal of all funds, namely extended health care, dental, and emergency travel, it has contracted the administration of the plan to ARTA. After benefits are paid and administration costs taken care of, any reserves left are invested by the Trust. With the assistance of the Health Benefits Committee and professional advisors, the Board of Trustees develops, implements, monitors, and reports on the investment of the assets of each Trust Fund, and in particular the reserves relating to each

Benefit Plan. The assets and liabilities of each Fund (Education Sector Trust Fund, Public/Private Sector Trust Fund and Emergency Travel Fund) are always kept separate and apart from the assets and liabilities of each Fund. The Trust engages a professional Investment Manager to invest funds according to the Trust's Statement of Investment Policies and Procedures. The investments are assets held to backstop the operation of the Benefit Plans, if needed. The Trust adheres to Canada Revenue Agency regulations.

ROLE OF THE ARTA BENEFIT PLAN TRUST FUND

Submitted by **Ernest Clintberg (Incoming Chair)** and **Dorothy Ungstad (Outgoing Chair)**

ARTA BENEFIT PLAN TRUSTEES

Ernest Clintberg	Arlene Purcell
Gerhard Sawatzky	Patrick Sproule
Dorothy Ungstad	Sharon Vogrinetz

CALENDAR YEAR 2019 AUDIT

The independent auditor Metrix Group LLP has completed the 2019 Audit. The Financial Information is a condensed version of the 2019 Audit.

FINANCIAL INFORMATION - THE DETAILS

At the end of 2019, the overall Trust Fund had reserve assets of about \$28,700,000, an increase of about \$4.7 million over 2018. Member Contributions increased from approximately \$61,000,000 to \$67,500,000 in 2019. Increased member contributions and increased claims were a direct result of an increase in the number of members in the ARTA Benefit Plan. During the 2019 fiscal year \$67,499,633 was collected in gross premiums. \$47,908,311 of this amount related to Education Sector with the remaining \$19,591,322 Public and Private Sector.

INVESTMENT RETURNS MARKET VALUE

COMPARED TO 2018

SECTOR	2019	2018
EDUCATION	\$ 12,124,696*	\$ 10,382,456
PUBLIC/PRIVATE	\$ 4,264,178*	\$ 3,655,294
EMERGENCY TRAVEL	\$ 5,165,518**	\$ 2,881,534
TOTALS	\$ 21,554,392	\$ 16,919,285

INVESTMENT RATE OF RETURN MARKET VALUE AS OF DEC. 31, 2019

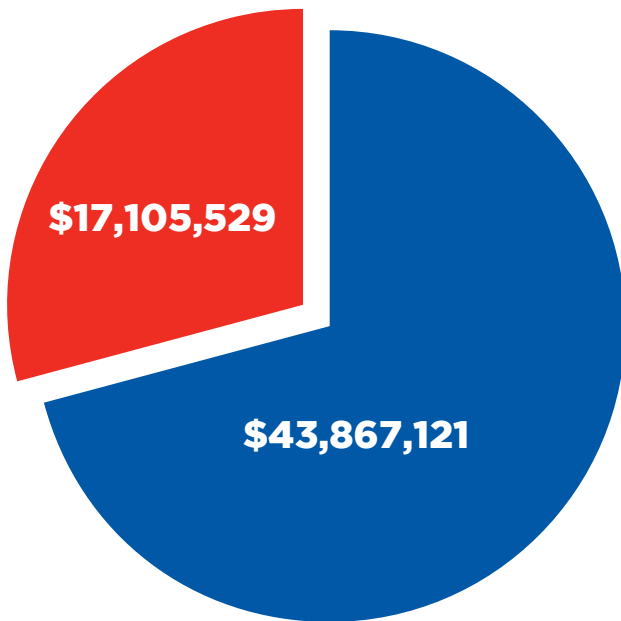
EDUCATION/PUBLIC/PRIVATE		PUBLIC/PRIVATE		EMERGENCY TRAVEL	
1 YEAR	14.521%	1 YEAR	14.524%	1 YEAR	14.336%
3 YEARS	6.042%	3 YEARS	6.043%	2 YEARS	5.045%
5 YEARS	6.688%	5 YEARS	6.681%	3 YEARS	5.582%
10 YEARS	7.702%	10 YEARS	7.947%	4 YEARS	5.400%

ROLE OF THE ARTA BENEFIT PLAN TRUST FUND

The Trust Fund's payments were distributed in a similar manner across both Education and Public and Private Sector — except for Claims and Travel (See Pie Chart B). The amounts allocated for claims ranged from 66% in the Education Sector to 71% in the Public and Private Sector. Amounts allocated to travel accounted for 20% in the Education Sector and 15% in the Public and Private Sector. In all other categories, the distribution of payments was relatively similar. Claims Processing by ASEBP accounted for 7%, ARTA Administrative Services accounted for 4.5%, Travel Reserve approximately 1%, Humanacare 0.5% across all sectors.

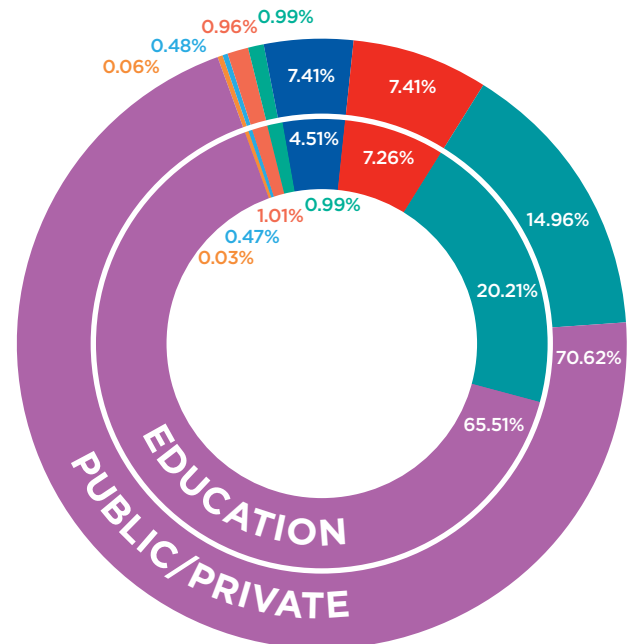
The final amounts transferred to the Trust Fund (after all payments were considered) were \$476,878 in the Education Sector and \$195,501 in the Public and Private Sector. \$422,706* was a one-time transfer out of the Education and Public/Private Trust Funds sent to ASEBP for GST not paid for past administration fees. Emergency Travel received a payment of \$673,723. In addition, a one-payment from Allianz of \$1,000,000** came in October 2019. This one-time transfer came as a cumulative result of an earlier increase in premiums instituted about 5 years ago.

GROSS PREMIUMS



■ EDUCATION
■ PUBLIC

PAYMENT DISTRIBUTION



■ ARTA
■ ASEBP
■ OTHER
■ TRAVEL
■ CLAIMS ALLOCATION
■ TRAVEL RESERVE
■ HUMANACARE
■ ARTA TRUST

STATEMENT OF FINANCIAL POSTION

SOURCE: 2019 AUDITED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

	2019	2018
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 5,351,322	\$ 4,496,204
Receivables	1,121,780	1,295,650
Prepaid expenses	1,008,443	723,652
Investments	21,839,902	17,579,677
	\$ 29,321,447	\$ 24,095,183
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 41,656	\$ 42,958
Reserved for unpaid claims	3,171,292	1,767,286
NET ASSETS AVAILABLE FOR BENEFITS	\$ 26,108,499	\$ 22,284,939

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

SOURCE: 2019 AUDITED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

	2019	2018
INCREASE IN NET ASSETS		
Member contributions	\$ 67,501,799	\$ 60,975,826
Investment income (loss)	2,712,497	(394,839)
Allianz profit share	703,896	620,251
	70,918,192	61,201,238
DECREASE IN NET ASSETS		
Health, dental and travel claims	\$ 56,699,737	\$ 49,894,301
Claims administration fee	5,456,779	4,225,199
Administration fees	3,063,697	2,766,575
Increase (decrease) in reserve for unpaid claims	1,404,007	(478,436)
Administration	214,719	555,522
Investment manager fees	154,702	141,609
Professional fees	42,602	32,335
Conferences	26,281	16,680
Travel	15,644	14,189
Bad debts	8,167	13,275
Insurance	3,965	3,613
Other	2,928	1,449
Bank charges	1,404	1,537
	67,094,632	57,187,848
INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS	3,823,560	4,013,390
Net assets available for benefits, beginning of year	22,284,939	18,271,549
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	\$ 26,108,499	\$ 22,284,939



ALBERTA RETIRED TEACHERS **CHARITABLE FOUNDATION**

From classrooms and beyond, the Alberta Retired Teachers Charitable Foundation and its members are linked by one passionate purpose: to help assist Alberta seniors in

the pursuit of appropriate housing, health services, and education to improve their lives — and our lives! — for years to come.



In 2012, the Alberta Retired Teachers' Charitable Foundation was launched with this Mission Statement. Working at arms-length from ARTA, it was envisioned to be an independent organization that would enable Alberta's Retired Teachers make a difference in the lives and opportunities of Alberta's Seniors.

The years that followed saw ARTCF establish itself initially as a not-for-profit society in

Alberta, and subsequently gain Charitable Status with the Canada Revenue Agency. We currently have an annual budget of \$70,000 available to be dispersed to selected partnerships. More significantly, with ARTA covering the majority of the Foundation's operating costs — over ninety-five per cent of donations directly impact and assist seniors in Alberta.



We're pleased to have this opportunity to share a brief report of the Foundation's Activity over the past year:

CURRENT PARTNERSHIPS

Parkinson Association of Alberta. \$25,000 was granted in 2019-2020, marking our continued commitment to fund the three Alberta Retired Teachers Charitable Foundation tele-support groups, enabling those impacted with Parkinson's to talk with others across Alberta about living with Parkinson's disease and Parkinson's plus syndromes. (March 2019)

We initiated a Grant of \$14,000 to the Alzheimer Society of Alberta and Northwest Territories to support "Minds in Motion" (MiM), a program designed for people with early to mid-stage Alzheimer's disease or another dementia to enjoy with a care partner. MiM combines physical activity & mental stimulation. (September 2019).

We renewed our support for the Alzheimer Society of Calgary, with a grant in the amount of \$30,000 to provide caregiver education sessions and public education events. (March 2020)

Our newest partnership, with a grant of \$7,500, is with Operation Friendship Seniors Society, located in downtown Edmonton. They provide social and mental health supports for needy seniors in the downtown core. (July 2020)



RECOGNIZING OUR FUNDERS

Last year we introduced our Donor Wall to celebrate those corporate, branch and individual supporters who made significant donations. This initiative has been very successful, to the point that we are close to exhausting the available space.

Fortunately, ARTA's relocation to a new facility will enable a larger wall space, and the ability to double the size of the 'Artwork'. This will provide an ongoing reminder of our collective will to make a difference in our wider community.

RECOGNIZING OUR MEMBERS

Approximately thirty condolence cards a month are sent out to families of newly deceased members indicating an ARTA donation of \$50 to the Foundation, in their memory. The initiative is well received.



FUNDRAISING

The majority of our funds come from the annual allocation from ARTA, as well as the generosity of our Corporate Partners, Branches and Members. To supplement these sources, we are currently looking at other activities.

ARTA Golf Tournament — Thanks to the leadership of Daniel Mulloy and Amanda Shaw, this initiative was guaranteed to be a success, with a large number of committed sponsors, lots of registrations by excited golfers, and a plethora of supporting activities for a great day. And then... COVID-19 showed up.

As we felt that it was not in the best interests of our members to participate in a tournament until they could confidently enjoy the full camaraderie and celebration the event traditionally provides, the booking was cancelled. The good news... we have ARTA's blessing to host in 2021... we still have the enthusiastic golfers... and most sponsors have committed to being back next year, as has the Ponoka Golf Club.

**OVER
95%**
OF DONATIONS
DIRECTLY IMPACT AND
ASSIST SENIORS
IN ALBERTA



ALBERTA RETIRED TEACHERS **CHARITABLE FOUNDATION**

FURTHER FUND DEVELOPMENT

We continue to pursue the path to eligibility to host a casino. Blessings on Daniel again, for being our point man on this endeavor over the past few years. After dogged effort and endless paperwork, we are now eligible to apply. However, even though we have been assured that our latest application was excellent, we're informed the forms have been changed, so please re-submit. Thank goodness for Daniel's tenacity in pursuing this opportunity on our behalf.



ARTCF BOARD FOR 2019 - 2020

Thanks to Maxine Anderson, Frank Bruseker, Graham Sewell, and Gordon Cumming for serving as elected Directors this year, Marilyn Bossert for being liaison to the ARTA Executive, and to Daniel Mulloy for serving as Executive Director. As well, thanks to ARTA for allowing us to draw on the time and talents of all ARTA staff, in particular Amanda Shaw and Scott Tywoniuk.

Elections of Directors take place at the Annual General Meeting of the Foundation, which coincides with the November Board of Directors Meeting of ARTA.

As a Board we thank all of them and you for the continuing support.

Together we make a difference.

Gordon Cumming — ARTCF Chair

ALBERTA RETIRED TEACHERS CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL POSTION

YEAR ENDED JUNE 30, 2020

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 72,775	\$ 57,768
Accounts receivable	8,000	19
Prepaid expenses	-	3,291
	80,775	61,078
CAPITAL ASSETS	7,071	1,434
	\$ 87,846	\$ 62,512
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 5,792	\$ 5,792
Deferred income	8,000	-
	13,792	5,792
NET ASSETS	48,720	56,720
	\$ 62,512	\$ 62,512

ALBERTA RETIRED TEACHERS CHARITABLE FOUNDATION

STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED JUNE 30, 2020

	2020	2019
REVENUE		
Donations	\$ 65,100	\$ 71,565
Interest income	30	26
	65,130	71,591
EXPENSES		
Ammortization	945	159
Donations	51,000	73,000
Interest and bank charges	51	45
Professional fees	3,041	2,508
	55,037	75,712
NET ASSETS	\$ 10,093	\$ (4,121)

ALBERTA RETIRED TEACHERS CHARITABLE FOUNDATION

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2020

	2020	2019
OPERATING ACTIVITIES		
Net assets - Beginning of Year	\$ 56,720	\$ 60,841
Excess of revenue over expenses	10,093	(4,121)
Net assets - End of Year	\$ 66,813	\$ 56,720

ALBERTA RETIRED TEACHERS CHARITABLE FOUNDATION

STATEMENT OF CASH FLOW

YEAR ENDED JUNE 30, 2020

	2020	2019
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 10,093	\$ (4,121)
Item not affecting cash:		
Amortization of equipment	945	159
	11,038	(3,962)
Changes in non-cash working capital:		
Accounts receivable	(7,981)	(19)
Accounts payable	(2,509)	3,257
Deferred income	17,750	-
Prepaid expenses	3,291	(3,291)
	10,551	(53)
Cash flow from (used by) operating activities	21,589	(4,015)
INVESTING ACTIVITY		
Purchase of equipment	(6,582)	(1,593)
INCREASE (DECREASE IN CASHFLOW)	15,007	(5,608)
Cash - beginning of year	57,768	63,376
CASH - END OF YEAR	\$ 72,775	\$ 57,768

