

**MOVING  
FORWARD.**



**LOOKING  
AHEAD.**



**ARTA** ALBERTA  
RETIRED TEACHERS'  
ASSOCIATION

---

**2020-2021 ANNUAL  
REPORT**

---

## 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 (the original name of the ARTA Retiree Benefit Plans) was introduced as a valuable service ARTA offered to retired teachers, and beginning in 2008, ARTA started to invite select public and private sector retiree groups to join its membership. To this day, the goal of ARTA's Retiree Benefit Plans are to promote and support a healthy and engaged lifestyle in retirement.

ARTA continues to evolve and is proud to offer member-focused services, 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.

Year after year, ARTA continues to experience tremendous growth. As of June 30, 2021, ARTA had **26,518 members** within the education, public, and private sectors — growth that shows no signs of slowing.

## TABLE OF CONTENTS

---

ARTA Board of Directors .....	6
Executive Summary.....	7
Strategic Goal — Member Services .....	8
Retiree Benefit Plans.....	9
Self-Administration .....	10
ARTARx .....	12
Strategic Goal — Wellness .....	14
Strategic Goal — Advocacy.....	16
Strategic Goal — Organizational Excellence .....	18
2021 Financial Overview .....	20
2020-2021 Consolidated Statement of Financial Position .....	24
2020-2021 Consolidated Statement of Revenues and Expenditures .....	25
2020-2021 Consolidated Statement of Changes in Net Assets.....	26
Report from the ARTA Benefit Plan Trust Fund .....	29
Report from the Alberta Retired Teachers Charitable Foundation .....	33

## ARTA BOARD OF DIRECTORS

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, 2021:

Lorna McIlroy (President)

Marilyn Bossert (Past President)

Deb Gerow (Vice President)

Dolaine Koch (Treasurer)

Daniel Mulloy (CEO & Executive Director)

Karen Atkinson

Maria Lentz

Mel Deydey

Carl McColl

Keith Elliott

Mary O'Neill

Dennis Espetveidt

Doreen Pawlowski

Erika Foley

Neil Pinder

Bill Fraser

Fred Resler

Julie Ginther

Leo Richer

Joan Godbout

Iona Robertson

Joan Harrison

Brian Scott

Lynda Haverslew

Ron Thompson

Carol Henderson

Frank Tschabold

Larry Lambert

Edna Warriner

# 26,518 MEMBERS

ARTA  
MEMBERSHIP  
GROWTH RATE  
(2020-2021)

# 6.12%

MEMBERS WHO  
ARE 100 YEARS OF  
AGE OR OLDER

# 24

AVERAGE  
MEMBER AGE

# 71.4

## DANIEL MULLOY EXECUTIVE SUMMARY

This Annual Report highlights our impressive operational and financial results over the past fiscal year and 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 our members can enjoy a vibrant and engaged lifestyle in retirement.

This past year, an opportunity came our way to take on the self-administration of our benefits plan. With this opportunity came many challenges, but also, many triumphs. Through the dedication and support of our staff and business partners, we were able to overcome hurdles that were put in our way and develop our team and processes to not only meet expectations but exceed them. Making large organizational changes is never easy but implementing such a change during a global pandemic added an extra layer of complexity, one that we were able to meet head on. Our association was able to create a work-from-home model that allowed us to meet our members needs and expectations. While the pandemic still lingers, ARTA has been able to grow and has worked very hard to maintain its status as one of the best retiree plans (and associations) in Canada.

On the heels of self-administration, ARTA is also looking ahead to ensure the long-term sustainability and affordability of our benefit

plans, all while keeping a focus on our members' health. In the winter of 2022, ARTA will be introducing a plan-sponsored pharmacy called ARTARx that will bring a level of service and experience to our members that no other plan in Canada can match. Our members' health is of the utmost importance to ARTA, and this new pharmacy initiative will help us deliver on our mission to ensure that members can enjoy a vibrant and engaged lifestyle in retirement.

Along with the introduction of this plan-sponsored pharmacy, ARTA continues to embrace the challenges that competition brings its way. We are continually reworking and reimagining our plan structure and offerings to ensure that our members have the best options when it comes to planning out their retirement.

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 an 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 as ARTA takes on new and exciting opportunities.



**Daniel Mulloy**  
Chief Executive Officer &  
Executive Director





### 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 offer the best level of service to its members at all times. Over the past year, ARTA has invested in new initiatives, technology, staff, and services and began self-administering the Retiree Benefit Plans.

Self-administration of the Plan was no small feat. It included more than doubling the number of ARTA employees to better serve our members, moving into a new building, developing a new administration system, selecting a new claims adjudicator company, developing a new online members' portal, and ensuring members' experiences were as seamless as possible. And we managed to make all of these changes while ARTA's staff was working from home due to the COVID-19 pandemic. While challenges always arise with transitions as large and as significant as self-administration, ARTA was up to the test and has reached a point where administration of the plan is operating smoothly.

One of our most valued programs are our Benefit Plans. ARTA is always reviewing the plans and making improvements when required. We are constantly balancing our members' needs with the economic and

environmental realities that exist; we remain proud to offer one of the best selections of retiree benefits plan 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.

#### **2020–2021 Member Services initiatives and activities included:**

- Continuation of branch grants to assist in the areas of wellness, member recruitment, and social connectedness amongst members. This year saw the introduction of a new Zoom license grant, allowing branches to access the video chat app that became essential for communication and social connectedness during the COVID-19 pandemic.
- Addition of new participant groups (Certified Technicians & Technologists Association of Manitoba, Alberta Pension Services Corporation, and Health Sciences Services Association) bringing the total number of ARTA's participating organizations to 34.



ARTA COVERED  
**\$3 MILLION**  
IN TRIP CANCELLATION  
CLAIMS MADE BY  
MEMBERS DURING THE  
COVID-19 PANDEMIC

DESIGNED TO COMPLEMENT  
THE ALBERTA COVERAGE  
FOR SENIORS PROGRAM,

**93%**  
OF PLAN MEMBERS  
**DO NOT** REACH THE  
\$1,200 DRUG MAXIMUM

ARTA MEMBERS USE  
AN AVERAGE OF  
**1.51 PARAMEDICAL  
PRACTITIONERS** —  
COMBINING THESE SERVICES  
INTO ONE CLAIMS  
CATEGORY HAS **MAXIMIZED  
REIMBURSEMENTS**  
FOR MEMBERS

**73%**  
OF COVERED LIVES ARE  
ENROLLED IN THE  
**TOTAL HEALTH PLAN**



The ARTA Retiree Benefit Plans had sustained growth over the past year, consistent with previous years. The Benefit Plans have **24,972 covered members**, an **increase of 6.5 per cent** since last year. This growth is beneficial for all members — the more people that are covered, the more spread out the risk factor becomes, allowing the Plans to remain relatively stable, and the individual risk factor to remain low.

Each Plan experience has, for the most part, returned to normal following the dip in 2020 due to the COVID-19 pandemic. Once again, few Emergency Travel claims were made due to the low travel rate among members, which was in line with the travel advisory issued by Global Affairs Canada. As a result, ARTA was able to negotiate a significant rate decrease to the travel rate component of the Extended Health Care Plan beginning November 1, 2021.

The ARTA Health Benefits Committee recommended several changes to the ARTA Board of Directors over the past year, recognizing that the budget surplus could be used to improve the plans, while actually reducing the premiums paid for Extended Health Care.



### SELF-ADMINISTRATION

On January 1, 2021, ARTA parted ways with its third-party benefits plan administrator. After much thought and research, our Board of Directors decided that self-administration offered the brightest future for ARTA and its members.

A change of this magnitude is never easy, but ARTA's staff rose to the challenge, preparing a transition plan, partnering with a claims adjudicator, investing in new systems and policies, hiring new team members, and moving into a larger office space.

While the transition came with some initial hurdles, it wasn't long before things began running smoothly, and members saw a return to the level of service they expect. Because of this move, ARTA is projected to save \$5.8 million over the next four years. Members have already benefitted from these savings, and many more benefits are coming their way.

There are still improvements to be made as ARTA becomes more proficient at self-administration, but this year showed a promising start and affirmed that ARTA is up to the task.

#### **The Board has approved a number of upcoming plan improvements effective November 1, 2021, including:**

- Each of the combined annual maximums for paramedical practitioners are increasing by \$200.
- Hearing Aids maximums are increasing by \$400 each.
- CPAP battery packs are being added as eligible expenses, and CPAP machine sanitizers are being removed as eligible expenses.
- Cryo-cooling units are eligible for coverage.
- A Member Assistance Program, providing on-demand counselling services and a wide range of advisory services, is being introduced.
- The two \$800 Major Services Maximums included under Dental Plan Option A are being combined into one \$1,600 annual maximum.

In last year's Annual Report, we highlighted the thirteen members of the ARTA team. As a result of the move to self-administration of the Retiree Benefit Plans, ARTA has experienced significant growth, and while last year's team members are all still with us, we are using the 2020-2021 Annual Report to showcase the fifteen new staff members who have joined our team in the last year.



Throughout this global pandemic, ARTA has made staff safety a priority. I value all the safety measures ARTA has put in place for employees during these unprecedented times, from equipping all employees to work from home, to offering clean and spacious work areas and enacting masking policies in the office."

**Maureen Berkosha**  
Manager – Member Services



It has been incredibly rewarding to have the chance to create an entirely new administration system from the ground up. With our growing team, evolving processes, and growing list of services for members, every step forward we take is new and exciting."

**Lisa Sutton**  
Team Lead – Member Services



ARTA provides me with a positive work environment that is fun, collaborative, friendly, and engaging. The organization empowers employees to develop within their roles and nurtures teams to work together to accomplish their goals."

**Sudha Nair**  
Senior Administrator – Quality Assurance



ARTA shows its employees a great deal of support, allowing me to do my best every day while maintaining a healthy balance between work and my life outside of the office."

**Karen Batiuk**  
Member Services Administrator



### ARTARx

In early 2021, ARTA began preparations to open ARTARx, its very own pharmacy. As a member-owned pharmacy, designed to work in tandem with the ARTA Retiree Benefit Plans, ARTARx will be the first pharmacy of its kind in Canada. When ARTARx opens its doors later this winter, members living in Alberta will be able to access a host of pharmacy services directly through their benefit plan, whether they visit in person or online.

ARTARx will allow Alberta-based members to get prescriptions filled and delivered to their homes, schedule travel vaccinations, hold consultations with dedicated pharmacists, and much more. Far from being an added cost to members, ARTARx is designed to actually reduce premiums paid on prescription medications, meaning that members will save on individual prescriptions, and the plan as a whole will benefit from reduced costs from reimbursing claims. In fact, ARTARx will streamline the whole pharmacy experience, from start to finish, helping members with everything from filling prescriptions, to adhering to their medication plan. This is an exciting new venture for ARTA, and one that members will benefit from for years to come.



### TOP 3 DRUG CLAIMS 2020-2021

1. FLASH BLOOD GLUCOSE MONITORS
2. SHINGLES VACCINE
3. BLOOD GLUCOSE TEST STRIPS





I honestly feel spoiled here at ARTA. I really enjoy and value the open and honest communication through all levels of the organization and feel we have a tight-knit group. Most of us have been on-boarded as new employees at home, but still the communication feels unstrained and open.”

**Joel Boesch**  
Member Services Administrator



Working at ARTA has been a pleasure to say the least. It is a breath of fresh air to be a part of such a genuine, welcoming, and supportive environment. Being able to assist our members on a day-to-day basis, leaving them satisfied with both myself and ARTA, is an extremely rewarding experience.”

**Rachael Ford**  
Member Services Administrator



ARTA offers a much-appreciated degree of flexibility in my work schedule and understands the need for a healthy work-life balance. Between the monthly lunches we have as a team and the regular feedback I receive from management, I feel valued and appreciated as an employee.”

**Samneet Grewal**  
Member Services Administrator



From our Board of Directors, through to our management and department teams, ARTA has created an environment that is welcoming, supportive, resourceful, communicative, and best of all, collaborative in ways that are rewarding to their employees and members.”

**Rebecca Hanratty**  
Member Services Administrator

## 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.

### **2020–2021 Wellness initiatives and activities included:**

- Sharing wellness education, communication, and research through ARTAfacts and ARTA's social media pages.
- Encouraging our members to be physically and mentally active with initiatives like the annual ARTA Wellness Challenge, ARTA Writing Contest, ARTA Photo Contest, and ARTA mental wellness activities.
- The promotion of mental wellness during the COVID-19 pandemic, a time that brought a high risk of isolation and loneliness for many members. This included the launch of the first annual Mental Wellness Challenge, as well as the promotion of mental wellness topics communicated through ARTA's social media platforms and *news&views* magazine.



- Offering financial wellness webinars to members, helping them better navigate financial topics like wills, taxes, and fraud. Participation in these webinars was capped at 100 participants for each of the three sessions, but each was subsequently uploaded to ARTA's YouTube channel where they have since gathered over 1,000 collective views.
- Working with our strategic partners to make pertinent wellness information available to our members.
- Relevant wellness-focused information and articles in ARTA's *news&views* magazine, along with an ongoing series on mental and emotional health provided by our partners at HumanaCare.

### THE WELLNESS COMMITTEE RAN ITS FIRST **MENTAL WELLNESS BINGO**

"THIS WAS A GOOD  
REMINDER OF ALL THE  
POSITIVE THINGS WE CAN  
DO TO LIFT OUR SPIRITS  
DURING THE PANDEMIC."

– PATRICIA H.

"THANK YOU SO MUCH  
FOR HAVING THIS  
CHALLENGE...IT REALLY  
WAS SO GOOD FOR ME."

– MARGARET J.

"THANKS FOR THIS  
OPPORTUNITY TO MAKE  
SURE I ADDED A FEW  
ACTIVITIES TO MY LIFE.  
IT WAS GOOD TO DO"

– KAREN V.



### 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 to identify more opportunities to make the voice of retirees heard.

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.

#### **2020–2021 Advocacy initiatives and activities included:**

- Seat on the Board of Directors of ACER-CART (Canadian Association of Retired Teachers).
- Supported ACER-CART through the development and launch of a new bilingual website.
- Member of PIA (Public Interest Alberta).
- Actively advocating on behalf of our members and all Albertans through communications, publicized opinions, and letters to the Premier and Cabinet Ministers on topics related to the proposed Alberta curriculum and the ATRF investment management change.





Despite being hired during a global pandemic, ARTA has shown me a great deal of support, both in equipping me to work effectively from home, and in creating a sense of community among staff, even with the physical distance that separates us.”

**Robert Michon**  
Communications Specialist



ARTA has shown a deep appreciation of the impact pharmacists make in their members’ health, and its dedication to plan sustainability is unique in the benefits industry. Being a part of the leadership team driving the development of the ARTARx pharmacy has been a deeply rewarding experience, and I’m looking forward to sharing our efforts with the members of ARTA.”

**Yatin Patel**  
Director – Pharmacy Services



Hearing about how much our members appreciate the services and support they receive from ARTA makes me so proud to be a part of the team.”

**Grace-Anne Timmins**  
Administrative Assistant



I had to go on parental leave with no notice after a sudden adoption, and ARTA was very supportive, ensuring me that family comes first. I am glad to be back, working somewhere that places such a high value on the wellbeing of employees.”

**Lisa Sissons**  
Executive Assistant



**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 going forward.

### **2020-2021 Organizational Excellence initiatives and activities included:**

- 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.
- The launch of an online platform, [MyARTA.net](https://myarta.net), which allows members to make changes to their ARTA membership information and submit claims online.
- The retraining and equipping of ARTA staff to work remotely from home offices during the COVID-19 pandemic. During this time, ARTA's staff more than doubled, with fifteen new hires spread out across each department in the organization.



- Adapted to digital communication with members, including webinars, live-streams, and an increase in the frequency of *ARTAfacts* newsletters.
- Received the 2020 Canadian Nonprofit Employer of Choice award, which recognizes ARTA as a nonprofit organization with exemplary talent management practices and a successful delivery of its mission.
- Working to foster ARTA members' understanding of Canada's reconciliation efforts by communicating educational opportunities and offering discounts for reconciliation education courses.

AWARDED THE  
**CANADIAN  
NONPROFIT  
EMPLOYER  
OF CHOICE**  
FOR THE FOURTH YEAR  
IN A ROW

**17,000**  
EMAILS RESPONDED TO,  
BETWEEN JANUARY AND  
MARCH 2021, HELPING  
MEMBERS MAKE THE SWITCH  
TO SELF-ADMINISTRATION.

**15**  
NEW STAFF HIRED AND  
TRAINED THIS YEAR,  
ALL WHILE WORKING  
FROM HOME.

ARTA RESPECTFULLY  
ACKNOWLEDGES THAT OUR  
OFFICE IS SITUATED ON  
TREATY 6 TERRITORY,  
TRADITIONAL LANDS OF FIRST  
NATIONS AND MÉTIS PEOPLE



### **The 2021 fiscal year at ARTA ended with a strong financial position, stronger than years prior.**

Historical revenue streams increased by 5.7%, which was 1% less than the forecasted budget. ARTA took on self-administration of the ARTA Retiree Benefits Plan on January 1, 2021. Plan administration fees accounted for an additional 46% increase above historical revenue. Overall expenses increased by 61% — however, expenses still came in 20% below the budgeted amounts.



### **REVENUE SUMMARY**

In the 2021 fiscal year, ARTA had traditional revenue and other income amounting to \$4.3 million. The composition of this historical revenue was 54% administrative services agreement revenue (Education Sector), 23% administrative services agreement revenue (Public/Private Sector), 13% membership revenue (Education Sector), and 8% membership revenue (Public/Private Sector). The remaining 2% of revenue was made up of investment interest and other income.

Outside of traditional revenue streams, ARTA collected \$2 million for fees relating to self-administration of the ARTA Retiree Benefit Plans.

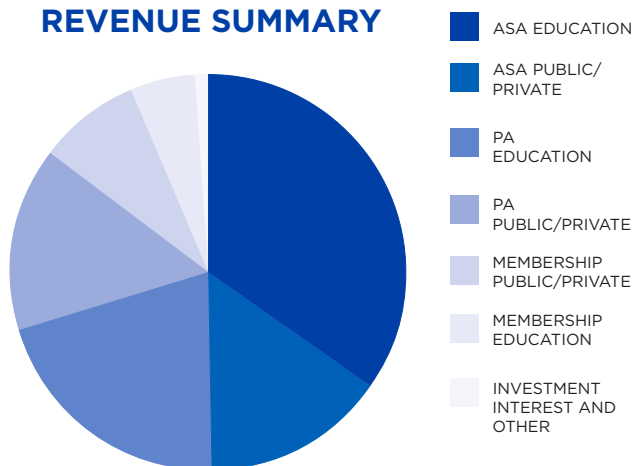
### **MEMBERSHIP REVENUE**

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 again — at an 8.8% growth rate. Public/Private sector membership revenue saw a combined increase of 11.9%.

### **ADMINISTRATIVE SERVICES AGREEMENT REVENUE (ASA)**

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 4.1% over the prior year. ASA revenue (Public/Private sector) grew by 8%.

## REVENUE SUMMARY

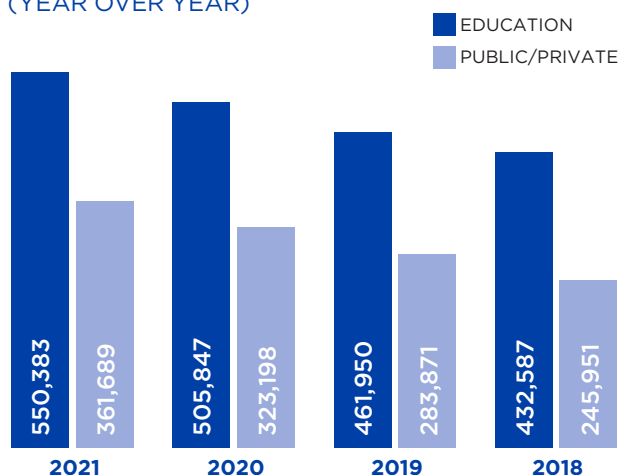


## PLAN ADMINISTRATION REVENUE

On January 1, 2021, administration of ARTA's Retiree Benefit Plans was handed off to ARTA. Amounts that had previously been paid to a third-party administrator were paid to ARTA for Retiree Benefit Plans Administration services. Six months worth of revenue was received for these services. The fees amounted to \$2 million over the six-month period.

Plan Administration revenue came in on budget when amounts that had previously been budgeted for distribution for Third-party Claims Administration (no longer collected by ARTA) were considered.

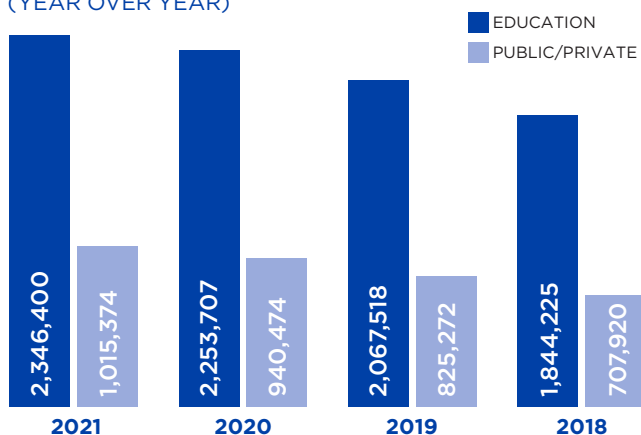
## MEMBERSHIP REVENUE GROWTH (YEAR OVER YEAR)



## OTHER REVENUE

Advertising revenue dipped slightly from the prior year — however, did exceed budgeted expectations. Investment interest continued to grow given that funds in fixed income investments were not required to be liquified to support ARTARx expansion activities. Cash holdings were evaluated against amounts required for future cash flow at the start of the 2021 fiscal year. Interest rates remained historically low and therefore no significant additional amounts were invested into fixed income investments.

## ASA REVENUE GROWTH (YEAR OVER YEAR)







## EXPENSE SUMMARY

Most meetings and events which had been scheduled for the 2021 fiscal year were either cancelled, deferred, or moved to virtual forums because of the ongoing COVID-19 pandemic. Nearly all expense categories at year-end came in substantially below (or relatively close to) budgeted amounts.

Notable exceptions included the following:

- Amortization, Information technology, Postage and courier, Professional fees, repairs, and maintenance and utilities — all of which came in over budget.
- There was more money spent developing information systems required for self-administration than initially had been anticipated. This led to a significant addition of computer software being added to ARTA's capital asset arsenal. The accompanying amortization expense relating to this additional investment was higher than what was expected at time of budget.
- Coupled with the investment in new, leading-edge information systems was the need to invest in accompanying information technology resources, IT system maintenance, and support. IT spend came in 4.6% (\$12K) over budget as a result.
- Operating in a COVID-19 environment in 2021 required a shift in operations. There was substantially more spent on postage and couriers. This additional spend was not anticipated at the start of the 2021

fiscal year. Postage and courier fees came in 41% (\$22K) over budget as a result.

- Professional fees were 17.6% (\$14K) over budget. Additional costs relating to COVID-19 were hard to predict at the start of the fiscal year. COVID-19, self-administration, new building lease, ARTARx, and other considerations continued to require ARTA to seek out more legal advice than the prior year.
- After spending the first year in the new ARTA location, significant repair and maintenance issues were identified. There were seemingly more items that needed maintenance and costs came in much higher in some cases than initially projected. These repairs came in 42% (\$24K) over budget.
- Utilities were up 94% (\$48K) — significantly over the budget expectation. Waste removal as well as power and water for the new building were billed directly to ARTA upon taking possession of the leased building. These components were negotiated into the initial ARTA lease. Given that there was clearly a miscommunication, the monthly lease rate was revised downward to take these utility costs into account.

Overall expenditures came in 23.8% (\$1.29M) below budget — substantially less than initial budget projections.

## EXCESS OF RECEIPTS OVER EXPENSES FROM OPERATIONS

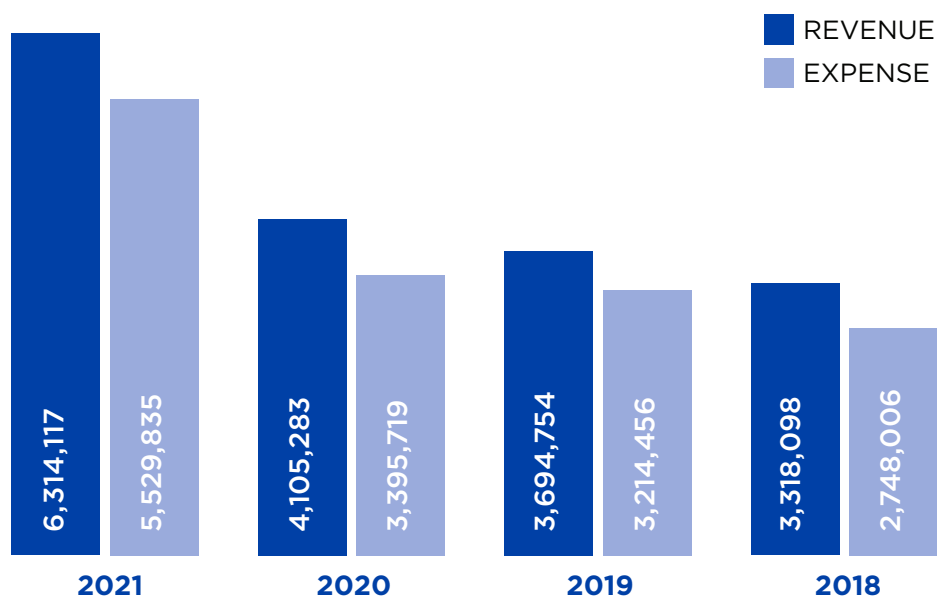
ARTA had an excess of receipts over expenses this year, amounting to \$784,282.

ARTA is continuing down the road toward integrating a pharmacy distribution centre. The opening date is projected for the Winter of 2022. A significant portion of the cash on hand currently held in ARTA's operating bank account will be required to meet the initial spending requirements of this initiative. ARTARx will repay amounts borrowed over the next fiscal year.

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)



ALBERTA RETIRED TEACHERS' ASSOCIATION  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
 YEAR ENDED JUNE 30, 2021

	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 1,746,818	\$ 1,655,583
Restricted cash	-	22,672
Investments	1,386,055	1,369,637
Accounts receivable	27,347	27,017
Inventory	21,715	15,705
Prepaid expenses and deposits	184,940	240,116
	3,366,875	3,330,730
<b>PROPERTY AND EQUIPMENT</b>	1,249,268	554,954
<b>WEBSITE</b>	60,231	53,931
<b>DEFERRED LEASE COSTS</b>	65,602	-
	<b>\$ 4,741,976</b>	<b>\$ 3,939,615</b>

<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 229,842	\$ 164,238
Deposit received	13,795	-
Current portion of deferred contributions	40,075	90,222
Current portion of improvement allowance	15,959	15,959
	299,671	270,419
<b>DEFERRED CONTRIBUTIONS</b>	16,000	31,500
<b>IMPROVEMENT ALLOWANCE</b>	74,475	90,434
<b>DUE TO RELATED PARTY</b>	20,286	-
	410,432	392,353
<b>NET ASSETS</b>	4,331,544	3,547,262
	<b>\$ 4,741,976</b>	<b>\$ 3,939,615</b>
<b>LEASE COMMITMENTS</b>		



ALBERTA RETIRED TEACHERS' ASSOCIATION

# CONSOLIDATED STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED JUNE 30, 2021

	2021	2020
<b>REVENUES</b>		
<b>CURRENT</b>		
Administrative fee revenue	\$ 5,338,297	\$ 3,194,181
Membership revenue	912,072	829,045
Home and auto royalties	30,000	30,000
Advertising revenue	12,663	14,739
Scholarships and awards	5,500	5,000
	<b>\$ 6,298,532</b>	<b>\$ 4,072,965</b>
<b>EXPENSES</b>		
<b>CURRENT</b>		
Salaries and wages	\$ 3,026,305	1,643,744
Rental	643,366	277,321
Office	365,469	155,447
Magazine	202,854	257,813
Amortization	183,977	92,383
Consulting fees	131,250	-
Sub-contracts	108,581	133,001
Utilities	99,239	6,830
Committees and meetings	90,406	317,902
Equipment rentals	89,813	63,195
Repairs and maintenance	82,896	20,667
Legal fees	79,899	73,932
Printing	65,801	47,012
Donations	57,604	56,618
Supplies	54,916	71,263
Telephone	42,509	17,935
Insurance	26,244	20,257
Advertising and promotion	25,889	13,721
Dues and memberships	18,227	18,455
Professional fees	16,211	15,000
Training and conferences	14,090	30,032
Meals and entertainment	9,152	27,553
Member retreat	7,970	-
Interest and bank charges	2,552	3,284
Travel	548	24,139
Bad debts	175	-
Accommodation	-	8,215
	<b>5,445,943</b>	<b>3,395,719</b>
<b>EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<b>\$ 852,589</b>	<b>\$ 677,246</b>

ALBERTA RETIRED TEACHERS' ASSOCIATION  
**CONSOLIDATED STATEMENT OF REVENUES AND EXPENDITURES**  
 YEAR ENDED JUNE 30, 2021

	2021	2020
<b>OTHER INCOME (EXPENSES)</b>		
Other income	\$ 1,969	3,458
Interest income	13,616	28,860
ARTARx Consulting fees	(83,892)	-
	(68,307)	32,318
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 784,282</b>	<b>709,564</b>

ALBERTA RETIRED TEACHERS' ASSOCIATION  
**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**  
 YEAR ENDED JUNE 30, 2021

	2021	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 3,547,262</b>	<b>\$ 2,837,698</b>
EXCESS OF REVENUES OVER EXPENSES	784,282	709,564
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 4,331,544</b>	<b>\$ 3,547,262</b>



“ARTA has continuously gone the extra mile to support me, from my choice of professional development, a flexible schedule to accommodate my young kids, and listening to my input regarding the operation and improvement of our department.”

**Ross Hamm**  
Billings and Distributions Accountant



“Every day I come into the office, I know I’ll find it rewarding and eventful. I take pride in building and maintaining ARTA’s I.T. systems, and facilitating a stable, performing business environment.”

**Roland Atkinson**  
Systems Administrator



“I truly appreciate the wealth of work experience my fellow ARTA employees have at their disposal. As a recent post-secondary graduate, I feel that I can learn a lot from my coworkers.”

**Danny Zheng**  
Accounting Administrator





# 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 these responsibilities 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 Trust 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 Trust 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 back-stop 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 (Chair)**

## ARTA BENEFIT PLAN TRUSTEES

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

conversion is expected; however, the ARTA Trust does not fit within the parameters of an Employee Life and Health Trust (ELHT). The Trust's law firm will request a Pre-Ruling Consultation on the proposed conversion from the Canada Revenue Agency (CRA). This request will need to have the book-keeping reclassified for the tax years 2018, 2019, and 2020, as the Law Firm proceeds with the request. Following this, a revised audit will be done by the auditor for each year, including 2020.

## CALENDAR YEAR 2020 AUDIT

The independent auditor has not completed the 2020 Audit because the Trust has requested a reclassification of funds from 2018, 2019, and 2020, leading to the auditor having to wait for the reclassification.

The reason for the reclassifications is that the ARTA Trust Funds are currently considered Health Welfare Trusts (HWT) and a

## INVESTMENT RETURNS MARKET VALUE

COMPARED TO 2019

SECTOR	2020	2019
EDUCATION	\$ 13,868,572	\$ 12,124,696
PUBLIC/PRIVATE	\$ 4,896,852	\$ 4,264,178
EMERGENCY TRAVEL	\$ 6,438,645	\$ 5,165,518
<b>TOTALS</b>	<b>\$ 25,204,069</b>	<b>\$ 21,554,392</b>

## INVESTMENT RATE OF RETURN MARKET VALUE AS OF DEC. 31, 2020

EDUCATION/PUBLIC/PRIVATE		PUBLIC/PRIVATE		EMERGENCY TRAVEL	
1 YEAR	9.62%	1 YEAR	9.62%	1 YEAR	9.58%
3 YEARS	6.90%	3 YEARS	6.90%	2 YEARS	6.54%
5 YEARS	7.37%	5 YEARS	7.37%	3 YEARS	6.22%
10 YEARS	7.75%	10 YEARS	7.75%	4 YEARS	5.40%

The return indicated is the "compound annual growth rate" defined as: "the rate at which an investment would have grown if it had grown at the same rate every year and the growth was reinvested at the end of each year."

# ROLE OF THE ARTA BENEFIT PLAN TRUST FUND

## NEW INVESTMENT MANAGER

The Trust began a review of investment management in 2019. While the previous manager of twelve years had met expectations, the Trust believed a new manager could offer an improved product. This brought about the decision to change investment managers. On August 20, 2020, the Trust moved its funds to a new investment manager.

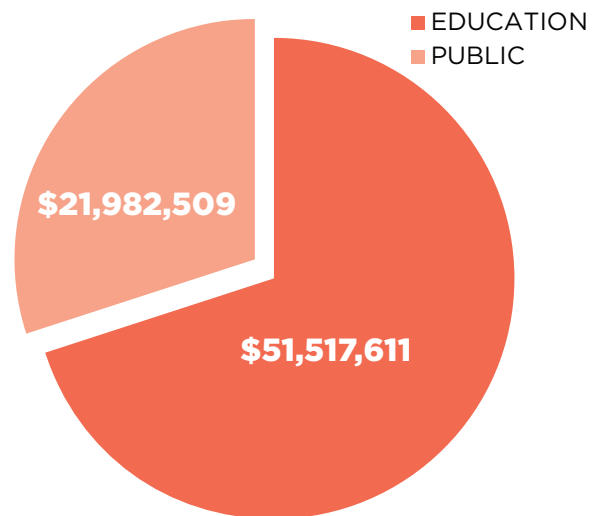
## FINANCIAL INFORMATION – THE DETAILS

At the end of 2020, the overall Trust Fund had reserve assets of about \$33.3 million, an increase of about \$4.6 million over 2019. Member contributions increased from approximately \$67.5 million in 2019 to \$74.2 million. Increased member contributions and increased claims were a direct result of an increase in the number of members in the ARTA Benefit Plans. During the 2020 fiscal year, \$74.2 million was collected in gross premiums. \$51.5 million of this amount related to Education Sector with the remaining \$21.9 million came from the Public and Private Sector (See Pie Chart A).

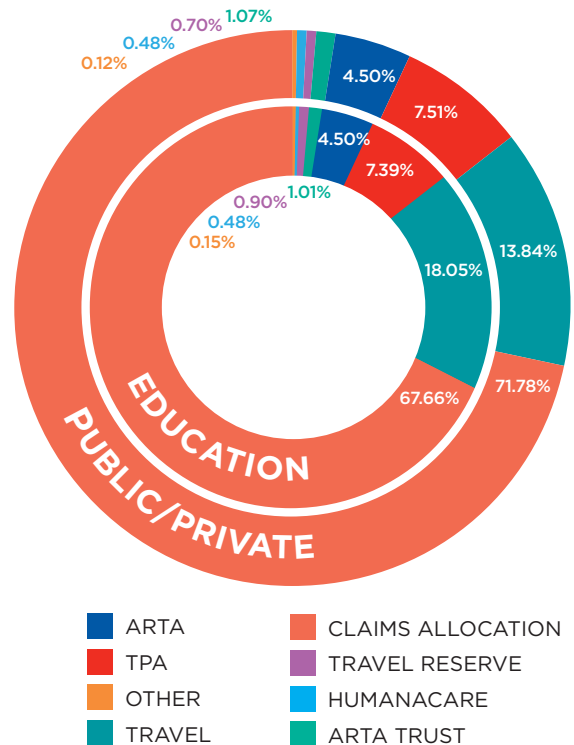
The Trust Fund's payments were distributed in a similar manner across both Education and Public and Private Sector — except for Claims and Travel (See Pie Chart B). The amounts allocated for claims ranged from 68% in the Education Sector to 72% in the Public and Private Sector. Amounts allocated to travel accounted for 18% in the Education Sector and 14% in the Public and Private Sector. In all other categories, the distribution of payments was relatively similar. Claims Processing accounted for 7.4%, ARTA Administrative Services for 4.5%, Travel Reserve for approximately 1%, and HumanaCare for 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.

### A. GROSS PREMIUMS



### B. PAYMENT DISTRIBUTION







# 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 improve the lives of seniors across Alberta. By partnering with local organizations, the Foundation assists seniors in all corners of our province in the pursuit of appropriate housing, health services, and education opportunities.

The Foundation was created with a far-reaching vision, aimed not only at addressing the needs of the day, but also to prepare the way for those who come after us. By investing in the health and wellbeing of today's seniors, we are helping to create a network of resources that will continue to serve many generations to come.



The Alberta Retired Teachers Charitable Foundation was launched in 2012 with the goal of securing the futures of Alberta's seniors. In order to attain charitable status, it was established at arms-length from ARTA as an independent organization. It is a Registered Not-for-Profit Society under the Alberta Society Act and has Charitable Status with the Canada Revenue Agency. This enables Alberta's retired teachers and

other donors to make a difference in the lives and opportunities of Alberta's seniors.

Thanks to the generosity of members, branches, supporting businesses, and the Association, we have been able to steadily increase funding we can make available to charitable partners whose proposals complement our objectives. In the year to come, we hope to hit a threshold of \$100,000 in grants available to these partnerships.



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

## THE FOUNDATION IS A CHARITY OF CHOICE

Due to ARTA covering our operating expenses, approximately ninety-five per cent of donations received go directly to projects. Further, our agreements with partnering organizations are structured to support specific projects, and not general revenues. This assures all donations will go to programs directly impacting Alberta's seniors, and not to administrative or fund-raising budgets.

## CURRENT PARTNERSHIPS

The past year has proven to have been a testing and trying time for service charities. The isolation imposed by the COVID-19 pandemic has made connections more difficult. Donations have suffered, and many charities have seen turn-over and down-sizing of staff. Key contacts in these agencies have moved on, making connection difficult. To address this circumstance, we are pleased that each of our Foundation Directors has taken on a personal connection with one of our partnerships. Contact names are noted in parentheses.

- **Parkinson Association of Alberta** had their grant renewed for a further \$25,000 in May of 2021. This marked our continued commitment to fund the three Alberta Retired Teachers Charitable Foundation tele-support groups, which enable individuals impacted with Parkinson's to talk with

others across Alberta about living with Parkinson's disease and Parkinson's plus syndromes. Significantly, Parkinson's Alberta was able to extend this model of service delivery to meet the needs of other clients during the COVID-19 pandemic. (Graham Sewell)

- **Alzheimer Society of Alberta and Northwest Territories** are currently developing a proposal that should meet our funding criteria. We have concluded their September 2019 project which saw the Foundation Grant of \$14,000 to support "Minds in Motion." This was a program combining physical activity & mental stimulation, designed for people with early to mid-stage Alzheimer's disease or another form of dementia to enjoy with a care partner. (Carol Loewen)
- **Alzheimer Society of Calgary** received renewed support this year, with a grant of \$20,000 to provide caregiver education sessions and public education events. This organization continues to be excellent at giving us feedback, as well as acknowledging our support in their publications. (Gordon Cumming)
- The Alberta chapter of the **Canadian National Institute for the Blind** also renewed their partnership with ARTCF in May, with a grant of \$25,000 for their "Community Education & Outreach Program for Seniors." This was one of our initial relationships that unfortunately had lapsed with changes of personnel. It's great to have them back. (Frank Bruseker)



# ALBERTA RETIRED TEACHERS CHARITABLE FOUNDATION

## RECOGNIZING OUR FUNDERS

We are pleased that our donor wall has not only been moved to the new ARTA offices, but has also been doubled in size to celebrate those corporate, branch, and individual supporters who made significant donations. We're delighted with this ongoing reminder of our collective will to make a difference in our wider community.

## GOLF TOURNAMENT

Thanks to the ARTA Board for allowing us to host the event in 2022. We are looking forward to a great event on June 16 at the Ponoka Golf Course. Special thanks to those sponsors who left their donations with us for this upcoming day. Please extend the invitation to your members to grab their clubs and join us for this special event. Particular thanks go to Daniel Mulloy and Amanda Shaw for their leadership, and not allowing their enthusiasm to be dampened by the pandemic postponements of the last two years.

## FURTHER FUND DEVELOPMENT

We've got the word at long last. Thanks again to Daniel Mulloy for his continuing efforts that have resulted in Alberta Gaming not only granting us approval to apply for a casino, but also granting a casino itself. The event will be located in Edmonton, as that is the address of the ARTCF. We will now await dates and come back to members as we look for volunteers. This will certainly make a difference in our revenues, and the funds we can allocate to project partners.

## RECOGNIZING OUR MEMBERS

With the return of 'normalcy' to the office, we are pleased to have been able to resume sending out condolence cards to families of newly deceased members indicating an ARTA donation of \$50 to the Foundation, in their memory. The initiative is well received.





## RECOGNIZING ARTA

The Foundation would not be able to achieve its successes without the generosity of, and shared vision with ARTA. Not only does ARTA cover the majority of the Foundation's operating costs, but they are also our largest donor, with an annual grant of \$50,000. ARTA donates access to all their media to

'get out the word', and ARTA staff facilitate our operations and initiatives. We are particularly indebted to Scott Tywoniuk and the finance team, and Amanda Shaw and the marketing team, the leadership of Daniel Mulloy, and the assistance of Lisa Sissons who facilitates our meetings and keeps us on track in our activities.

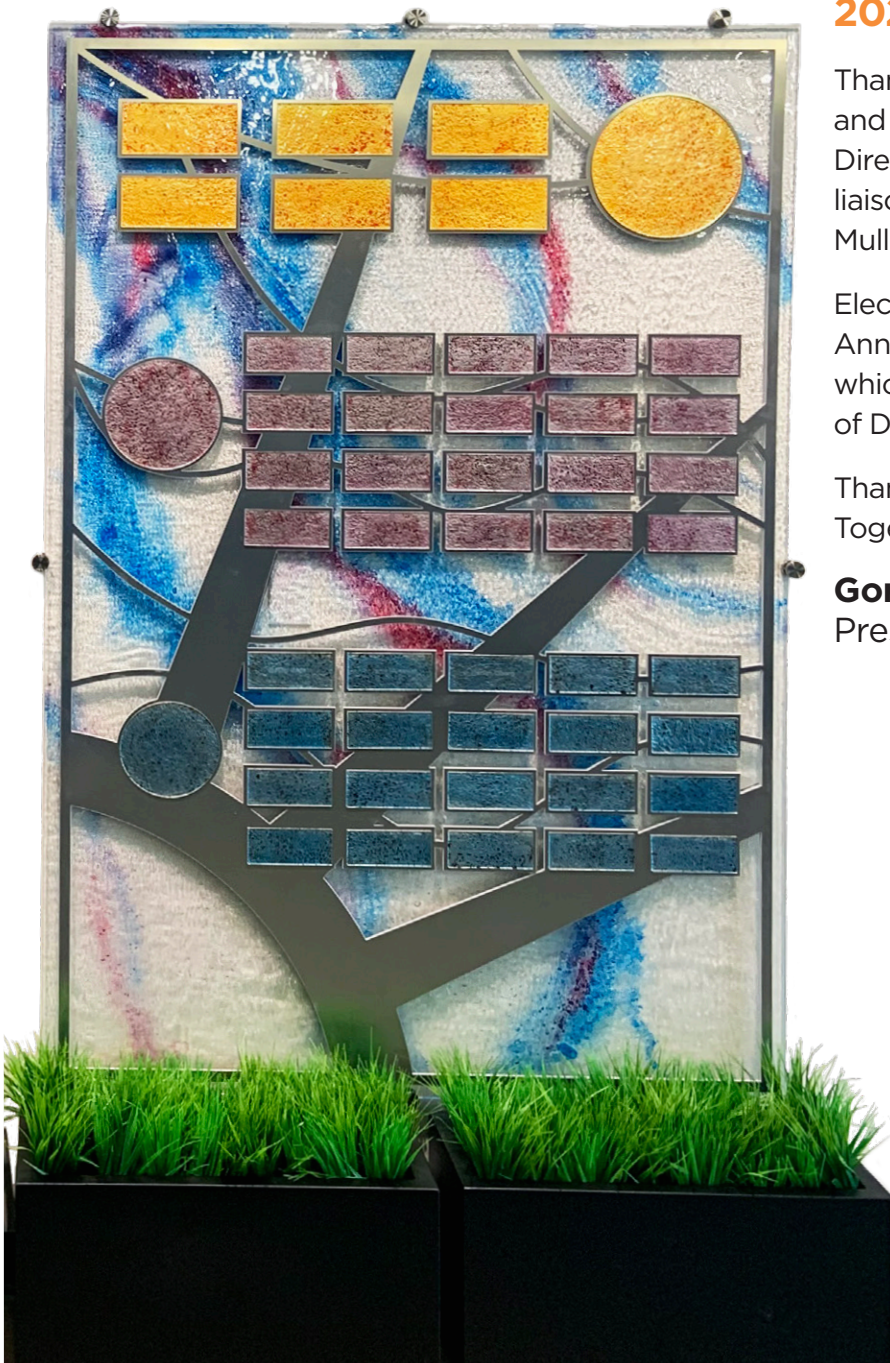
## ARTCF BOARD FOR 2020 - 2021

Thanks to Carol Loewen, Frank Bruseker, and Graham Sewell, for serving as elected Directors this year, Lorna McIlroy for being liaison to the ARTA Executive, and to Daniel Mulloy for serving as Executive Director.

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

Thanks to all for your continuing support. Together we make a difference.

**Gordon Cumming**  
President, ARTCF



ALBERTA RETIRED TEACHERS CHARITABLE FOUNDATION  
**STATEMENT OF FINANCIAL POSTION**

YEAR ENDED JUNE 30, 2021

	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 57,310	\$ 72,775
Accounts receivable	7,019	8,000
Prepaid expenses	3,362	-
	67,691	80,775
<b>EQUIPMENT</b>	5,656	7,071
	<b>\$ 73,347</b>	<b>\$ 87,846</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 3,000	\$ 3,283
Deferred contributions	15,250	17,750
	18,250	21,033
<b>NET ASSETS</b>	<b>55,097</b>	<b>66,813</b>
	<b>\$ 73,347</b>	<b>\$ 87,846</b>

ALBERTA RETIRED TEACHERS CHARITABLE FOUNDATION  
**STATEMENT OF REVENUES AND EXPENDITURES**

YEAR ENDED JUNE 30, 2021

	2021	2020
<b>REVENUE</b>		
Donations	\$ 62,389	\$ 65,100
Interest income	46	30
	<b>62,435</b>	<b>65,130</b>
<b>EXPENSES</b>		
Amortization	1,414	945
Donations	70,000	51,000
Interest and bank charges	98	51
Professional fees	2,639	3,041
	<b>74,151</b>	<b>55,037</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>\$ (11,716)</b>	<b>\$ 10,093</b>

# ALBERTA RETIRED TEACHERS CHARITABLE FOUNDATION

## STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2021

	2021	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 66,813</b>	\$ 56,720
Deficiency of revenue over expenses	<b>(11,716)</b>	10,093
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 55,097</b>	\$ 66,813

## ALBERTA RETIRED TEACHERS CHARITABLE FOUNDATION

### STATEMENT OF CASH FLOW

YEAR ENDED JUNE 30, 2021

	2021	2020
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	<b>\$ (11,716)</b>	\$ 10,093
Item not affecting cash:		
Amortization of equipment	<b>1,414</b>	945
	<b>(10,302)</b>	11,038
Changes in non-cash working capital:		
Accounts receivable	<b>981</b>	(7,981)
Prepaid expenses	<b>(3,362)</b>	3,291
Accounts payable and accrued liabilities	<b>(282)</b>	(2,509)
Deferred contributions	<b>(2,500)</b>	17,750
	<b>(5,163)</b>	10,551
Cash flow from (used by) operating activities	<b>(15,465)</b>	21,589
<b>INVESTING ACTIVITY</b>		
Purchase of equipment	<b>-</b>	(6,582)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(15,465)</b>	15,007
Cash - beginning of year	<b>72,775</b>	57,768
<b>CASH - END OF YEAR</b>	<b>\$ 57,310</b>	\$ 72,775









**ALBERTA RETIRED  
TEACHERS' ASSOCIATION**

15505 137 AVE NW  
EDMONTON, AB T5V 1R9  
T: 780-822-2400 E: [info@arta.net](mailto:info@arta.net)  
[arta.net](http://arta.net)