

Ahead of the Curve

A LEADING-EDGE APPROACH
TO HEALTH AND BENEFITS



asebp

2016 ANNUAL REPORT

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**While the economic, political
and healthcare climates in
Alberta are ever changing,
ASEBP's proactive, forward-
thinking approach to health
and benefits remains the same.**
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JENNIFER CARSON,
Chief Executive Officer

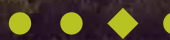


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CHAIR'S MESSAGE

KAREN HOLLOWAY

Another eventful year has come and gone and, as chair of the ASEBP Trustees, I'm incredibly proud of the achievements we've realized together. Using our unique insights into Alberta's K-12 education sector, we've worked to position ASEBP to manage growth, address the distinct health and wellness needs of covered members and sustain the plan financially now and into the future.

Reflecting on the year, I'm also excited to share with you the work we've done to deliver on the strategic directions we set in 2014, which include increasing the engagement of our covered members and school jurisdictions, redesigning our benefit offerings to better meet plan member needs, seeking new partnerships with government and its agencies and ensuring we have sufficient resources to meet demand. The introduction of The Sandbox, our Operational Excellence Committees, the *ASEBP Health and Benefits Charter* and the forming of our very own Health Strategies and Stakeholder Engagement division are just a few examples of how we've delivered on our key objectives this year.

As we embark on another strategic planning session in 2017, we're all looking forward to setting new directions that will, once again, secure our spot as a leading-edge provider of health benefits and services.

2016 ASEBP TRUSTEES

KAREN HOLLOWAY
Chair

MICHAEL KISCHUK
Vice Chair

DREW CHIPMAN

DOUG LERKE

KATHY MACISAAC

GERRY MARTINS

SHIRENE NAPIER

HEATHER WELWOOD

CHRISTOPHER COOK

CHAD BOWIE



CEO'S MESSAGE

JENNIFER CARSON

It's been another exciting year at ASEBP, and we look forward to sharing some of its highlights with you in this year's annual report themed "Ahead of the Curve." While the economic, political and healthcare climates in Alberta are ever changing, ASEBP's proactive, forward-thinking approach to health and benefits remains the same. By monitoring the external landscapes around us, collaborating with partners within and beyond the health, benefits and education sectors and readily responding to the feedback of our covered members, member associations and school jurisdictions, we've been able to mitigate potential risks and, most importantly, take advantage of opportunities to deliver outstanding health and benefits coverage to the K-12 public education sector in Alberta.

We hope this report gives you, our valued stakeholders, a sense of ASEBP's steadfast commitment to both the health and well-being of its covered members and the financial sustainability of the ASEBP plan. It is only by staying true to these key priorities, and following through on the strategic objectives set in 2014, that we've been able to stay ahead of the curve and become the health and benefits leader we are today. It continues to be our privilege to partner with you on your health journey, wherever you may be along the path, and we look forward to finding new ways to enhance this partnership going forward.



2016 ASEBP EXECUTIVE

JENNIFER CARSON
Chief Executive Officer

KELLI LITTLECHILDS
Chief Operating Officer

DARCY ATKINSON
Chief Risk Officer

TARICK AHMAD
Chief Information Officer



Health is our Focus

As a holistic health organization and leader in health promotion and disease prevention, ASEBP is not your traditional insurance provider. While the primary focus of many benefit providers is processing and paying claims, ASEBP's purpose and vision has grown much broader than that over the years. In the 1990s, we were one of the first organizations to embrace the federal and provincial shift toward health promotion and disease prevention, and we were early adopters of the belief that health is more than just the absence of disease; it's the state of physical, mental and social well-being. Since then, ASEBP has remained resolute in its commitment to promoting, protecting, improving and sustaining the health of our covered members by offering outstanding health and benefit programs and services at both the individual and school jurisdiction levels.



STAYING THE COURSE

As an organization, we're aware that it's our health-focused approach that makes us the industry leader we are today. With this in mind, we formally captured our commitment to health in the **ASEBP Health and Benefits Charter**. With additional external pressures impacting the sustainability of health and benefit plans everywhere, the *ASEBP Health and Benefits Charter* serves as a cornerstone for how we make decisions related to plan design and health resource allocation and positions us to navigate choppy waters while staying the course. The Charter is already used as an essential reference for decision-making and as an important reminder of our steadfast commitment to the health and well-being of our covered members as well as to the sustainability of the benefit plan.

WELLNESS IN THE WORKPLACE

With just one line of business—the K-12 education sector in Alberta—ASEBP has an intimate knowledge of the industry we serve. Unlike other benefit companies that serve a multitude of industries and organizations, ASEBP has been directly involved with and connected to Alberta schools since 1968 and is continually learning about the unique needs of the sector. This knowledge allows us to tailor our offerings, create efficiencies and, ultimately, stay ahead of the health and wellness needs of our covered members.

For example, after hearing stories from wellness champions about their desire to share workplace wellness resources and ideas across school jurisdictions, ASEBP set out, with our provincial partners, to develop **The Sandbox**, a leading-edge, interactive website where wellness champions can connect, network and collaborate with other like-minded colleagues about school employee health and wellness. The site, which launched on October 1, 2015, includes a forum where champions can post questions and gain advice; a blog containing weekly informative posts from a variety of different health experts; a resources page with more than 90 relevant health and wellness resources and much more. By listening to our covered members, member associations and school jurisdictions, we have the ability to provide value-added services, like The Sandbox, that promote wellness within the school setting.

THE SANDBOX BY THE NUMBERS

558

people registered on
the site (far exceeding
our goal of 300)

80

workplaces
represented

54

school jurisdictions
represented

9,993

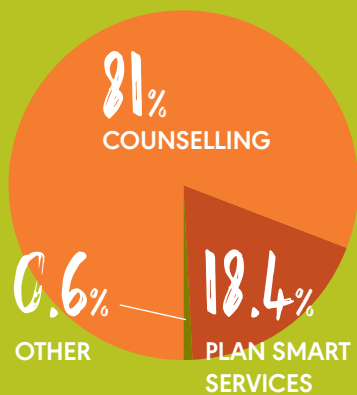
different users

2,058

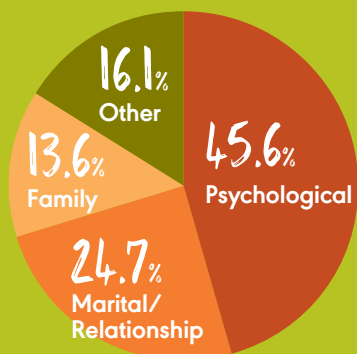
health and wellness
resources accessed

Employee & Family Assistance Program

EFAP services most accessed by ASEBP covered members

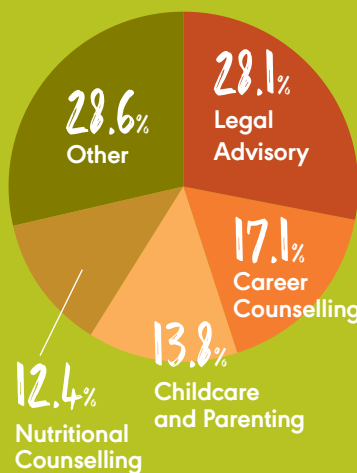


COUNSELLING



PLAN SMART SERVICES*

lifestyle and specialty counselling/coaching



ACTION ON MENTAL HEALTH

While mental health is still relatively uncharted territory for many benefits organizations, ASEBP was quick to embrace and promote the importance of mental health promotion through a variety of strategies, including the roll out of a multi-year **Mental Health Strategy**. In the second year of the strategy, we made exciting progress as we:

- ▶ piloted mental health first aid workshops with four different school jurisdictions,
- ▶ reviewed our Extended Health Care plan to ensure our plan includes appropriate coverage and plan maximums for mental health services, and
- ▶ revised our plan documents to remove any discriminatory language surrounding mental health-related conditions.


The majority of our covered members have quick and easy access to mental health services at no cost to them.

Our biggest success this past year, however, has been continuous uptake of our **Employee and Family Assistance Program (EFAP)**, which was launched in 2015. The EFAP, administered by Homewood Health and offered to our school jurisdictions and covered members free of charge, provides a wide range of mental health support services, including healthy lifestyle coaching, professional counselling and advice to covered members and their family. Ninety-four per cent of our school jurisdictions are currently enrolled in the proactive health program, meaning the majority of our covered members have quick and easy access to mental health services at no cost to them. Homewood Health's aggregate statistics confirm a high number of returning clients and a high level of satisfaction and trust in the program.



Staying a Step Ahead



As an organization committed to staying competitive in the Alberta marketplace, we never settle for the status quo. By embracing innovation, building key partnerships with health care stakeholders and experts and monitoring our external environments, we've been able to stay ahead of industry trends and capitalize on opportunities for the benefit of our covered members and school jurisdictions.



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The ESA process ensures physicians escalate therapies for the five ESA health conditions in a safe, gradual and cost-effective way.

.....



Drug plan management strategies like ESA help us protect the long-term sustainability of the plan and ensure we can continue to provide our covered members with the medications and other plan benefits they require to be and stay well.

PROTECTING THE PLAN

Our **Health and Benefits Advisory Panel (HBAP)** is one unique and innovative way we proactively protect the financial health of the plan while ensuring our programs and services align with the evolving needs of our covered members. The HBAP, formed in 2014, is made up of a few select senior ASEBP employees as well as key external partners with extensive knowledge and expertise in the areas of benefit plan, health and financial management. Together, the panel reviews ASEBP's current plan offerings and makes recommendations to the ASEBP Trustees for possible enhancements to programs and services.

One of HBAP's first major recommended changes was the introduction of the **Enhanced Special Authorization (ESA)** process, which applies to chronic hepatitis C, Crohn's disease/colitis, multiple sclerosis, psoriasis and rheumatoid arthritis. In response to a review of our claims activity, which showed that approximately 75 per cent of our annual spending on specialty drugs could be attributed to treatments for these five health conditions, the HBAP proposed ESA in order to protect the long-term sustainability of the plan as well as ensure our covered members receive timely and appropriate treatment.

The ESA process, which the Trustees chose to implement at the beginning of the 2015/16 school year, ensures physicians escalate therapies for the five ESA health conditions in a safe, gradual and cost-effective way. For example, instead of starting treatment with a third or fourth-line drug, physicians are initially required to prescribe first or second-line treatments to determine their efficacy before moving onto the next line of treatment. This change not only ensures our covered members get the treatment best suited to their needs, it also allows us to better protect the financial viability of the plan.

It's important to note that many other health benefit or insurance providers have introduced similar processes that focus on cost containment around specific, high-cost drugs. ASEBP's approach, on the other hand, has us stepping back and looking at the bigger picture—the health conditions. Our focus on these five health conditions allows us to better see all aspects of our covered members' health experiences and positions us to support them using all the health-care tools, benefits and resources available through the benefit plan.

The transition to our ESA process benefitted immensely from the hiring of a practicing pharmacist in the role of **manager, Pharmacy Services**. This role was designed to provide timely support to covered members with complex questions, liaise with physicians and pharmacists new to the process and provide real-time counsel for our other covered member-serving staff. The

continuing demand in the area of pharmacy support means ASEBP is now well-situated to manage any future changes surrounding prescription drugs.

OPERATIONAL EXCELLENCE IN PRACTICE

In the last few years, ASEBP has made significant investments to modernize our business systems and platforms, making them more user friendly for both our covered members and employees. Enhancements to programs such as My ASEBP, our intranet and the Employer Services Portal, for example, ensure that our covered members, school jurisdictions and employees have a seamless user experience while interacting with ASEBP online. In order to proactively maintain and continuously improve our many systems and platforms, we recently formalized an internal **operational excellence process** that encourages our own employees to submit recommendations for improvements. After all, who better to provide ideas and insights than the individuals who work with our programs the most?

By creating an intuitive online tool through which employees can quickly and easily submit their ideas, our five appointed Operational Excellence Committees (OECs) received a total of 259 enhancement recommendations. Of the 259 recommendations, half have been implemented, are in development, are approved for development or are in the project proposal stages. Enhancement recommendations ranged from simple ideas like adding a timeout function to the Employer Services Portal to more complex ideas like auto-approving Health Spending Account expenses transferred from Extended Health Care claims. Given the quality and sheer number of recommendations, the OECs decided to recognize our employees for their work, presenting awards to the five employees with the most influential ideas.

SHARING THE ROAD TO WELLNESS

At ASEBP, we believe health is a shared responsibility and not something any one person or organization can achieve on its own. As a result, being proactive and staying ahead of the curve means sharing resources and expertise with various organizations, agencies and groups and aligning our work with key public education stakeholders to help our covered members attain optimal health. Engaging with other external groups is so important to us, in fact, we created a whole division dedicated to it.

OPERATIONAL EXCELLENCE BY THE NUMBERS

259

total enhancement ideas submitted by staff

50

total enhancements developed and implemented

50

total enhancements approved and waiting development

11

total enhancements converted into full project proposals

.....
At ASEBP, we believe health is a shared responsibility and not something any one person or organization can achieve on its own.
.....



This year, the **Health Strategies and Stakeholder Engagement division** has been busy building ASEBP's strategic partnerships and collaborating with a variety of different organizations and groups, including the College of Alberta School Superintendents, the Cardiovascular Heart and Stroke Strategic Clinical Network, the Institute of Health Economics and the University of Calgary, to name a few. We also continue to collaborate with other provincial comprehensive school health organizations, including Alberta Health Services, Ever Active Schools, APPLE Schools, Be Fit For Life and the Alberta Healthy School Community Wellness Fund as part of the Alberta School Employee Wellness Working Group. These partnerships provide us with invaluable information, advice and recommendations for how the plan can be used to support the diverse needs and experiences of our covered members and help us identify useful health and wellness initiatives and programs in our communities.

The Health Strategies and Stakeholder Engagement division also regularly seeks to develop and maintain relationships with the Alberta Government and its agencies. As a result, the division is invited to contribute, in an advisory capacity, to the following important cross-ministry health strategies:

- ▶ The Provincial Advisory Committee (PACT) for Creating Tobacco-free Futures: Alberta's Strategy to Prevent and Reduce Tobacco Use, 2012 to 2022

As a member of the PACT, ASEBP provides expert advice and guidance to the steering committee and working groups to support decision-making and strategy implementation.

- ▶ The Valuing Mental Health Advisory Committee

Formed in the spring of 2016 in response to the release of Valuing Mental Health: Report of the Alberta Mental Health Review Committee, the advisory group has been involved in reviewing and prioritizing the report recommendations and providing feedback on the proposed action plan being developed for the Alberta Minister of Health in the late fall of 2016.

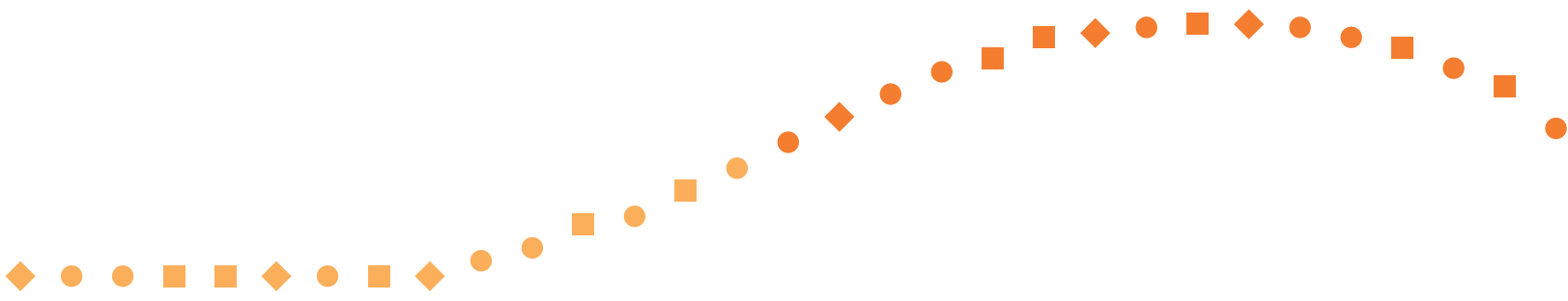




Ready to Respond

At ASEBP, taking the time to listen and respond to our covered members and school jurisdictions is paramount to our success.

In addition to our triennial survey conducted by Pivotal Research, a third-party organization that gathers vital feedback from all covered members, member associations and school jurisdictions, there are a variety of other ways we gather key information to learn how we can better meet or exceed the needs of these important stakeholders.



WE'RE LISTENING

In the spring, our **school jurisdiction liaisons** connected with all 58 school jurisdictions and 11 member associations to present information about what's happening at ASEBP and to hear from these employer groups about what they feel is working well and what could be improved or enhanced. The feedback from these touchpoints has been invaluable in helping to inform our strategic objectives and our decisions continue to be in the best interests of our covered members, school jurisdictions and associations.

ASEBP also seeks feedback when undertaking major projects that directly affect our covered members and school jurisdictions. When developing our comprehensive digital strategy to improve ASEBP's online platforms, we completed a comprehensive audit of all our digital properties, including our public website, Apple-a-Day, My ASEBP, the My ASEBP Mobile App, The Sandbox and the Employer Services Portal. We also had covered members participate in remote-user interviews and tests for the public website and interviewed school jurisdiction employees about their interaction with our Employer Services Portal. This feedback directly informed our digital strategy and has led to a multitude of planned digital enhancements, including a complete redesign of our mobile app, with new features like the ability to submit Extended Health Care, Vision and Wellness Spending Account claims and transfer unpaid claim amounts to a Health Spending Account. It's also thanks to feedback from our covered members that we introduced claims maximum details and online claiming to My ASEBP in June 2016.





HERE WHEN YOU NEED US

Not only are we committed to obtaining and responding to formal feedback, but we're also listening and ready to respond when our school jurisdictions and covered members face unique challenges. Following the **Fort McMurray wildfires**, ASEBP rallied to support those affected by the devastation. To make obtaining ASEBP's benefits and services as simple as possible for evacuees and others affected we:

- ▶ assisted with early medication pick-ups, duplicate prescription refill requests and medical appliance requests for anyone forced to leave home without their medications or other medically-necessary items,
- ▶ extended deadlines for anyone in the process of applying for changes in coverage,
- ▶ prioritized claims for those in the area,
- ▶ shared all fire response-related communications materials with our parent bodies so they could easily spread the word,
- ▶ posted emergency information and support materials to My ASEBP and the Employer Services Portal,
- ▶ provided early access to online claims functionality, and
- ▶ worked closely with Homewood Health to promote Employee and Family Assistance Program services to those impacted.

In response to the devastation of the fires, ASEBP also met with cross-ministry government representatives from Alberta Health, Alberta Education and Alberta Health Services to contribute to the Wood Buffalo Re-entry and Recovery Plan by sharing information about the psycho-social supports and resources we could offer to those affected. We provided the Government of Alberta with a list of all relevant ASEBP resources for inclusion within Alberta Mental Health Emergency Coordination Centre's Resource List and used The Sandbox to share targeted Homewood Health Homeweb articles such as *Experiencing a Community-Based Natural Disaster* and *Coping with a Traumatic Event*.



SHOWING SOME LOVE

As a staff, we provided some additional support to Fort McMurray teachers by holding a silent auction and designating our Casual for a Cause fundraiser to purchase **26** Staples gift cards for teachers in need of classroom supplies. We also donated **32** backpacks filled with supplies to Fort McMurray students through the **Tools for School** program.

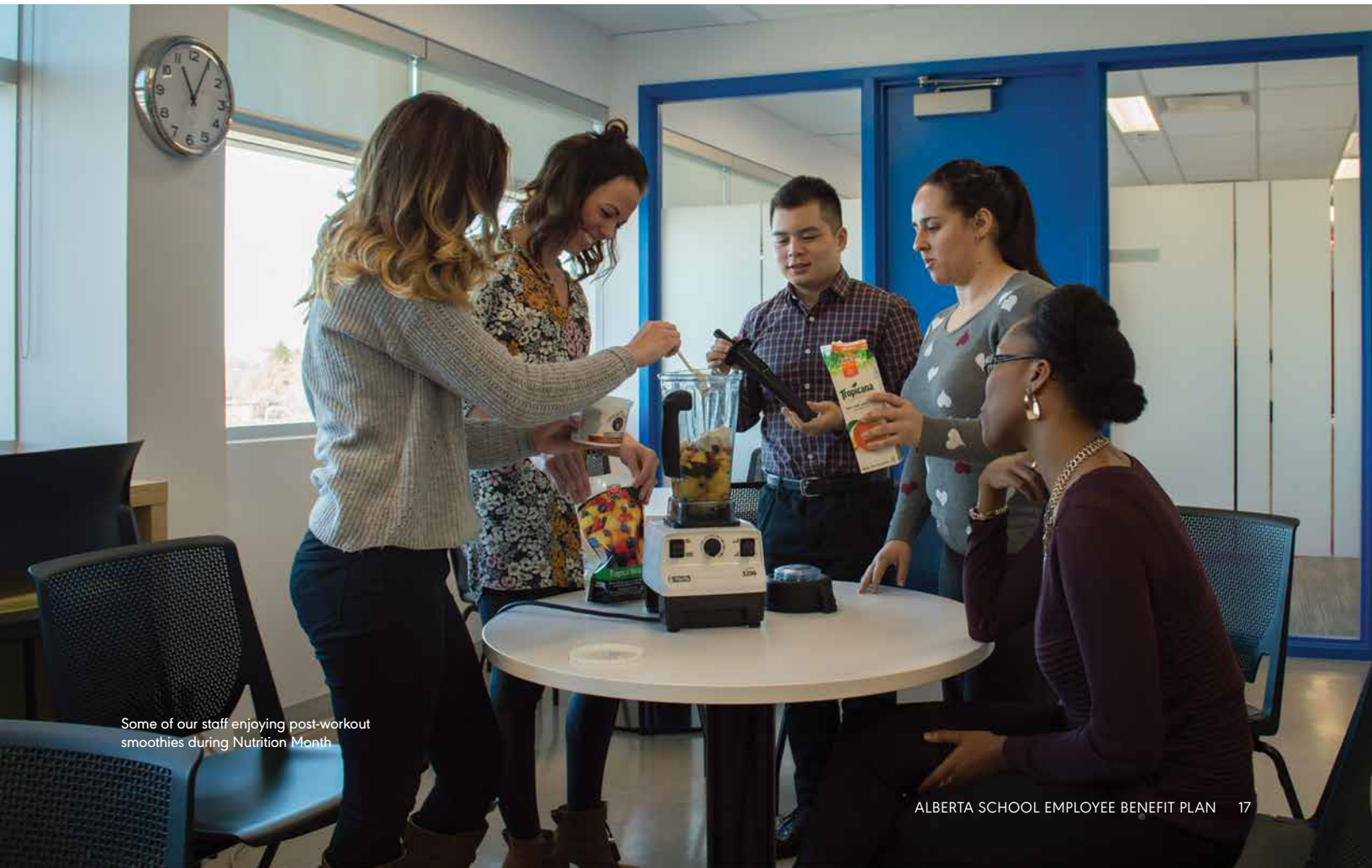
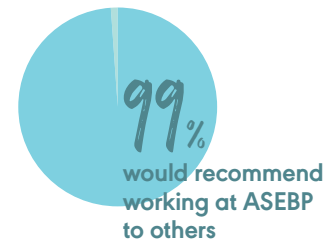
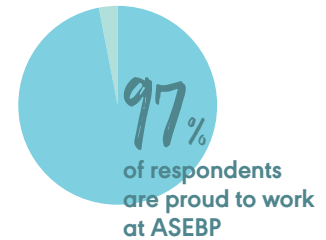
Our Fitness for Health Committee getting ready for a lunch-time fitness class



A Culture of Wellness

When it comes to workplace wellness, we don't just talk the talk. At ASEBP, we're committed to building a healthy, positive work environment that supports the holistic well-being of our employees and allows them to thrive and succeed. It's this commitment to wellness that attracts top-quality talent and has made us one of Alberta's Top Employers five years in a row.

We're proud to say that our commitment to workplace wellness and building a positive workplace culture has led to consistently higher than average employee retention and job satisfaction rates amongst our staff. In fact, the results of our latest annual employee satisfaction survey (completed by 90 per cent of our staff) indicated that 97 per cent of respondents are proud to work at ASEBP and 99 per cent would recommend working at ASEBP to others. Perhaps most encouragingly, 97 per cent also believe that employees at ASEBP are willing to go the extra mile to help our organization achieve its objectives. It's this type of commitment—the willingness to go the extra mile—that a paycheque alone can't buy, and we believe it's our positive workplace culture that's made the difference.



Some of our staff enjoying post-workout smoothies during Nutrition Month

Making a Difference

In addition to our many internal health and wellness initiatives, we also like to do what makes us happiest—give back. Throughout the year, we donated:

\$6,000

to charity through our **Casual for a Cause** program

32

backpacks full of school supplies to the **Tools for School** program

15

food hampers during our April **Food Bank Drive**

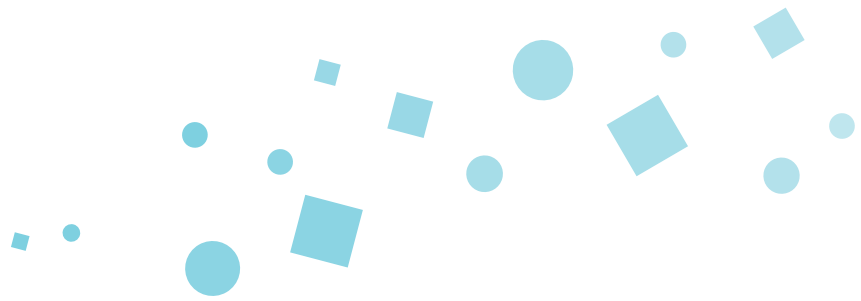
>100

toys for **Santas Anonymous**

25

purses filled with women's toiletries to the **Mustard Seed**

and much more!



THE MENTAL HEALTH MOVEMENT

Because we know how challenging it can be to create and sustain a culture of wellness, it's important to us that we lead by example and take advantage of opportunities to pilot innovative programs and services with the staff at ASEBP.

When it came to the development of our **Mental Health Strategy** in 2014, for example, our own employees weren't far from our minds. In fact, one of the strategy's first objectives was to offer a Mental Health First Aid Training Program to all ASEBP employees as a way to improve mental health literacy in the workplace and help employees gain skills and knowledge to better manage potential or developing mental health issues in themselves, colleagues or family members and friends. We saw 65 per cent of our staff successfully complete the program and, because of its success at ASEBP, we've been able to pilot the training with four different school jurisdictions, with the goal of offering more in 2016/17.

In the second year of our multi-year mental health strategy, we also:

- ▶ Piloted the **Not Myself Today** campaign by Partners for Mental Health, which included the development of toolkits to help managers incorporate mental health dialogue and awareness into team activities and to support them in starting conversations with employees around mental health;
- ▶ Celebrated **Mental Health Week** with a variety of activities including an all-staff presentation from the Canadian Mental Health Association on reducing stigma and creating supportive environments in the workplace and a "Hats on For Mental Health" funky hat Friday to name a few; and
- ▶ Adapted our **employee engagement survey** to incorporate questions to appropriately evaluate psychological safety in the workplace.



Our 2015 Edmonton and Area Corporate Challenge event medal winners

BENEFITS IN MOTION

At ASEBP, our commitment to physical health is another important part of our workplace culture and one that contributes to our high levels of employee engagement, productivity and retention. In addition to our **Ticket to Fit** program, which was featured on Global Edmonton's Health Matters segment in February, ASEBP kept active in a variety of other fun ways as well. We climbed a total of 17,193 flights of stairs—more than 500 kilometres—during our **Old School Stair Challenge** in February and walked a total of 150 kilometres on our virtual walk through Costa Rica with the Primary Care Networks' third annual **Get Out, Get Active Challenge** in April and May. Our employees once again rocked Edmonton and area's **Corporate Challenge**, participating in everything from bunnock to volleyball and taking home medals in ultimate Frisbee, trivia, lawn bowling as well as Big Bike for raising the most money in our division for the Heart and Stroke Foundation.

We also planned some fun activities during nutrition month including a lunch 'n' learn about the facts and fads of dietary sugar, a free snack day featuring healthy post-workout snack options and a cooking demonstration with a focus on introducing new or exotic foods into your diet.



Financial Overview

Sound fiscal management and operational upgrades to our administrative systems supported the delivery of leading-edge programs and services in 2016.

Capitalizing on our financial and operational strengths, we remained focused on providing our covered members with quality health benefits and programs and efficient and accessible service.

STATEMENT OF FINANCIAL POSITION

As at August 31, 2016, ASEBP maintained its strong capital position with overall net assets of \$639 million, an increase of \$21 million from the previous year. Strong investment portfolio returns were the primary contributors to the growth seen in total assets with an investment return increase of three per cent over the previous year. Total liabilities of \$437 million decreased by \$11 million from the previous year due, primarily, to a reduction in the liabilities related to extended disability. Total reserves saw an overall increase of \$32 million from the previous year.

STATEMENT OF FINANCIAL POSITION FOR THE YEARS ENDED AUGUST 31 *(Thousands of Canadian dollars)*

	2016	2015
ASSETS		
Invested assets	\$ 578,075	\$ 556,068
Cash and cash equivalents	7,832	8,861
Receivables	11,506	12,042
Prepaid expenses	1,151	896
Property and equipment	2,109	2,015
Intangible assets	9,489	9,502
Cash held in trust for benefit administration	29,120	28,711
Total assets	\$ 639,282	\$ 618,095
LIABILITIES AND RESERVES		
Insurance liabilities	\$ 77,002	\$ 87,401
Provision for future policy benefits	320,712	325,285
Other liabilities	39,658	35,635
Total liabilities	\$ 437,372	\$ 448,321
RESERVES		
Net assets available for benefit initiatives	\$ 98,862	\$ 66,494
Capital adequacy	103,048	103,280
Total reserves	201,910	169,774
Total liabilities and reserves	\$ 639,282	\$ 618,095

INVESTMENTS AND RESERVES

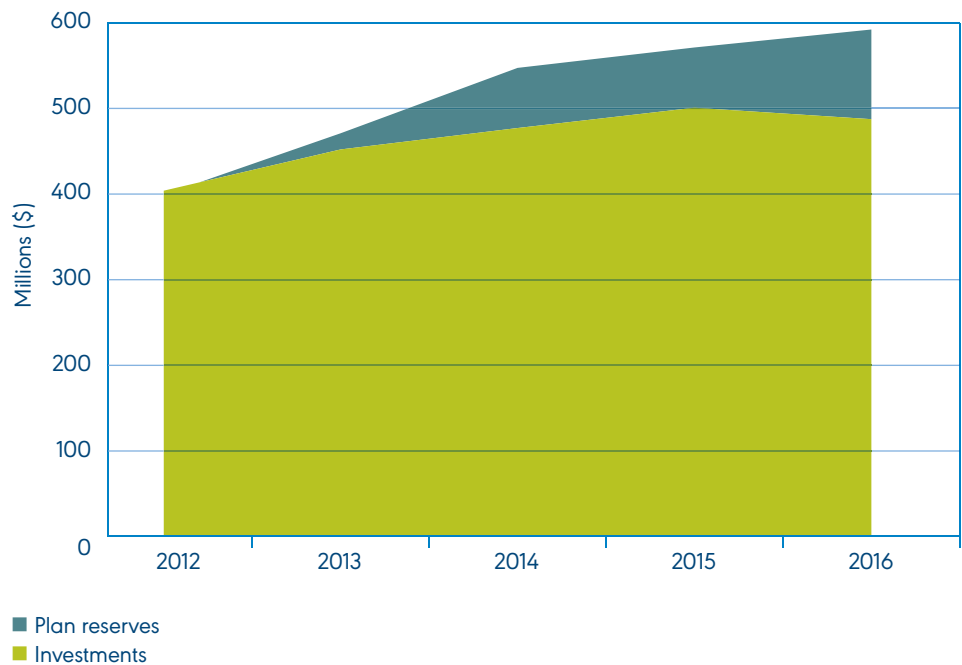
Through sound financial management, ASEBP performs a comprehensive review and rebalancing of its investment portfolio each quarter, taking into consideration risk factors such as market, credit and liquidity that may impact the financial performance of the portfolio.

Diversification of the fund's portfolio is maintained by monitoring its total return variability, reducing the fund's market and credit exposure, minimizing exposure to unexpected inflation and enhancing the long-term, risk-adjusted return.

With invested assets of \$578 million, ASEBP's investment portfolio experienced increased investment income of \$11 million over the previous year.

To maintain both the short-term and long-term financial health of the plan, ASEBP keeps a capital adequacy reserve, which is designed to retain a reasonable amount of capital in order to mitigate risks and variations in underlying assets and liabilities. In 2016, the capital adequacy reserve totalled \$103 million. ASEBP further maintains a net assets stabilization reserve of \$99 million. For the year ended August 31, 2016, ASEBP's total reserves increased by \$32 million from the previous year. This increase was primarily driven by adjustments in actuarial assumptions and strong investment returns.

INVESTMENTS AND PLAN RESERVES



STATEMENT OF COMPREHENSIVE INCOME

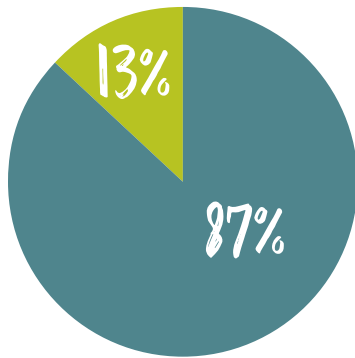
Through proactive health initiatives, prudent plan management and strong investment returns, ASEBP was able to minimize premium increases while significantly increasing total comprehensive income over the last fiscal year.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED AUGUST 31 (Thousands of Canadian dollars)

	2016	2015
REVENUES		
Premiums (net)	\$ 228,092	\$ 217,987
Investment income	38,620	27,133
Interest and other revenue	4,327	3,607
Total revenues	271,039	248,727
EXPENSES		
Benefit expenses		
Benefits for covered members and beneficiaries	\$ 217,253	\$ 206,571
Self-funded portion of life insurance	34	18
Change in provisions for future policy benefits	(10,039)	15,492
Total benefit expenses	207,248	222,081
Operating expenses		
Administration	28,358	25,318
Depreciation of property and equipment	913	704
Amortization of intangible assets	2,136	2,529
Interest expense	250	93
Foreign exchange gain	(2)	(77)
Total operating expenses	31,655	28,567
Total expenses	238,903	250,648
Total comprehensive income (loss)	\$ 32,136	\$ (1,921)

REVENUES AND EXPENSES

EXPENSES BREAKDOWN



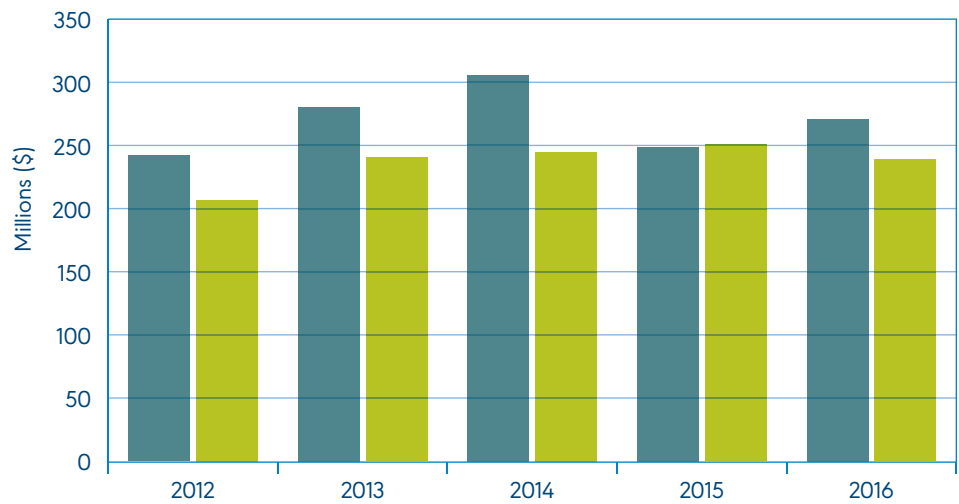
- Plan
- Administration

Net premiums for the fiscal year were \$228 million, which was an increase of \$10 million from the previous year. This was primarily due to an increase in covered member enrollment. Total other income for the fiscal year was \$43 million, which was an increase of \$12 million, mostly due to strong investment returns.

Benefit expenses for the fiscal year were \$207 million, which was a decrease of \$15 million, primarily due to adjustments in actuarial assumptions of extended disability liabilities. Operating expenses had a slight increase of \$3 million relating to administrative costs focused on cybersecurity, IT infrastructure, member services and improving efficiencies throughout the organization.

Total comprehensive income for the fiscal year was \$32 million as compared to a total comprehensive loss of \$2 million in the previous year. The net change of \$34 million is mostly due to changes in plan design/management, our continued focus on health and health promotion, growth in investment returns, adjustments to actuarial assumptions and an increase in total covered members.

TOTAL REVENUES vs TOTAL EXPENSES



- Revenues
- Expenses

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFIT INITIATIVES AND CAPITAL ADEQUACY RESERVE
FOR THE YEARS ENDED AUGUST 31
(Thousands of Canadian dollars)

	2016	2015
NET ASSETS AVAILABLE FOR BENEFIT INITIATIVES		
Beginning of period	\$ 66,494	\$ 74,711
Investment income (net)	38,620	27,133
Interest and other revenue	4,327	3,607
Plan and member services	20,844	(4,094)
Administrative and operating expenses	(31,655)	(28,567)
Transfer (to) from capital adequacy reserve	232	(6,296)
End of period	\$ 98,862	\$ 66,494

	2016	2015
CAPITAL ADEQUACY RESERVE (CAR)		
Beginning of period	\$ 103,280	\$ 96,984
Transfer to (from) net assets available for benefit initiatives	(232)	6,296
End of period	\$ 103,048	\$ 103,280



LOOKING AHEAD

ASEBP will continue to maintain a solid financial footing with a focus on prudent fiscal management and improved member health. This strategy has positioned ASEBP to meet its current obligations and prevent future liabilities while offering exceptional benefits at a reasonable cost.





