



CANADIAN PENSION & BENEFITS INSTITUTE

Annual Report 2017





The Canadian Pension & Benefits Institute

Education and Networking Opportunities
for the Pension, Benefits and Investment Industry

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About The CPBI

Mission

To provide the opportunity to participate in high quality, high value, and cost effective education and networking forums focused on the exchange of information and best practices related to pensions, employee benefits and investments across Canada.

Vision

To be a recognized leader in providing quality education and networking programs and services, which are solutions-oriented and promote professional growth and development across Canada.

Values

In its governance and programs, the CPBI adheres to the following values:

- o Balance between National and Regional Focus
- o Collaboration
- o Innovation
- o Accountability

Message from the Chair of the Board of Directors



It was mid-summer at the time of writing – a time when we normally take a pause from our busy careers to spend time with family and friends, vacationing at cottages, campgrounds, cabins, and to travel abroad or simply rest at home (a “staycation”). It is also often a time when we get a better chance to reflect on past work as well as our goals and ambitions for the coming year.

Reflecting on the busy year that has now past, all of CPBI’s volunteers and staff should be proud of the events and activities that have been organized to benefit the pension, benefits and investment industry. It is because of these contributions that CPBI remains the pre-eminent provider of networking and education events.

At the same time, and just as our industry is ever-changing, we are constantly looking forward - to new trends and issues – and all of us on the Board are excited to embark on a new planning year filled with activities and events that provide each of us within the industry opportunities to share and enhance our knowledge and to expand our professional networks.

Of course, all of this would not be possible without engagement from our industry, and to continue our rich history of volunteerism and support. I strongly encourage individuals from the pension, benefits and investment industry to participate in developing programming of activities and events. As a not-for-profit organization, we are as strong and vibrant as our members, and an engaged membership will help us to sustain CPBI as an independent members association, serving the pension, benefits and investment industry, for many years to come.

Sincerely,

Jordan Fremont
Chair, CPBI Board of Directors

Message from the Chief Executive Officer



I wish to formally recognize and thank the many volunteers on all our Regional Councils, Chapters and Committees that were responsible for the organization and delivery of the numerous activities that benefited the professionals in our industry this past year. As we close both our fiscal and programming year, I look back on the many successful events organized across the country which allowed both our members as well as non-members to come together to learn and network.

I would be remiss if I didn't thank the FORUM 2017 Committee for their successful program. It was greatly appreciated by all who gathered in Winnipeg. As well, I would like to recognize the various regional conference committees responsible for conferences that took place in Whistler in British Columbia, Saskatoon in Saskatchewan, Mont-Tremblant in Quebec and St. Andrews in New Brunswick. The industry greatly appreciated the hard work put into the organization of these events.

In addition to CPBI Conferences, thousands attended the many regional activities organized across Canada. We continue to work with all our volunteers to gain greater visibility for the Institute, attract more members and increase awareness of CPBI services and offerings available to all professionals working in our industry. To this end, the CPBI also involved itself with various external groups in order to generate more awareness for the Institute.

As you peruse the regional pages of this annual report you will find detailed information on various events that took place and were organized by our volunteers across the country. It is, because of their contributions that, the CPBI remains the pre-eminent provider of education and networking events.

This past year the CPBI went through a major change in its membership. If you look through the 2017 Audited Financial Statements at the end of the annual report, you will see that we had a substantial loss compared to the previous year. This is a one-time event due primarily to the loss of members in the CPBI Quebec region. The departure of the CPBI Quebec regional council members last year, to create a competing association in Quebec, led to a loss in membership revenues that we are now adjusting to as we move forward. This together with cancellation penalties for future contracts that were no longer required in that region, led to this loss. However, your colleagues on the CPBI Board of Directors are working together with the national staff on correcting this situation and I wish to assure you that the Institute's financial reserves will sustain the organization financially through this challenge.

And to all of this year's CPBI Regional Volunteer Award winners, our congratulations! Your commitment and contributions to our industry and the Institute are greatly appreciated. I and the staff at National Office are here to assist you.

I look forward to seeing members from across Canada gather in Quebec City at FORUM 2018, June 4th to the 6th, at the iconic Château Frontenac Hotel. Mark your calendars, it promises to be quite an event!

Yours truly,

Peter Casquinha
Chief Executive Officer

Board of Directors



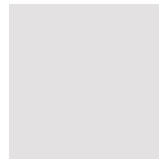
Jordan Fremont
Chairperson



Ryan Johnston
Vice-Chairperson/Secretary and Treasurer
Atlantic Region



Cheryl Neighbour
Past-Chairperson



Joyce Stephenson
Ontario Region



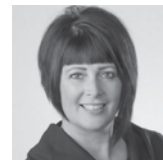
Pierre Caron
Director at Large



Tyler Smith
Manitoba Region



Doug Volk
Saskatchewan Region



Tracy Young-McLean
Director at Large



Clark Dehler
Alberta Regions



Susan Richards
Pacific Region

Peter Casquinha
Chief Executive Officer, Ex-officio member

CPBI Board Committees

Finance & Audit Committee

Ryan Johnston, Chair
Jordan Fremont
Tyler Smith
Doug Volk
Tracy Young-McLean

Governance Committee

Susan Richards, Chair
Clark Dehler
Ryan Johnston
Doug Volk
Tracy Young-McLean

Human Resources Committee

Jordan Fremont, Chair
Ryan Johnston
Cheryl Neighbour
Joyce Stephenson

Membership Committee

Joyce Stephenson, Chair
Pierre Caron
Clark Dehler
Tyler Smith
Doug Volk

Nominating Committee

Cheryl Neighbour, Chair
Jordan Fremont
Susan Richards

Program Committee

Tyler Smith, Chair
Pierre Caron
Susan Richards
Joyce Stephenson

Recognition Committee

Cheryl Neighbour, Chair
Peter Buntain
Burk Humphrey
Kim Siddall
Dave Tompkins
Dale Weldon

CPBI Regional Councils

CPBI Pacific

Vanessa La Fortune
Chairperson

Leah Wosk
Vice-Chairperson

Karen Tomkins
Treasurer

Council Members

Tom Adair
Ken Lieu
Craig Hewson
David Mason
Peter Moffat
Karen Sciarretta
Jamal Siddiqui

National Board
Representative
Susan Richards

Regional
Administrator
Christine Lee

CPBI Northern Alberta

Sharon Vogrinetz
Chairperson

Damon Callas
Vice-Chairperson

Jan Farquharson
Treasurer

Elaine Shannon
Secretary

Council Members

Chris Archibald
Giselle Evans
James Foremsky
Donna McPherson
Lorraine Wohland
Sheri Wright

National Board
Representative
Clark Dehler

Regional
Administrator
Shelly Petovar

CPBI Southern Alberta

Luis Ramirez
Chairperson

Clark Dehler
Treasurer

Cameron Thickett
Past Chairperson

Council Members

Stian Andersen
Christine Bilous
Carol Clancy
Don Forbes
Karen Hall
Carleen Kay
Ken MacDonald
Kristin Smith
Joanne Verdel
Joanna Walewski
Scott Watson

National Board
Representative
Clark Dehler

Regional
Administrator
Krista Esau

CPBI Saskatchewan

Alana
Shearer-Kleefeld
Chairperson

Dara
Sewell-Zumstien
Vice-Chairperson

Dan Bolan
Treasurer

Kelley Orban
Secretary

Council Members

Chad Corbin
Andrea C. Johnson
Narinder Kempa
Nikki-Lynn McKeague
Jeff McNaughton
Raymond Parsley
Shaunt Parthev
Sylvia Rempel
John Salmond
Troy Shanks
Jeremy Sloan

National Board
Representative
Doug Volk

Regional
Administrator
Karen Lovelace

CPBI Regional Councils

CPBI Manitoba

Liz Farler
Chairperson

Tyler Smith
Past Chairperson

Timothy McDowell
Secretary / Treasurer

Council Members

Glen Anderson
Russ Berdusco
David Binda
Chris Chernecki
Roger Delaquis
Simon Deschenes
Allan Foran
Joey Harris
Val Holloway
Patricia Khoe
Marine Kilmack
Andrew Kulyk
Jenny Ly
Nachareun
Julie-Ann Waite

National Board
Representative
Tyler Smith

Regional
Administrator
Joan Turnbull

CPBI Ontario

Martin Leclair
Chairperson

Natasha Monkman
Vice-Chairperson

Claude Macorin
Secretary / Treasurer

Council Members

Chris Bromley
Ray Desai
Ryan Gibbons
Caroline Helbronner
Gabriella Jeffrey
Catherine Jay
Yves Lacroix
Cam MacNeish
Kim Ozubko
Tracey Riccardi
Shenagh Rosa
Christine vanStaden

National Board
Representative
Joyce A. Stephenson

Regional
Administrator
Christine Lee

CPBI Quebec

Council Members
TBA

Regional
Administrator
Michel Blanchette

CPBI Atlantic

Jeff Alexander
Chairperson

Tara Anstey
Vice-Chairperson

Kevin Hollis
Past Chairperson

David Harding
Secretary / Treasurer

Council Members

Ron Cashin
David Fisher
Peter Macaulay
Troy Mann
Leanne O'Reilly
Blair Richards
Tina Smith
Terry Taylor
Jeff Turnbull
David Tutty

National Board
Representative
Ryan Johnston

Regional
Administrator
Maria Hayes

2017 CPBI Membership

In the Fall of 2016, the CPBI Board approved an increase in the annual CPBI membership fee. This increase was necessary as the national organization prepared to launch several membership initiatives and benefits that would be unveiled starting 2017. The membership fee had not been increased in the last 10 years.

When the membership renewal campaign started on October 2016, the membership rates for the 2017 year were set as follows:

- Regular individual membership \$300
- Associate individual membership \$50
- Student individual membership \$35
- Plan Sponsor Group Membership
 - Tier 1 - \$1500
 - Tier 2 - \$3000
 - Tier 3 - \$6000

To attract and retain more plan sponsors, the CPBI did not increase the fee for plan sponsors during this transition period. A CPBI Plan Sponsor Individual Membership was introduced, and plan sponsors were encouraged to renew under this new class and benefit from the 2016 rate.

National Office Move

In March 2017, the CPBI National office moved to a new location in downtown Montreal. The new headquarter of the CPBI is located at 505 René-Lévesque Blvd West, Suite 1210. The move was efficiently carried out with no disruption to the services delivered to members and Regions.

National FORUM

Under the theme “Thriving in a Climate of Change”, the 2017 National CPBI FORUM took place in Winnipeg from, June 5th to the 7th. Over 300 benefits, pension and investment professionals gathered at the Delta Hotel in Winnipeg to learn and discuss the latest trends in the industry.

The conference kick-started on Monday June 5th at the Canadian Museum for Human Rights (CMHR) with a keynote address by Max Valiquette, Innovation and Trends Expert who discussed current trends and what they meant to the pension and the benefits industry. His speech was followed by a dinner and a welcome reception in the museum’s Contemplation Garden.

Tuesday morning, Leonard Brody, a Business and Technology Visionary, invited attendees to focus on the Great Rewrite: those who learn to adapt to this rapid pace of change and allow themselves to be “rewritten” will survive and prosper. On Wednesday morning, Nathalie Prohon from IBM presented on how today’s advancement in AI and cognitive computing are unlocking the value of data and transforming how research and actual care is delivered.

Part of the annual conference, the 2017 Hall of Fame celebration, took place at the Delta hotel. During the evening, Bruce Power, one of the 3 founders of the CPBI; Joan Fitch past CPBI Chair from Alberta and Kevin Press, past CPBI Chair from Ontario, were inducted into the CPBI Hall of Fame.

Panels with industry experts covered various topics such as drug trends, pension regulation and ESG investment. The closing panel made up of plan sponsors and advisors discussed the future of employee benefits.

Conference attendees were able to participate in 23 sessions focusing on pension, benefits and investments. All FORUM sessions were recorded and archived on the CPBI online Library. All FORUM attendees have access to those recordings via the CPBI website. Similar to previous years, recordings and copies of presentations are made available to all CPBI members 6 months following the conference.

The 2018 CPBI National FORUM is scheduled to take place June 4th to the 6th, at the Château Frontenac in Quebec City, Quebec.

National Webinars

The CPBI National Webinar Series was very successful and well-attended over this past year. In total, 10 educational webinar sessions were held and attended by 560 attendees from across Canada. This series consists of educational sessions delivered via a web platform. CPBI members and non-members are invited to attend these sessions from the comfort of their office. CPBI National Webinars are complimentary to CPBI members whereas non-member can attend for a fee. This program is under the guidance of the CPBI National Program Committee who is in charge of approving all sessions' topics and speakers. All sessions are recorded and archived in the online CPBI library which is accessible to all CPBI members at all times.

Suggestions for session topics are put forward by members and/or their companies for the CPBI National Program Committee's consideration. To submit a topic, please contact the e-learning manager at the CPBI National Office at marketing@cpbi-icra.ca.

Pricing Policy Revision

As part of the continuing process of CPBI policies review, the CPBI Board of Directors approved a new revised pricing policy during its June Meeting in Winnipeg. The purpose of the revised policy is to provide value to CPBI members and encourage membership as well as generate revenue to support the organization's objectives and enhance the CPBI's brand.

As per the revised policy, a pricing differential for non-members vs members attending Regional and National conferences as well as regional events was established.

The new revised pricing policy will be applicable as of July 1st, 2017.

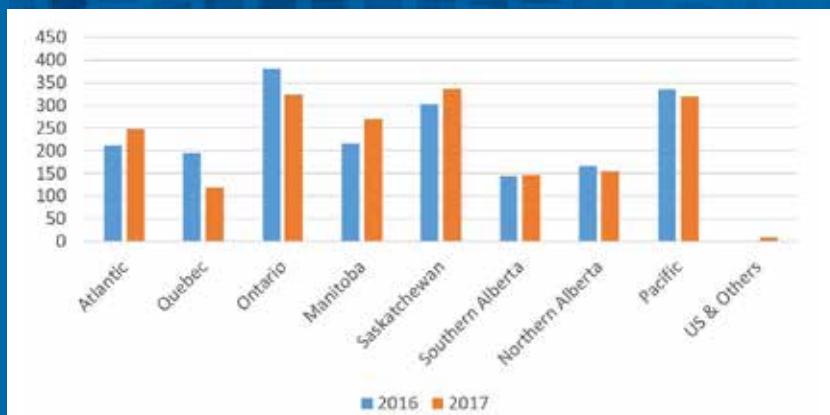
Board Meetings

During the 2016-2017 fiscal year, the CPBI Board of Directors and members met at the following dates and locations:

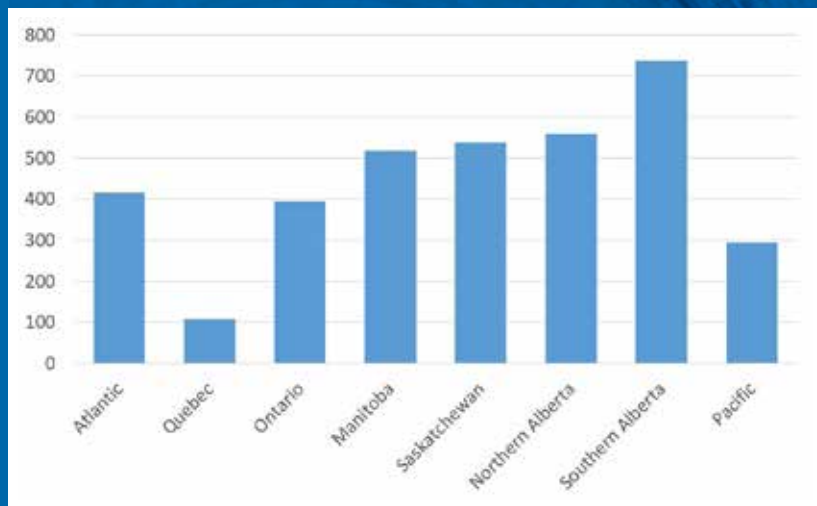
Date	Meeting	Location
September 8, 2016	Board Meeting	Teleconference
October 7, 2016	Annual General Meeting	Whistler, BC
October 21, 2016	Board Meeting	Montreal
January 31, 2017	Board Meeting	Teleconference
March 3, 2017	Board Meeting	Montreal
March 4, 2017	Board and Regional Chairs Joint Meeting	Montreal
June 5, 2017	Board Meeting	Winnipeg

Year In Numbers

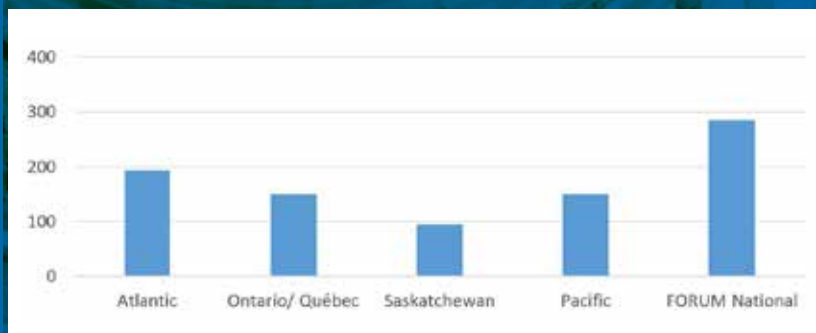
Membership Growth by Region



Participation in Regional Events
(Number of Participants)



Participation in the National FORUM
& Regional Conferences
(Number of Participants)



CPBI 2017 Volunteer Awards Recipients

CELEBRATING EXCELLENCE AND COMMITMENT

Every year, the CPBI honours the commitment of its volunteers by awarding Regional Volunteer Awards.

On behalf of the CPBI Board of Directors, Regional Councils and National Office, we would like to congratulate and thank the following volunteers for their involvement and contribution to the Institute.



CPBI Atlantic Region

Don Ash

Executive Director (retired), Newfoundland and Labrador Teachers' Association



CPBI Ontario Region

Cam MacNeish

Senior Retirement Consultant, BFL CANADA



CPBI Manitoba Region

Liz Farler



CPBI Saskatchewan Region

Glenda Schlosser

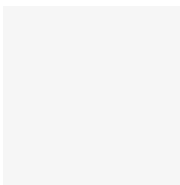
Manager, Pension & Disability Administration, Mobius Benefit Administrators Inc.



CPBI Northern Alberta Region

Sharon Vogrinetz

Assistant Executive Secretary, The Alberta Teachers' Association



CPBI Southern Alberta Region

Carleen Kay

HR Advisor, Husky Energy Inc.

2017 Inductees Into The CPBI Hall Of Fame

THE CPBI HALL OF FAME

The CPBI Hall of Fame was created in 2011 to celebrate the CPBI's history and recognize individuals who have been key leaders in the organization over the years. It is a place to recognize and honour CPBI members, past and present, who have given their time and energy to the Institute and who, without them, the Canadian Pension & Benefits Institute would not be recognized for its educational and networking presence across Canada.

On Tuesday June 6th, during the CPBI FORUM 2017 Gala Dinner, Jordan Fremont, Chair of the CPBI Board of Directors, introduced the 2017 inductees into the CPBI Hall of Fame. Kevin Press, award winning journalist and past CPBI Chair, Joan Fitch first woman Chair of the CPBI and Bruce Power one of the three founders of the CPBI in 1960. Kevin Press was present at the evening to receive his award. In his speech, Kevin encouraged all members to volunteer on a CPBI committee, get involved and make a difference in the industry.



Jordan Fremont presenting the 2017 Hall of Fame recognition award to Kevin Press

2017 INDUCTEES INTO THE CPBI HALL OF FAME



KEVIN PRESS

Kevin Press joined the CPBI in 1999. He volunteered on several committees and spoke at various events. In 2002, Kevin was elected chair of the CPBI Ontario Regional Council. In 2004, he was appointed as Ontario Representative on the National Board of Directors and was elected Chairman of the Board in 2009.

Kevin spearheaded the efforts in rebranding the national conference into the CPBI FORUM as we know it today. In 2013, Kevin chaired the first CPBI FORUM outside of Canada.

JOAN FITCH

Joan joined the CPBI in 1983 and in 1987, she was elected Chair of the CPBI Alberta Regional Council. In 1990, she became the first woman Chair of the CPBI, then known as the CPC. Under her chairmanship the CPC was renamed, adopted a new logo and embraced new strategic directions and mission; to be the leading national and regional forum on pension and employee benefits.

BRUCE POWER

Bruce was one of the three founding members of the CPBI; he represented the insurance industry on the steering committee that was behind the creation of the CPBI. Bruce was present at the first meeting of the Canadian Pension Conference that was held on June 6, 1960 at the King Edward Hotel in Toronto and was part of making many decisions that brought the CPBI to where it is today.

Atlantic Region



The Atlantic Regional Council is having another busy year, delivering high quality education and networking opportunities throughout Atlantic Canada.

The 2016 Atlantic Regional Conference was highly successful, and featured memorable sessions including Margaret Trudeau, Keith Ambachtsheer, Dr. Joe Schwarcz and others. The success of that Conference put wind in our sails for a very full 2017 season.

The next event was a presentation from the Nova Scotia Minister of Finance Randy Delorey, who spoke on expanded CPP and the potential impact to government and the private sector. An investment session followed to end the 2016 calendar year.

We launched the 2017 program with an Economic Forecast in early March, which was held in both Halifax and St. John's NL. Both sessions were well attended and successful. We then hosted sessions on Marijuana in the Workplace in both Halifax and St. John's – the timeliness of the topic led to a sell-out in Halifax and high attendance in St. John's. We plan to have two more sessions related to the legalization of Marijuana before the July 1, 2018 launch date, as this topic continues to resonate with people.

In June 2017, we did something unique – we decided to do a mid-year economic forecast to address the “Trump Effect” that had been in play since his inauguration in January 2017. That session was well received, and we may look at doing that in future years.

Our 2017 Annual Conference will be held at the new Convention Centre in St. John's NL. Our theme is “Between a Rock and a Hard Place – Learning to Embrace Disruption”. We expect a full house once again this year, and the roster of speakers is very strong. We are certain that the “Screech In” ceremony will occur for newcomers to the Rock.

In addition to the educational content listed above, we also hosted Christmas and summer socials in Halifax, Charlottetown, Fredericton and St. John's. This was a conscious effort to broaden our reach and provide opportunities for networking in more centers in our region. This momentum will continue to grow CPBI in the Atlantic as it increasingly gains traction.

Since we are looking to grow our footprint in the region we added regional council members in New Brunswick and Newfoundland and Labrador. This has led to new ideas and viewpoints, which has energized the group.

Our regional council is tireless, and the region appreciates all the efforts of the entire group.

Thank you to all of our members and non-members for supporting us throughout the year, and to the various sponsors who continue to stay with us through the year.

Finally, a massive “Thank You!” to our Regional Administrator, Maria Hayes. She keeps everyone in line and is a great source of continuity. Thanks for your support and for all you do!

Jeff Alexander
Chair, CPBI Atlantic Region

Québec Region



This past year the CPBI Québec Region introduced a variety of new activities and piloted them in new formats! Our aim was to focus on educational activities in the region.

We started the year with the Regional Conference held at the Fairmont Mount Tremblant on Sept 12-14, 2016. The theme of the conference was "Healthy, Wealthy and Wise". For the very first time the two CPBI Regions of Ontario and Quebec offered a joint regional conference. Sessions were offered in both French and English on a variety of topics. The delegates in attendance had a wide choice of topics to choose from during the two days of activities as well as the opportunity to network with their colleagues from the neighbouring region.

The following educational activities were held throughout the past council year, delivered by both industry experts as well as academics from prominent Québec universities:

- Formation Placement (niveau 1)
- Formations Régimes de Retraite
- Formation Placement (niveau 2)
- Choix du gestionnaire de Placements
- Changements législatifs : Loi 92 et S-201 menaces et opportunités
- Optimiser le profil rendement-risque de son portefeuille obligataire
- Le futur de l'industrie pharmaceutique canadienne
- Pharmacogénétique et régimes d'assurance collective
- Point sur la législation en vigueur
- Introduction aux services délégués en investissement
- Revue du contexte macroéconomique mondial et des marchés boursiers

The CPBI Québec Region is already planning activities for the coming Fall and winter in Montreal and Québec City.

If you are a CPBI member and would like to join the Québec regional council and other colleagues in the organization of regional events, you can contact the Chief Executive Officer at the CPBI National Office for further information.

Ontario Region



This past year was another year of change within the CPBI Ontario. After a year of support from an external administration body, administration of the Region was transitioned to the National office to provide more seamless support for all of the Region's activities. Our programming included the Region's first foray into providing webinars, which enable us to provide education to a broader group.

Our first webinar featured a discussion regarding the pending changes to pension regulation in Ontario and the panel included Larry Ritchie, who was one of three individuals appointed by the Ontario government to lead the review of regulation of financial services in Ontario. Our Benefits Outlook discussed mental health and the features of Employee Assistance Programs that can help individuals who are struggling.

Our Investment Trends seminar featured a very strong panel Julie Cays (CIO at CAAT Pension Plan), Eric Lascelles (CIO at RBC Asset Management) and Kevin Hebner (Managing Director at Epoch Investment Partners)) discussing Brexit, Trump and Institutional Investing. In total, the CPBI Ontario Regional Council delivered six programming events.



Our chapters in London and Ottawa continue to be strong and each held education programs for local attendees, discussing topics ranging from expanded Canada Pension Plan to drug cost management. The London Chapter also held its wildly successful London Knights networking event. The Ottawa Chapter held its annual charity golf tournament again in 2016.

The Council has a renewed focus on programming this year and plans to host three webinars and three in person sessions, commencing with an investment forecast in January 2018. Our chapters will continue to hold their extremely successful local programming in addition to the main roster of Regional events.

The 2016 Ontario Regional Conference was a new bilingual initiative, co-hosted with the Quebec Region in Mont Tremblant, Quebec between September 12-14, 2016. The conference was a great success, with close to 150 attendees from both regions. One of the cornerstone sessions was an extremely informative panel discussion regarding expanded Canada Pension Plan. Delegates received the latest information directly from representatives of the Ontario and Quebec Ministries of Finance and the Chief Actuary for Canada. The conference concluded with a discussion of nationalized drug coverage, which was particularly timely in light of the Ontario government's subsequent Budget announcement that it will provide OHIP+, covering pharmacare for young Ontarians.



Ontario Region

Our next Healthy, Wealthy and Wise Ontario Regional Conference will be held in Niagara, October 18 to 20, 2017. The programming is complete and will feature sessions on responsible investing, medical marijuana, mental health awareness and more. It will be a must attend event!

CPBI Ontario continues to offer foundational pension and benefits education to our members (twice a year) via a partnership with the HRPAs in Ontario. This partnership allows the region to further accomplish its mission to educate members of the pension and benefits industries. The Council extends our sincere gratitude to all volunteers who make our events happen and our industry sponsors who continue to support the Ontario Region. We would also like to thank all of the members who continue to attend our events and participate in the education and networking opportunities that we work hard to organize.

Natasha Monkman
Chair, CPBI Ontario Region



The 2016-2017 Manitoba Regional Program had another great year. Drawing on the expertise of local professionals in the pension, benefits and investment areas and from knowledgeable individuals across the country, we provided a wide range of topics that were very well received by the membership.

Seven breakfast sessions and our Benefits Fundamentals courses were scheduled from September 2016 to April 2017.

Breakfast Sessions:

- September - Investing in your DC plan – Target date funds – do they work?
- October – Art Babcock – Sanofi Canada Healthcare Survey
- November – Doug Doleman – Group Benefits Plans – A Vision of the Future
- January – 2017 Global Investment Outlook
- February – Innovative Approaches to Measure and Manage Longevity Risks
- March – WCB Presumptive Coverage – Post Traumatic Stress Disorder
- April – The Challenge of a Trustee in Turbulent Times

March - Benefits Fundamentals

- Basics of Employee Benefits Plans
- Communications and Legal Ramifications
- Pricing and Cost Containments
- Emerging Trends
- Disability Prevention and Integration

We held our second member appreciation night in April. We charged a fee of \$10 per person which was donated to DASCH a non-profit organization dedicated to helping persons with developmental disabilities living in communities.

In consideration of the CPBI National FORUM being held in Winnipeg, the Manitoba Council made the decision to not hold any events in May or June. As a result, we did not have a Golf Event this year and we moved our Fundamental Session to early March.

As in past years our regional council bid farewell to some long-term members and added some new faces. We are looking forward to another successful year. Our program committee is busy putting together another great year of breakfast sessions and we will present Pension and Investment Fundamentals in Spring 2018.

Liz Farler
Chair, CPBI Manitoba Region

Saskatchewan Region

The Saskatchewan Regional Council had another fantastic year providing high quality pension and benefit education and networking opportunities throughout Saskatchewan. Every year we look for ways to provide events that capture the essence of what CPBI is all about: “a source of education for people working in the pension, benefits and investments industry”.

We kicked off the 2016-2017 program year with an inaugural golf tournament which was a great networking event. Our goal is to host these events annually, trading locations each year between Regina and Saskatoon. October was started with our educational sessions on CPP Expansion and Its Impact on Employers with speaker Troy Milnthorp, who is a Partner with Aon Hewitt. Troy provided information and scenarios to explain the changes and how they may impact our industry.

November included an exciting topic on *Supporting Mental Wellness in the Workplace* with speakers from the Schizophrenia Society of Saskatchewan. It is a subject people don't often want to talk about but there was strong interest as the presentation had great reviews and was well attended.

In December, we held a “Christmas Themed” Member Appreciation Reception that was hampered by one of our famous Saskatchewan winter storms - love the prairies for that! January is always the time for the annual *Global Economic and Financial Outlook*. This year's speaker, Derek Burleton, VP and Deputy Chief Economist of TD Bank Group brought an interesting outlook that sparked many questions.

February rolled into a benefits luncheon entitled, *Two Perspectives on the Role of Biosimilar Drugs* with speakers Richard York, Associate Director of Private Drug Plans at Merck Canada Inc. and Durhane Wong-Rieger, President and CEO of Canadian Organization for Rare Disorders. This was a fantastic event that showed the impact from supplier to user of this new way of manufacturing drugs.

March included another hot topic entitled *When Spousal Relationships Break Down*. With speakers Chelsie McKay, Litigation Lawyer, and Roger Lepage, Partner, Miller Thomson, provided important information that cleared the muddy waters of dividing a pension benefit due to a marital split.

Our year closed in May with *How One Organization is Moving the Bar on Employee Engagement* presented by Kelley Orban, Senior Director of Stakeholder Relations with Saskatchewan Healthcare Employees' Pension Plan (SHEPP). Kelley provided an “experience perspective” to this topic that is on every organizations mind which was a great way to end our year of events.

In addition to our regular monthly events, Saskatchewan region provides an annual conference as well as a two-day education session. In March 2017, we reached out to the benefits community with *Benefits, Beyond the Basics*. This event is to allow people the opportunity to receive an education in their respective areas of work on a daily basis.

Then on April 25–27, the CPBI Saskatchewan Regional Conference *Path to Greatness* and the Region Annual Meeting was held in Saskatoon. As always, our conference includes breakout sessions addressing current events and hot topics for the different industry streams of investments, pensions and benefits. To highlight a few of our plenary speakers we started off with *Emotional Intelligence* with Scott Wright, PhD, Star Group of Companies, who brought



Saskatchewan Region

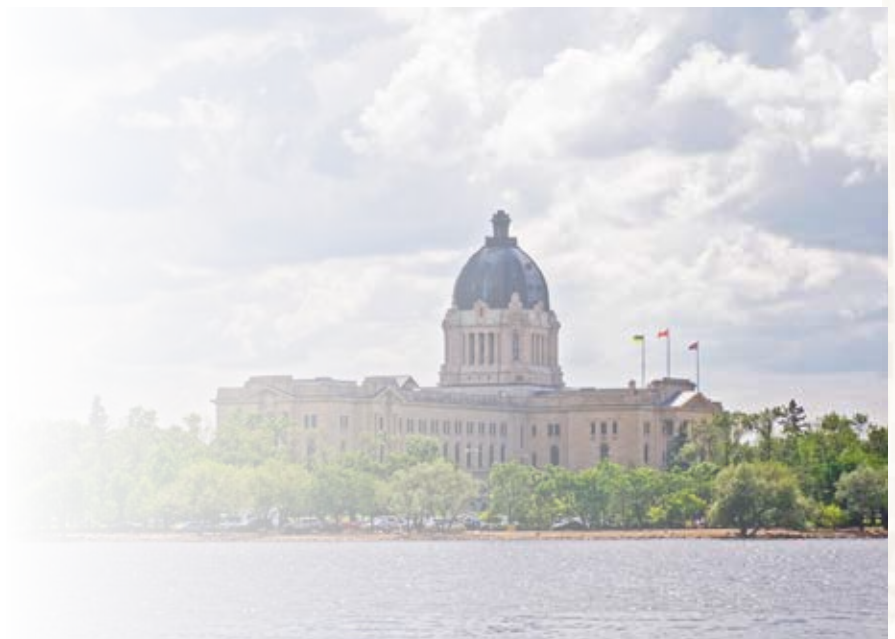
a business and personal look at how emotional intelligence affects your whole life. Frank O'Dea Innovative Entrepreneur and Humanitarian delivered an inspiring story of rags to riches entitled *Power of Hope Vision Action* and what motivated him to get off the streets and take charge of his life. Ending day one was an entertaining evening dinner with Michael Kerr, The Workplace Energizer. Michael had everyone laughing and learning! Lauren Friese, expert on the future workplace and founder of TalentEgg.ca had a very interesting approach to managing workplace demographics with *Millennials and the Future of Work!* We ended our conference with an enthusiastic presentation called, *Ignite the Leader Within* from Rachelle Brockman, Principal of Eureka Experience. The two-day event was packed with education and experiences that attendees will talk about for years to come! All CPBI members from across Canada are invited to join us at our next regional conference in Regina on April 17-19, 2018.



The Saskatchewan Council worked with Humber College during 2016-17 to re-establish pension and benefit courses in Saskatchewan. As a result, the Saskatchewan Region and Humber College will be offering professional accredited courses in Saskatchewan starting in the fall of 2017.

Overall, we had an exciting 2016-2017 year. The events were well attended and well received. Our membership numbers continue to grow year after year. I am excited to see what this next calendar of events will be!

Dara Sewell-Zumstien
Chair, CPBI Saskatchewan Region



Southern Alberta Region



2016-2017 was another successful year for the Southern Alberta region. Our Regional Council and committed team of volunteers put together a great year of events, educational sessions and networking opportunities for professionals in our region. The effects of the decline in the energy sector certainly were a challenge for plan sponsors and providers alike but the resilience of our CPBI community showed through.

Our Program Committee put forth a very successful year of education for our members. Nearly sold-out sessions included a Benefits Drug Panel discussing Cost Saving Trends for Plan Sponsors, the ROI of Disability Management, A State of the Union address by the new Superintendent of Pensions in Alberta, Building Employee Financial Well-Being, the Effectiveness of Target Date Funds in DC Plans and Pension Fiduciary Duties.

A key highlight was our January Economic Update. This year we were pleased to have back the dynamic Eric Lascelles, Chief Economist, RBC Asset Management. It is always a pleasure to have Mr. Lascelles address our region and give such a comprehensive review of the global economy and its impact on Canada and Alberta specifically. The event was close to sold out with approximately 120 in attendance and we received press coverage from the CBC!

Our Professional Development (PD) Committee did double duty this year putting on a professional development day focused on Pensions with numerous plan sponsor case studies and industry speakers from all over Canada. The lunch address was an excellent forecast by the Assistant Deputy Minister, Economics and Fiscal Policy Division from the Government of Alberta.

The PD committee then tried something new for our region and delivered a Benefits 101 education session geared to newcomers in our industry. With many plan sponsor changes in our region we identified the need for a basic training session. This event was very cost effective for members and non-members and had an incredible +90% non-member attendance! Due to the success of this session a Pension 101 session is in the works for 2018.

The Social Committee hosted a sold-out networking event in January of this year and our 12th annual golf tournament at Valley Ridge in Calgary. Both events raised donations for the Calgary Food Bank.

Our Marketing committee continued to explore cross marketing opportunities to expand the CPBI brand, including partnering with the Calgary Total Rewards Network and CPHR Alberta.

Our Regional Council is pleased to announce the election of long serving council member Joanna Walewski, Program Manager – Pensions, to the position of Vice-Chair of the Southern Alberta CPBI and welcome Shannon Hughes, Benefits and Retirement Consultant, to the Council for the 2017-2018 year. We are sad to announce the loss of two of long-time council members, Donald Forbes and Kenneth MacDonald.

We would also like to congratulate Carleen Kay as the Southern Alberta 2017 recipient of the

Southern Alberta Region

Volunteer of the Year Award.

I personally would like to extend my deepest gratitude to all of the Southern Alberta Council members, additional Committees (Governance, Finance, Communications and Sponsorship), all our volunteers and our regional administrator, Krista Frayn. Without your dedication and professionalism, CPBI Southern Alberta would not be as successful. A special thanks also goes out to our sponsors who continue to support our region and recognize the value we bring to our community. We look forward to a successful 2017-2018 year!

Luis Ramirez
Chair, Southern Alberta Region



Northern Alberta Region

CPBI Alberta North hosts many sessions to provide education to its members. For the 2016-17 fiscal year, we explored different formats beyond the usual breakfast seminar to better serve our members and increase membership. Our breakfast programs included presentations on the Sanofi-Aventis survey, CPP reform, an Economic Forecast, Mental Health and Socially Responsible Investing. The Half Day sessions on Cannabis at Work (no samples were offered), Drug Plan Management and Pensions were well attended.

A member appreciation session was offered in June to look at politics in Alberta after two years of an NDP government. Graham Thomson, a well-known political pundit, provided his view of the state of Alberta. Members were free to attend with a foodbank donation, and non-members paid the member only price. The session was well received with approximately 48 people who attended. A Full Day session on Pension Reform was also well attended.

Alberta North is working with Alberta South to host the Western Regional Conference “Power of the Past-Force of the Future” in Banff April 11-13, 2018. One of the keynote speakers will be Margaret Trudeau, well known for speaking about her struggles with mental health. Alberta North is looking forward to another successful year under incoming chair, Damon Callas

Sharon Vogrinetz
Chair, CPBI Northern Alberta



Pacific Region

The Pacific Region has again worked hard to make 2016-2017 a successful year. We strive to provide our members with outstanding speakers on relevant and hot topics throughout the year, as well as basic and advanced education.

Western Regional Conference

The CPBI Western Regional Conference 2016 took place in Whistler, BC, from October 5th through 7th at the Westin Whistler Resort & Spa. The world-class venue brought together 148 delegates from across Canada. The conference offered significant opportunities for networking and education on pensions, employee benefits and institutional investments, including the industry's latest developments and trends.

Breakfast Sessions

Breakfast sessions continue to be the cornerstone of our educational programming. In December, our annual Legal Update was delivered by Michael Wolpert, Partner at Lawson Lundell LLP, and provided a current overview of recent significant cases and legislative changes in Canadian pensions and benefits law.

January featured our annual Investment Outlook with Jim Gilliland, President and CEO, Head of Fixed Income of Leith Wheeler, and provided an outlook on the global economy, its impact on British Columbia and investment implications for markets in 2017.

In May, a session on Medical Marijuana in the Workplace provided employers with insight into the challenges of medical marijuana as it gains acceptance into treatment protocols in a number of disease states. Recent cases were discussed which involved the pressure on benefit plans to add coverage for treatments, duty to accommodate, contractual impediments and potential ways to consider the addition of medical marijuana treatments to benefit plans. This session was presented by Shelley Kee, Senior Vice President of Group Business for Pacific Blue Cross.

Our programming for the year concluded in June with Bruno Bertocci, Managing Director, Senior Portfolio Manager & Team Head of UBS Sustainable Equity who presented on Global Sustainable Investing, evolving from an investment approach heavily reliant on exclusionary screens, toward identifying outperforming companies through the use of an extended mosaic of nonfinancial data.

Continuing Education

Our Continuing Education sessions allow for in-depth education on specific subjects, and include both basic and advanced topics. This year, Stephen Cheng, Senior Consulting Actuary from Westcoast Actuaries Inc., presented two lunch-hour sessions on an overview of defined contribution pension plans, which included typical plan designs, governing income tax and pension legislative measures, types of contributions, investment choices, termination and retirement options, pension governance issues, as well as the common risks defined contribution pension plans face.

Council Members

Pacific Region has one new CPBI member nominated to Council and elected in June. Of the five council members whose terms had expired, one will not be returning and four have renewed their two-year terms. Five Council members who had one year left of their term will stay till completion. Finally, the Pacific Regional Council for the 2017-2018 year will comprise of 10 Council members. We would like to take this opportunity to thank all our Council Members tremendously for their generous support and contributions!

Pacific Region

Upcoming Activities

In August, our Council is excited to provide a Member Appreciation Event, a VIP Night to Theatre Under the Stars: The Drowsy Chaperone!

Pacific Region is committed to providing our members with compelling educational opportunities to fit a range of needs in terms of subject matter, location, breadth and depth of information. We strive to find new ways of interacting with our members and to ensure quality programming and high-value networking opportunities.

We look forward to an exciting 2017-2018 program year!

Vanessa La Fortune
Chair, CPBI Pacific Region



2017 Audited Financial Statements

**Canadian Pension and Benefits
Institute**
Financial Statements
For the year ended June 30, 2017

Canadian Pension and Benefits Institute
Financial Statements
For the year ended June 30, 2017

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Independent Auditor's Report

To the Board of Directors of the Canadian Pension and Benefits Institute

We have audited the accompanying financial statements of the Canadian Pension and Benefits Institute, which comprise the statement of financial position as at June 30, 2017, and the statements of revenue and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Independent Auditor's Report

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Canadian Pension and Benefits Institute as at June 30, 2017, and the results of its operations and its cash flows for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations.

BDO Canada s.r.l./S.E.N.C.R.L./LLP¹


Montréal, Québec
September 13, 2017

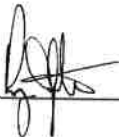
¹ CPA auditor, CA, public accountancy permit No. A113666

Canadian Pension and Benefits Institute Statement of Financial Position

June 30	2017	2016
Assets		
Current		
Cash	\$ 574,900	\$ 575,978
Short-term investments (Note 2)	1,704,927	2,051,371
Accounts receivable (Note 3)	63,991	83,088
Prepaid expenses	89,963	202,431
	2,433,781	2,912,868
Long-term investments (Note 2)	39,379	22,038
Property and equipment (Note 4)	7,574	12,019
Intangible assets (Note 5)	56,334	67,108
	\$ 2,537,068	\$ 3,014,033
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 193,928	\$ 95,758
Membership dues received in advance (Note 6)	204,518	197,142
Activity revenue received in advance (Note 7)	134,348	286,666
	532,794	579,566
Net assets		
Reserve for contingencies (Note 8)	520,718	512,904
Unrestricted	1,483,556	1,921,563
	2,004,274	2,434,467
	\$ 2,537,068	\$ 3,014,033

On behalf of the Board


 _____ Director


 _____ Director

The accompanying notes are an integral part of these financial statements.

Canadian Pension and Benefits Institute Statement of Revenue and Expenditures

For the year ended June 30	2017	2016
Revenue		
Conferences, seminars and other member activities	\$ 1,379,109	\$ 1,817,735
Membership dues	408,289	471,819
Other	61,997	76,394
	1,849,395	2,365,948
Expenditures		
Conferences, seminars and other member activities	1,229,462	1,587,454
Salaries and employee benefits	443,239	376,163
Contracted administrative services	179,743	287,113
Other administrative, marketing and communication expenses	162,565	207,240
Regions' expenses paid for by National Board, committees and regional councils	142,632	-
Amortization of intangible assets	67,618	72,725
Rent	26,774	25,174
Amortization of property and equipment	23,110	50,467
	4,445	4,243
	2,279,588	2,610,579
Deficiency of revenue over expenditures for the year	\$ (430,193)	\$ (244,631)

The accompanying notes are an integral part of these financial statements.

Canadian Pension and Benefits Institute Statement of Changes in Net Assets

For the year ended June 30	2017			2016
	Reserve for Contingencies	Unrestricted	Total	Total
Balance, beginning of year	\$ 512,904	\$ 1,921,563	\$ 2,434,467	\$ 2,679,098
Deficiency of revenue over expenditures for the year	-	(430,193)	(430,193)	(244,631)
Appropriation of unrestricted net assets to reserve for contingencies including accrued interest	7,814	(7,814)	-	-
Balance, end of year	\$ 520,718	\$ 1,483,556	\$ 2,004,274	\$ 2,434,467

The accompanying notes are an integral part of these financial statements.

Canadian Pension and Benefits Institute Statement of Cash Flows

For the year ended June 30	2017	2016
Cash flows from operating activities		
Deficiency of revenue over expenditure for the year	\$ (430,193)	\$ (244,631)
Items not involving cash and cash equivalents		
Amortization of property and equipment	4,445	4,243
Amortization of intangible assets	26,774	25,174
	<u>(398,974)</u>	<u>(215,214)</u>
Changes in non-cash working capital items		
Accounts receivable	19,097	27,278
Prepaid expenses	112,468	(20,610)
Accounts payable and accrued liabilities	98,170	10,642
Membership dues received in advance	7,376	(77,538)
Activity revenue received in advance	(152,318)	(144,150)
	<u>(314,181)</u>	<u>(419,592)</u>
Cash flows for investing activities		
Acquisition of intangible assets	(16,000)	-
Acquisition of investments, net of proceeds on disposition of investments	123,791	(99,223)
	<u>107,791</u>	<u>(99,223)</u>
Decrease in cash and cash equivalents during the year	(206,390)	(518,815)
Cash and cash equivalents, beginning of year	781,720	1,300,535
Cash and cash equivalents, end of year	\$ 575,330	\$ 781,720
Represented by:		
Cash	\$ 574,900	\$ 575,978
Short-term investments	430	205,742
	<u>\$ 575,330</u>	<u>\$ 781,720</u>

The accompanying notes are an integral part of these financial statements.

Canadian Pension and Benefits Institute Notes to Financial Statements

June 30, 2017

1. Significant Accounting Policies

Purpose of the Organization	Canadian Pension and Benefits Institute (the "Institute") is incorporated under Part II of the <i>Canada Corporations Act</i> as a national not-for-profit organization. The purpose of the Institute is to provide its members with the opportunity to participate in high-quality, cost-effective education and networking events across Canada, with a focus on best practices related to pensions, employee benefits and investments.
Basis of Accounting	These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations ("ASNPO").
Revenue Recognition	<p>The Institute follows the deferral method of accounting for revenue. Revenue include conferences, seminars and other member activities. Unrestricted revenue are recognized as revenue when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.</p> <p>Revenue from membership dues are recognized on a straight-line basis over the membership period, which is January 1 to December 31, when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured. Deferred revenue may arise as memberships are annual and paid up front, as such membership service may not have been fulfilled at year end resulting in a deferral of the remainder of the revenue to be recognized.</p> <p>Other income consists of job posting income and interest income.</p> <p>Job posting income is recognized in the period the services are rendered when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.</p> <p>Interest income on investments is generated through investments made in investment certificates during the period. These investments bear fixed issuance and maturity dates as well as a guaranteed annual interest rate. Interest income is recognized on the basis of accrual accounting.</p>

Canadian Pension and Benefits Institute Notes to Financial Statements

June 30, 2017

Property and Equipment

Property and equipment are recorded at cost less accumulated amortization. Amortization is calculated on a declining balance basis at the following annual rates:

Furniture and equipment	20%
Computer equipment	30%

Intangible Assets

Intangible assets with a definite life are recorded at cost less accumulated amortization. Amortization is based on the estimated useful life of the asset and is calculated as follows:

Website and website platform 5 years straight-line basis

Long-lived Assets

Long-lived assets, comprised of property and equipment and intangible assets, are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. If the sum of the undiscounted future cash flows expected from use and residual value is less than carrying amount, the long-lived asset is considered impaired. An impairment loss is measured as the amount by which the carrying value of the long-lived asset exceeds its fair value.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances and short-term investments with a maturity of three months or less, from the date of acquisition.

Financial Instruments

Measurement of Financial Instruments

The Institute initially measures its financial assets and liabilities at fair value. The Institute subsequently measures all its financial assets and liabilities at amortized cost.

Financial assets measured at amortized cost include cash, investments and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable.

Canadian Pension and Benefits Institute

Notes to Financial Statements

June 30, 2017

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is not greater than the amount that would have been reported at the date of reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenue and expenditures.

Transaction Costs

The Institute recognizes its transaction costs for financial instruments at fair value in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Contributed Services

Volunteers contribute time to assist the Institute in carrying out its service delivery activities. Due to the difficulty of determining their fair value, contributed services and materials are not recognized in the financial statements.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period. Significant items subject to estimates and assumptions include, but are not limited to, estimated useful life of property and equipment and intangible assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

Canadian Pension and Benefits Institute Notes to Financial Statements

June 30, 2017

2. Investments

(a) Unrestricted investments

	2017	2016
Short-term		
Guaranteed investment certificates, bearing interest ranging from 0.38% to 1.83% (2016 - 0.38% to 1.95%) maturing between November 2017 and June 2018 (2016 - November 2016 and June 2017).	\$ 1,184,209	\$ 1,538,467
Long-term		
Guaranteed investment certificates bearing interest at 1.55% (2016 - 1.83%) maturing between November 2018 and March 2019 (2016 - March 2018).	39,379	22,038
	\$ 1,223,588	\$ 1,560,505

(b) Investments held for the reserve for contingencies

	2017	2016
Short-term		
Guaranteed investment certificates, bearing interest ranging from 1.17% to 1.85% (2016 - 1.45% to 1.80%) maturing between December 2017 and June 2018 (2016 - December 2016 and June 2017).	\$ 520,718	\$ 512,904

Total investments

	2017	2016
(a) Short-term	\$ 1,704,927	\$ 2,051,371
(b) Long-term	39,379	22,038
	\$ 1,744,306	\$ 2,073,409

Other revenue includes \$23,721 (2016 - \$29,042) of interest income earned on the above investments.

Canadian Pension and Benefits Institute Notes to Financial Statements

June 30, 2017

3. Accounts Receivable

	2017		2016	
Trade	\$	52,782	\$	53,917
Sales taxes receivable		11,209		29,171
	\$	63,991	\$	83,088

4. Property and Equipment

	2017				2016			
	Cost	Accumulated Amortization	Cost	Accumulated Amortization	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Furniture and equipment	\$ 55,449	\$ 51,877	\$ 55,452	\$ 50,436	\$ 121,178	\$ 117,176	\$ 121,178	\$ 114,175
Computer equipment								
	\$ 176,627	\$ 169,053	\$ 176,630	\$ 164,611	\$ 176,630	\$ 164,611	\$ 176,630	\$ 164,611
Net book value		\$ 7,574		\$ 12,019				

5. Intangible Assets

	2017				2016			
	Cost	Accumulated Amortization	Cost	Accumulated Amortization	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Website and website platform	\$ 141,871	\$ 85,537	\$ 125,871	\$ 58,763	\$ 141,871	\$ 85,537	\$ 125,871	\$ 58,763
Net book value		\$ 56,334		\$ 67,108				

Canadian Pension and Benefits Institute Notes to Financial Statements

June 30, 2017

6. Membership Dues Received in Advance

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 197,142	\$ 274,680
Amount received related to the following year	204,518	197,142
Recognized as revenue during the year	<u>(197,142)</u>	<u>(274,680)</u>
Balance, end of year	<u>\$ 204,518</u>	<u>\$ 197,142</u>

7. Activity Revenue Received in Advance

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 286,666	\$ 430,816
Amount received related to the following year	134,348	286,666
Recognized as revenue during the year	<u>(286,666)</u>	<u>(430,816)</u>
Balance, end of year	<u>\$ 134,348</u>	<u>\$ 286,666</u>

Activity revenue received in advance consist of conference and other member activities revenue paid in advance.

8. Reserve for Contingencies

The Institute has a policy requiring it to maintain reserves in case of unforeseen costs or losses. Amounts are recorded as reserves in the financial statements when the Board of Directors explicitly appropriates unrestricted net assets. In November 2007, the Board approved an increase in the reserve for contingencies of \$500,000 plus interest earned.

Canadian Pension and Benefits Institute Notes to Financial Statements

June 30, 2017

9. Commitments

The Institute is committed to a lease for the rental of office space expiring in March 2027. It has also made reservations for hotel and other facilities and engaged speakers for future events. The estimated minimum financial commitments are presented in the following table:

	Hotels, Other Facilities and Speakers	Rent
2018	\$ 375,552	\$ 12,188
2019	-	12,188
2020	-	12,188
2021	-	12,188
2022	-	12,431
Thereafter	-	62,522
	<u>\$ 375,552</u>	<u>\$ 123,705</u>

The amounts disclosed as commitments for hotels, other facilities and speakers represent the full amount of the contracts signed at the date of the financial statements. Should conferences be cancelled, the amount the Institute will have to pay will be less. The Institute will fund future commitments with the unrestricted net assets.

10. Financial Instruments

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Institute is exposed to credit risk in relation to cash, investments and accounts receivable. The Institute mitigates the risk of cash and investments by dealing with creditworthy financial institutions and counterparties. The institute mitigates the risk of accounts receivable by closely monitoring the aging of accounts receivable.

Interest Rate Risk

The Institute is exposed to financial risks that arise from fluctuations of interest rates and the degree of volatility of these rates. The Institute is exposed to interest rate risk with respect to its investments. The fixed-term securities held both inside and outside of the contingencies reserve earn interest at various coupon rates ranging between 0.38% and 1.85% (2016 - 0.38% and 1.95%) and mature at various dates up to 2019 (2016 - up to 2018).

Canadian Pension and Benefits Institute Notes to Financial Statements

June 30, 2017

10. Financial Instruments (Continued)

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Institute manages this risk by monitoring working capital and cash flows needs.

There have been no changes to the Institute's financial instruments risks exposure from prior years.



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