

## THE DO'S AND DON'TS OF SETTING UP A HEALTH AND WELFARE TRUST

### ***The Do's:***

1. An official Trust Document specific to your objectives must be set up through a legal professional. Ensure the Trust Document is thoroughly reviewed and with all amendments to suit the goals and strategies of your Executive Board, Trustees and Membership.
2. Set up a registered Health and Welfare Trust bank account with authorized officers such as your Plan Administrator. Trustees can be authorized officers, but should not have direct access to the Trust Fund bank account.
3. The Fund must be audited on an annual basis. On a monthly basis, an authorized and knowledgeable bookkeeper or accountant should track and record all accounts receivable and payable for the Trust Fund.
4. The members' contributions to their benefits plan deducted through payroll by their Employer should be remitted in totality to the Health and Welfare Trust. No portion should be withheld or allocated into their Union's Operating account.

### ***The Don'ts:***

1. The Fiduciary Liability and Errors & Omissions insurance policies in effect to protect the Trustees and Fund should not lapse. If not current, there could be severe legal implications for any Trustee and the Fund itself.
2. Trustees themselves should not be investing funds on behalf of the Trust Fund. An outside actuary should assist the Trustees in developing an investment strategy that best suits the Fund's objectives

3. The Trust Fund should not be unmonitored for lengthy periods of time. Quarterly Board of Trustee meetings, or meeting at least 3 times a year, should be scheduled with the TPA/Plan Administrator to review the financial performance of the Fund, analyze the claims experience to determine whether benefit plan design changes are necessary, and discuss any member appeals or concerns.

### ***Exciting News! We are working on a new Benefit Plan for Retirees.***

As more employers cut retiree benefits for members due to cost, Canadian Benefits recognizes the need for a comprehensive and cost-effective option for retiree members of the labour organizations we have worked with over the years.

We are currently working with Green Shield, a non-profit organization, to develop the best possible plan design and premium cost. Stay tuned for more news on this Retiree Plan in the near future!

**Should you wish to obtain some unbiased advice about benefits or talk to our references personally, please contact our President and CEO, Roy Rastrick:**

Telephone: 416-488-7755 ext. 250

Toll Free: 1-800-268-0285 ext. 250

Cell Phone: 416-567-5202

Email: rrastrick@canben.com