Annual Report

Lutheran Church–Canada Pension Plan

	Worker Benefit Plans		**2016**

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This annual report is for informational purposes only and does not constitute an agreement, nor does it create or confer any contractual rights or obligations. This is only a summary of the pension and benefit activities of 2016. In the event of any inconsistency between this document and the official plan or policy, the plan or policy texts will govern.

"Light at the end of the Tunnel"

Introduction:

You know the old saying –when the going gets tough the tough keep going. After a series of difficult years, there does appear to be a glimmer of light at end of the tunnel. The combination of substantial pension contributions, positive investment returns and rising interest rates is paying off. As a result, we have at long-last some positive news regarding the funded position of the DB pension plan.

We are happy to report that an estimate of our funded status on the Defined Benefit Plan (DB) at December 31, 2016 indicates that we are fully funded on a going concern basis (the funded ratio is 104%) and the solvency status of the plan has also improved considerably (82% - up from 74% last year). The investment return on the DB plan has also been very respectable over the last several years, helping to improve the plan's funded status. The BOM continues to work towards positioning the DB plan for the future. As the plan becomes more fully funded the BOM will be pursuing a number of de-risking strategies up to and including the transfer of liabilities and assets to an insurance company in exchange for making pension payments directly to plan members, commonly known as an annuity "buy-out". While this is not possible now with a solvency deficiency, there are other de-risking strategies that will be implemented along the glide path to this goal.

The 2016 Year:

We were successful in concluding the transfer of assets and liabilities for active, retired and deferred members of Concordia University – Edmonton (CUE) at the end of May. CUE is now solely responsible for the pension benefits for their members. CUE's exit from the LCC pension plan did not affect the funded position of the plan as they took a proportional share of the plan's assets and liabilities since all employers own a share of the assets and liabilities

Despite continued challenges in the global economy including market volatility, the pension fund earned a 7.4% return, somewhat below the benchmark return of 8.1% but nevertheless still, healthy. The portfolio has had positive returns for the last several years, a trend that cannot be expected to last indefinitely. Investment returns are an important component of the plan's funding, accounting for 70%-75% of pension funding while employer and employee contributions account for 25% -30% of the plan's funding.

As part of its ongoing mandate the BOM periodically conducts a review of the fund's asset allocation to ensure it is appropriate for meeting the obligations of the DB plan and the long-term growth of the fund. Uppermost in mind is a desire to enhance yield while not increasing risk. As a result of this review the BOM decided to move some of the funds into real estate and private debt funds. Two fund managers were terminated in the process, one for performance issues (Foyston, Gordon and Payne) and one for liquidity reasons (Wellington Financial). The latter was a result of a smaller asset base because of the CUE withdrawal, as well as, the long-term strategy of the BOM to eventually annuitize the pension benefits paid from the plan. The fund now has some of the portfolio invested with the Greystone Real Estate Fund and the Romspen Mortgage Fund.

In 2016 we continued to spend considerable time and effort to protect the interests of all contributing employers and plan members to ensure that all employers carry their fair share of the solvency deficit created primarily as a result of low interest rates. Those employers include not only active calling organizations, but also vacant congregations, those who have dramatically downsized their workforce and any congregation who may choose to withdraw from the Worker Benefit Plan. With the cooperation of all employers, this approach should ensure that all employees receive their full DB pension benefit.

The BOM happily welcomed Ellen Nygaard to the Board of Managers in 2016. Ellen comes to us with a wealth of experience after working for many years as the Executive Director of Pension Policy for the Government of Alberta.

The Year Ahead:

Investments

We remain focused on long-term performance despite short-term volatility and geopolitical changes. We recognize that returns of the portfolio will vary from year to year but are confident the portfolio is appropriately diversified across different asset classes and geographies to withstand the bumps along the road.

The Road to De-risking

The BOM has evaluated the risks faced by the plan – longevity, interest rates and asset volatility and to mitigate those risks, completed an annuity "buy-in" representing 25% of the liabilities of the plan with a large insurance carrier in April 2017. An annuity buy-in involves paying assets to an insurer in exchange for a single annuity contract issued to the pension fund. The insurer pays all the pension payments for members, covered by the policy, to the pension fund. The value of the annuity contract is held on the balance sheet as an asset and plan members continue to receive pension payments from the pension fund. As noted, the advantages of this strategy are that the insurer assumes the liabilities including the longevity risk (members living longer than expected), interest rate risk (small changes in interest rate can create pension liability volatility which can in turn impact funding requirements and cash flow and may result in higher contributions) and the asset volatility risk. This is the first step in a longer de-risking strategy. The BOM will be reviewing the structure of the plan in the year ahead to ensure its registration and administrative functions are appropriate and aligned with the organization goals. Further information on this process will be released in the coming months.

Introducing Worker Benefit Services
Over the last number of months the Board of Directors of LCC has been studying the best way to allow the Board of Directors of Lutheran Church-Canada to focus on ecclesiastical matters and for the Board of Managers to do the work of managing the Worker Benefit Plans. As a result, an independent board is being established called Worker Benefit Services (WBS). The Directors of WBS will be appointed by the Board of Directors of LCC, and will have autonomy managing the group benefit plans while still serving in an advisory capacity to the Board of Directors on the Defined Benefit Pension Plan. This structure will provide the new WBS with legal status which may enhance the opportunity to recruit prospective directors with expertise in pension administration, investments and employee benefits.

The documents for the establishment of the WBS have been signed, and it is anticipated that the new board will begin to function as of September 1, 2017. This will require new agreements to be signed between employers and the WBS. More information will be made available to members and employers as the new board takes on its responsibilities.

Conclusion
In conclusion we would like to recognize and thank Steve Raine, Martin Bender and Stan Lee for their years of service on the BOM. Their contribution to the BOM over the years has been very much appreciated. We will be recruiting suitable skilled board members to fill these vacancies in the months ahead.

We continue to have many challenges before us, but be assured that we will continue to work hard to ensure that the promises that have been made to our church workers are kept. We understand the significant importance the pension plan has to members and their families and at the same time we understand the pressures employers are under to reduce costs.

We will continue to carry out our role prayerfully and conscientiously, asking for God's wisdom and blessing on our efforts.

In His Service,

Dr. Dieter E. Kays
Chair Board of Manager

Dwayne Cleave
Executive Director

Introduction

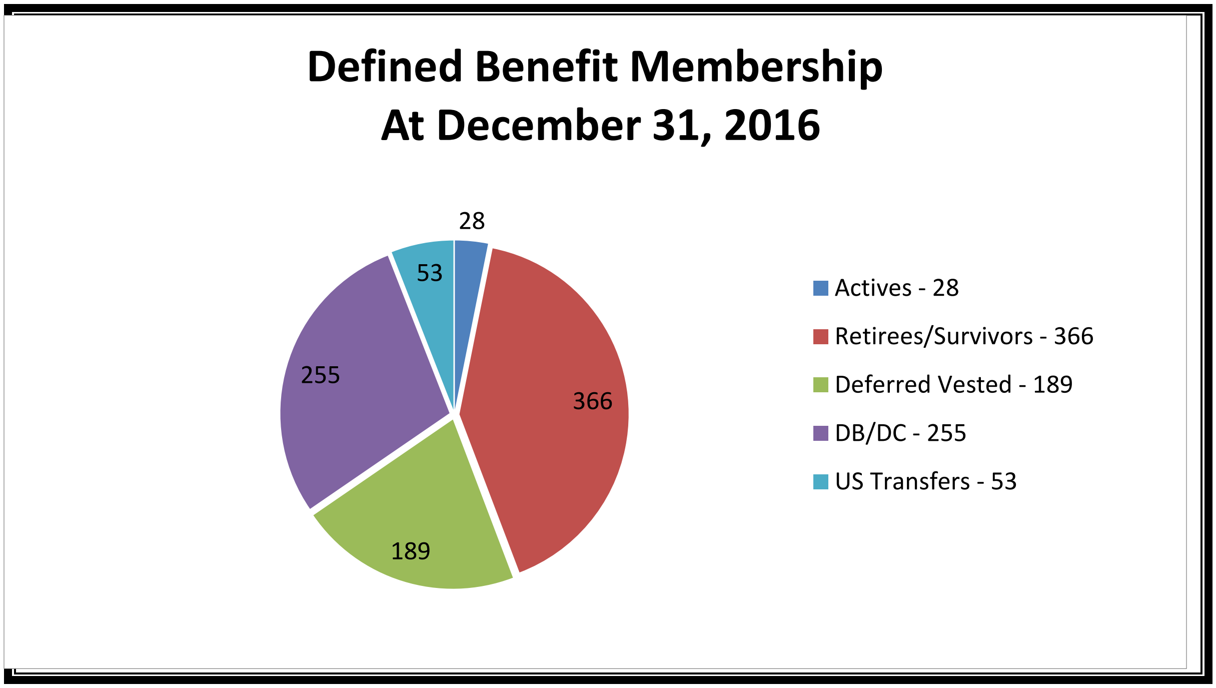
The membership in the Defined Benefit Plan (DB) is made up of a small group of active members who met the age and service requirements at the time the decision was made to move to a Defined Contribution Pension Plan (Active DB). The membership also includes those members who were moved into the DC plan for their future retirement benefit (the DB/DC members). While the DB/DC members no longer accrue benefits under the DB plan after December 31, 2012, they will receive a benefit for their service prior to this date. Membership information noted below reflects the member's plan and where they currently earn benefits. A DB/DC member currently earns benefits in the DC plan. (Those hired in **2012 and later** are enrolled in the defined contribution pension plan.)

The Lutheran Church-Canada Pension Plan is available to employees of participating congregations, schools and other employers affiliated with Lutheran Church–Canada

The Plan is registered in the Province of Alberta and with Canada Revenue Agency as No.0356610.

Defined Benefit Plan

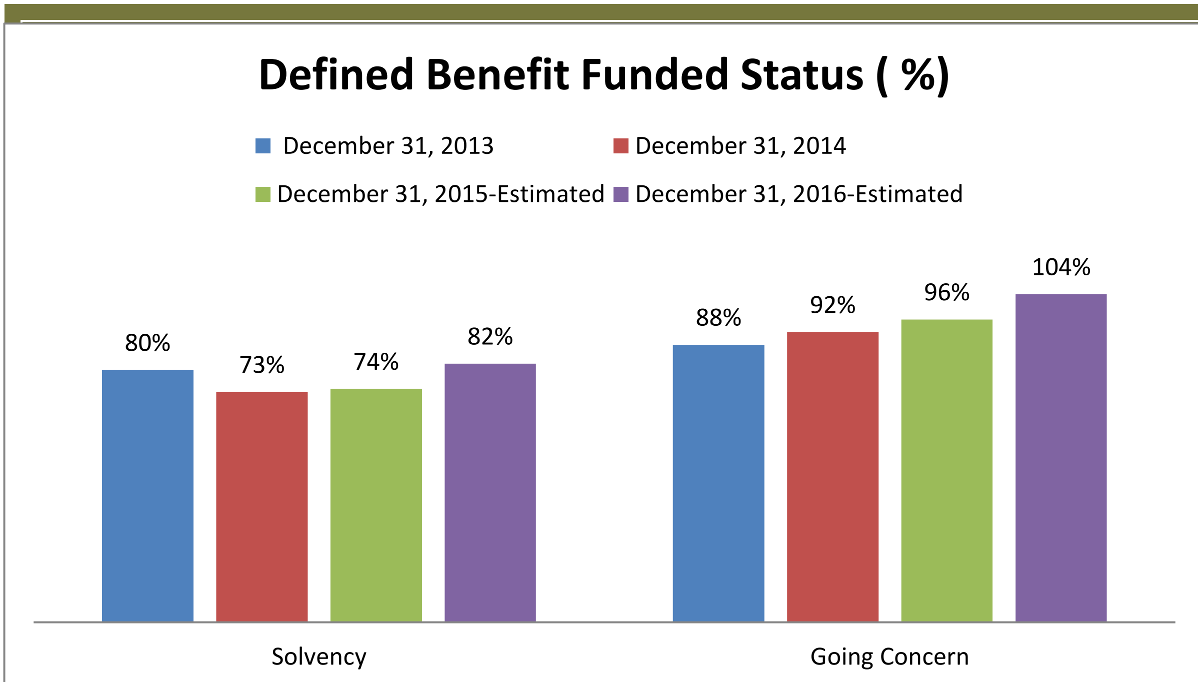
Membership



DB Active Membership Changes

Active Members January 1, 2016*	30
US Transfers	0
Retirements	(2)
Death	0
Members at December 31, 2016	28

Funded Status

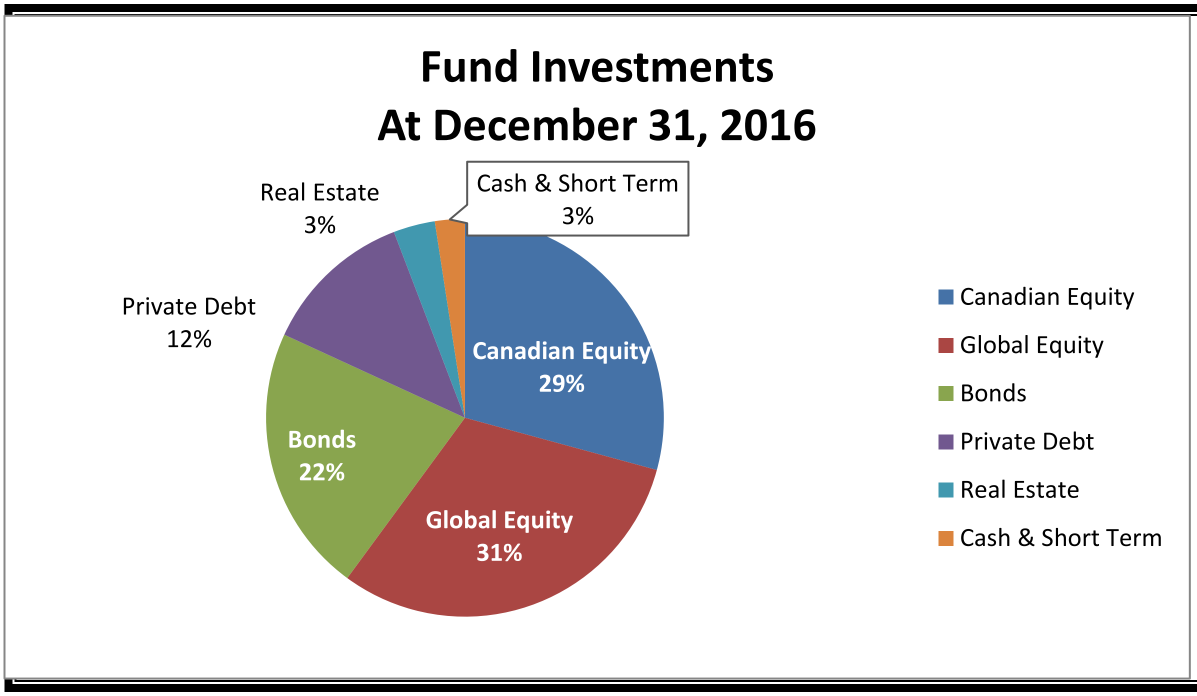


Funding Terminology – What does it Mean?

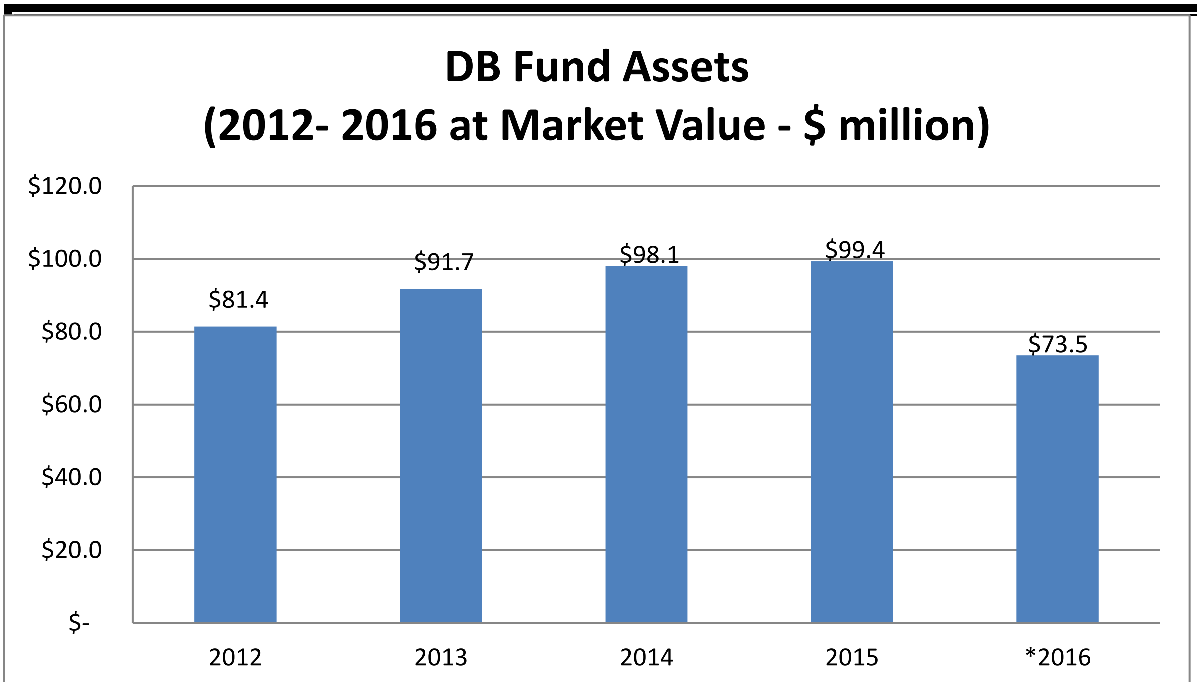
Going-Concern Basis: *The going concern valuation values the present value of member's future benefits for credited service up to the date of the valuation and is based on assumptions that the pension plan will continue in operation indefinitely. Economic assumptions such as future salary increases and probabilities of retirement, termination and death are set with a long-term view.*

Solvency Basis: *The solvency valuation assumes that the plan is terminated and wound up as of the valuation date. The solvency liabilities are those that need to be paid out immediately both to retired members and to those currently employed. The value of these liabilities is directly affected by the level of bond yields as of the valuation date. Decreases in bond yields have the effect of increasing the liability and conversely increases in yields decreases liabilities.*

Fund Investments



Fund Assets



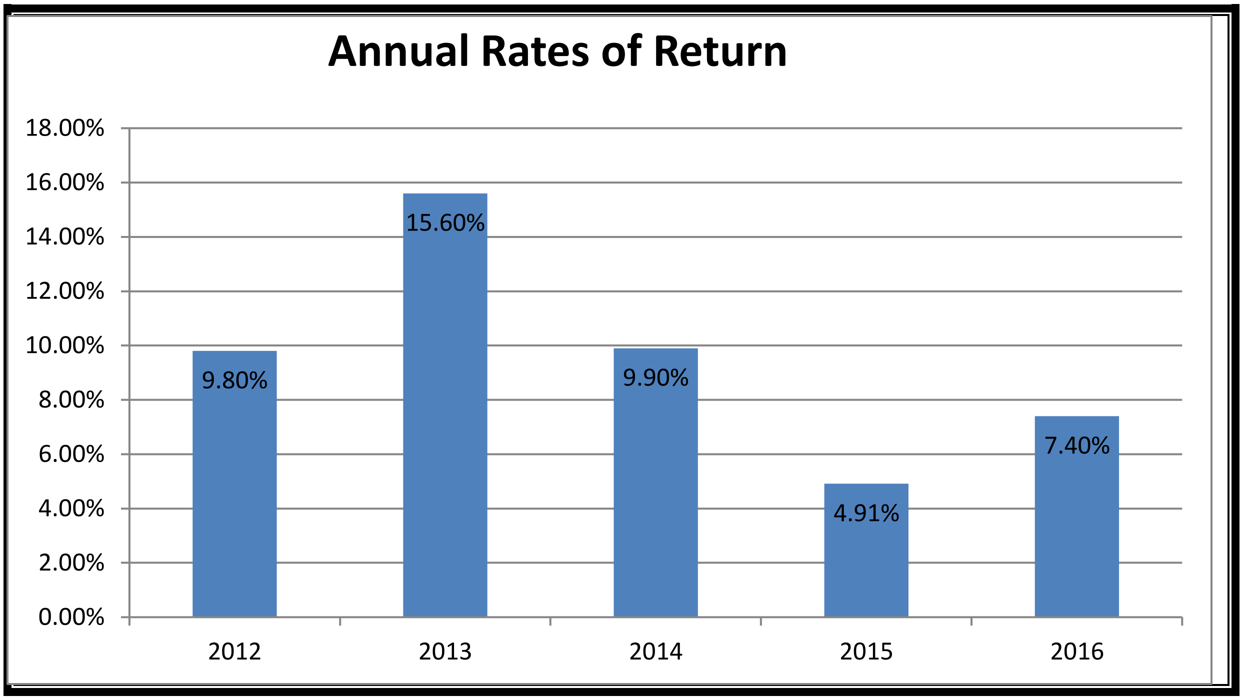
*** The assets declined in 2016 as a result of the asset transfer to the CUE Pension Plan**

DB Financial Position (000's)

	December 31, 2016-Estimated ($)	December 31, 2015-Estimated ($)
Going Concern Basis		
Actuarial Value of Assets	$ 74,022,446	$ 68,388,877
Actuarial Liability	71,483,064	71,205,957
Actuarial Surplus (unfunded, actuarial liability)	$ 2,539,382	$ (2,817,080)
Going-concern funded ratio	104%	96%
Solvency Basis		
Solvency value of assets	$ 73,205,805	$ 68,584,952
Solvency liability	89,477,288	92,901,397
Solvency surplus (deficit)	$ (16,271,483)	$ (24,316,445)
Solvency funded ratio	82%	74%

DB Annual Rate of Return

The Board of Managers regularly monitors and reviews the performance of each manager with comparisons to benchmark returns, and the fund objectives. In addition, the BOM periodically conducts a review of the fund's asset allocation to ensure the asset allocation is the most appropriate one for meeting the obligations of the DB plan and the long-term growth of the fund. As a result of this oversight there were a number of investment fund manager changes that took place in 2016 under the Defined Benefit Plan. After being on "watch" for some time and with a reduced Canadian Equity position to manage from the fall of 2015, Foyston, Gordon and Payne (FGP) were terminated in early 2016 from managing the plan's assets in Bond, Canadian Equity and Small CAP Canadian Equity investments. Despite good returns, the BOM also decided to withdraw our funds from Wellington Financial LP where we held a modest position in venture debt. The decision was made due to liquidity and risk tolerance concerns which became more significant as a result of the CUE withdrawal and resulting smaller asset base, as well as, the desire to eventually annuitize the pension payments from the plan. In addition, the BOM had a desire to broaden and diversify the asset classes held in the fund portfolio given the generally accepted view in investment circles that future returns from bonds and bond funds would be very modest going forward. As part of this review the board also examined whether there was any advantage to actively managed bond funds versus passively managed funds and not seeing any significant advantages, decided the bond component of the fund would be managed on a passive basis. Halfway through 2016 the BOM embarked on an investment manager search to find a private debt manager and a real estate fund manager, resulting in the hiring of Romspen Investment Corporation and Greystone. Funds previously managed by FGP and Wellington Financial were moved to TD Emerald Canadian Bond Fund, TD Low Volatility Canadian Equity Fund, Romspen Mortgage Fund and Greystone Real Estate Fund. No changes were made to the international equity component which is managed by Mawer Investment Management. Annual rates of return for the fund over the last five years are shown in the graph below:



Lutheran Church–Canada Defined Benefit Pension Plan Statement of Changes in Net Assets Available for Benefits

	2016	2015
Net assets available for benefits, beginning of year	**$68,971,500**	**$98,064,749**
Increase in assets:		
Contributions - employer	3,481,624	1,779,136
Contributions - employee	77,116	89,708
Investment Income	3,150,119	6,032,639
Realized investment gains net of realized losses	2,183,903	6,015,316
Unrealized investment gains, net of unrealized losses	669,463	-
Decrease in assets:		
Unrealized investment losses, net of unrealized gains	-	7,108,692
Realized Investment Losses, net of realized gains	-	-
Pension benefits paid	3,893,946	4,600,475
Lump-sum transfers	315,583	243,195
Consulting fees	100,125	72,350
Investment and custodial fees	269,729	404,492
Administration expenses	195,932	205,667
Payable to Concordia University of Edmonton	110,171	30,425,177
Net Assets available for benefits, end of year	**$73,648,239**	**$68,971,500**

The full DB financial statements are available on the WBP website: www.lccbenefits.ca

Description of the DB Plan

The following provides a general description of the DB Plan. Further details on the Plan are provided on the WBP website at **www.lccbenefits.ca.**

General

The plan was established on January 1, 1989. Effective January 1 2013, most active members, with the exception of a small group of older, longer service members were transferred into the Defined Contribution Pension plan (DC). While the members who were transferred (the DB/DC members) will no longer accrue benefits under the DB Plan after December 31, 2012, they will receive a benefit for their service prior to this date. New hires after December 31, 2011 participate in the DC plan. The older, longer service employees that were left accruing benefits in the DB plan are required to make contributions of 4% of earnings to the DB plan. The pension funds are held in trust with CIBC Mellon.

Funding Policy

Lutheran Church–Canada and its various affiliated entities make contributions to the trust fund based on an actuarial valuation of the Plan that is conducted at least every three years. An actuarial valuation provides information on both the going-concern and solvency positions of the Plan. The last valuation of the plan was done at December 31, 2014 and was required by pension regulators as a result of the CUE withdrawal. While we are not required to do another valuation until December 31, 2017, the BOM has the actuary do an annual valuation estimate to ensure they have an up-to-date understanding of the financial position of the plan. These estimates are not filed with the pension regulator. The estimate of the plan's funded status at December 31, 2016 showed a funded ratio of 104% on a going-concern basis, up from the prior year's estimated funded ratio of 96%. This is due to the special payments going into the plan to fund the going-concern deficit. The valuation also showed that the estimated solvency funding ratio of the plan had improved to about 82% up from 74% at the prior year's end as a result of slightly higher interest rates and additional contributions going into the plan. Normally, we would need to make special solvency contributions, however, the government has extended a great deal of understanding to us and have not required us to make solvency deficiency payments. While the government is not committed to anything specific, their aim is the same as ours: to ensure members receive their full defined benefit pension.

The going concern valuation values the present value of member's future benefits for credited service up to the date of the valuation. Measurement of the funded status on a going concern basis is based on assumptions that the pension plan will continue in operation indefinitely. As a result, the economic assumptions used to measure the pension obligations are set with a long-term view and include margins for adverse deviations. Assumptions are made for future salary increases and probabilities of retirement, termination and death. This valuation uses an asset smoothing method to value the plan assets. This has the effect of averaging periods of underperformance with periods of outperformance over a three year period.

The solvency position of a pension plan represents the funded status of the pension plan assuming the plan was to be terminated or be wound-up at that date and all members' benefits settled. The market value of the plan assets, less an allowance for expected plan wind-up expenses, is compared to the actuarial present value of members' accrued benefits at the valuation date. The members' accrued benefits are determined in accordance with the plan formulae, based upon years of service and actual pensionable earnings up to the valuation date (i.e., no allowance is made for future earnings escalation or future service accruals). To determine the actuarial present value of these accrued benefits, members not yet eligible to retire are assumed to receive a commuted value (the lump-sum value of future payments), whereas annuities are assumed to be purchased from an insurance company for members who are retired or eligible to retire. Economic assumptions used in the solvency valuation reflect interest rates in effect for settling members' benefits at the valuation date, and are directly correlated to Government of Canada bond rates.

The LCC Pension Plan Funding Policy and the Statement of Investment Policies and Procedures is available to members and employers upon request.

Plan Formula

Members accrue benefits based on 1.25% of Final Average Earnings (average of the highest 60 consecutive months during the last 240 months of credited service) up to the Average Year's Maximum Pensionable Earnings (AMPE) (for the year of retirement and the two previous years) as set by Canada Pension Plan, plus 1.6% of Final Average Earnings in excess of the AMPE, multiplied by credited years of service.

Normal, Early Retirement and Postponed Retirement

Normal Retirement is the first of the month coincident with or immediately following the attainment of age 65.

A member can retire as early as age 55. Members who are at least age 62 and whose age plus years of credited service equals 85 points or more at the time of their termination of employment, can retire without reduction in their pension. For employees transferred to the DC plan effective January 1, 2013, credited service includes time in both the DB and DC plan, only for purposes of calculating eligibility for an unreduced pension. Members who retire at or after age 60 will have their pension reduced by .55% for each month that their early retirement date precedes age 65. A member who retires between age 55 and 60, will have their pension benefit reduced by 33% plus an additional .27% for each month that their early retirement precedes the first of the month following their 60th birthday.

Members may continue to accrue benefits up to the end of the year in which they turn 71 years of age, at which time they must commence to receive their pension.

Vesting and Termination

All active members in the DB Plan including current DB/DC members are vested; meaning they own the benefit provided by the plan sponsors' contributions. Upon termination, members under age 55 may transfer the value of their benefits to an eligible retirement vehicle; however, such transfers are subject to locking-in provisions (i.e. an amount that cannot be received in cash). Alternatively, benefits may remain in the Pension Plan and the former member may commence a monthly pension as early as age 55.

Death Benefits

If a member dies before retirement, a benefit is paid to the surviving spouse or beneficiary, if there is no surviving spouse. If a member's death occurs after retirement, the benefit paid to the surviving spouse is paid according to the form of pension chosen at the time of retirement.

Defined Contribution Option

Introduction

The Defined Contribution Plan (DC Plan) has gone through a number of changes since its inception to become the primary retirement savings plan for most Plan members following the pension changes that became effective in 2012 and 2013. As its name implies, what is known under the Defined Contribution Plan is the amount of money that goes into each members' account. This is defined as a percentage of payroll. What is unknown is the amount of pension that the contributions will produce when the member retires. That will depend on when the member retires, the member's investment returns, the amount of any optional contributions the member makes and the interest rates in effect if an annuity (an ongoing pension income) is purchased at retirement. Members have access to a number of options for drawing a pension income when they retire and are not required to purchase an annuity.

2016 Summary Financial Statement

	2016	2015
Change in Assets	**$**	**$**
Assets beginning of the year	$**16,890,349**	$ 14,741,282
Employee contributions	1,077,223	1,127,673
Employer contributions	1,261,464	1,332,354
Investment income (loss)	968,412	665,148
Transfers to Financial Institutions	(4,815,144)*	(976,108)
Transfers In from other plans	-	-
Increase (decrease in assets)	(1,508,045)	2,149,067
Assets, end of year	**$ 15,382,304**	**$ 16,890,349**

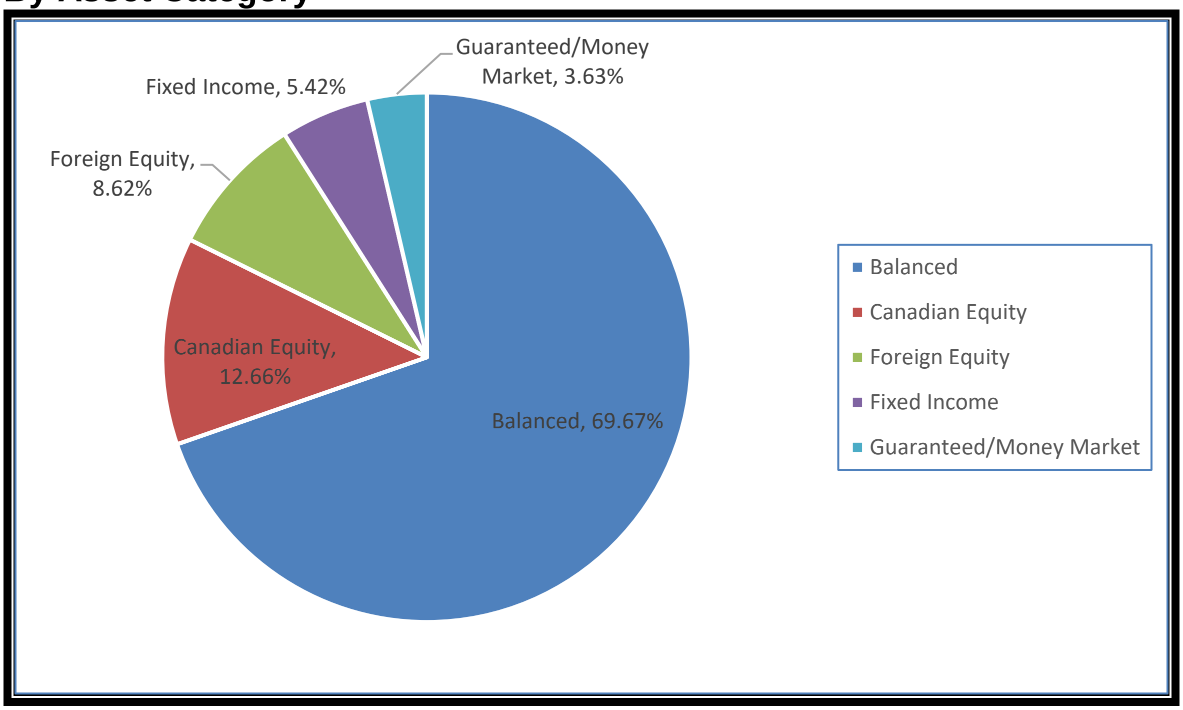
***The transfer to the new CUE Pension Plan accounts for most of the transferred amount.**

Fund Asset Mix

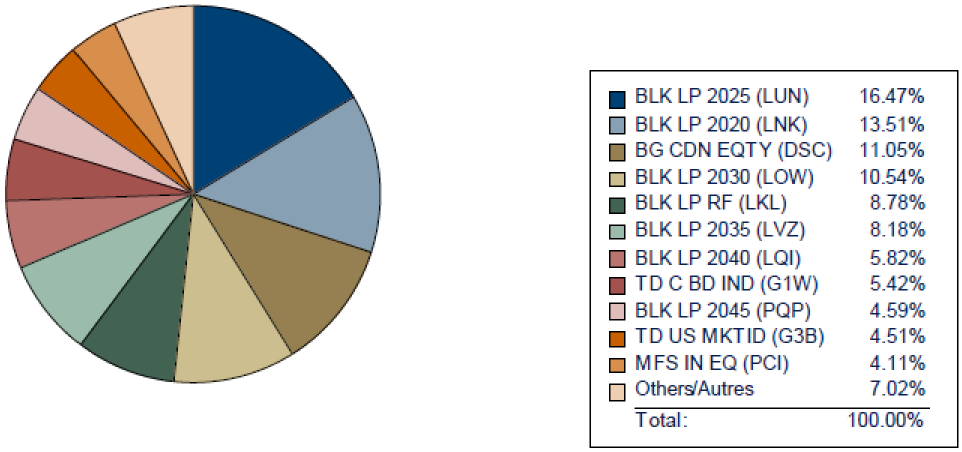
The following charts illustrate the DC Plan asset mix at December 31, 2016 both by asset category and by funds in which members allocated their assets.

Asset Category	Month-end Closing Balances $	% of Investment
Balanced	$ 10,716,377	69.67
Canadian Equity	1,947,125	12.66
Fixed Income	834,248	5.42
Foreign Equity	1,325,843	8.62
Guaranteed/Money Market	558,709	3.63
Total	**$ 15,382,302**	**100.00 %**

By Asset Category



By Fund



The top 11 items are represented in each graph. All other items are grouped under 'Others/Autres', if applicable. Refer to data for a detailed breakdown.

Rates of Return*

The Board of Managers (BOM) monitors the performance of the DC Investment Option on a regular basis. As a result of key personnel changes and concerns with performance the MFS International Fund was put on “watch” status during 2016.This involves more closely monitoring the fund’s performance and changes to the funds operations.

	2016 (%)	2015 (%)
Target Date Funds (66.45%)		
• BlackRock Life Path Retirement Index	4.3	4.7
• BlackRock Life Path Index 2020	5.5	5.7
• BlackRock Life Path Index 2025	6.1	6.5
• BlackRock Life Path Index 2030	6.6	6.9
• BlackRock Life Path Index 2035	7.1	7.4
• BlackRock Life Path Index 2040	7.8	7.9
• BlackRock Life Path Index 2045	8.3	8.5
• BlackRock Life Path Index 2050	8.3	8.9
• BlackRock Life Path Index 2055	8.3	
Canadian Equity (12.39%)		
• Beutel Goodman Canadian Equity	20.1	(4.0)
• CC&L Canadian Q Growth	17.3	(4.6)
Fixed Income (5.73%)		
• TDAM Canadian Bond Index	1.5	3.5
Foreign Equity (10.63%)		
• TDAM US Market Index	7.6	21.1
• MFS International Equity	-3.0	19.6
Money Market (4.81%)		
• Sun Life Money Market	.64	.75

*Returns stated are before investment management fees and include the reinvestment of all distributions. They do not take into account any administration charges or taxes payable. Past returns may not be repeated.

DC Membership Changes

Members January 1, 2016	654
New members in 2015	23
Terminations	(162)
Death Claims	-
Members at December 31, 2016	515

Description of the DC Plan

The following provides a general description of the DC Plan. Further details on the Plan are provided on the WBP website at www.lccbenefits.ca.

General

Effective January 1, 2013 DB members who were under age 55 or who were over age 55 and whose age plus service was less than 80 points were transferred to the DC plan.. Effective from January 1, 2012 onwards newly hired members became members of the Defined Contribution Plan (DC). The DC Plan provides for a 4% required contribution from members and a 6% employer contribution. In addition, members including members of the Defined Benefits (DB) plan may make optional contributions of up to 4% of pay.

All pension assets are held in trust with Sun Life Financial.

Funding

The DC plan provides an opportunity for employees to tax effectively build their retirement income. Employers contribute 6% of pay into the DC plan for DC or DC/DB plan members. DC or DC/DB plan members make required contribution of 4% of pay. In addition, members including members of the Defined Benefits (DB) plan may make optional contributions of up to 4% of pay.

Members have a further opportunity to enhance their retirement savings by directing excess flex credits from the Flex Plan to the DC Plan.

Members choose how to invest contributions made to the DC Plan from a suite of investment options with varying risk and return potential. The investment options are managed by professional fund managers selected by the Board of Managers. Fund managers are selected from the investment funds available from the record keeper, Sun Life Financial, based on a number of criteria, including investment approach, organizational strengths, historical performance and service capabilities. The DC Plan currently provides seven investment options managed by six fund managers. Sun Life is responsible for the day-to-day management and administration of member accounts. Members may change the investment directions of current contributions or move past contributions into different funds, at any time.

Vesting and Termination/Retirement

Beginning in 2015, active plan members are vested immediately; meaning they own any Plan Sponsor contributions immediately. Employer and employee contributions are also locked-in (required to be ultimately used to provide a retirement income).Withdrawals prior to termination are not permitted. At termination or retirement members may transfer their funds from the Plan to a financial institution of their choosing.

Death Benefits

If a member dies before retirement, the member's account balance is transferred to an eligible retirement vehicle of the surviving spouse. Such transfers are subject to locking–in provisions (i.e. an amount that cannot be received in cash). If there is no surviving spouse, the member's account is paid in a lump sum to the member's beneficiary or if not named to the estate of the member.

Governance and Administration

Good pension plan governance requires control mechanisms that encourage good decision making, proper and efficient practices, clear accountability, and regular review and evaluation. The Board of Managers conducts a comprehensive review of its governance and the Lutheran Church-Canada Pension Plan Governance Policy annually. The purpose of this policy is to guide the various participants in the governance framework of the Plan. This framework is a control mechanism for good decision making, proper and timely execution of responsibilities, clear accountability and regular review and assessment of all participants. Copies of the Governance Policy are available to members and employers on request.

The governance objectives of the Plan are to be in compliance with all applicable laws, to ensure risks under the plan are properly managed, to be able to demonstrate prudent oversight of the Plan to stakeholders and to ensure the Plan is funded and administered so as to meet its obligations to members and beneficiaries. The Board of Directors of Lutheran Church-Canada has delegated to the Board of Managers (BOM) the responsibility for pension strategy, implementation and administration of the Plan including the management of the investment funds.

Board of Managers (BOM)

The BOM has general oversight responsibilities for the Plan and in that capacity they oversee all aspects of the Plan's operations, including the selection or termination of investment manager(s), trustee(s), custodian(s), third party administrator(s), actuary and other advisors, set pension related policies, determine funding, contribution and actuarial strategy, and ensure the plan is in compliance with all legislation. The BOM considers the best interests of all present and future plan members, pensioners and beneficiaries. Day-to-day management of the Plan is delegated to the Executive-Director, Worker Benefit Plans (WBP).

During 2016, the BOM consisted of seven individuals who are appointed by the Board of Directors of Synod to serve a three-year term with a maximum of three successive 3-year terms. All appointments are staggered, with 50% of the BOM being appointed following each Convention. At least five of the BOM members must be communicant members of member congregations of the Synod. The BOM consists of:

- two rostered church workers
- three lay persons each of whom have experience in either human resources, pensions, health benefit programs or investment management
- one person from a Lutheran Church–Canada higher education institution- this position was not filled during 2016, due to the resignation of Richard Currie from CUE at the end of 2014.
- the treasurer of the synod

The BOM meets regularly at least three times per year and more often, if required. During 2016 the BOM met four times. All members attended the meetings with the exception of one excused absence in the February 2016 meeting.

2015 Board Members

Dieter E. Kays, ICD.D, PhD.
Chairperson, Board of Managers
Kitchener, Ontario

Dr. Kays is a certified professional director serving on several boards including the Ombudservice for the Canadian Life and Health Insurance, (OLHI), and St. Mary's Hospital in Kitchener where he is a past chair. A past president of the Kitchener Conestoga Rotary Club, he was recently awarded a Paul Harris Fellow. He is the retired President and Chief Executive Officer of Faith Life Financial, an organization providing insurance and investment programs to Canadian families. Prior to accepting this role, Dieter was Chief Executive Officer of Lutherwood, a Canadian church affiliated social service agency serving more than 10,000 clients annually. He was also the President of the Lutherwood Foundation, and has served as a Director of Lutheran Life Insurance Society of Canada and its investment committee, the Canadian Life and Health Insurance Association (CLHIA) and FI Capital. He also served two terms as a municipal councillor.

Dr. Kays has a Master of Divinity degree from Concordia Seminary, St. Louis, Missouri, and a Master of Social Work. In 1993, he earned his doctorate, specializing in organizational leadership at Waterloo's Wilfrid Laurier University. He has done post graduate work at Stanford University, the Wharton School of Business, and most recently the Rotman Business School – U of T.

Dr. Kays and his wife, Rosalind, have three children and nine grandchildren. They are members of Holy Cross Lutheran Church (LCC) in Kitchener.

Dwayne Cleave, CIM* [1]
Executive Director, WBP
Winnipeg, Manitoba

Dwayne has served in the office of treasurer of Lutheran Church–Canada since May 2002. In March 2010 he was also appointed as the Executive Director of the LCC Worker Benefit Plans. Prior to his employment with the Church, Dwayne's 25 year business career included positions as an Investment Consultant with CIBC Wood Gundy and as a Regional Manager for the Brick Warehouse Corporation.

In addition to his business experience, Dwayne has received formal training through the Certified General Accountant Program (CGA), Certified Employee Benefit Specialist Program (CEBS) and the Canadian Securities Institute (CSI). Dwayne completed a 4 year certificate course in Management through the University Of Manitoba continuing education program in 1994.

Dwayne, his wife Bonita and their two (now adult) children have been members of Saint James Lutheran Church in Winnipeg since 1989.

* Canadian Institute of Management

Martin Bender
Kitchener, Ontario

After graduating from Wilfred Laurier, Martin had oversees training at Western and St. Francis Xavier Universities. Subsequent employment covered a number of domestic and international organizations. Martin taught briefly in Ontario and then worked for the Ministry of Education in Trinidad (CUSO) and Crossroads in Yaoundé, Cameroun. Martin then held positions with Ontario Hydro Nuclear Stations (Pickering/B.N.P.D.), Acres Engineering (Niagara Falls/Cordoba, Argentina), Babcock, Metro Toronto, Toyota (Cambridge) and D. Bobiy & Assoc.(Calgary) focusing primarily on the Employee Relations/Labour Relations functions.

Married to Connie Klassen, Martin has 4 children and 2 grandchildren. Martin is a member of Faith Lutheran, Kitchener. Martin currently works in Church committees, Nicaragua, consulting and farming in Norfolk County.

Martin resigned from the BOM in February, 2017.

Ellen Nygaard
Edmonton, Alberta

Ellen Nygaard was born in Drumheller, Alberta, raised on a farm, and has spent most of her life in the province. She has a BA in English and an MBA from the University of Alberta, and worked across Canada in her first career as a journalist. She worked as a manager for the Government of Alberta for 26 years, occupying increasingly responsible regulatory and policy positions, most recently as Executive Director of Pension Policy for Alberta Finance. She retired in 2014, and since then has become a member of two pension plan boards. She has been involved as a volunteer and board member of several community organizations over the years, including the United Way and recreational and cultural organizations. She currently volunteers as an English tutor for new Canadians at the Edmonton Mennonite Centre for Newcomers. She and her husband live in Edmonton, where they raised their two children.

Stan Lee
Vancouver, British Columbia

Stan is a Chartered Professional Accountant; he owns and operates an accountancy business in Vancouver, which serves over 900 individual and 300 corporate clients. Before opening his own practice, he worked for nine years for a major accounting firm in Burnaby. He also sits on the Board of Directors for six private enterprise companies. He received his Bachelor of Commerce degree in 1983 from the University of British Columbia in Vancouver, and his Chartered Accountant designation in 1986 from the Institute of Chartered Accountants of B.C.

Stan served on the Department of Stewardship and Finance for the ABC District, as well as, serving as the Board Chair for the Audit Committee. Stan also served on the Board of Directors for Faith Life Financial from 1994 to 2012. In that capacity he held a number of roles including Board Vice-Chair, Chair of the Audit, Risk, Compliance and Finance Committee and Chair of the Products and Services Committee, and was a member of the Executive Committee and Human Resources Committee.

Active in his church community, Mr. Lee is currently Chairman of his home congregation, Killarney Community Lutheran Church in Vancouver. He also provides occasional simultaneous translation (into English from Cantonese) during his congregation's Sunday services.

Mr. Lee and his wife, Lisa, are members of top-rated Faith Life Financial Chapter 0244, which Mr. Lee helped establish in 1995. He previously served as chapter president. The Lees have two daughters.

Stan resigned from the BOM in February, 2017.

Steve Raine
Regina, Saskatchewan

Steve Raine worked for the Royal Canadian Mounted Police for 31 years, beginning his career in the Yukon Territory and the Northwest Territories before moving to a variety of different posts in Saskatchewan. He then became the Staff Relations representative for Saskatchewan before finishing his career as Chair of the National Staffing Committee. Steve then worked at Sun Life Financial as an advisor for 4 ½ years before retiring to enjoy family.

Steve is a musician, song writer and worship leader with his group Ebenezer Stone and uses music as a ministry opportunity in Regina and other Saskatchewan locations.

Steve and his wife Barb have 3 adult children and have been blessed with 5 grandchildren. They are members of New Beginnings Lutheran Church in Regina.

Stan's term of Office concluded in March 2017.

1. Dwayne Cleave is a member of the LCC Pension Plan. His membership does not constitute a conflict of interest for purposes of participating on the BOM.

Advisors and Service Providers

Aikins, MacAulay and Thorvaldson	Legal Counsel
CIBC Mellon GSS	DB Trustee, Custodian and Pension Payments
KPMG	Auditor
Sun Life Financial	DC Record Keeper/Custodian
Ellement	Actuary, Pension and Investment Consultants, Administrator
Greystone Real Estate	DB Investment Manager
Romspen Mortgages	DB Investment Manager
Mawer	DB Investment Manager
Beutel Goodman	DC Investment Manager
BlackRock	DC Investment Manager
Connor, Clark & Lunn	DC Investment Manager
MFS	DC Investment Manager
Sun Life Financial	DC Investment Manager
TDAM	DB & DC Investment Manager

Lutheran Church–Canada
Worker Benefit Plans

Strategic Plan 2016

Our Mission

The mission of Worker Benefit Plans is to serve members and employers by ensuring the provision of sustainable benefits.

"Serving those who serve."

Our Vision

We will develop an efficient, innovative and sustainable benefit plan with shared responsibility among engaged stakeholders

Our Values

1. **Integrity**
2. **Transparency**
3. **Stewardship**
4. **Consultation**
5. **Shared Responsibility**
6. **Excellence**

Our Strategic Directions

1. **Ensure sustainability and stability of benefits**
2. **Develop an educated and knowledgeable member and employer base**
3. **Cultivate a meaningful involvement of stakeholders and develop the philosophy of shared responsibility**
4. **Promote health and wellness**
5. **Strengthen and enhance governance**