

File No. 04-1000-20-2016-123

May 9, 2016

s.22(1)

Dear s.22(1) :

Re: Request for Access to Records under the Freedom of Information and Protection of Privacy Act (the "Act")

I am responding to your revised request of April 18, 2016 for:

Any and all information and documentation regarding contributions made by the City of Vancouver (the employer) and its employees (CUPE members 1004, 15 and all other employees who are part of the Disability Fund (STD, MTD & LTD) respectively and balance of those accounts from January 1, 2004 to April 8, 2016.

Specifically requesting records:

1. To determine the percentage of contributions made to the Disability Fund by both employer and employees to determine taxable/non-taxable amount.
2. Any payback by employees, according to CRA, is deemed non-taxable. In the Collective Agreement it states Section 9.7(a) 'any refund shall belong to the employer'. This seems to fall under a payback and that amount of contribution should be used to reduce the percentage of contribution made by the City.

All responsive records are attached.

Under section 52 of the Act you may ask the Information & Privacy Commissioner to review any matter related to the City's response to your request. The Act allows you 30 business days from the date you receive this notice to request a review by writing to: Office of the Information & Privacy Commissioner, info@oipc.bc.ca or by phoning 250-387-5629.

If you request a review, please provide the Commissioner's office with: 1) the request number assigned to your request (#04-1000-20-2016-123); 2) a copy of this letter; 3) a copy of your original request for information sent to the City of Vancouver; and 4) detailed reasons or grounds on which you are seeking the review.

Please do not hesitate to contact the Freedom of Information Office at foi@vancouver.ca if you have any questions.

Yours truly,

A handwritten signature in black ink, appearing to be 'B. Van Fraassen', written in a cursive style.

Barbara J. Van Fraassen, BA
Director, Access to Information
City Clerk's Department, City of Vancouver

Encl.

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City of Vancouver Disability Plan

1. From 2012 - 2015 Collective Agreement between the City of Vancouver and CUPE Local 1004:

9.7 Disability Plan

The Employer and the Union have agreed to a Disability Plan Document dated December 11, 2007, signed 21 January 2008 and amended through collective bargaining on January 15, 2013, that describes the Plan in detail and employees should refer to that document for a complete description of the Disability Plan. The Plan Document includes specific definitions and some are marked below with an asterisk (*). The Employer and the Union specifically agree that the preceding sentences do not incorporate the Disability Plan Document into the Collective Agreement. The following describes the Disability Plan in general terms and is effective from the date the Disability Plan is implemented unless otherwise indicated.

- (a) Each Regular Full-Time Employee, after three (3) months of service, shall be enrolled in the Disability Plan with the employee paying a share of the premium for such Plan of one dollar and twenty cents (\$1.20) for each one hundred dollars (\$100.00) of wages. **The Employer shall pay the balance of such premium. Any refund shall belong to the Employer.** The employee's premium payment shall be waived for employees who are ineligible to receive Medium Term Disability or Long Term Disability benefits on the basis of age. The waiting time for commencement of payment under the Short Term Disability portion of the Plan shall be 6 months of continuous service by the eligible employee. See Schedule "H" for eligibility for Regular Part-Time and Temporary Full-Time Employees; Temporary Full-Time Employees are not eligible for the Long Term Disability portion of the Disability Plan.

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2. Employees who are part of the Disability Plan

Only members of CUPE 1004 are part of the STD, MTD & LTD plan as set out in 9.7(a) above.

3. Explanation of Disability Plan Funding

The Disability Plan is self-funded by the City of Vancouver. That is, there is no insurance contract to cover the benefit payments. The City of Vancouver collects a contribution of \$1.20 per \$100 of wages from employees (referred to as "a share of the premium" in 9.7(a) above.) **The City of Vancouver pays the remaining costs associated with the plan.** The remaining costs are different each year, depending on the expenses. Expenses include payment of benefits to employees, payment to an outside provider for adjudication services, and payments to outside providers for medical and functional testing. The Employee portion covers only 20% of total plan costs in a typical year. The most that the Employee portion has ever covered is approximately 23% of total costs in 2013. Therefore, there has been no occasion to refund any excess contribution. The statement above **"Any refund shall belong to the Employer"** was written to cover off the potential of the City of Vancouver negotiating more favourable terms with suppliers of services associated with the

plan, to be clear that those savings are retained by the Employer and not Employees.

Detailed plan costs including employer and employee costs are attached. This is a document updated annually by the City to track historical costs and to forecast future costs.

4. "Payback"

As stated in #3 above, since employee contributions fund only about 20% of the cost of the plan, there is no "payback" to employees.

City of Vancouver -- Disability Plan (CUPE 1004)

Disability Overall Cost														
	STD	%Var	MTD claims	Admin*	Admin%	Total	%Var	LTD claims	Admin*	Admin%	Total	%Var	Total Claims Paid (excl. Admin)	Total Claims Paid (incl. Admin)
2003	799,146		1,249,036	92,689	7.42%	1,341,725		1,180,682	69,398	5.9%	1,250,080		3,228,863	3,390,951
2004	801,155	0.3%	1,199,128	89,179	7.44%	1,288,307	-4.0%	1,086,657	63,869	5.9%	1,150,526	-8.0%	3,086,940	3,239,988
2005	812,597	1.4%	1,222,234	90,778	7.43%	1,313,012	1.9%	997,820	60,879	6.1%	1,058,699	-8.0%	3,032,652	3,184,308
2006	840,297	3.4%	1,297,195	96,470	7.44%	1,393,665	6.1%	1,113,065	64,413	5.8%	1,177,478	11.2%	3,250,557	3,411,440
2007	738,354	-12.1%	1,262,642	92,989	7.36%	1,355,631	-2.7%	1,100,705	68,436	6.2%	1,169,141	-0.7%	3,101,702	3,263,127
2008	892,719	20.9%	1,440,087	73,392	5.10%	1,513,479	11.6%	1,220,960	72,418	5.9%	1,293,378	10.6%	3,553,766	3,699,576
2009	1,048,235	17.4%	1,587,178	79,206	4.99%	1,666,385	10.1%	1,371,553	80,511	5.9%	1,452,064	12.3%	4,006,966	4,166,684
2010	1,028,920	-1.8%	1,549,399	114,731	7.40%	1,664,130	-0.1%	1,550,697	92,942	6.0%	1,643,639	13.2%	4,129,016	4,336,690
2011	959,170	-6.8%	1,779,981	88,288	4.96%	1,868,269	12.3%	1,509,978	87,439	5.8%	1,597,416	-2.8%	4,249,129	4,424,855
2012	904,248	-5.7%	1,538,397	107,936	7.02%	1,646,334	-11.9%	1,774,229	102,266	5.8%	1,876,495	17.5%	4,216,874	4,427,076
2013	900,402	-0.4%	1,438,412	72,228	5.02%	1,510,640	-8.2%	1,562,182	100,653	6.4%	1,662,835	-11.4%	3,900,997	4,073,878
2014	985,940	9.5%	1,365,506		0.00%	1,365,506	-9.6%	1,732,966		0.0%	1,732,966	4.2%	4,084,412	4,084,412
2015	999,242	1.3%	1,530,261		0.00%	1,530,261	12.1%	2,038,289		0.0%	2,038,289	17.6%	4,567,792	4,567,792
2016f	1,014,932	1.6%	1,543,946		0.00%	1,543,946	0.9%	2,031,102		0.0%	2,031,102	-0.4%	4,589,980	4,589,980
2017f	1,029,980	1.5%	1,552,916		0.00%	1,552,916	0.6%	2,129,288		0.0%	2,129,288	4.8%	4,712,183	4,712,183
2018f	1,045,028	1.5%	1,561,886		0.00%	1,561,886	0.6%	2,227,473		0.0%	2,227,473	4.6%	4,834,387	4,834,387
2019f	1,060,076	1.4%	1,570,856		0.00%	1,570,856	0.6%	2,325,659		0.0%	2,325,659	4.4%	4,956,591	4,956,591

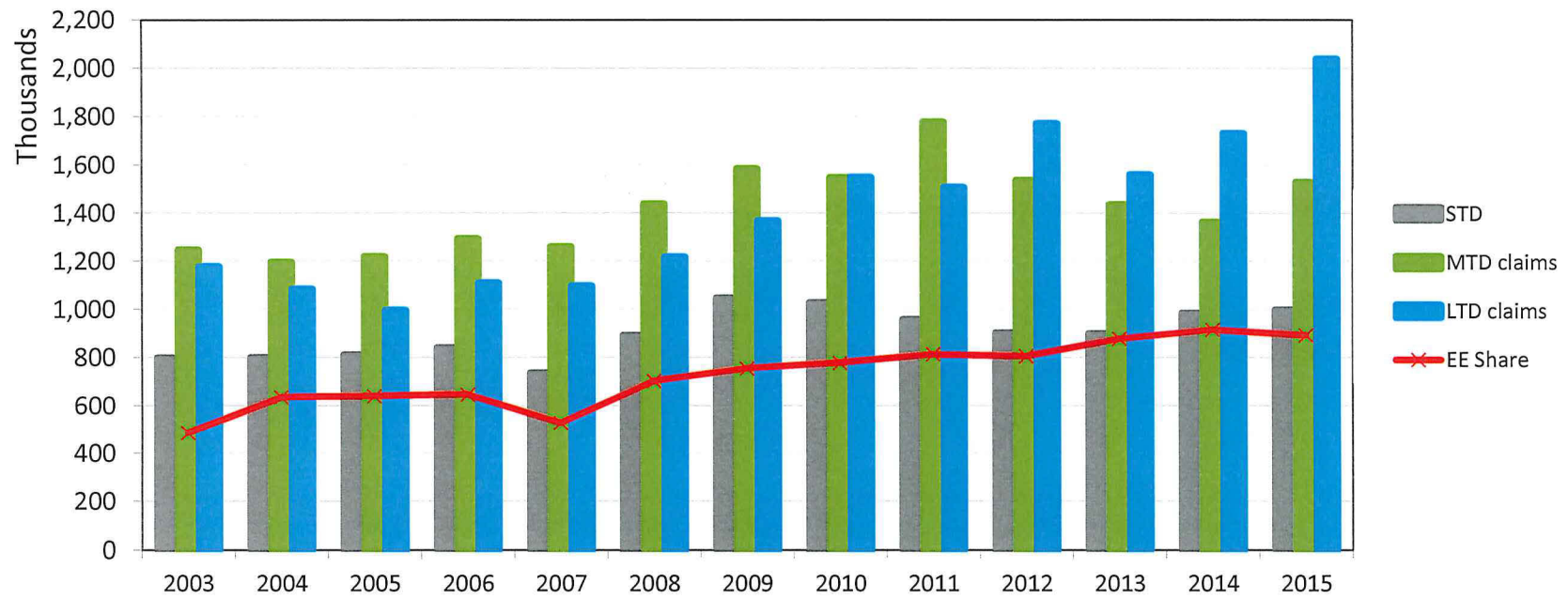
* Administration charge paid to Great-West Life until 2014, then claims paid through COV Payroll.

City of Vancouver -- Disability Plan (CUPE 1004)

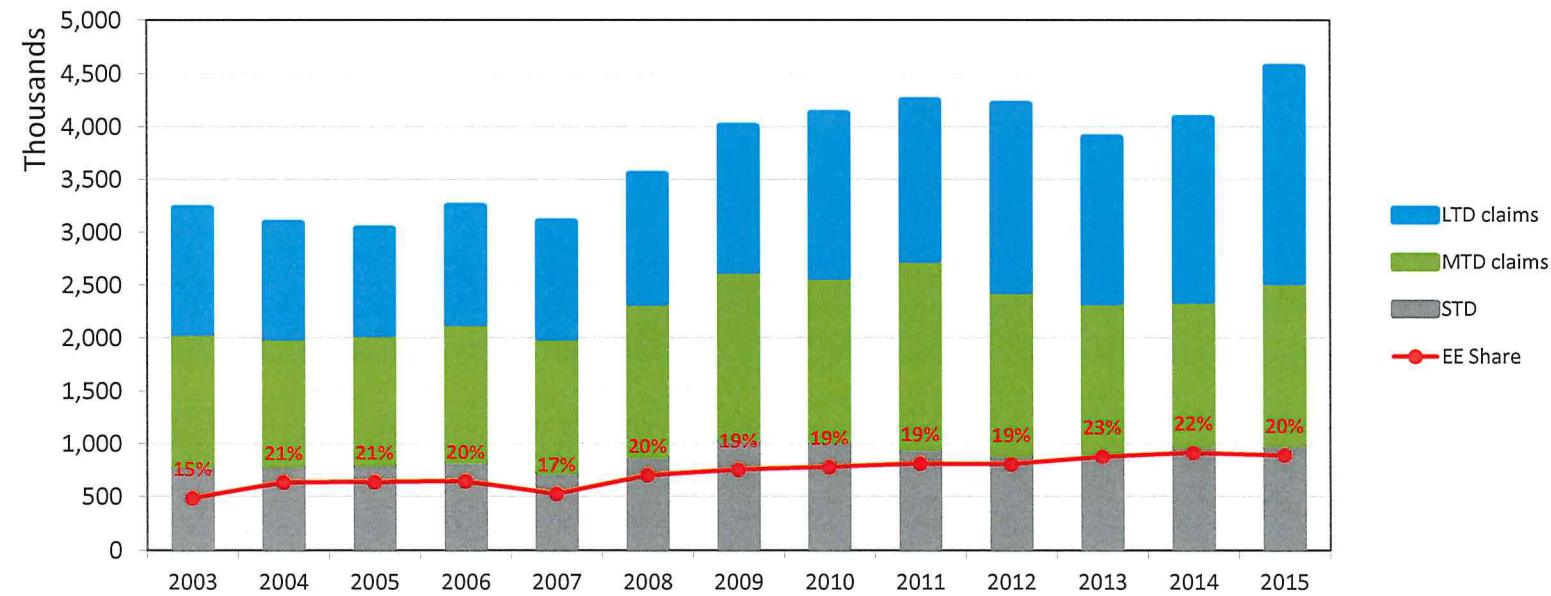
	EE Share (\$)	%	Net ER Cost (claims+admin) - Ee share
2003	486,216	15%	2,904,734
2004	636,694	21%	2,603,293
2005	641,559	21%	2,542,749
2006	649,181	20%	2,762,258
2007	528,908	17%	2,734,219
2008	704,888	20%	2,994,687
2009	757,271	19%	3,409,413
2010	780,411	19%	3,556,279
2011	815,620	19%	3,609,236
2012	807,456	19%	3,619,620
2013	878,896	23%	3,194,982
2014	916,250	22%	3,168,162
2015	892,819	20%	3,674,973
2016f	930,808	20%	3,659,172
2017f	947,097	20%	3,765,086
2018f	963,671	20%	3,870,716
2019f	980,536	20%	3,976,055

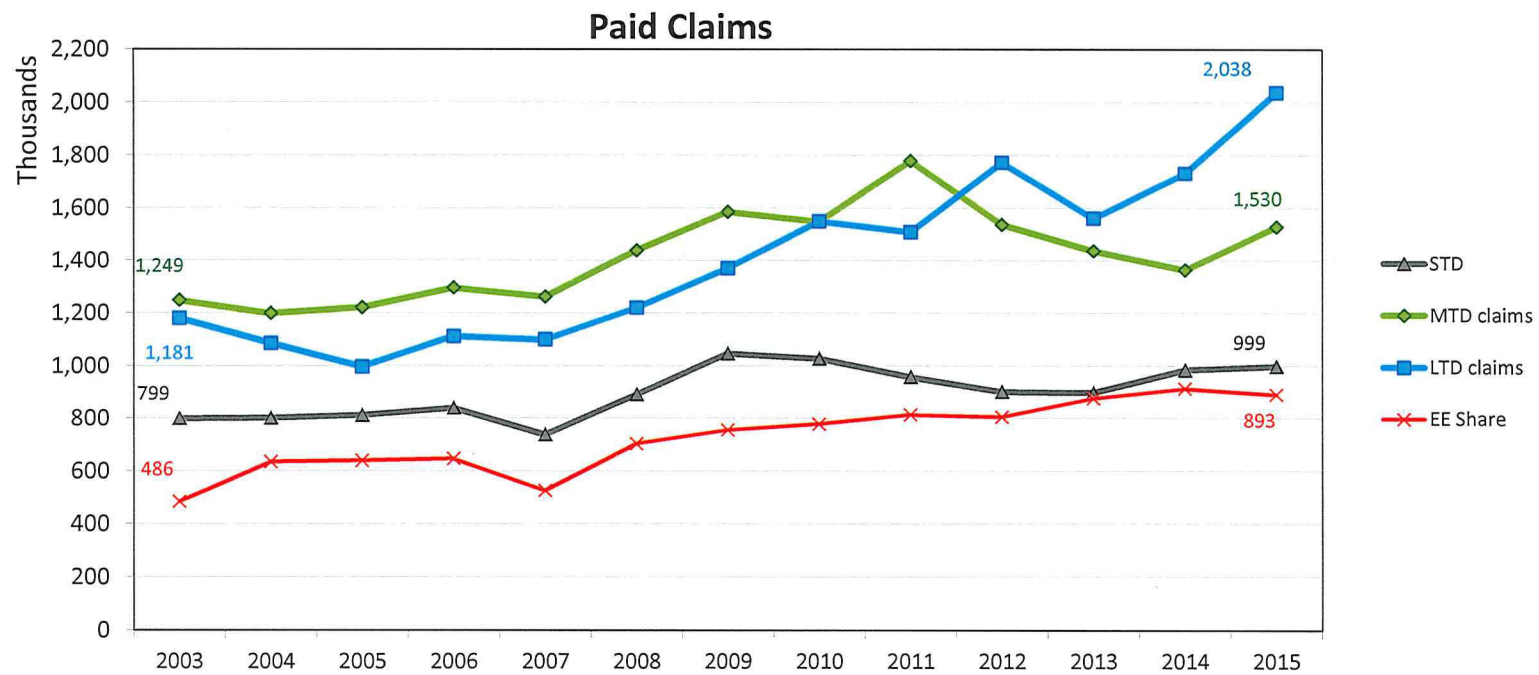
	EXCL Admin			INCL Admin (until 2014)		
	Cost per \$100 payroll	Premium per \$100 payroll	Difference	Cost per \$100 payroll	Premium per \$100 payroll	Difference
2003	5.43	0.84	4.59	5.70	0.84	4.86
2004	5.18	1.1	4.08	5.44	1.1	4.34
2005	4.99	1.1	3.89	5.24	1.1	4.14
2006	5.29	1.1	4.19	5.55	1.1	4.45
2007	4.72	1.1	3.62	4.96	1.1	3.86
2008	5.21	1.1	4.11	5.43	1.1	4.33
2009	5.53	1.1	4.43	5.75	1.1	4.65
2010	5.53	1.1	4.43	5.81	1.1	4.71
2011	5.42	1.1	4.32	5.64	1.1	4.54
2012	5.42	1.1	4.32	5.69	1.1	4.59
2013	5.01	1.2	3.81	5.23	1.2	4.03
2014	5.27	1.2	4.07	5.27	1.2	4.07
2015	5.99	1.2	4.79	5.99	1.2	4.79
2016	5.92	1.2	4.72	5.92	1.2	4.72
2017	5.97	1.2	4.77	5.97	1.2	4.77
2018	6.02	1.2	4.82	6.02	1.2	4.82
2019	6.07	1.2	4.87	6.07	1.2	4.87

TOTAL CLAIMS



TOTAL CLAIMS





EXCLUDES ADMIN

Disability Cost vs. Employee Share, per \$100 payroll

