



REPORT N° HR 2019-08

Date	26/02/2019
Submitted by	Gerry Lalonde
Subject	Council Group Benefits
File N°	HR 2019-08

1) **NATURE/GOAL :**

The nature of this report is to provide additional information to Council regarding participation in the Ontario Municipal Employees Retirement System (OMERS) and Great West Life (GWL) group benefits in regard to the Head of Council and Councillors.

2) **DIRECTIVE/PREVIOUS POLICY :**

Council through the Mayor requested information in regards to the cost associated for Council's participation in OMERS and GWL.

3) **DEPARTMENT'S RECOMMENDATION :**

That report HR 2019-08 be received for information.

4) **BACKGROUND :**

The Head of Council and Councillors have not participated in the OMERS and GWL programs in the past.

5) **DISCUSSION :**

Great West Life (GWL)

Group insurance provides a mechanism for employers to provide employee benefits as part of an employee's total compensation package outside of government-provided benefit programs. Group insurance benefits currently provided by the City of Clarence-Rockland to employees include;

- Short Term Disability Insurance
- Long Term Disability Insurance
- Health Insurance
- Dental Insurance
- Life Insurance
- Dependant Life Insurance

For most employees the City pays 90% of the premium of the insurance plans provided to employees. The employee must pay 10% of the premiums.

Ontario Municipal Employees Retirement System (OMERS)

OMERS allow only two enrollment options;

1. Mayor on his own
2. All council members including the Mayor.

A by-law would be required to authorize the Mayor or all of Council's participation in the program. Note that Council members are not allowed to participate in the program if the mayor does not participate.

6) **CONSULTATION :**

N/a

7) **RECOMMENDATIONS OR COMMENTS FROM COMMITTEE/ OTHER DEPARTMENTS:**

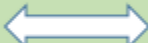

N/a

8) **FINANCIAL IMPACT (expenses/material/etc.) :**

The cost for the Ontario Municipal Employees Retirement System (OMERS) is equal to 9% of the gross salary for both the employee and the City. The total cost to the City for adding OMERS for the Head of Council and Councillors is \$26,104 annually.

Ontario Municipal Employees Retirement System (OMERS)					
Cost to Employee			Cost to City		
	Per Pay	Annualized		Per Pay	Annualized
Mayor	\$ 180	\$ 4,680		\$ 180	\$ 4,680
Councillor	\$ 103	\$ 2,678		\$ 103	\$ 2,678
Total cost (Mayor+ 8 Councillors)		\$ 26,104	Total cost (Mayor + 8 Councillors)		\$ 26,104

Depending on the option chosen by Council for group insurance, the annual cost to the City could vary between \$13,590 to \$34,974.

<u>Great West Life (GWL)</u>			
<u>Option Plan 1- Life & ADD Flat \$20,000</u>			
Cost to Employee			
Single Coverage		Family Plan	
Per Pay	Annualized	Per Pay	Annualized
\$ 6.46	\$ 168.00	\$ 16.23	\$ 422.00
Cost to City			
Single Coverage		Family Plan	
Per Pay	Annualized	Per Pay	Annualized
\$ 58.08	\$ 1,510.00	\$ 146.08	\$ 3,798.00
Total cost (Mayor+ 8 Councillors)	\$ 13,590		\$ 34,182
<u>Option Plan 2- Life & ADD Flat \$50,000</u>			
Cost to Employee			
Single Coverage		Family Plan	
Per Pay	Annualized	Per Pay	Annualized
\$ 6.81	\$ 177.00	\$ 16.58	\$ 431.00
Cost to City			
Single Coverage		Family Plan	
Per Pay	Annualized	Per Pay	Annualized
\$ 61.46	\$ 1,598.00	\$ 149.46	\$ 3,886.00
Total cost (Mayor+ 8 Councillors)	\$ 14,382		\$ 34,974

Recommended funding source, contingency.

- 9) **LEGAL IMPLICATIONS:**
N/a
- 10) **RISK MANAGEMENT:**
N/a
- 11) **STRATEGIC IMPLICATIONS:**
Strategic Pillar- Health and Wellness
- 12) **SUPPORTING DOCUMENTS:**
Option Plan 1- Life & ADD Flat \$20,000

Option Plan 2- Life & ADD Flat \$50,000