

ITEM	13
MANAGER'S REPORT NO.	64
COUNCIL MEETING	Oct. 12/76

RE: EXEMPT EMPLOYEES - HEALTH AND WELFARE BENEFITS

In past years the Health and Welfare Benefits for Exempt employees have been based on the provisions of the Union Agreements. These benefits were basically the same for Inside, Outside, Foremen, Library workers and the Burnaby fire-fighters.

Starting in 1975, the firefighters negotiated separate Health and Welfare Benefit provisions for their group in respect to the Dental Plan, Sick Leave Benefits and a new Gratuity Plan.

Under the provisions of the 1975/76 Agreements with the Local 23 bargaining units, the Corporation and the Burnaby Library Board agreed to an additional contribution of 0.65% of the basic wage and salary payroll cost of those members to be applied to reduce the employee contribution to the cost of Sick Leave Benefits, effective January 1, 1976. The settlement for the Local 23 members was also approved for the Exempt employees, including the 0.65%. The Corporation also offered the additional contribution of 0.2% in lieu of reducing denture coverage from 90% to 60%, effective January 1, 1976. In addition to these sources of funds, there is also the rebate of Unemployment Insurance contributions, the employees' portion of which is to be paid to the benefit of the employees, in accordance with U.I.C. regulations.

The attached Policies and Regulations governing Health and Welfare Benefits for the Exempt employees of the Corporation and the Burnaby Library Board have been patterned after the amended Agreement with the Local 23 members that has already been adopted by the Union and Municipal Council. (See Item 15, Report No. 60, Sept. 27)

The Exempt employees Health and Welfare Benefit Plan is identical to that of the Local 23 members except as follows:

1. An incentive plan has not been required for the Exempt employees as is the case with the Local 23 members. The latter sought a system whereby those with little or no sick leave would be entitled to a lower premium cost.
2. Under Section 5.23, the rate of Medium Term Sick Leave is set at 100% of salary, rather than 85% of salary, as is provided for the Local 23 members. The higher rate is possible because the Exempt employees have historically had a lower use rate for Medium Term Sick Leave. There is expected to be ample funds from the same source formula as the Local 23 members to cover sick leave at 100%. Since the source of funds was established early in 1975 and has been accumulating since January 1, 1976, it does not constitute an increase in compensation to either the C.U.P.E. or Exempt employees.

The proposed benefit package for Exempt employees, as attached, has been reviewed by the exempt employees and the consensus is that they are in agreement with the terms.

RECOMMENDATION:

That the attached Policies and Regulations governing Health and Welfare Benefits for the Exempt employees be approved.

Attach.

October 4, 1976

HEALTH AND WELFARE BENEFITS - EXEMPT EMPLOYEES

POLICIES AND REGULATIONS

ITEM	13
MANAGER'S REPORT NO.	64
COUNCIL MEETING	Oct. 12/76

132

The following administrative policies and regulations apply to the probationary and permanent employees of the Corporation of the District of Burnaby and the Burnaby Library Board (hereinafter referred to as the "employer"), who are not covered by any of the Union bargaining units of the Corporation, i.e., "Exempt" employees.

1.00 Medical Services Plan

1.10 Probationary and permanent employees shall be entitled to be covered under the Medical Services Plan commencing the 1st day of the calendar month following the date of employment. The employer shall pay 100% of the premiums required by the plan.

2.00 Dental Services Plan

2.10 Permanent employees shall be entitled to enroll in the Dental Services Plan the 1st day of the calendar month following the date of permanent employment. A spouse and dependent children to age 21 may be covered.

2.11 Enrollment coverage shall include a dependent child who is over 21 and attending a recognized school or college and who is claimed as a dependent for income tax purposes.

2.12 The Dental Services Plan shall cover:

90% for Plan "A" (diagnosis, prevention, surgery, restorations, denture repairs, endodontics and gum treatment), and

60% for Plan "B" (crowns, bridges and partial or complete dentures). Coverage of dentures at 60% shall commence January 1, 1976.

2.13 The employer shall pay 100% of the premiums required for the plan.

3.00 Extended Health Benefits

3.10 Permanent employees shall be entitled to enroll in an Extended Health Benefit Plan the 1st day of the calendar month following the date of permanent employment.

3.11 The Extended Health Benefit Plan shall include the Eye Glass Option, effective June 1, 1976 (expenses incurred relative to the purchase of lenses and frames or contact lenses may be claimed up to the amount of \$50.00 per covered person per 24 month period).

3.12 The plan will reimburse employees at the rate of 80% of insured eligible expenses after a deductible of \$25. per family per year.

3.13 The employer shall pay 100% of the premiums required for the plan.

4.00 Burnaby Municipal Benefit Society

4.10 Probationary and permanent employees shall become members of the Burnaby Municipal Benefit Society (hereinafter referred to as the "Society") after three (3) months' employment, as a condition of remaining and continuing in such employment, and shall be covered for sick leave benefits and death and disability benefits as outlined hereinafter in these regulations.

4.11 The sick leave benefits and death and disability benefits shall be administered by the Directors of the Society in accordance with the Constitution and By-Laws of the Society, and these regulations.

5.00 Sick Leave Benefits

5.10 Short Term Sick Leave

5.11 Subject to Section 5.24, Short Term Sick Leave shall mean the first two weeks of each sick leave absence.

ITEM 13
MANAGER'S REPORT NO. 64
COUNCIL MEETING Oct. 12/76

- 5.12 The rates of benefits, premiums, penalties and incentives for Short Term Sick Leave shall be based on one accounting system for the Exempt members of the Society, considered as one group separate and apart from all other members of the Society.
- 5.13 The rates of benefits and premiums for Short Term Sick Leave shall be determined by the Directors of the Society. The present rate of Short Term Sick Leave benefit is 85% of "after tax" salary. The present rate of premium is 3.26% of the benefit rate, or approximately 2.0% of regular salary.
- 5.14 Exempt employees shall pay 100% of the premium required for Short Term Sick Leave. Such premium shall be deducted from the employee's bi-weekly salary and remitted to the Society.
- 5.20 Medium Term Sick Leave
- 5.21 Medium Term Sick Leave shall mean each sick leave absence in excess of Short Term Sick Leave which continues for any period up to and including the 17th week.
- 5.22 Effective January 1, 1976, the employer shall establish a fund made up of:
- (1) A bi-weekly payment of 0.65% of the basic wage and salary payroll cost of the Exempt members covered by the sick leave benefit plan;
 - (2) A bi-weekly payment of the Exempt members' share of the employer's rebate of Unemployment Insurance premiums resulting from sick leave coverage;
 - (3) A bi-weekly payment of 0.2% of the basic wage and salary payroll cost of the Exempt members covered by the sick leave benefit plan less the cost of the eye glass option referred to in Section 3.12 above.
- 5.23 From this fund the employer shall pay Medium Term Sick Leave benefits at a rate of 100% of regular gross salary, commencing September 17, 1976 or as soon as practicable thereafter.
- 5.24 In the event that the Medium Term Sick Leave fund becomes depleted, the Directors of the Society shall increase the Short Term Sick Leave pursuant to 5.11 above, for a period of time to be determined by the Directors.
- 5.25 Notwithstanding the provisions of Section 5.24, if at any time the fund established under Section 5.22 becomes insufficient to make payments as required, the Society shall, on demand, pay over to the Treasurer of the Corporation sufficient funds from the reserves of the Society to meet the sum required and shall continue to do so until the fund becomes sufficient to meet its obligations. These funds shall be considered as an advance, and shall be repaid to the Society as soon as possible, as determined by the Treasurer of the Corporation.
- 5.26 When an employee draws less than 15 weeks of Medium Term Sick Leave benefits in continuous absence and returns to work and suffers a further sick leave absence within one month of returning to work, entitlement shall be Short Term Sick Leave benefits plus the unused portion of Medium Term Sick Leave.
- 5.27 An Exempt employee who has received the full amount of 15 weeks of Medium Term Sick Leave shall not be entitled to a further Medium Term Sick Leave until the employee has returned to work for a continuous period of one month. However, such employee shall be entitled to Long Term Sick Leave, as outlined below.
- 5.30 Long Term Sick Leave
- 5.31 Long Term Sick Leave shall mean any sick leave absence in excess of entitlement to Short Term and Medium Term Sick Leave.
- 5.32 Entitlement to Long Term Sick Leave shall be based on probationary or permanent service with the employer with an accumulation or accrual of 6 weeks' credit for each calendar year of service, retroactive to and including the year 1969.

5.33 Long Term Sick Leave shall accumulate to a maximum of 52 weeks (in addition to Short Term and Medium Term Sick Leave). The entitlement to Long Term Sick Leave shall be reduced by the number of weeks of Long Term Sick Leave previously used by the Exempt employee during the period of accumulation or accrual.

5.34 The benefit rate for Long Term Sick Leave shall be 85% of regular gross salary.

5.35 The cost of Long Term Sick Leave shall be paid 100% by the employer.

5.40 Certification of Disability

The employer or the Society may require an employee to provide written confirmation or certification at any time of the employee's disability or incapacity to work, or continuing incapacity to work, and the date when the employee is expected to be able to return to regular duties on a full or part-time basis. Such confirmation may be required in the form of a statement from the employee's physician, the Medical Consultants of the employer or the Society, or the Employee Nurse.

5.50 Part Time Sick Leave

Exempt employees who are able to return to their regular duties on a part-time basis shall be considered to be on one absence for the purposes of the plan and shall have a reduction of sick leave entitlement credits, calculated on a pro rata basis.

6.00 Death and Disability Plan

6.10 Permanent employees shall be entitled to death and total disability benefits, as provided under the By-Laws of the Society, generally described as follows:

- (1) Two times the annual salary to age 60 to a maximum of \$25,000.
- (2) One times the annual salary, after age 60 until retirement on Municipal Superannuation, or at age 65, whichever the earlier, to a maximum of \$25,000.
- (3) Death benefit only at \$1,000. after retirement on Municipal Superannuation, or at age 65, whichever the earlier, continuing until 70 years of age, and reducing to \$500. after age 70.

6.11 The annual salary referred to above shall be calculated on the salary rate as of December of the previous year, to the nearest upper \$500.

6.12 The employer shall pay 100% of the premiums required by the Society for the death and disability plan.

Unless otherwise noted, any changes in the existing Health and Welfare Benefit Plan shall be implemented as soon as practicable after September 17, 1976.

ITEM 13
 MANAGER'S REPORT NO. 64
 COUNCIL MEETING Oct. 12/76