

**Full Authority**  
**16 January 2020**  
**Agenda Item: 13**

**Proposed Short Term Disability Coverage Report**

**Background**

The CVCA currently offers a benefit package to all full time employees through Buffett Taylor & Associates. This package includes Short Term Disability (STD), which is an intermediary benefit between employee sick days and Long Term Disability (LTD) insurance. As per the suggestion from staff during the 2020 budget deliberations, changes to the STD coverage will allow savings for the CVCA's operating budget.

**Additional Information**

Further to the 21 November 2019 Disability Coverage Report, staff have provided draft eligibility and guidelines for the Board's review and adoption in the CVCA Personnel Policy as per the direction from the Board in FA Motion G68/19 in this agenda package.

The savings for this version of a short term disability plan will be the amount not paid to Buffett Taylor every year moving forward. Should a staff member utilize the proposed self insured plan, the cost of paying for the disability coverage would be taken from the wages which would have been paid to the employee. As noted in the guidelines, employees will be paid 66.7% of their wage while on short term disability coverage.

Should any expenses be incurred by the CVCA while an employee is utilizing the coverage, the remaining 33.3% savings from wages will give the CVCA flexibility to cover unexpected expenditures at that time.

During the past 30+ years, there have been very few short term disabilities claimed and never has there been anyone hired to replace a staff member who has been eligible for short term coverage. However, past experiences are not always indicative of future circumstances for these particular situations. Therefore, the Board should be cognizant that the savings realized in any given year may be required to offset a short term contract situation.

The eligibility and guidelines documentation has been shared by Kettle Creek Conservation Authority for the CVCA's benefit. It has been modified slightly for the Crowe Valley CA circumstances. Kettle Creek has also recently changed short term disability coverage from Buffett Taylor to a self insured plan.

***Recommendation:***

- 1) That the guidelines be reviewed and adopted by the Board either at the 16 January 2020 meeting to maximize savings for the 2020 budget.*

*or*

- 2) That the decision be deferred until the 20 February 2020 Board meeting, which would allow the Board an additional thirty day review period.*

***Board Decision***

TP