

June 18, 2018

**To: Participating Employers**

**From: Alana Shearer-Kleefeld  
Director, Employee Benefits**

**RE: CUPE, SEIU-West, SUN and General Disability Income Plan Contribution Rate Changes  
Effective August 1, 2018**

At the May 9, 2018 Employee Benefit Plans Committee meeting, the actuary presented the valuation reports and rate recommendations for each of the four disability income plans. Following this presentation, the Employee Benefit Plans Committee recommended reduced contribution rates to the Board of Trustees. On May 31, 2018 the Board of Trustees met and approved disability income plan contribution rate decreases for the CUPE, SEIU-West, SUN and General plans effective August 1, 2018. The new rates will be implemented on July 22, 2018 to coincide with the first payroll date in August 2018 and will ensure both pay periods in August have the same disability contribution rate applied.

The charts below show the financial position of the disability plans as of December 31, 2016 and December 31, 2017.

**CUPE Disability Income Plan**

<b>Valuation</b>	<b>December 31, 2016</b>	<b>December 31, 2017</b>
Surplus (deficit) from Funding Valuation	\$45,882,000	\$54,785,000
Number of long-term claims	490	430
Number of short-term claims	110	94
<b>Contribution rates</b>		
Contribution rate effective August 1, 2017		2.50%
<b><i>New Contribution rate effective August 1, 2018</i></b>		<b>2.36%</b>
<b><i>*Bridge contribution rate effective August 1, 2018</i></b>		<b>0.85%</b>

\*Bridge contribution rate of 0.85% applies to all CUPE-CIVIC plan members and CUPE plan members over the age 65.

### SUN Disability Income Plan

Valuation	December 31, 2016	December 31, 2017
Surplus (deficit) from the Funding Valuation	\$32,185,000	\$46,358,000
Number of long-term claims	263	223
<b>Contribution rates</b>		
Contribution rate effective August 1, 2017		1.50%
<b><i>New Contribution rate effective August 1, 2018</i></b>		<b>1.40%</b>

### SEIU-West Disability Income Plan

Valuation	December 31, 2016	December 31, 2017
Surplus (deficit) from Funding Valuation	\$31,220,000	\$34,804,000
Number of long-term claims	416	422
Number of short-term claims	77	77
<b>Contribution rates</b>		
Contribution rate effective August 1, 2017		2.30%
<b><i>New Contribution rate effective August 1, 2018</i></b>		<b>2.26%</b>
<b><i>*Bridge contribution rate effective August 1, 2018</i></b>		<b>0.65%</b>

\* Bridge contribution rate of 0.65% applies to SEIU-West plan members over the age 65.

### General Disability Income Plan

Valuation	December 31, 2016	December 31, 2017
Surplus (deficit) from the Funding Valuation	\$19,987,000	\$25,946,000
Number of long-term claims	189	185
<b>Contribution rates</b>		
Contribution rate effective April 1, 2016		1.30%
<b><i>New Contribution rate effective August 1, 2018</i></b>		<b>1.25%</b>



The *DIP Monthly Contribution Report* with the new contribution rates will be posted on the 3sHealth website by August 3, 2018.

If you have any questions about the new disability income plan contribution rates, please contact me at [alana.shearer-keefeld@3sHealth.ca](mailto:alana.shearer-keefeld@3sHealth.ca).

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