

July 3, 2017

To: Participating Employers

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

RE: CUPE, and SEIU-West DISABILITY PLAN CONTRIBUTION RATE DECREASES AUGUST 2017

The Actuarial Valuations for funding purposes for the CUPE, SUN, SEIU-West and General Disability Income Plans were presented by the Plans' actuary to the Employee Benefit Plans Committee on May 17, 2017. The Employee Benefit Plans Committee reviewed the Actuary's findings, discussed the recommended contribution rates and forwarded the valuations with recommendations for funding of the four Plans to the 3sHealth Employee Benefit Plans Board of Trustees. The Trustees met on May 18, 2017 and approved the Disability Income Plan contribution rate decreases for the CUPE and SEIU-West Plans effective the first full payroll period in **August 2017**. The General Plan and SUN Plan Contribution rates remain unchanged.

The charts below show the financial positions of the four Plans at December 31, 2015 and December 31, 2016.

The new rates for the CUPE and SEIU-West Plans are included in the charts. The rate will change from 0.95% to 0.85% for employees age 65 or older who belong to the CUPE or SEIU- West Plan.

CUPE Disability Income Plan

	December 31, 2015	December 31, 2016
Surplus (deficit) from Funding Valuation	39,798,000	\$45,882,000
Number of long-term claims	509	490
Number of short-term claims	102	101
Contribution rates		
Contribution rate effective August 1, 2016		2.70%
Contribution rate effective August 1, 2017		2.50%

SUN Disability Income Plan

	December 31, 2015	December 31, 2016
Surplus (deficit) from the Funding Valuation	\$32,688,000	\$32,185,000
Number of long-term claims	236	263
Contribution rates		
Contribution rate effective August 2016		1.50%
No change recommended		1.50%

SEIU-West Disability Income Plan

	December 31, 2015	December 31, 2016
Surplus (deficit) from Funding Valuation	\$28,000,000	\$31,220,000
Number of long-term claims	387	416
Number of short-term claims	71	77
Contribution rates		
Contribution rate effective April 1, 2016		2.50%
Recommended contribution rate effective August 1, 2017		2.30%

General Disability Income Plan

	December 31, 2015	December 31, 2016
Surplus (deficit) from the Funding Valuation	\$14,234,000	\$19,987,000
Number of long-term claims	198	
Contribution rates		
Contribution rate effective April 1, 2016		1.30%
No change recommended		1.30%

Please note that the DIP Monthly Contribution Report with the new rates will be posted in the second week of August.

If you have any questions about the new rates, please contact me at alana.shearer-kleefeld@3sHealth.ca.