



**Corporation of the Town of Ingersoll
Council Agenda
Special Meeting of Council
Town Centre, Council Chambers
Monday, June 22, 2015, 6:00 p.m.**

Call to Order

Disclosures of Pecuniary Interest

Special Report

- 1) Post-Retirement Benefits - Staff request for reconsideration and revision [A-047-15](#)

Upcoming Council Meetings

Regular Meeting of Council
Monday, July 13, 2015, 6:00 p.m.
Town Centre, Council Chambers

Closed Meeting Session

- 1) Section 239 (2) (f) Advice that is subject to Solicitor-Client Privilege

Adjournment



DEPARTMENT: Chief Administrative Officer

REPORT NO: A-047-14

COUNCIL DATE: June 22nd, 2015

TITLE: Post-Retirement Benefits - Staff request for reconsideration and revision

OBJECTIVE: To provide information to Council and seek direction.

BACKGROUND: At the regular meeting of Council on June 8th, 2015, a Bylaw was adopted that made changes to post-retirement benefits.

Affected Staff have noted concerns and have asked that Council consider making revisions to the newly approved Bylaw. Mayor Comiskey has had a number of meetings with concerned staff members and has asked that these requests be brought forward for Council's consideration.

Specifically requests have come from two employees who are making representation on behalf of a larger employee group.

Senior Administrations understanding is that the provision to prevent vesting of benefits by retirees is the main concern with the allowance for future Councils to amend, terminate or eliminate retiree benefits the most significant issue.

Particularly the wording incorporated in the bylaw as shown:

- 3 (g) In respect of permanent full-time non-union employees who retire on and after June 15th, 2015 the Town reserves the right, whether before or after such employee's retirement date, in its sole and absolute discretion and from time to time, change, decrease, increase, substitute, **eliminate or terminate** some or all of the Benefits and to impose a premium payable by the retiree for the Benefits. The Benefits and the premium payment arrangements in effect at the date of retirement do not vest and are subject to change, decrease, increase, substitution, **elimination or termination** as determined from time to time in the Town's sole and absolute discretion.

4. That, for permanent full-time non-union employees who retire on or after June 16th, 2017, Extended Health Care, Dental, Life Insurance and Dependent Life and ADD benefits, be extended to permanent full-time non-union retired employees only until the retiree reaches age 65. The retired employee's legal/surviving spouse, exclusively, and any eligible dependents also qualify for Extended Health Care and Dental benefits until the retiree reaches age 65 or would have reached age 65. Benefit coverage is defined as the benefits provided by the employer at the permanent full-time non-union employee's date of retirement however the Town reserves the right, whether before or after such employee's retirement date, in its sole and absolute discretion and from time to time, change, decrease, increase, substitute, **eliminate or terminate** some or all of the Benefits and to impose a premium payable by the retiree for the Benefits. The Benefits and the premium payment arrangements in effect at the date of retirement do not vest and are subject to change, decrease, increase, substitution, **elimination or termination** as determined from time to time in the Town's sole and absolute discretion.

ANALYSIS: The wording in question was provided by the Town's Legal Counsel, so as to provide the Corporation flexibility in the future should the need arise.

Without this wording, retiree's will enjoy the level of benefits that they have on the date of retirement until the expiry at age 65. Council had expressed concerns with the inability to make changes to benefits once employees retired.

INTERDEPARTMENTAL IMPLICATIONS: The Bylaw affects all full time permanent employees that are non-union employed by the Town.

FINANCIAL IMPLICATIONS: Without the noted language Councils flexibility will be greatly reduced in making future changes.

RECOMMENDATION: That Council provide direction to Staff.

Prepared by: William Tigert, Chief Administrative Officer



Corporation of the Town of Ingersoll

By-Law 15-4812

Being a By-Law to provide for certain Retirement Benefits to Permanent Full-Time Non-Union Retired Employees and to rescind By-Law 03-4086, By-Law 11-4659 and By-law 12-4695;

WHEREAS Section 282 (1) and 283 (1) of the *Municipal Act* 2001 S.O. 2001 c. 25 as amended, makes allowances for certain benefits and remuneration;

AND WHEREAS the Municipal Council of the Corporation of the Town of Ingersoll previously deemed it advisable to amend By-Law Number 03-4086, with By-Laws 11-4659 and 12-4695 as amended;

AND WHEREAS the Municipal Council of the Corporation of the Town of Ingersoll now consider it advisable to repeal and rescind By-Laws Numbered 03-4086, 11-4659 and 12-4695 as amended;

NOW THEREFORE, the Municipal Council of the Corporation of the Town of Ingersoll enacts as follows:

- (1) That By-Laws 03-4086, 11-4659 and 12-4695 be rescinded in their entirety.
- (2) That Extended Health Care, Dental, and, where applicable, Life Insurance and Dependent Life and Accidental Death & Dismemberment benefits, including coverage enhancements, be extended to permanent full-time non-union retired employees who were hired before November 14, 2011 and retire on or before June 15th, 2017, for his or her life. The retired employee's legal/surviving spouse, exclusively, and any eligible dependents also qualify for Extended Health Care, Dental benefits, including coverage enhancements, for their lives. The classification of benefit coverage is defined as the benefits provided by the employer at the permanent full-time non-union employee's date of retirement.
- (3) That Benefits described in Article (2) of this By-Law are subject to the following conditions being met:

- (a) That the employee qualifies for an unreduced OMERS pension, or the employee qualifies for a reduced OMERS pension, and has attained a minimum of ten (10) years of service with the Town of Ingersoll;
 - (b) That Benefit coverage will cease if the retiree takes other full time employment providing benefit coverage;
 - (c) The retiree must enroll for the benefits at the date of retirement and must continue uninterrupted participation to be eligible;
 - (d) The retiree must be domiciled in Ontario;
 - (e) Maximum extended health and dental coverage, when out of province is limited to \$50,000 per eligible life;
 - (f) The retiree will waive any right to claim against the Town and the carrier in the event his/her coverage lapses by reason of any act or omission on the retiree's part in fulfilling any of the terms and conditions of the benefit program.
 - (g) In respect of permanent full-time non-union employees who retire on and after June 15th, 2015 the Town reserves the right, whether before or after such employee's retirement date, in its sole and absolute discretion and from time to time, change, decrease, increase, substitute, eliminate or terminate some or all of the Benefits and to impose a premium payable by the retiree for the Benefits. The Benefits and the premium payment arrangements in effect at the date of retirement do not vest and are subject to change, decrease, increase, substitution, elimination or termination as determined from time to time in the Town's sole and absolute discretion.
- (4) That, for permanent full-time non-union employees who retire on or after June 16th, 2017, Extended Health Care, Dental, Life Insurance and Dependent Life and ADD benefits, be extended to permanent full-time non-union retired employees only until the retiree reaches age 65. The retired employee's legal/surviving spouse, exclusively, and any eligible dependents also qualify for Extended Health Care and Dental benefits until the retiree reaches age 65 or would have reached age 65. Benefit coverage

is defined as the benefits provided by the employer at the permanent full-time non-union employee's date of retirement however the Town reserves the right, whether before or after such employee's retirement date, in its sole and absolute discretion and from time to time, change, decrease, increase, substitute, eliminate or terminate some or all of the Benefits and to impose a premium payable by the retiree for the Benefits. The Benefits and the premium payment arrangements in effect at the date of retirement do not vest and are subject to change, decrease, increase, substitution, elimination or termination as determined from time to time in the Town's sole and absolute discretion.

- (5) That Benefits described in Article (4) of this By-Law are subject to the following conditions being met:
- a) That the employee qualifies for an unreduced OMERS pension, or that the employee qualifies for a reduced OMERS pension, and in either case has worked for the Corporation of the Town of Ingersoll for a continuous period of fifteen (15) years at the time of retirement;
 - b) The benefit coverage will cease if the retiree takes other full time employment that provides or can provide benefit coverage. Regardless if the retiree opts for coverage with that new employer;
 - c) That the retiring employee must enroll with the Town benefits at the date of retirement and must continue uninterrupted participation to be eligible;
 - d) The retiree, spouse and dependents must be domiciled in Ontario.
 - e) Maximum extended health and dental coverage, when out of the province is limited to \$50,000 per retiree or dependent so covered;
 - f) The classification of benefit coverage is defined as the benefits provided by the employer at the permanent full-time non-union employee's date of retirement;
 - g) The Town as the employer reserves the right to unilaterally terminate these benefits if it believes, based on reasonable information, that the retiree has breached any of the aforesaid conditions.

- h) The retiree will waive any right to claim against the Town and the carrier in the event his/her coverage lapses by reason of any act or omission on the retiree's part in fulfilling any of the terms and conditions of the benefit program.
- (6) Other employees of the Town whose terms of employment and covered by Collective Agreements, employment contracts or specific hiring provisions detailed in writing and approved by Council are not affected nor impacted by this By-Law.
- (7) That Department Heads, upon retirement, will be provided with extended Legal Indemnification in the event that any Third party legal action is brought against him/her as a result of his/her employment or actions, carried out in good faith, while employed with the Town.
- (8) This By-Law shall come into force and take effect upon its final passing.

READ a first and second time in Open Council this 8th day of June, 2015.

READ a third time and passed in Open Council this 8th day of June, 2015.

Edward (Ted) Comiskey, Mayor

Michael Graves, Clerk