



# POLICE SERVICES BOARD REPORT

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**Meeting Date:** June 18, 2019  
**Department:** Human Resources  
**Prepared By:** Doug Payne, Human Resources Manager  
**Reviewed By:** Greg McClinchey, Chief Administrative Officer  
**Subject:** Disability Administration Change

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**RECOMMENDATION:** That this report be received for information purposes.

## BACKGROUND

The Municipality of Strathroy-Caradoc currently provides all full-time Strathroy-Caradoc Police Service Members with a Weekly Indemnity (Short Term Disability) Benefit under our group benefits program. As part of this program, eligible Members receive a wage top-up for a period of disability. Additionally, with respect to WSIB injuries, the employer may continue to top-up a Member to their normal weekly wages dependent upon the conditions / approval of the injury claim for lost time.

If a Member is eligible for top up, the Municipality continues to pay the normal weekly pay or 75% (for hires after September 22, 2015) and payments to the Member from the Short Term Disability (STD) Carrier or the WSIB comes directly to the Municipality via a cheque. To process the cheques from the STD Carrier, the Municipality must contact the Member and have the Member endorse the cheque, by coming to Town Hall or the Police Headquarters, to allow for Municipal deposit. In addition to being administratively cumbersome, there are tax implications for the Member given that normal wages and deductions continue while the STD and/or WSIB benefits are taxed at a lower rate.

## COMMENTS

After careful review, it has been decided that the Municipality will be changing our current administration practice of receiving disability payments at the Municipality for Members on STD or WSIB. The new practice will cause Members to receive all benefits owing directly from the insurance carrier. The Municipality will pay any top up amounts owed. The planned implementation date is January 1, 2020.

## CONSULTATION

Director of Financial Services

## FINANCIAL IMPLICATIONS

None