

AMENDING LETTER OF AGREEMENT re: BENEFITS

BETWEEN

The Ontario Public School Board Association (OPSBA)

– And –

The Ontario Catholic School Trustees Association (OCSTA)

Collectively:

The Council of Trustees' Associations

Hereinafter 'CTA'

– And –

Ontario Council of Educational Workers (OCEW)

– And –

The Crown

Whereas in the Letter of Agreement #4 regarding Benefits (the "Benefits LOA") appended as part of the 2014-17 Central Terms between CTA, OCEW, and the Crown, Section 3.2.9 (b) refers to the "Total cost" calculation of school boards' spending on benefits per full-time equivalency (FTE) in 2014-15 for the purposes of calculating the Boards' ongoing contribution of funds to support the Employee Life and Health Trust ("Trust") for the current term;

And whereas information provided by the school boards as of November 4, 2016, shows OCEW's "Total cost" to be \$24,728,856 provincially taking into account a total FTE complement of 5,785.3;

And whereas the school boards will also contribute increases of 4% in each of 2015-16 and 2016-17 to the Trust as noted in Section 3.2.9 (d), as well as an additional amount of \$300 per FTE as per Section 3.2.9 (f) of the Benefits LOA;

And whereas the information provided by school boards' as of November 4, 2016 shows a calculation of total employer and employee contribution amounts per FTE as \$4,888 for 2016-17, which consists of the employer cost per FTE amount of \$4,582, and the employee co-pay per FTE amount of \$306;

And whereas all amounts determined in Article 3 of the Benefits LOA were subject to a due diligence review, which is yet to be completed by OCEW pursuant to Section 3.2.9(c) ("due diligence");


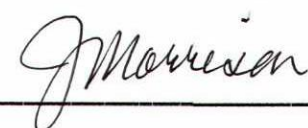
And whereas the Participation Date for OCEW shall be no earlier than September 1, 2016 and no later than August 31, 2017 and may vary by Board as noted in the preamble of the Benefits LOA;



And whereas the Government of Ontario will provide a one-time contribution to the Trust equal to 15% of annual benefit costs to establish a Claims Fluctuation Reserves to be paid to the Trust on or before September 1, 2016 as noted in 3.1.1. (a) of the Benefits LOA;


Now therefore CTA, OCEW, and the Crown, on mutual consent and in accordance with s. 42(1) of the *School Boards Collective Bargaining Act, 2014*, hereby acknowledge and agree to the following amending terms to the Benefits LOA contingent on the ratification of an agreement extending the terms of OCEW's 2014-2017 collective agreements to August 31, 2019:


1. That CTA, OCEW and the Crown agree that, for the purposes of 3.2.9 b), d), e) and f), the benefits cost per FTE funded amount is \$5,075.
2. In addition to the start-up costs described in Section 3.1.1 b), that the Crown shall make an additional one-time contribution to OCEW equal to \$700,000. This amount is provided in recognition of fixed start-up costs for small employee groups. The additional contribution of \$700,000 shall be paid to OCEW within 30 days of a duly executed amending transfer payment agreement and shall be used consistent with the intent in Section 3.1.1 b).
3. That CTA, OCEW and the Crown agree that for purposes of the Participation Date, it shall be no later than February 1, 2018.
4. That CTA, OCEW and the Crown agree that the Crown will provide the one-time contribution in 3.1.1 (a) on OCEW's Participation Date.
5. That by signing this Letter of Agreement CTA, OCEW, and the Crown hereby acknowledge and agree that CTA and OCEW have waived any rights to invoke Section 3.2.9(c)(i) and (ii) in the Benefits LOA.

Dated at Toronto, this 31st day of January, 2017

CTA 


OCEW 


Crown 



APPENDIX A

OCEW SUMMARY (as of November 4, 2016)

		Total Costs						
		Active Employees	Employer Costs	Employee Chargebacks	Employee Premium Cost	FTE	Employer Cost per FTE	Employee Cost per FTE
1	DSB Ontario North East	\$ 322,938	\$ 175,194	\$ -	\$ 147,744	70.0	\$ 2,503	\$ 1,516
3	Rainbow DSB	\$ 459,108	\$ 403,153	\$ 9,944	\$ 46,010	142.7	\$ 2,826	\$ 323
6.1	Lakehead DSB	\$ 477,515	\$ 453,580	\$ 12,214	\$ 11,721	97.8	\$ 4,639	\$ 120
9	Greater Essex County DSB	\$ 75,978	\$ 75,978	\$ -	\$ -	17.0	\$ 4,469	\$ -
12	Toronto DSB	\$ 3,103,088	\$ 2,929,416	\$ -	\$ 173,672	584.4	\$ 5,013	\$ 297
16	York Region DSB	\$ 241,580	\$ 240,843	\$ 737	\$ -	58.0	\$ 4,152	\$ -
17	Simcoe County DSB	\$ 3,196,356	\$ 2,287,147	\$ -	\$ 909,209	1,007.9	\$ 2,269	\$ 917
19	Peel DSB	\$ 12,392,949	\$ 12,187,050	\$ -	\$ 205,899	2,586.5	\$ 4,712	\$ 80
21	Hamilton-Wentworth DSB	\$ 2,113,869	\$ 1,892,055	\$ 138,336	\$ 83,478	591.5	\$ 3,199	\$ 141
30.2	Nipissing-Parry Sound Cath DSB	\$ 359,838	\$ 350,692	\$ 2,930	\$ 6,215	122.2	\$ 2,871	\$ 51
34.1	Thunder Bay Catholic DSB	\$ 103,421	\$ 88,544	\$ 4,779	\$ 10,097	45.5	\$ 1,946	\$ 222
43	Dufferin-Peel Catholic DSB	\$ 73,230	\$ 47,493	\$ -	\$ 25,737	-	\$ -	\$ -
47	Hamilton-Wentworth Cath DSB	\$ 1,183,811	\$ 1,147,734	\$ 4,436	\$ 31,641	242.6	\$ 4,731	\$ 130
53	Ottawa Catholic DSB	\$ 123,545	\$ 103,848	\$ -	\$ 19,697	42.3	\$ 2,454	\$ 479
54	Renfrew County Catholic DSB	\$ 501,630	\$ 388,695	\$ 13,530	\$ 99,406	177.0	\$ 2,196	\$ 562
TOTAL		\$ 24,728,856	\$ 22,771,422	\$ 186,907	\$ 1,770,528	5,785.3	\$ 3,936	\$ 306
4% (15-16)							\$ 4,094	
4% (16-17)							\$ 4,257	
+\$300 (16-17)							\$ 4,557	
Including 4% on employee co-pay (15-16 and 16-17)							\$ 4,582	
Total funding on a per FTE basis							4,888	
TOTAL FUNDING (BASED ON 14-15 FTE)							\$ 28,280,160	