

CEMA LTD FUND

Surplus Disposition and Rate Information

CEMA LTD Plan Premium Refund and Rate Information

The City of Edmonton and the City of Edmonton Management Association (CEMA) LTD Advisory Committee met to review the 2015 LTD actuarial report prepared by AONHewitt for the year ended December 31, 2015 to determine the financial position of the Plan. The Committee's role is to review the actuarial valuation report and make recommendations, on an annual basis, to the Plan Administrator on the disposition of any surplus as well as recommendations on adjustments to the existing premium rate and to LTD payments in progress. As the Plan is in a healthy surplus position after funding the Rate Stabilization Fund (RSF) and given the requirements of the Funding Policy, The City of Edmonton and CEMA LTD Advisory Committee are pleased to announce the following changes:

1. Refund for Premiums Paid in 2015

A non-taxable refund will be applied, funded from available surplus assets, for premiums paid in 2015 for active, on leave, deceased or retired employees as of December 13, 2015. The premium refund is not available to terminated employees. The refund will be reflected on your October 11, 2016 pay.

Please note, the refund will show up as a negative amount on your pay advice.

2. Premium Rate

Effective **August 21, 2016**, the amount of the bi-weekly premium rate paid by CEMA employees to fund the LTD Plan will **decrease to 0.36%** (currently 0.38%) of pay. This is the lowest premium rate as per CEMA's LTD Statement of Funding and Surplus Policy.

3. Cost of Living Adjustment (COLA) for Current LTD Recipients


Two separate COLA's will be applied to the benefits in pay for LTD recipients as follows:

- 100% of the CPI gap between the cumulative adjustments granted and the Alberta inflation to those members disabled prior to January 1, 2015 and on or after January 1, 2014.
- 1% COLA for all members disabled prior to January 1, 2015

Once you have received your premium refund on your paycheque, if you have any questions about the amount, please forward an email to employeeesservicecentre@edmonton.ca.

If you have any questions about these recommendations, please contact Lorraine Wohland at 780-496-7858 and/or CEMA at Chrisy Burton (cemasecretary@gmail.com) or Wendy Lauber (cemacoordinator@gmail.com).

Lorraine Wohland
LTD Advisory Committee
Representing the City


Brenda Waluk, President, CEMA
LTD Advisory Committee
Representing CEMA