

Town of Drumheller COUNCIL MEETING AGENDA

July 2, 2013 at 4:30 PM

Council Chamber, Town Hall

703-2nd Ave. West, Drumheller, Alberta



Page

1.0 CALL TO ORDER

2.0 MAYOR'S OPENING REMARK

3.0 PUBLIC HEARING

4.0 ADOPTION OF AGENDA

5.0 MINUTES

5.1. ADOPTION OF REGULAR COUNCIL MEETING MINUTES

3-6 5.1.1 Regular Council Meeting Minutes of June 17, 2013

5.2. MINUTES OF MEETING PRESENTED FOR INFORMATION

5.3. BUSINESS ARISING FROM THE MINUTES

6.0 DELEGATIONS

7.0 COMMITTEE OF THE WHOLE RECOMMENDATIONS

8.0 REQUEST FOR DECISION REPORTS

8.1. CAO

8.2. Director of Infrastructure Services

7-10 8.2.1 RFD - East Coulee Water Transmission Line

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8.3. Director of Corporate Services

11-18 8.3.1 RFD - Benefits Provider

8.4. Director of Community Services

9.0 PRESENTATION OF QUARTERLY REPORTS BY ADMINISTRATION

10.0 PUBLIC HEARING DECISIONS

11.0 UNFINISHED BUSINESS

12.0 NOTICES OF MOTIONS

13.0 COUNCILLOR REPORTS

14.0 IN-CAMERA MATTERS

14.1 Personnel Matter

**Town of Drumheller
COUNCIL MEETING
MINUTES**

June 17, 2013 at 4:30 PM
Council Chamber, Town Hall
703-2nd Ave. West, Drumheller, Alberta



PRESENT:

MAYOR:

Terry Yemen

COUNCIL:

Andrew Berdahl

Sharel Shoff

Jay Garbutt

Lisa Hansen-Zacharuk

Doug Stanford

Tom Zariski

CHIEF ADMINISTRATIVE OFFICER/ENGINEER:

Ray Romanetz

DIRECTOR OF INFRASTRUCTURE SERVICES:

Allan Kendrick

DIRECTOR OF CORPORATE SERVICES:

Byron Nagazina

DIRECTOR OF COMMUNITY SERVICES:

Paul Salvatore

RECORDING SECRETARY:

Linda Handy

1.0 CALL TO ORDER

Mayor Terry Yemen announced that Special Council Meeting to be held on June 24, 2013.

2.0 MAYOR'S OPENING REMARK

3.0 PUBLIC HEARING

4.0 ADOPTION OF AGENDA

MO2013.94 Zariski, Garbutt moved to adopt the agenda as presented. Carried unanimously.

5.0 MINUTES

5.1. ADOPTION OF REGULAR COUNCIL MEETING MINUTES

5.1.1 Regular Council Meeting Minutes of June 3, 2013

MO2013.95 Stanford, Garbutt moved to adopt the Regular Council Meeting Minutes of June 3, 2013 as presented. Carried unanimously.

5.2. MINUTES OF MEETING PRESENTED FOR INFORMATION

5.2.1 Municipal Planning Commission Minutes of May 24, 2013

5.3. BUSINESS ARISING FROM THE MINUTES

6.0 DELEGATIONS

7.0 COMMITTEE OF THE WHOLE RECOMMENDATIONS

8.0 REQUEST FOR DECISION REPORTS

8.1. CAO

8.1.1 RFD – Sandstone Manor 2013 Taxes

CAO R. Romanetz advised that Drumheller Housing Administration (DHA), through Councillor Jay Garbutt is requesting that Council cancel the 2013 taxes as allowed under Section 347(1) of the Municipal Government Act on the property being used by Sandstone Manor. He further advised that Council has budgeted the cancellation of the 2013 municipal portion of taxes for Sandstone Manor. The municipal portion of the property tax is \$8859.55 leaving the education tax of \$3149.50 as payable.

MO2013.96 Berdahl, Garbutt moved that Council cancel the municipal portion of Sandstone Manor taxes in the amount of \$8859.55 for the 2013 tax year.

Discussion on Motion:

In response to a question from Council, Councillor J. Garbutt confirmed that the DHA reserves are currently at \$40,000 with 2013 budgeted reserve of \$25,000. Reserves are growing based on the recommendation of the CAO between 2-5% of the value of the building. Councillor S. Shoff asked what effect non cancellation of the taxes would have on DHA? Councillor J. Garbutt stated that if the Town does not cancel the taxes, the reserves which are earmarked for repairs, replacement of the building and additional affordable housing for Drumheller, would take longer to build as their only stream of revenue for the reserves is rent.

Vote on Motion:

6 in favor – Yemen, Berdahl, Shoff, Garbutt, Zariski, Stanford

1 - opposed – Hansen-Zacharuk

Motion Carried.

8.2. Director of Infrastructure Services

8.3. Director of Corporate Services

8.4. Director of Community Services

9.0 PRESENTATION OF QUARTERLY REPORTS BY ADMINISTRATION

10.0 PUBLIC HEARING DECISIONS

11.0 UNFINISHED BUSINESS

12.0 NOTICES OF MOTIONS

13.0 COUNCILLOR REPORTS

Councillors A. Berdhal, J. Garbutt and L. Hansen-Zacharuk provided reports on their attendance at the FCM Conference held in Vancouver from May 30th – June 1st

Discussions and workshops focused on:

- Relationship between the Federal government and municipalities (only 8% of government spending comes to municipalities – federal government unilaterally reducing their property taxes while they are still using all the municipal services – local lesson if assessors peg the federal institution at a lower rate the Town should fight for a higher amount based on this argument);
- Environmental issues and development;
- Sustainability;
- International relations;
- Building age friendly communities;
- Municipal and corporate sponsorship;
- Municipal finance (possible leveraging on gas tax fund if there is a priority on the books);
- Working on the New Building Canada fund;
- Networking opportunities (successes of other municipalities with the main theme being infrastructure);
- Tax rebates and matching dollars to promote revitalization;
- Rick Hansen's inspirational speech was a highlight; as well as the
- Trade Show with innovative technology and information for municipalities.

13.2 Councillor J. Garbutt - Hoodoo Site Improvement

Councillor J. Garbutt asked what can be done to improve the experience of the visitors to the hoodoo site including more highway signage, flush toilets to replace the existing outhouses, a bus turnaround to eliminate the unsafe maneuverings of tour buses backing into a busy parking lot to make their turn around and the old camp kitchen replaced with a shaded area with picnic tables. Although Council agreed with the improvements, they will be at a significant cost. R. Romanetz advised that as part of the East Coulee transmission line water line, the Town would be able to extend the service connection and tie into the site, dependant on grant availability - having water to the site will move towards having flush toilets. Councillor T. Zariski stated that the

Museum's Friends of the Cooperating Society has spent significantly dollars trying to preserve and improve the site and the Town needs to follow suit. Councillor A. Berdahl recommended that standardization for all tourist destination parks / sites need to be implemented. R. Romanetz concurred, stating that tourist sites need to be indestructibly built and serviced. The Town currently upgrades tourism sites based on dollars available. There are no dollars available from Canadian Badlands Ltd. Councillor L. Hansen-Zacharuk recommended that a donation box be installed on the site. R. Romanetz provided background information, explaining that once the lease expired, the site was named as a Heritage Site, which allowed the improvements to take place. The land is owned by the Town. Mayor Terry Yemen will write a letter to the Minister of Tourism requesting funding and Administration will research the availability of grant dollars.

14.0 IN-CAMERA MATTERS MO2013.97 Berdahl, Zariski moved to go in camera at 5:00 PM. Carried unanimously.

14.1 Energy Aggregation

MO2013.98 Shoff, Stanford moved to revert back to regular Council meeting at 5:16 PM. Carried unanimously.

MO2013.99 Garbutt, Hansen-Zacharuk moved that the Town of Drumheller approve and authorize Administration to engage Energy Associates International (EAI) to assist in the procurement and management of Electricity and Natural Gas for 2014 and beyond as presented. Carried unanimously.

There being no further business, the Mayor declared the meeting adjourned at 5:35 PM.

Mayor

Chief Administrative Officer



DRUMHELLER

INFRASTRUCTURE SERVICES

Agenda Item # 8.2.1



Request for Decision

		Date:	June 28, 2013
Topic:	East Coulee Water Transmission Line		
Proposal:	Tenders for the 2013 East Coulee Water Transmission Line closed on June 18, 2013 at 2:00 PM. Thirteen tenders were received. The low bidder was Knibb Developments Ltd with a tender amount of \$3,489,593.25 including a contingency amount of \$317,235.75. See attached Tender Summary Letter for Stantec Consulting Ltd. Dated June 21st, 2013.		
Proposed by:	Allan Kendrick, Director of Infrastructure Services		
Correlation to Municipal Sustainability Plan	The Municipal Sustainability Plan identifies the need for improvement to the water supply in selected portions of the Drumheller Valley (MSP 3.1.7). The extension of the water transmission line to Lehigh and East Coulee address the needs for extension of the water supply services to communities that are currently not serviced by potable water. The province has committed regional funding of 90% for the extension of the water lines.		
Benefits:	Improved quality, quantity and reliability of water supply to unserved areas within the community.		
Disadvantages:			
Alternatives:	Council reject this proposal Status quo		
Finance/Budget Implications:	Approved project within the 2013 Capital budget financed through an Alberta Transportation grant (90%), a debenture of \$435,800 (already secured) and possible MSI if more than 67% of the contingency amount is actually used.		
Budget Available:	Project Costs: \$3,489,593 Engineering Costs <u>\$500,000</u> Total Cost \$3,989,593	Source of Funds:	Capital (Alberta Trans.) \$3,451,009 Debenture 435,800 MSI (If Necessary) 102,784 Total \$3,989,593
Communication Strategy:	Affected parties will be notified.		
Recommendations:	<ul style="list-style-type: none"> Council's approval that the Town award the contract to the low bidder Knibb Developments Ltd for the sum of \$3,989,593 for the 2013 East Coulee Water Supply line. 		
Report Writer:	 Allan Kendrick	CAO:	 R. M. Romanetz
Position:	Director of Infrastructure Services		

INFRASTRUCTURE SERVICES

Telephone: (403) 823-1354

	Created By: 6/28/13 1:39 PM	1
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Stantec Consulting Ltd.
Executive Place
1100, 4900 50th Street
Red Deer AB T4N 1X7
Tel: (403) 341-3320
Fax: (403) 342-0969

Agenda Item # 8.2.1

Stantec

June 21, 2013
File: 113929259

Town of Drumheller
703 – 2nd Avenue West
Drumheller, AB
T0J 0Y3

Attention: **Al Kendrick**
Director of Infrastructure Services

Dear Mr. Kendrick:

Reference: **East Coulee Water Supply Tender Comparison**

Tenders for the Town of Drumheller, East Coulee Water Supply, were received at the Drumheller Town Hall June 18, 2013 at 2:00 PM. Thirteen tenders were received and the tender results, with arithmetic errors corrected are summarized in Table 1 below.

Table 1: Bid Summaries

Contractor	Price (excluding GST)
Knibb Developments Ltd.	\$3,489,593.25
Kidco Construction Ltd.	\$3,544,864.95
Nu Edge Construction Ltd.	\$4,209,906.25
Bluebird Contracting Services Ltd.	\$4,210,716.16
Clean Harbors	\$4,548,135.09
Chinook Pipeline LP	\$4,706,898.90
BYZ Enterprises Inc.	\$4,794,248.25
M. Pidherney's Trucking Ltd.	\$5,002,625.88
Foran Equipment Ltd.	\$5,030,620.46
North Star Contracting Inc.	\$5,263,512.65
Whissell Contracting Calgary Ltd.	\$6,219,166.80
Rulam Contracting Ltd.	\$7,112,446.00
Westcan Tel Ltd.	\$8,839,990.50

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Stantec

Agenda Item # 8.2.1

June 21, 2013

Page 2 of 2

Reference: Town of Drumheller East Coulee Water Supply

All tenders included bid bonds and consent of surety, and acknowledged the addenda issued during the tender period. However, the package from Rulam Contracting Ltd. was missing their safety certificate which was a requirement for the tender package.

Should the Town of Drumheller deem it appropriate to move ahead with the project on a tendered pricing basis, the tender submitted by Knibb Developments Ltd. in the amount of \$3,489,593.25, excluding GST, is the lowest qualifying bid received. We have checked their references for the river drill and deem them compliant with the tender requirements.

Upon receipt of notification of the contract award by the Town of Drumheller, we will prepare the necessary documents for execution by the Town of Drumheller and the Contractor.

Sincerely,

STANTEC CONSULTING LTD.



Stephan Weninger, P.Eng.
Sr. Associate
Tel: (403) 341-3320
Fax: (403) 342-0969
stephan.weninger@stantec.com

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Agenda Item # 8.2.1

East Coulee Water Transmission Line Construction Analysis

	With 10% Contingency built into Construction contract	Without 10% Contingency built into Construction contract
Approved Municipal Budget		
Budgeted Construction & Engineering Costs	4,200,000	
Debenture (already secured)	435,800	
Budgeted Alberta Transportation Grant	3,764,200	
Total Approved Budget	4,200,000	
Actual Transportation funding Agreement		
Eligible cost of Construction	3,834,454	
Municipal contribution(10%)	383,445	
Maximum Transportation Grant Amount	3,451,009	
Tender Results		
Low tender value	3,489,593	3,172,357
Engineering costs	500,000	500,000
Total Refined cost of Project	3,989,593	3,672,357
Less Maximum Transportation Grant	3,451,009	3,451,009
Municipal Funding or other grants required	538,584	221,348
Less: Debenture	(435,800)	(435,800)
Additional Municipal Funding required	102,784	(214,452)
% of contingency use to reach breakeven	67.60%	
Note: If required, The Town could apply for an MSI project grant for 100% funding. Town has MSI grant room of \$280,000 for the 2013 year (See attached reconciliation)		



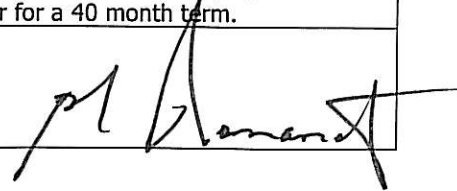
DRUMHELLER

CORPORATE SERVICES

Agenda Item #8.3.1



Request for Decision

		Date:	June 27, 2013
Topic:	Town of Drumheller Benefits Provider		
Proposal:	Administration hereby presents the Town of Drumheller's proposed new Benefit provider for Council's consideration. There are savings by the Town and the Employee by moving to Industrial Alliance.		
Proposed by:	Ray Romanetz, CAO and Byron Nagazina, Director of Corporate Services .		
Correlation to Business (Strategic) Plan	The proposed move to a new provider will continue to provide the employees with a similar level of coverage at a rate that saves \$95,625 per year, which is split between the Town and the Employees.		
Benefits:	The proposed Decreases the cost of benefits for both the Town and employees. The term before any increase is 40 months with the policy. The consultants have provided analysis that the fund can be sustained without drastic increases after the initial term.		
Disadvantages:	There are currently 7 retirees that have taken advantage of retiree death benefit. The new plan is unable to match the rate or the benefit term of this \$5,000 benefit. It is recommended that the town try to leave the retirees in the existing plan and subsidize if necessary the monthly payments		
Alternatives:	Status Quo. Remain with AMSC Sun Life and Blue Cross		
Finance/Budget Implications:	The proposed new plan with Industrial Alliance will save the Town \$21,816 per annum over the 40 month period over its existing plan. Employee savings would be \$73,809 per annum over the 40 months.		
Operating Costs:	(\$21,816)	Capital Cost:	0
Budget Available:	Yes	Source of Funds:	
Budget Cost:		Underbudgeted Cost:	
Communication Strategy:	As this is a management decision and as long as we meet the levels of benefit offered in the existing collective agreement, communication with the Union would be on a goodwill or working relationship basis. Communication to each department providing an overview of the purpose, responsibilities, and process to each department along with the implementation date. The Renfrew group has offered to come in and communicate the new benefit package details to the employees and the Town would have them do so.		
Recommendations:	I recommend that Council authorize Town administration enter into an employee benefits agreement with Industrial Alliance as the new provider for a 40 month term.		
Report Writer:	Byron Nagazina Director of Corporate Services	CAO:	

CORPORATE SERVICES

Telephone: (403) 823-1311

RFD - Benefits Provider - Jul 2 13Drug and Alcohol Policy	Created By: Byron Nagazina 6/28/13 9:54 AM	1
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Memo

DATE: June 18, 2013

TO: Ray Romanetz, Chief Administrative Officer

FROM: Byron Nagazina, Director, Corporate Services

RE: Benefits Plan Review and Recommendation

Issue:

Employee Benefit program should be reviewed to ensure that the Town and the employees are getting value for money.

Recommendation:

The Town of Drumheller enter into a 40 month agreement for Life/Disability and 16 months for health/Dental with Industrial Alliance for the provision of the Towns Benefit Plan. Industrial Alliance proposal is \$8,000 (30%) per month less than our current provider (Sun Life\ Blue Cross). Much of the savings come from Disability benefit pricing, which is 100% employee paid. Therefore, benefit costs to the Town would decrease by 12% and cost to the employees would decrease 54% for the identical level of coverage.

Rationale:

- Savings to the Town of Drumheller amount to \$21,816 per year. Savings to the employees amount to \$73,809 per year.
- Employee/Employer funding of benefits is as follows:
-

Table 1

Benefit	Employee Paid	Town Paid
Life Insurance		100%
Dependent Life	100%	
Accidental Death & Dismemberment		100%
Long Term Disability	100%	
Health Care	20%	80%
Dental Care	20%	80%
Employee Assistance Plan		100%

- Industrial Alliance offers the best rates, while still being a sustainable plan based on Renfrews analysis.
- Industrial Alliance offers the longest term for Life and Disability at 40 months.
- All Health and Dental terms offered were 16 months.

Agenda Item # 8.3.1

- Our current provider, AMSC (Sunlife/Blue Cross is the second least competitive of the bids. Renfrew stated that the disability rates charge from our current provider were the highest they have ever seen.
- Results of the quotes is shown in the table below:

Table 2

Insurer	Monthly Premium	Guarantee	Savings over Guarantee Period
Sun Life / Blue Cross	\$26,260	8 months	
Manulife Financial	\$22,253	Life/Disability: 28 months Health/Dental: 16 months	\$48,181
Great West Life	\$19,345	Life/Disability: 28 months Health/Dental: 16 months	\$137,279
Industrial Alliance	\$18,291	Life/Disability: 40 months Health/Dental: 16 months	\$221,948
Equitable Life		Declined due to disability claims	
Empire Life		Declined due to nature of industry	

- Weakness identified by Renfrew was a \$5,000 guaranteed life insurance policy for retirees for which they currently pay \$4.73 per month with Sun Life/AMSC. Under Industrial Alliance, this monthly rate would increase to \$19.38. Renfrew recommends looking to leave retirees insurance with Sun Life/AMSC in this case.
- There are some deviations between the current policy with Sun Life and the plan proposed by Industrial Alliance. These differences are highlighted in the attached Plan Design Deviations.

Attachments:

- Adequacy of Health Rates – page 3
- Adequacy of Dental Rates – page 4
- Plan Design Deviations – page 5
- Average Savings Table – page 6
- Renfrew Recommendations – page 7

Byron Nagazina

823-1311

HEALTH AND DENTAL

Adequacy of Health Rates:

Health Care			
Period	Premium	Claims	Loss Ratio
March 2011 to Feb 2012	\$71,948	\$50,243	70%
March 2012 to Jan 2013*	\$72,693	\$51,115	70%

For the purpose of our analysis we have annualized the 11 months of the current period that we received and placed a weighting of 2 on the current year and 1 on the prior year, for an annual claims figure of \$50,824. We've had to make an assumption on the Blue Cross expenses (using the expenses from a similar sized Blue Cross client). For Blue Cross' inflation we have used the same from other clients that we have with Blue Cross.

Health	Blue Cross	Industrial Alliance	Manulife	Great-West
Claims	\$50,824	\$50,824	\$50,824	\$50,824
Inflation	17%	16%	15%	17%
Reserves	Funded	8.5%	3.7%	6%
Expenses	21%	17%	15%	19%
Total Charges	\$70,138	\$71,764	\$68,335	\$72,323
Premium	\$78,562	\$71,952	\$57,702	\$64,777
Over/Under	12%	0%	(16%)	(10%)

Manulife has the lowest inflation assumption, expense levels and overall lowest total charges, but has significantly underfunded the premiums in an attempt to obtain your business — but keep in mind these rates are only guaranteed for 16 months and that Manulife was not competitive on the Life and Disability benefits.

Blue Cross, as the incumbent, has the advantage of funded reserves.

Industrial Alliance is not the lowest cost carrier, but they have priced the Health benefit most appropriately to pay the claims + reserves + inflation + expenses. While we can't predict what the claims will be in the first 16 months, this model bodes well for the long-term stability of the pricing.

April 2013 Benefits Plan Review for the Town of Drumheller

HEALTH AND DENTAL

Adequacy of Dental Rates:

Dental Care			
Period	Premium	Claims	Loss Ratio
March 2011 to Feb 2011	\$65,311	\$41,769	64%
March 2012 to Jan 2013*	\$74,896	\$33,730	45%

*Annualized

Similar to the Health Care, we have calculated claims for the analysis below by employing a 2-1 weighting, which is more important on the Dental Care due to the much lower claims in the current period. Again, we have made an assumption on the expense level of the incumbent. However, in this case, because AUMA is so large, we have assumed a much lower expense ratio. For Sun Life's inflation factor we have used that of another Town that we administer through Sun Life.

Dental	Sun Life	Industrial Alliance	Manulife	Great-West
Claims	\$36,410	\$36,410	\$36,410	\$36,410
Inflation	15%	12%	12%	13%
Reserves	Funded	9%	10%	8%
Expenses	12%	17%	15%	19%
Total Charges	\$46,240	\$50,136	\$50,124	\$51,083
Premium	\$86,806	\$50,097	\$50,750	\$51,346
Over/Under	88%	0%	1%	1%

Due to the size of AUMA, we have assumed they have the advantage in terms of expenses and total charges. That said they are significantly overfunding the plan, even based on our more conservative 2-1 weighting.

Industrial Alliance has quoted the lowest overall premium, and has also priced the risk most appropriately, although in fairness Manulife and Great-West Life are very close as well.

Other than Sun Life, there was more consensus by the market on the Dental pricing compared to the Health, but we see IA as being the winner here as well.

April 2013 Benefits Plan Review for the Town of Drumheller

PLAN DESIGN DEVIATIONS

Plan Design Deviations

Below we have listed the plan design provisions that would be different with Industrial Alliance compared to Sun Life and Alberta Blue Cross:

Currently, the non-evidence maximum on the Life Insurance matches the \$500,000 overall maximum. IA is only able to offer a \$420,000 non-evidence maximum. All existing employees will have their current coverage grandfathered. Further, the \$420,000 non-evidence maximum is sufficient for even your highest income, so this is a non-issue at this time.

Currently, new employees and their spouses are eligible for \$10,000 of Critical Illness Insurance on a non-medical basis if they apply within 90 days of their coverage date. It is unclear how many employees have taken advantage of this benefit, and while it is not offered through IA, they will grandfather any existing coverages. IA does have an Optional Critical Illness program, which is explained further below, and it is available to employees and spouses, but with medical evidence. An alternative would be to implement a \$10,000 Critical Illness benefit for all employees.

The Large Amount Pooling with Industrial Alliance provides protection for out-of-country claims from 1st dollar, and in-Canada claims over \$15,000. It is unclear from the Blue Cross documents what the current plan covers.

The Blue Cross plan currently covers 1 pair of Orthopedic shoes per year, whereas IA's plan covers Orthopedic shoes to \$300 / year.

The current plan provides Best Doctors coverage. IA's program is similar and is called Medical Second Opinion. This is included in the pricing.

IA's plan covers eye exams at \$30 instead of \$31.74. That said, we recommend that this be increased to "Reasonable and Customary".

With IA, Vision and eye exams are \$250 / 1 year for children under age 18, compared to age 14 with Blue Cross.

The Out-of-Country maximum with IA is \$2 million per lifetime compared to \$2 million per incident with Blue Cross.

With IA Optional Critical Illness is sold in units of \$20,000 to \$300,000, whereas Sun Life's program is in units of \$25,000 to \$300,000. Sun Life covers 25 covered conditions, compared to 18 with IA. The illnesses that *are covered* by Sun Life that *are not covered* by IA are: Aortic surgery, Aplastic anemia, Bacterial meningitis, Heart valve replacement, Loss of independent existence, loss of limbs, and major organ failure on waiting list.

The rates for Voluntary AD&D with Sun Life are \$0.041 for Single and \$0.056 for

Family coverage. With IA, the rates are slightly higher at \$0.06 and \$0.08, respectively
April 2013 Benefits Plan Review for the Town of Drumheller

Agenda Item # 8.3.1

AVERAGE SAVINGS TABLE

The savings to the employees are shown below. Note our concern with the retiree costs for Life Insurance.

Average Earnings Earnings/Class	Monthly Premium Deductions		Savings
	Current	Industrial Alliance	
Full Time Outside Union			
<i>\$56,496 Avg. Earnings</i>			
o Single	\$194.07	\$87.61	(\$106.46)
o Family	\$227.56	\$112.08	(\$115.48)
Full Time Inside Union			
<i>\$43, 638 Avg. Earnings</i>			
o Single	\$155.00	\$71.57	(\$83.43)
o Family	\$188.49	\$96.04	(\$92.45)
Management			
<i>\$83,270 Avg. Earnings</i>			
o Single	\$268.51	\$118.17	(\$150.35)
o Family	\$302.01	\$142.63	(\$159.37)
Council Members			
<i>\$30,000</i>			
o Single	\$22.41	\$17.15	(\$5.26)
o Family	\$55.90	\$41.62	(\$14.28)
Waste Management			
<i>\$40,426 Avg. Earnings</i>			
o Single	\$23.21	\$17.44	(\$5.87)
o Family	\$58.38	\$42.41	(\$15.97)
Seasonal Outside Union	No Long Term Disability, Health or Dental		
Retirees (\$5,000 Life Ins.)	\$4.73	\$19.38	\$14.65

As you can see from the above, there are significant, long-term savings to both the Town and your employees.

April 2013 Benefits Plan Review for the Town of Drumheller

RECOMMENDATIONS

Based on our marketing survey and subsequent analysis we recommend the following:

That we move the employee benefits plan from Sun Life/Blue Cross to Industrial Alliance effective July 1, 2013.

That we move the Employee Assistance Plan to Human Solutions, also effective July 1, 2013.

That consideration is given to allocating some portion of the savings offered through this exercise to plan enhancements.

We are recommending Industrial Alliance because:

- Their ability to provide the requested plan design.
- Their pooled rates are the most competitive and they have offered a 40 month guarantee on these rates — meaning that they would not renew until November 2016, and then in a pre-scheduled competitive review.
- The competitiveness of their Health and Dental rates, but more importantly than the rates, IA priced the Health and Dental most appropriately — i.e., they have priced their rates to cover claims + expenses + inflation + reserves.

That the attached Project Plan be followed to accomplish these recommendations.

April 2013 Benefits Plan Review for the Town of Drumheller