

Proposed New Initiatives

Budget Request Name	BR #	2025 FTE Impact	2025 Proposed Budget (\$000s)	2026 Forecast (\$000s)	2027 Forecast (\$000s)	2028 Forecast (\$000s)	2025- 2028 FTE Impact	2025- 2028 Capital (\$000s)
Legal Support for New Long-Term Disability Model	10490	1	0	0	0	0	1	0
Financial Writing Consultant	12080	1	0	0	0	0	1	0
Enhancing Prosecution Capacity and Support	12120	2	167	220	226	232	2	0
Enhancing Real Estate Legal Support	12128	1	90	120	123	126	1	0
Total		5	257	339	349	358	5	0

Note: Numbers are net.

BR #10490 – Legal Support for New Long-Term Disability Model

Description of Budget Request

This ongoing, multi-year initiative to transition to an administrative services only (ASO) model for long-term disability (LTD) administration in Employee Health Services requires a permanent FTE in Legal Services beginning in 2025 to manage LTD-related legal proceedings. The cost of this new position will be offset by savings from the new model.

Why Staff Recommend this Initiative

Transition to an LTD ASO model for City employees was initiated in 2023, allowing for governance processes and resources to be put in place to ensure the best possible care of employees on LTD and to maximize the savings this new model presents. The additional FTE position being requested has been designed in consultation with an external consultant with expertise in LTD ASO. The cost savings from this new model will offset the cost of this position.

Details of Service Change

The City historically was underwritten on a non-refund financial account arrangement for LTD. This meant the City used the insurance carrier's disabled life reserves (DLR) methodology, as well as their rate-setting methodology at each premium renewal. This resulted in historically inconsistent and unpredictable premium renewal costs ranging from a more than 50 per cent increase to a 10 per cent decrease. In consultation with Human Resources, Finance and Legal Services, a decision was made to change from the existing LTD model to an LTD ASO model and the transition was initiated in 2023.

This ongoing, multi-year BR is requesting a new Legal Counsel position in Legal Services to manage proceedings related to LTD. The cost of this new permanent position, proposed to start in 2025, will be offset by savings from the new model.