



MUNICIPALITY OF West Elgin

Staff Report

Report To: Council Meeting
From: Magda Badura, CAO/Treasurer
Date: 2020-11-26
Subject: EI Premium Reduction

Recommendation:

That West Elgin Council hereby receives the report from Magda Badura, CAO/Treasurer and;
That Council approves payment from the Premium Employment Insurance Rate reduction to all full-time employees in the total amount of \$1,564.91, being 5/12 of the total savings of \$ 3,755.78 realized by West Elgin in 2020.

Background:

The Municipality of West Elgin is eligible for the Municipal Government reduced rate of Employment Insurance (EI) contribution. The EI premium rate is 1.4 x the EI deduction from an employee's pay. The Municipality of West Elgin's contribution to EI is 1.171 x the employee's deduction for EI. The Savings realized by the Municipality for 2020 is \$3,755.78. According to Employment Insurance Act Paragraph 68(1)(c) of the EI Regulation, the Municipality of West Elgin is responsible for returning at least 5/12 of the savings from the premium rate reduction to all employees for whom the reduced rate applies.

EI Premium Rate @ 1.4	\$ 22,961.08
Township Portion @ 1.171	<u>\$ 19,205.30</u>
Total Savings	\$ 3,755.78
7/12 Savings	\$ 2,190.87

This matter has been discussed and approved in principle by Council, however as a housekeeping matter I respectfully request that Council pass a resolution to formally authorize this payment.

Financial Implications:

There are no financial implications.

Policies/Legislation:

Employment Insurance Act, Paragraph 68(1)

Report Approval Details

Document Title:	2020 EI Reduction Payout - 2020-26-Administration Finance.docx
Attachments:	
Final Approval Date:	Nov 24, 2020

This report and all of its attachments were approved and signed as outlined below:

Jana Nethercott