Minute No. 593
Report - Executive Policy Committee - September 24, 2008

Item No. 3 **Memorandum of Agreement - Winnipeg Fire Paramedic Senior Officers' Association**
File GU-4.9

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That the Memorandum of Agreement agreed to by the negotiating committees of The City of Winnipeg and the Winnipeg Fire Paramedic Senior Officers' Association (WFPSOA) be ratified.

2. That the Proper Officers of the City be authorized to do all things necessary to conclude a Collective Agreement with the Winnipeg Fire Paramedic Senior Officers' Association (WFPSOA) consistent with the terms of the Memorandum of Agreement.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

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DECISION MAKING HISTORY:

Moved by His Worship Mayor Katz,

That the recommendation of the Executive Policy Committee be adopted.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 24, 2008, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

Re: Negotiations between the City of Winnipeg and the Winnipeg Fire Paramedic Senior Officers' Association (WFPSOA)

FOR SUBMISSION TO: EXECUTIVE POLICY COMMITTEE

ORIGINAL REPORT SIGNED BY: Director, Internal Services

REPORT DATE: September 23, 2008

RECOMMENDATION(S):

1. That City Council ratify the Memorandum of Agreement agreed to by the negotiating committees of the City and WFPSOA.

2. That the Proper Officers of the City be authorized to do all things necessary to conclude a Collective Agreement with WFPSOA consistent with the terms of the Memorandum of Agreement.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

Summary

KEY ISSUES:

The Memorandum of Agreement between the City and the Winnipeg Fire Paramedic Senior Officers' Association includes changes involving significant terms and material costs as follows:

1. Term of Agreement - February 23, 2007 - February 22, 2010 (36 months)

2. General Wage Adjustments:
   a. Effective February 23, 2007 3.5%
   b. Effective PP4, 2008 3.0%
   c. Effective PP4, 2009 3.0%

3. Special Wage Adjustments – Effective Pay Period #21, 2008 – increase bi-weekly/hourly rates in effect by one and one half percent (1.50%) for Medical Supervisors, Communications Centre Supervisor and Training Inspectors who possess Advanced Care Paramedic (ACP) training and are currently licensed at the Technician ACP Level (Class Codes: 7898, 7895).

Negotiations between the City of Winnipeg and the Winnipeg Fire Paramedic Senior Officers' Association (WFPSOA)

4. Fitness Passes: The City will provide free access to all City-run fitness facilities to members of the Association.

5. Part-time Employees: New provision negotiated will allow the Winnipeg Fire Paramedic Service to employ staff on a part-time basis.

IMPLICATIONS OF THE RECOMMENDATION(S):

General Implications

	None
X	For the organization overall and/or for other departments
X	For the community and/or organizations external to the City of Winnipeg
X	Involves a multi-year contract

Comment(s): Ratification of this Agreement will, in part, determine wage and benefit increases to other Civic bargaining units.

Policy Implications

X	None
	Yes

Regulatory Implications

X	None
	Eliminates or reduces regulatory impact
	Proposes regulatory impact

Environmental Implications

X	None
	Yes

Human Resources Implications

	None
X	Yes

Comment(s): The wage increases provided to WFPSOA may have an impact on wage increases provided to other bargaining units.

Financial Implications

X	Within approved current and/or capital budget
	Current and/or capital budget adjustment required

Comment(s): See attached financial impact statement

REASON FOR THE REPORT:

It is required that City Council ratify all Collective Agreements entered into by the City of Winnipeg and Civic Unions/Associations.

HISTORY:

1. The prior collective agreement between the City of Winnipeg and WFPSOA expired on February 22, 2007.

2. Collective bargaining commenced on December 18, 2007, and a tentative agreement was reached on September 16, 2008.

DISCUSSION:

1. In determining an appropriate general wage increase to members of WFPSOA, consideration was given to:

    a. The financial impact on the City of Winnipeg.
    b. Negotiated and arbitrated settlements with other civic bargaining units.
    c. Negotiated settlements in comparable organizations with comparable employees in other jurisdictions.
    d. Negotiated settlements in the local market.

2. **Financial Impact:** The cost of the proposed terms of agreement over the three years February 23, 2007 – February 22, 2010 is $0.619 million plus the roll over effect from wage adjustments into 2010 of $0.021 million. The annualized costs by the third year (payroll growth) are $0.35 million.

3. **Negotiated Settlements in the Local Market:** Wage increases for major Manitoba employers have been in the range of 2.5% - 5.0%.

4. **Arbitration Awards:** Through interest arbitration the United Fire Fighters of Winnipeg was awarded 3.5% for 2007; the Winnipeg Police Association was awarded 3.5 % for 2007 and a staggered wage adjustment totaling 4.0% for 2008.

Financial Impact Statement

Date: September 16, 2008

Project Name: **First Year of Program** **2007**

WFPSOA 2007-2009 - Memorandum of Agreement

($Millions)	2007	2008	2009	2010	Total
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 0.082	$ 0.201	$ 0.336	$ -	$ 0.619
Less: Incremental Revenue/Recovery	$ -	$ -	$ -	$ -	$ -
Net Cost/(Benefit)	$ 0.082	$ 0.201	$ 0.336	$ -	$ 0.619
Less: Existing Budget Amounts	$ 0.095	$ 0.201	$ 0.323	$ -	$ 0.619
Net Budget Adjustment Required	$ (0.013)	$ -	$ 0.013	$ -	$ -

Additional Comments:

1. The roll over effect from wage adjustments and the overall annualized cost in 2010 is $21,005 and $348,289 respectively. The annualized budget projection for 2010 is $345,782.

2. Existing Budget Amounts provided by Financial Planning & Review, Corp. Finance Dept. These amounts are based on the 2007 wage accrual, the 2008 Adopted Operating Budget and the 2009 projection for this bargaining group.

3. The Existing Budget for 2008 is sufficient to cover the agreement for this year. The Forecast for 2009 is not sufficient, however, there is sufficient 2007 wage accrual to cover the shortfall. However, a new budget for 2009, with a new projection for 2010, may impact amounts available for this negotiated agreement.

4. It should be noted that the City's 2009 and 2010 projections contain significant overall shortfalls and will require modification to balance.

original signed by Radhika Abeysekera

Radhika Abeysekera
Manager of Finance & Administration
Internal Services Dept.

IN PREPARING THIS REPORT, THERE WAS:

Internal Consultation With and Concurrence By:

City Treasurer's Office as to the budget implications of this proposal
Audit Department

External Consultation With:

External Auditor – Ernst & Young

THIS REPORT SUBMITTED BY:

Department: Internal Services
Division: Labour Relations and Compensation
Prepared by: Lianne Mauws, Labour Relations Specialist
File No.

Winnipeg

Audit Department • Service de vérification

September 22, 2008

His Worship Mayor Sam Katz
The City of Winnipeg
Council Building
510 Main Street
Winnipeg, Manitoba
R3B 1B9

Dear Mayor Katz:

Re: Review of the Memorandum of Agreement between the City of Winnipeg and the Winnipeg Fire Paramedic Senior Officers' Association

Pursuant to the motion adopted by Council on March 26, 1997, "The City of Winnipeg Collective Bargaining Agreements and the Involvement of Internal and External Auditors", we have reviewed the attached *Incremental Cost of the Memorandum of Settlement* prepared by the Internal Services Department. The purpose of our review was to provide certain assurances as to the completeness of the anticipated changes in the financial cost to the City of Winnipeg as a result of the Memorandum of Agreement between the City of Winnipeg and the Winnipeg Fire Paramedic Senior Officers' Association dated September 16, 2008. The term of the agreement covers the period from February 23, 2007 to February 22, 2010.

Our review included an assessment of the Memorandum of Agreement and, based upon the knowledge obtained from this assessment, ensuring that the net incremental costs and/or savings to the City of Winnipeg have been completely and appropriately identified, calculated and summarized and that all significant assumptions used by the Finance and Administration Division to prepare the *Incremental Cost of the Memorandum of Agreementt* are disclosed. In addition, we met with personnel from the Internal Services Department to review the process and details provided in the cost analysis.

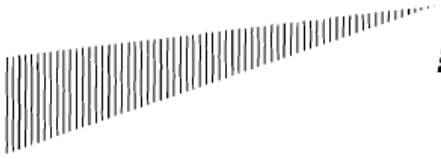
The *Incremental Cost of the Memorandum of Agreementt* represents the net incremental costs or savings projected to be incurred by the City of Winnipeg as a direct result of the Memorandum of Agreement. Since the analysis is based on the disclosed assumptions regarding future events, actual results for the agreement period will vary from those calculated. Accordingly, we do not express any opinion as to whether the estimated net incremental costs for the Agreement will be realized.

Based on this review, we concur that this analysis has been prepared in an appropriate manner for the consideration of City Council. Our External Auditor, Ernst & Young, supported our review. A copy of the Ernst & Young report is attached.

Sincerely,



Shannon Hunt, CGA, CFE
City Auditor



Ernst & Young LLP
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The Council
The City of Winnipeg
Council Building, Civic Centre
510 Main Street
Winnipeg, MB R3B 1B9

22 September 2008

Review of the Memorandum of Agreement between the City of Winnipeg and the Winnipeg Fire Paramedic Senior Officers Association

Dear Sirs/Mesdames:

Pursuant to the motion adopted by Council on March 26, 1997, "The City of Winnipeg Collective Bargaining Agreements and the Involvement of Internal and External Auditors", we have reviewed the Incremental Cost of Memorandum of Agreement prepared by the Internal Services Department.

Our role is to support the review by the City Auditor of the Memorandum of Agreement between The City of Winnipeg and the Winnipeg Fire Paramedic Seniors Officers Association. A copy of the City Auditor's review of the Memorandum of Agreement is attached.

We concur with the City Auditor's assessment dated September 22, 2008 of the Incremental Cost of the Memorandum of Agreement prepared by the Internal Services Department.

Sincerely,

Ernst & Young LLP

J.K.A. Campbell, FCA