Agenda – Council – February 24, 2010

Report – Executive Policy Committee – February 17, 2010

Item No. 6 United Firefighters of Winnipeg, Local 867 – Memorandum of Agreement
eFile GF-5

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 17, 2010, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That the Memorandum of Agreement agreed to by the negotiating committees of the City and the United Fire Fighters of Winnipeg, Local 867 be ratified.

2. That the Proper Officers of the City be authorized to do all things necessary to conclude a Collective Agreement with United Fire Fighters of Winnipeg, Local 867 consistent with the terms of the Memorandum of Agreement.

3. That the Winnipeg Public Service be authorized to extend the general wage adjustments to employees who are considered United Fire Fighters of Winnipeg Exempt.

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

Report – Executive Policy Committee – February 17, 2010

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 17, 2010, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

ISSUE: **Negotiations between the City of Winnipeg and the United Fire Fighters of Winnipeg Local 867**

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Bereziak	L. Black	M. Ruta	G.Laubenstein

RECOMMENDATIONS

1. That City Council ratify the Memorandum of Agreement agreed to by the negotiating committees of the City and the United Fire Fighters of Winnipeg Local 867 (UFFW).

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

3. That City Council authorize the City to extend the general wage adjustments to employees who are considered UFFW Exempt.

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

IMPLICATIONS OF THE RECOMMENDATIONS

The Memorandum of Agreement between the City and the United Fire Fighters of Winnipeg Local 867 includes changes involving significant terms and material costs as follows:

1. Term of Agreement: December 27, 2009 – December 26, 2011 (24 Months)

2. General Wage Adjustments:

   - Effective Pay Period 1, 2010 – 3.0%
   - Effective Pay Period 1, 2011 – 3.5%

   Effective December 27, 2009 all fire fighters currently in specialty units and all new employees, as a condition of employment, must perform the duties of a specialty unit and participate in the required training and skill maintenance. In consideration, the City shall increase all wage rates in effect as follows:

   - Effective Pay Period 26, 2010 – 1.0%
   - Effective Pay Period 26, 2011 – 1.0%

3. Additional Salary Adjustments:

   - Effective Pay Period 1, 2010 - amend the Platoon Chief salary schedule which includes eliminating the first step in the schedule reducing the number of steps to two, and increasing the rank differential for top step from 150% to 152% of First Class Fire Fighter rate.

   - Effective Pay Period 26, 2010 – amend salary structure for Fire Fighters with Primary Care Paramedic (PCP) Licensure to receive pay increments as follows:

     - a 1.0% premium (rank differential) after 2 years service in the bargaining unit serving as a Fire Fighter-PCP (new provision)
     - a total 2.0% premium (rank differential) after 4 years service in the bargaining unit serving as a Fire Fighter-PCP (existing provision/no change).
     - a total 3.0% premium (rank differential) after 6 years service in the bargaining unit serving as a Fire Fighter-PCP (new provision)

4. Overtime call-in: change to fire fighter overtime call-in provision gives increased ability to provide fire based emergency medical service response.

5. Training: expanded provisions to schedule training on weekends allows for greater training capacity.

Financial Impact

The cumulative cost of the proposed terms of agreement over the two years 2010 – 2011 is $8.82 million, which is within existing budget amounts for those years. The annualized costs related to this agreement (payroll growth) are $7.18 million. See Financial Impact Statement.

HISTORY

1. The prior Agreement between the City of Winnipeg and UFFW expired on December 26, 2009.
2. The parties exchanged proposals on October 15, 2009 and commenced negotiations on November 2, 2009.
3. The City has agreements with the Winnipeg Police Association and the Winnipeg Police Senior Officers Association providing for a wage adjustment of 3.5% in 2010.
4. The City has agreements with the Canadian Union of Public Employees Local 500, the Amalgamated Transit Union Local 1505, and the Winnipeg Association of Public Service Officers providing a wage adjustment of 3.0% in 2010.

FINANCIAL IMPACT

Financial Impact Statement **Date:** January 26, 2010

Project Name: **First Year of Program** **2010**

2010-2011 UFFW & UFFW Exempt Memorandum of Agreement

$Million	2010	2011	2012	2013	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					
Total Costs	$ 2.46	$ 6.36	$ -	$ -	$ 8.82
Less: Incremental Revenue/Recovery	$ -	$ -	$ -	$ -	$ -
Net Cost/(Benefit)	$ 2.46	$ 6.36	$ -	$ -	$ 8.82
Less: Existing Budget/Available Amounts	$ 2.46	$ 6.36	$ -	$ -	$ 8.82
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

1. "Existing Budget Amounts" are based on the 2010 and 2011 submission from the 2010-2012 budget process, and are sufficient to cover the term of this agreement. The annualized costs related to this agreement are $7.18 million, resulting in an estimated budget shortfall of $0.54 million beginning in 2012.

2. Cost-sharing from the Winnipeg Regional Health Authority for first responders partially offsets the gross expenditure amount above. The amount of revenue is not known at this time pending negotiation of a new cost-sharing agreement.

3. It should be noted that the City's 2010 draft tax supported operating budget has not been adopted by Council. The 2011 submission contains a significant overall shortfall and will require modification to balance.

Original Signed by Radhika Abeysekera

Radhika Abeysekera
Campus Controller
Corporate Finance Department

CONSULTATION

City Treasurer's Office as to the financial implications of this proposal
Audit Department
External Auditor - Ernst & Young

SUBMITTED BY

Department:	Corporate Support Services
Division:	Labour Relations and Total Compensation
Prepared by:	M. Bereziak, Manager of Labour Relations and Total Compensation
Date:	February 11, 2010
File No.	

Winnipeg

Audit Department • Service de vérification

February 5, 2010

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 United Fire Fighters of Winnipeg Local 867

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 report *Negotiations between the City of Winnipeg and the United Fire Fighters of Winnipeg Local 867 (UFFW)* ("the report") prepared by the Corporate Support 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 United Fire Fighters of Winnipeg Local 867 of International Association of Fire Fighters dated January 25, 2010. The term of the agreement covers the period from December 27, 2009 – December 26, 2011.

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 Corporate Finance Department's Financial Planning and Review Division and Corporate Support Services' Labour Relations and Total Compensation Division to prepare the report are disclosed. In addition, we met with personnel from the Corporate Support Services and Corporate Finance Departments to review the process and details provided in the cost analysis.

The report 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,

Brian Whiteside, CA•CIA
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

February 10, 2010

Review of the Memorandum of Agreement between the City of Winnipeg and the United Fire Fighters of Winnipeg, Local 867

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 report *Negotiations between the City of Winnipeg and the United Fire Fighters of Winnipeg Local 867 (UFFW)* ("the report") prepared by the Corporate Support 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 United Fire Fighters of Winnipeg, Local 867 of the International Association of Fire Fighters. A copy of the City Auditor's review of the Memorandum of Agreement is attached.

We concur with the City Auditor's assessment dated February 5, 2010 of the Memorandum of Agreement prepared by the Corporate Support Services Department.

Sincerely,

Ernst & Young LLP

Tanis Petreny, CA
(204) 933-0251

A member firm of Ernst & Young Global Limited