Minutes – Executive Policy Committee – July 11, 2012

REPORTS

Minute No. 324 Winnipeg Police Senior Officers' Association - Memorandum of Agreement

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and recommends to Council:

1. That the Memorandum of Agreement agreed to by the Negotiating Committees of the City and the Winnipeg Police Seniors Officers' Association 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 Police Senior Officers' Association (WPSOA) consistent with the terms of the Memorandum of Agreement.

3. That the City be authorized to extend the general wage and benefit adjustments to employees who are considered WPSOA Exempt.

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

DECISION MAKING HISTORY:

Moved by Councillor Havixbeck,

That the recommendation of the Winnipeg Public Service be concurred in and forwarded to Council.

Carried

ADMINISTRATIVE REPORT

Title: **Negotiations between the City of Winnipeg and the Winnipeg Police Senior Officers' Association**

Critical Path: **Executive Policy Committee - Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Bereziak	L. Burch	M Ruta	D Joshi COO

RECOMMENDATIONS

1. That City Council ratify the Memorandum of Agreement agreed to by the Negotiating Committees of the City and the Winnipeg Police Seniors Officers' Association.

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

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

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

REASON FOR THE REPORT

It is required that City Council ratify all Collective Agreements entered into by the City of Winnipeg.

IMPLICATIONS OF THE RECOMMENDATIONS

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

1. Term of Agreement: December 20, 2010 to December 19, 2012

2. Salary adjustments for all ranks and classifications:

- Effective January 2, 2011 – 2.5%
- Effective July 3, 2011 – 2.0%
- Effective January 1, 2012 – 2.0%
- Effective July 1, 2012 – 2.0%

3. Benefits and/or Special Adjustments:

Effective start of first pay period following ratification:

- Increase Vision Care maximums for full-time employees by $50 to $300 per 24 month period.

- Increase Eye Exam reimbursement for full-time employees by $10 to $75 per 24 month period.

Financial Impact

The cumulative cost of the proposed terms of agreement over the two years, December 20, 2010 – December 19, 2012, is approximately $460,000, which is within existing budget amounts. See Financial Impact Statement.

HISTORY

1. The current Agreement between the City of Winnipeg and WPSOA expired on December 19, 2010.
2. The parties held negotiations in abeyance, pending negotiations and subsequent Interest Arbitration with the Winnipeg Police Association (WPA). The WPA Interest Arbitration Award was handed down on April 23, 2012.
3. WPSOA represents Police Officers above the rank of Staff Sergeant and some civilian managers. Due to potential salary compression issues between supervisors and WPA subordinates, the City extends wage increases exactly in accordance with those negotiated with or awarded to WPA.
4. The City has historically extended WPSOA wages and benefits to WPSOA Exempt employees. One (1) employee affected.
5. The WPA contract recently the subject of an Interest Arbitration award in April, 2012 included wage increases of:
   Effective January 2, 2011 – 2.5%
   Effective July 3, 2011 – 2.0%
   Effective January 1, 2012 – 2.0%
   Effective July 1, 2012 – 2.0%
6. The increases in vision care coverage would bring coverage up to current CUPE level.

FINANCIAL IMPACT

Financial Impact Statement

Date: June 22, 2012

Project Name:

First Year of Program 2011

WPSOA Mandate

$Million	0	1	2	3	Total
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other -	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Total Costs	$ 0.14	$ 0.32	$ -	$ -	$ 0.46
Less: Incremental Revenue/Recovery	$ -	$ -	$ -	$ -	$ -
Net Cost/(Benefit)	$ 0.14	$ 0.32	$ -	$ -	$ 0.46
Less: Existing Budget/Available Amounts	$ 0.14	$ 0.32	$ -	$ -	$ 0.46
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

1. The cumulative cost of the proposed mandate over two years is approximately $460,000, and the overall annualized cost is approximately $360,000.

2. "Existing Budget Amounts" include the 2011 year end wage accrual and the 2012 Adopted Operating Budget, and are sufficient to cover the terms of this agreement.

Original Signed by

Radhika Abeysekera
Campus Controller
Corporate Support Services

CONSULTATION

In preparing this report there was consultation with:

Corporate Finance Department
Audit Department
External Auditor – KPMG LLP

SUBMITTED BY

Department:	Corporate Support Services
Division:	Labour Relations and Total Compensation
Prepared by:	M. Bereziak
Date:	July 5, 2012
File No.	

Winnipeg

Audit Department • Service de vérification

June 29, 2012

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 Police Senior Officers' Association

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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 Winnipeg Police Senior Officers' Association* ("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 Winnipeg Police Senior Officers' Association dated June 20, 2012. The term of the agreement covers the period from December 20, 2010 to December 19, 2012.

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 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 Memorandum of 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.

Sincerely,

Brian Whiteside, CA•CIA
City Auditor

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The City of Winnipeg
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510 Main Street
Winnipeg, MB R3B 1B9

Review of the Administrative Report of the Memorandum of Agreement between the City of Winnipeg and the Winnipeg Police Senior Officers' Association dated June 20, 2012

To: The City Council of the City of Winnipeg

At the request of the City of Winnipeg, we have reviewed the Administrative Report titled "Negotiations between the City of Winnipeg and the Winnipeg Police Senior Officers' Association" prepared by the Corporate Support Services (financial information) to analyze the costs of the provisions of the Memorandum of Agreement between the City of Winnipeg and the Winnipeg Police Senior Officers' Association, dated June 20, 2012 (Memorandum of Agreement). Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the City of Winnipeg.

A review does not constitute an audit and, consequently, we do not express an audit opinion on this financial information.

Management of the City of Winnipeg has made assumptions regarding the interpretations of the provisions of the Memorandum of Agreement which have been disclosed in the financial information.

Based on our review, nothing has come to our attention that causes us to believe that the financial information prepared by Corporate Support Services does not, in all material respects, reflect the cost of the provisions, and the assumptions regarding the interpretations of these provisions, of the Memorandum of Agreement between the City of Winnipeg and the Winnipeg Police Senior Officers' Association dated June 20, 2012.

KPMG LLP

Chartered Accountants

July 4, 2012

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