Agenda – Executive Policy Committee – October 11, 2017

REPORTS

Item No. 5 Negotiations between the City of Winnipeg and the Winnipeg Police Senior Officers Association

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That City Council ratifies the Memorandum of Agreement agreed to by the negotiating committees of the City of Winnipeg and the Winnipeg Police Senior Officers Association (WPSOA).

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

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
R. Kirby	M. Jack	B. D'Avignon A/CFO	M. Jack A/CAO

EXECUTIVE SUMMARY

The Winnipeg Police Senior Officers Association's (WPSOA) collective agreement expired on December 24, 2016 whereby the parties agreed to suspend negotiations pending conclusion of the Winnipeg Police Association/ City of Winnipeg negotiations. The parties exchanged proposals on July 19, 2017 and commenced bargaining that same day. Negotiations concluded on July 21, 2017 and a tentative agreement was signed on September 13, 2017.

Over the last 25 years, the City's Labour Relations Strategy (although not enunciated in any document) has been to:

a) Minimize the increases in salary and benefits;
b) Maintain as many management rights as possible;
c) Make changes to Collective Agreement language to address current issues or issues that have arisen since the last round of negotiations;
d) Attempt to make changes to increase operational efficiency.

The Public Service believes that we have accomplished the above four goals within this round of collective bargaining.

RECOMMENDATIONS

1. That City Council ratifies the Memorandum of Agreement agreed to by the negotiating committees of the City of Winnipeg and the Winnipeg Police Senior Officers Association (WPSOA).

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

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.

IMPLICATIONS OF THE RECOMMENDATIONS

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

1. Term of Agreement – December 25, 2016 – December 31**,** 2021 (60 Months)

2. General wage adjustment:

Year of Agreement	Date of Increase	Amount
1	December 31, 2017	2.5%
2	December 31, 2018	2.5%
3	December 31, 2019	2.5%
4	June 30, 2020	1.0%
4	December 31, 2020	1.5%
5	June 30, 2021	1.0%
5	December 31, 2021	1.5%

3. Deletion of the Executive Assistant position and classification from the bargaining unit resulting in a permanent reduction in the bargaining unit strength by one.

4. Freezing of pay rates as at December 24, 2016 and unused balances for sick leave cash out provisions.

5. Updating of Maternity Leave provisions to reflect changes to Employment Insurance legislation.

6. 50% increase in the number of overtime hours required to be worked (from 40 to 60 hours) before payment.

Unless otherwise stated, the changes in this collective agreement are effective on the date of ratification. The date of ratification of the agreement shall be the first date on which both parties have ratified the Memorandum of Agreement.
Item 5 has no financial impact due to cost could not be reasonably estimated at this time or deemed to be immaterial.

HISTORY/DISCUSSION

1. The current four (4) year Collective Agreement between the parties expired on December 24, 2016.

2. Salary increases over the previous four years was 17% (an average of 4.25% per annum). This has exceeded the Manitoba Consumer Price Index by 11.0% over the previous four years.

	2012	2013	2014	2015	Average/year
WPSOA	2.00% 2.00% 2.00%	1.50% 2.00%	1.50% 2.00%	1.00% 3.00%	4.25%
CPI	0.50%	2.30%	1.90%	1.30%	1.50%
+/- CPI	5.50%	1.20%	1.60%	2.70%	2.75%

3. Internally, settlements for the Winnipeg Police Association (WPA), Winnipeg Police Senior Officers Association (WPSOA) and the United Fire Fighters of Winnipeg (UFFW) extended to 2016, at 3% per annum.

	PP 01/15	PP 14/15	PP 01/16	Average/Year
UFFW	2.0%	1.0%	3.0%	3.0%
WPA	2.0%	1.0%	3.0%	3.0%
WPSOA	2.0%	1.0%	3.0%	3.0%

4. The Consumer Price Index for Manitoba is projected to increase by 7.5% over the four years:

2016	2017	2018	2019
1.3%	1.7%	2.3%	2.2%

Note: CPI forecast from The Conference Board of Canada, Metro Outlook, Spring 2017.(May 2017)

Financial Impact Statement — Date: September 14, 2017

Project Name: — **First Year of Program** 2017

Negotiations between the City of Winnipeg and the Winnipeg Police Senior Officers Association

	2017	2018	2019	2020	2021
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					
Direct Costs	$ (105,165)	$ 14,923	$ 166,634	$ 359,860	$ 522,902
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ (105,165)	$ 14,923	$ 166,634	$ 359,860	$ 522,902
Less: Existing Budget Amounts	(105,165)	14,923	166,634	359,860	522,902
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

1. The cumulative cost over the term of the agreement is $0.959 million and the overall annualized cost is $0.661 million.

2. "Existing Budget Amounts" include the 2017 Adopted Operating Budget, 2018 Draft Operating Budget submission and the projection for 2019 from the 2018 budget process. The budget years 2018 and 2019 have not yet been approved or balanced by City Council, and 2020 to 2021 have not yet been reviewed by Council. Budget amounts (beginning in 2018) are subject to change as the annual budget process and decision-making moves forward. There is budget set aside to cover this agreement.

Tanis Yanchishyn
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with:

Corporate Finance Department (as to financial impact)
Audit Department
External Auditor – KPMG LLP

OURWINNIPEG POLICY ALIGNMENT

N/A

SUBMITTED BY

Department: Corporate Support Services
Division: Labour Relations
Prepared by: R. Kirby, Manager of Labour Relations
Date: October 2, 2017
File No:

Attachments

Attachment 1 - Letter from City Auditor, City of Winnipeg



A1 - City Auditor Report.pdf

Attachment 2 - Letter from KPMG LLP



A2 - WPSOA KPMG LLP Review Letter.pd

Attachment 3 – Memorandum of Agreement



A3 - MOA WPSOA-COW Septen

Attachment 4 – Info graphics – Net of concessions



A4 - Calendar Year General Wage Increa