Agenda – Council – December 15, 2004

Report "A" – Executive Policy Committee – December 8, 2004

Item No. 8 Winnipeg Senior Police Officers' Association – Memorandum of Agreement
File GU-4.3.10

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On December 8, 2004, the Executive Policy Committee concurred in the administrative recommendation and submits the following to Council:

1. That the Memorandum of Agreement agreed to by the negotiating committees of the City and the Winnipeg Senior Police Officers' Association be approved.

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

Report "A"– Executive Policy Committee – December 8, 2004

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On December 8, 2004, the Executive Policy Committee concurred in the administrative recommendation and submitted the matter to Council.

Re: NEGOTIATIONS BETWEEN THE CITY OF WINNIPEG AND THE WINNIPEG POLICE SENIOR OFFICERS' ASSOCIATION (WPSOA)

For submission to: EXECUTIVE POLICY COMMITTEE

Original report signed by: Cliff Jeffers
Acting Chief of Human Resources & Corporate Services

Report date: December 1, 2004

RECOMMENDATION(S):

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

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

Summary

KEY ISSUES:

The mandate requested by the Administration includes changes involving significant terms and material costs as follows:

1. Term of Agreement – December 20, 2002 to December 19, 2004 (24 months)
2. Salary Adjustments:
    - Effective PP1 2003 – 3.5%
    - Effective PP1 2004 – 3.3%
3. Blue Cross benefit improvements as provided to CUPE, WAPSO, WPA and ATU. The total annual cost for the WPSOA bargaining unit is $3,245.
4. Add an annual premium of $750 for 6 personnel appointed as Incident Commanders for a total annual cost of $4,500.
5. Increase night shift premium from $0.50 per hour to $0.60 per hour. The total annual cost for the WPSOA bargaining unit is $836.
6. Increase acting premium from 2.0% to 4.0%. The total annual cost for the bargaining unit is $1,547.

IMPLICATIONS OF THE RECOMMENDATION(S):

General Implications

	None
√	For the organization overall and/or for other departments

√	For the community and/or organizations external to the City of Winnipeg
√	Involves a multi-year contract
	Comment(s): Ratification of the proposed Agreement will, in part, determine wage and benefit increases to other Civic bargaining units.

Policy Implications

√	None
	Yes

Environmental Implications

√	None
	Yes

Human Resources Implications

	None
√	Yes

Financial Implications

√	Within approved current and/or capital budget
	Current and/or capital budget adjustment required
	Comment(s): The proposed Agreement will not require budget adjustments over the two-year term (2003 – 2004).

REASON FOR THE REPORT:

It is required that the Executive Policy Committee provide a negotiations mandate to the Administration and that City Council ratify all Collective Agreements entered into by the City of Winnipeg and Civic Unions/Associations.

HISTORY:

1. The prior Agreement between the City of Winnipeg and the WPSOA expired on December 19, 2002.
2. The terms and conditions of the expired collective agreement remain in effect until the parties conclude a new agreement.
3. The City of Winnipeg Act provisions respecting binding arbitration do not apply to the WPSOA.
4. The parties exchanged proposals on May 10, 2004 and commenced bargaining on June 14, 2004.

5. The proposed agreement and the current Winnipeg Police Association (WPA) agreement will both expire at the end of 2004. It is expected that the terms of the next WPSOA contract, when renewed, will be consistent with the new WPA agreement.

DISCUSSION:

1. In determining an appropriate general wage and benefit increase to members of the Winnipeg Police Senior Officers' Association bargaining unit consideration was given to:

    - The financial impact on the City
    - Negotiated settlements with other Civic bargaining units.
    - Negotiated settlements in the local market.

2. Financial Impact: The cost of the proposed terms of agreement over the period 2003 – 2005 is approximately $0.48 million dollars.

    The Financial Impact Statement (see attached) reports that the budget allocation is sufficient to cover the cost of this Memorandum of Agreement.

3. Negotiated Settlements with other Civic Bargaining Units: The proposed wage and benefit increases are consistent with the recent arbitration award between the City and the Winnipeg Police Association that provided for an increases of 3.5% and 3.3% in 2003 and 2004 respectively as well as benefit improvements that are consistent with those provided to CUPE, WAPSO and ATU.

4. Negotiated Settlements in the Local Market: Wage increases in Manitoba as reported by Human Resources Development Canada, Workplace Information Directorate show that annual wage increases (for major employers with 500+ employees in the bargaining unit) of 4.0% in 2002 and 2.8% in 2003. The average increase for the same group in the first two quarters of 2004 is 2.9%.

5. Negotiated Settlements in Comparable Police Services: The City of Regina has an agreement in place through 2003 and provides for an average increase of 3.5%. The City of Saskatoon has a three-year agreement that provided for an average increase of 3.3% in each year. A two-year agreement the in City of Calgary provides for a 3.7% increase per year and expires in March 2006. The City of Edmonton agreement expired in 2003 and arbitration has been scheduled for October 2004.

Financial Impact Statement **Date:** December 1, 2004

WPSOA - Memorandum of Agreement

	2003	2004	2005	2006	Total
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 96,150	$ 191,150	$ 201,250	$ -	488,550
Less: Incremental Revenue/Recovery	$ -	$ -	$ -	$ -	-
Net Cost/(Benefit)	96,150	191,150	$ 201,250	$ -	488,550
Less: Existing Budget Amounts	$ 100,834	$ 190,922	$ 196,794	$ -	488,550
Net Budget Adjustment Required	$ (4,684)	$ 228	$ 4,456	$ -	-

Additional Comments:

The budget is sufficient to cover the cost of this Memorandum of Agreement over the 3 year period. The 2005 budget has not yet been approved by Council. The Existing Budget Amounts identified for 2003 have been set aside in a wages payable account, so any retroactive payments relating to this period would be charged to that account.

Original signed by Radhika Abeysekera
Manager of Finance & Administration
Corporate Services Department

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY THE CITY TREASURER'S OFFICE AS TO THE BUDGET INFORMATION PROVIDED IN THIS PROPOSAL:

Name	Jo-Anne Ferrier
Title	City Treasurer
Department	Corporate Finance Department

THIS REPORT SUBMITTED BY:

Department	Corporate Services Department
Division	Labour Relations and Compensation
Prepared By:	Sudhir Sandhu, Senior Labour Relations Specialist
File No.	

WPSOA
Incremental Cost of the Memorandum of Agreement
November 15, 2004
Notes and Assumptions

The mandate request stipulates the following increases:

- Pay Period 1 2003 – 3.5%
- Pay Period 1 2004 – 3.3%

1. The Base Salary is the 2003 adopted budget and includes benefits and the step increase for 2003. Canada Pension Plan and Employment Insurance are at maximum for this bargaining unit, however, they have been included as part of the salary related cost. The salary related rate is 11.43%.

2. Step adjustments have been estimated to be 0.618% effective pay period 1, for 2004. There was no step increase applied to 2003 because it is included in the Base Salary.

3. Blue Cross calculated the incremental cost for benefits. Blue cross administers dental, vision, ambulance and semi-private hospital coverage.

4. The effective date for all of the negotiated benefits is the date of ratification. The costing assumes the effective date to be pay period 1, 2005.

5. The composition of the workforce in the bargaining unit is assumed to be constant at January 1, 2003, for the term of the contract.

WPSOA - Negotiations

Incremental Cost - Memorandum of Agreement

Proposed Term of Agreement December 20 2002 - December 19, 2004

Wage Adjustments	Year	PP #	Negotiated % Increase
	2003	1	3.50%
		1	0.00%
	2004	1	3.30%
		1	0.00%
Cumulative			**6.9%**

Base Wage Negotiated Costs:		**2003**	**2004**	**2005**	**Total**
Incremental Wage Adjustments[1]		96,130	94,983	-	191,113
Roll Over Effect[2]		-	-	-	-
Annual Incremental financial impact		**96,130**	**94,983**	**-**	**191,113**
Cumulative financial Impact For Fiscal Year		**96,130**	**191,113**	**191,113**	**478,356**
Base Wage[3]	**$2,746,585**	**3.5%**	**7.0%**	**7.0%**	
Blue Cross Benefit Improvements:					
Vision Care		-	-	1,156	**1,156**
Eye Exam		-	-	500	**500**
Dental		-	-	1,132	**1,132**
Ambulance/Hospital		-	-	457	**457**
Annual Incremental financial impact		**-**	**-**	**3,245**	**3,245**
Cumulative financial Impact For Fiscal Year		**-**	**-**	**3,245**	**3,245**
Other Significant Benefit Improvements:					
Night Shift Premium		-	-	836	836
Acting Pay		-	-	1,547	1,547
Hostage/Incident Commander		-	-	4,500	4,500
Annual Incremental financial impact		**-**	**-**	**6,883**	**6,883**
Cumulative financial Impact For Fiscal Year		**-**	**-**	**6,883**	**6,883**
Total Financial Impact		**96,130**	**191,113**	**201,241**	**488,484**

Notes:

See attached list of notes and assumptions used in the calculation.

1) The Incremental Wage Adjustment does not include the step increases which were previously negotiated. It includes the incremental cost of benefits.

2) Adjustment required to reflect the full year effect of prior year salary and benefit increases.

3) The Base Wage, is the 2003 adopted budget and includes the following salary related benefits: Pension, Employment Insurance, Canada Pension Plan and Group Life Insurance.
This is provided by Financial Planning and Review Division, Corporate Finance Department.

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Winnipeg

Corporate Finance Department

INTER-OFFICE MEMORANDUM

TO:	Cliff Jeffers Acting Chief of Human Resources and Corporate Services	**FROM:**	Jo-Anne Ferrier City Treasurer
RE:	**Budget Provision for Salaries & Benefits – Winnipeg Police Senior Officers' Association (WPSOA) bargaining unit**	**DATE:**	November 26, 2004

The 2004 Adopted Operating Budget provided the following amounts for salaries and benefits for the Winnipeg Police Senior Officers' Association (WPSOA) bargaining unit:

	2004 Adopted Budget
Winnipeg Police Senior Officers' Association (WPSOA) bargaining unit	
Budget Provision	**$2,975,739**
Incremental COLA increase related to 2003/2004 [included in the budget provision]	**$190,922**

In addition, as part of the 2003 year end, an amount of $100,834 was accrued corporately to address WPSOA requirements for 2002/2003.

It should also be noted that the 2005 adopted in principle budget includes an annualized provision of $196,898 for wage adjustments relating to this agreement.

Assumptions and Notes:

1. The previous collective agreement expired on December 19, 2002.
2. The figures have been based on the 2004 Adopted Operating Budget. The proposed contract term is two years, from December 20, 2002 to December 19, 2004.

.../2

3. As the City's automated budget system does not track all salary and benefit costs by bargaining unit, the above-noted figures are as follows:
    a. Salaries include permanent and temporary wages. Other wage accounts are excluded.
    b. Benefits include civic pension, Canada Pension, group insurance and employment insurance. Other benefit accounts are excluded.
4. The portion of the corporate contingency related to salary and benefits is included for these bargaining units.
5. This budget analysis does not include any collective agreement impact on overtime costs.

If you have any questions regarding the information provided, please call Betty Holsten Boyer at 986-2537.

Jo-Anne Ferrier,
City Treasurer

JF/ts

cc: Betty Holsten Boyer, Manager of Financial Planning and Review
David Shepherdson, Manager of Labour Relations & Compensation
Radhika Abeysekera, Manager of Finance and Administration

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