

## CONFIDENTIAL ATTACHMENT 2

### CONFIDENTIAL INFORMATION OR ADVICE

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#### FINANCIAL IMPACT:

The financial impacts of the negotiated Memorandum of Settlement with AOCC and CUPE Local 2998 is set out below. These salary increases mirror those agreed to by the City and CUPE Local 416/79.

Incremental Increase in Cost of Wages:

Year	Effective Date	Wage Increase*	Gross Cost
2020	January 1	1.0% Base Pay	\$71K
2021	January 1	1.0% Base Pay	\$72K
2022	January 1	1.0% Base Pay	\$73K
2023	January 1	1.5% Base Pay	\$128K
	July 1	0.25% Base Pay	
2024	January 1	1.75% Base Pay	\$131K
<b>Total Base Cost (2020 – 2024)</b>			<b>\$475K</b>

Note: Total wage increase of 6.50% (6.67% compounded) base pay increase over five years/ 5 year average of 1.3% per year

Incremental Additional Benefit Costs:

Item	Explanation	Cost
Psychologist Services	Effective the date of ratification, increased the maximum amount from \$300 per person per benefit year to \$1,000 per person per benefit year.  Expanded the psychologist services providers to include registered psychotherapist or a registered Masters of Social Work (MSW) practitioner who are members in good standing with their respective Colleges.	\$6K
Vision	Effective the date of ratification, provided an additional \$80 for one routine eye exam for every twenty-four (24) consecutive months.	\$2.8K

<b>Item</b>	<b>Explanation</b>	<b>Cost</b>
Dispensing Fee Cap	<p>Effective the date of ratification, the dispensing fee cap remains at \$9.00, with the exception of the dispensing fee cap for eligible compound drugs which shall be twenty-five (\$25) per prescription.</p> <p>The \$25 dispensing fee cap is the City's current practice, so there is no increase in costs</p>	\$0
Sick/ Emergency Leave	2 days of paid leave for employees who work less than 18 hours per week.	\$11.5K
<b>Incremental Benefit Costs</b>		<b>\$20.3K</b>

Incremental Benefit Cost Savings:

<b>Item</b>	<b>Explanation</b>	<b>Savings</b>
Pregnancy/ Parental Leave	<p>Amended Supplemental Employment Benefits payments for pregnancy/parental leave – Following ratification, the amount of the top-up for employees who take pregnancy and parental leave will increase from 75% of wages to 85% of wages (less EI benefits).</p> <p>Employees can receive the 85% top-up for up to 12 months or elect to spread the same dollar value of the top-up payments over a period of up to 18 months, so that all employees will have access to the same total amount of top-up entitlement. Currently, as a result of the 2017 change in Federal EI benefits, employees can receive the 75% top-up for the full 18-month period.</p>	\$30K*
Erectile Dysfunction Drugs	<p>Effective the date of ratification, the Erectile Dysfunction medication will be limited to 40 tablets every 3 months based on the first paid claim, unless there is a medically supported requirement that an employee receive a greater number of tablets.</p> <p>The benefit is currently unlimited.</p>	\$0*

Item	Explanation	Savings
Orthotics and Orthopedic Shoes for dependents under 18 years of age	<p>Effective the date of ratification, the number of Orthotics and Orthopedic Shoes for dependents 18 years of age and under is limited to 3 pairs per dependent per benefit year.</p> <p>The benefit is currently unlimited.</p>	\$0*
<b>Incremental Benefit Savings</b>		<b>\$30K</b>

\*Given the small number of AOCC employees (~260), actual benefit experience (including pregnancy/parental leave top-up) can vary significantly year-over-year, making meaningful calculations of incremental savings difficult for these specific line items. While we were unable to account for cost savings of certain line items, these changes to the collective agreement will provide savings over the life of the collective agreement.

Incremental 5 Year Summary:

Wage Increase	\$475K
Additional Benefit Costs	\$20.3K
Benefit Cost Savings	-\$30K
<b>Total Salary and Benefits</b>	<b>\$465.3K</b>

The Council Approved 2020 and 2021 Operating Budgets include salary and benefits provision for AOCC employees within Non Program Expenditure Budget. The provision in Non Program Expenditure Budget is adequate to accommodate this settlement. Future years' funding will be included in operating budget submissions through the annual budget process for Council consideration. Subject to City Council approval, this report recommends that staff will make the necessary operating budget adjustments.