

## **2024 – Revisions to the Memorandum of Agreement September 19, 2024**

The purpose of this report is to provide information in respect of salary and benefit adjustments for exempt staff employed by the City of Saskatoon (City). The renewal of the MOA for exempt staff has paralleled the timing of collective agreement renewals to the City's unionized workforce. ESA and CUPE 59 have formally agreed to participate in a Health & Dental RFP for a new benefit plan.

### **1. Wages**

January 1, 2023 – 0.00%

January 1, 2024 – 2.50%

January 1, 2025 – 2.50%

January 1, 2026 – 2.50%

January 1, 2027 – 2.50%

January 1, 2028 – 2.50%

### **2. Targeted Market Adjustments**

January 1, 2027 – 0.50% for Targeted Market Adjustment.

January 1, 2028 – 0.50% for Targeted Market Adjustment.

The cost of the targeted market adjustment shall not exceed the cost reductions obtained through the benefit redesign, (anticipated to be approximately 1%) in addition to the funds set aside from the General Economic Increase in, 2027 (0.50%) and 2028 (0.50%).

### **3. Term**

This agreement shall be in effect from January 1, 2023 and continue until December 31, 2028.

### **4. Health and Dental Redesign**

Health & Dental Plan RFP currently includes ESA and CUPE 59 for an intended implementation of July 1, 2025. The new plan will introduce a flex plan option for employees.

Any cost reductions attributable to the City's contribution will be allocated for deficit elimination, plan improvements, and/or applied to a targeted market adjustment.

Any cost reductions attributable to the ESA's contribution will be allocated for plan improvements and/or applied to a targeted market adjustment.

### **5. Disability (LTD) Benefit**

New LTD plan will reduce the current elimination period from 365 days to 182 days and improve the maximum entitlement. In exchange for the reduction of the LTD

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elimination period, the current one-time health and dental benefit liability will be paid by the City to a maximum of \$200,000.

The new LTD plan will provide an improved benefit to ESA employees. This will result in greater earnings for disabled employees, increasing from a \$60,000/yr. maximum to \$120,000/yr. maximum. In addition, the current plan provided for a 60% benefit to a maximum of \$5,000/month. This will be improved to a graded benefit of (65% on first \$4,500 of monthly salary, 55% of next \$3,000, 45% of excess) to a maximum of \$10,000/month.

**6. Leisure Pass Subsidy for City Employees**

The City agrees to maintain a 50% subsidy for all Individual and Family Leisure passes to increase employee utilization of City leisure facilities.

**7. Salary Administration**

The City is in the process of updating the current Salary Administration Policy. As part of this policy update, the City will be conducting a market review of salaries to determine our market competitiveness for exempt staff. The results of the market review will be used to inform where targeted market adjustments will be applied. The intention is, subject to available funding, to begin to address any market gaps beginning January 1, 2026.

The cost of the targeted market adjustment shall not exceed the cost reductions obtained through the benefits redesign in addition to the funds set aside from the General Economic Increase in, 2027 (0.50%) and 2028 (0.5%).

**8. Retroactivity**

Retroactivity of wages and benefits, as set out in the Memorandum of Agreement, are limited to exempt employees actively employed by the City, including employees who retired during the applicable period or who are on furlough or an approved leave of absence during the applicable period, as at the date the tentative agreement is signed by both parties.