



STAFF REPORT ACTION REQUIRED

Non-union Compensation, 2016 and 2017

Date:	May 30, 2016
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

At its meeting on May 3, 2016, Toronto City Council approved general annual salary range increases effective January 1, 2016 and January 1, 2017, representing cost of living adjustments, for Management and Non-union employees and Accountability Officers employed in the Toronto Public Service. Council also approved changes to the benefits plan for these Non-union employees, effective January 1, 2017.

This report recommends that the Toronto Public Library Board adopts the same general annual salary range increases for 2016 and 2017, and the same changes to the benefits plan, effective January 1, 2017, for all of its Non-union employees, as approved by City Council for Non-union employees of the Toronto Public Service.

The Toronto Public Library's compensation plan for Non-union employees has been modelled on the City of Toronto plan since 2003. The approval of the recommendations in this report will ensure that the Toronto Public Library will continue to have a non-union compensation plan modelled on the City of Toronto plan for its Non-union employees.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. adopts the same general annual salary range increases for 2016 and 2017, representing cost of living adjustments, for all Non-union employees of Toronto Public Library, as were approved by Toronto City Council for Non-union employees of the Toronto Public Service, and as identified below:

Effective Date	General Annual Salary Range Increase
January 1, 2016	1.25%
January 1, 2017	1.25%

2. approves the same changes to the non-union benefits plan for all Non-union employees of Toronto Public Library, as were approved by the Toronto City Council for Non-union employees of the Toronto Public Service, and as identified in the chart below, and effective January 1, 2017:

Active Employee Benefits Plan Provision Changes – Effective January 1, 2017

Benefit Type	Current Provision	New/Changes to Provisions
Drugs	No requirement for mandatory generic drugs	Mandatory generic drugs Non-generic drugs will be covered upon the insurer's approval of an application completed by the employee's physician confirming that the generic drug is not medically effective, or not medically tolerated.
Orthotic Devices	One device per person per benefit year (for persons 18 and under, the entitlement shall not be limited to one pair of orthotic devices per benefit year)	One device per person every two (2) benefit years (for persons 18 and under, the entitlement shall not be limited to one pair of orthotic devices every two (2) benefit years).
Long-Term Disability (LTD)	Benefit of 75% of basic pre-disability salary	Benefit of 70% of basic pre-disability salary for claims approved after ratification date In addition, the Library will provide Notice to employees that effective January 1, 2017, the Library will be amending the LTD plan document to provide a salary threshold (Means test) for employees returning to work at 66 and 2/3% of the pre-disability salary (currently at 75%).

Benefit Type	Current Provision	New/Changes to Provisions
Short Term Disability Sick Plan	<p>For first ten (10) years of service, combination of sick pay coverage at 100% and 75% of salary for 130 days</p> <p>After ten (10) years of service, 130 days at 100% of salary</p>	<p>1. Sick Occurrences – on the 4th and subsequent new absence in the same calendar year, the employee is paid from the second (2nd) day of the absence. If the employee is hospitalized as an in-patient the absence shall not count as an occurrence.</p> <p>2. Sick Pay Coverage – will provide compensation for an absent employee for 20 days at 100% of salary and for 110 days at 75% of salary. If not used, the employee can carryover a one-time capped credit of up to 15 of the 20 days compensated at 100% of salary from one year to the next. These carryover days can then only be converted (at a 2 for 1 ratio, for a total of 30 top-up credits), by the employee, to top-up the compensation she receives during an absence in the subsequent year when she would otherwise be compensated at 75% of salary after 20 days.</p>

NOTE: The above noted changes for Drugs and Orthotic Devices would also flow through to the Pre-65 Retiree Benefit Plan, for Non-union employees who retire on or after January 1, 2017, and who are entitled to Pre-65 retiree benefits as outlined in the Library Board policy.

and;

3. recommends that the Toronto Public Library Board make a request to City Council for an adjustment to the 2016 operating budget in the amount of \$178,252, in order to pay for the 2016 general annual salary range increase; and make the appropriate adjustment to the 2017 operating budget submission in the amount of the 2017 general annual salary range increase.

FINANCIAL IMPACT

The cost of the general annual salary range increase for 2016 is not included in the 2016 operating budget.

If Recommendation 3 is approved by the Library Board, library staff will make a request to the City for an adjustment to the 2016 operating budget in the amount of \$178,252, in order to pay for the general annual salary range increase for 2016. The 2017 operating budget submission will be adjusted to include the general annual salary range increase for 2017.

The Director, Finance and Treasurer has reviewed the financial impact statement and is in agreement with it.

DECISION HISTORY

On May 13, 2002, the Board approved an employee benefits plan for its Non-union employees based on the City of Toronto's benefits plan for its Non-union employees.

At its meeting on March 24, 2003, the Toronto Public Library Board approved implementation of the City of Toronto model for non-union compensation, which included provisions for general annual salary range increases (at the time known as 'market-rate adjustments') and a performance pay plan.

In April 2013, staff prepared a report for the Library Board that reviewed various aspects of the non-union compensation plan. On April 29, 2013, the Library Board approved a recommendation that Toronto Public Library's non-union compensation plan continues to be implemented in accordance with the City of Toronto's plan for its Non-union employees.

On May 3, 2016, Toronto City Council approved the general annual salary range increases for 2016 and 2017, and changes to the benefits plan for Non-union employees of the Toronto Public Service.

COMMENTS

Since 2003, the Library Board has approved for its Non-union employees the same general annual salary range increases and performance-based increases as were implemented at the City of Toronto for its Non-union employees, including those years for which there were no increases. The Library Board also has implemented since 2002 the same changes to the non-union benefits plan as the City of Toronto.

This report recommends the Library Board approve for its Non-union employees the same general annual salary range increases for 2016 and 2017, and the same changes to the benefits plan, effective January 1, 2017, as were approved by Toronto City Council for Non-union employees of the Toronto Public Service.

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SIGNATURE

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