

**CITY COUNCIL  
COMMUNICATION:**

**ITEM \_\_\_\_\_**

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**00-082**

**SYNOPSIS -**

**AGENDA:**  
FEBRUARY 28, 2000

The City and bargaining representatives have reached agreement for new labor agreements. All but the Police Bargaining Unit Association reached agreement voluntarily. The Police Bargaining Unit sought and received an arbitration award for a one-year agreement. These agreements range from one to six years as noted herein.

**SUBJECT:**

COLLECTIVE  
BARGAINING  
AGREEMENTS

**FISCAL IMPACT -**

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

The cost for the first year of the bargaining agreements is included in the Recommended Operating Budget. Total salaries and longevity pay for represented employees (all five bargaining units) will increase approximately \$2,296,500 or 4 percent in the next fiscal year. Total increase for benefits is \$538,000 or 0.9 percent.

**SUBMITTED BY:**

THOMAS G.  
TURNER DIRECTOR  
HUMAN  
RESOURCES

**RECOMMENDATION -**

**Approve and authorize the Mayor to execute new labor agreements with Central Iowa Public Employees Council (CIPEC), Municipal Employees' Association (MEA), American Federation of State, County and Municipal Employees (AFSCME - Housing Services), Des Moines Association of Professional Fire Fighters, Local 4, and the Des Moines Police Bargaining Unit Association.**

**BACKGROUND -**

The City has bargaining relationships with five different bargaining units. All five of the bargaining agreements expire June 30, 2000, and required negotiations to renew. The City has been successful in reaching voluntary settlement with four of

its five units.

All of the bargaining units will be given an additional holiday, Martin Luther King, Jr.'s Birthday, beginning in calendar year 2001. Other aspects of the agreements are peculiar to each union.

### **Municipal Employees' Association (MEA)**

The Municipal Employees' Association represents some 381 employees in predominantly white-collar type positions. They have agreed to a three-year contract providing for a 3 percent wage increase each year. Additionally, a new long-term disability plan providing a 60 percent benefit of monthly earnings after 180 day waiting period, a City contribution of \$180 per year into each full time employee's Flexible Spending Account and an increase in life insurance to one times an employee's salary were negotiated. The additional costs of wages, benefits and wage related items for FY 00-01 are:

Wages	\$ 376,200
Longevity	\$ 7,700
IPERS (City Share)	\$ 22,100
Deferred Comp Match	\$ 5,400
Long Term Disability	\$ 34,300
Life Insurance	\$ 28,000
Flexible Spending Account	\$ 68,600
Total	\$542,300

The total cost of this agreement is 4.2 percent for wages, benefits and impact costs (increases in costs for wage related benefits) in the first year and 3.3 percent for the second and third years.

### **American Federation of State, County and Municipal Employees (AFSCME)**

AFSCME represents 49 employees in the Housing Service Department. These employees provide administration and maintenance of the City's public housing services. AFSCME and the City have agreed to a four-year contract providing a 3 percent general wage increase each year and also the addition of the Section 457 deferred compensation plan with a one percent match beginning July 1, 2001. The additional costs of

wages, benefits and wage related items for FY 00-01 are:

Wages	\$ 42,500
Longevity	\$ 500
IPERS (City Share)	\$ 2,500
Total	\$ 45,500

The total cost of this agreement is 3.2 percent for wages, benefits and impact costs (increases in costs for wage related benefits) in the first year, 4 percent in the second and 3.1 percent in third and fourth years.

**Des Moines Association of Professional Fire Fighters (DMAFF), Local 4**

The Des Moines Association of Professional Fire Fighter represents 266 employees in the Fire Department. These employees provide fire suppression, emergency and fire inspection services for the City. DMAPFF and the City have agreed to a five-year contract providing a 6 percent general wage increase each year in the first three years, a 6.4 percent general wage increase in the fourth year and a 6.5 percent wage increase in the fifth year. In addition, the pay for HAZMAT members is increased to \$2000 from \$1150 in the first year. The additional costs of wages, benefits and wage related items for FY 00-01 are:

Wages	\$603,800
Longevity	\$ 14,600
Section 411 Retirement	\$105,100
HAZMAT	\$ 20,400
Deferred Comp Match	\$ 8,700
Total	\$752,600

The total cost of this agreement is 7.3 percent for wages, benefits, and impact costs (increases in costs for wage related benefits) in the first year, 7.1 percent in the second and third years, 7.6 percent in the fourth year and 7.7 percent in the fifth year.

**Central Iowa Public Employees Council (CIPEC)**

CIPEC represents 605 full time employees in the Public Works, Parks, Police, Aviation, and Engineering departments. These employees provide various construction, maintenance, and operation services for the City. CIPEC and the City have agreed to a six-year contract providing a 3 percent general wage increase each year. In addition, the contract adds a long-term disability benefit providing 66-2/3 percent income replacement after a 90 day waiting period, contributions to the employees' Flexible Medical Spending Accounts in years two and three of \$20 and \$40 per month respectively, increased life insurance benefits to one time annual salary in the fourth year and contributions equal to 1 percent of the units average full time base salary to a Voluntary Employee Benefit Association (VEBA) for partial payment of post-employment health care costs in years two, three, and four. The additional costs of wages, benefits and wage related items for FY 00-01 are:

Wages	\$	612,400
Longevity	\$	15,000
IPERS (City Share)	\$	36,100
Long Term Disability	\$	96,800
Deferred Comp Match	\$	3,900
Total	\$	764,200

The total cost of this agreement is 3.7 percent for wages, benefits, and impact costs (increases in costs for wage related benefits) in the first year, 4.9 percent in the second and third years, 4.4 percent in the fourth year and 3.3 percent in both the fifth and sixth year. The agreement does provide for a re-opening of negotiations if the cost of living exceeds 3.5 percent in 2003 or 2004.

**Police Bargaining Unit Association (PBUA)**

The PBUA represents 278 police officers and senior police officers. The union and the City did not reach a voluntary settlement. An arbitrator has awarded a 5.5 percent salary adjustment, no longevity change, no deferred compensation, a \$250 dollar a year payment for members of the clandestine lab team and Martin Luther King, Jr.'s birthday holiday in 2001.

The additional costs of wages, benefits and wage related items for FY 00-01 are:

Wages	\$623,800
411 Retirement	\$106,100
Total	\$729,900

The total cost of this award and one year agreement is 6.3 percent for wages and additional 411 retirement costs. There is no increase in other benefit costs.

### **Medical Insurance**

During the course of negotiations, the unions agreed to a new medical plan that will be common to all employees and retirees. The plan is a comprehensive PPO plan with more automated claim processing. This increase in automated claim processing and combining of the self-insured medical plans and deletion of most HMO plans will result in a reduction in Principal Financial Group's administration charge from \$18.20 per month per contract to \$16.03 per month per contract.

### **Dental Insurance**

All unions who reached a multi-year agreement also will have the dental insurance coverage continue for their dependent children on the same basis as the medical plans. Currently this coverage stops upon attainment of age 19. Now it will continue until age 24.



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