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|  <p style="text-align: center;">Council Communication Office of the City Manager</p> | Date | March 8, 2010 |
| | Agenda Item No. 49 Roll Call No. <u>10-</u> Communication No. <u>10-124</u> Submitted by: Tom Turner, Human Resources Director | |

AGENDA HEADING:

One Year Extension of Labor Agreement with Municipal Employees Association.

SYNOPSIS:

Approve and authorize the Mayor to execute a Memorandum of Agreement (MOU) and formal contract document with Municipal Employees Association to extend their labor agreement one year in exchange for wage considerations.

FISCAL IMPACT: NONE

Amount: None in FY11. A net savings of \$440,000 as compared to the budget model for FY12.

Funding Source: Savings will be realized City-wide in all departments with MEA employees.

ADDITIONAL INFORMATION:

As part of the effort to achieve a two-year balanced budget, City staff conducted contract discussions with all of the employee unions of the City. These discussions eventually focused on the four largest unions [Central Iowa Public Employees Council (CIPEC), Municipal Employees Association (MEA), Des Moines Association of Professional Fire Fighters (Fire) and the Des Moines Police Bargaining Unit Association (Police)]. Although the discussions were constructive and focused on the structural deficit facing the City, only the MEA was willing to advance a proposal to a vote of the membership. The City and MEA reached an agreement in principal in January that provided for a conversion of the negotiated 3.25% general wage increase due in FY11 to pay in a lump sum not incorporated into the base pay. In exchange, the City agreed to extend the labor agreement for one year expiring June 30, 2012; increase the deferred compensation match from 2.0% to 2.5% effective January 1, 2012; provide a shift differential of \$0.25 per hour for essentially evening and night workers beginning January 1, 2012; provide an incentive for retirement by paying up to 24 months of the single premium for the City of Des Moines Health plan for employees retiring between May 1 and December 31, 2010; and provide a cash contribution to the employee’s Medical Flexible Spending Account equal to 50% of the single premium for employees who elect to forego health coverage under the City of Des Moines plan and who are not covered by another City of Des Moines employee. The MEA members ratified this agreement by a vote of the membership on February 26, 2010. A copy of the MOU is attached to the Roll Call.

PREVIOUS COUNCIL ACTION(S):

Date: November 20, 2006

Roll Call Number: 06-2329

Action: Extensions of Collective Bargaining Agreements for Central Iowa Public Employees Council (CIPEC), Municipal Employees Association (MEA), Des Moines Association of Professional Firefighters, Local 4 (Fire), Des Moines Police Bargaining Unit Association (Police) and American Federation of State, County and Municipal Employees, Council 61, Local 3673 (AFSCME). (Council Communication No. 06-739) Moved by Hensley to adopt. Motion Carried 6-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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