

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	February 28, 2011
	Agenda Item No. Roll Call No. Communication No. Submitted by:	64B <u>11-0375</u> <u>11-135</u> Tom Turner, Human Resources Department

AGENDA HEADING:

Amendment of the Des Moines Municipal Code Section 2-453 Eligibility.

SYNOPSIS:

Approve the amendment of the Des Moines municipal Code Section 2-453 Eligibility to effectuate the terms of the new labor agreement between the Police Gold Braid Organization and the City of Des Moines.

FISCAL IMPACT:

Amount: None. Change in eligibility alone has no fiscal impact.

Funding Source: NA

ADDITIONAL INFORMATION:

On December 20, 2010 by Roll Call 10-2103 Council approved an amendment to Des Moines Municipal Code Section 2-453 Eligibility to permit certain Supervisory, Professional and Management (SPM) employees to be grandfathered as participants in a Section 401a Money Purchase Plan with a matching City contribution rate of 4.5% of eligible salary. As a result of collective bargaining with the Police Gold Braid Organization (GBO), covered members of this labor organization will enjoy the same grandfather status as their parallel SPM ranks of sergeant, lieutenant and captain do with the action Council took on December 20,2010.

The change is as follows:

“Sec. 2-453. Eligibility.

(a) *Deferred Compensation plan:* All permanent full-time and permanent part-time employees, permanent full-time and permanent part-time probationary employees and any other employees made eligible pursuant to collective bargaining agreements shall be eligible for participation provided that they enter into an agreement to defer compensation not yet earned pursuant to these code sections and consistent with section 457 of the Internal Revenue Code and applicable amendments including the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA).

(b) *Money purchase plan:* All supervisory, management and professional permanent full-time employees and city officers occupying a supervisory, management or professional permanent full time position on January 1, 2011 or having accepted an offer of employment for a supervisory, management or professional full time position, or a covered member of the Des Moines Police Gold Braid

Organization who held the rank of sergeant, lieutenant or captain in or out of the bargaining unit on or before January 1, 2011 shall be eligible for participation provided that they enter into an agreement to defer compensation not yet earned pursuant to these code sections and consistent with section 401(a) of the Internal Revenue Code as it may be amended from time to time.”

PREVIOUS COUNCIL ACTION(S):

Date: December 20, 2010

Roll Call Number: 10-2103

Action: [Amending](#) Section 2-453 of the Municipal Code to effectuate the compensation decision impacting Supervisory, Professional and Management (SPM) employees’ continued eligibility to participate in the 401a Money Purchase Pension Plan. ([Council Communication No. 10-760](#)) **Moved by Hensley that this ordinance be considered and given first vote for passage. Motion Carried 7-0.**

Date: June 4, 2001

Roll Call Number: 01-1147

Action: Authorization of a 401a Money Purchase Plan.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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