

**RESOLUTION NO. 1401**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DES MOINES, WASHINGTON,** regarding salaries, wages and benefits for non-represented employees for the period January 1, 2019, through December 31, 2019 and amending Resolution No. 1366.

**WHEREAS,** this Resolution pertains to all regular employees, excluding those who are represented by labor organizations, specifically, Teamsters Local 763, Des Moines Police Guild, and Des Moines Police Management Association, and

**WHEREAS,** the City's non-represented employees fall into three groups: General Employees, those who are eligible for overtime compensation under the Fair Labor Standards Act (FLSA); Exempt Employees, those who are exempt under the FLSA; and the remaining exempt employees known as Directors, which for purposes of this Resolution includes all department heads, the Assistant Chief of Police, the Chief Operations Officer, and the City Manager, and

**WHEREAS,** in December 2016, the General Employees and Exempt Employees entered into memorandums of understanding with the City formally acknowledging that they are not collective bargaining organizations, preferring to seek mutual understanding for employees and city management in an informal, collaborative process to discuss issues of concern in the workforce without being bound by the constraints of chapter 41.56 RCW, and

**WHEREAS,** the parties further agreed that the City will treat non-represented employees equitably in relation to those represented by labor unions in accordance with DMMC 2.12.10, with the exception of the constraints of bargaining units with binding arbitration which necessitates a different outcome for certain uniformed groups of employees, and

**WHEREAS,** the City Council enacted Resolution No. 1366, setting the annual pay schedules for non-represented employees for the period of January 1, 2017 through December 31, 2019, and

**WHEREAS,** the City Council recently approved a Collective Bargaining Agreement with the Des Moines Police Guild for the period January 1, 2019, through December 31, 2021 which includes a larger wage increase for the year 2019 than is provided for in Resolution 1366, and

**WHEREAS**, the City Council has determined that it is in the best interest of the citizens of Des Moines for the City to provide wage increases and benefit adjustments to non-represented employees consistent with the Des Moines Police Guild for the year 2019; now, therefore,

**THE CITY COUNCIL OF THE CITY OF DES MOINES RESOLVES AS FOLLOWS:**

**Sec. 1.** Section 2 of Resolution No. 1366 is amended to read as follows:

**Salaries and wages.** Salaries and wages shall be increased as follows, maintaining the established differentials between pay steps and ranges:

(1) 1.36% increase effective January 1, 2017, providing a 0.36% retroactive pay increase in addition to the 1.0% increase already implemented per Resolution No. 1355; such retroactive pay increase shall apply to current employees on the payroll as of the date of Council approval of this Resolution;

(2) 1.9% increase effective January 1, 2018; and

(3) 3.25% increase effective January 1, 2019.

**Sec. 2.** Section 3 of Resolution No. 1366 is amended to read as follows:

**Medical plan options.** Effective January 1, 2018, the City shall pay medical premiums and make Health Reimbursement Arrangement (HRA) contributions for eligible employees with the following options:

(1) The City will pay 90% of eligible employee's premium and 80% of the spouse and dependents' premiums for the HealthFirst 250 and the Kaiser Permanente \$200 Deductible health insurance plans. For employees enrolling in these plans, the City will make the following annual contributions to the employee's HRA VEBA for the years 2017 and 2018: \$580 for employee only coverage; or \$1,130 for any family coverage. For employees enrolling in these plans, the City will make the following annual contributions to the employee's HRA VEBA for the year 2019: \$750 for employee only coverage; or \$1,250 for any family coverage. For new hire

employees, HRA VEBA funding will be prorated based on the number of months covered for the remainder of the calendar year.

(2) The City will pay 100% of eligible employee's premium and 90% of the spouse and dependents' premiums for the Regence High Deductible Health Plan (HDHP) and the Kaiser Permanente HDHP; for employees enrolling in these plans, the City will provide a notional Health Reimbursement Arrangement (HRA) of \$1,500 for employee only coverage, or \$3,000 for any family coverage. The City will fund the notional HRA by preloading a benefits debit card for each employee on an annual basis. Once the deductible has been met, and the employee has also paid coinsurance costs \$1,500 above and beyond the deductible for employee only coverage, or \$3,000 above and beyond the deductible for any family coverage, the City will pay any further coinsurance costs which apply to the employee's annual out-of-pocket limit. Any unused balance in the notional HRA will be rolled into the employee's HRA VEBA account in April of the following year. For new hire employees, notional HRA funding will be prorated based on the number of months covered for the remainder of the calendar year.

(3) If an employee opts out of the City's medical plans entirely, the employee will receive their choice of cash or Section 457 deferred compensation payments in lieu of the medical benefits. Such payment will be equal to twenty-five percent (25%) of the City's savings, based on the maximum medical plan premiums available plus the HRA contributions the City would have paid for the employee and any spouse and/or dependents who are eligible for City medical coverage. To be eligible for such payments, the employee must provide proof of comprehensive group coverage under another medical insurance plan through an employer or other entity that covers all individuals in a group. Individual medical insurance purchased on an individual or family basis does not qualify under this plan. The City reserves the right to suspend or discontinue such payment in lieu of City medical coverage for future years. Employees will be notified during the open enrollment period if this option is suspended or discontinued.

**Sec. 3. Retroactivity.** The 3.25% increase for the period of January 1, 2019 through December 31, 2019 effective January 1, 2019, shall provide a 1.35% retroactive pay increase in addition to the 1.9% increase already implemented per Resolution No. 1366; such retroactive pay increase shall apply to current

employees on the payroll as of the date of Council approval of this Resolution.

**Sec. 4. Conflicts.** Where a conflict exists between the terms of this Resolution and the Des Moines Personnel Manual, this Resolution shall control.

**Sec. 5. Ratification and confirmation.** Any acts consistent with the authority and prior to the effective date of this Resolution are hereby ratified and confirmed.

**ADOPTED BY** the City Council of the City of Des Moines, Washington this 11th day of July, 2019, and signed in authentication thereof this 11th day of July, 2019.

  
M A Y O R

APPROVED AS TO FORM:

  
City Attorney

ATTEST:

  
City Clerk