

STATE OF IOWA
BEFORE THE PUBLIC EMPLOYMENT RELATIONS BOARD

IN THE MATTER OF:)	
)	
CITY OF CAMANCHE,)	Case No. 100058
Petitioner/Public Employer,)	
)	
and)	
)	
CITY OF CAMANCHE POLICE AND FIRE)	
BARGAINING UNIT,)	
Certified Employee Organization.)	

RULING ON NEGOTIABILITY DISPUTE

On July 22, 2015, the City of Camanche filed a petition with the Public Employment Relations Board (PERB or Board) pursuant to PERB rule 621—6.3(20) seeking the Board’s ruling on whether proposals made during the course of collective bargaining between the City and the City of Camanche Police and Fire Bargaining Unit (Union) are illegal, mandatory, or permissive subjects of bargaining. Counsel for the parties¹ presented oral arguments to the Board on August 3, 1015. The City also filed a brief.

The proposals at issue are as follows:

PROPOSAL 1 (underlined language only):

INSURANCE BENEFITS: The health insurance benefits are defined in the City of Camanche Insurance Fund Agreement approved by the City Council and the employees pursuant to the provisions of Resolution No. 00-05, adopted May 6, 2000, and signed by Mayor Robert Schuller, and which terms are now modified by this Contract as follows:

The employees shall pay for themselves and their family the prescription and medical co-pays in effect with the insurance companies established rates effective on January 1, 2012, and as

¹ Arthur W. Eggers for the City and David M. Pillers for the Union.

adjusted upon the insurance contract renewal not to exceed the total sum of \$1,000 per fiscal year of the contract. The City shall continue to provide reimbursement of all other deductible and co-insurance expenditures except as set forth above. Any adjustments in the prescription and medical co-pays shall promptly be brought to the attention of the Bargaining Unit when made known to the City. The City shall not renegotiate any prescription and medical co-pays to reduce premiums without first notifying the Bargaining Unit of their intent to do so.

EMPLOYEE HEALTH INSURANCE CONTRIBUTION: During the first year of his contract, from July, 2012 through June 30, 2013, the employee shall not contribute to their health insurance cost. Commencing July 1, 2013 through June 30, 2014, the employees shall contribute by payroll deduction the sum of \$24.00 per month for family health insurance coverage, \$16.00 per month for employee's spouse health insurance coverage, and employee with children \$15.00 per month towards health insurance coverage. For the contract year commencing July 1, 2014 through June 30, 2015, the employee shall contribute the sum of \$36.00 per month for family health insurance coverage, \$24.00 per month for employee's spouse health insurance coverage, and \$23.00 per month for employee with children health insurance coverage.

Retirees will pay the prescription co-pays and the health insurance premium contributions at the rates in effect as of the official date of their retirement. Retirees must be current on their co-pay and insurance reimbursements to remain eligible for City reimbursement of all other deductible and co-insurance expenditures.

PROPOSAL 2:

No health insurance benefits will be provided to retirees who were hired by the City after July 1, 2015. Retirees hired prior to July 1, 2015 will pay the prescription co-pays and the health insurance premium contributions at the rates in effect as of the official date of their retirement. Eligible retirees must be current on their co-pay and insurance reimbursements to remain eligible for City reimbursement of all other deductible and co-insurance expenditures.

When determining the negotiability status of proposed contract language, the Board uses the two-pronged approach explained in *Waterloo Education*

Association v. PERB, 740 N.W.2d 418 (Iowa 2007). Under the first prong, the Board engages in a definitional exercise to determine whether the proposal fits within the scope of a specific term listed in Iowa Code section 20.9. *Id.* at 429. The second prong asks whether the proposal is preempted or inconsistent with any provision of law. *Id.* at 429.

We can resolve the negotiability of proposal 2 and the underlined language in proposal 1 by way of the second prong alone. The parties agree that, under Iowa Supreme Court precedent, both proposals are legally excluded (illegal) subjects of bargaining. *See City of Mason City v. PERB*, 316 N.W.2d 851, 854 (Iowa 1982) (holding that a proposal requiring the city to pay health and insurance premiums for retired employees directly augmented or supplemented the benefits a public employee would receive under a retirement system and therefore was excluded from the scope of negotiations). At oral argument, the Union urged us to depart from this precedent, citing the 2010 amendment to Iowa Code chapter 20 which explicitly granted the Board authority to interpret its provisions as a basis for doing so.

Based on the arguments made, we decline to depart from the Supreme Court's holding in *Mason City* and conclude that proposal 2 in its entirety and the underlined language of proposal 1 are legally excluded (illegal) subjects of bargaining for the reasons set forth in that decision.

DATED at Des Moines, Iowa, this 5th day of August, 2015.

PUBLIC EMPLOYMENT RELATIONS BOARD

By: /s/ Michael G. Cormack
Michael G. Cormack, Chair

/s/ Janelle L. Niebuhr
Janelle L. Niebuhr, Board Member

/s/ Jamie Van Fossen
Jamie Van Fossen, Board Member

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