Questions and Answers Regarding the AFSCME Collective Bargaining Agreement

1. What has the City done to improve the relationship with AFSCME Local 3999?

The City has continued to work with AFSCME local 3999 leadership with the goal of improving employee experiences. That includes better pay, benefits, and opportunities for employee growth. The City has consistently stated that it wants to be the employer of choice and that City workers are our most important asset.

Pay Increases and Benefits

The City has implemented two classification and compensation studies that have resulted in pay increases for AFSCME employees. Although agreement hasn't been reached on the entire contract, the Union and the City have negotiated and agreed upon six contract amendments. The City has negotiated with AFSCME to implement across the board increases on an annual basis and 4 retention incentive agreements to demonstrate the City's appreciation for City workers and to encourage AFSCME employees to remain employed with the City. The average salary for AFSCME bargaining unit employees has increased by 35% from January 2018 to January 2025. Regarding benefits, during COVID and for two years after, the City did not increase health insurance rates for AFSCME employees.

Relative to negotiations, the City has worked toward positive efforts with the intent of reaching agreement with AFSCME in a timely and effective manner. For example, when negotiations began several years ago, the City Manager approved an additional four (4) hours of union administrative leave with pay per week for six (6) union employees to prepare for negotiations before each session with the city. This new union administrative leave is in addition to the union administrative leave provided for in the CBA which grants leave with pay for all negotiating team members to attend negotiations.

Employee Growth Opportunities

The City has offered numerous training and tuition assistance opportunities and since 2019 321 AFSCME employees have been promoted.

Meetings with AFSCME Leadership and Representatives

To ensure we discuss important topics with AFSCME, the City prioritizes time to meet with AFSCME leadership regularly. Below are the scheduled meetings:

- Monthly meetings with AFSCME and City Manager. This provides AFSCME leadership with the opportunity to discuss or raise any issue they deem appropriate.
- Quarterly labor/management committee meetings with AFSCME representatives and City directors.
- Quarterly meetings with union leadership regarding insurance benefits.
- Ongoing meetings as needed with AFSCME representatives to discuss and/or resolve grievances, disciplinary actions, or other complaints filed.

The ongoing meetings with AFSCME have assisted in resolving issues. The City and Union have seen a decline in grievances over the years. Below are the statistics on AFSCME grievances received by HR:

Year	Number of Grievances Received by HR
2020	10
2021	11
2022	3
2023	2
2024	2
2025	0

2. What is the status of negotiations between AFSCME leadership and the City of Santa Fe for a new labor contract?

There is not an approved successor contract between AFSCME Local 3999 and the City. Attorneys for AFSCME and the City have discussed options, and the Union and City have agreed that coming back to the bargaining table to negotiate the pending articles is the most viable option. This comes after arbitration, when the arbitrator did not select the City or Union's last best offer. The Arbitrator's notice was issued June 22, 2025.

3. When will these negotiations begin?

The City has actively been working to resume negotiations as quickly as possible. The Union's attorney responded that he would be out of the country for two weeks beginning August 1st. The City notified the Union attorney that it is amenable to work with another AFSCME Attorney while he's out and they have agreed. The Union and the City are working on a date. The City also sent an invitation for July 30, 2025, to discuss upcoming negotiations and to schedule future dates and Louis Demella responded that he would be in attendance.

4. What led to arbitration?

AFSCME Local 3999 leadership declared an impasse in October 2023. This effectively ended negotiations toward a new contract. Instead, the Union and the City began a mediation process in November 2023. After nine sessions with a federal mediator from the Federal Mediation and Conciliation Services, AFSCME leadership filed for arbitration on June 10, 2024. This concluded mediation and negotiations regarding the full contract. (Please note that negotiations for pay increases that resulted in Amendment No. 6 continued aside from the mediation process.)

5. What was the process and outcome of the arbitration?

On February 19, 2025, the Union and the City presented their cases before the Arbitrator, who had been selected by the Union and the City from a panel of arbitrators in compliance with the Public Employee Bargaining Act (PEBA). The Arbitrator is bound by the provisions of the PEBA. This requires the Arbitrator to select one of the party's last best offers in its entirety, and to render a final, binding written decision resolving all unresolved issues. This decision by law cannot require the re-appropriation of funds by the City. The re-appropriation prohibition disallows an arbitrator from selecting a last, best offer if it exceeds the amount appropriated by the Governing Body.

The City's position was that the Union's offer exceeded the appropriation made by the Governing Body. In addition, it contained an illegal provision allowing the Union to utilize the City's intradepartmental mail for the delivery of Union literature in contravention of the Private Express Statutes. The Union asserted the City's last best offer, which prohibited the Union from circumventing the bargaining team and discussing items that are being negotiated with elected officials or administration, was illegal and restricted Frist Amendment rights. The City countered this argument, noting that the cases cited by the Union were not applicable to the argument asserted and were mispresented by the Union.

The Arbitrator requested additional briefings from both parties on the allegations of illegal provisions. The Arbitrator then issued his decision on June 22, 2025, and did not select either offer because of the asserted illegal provisions. Both attorneys conferred regarding the Arbitrator's failure to issue a decision and decided that the most viable option is returning to the negotiating table.

6. How long have AFSCME 3999 and the City been negotiating a full contract?

The City has continued to work with AFSCME local 3999 leadership with the goal of implementing pay increases and competitive benefits packages for bargaining unit employees. The city and AFSCME's negotiating teams have been working on negotiating a successor Agreement since February 2020. Due to COVID, AFSCME and the City briefly postponed negotiations, and then resumed talks in September 2020. The collective bargaining agreement (CBA) expired June 30, 2020. Although the CBA expired, the Public Employees Bargaining Act states that a current contract remains in effect until a successor agreement is reached. Therefore, we have been operating under the existing contract. The City's position is that it is in everyone's interests to agree on a new contract as soon as possible.

7. What steps has the City taken to increase wages for its AFSCME employees?

The City and Union have agreed upon six contract amendments between 2019 and 2024. (see attachment 1) These have resulted in pay increases for AFSCME employees. The average salary for AFSCME employees has increased by 35% from January 2018 through January 2025. As described above, AFSCME and the City have also agreed upon 4 retention incentive agreements for AFSCME employees.

8. Can the City issue Union employees salary increases without an agreement?

The City cannot unilaterally implement salary increases for Union employees. An agreement must be in place to issue salary increases for Union covered employees. This is pursuant to the Public Employee Bargaining Act. (PEBA). Implementation of pay increases for Union employees without an agreement would constitute a prohibited practice.

9. What is the status of the Agreements with the Fire and Police Unions?

The Fire and Police Unions and the City have come to Agreement each time the Governing Body has voted a budget allocation in the last five years. The Agreements have been made within the timeframe that allows for implementation for the first pay period after the funding is available. This is why Fire and Police Union employees received salary increases before AFSCME employees.

Attachment 1-
Contract Amendments between AFSCME Local 3999 and the City

1/2019	Amendment no. 1- to provide AFSCME transit employees with incentive pay
6/2019	Amendment no. 2- to provide salary increases for AFSCME employees as a result of the implementation of the first classification and compensation study n
6/2021	Amendment no. 3- to provide 4% salary increases for AFSCME employees
6/2022	Amendment no. 4- to provide 8% salary increases for AFSCME employees
6/2023	Amendment no. 5- to provide 3% salary increases for AFSCME employees earning less than $100,000 annualized and 1% for those earning $100,000 or more annualized
7/2024	Amendment no. 6-adopted the new pay grades, pay increases to those who are below the new minimum pay grade, 25% hybrid parity increases as recommended by the classification and compensation consultant and 3% salary increases for AFSCME employees were implemented

Attachment 2-
History of AFSCME Pay Increases

Year and Month of AFSCME Salary Increases	Details Regarding Increases
2005-July	1% salary increase for all AFSCME bargaining unit employees earning $65,000 or more annually
	1.5% salary increase for all AFSCME bargaining unit employees earning $40,000 -$65,000 annually
	2% salary increase for all AFSCME bargaining employees earning up to $40,000 annually
2006-January	1.5% salary increase for all AFSCME bargaining unit employees
2006-July	2.5% salary increase for all AFSCME bargaining unit employees
2007-February	1.5% salary increase for all AFSCME bargaining unit employees
2007-July	4% salary increase for all AFSCME bargaining unit employees
2008-July	4% salary increase for all AFSCME bargaining unit employees
2009-July	4% salary increase for all AFSCME bargaining unit employees
2010	no increases
2011	no increases
2012-July	2% salary increase for all AFSCME bargaining unit employees
2013	no increases
2014-July	$0.50 salary increase for all AFSCME bargaining unit employees
2015	no increases
2016	no increases
2017-September	2% salary increase for all AFSCME bargaining unit employees
2018-July	2% salary increase for all AFSCME bargaining unit employees
2019-July	1% average salary increase for all AFSCME bargaining unit employees for equity pay
2019-July	8% average salary increase for AFSCME bargaining unit employees (43% of employees) as a result of the implementation of classification and compensation study
2019-July	2% salary increase for all AFSCME bargaining unit employees
2020	no increases
2021-July	4% salary increase for all AFSCME bargaining unit employees
2021-December	$2,000 retention incentive (1st incentive December 2021 and 2nd incentive June 2022)
2022-July	8% salary increases for all AFSCME bargaining unit employees
2022-December	$2,000 retention incentive (1st incentive December 2022 and 2nd incentive June 2023)
2023-August	3% for employees earning less than $100,000 and 1% for employee earning $100,000 or more annually
2023-December	$1,000 retention incentive December 15, 2023
2024-March	Governing Body approved funding allocation to implement new pay plan as a result of the compensation study. Any employee below the new minimum to receive a pay increase up to the minimum
2024-July	Governing Body approved funding allocation for salary increases equivalent to 3% and December 2024 hybrid parity increases pursuant to the compensation study recommendations
2024-July	Adoption of pay plan pursuant to compensation study recommendations. All AFSCME employees below the new minimum pay grade received pay increases. AFSCME employees also received the first hybrid parity increases
2024-July	3% salary increase for all AFSCME bargaining unit employees
2024-December	$1,000 retention incentive December 13, 2024
2025-July	Governing Body approved funding allocation for salary increases equivalent to 3%, and funding allocation equivalent to 3rd hybrid parity increases, and December 2025 4th hybrid parity increases