

**Subcommittee on Employee Relations
Legislative Coordinating Commission
Monday, November 7, 2005
10:00 a.m.
Room 5, State Office Building**

Present:

Rep. Chris DeLaForest
Rep. Bruce Anderson
Rep. Debra Hilstrom
Rep. Karen Klinzing
Rep. Tom Rukavina
Sen. Linda Scheid
Sen. Sandra Pappas
Sen. Betsy Wergin

Excused:

Sen. Steve Kelley

Rep. DeLaForest called the meeting to order at 10:10 a.m. A quorum was present.

Approval of the Minutes

Rep. Hilstrom moved approval of the minutes from the September 14, 2005, meeting. **MOTION APPROVED.**

Review/Approve Collective Bargaining Agreements

Mr. Jeff Wade, System Director for Labor Relations at MnSCU, reviewed the negotiation process for the Minnesota State College Faculty collective bargaining agreement and stood for questions. MnSCU estimates that the cost of the increases will be 2.85% this biennium and will add 7.07% to the next biennium's base. The cost of these increases is approximately \$20,892,000 in FY 06-07.

Commissioner Cal Ludeman, from the Department of Employee Relations (DOER), prefaced the discussion of the AFSCME and MMA settlements by providing general information pertinent to all collective bargaining agreements. He stated that for the most part, all agreements are uniform as far as insurance provisions and implementation.

Deputy Commissioner Paul Larson, from DOER, reviewed the negotiated provisions of the Middle Management Association contract. Mr. Larson stated that there are approximately 2,700 supervisors included in this bargaining unit. A 2% across-the-board increase was negotiated for July 1, 2005 and August 23, 2006. Eligible employees (approximately 40%) will receive step increases on their anniversary dates, which average 3.6%. DOER estimates that the cost of the increases will be 3.12% this biennium and will add 5.41% to the next biennium's base. The cost of these increases is approximately \$14,072,000 in FY 06-07. Mr. Larson stood for questions.

Mr. Larson reviewed the negotiated provisions of the AFSCME Correctional Guards Unit contract. AFSCME, Council 5, Unit 8 consists of approximately 1,800 correctional guards employed by the Department of Corrections. A 2% across-the-board increase was negotiated for July 1 of 2005 and 2006. All eligible employees (approximately 40%) will receive step increases on their anniversary dates, which average 2.8%. Mr. Larson explained the added limitations on eligibility for early retirement incentives. The new provisions require that new employees serve at least 10 years in a position included in the Corrections Employee Retirement Plan, and serve in a covered position for at least five years immediately preceding retirement. Corrections Officers 2, Corrections Officers 3, and Canine Officers receive inequity adjustments in July 2006 and January 2007. The adjustments effectively add a step to the top of the salary range each year. Mr. Larson and Ms. Jill Pettis, DOER Assistant State Negotiator, stood for questions.

Sen. Pappas moved the SER-1, Approval Resolution for the Collective Bargaining Agreements (Minnesota State College Faculty, Middle Management Association, and Correctional Guards, AFSCME Council 5, Unit 8). **MOTION APPROVED.**

Review/Approve Compensation Plans

Commissioner Ludeman stated that there are approximately 1,100 unrepresented employees included in the Commissioner's Plan. Mr. Larson provided background on the employees included and reviewed the negotiated provisions. The plan provides for a 2% across-the-board increase on July 1 of 2005 and 2006. Employees may receive up to 3.5% performance-based increases on January 1 of 2006 and 2007. Employees at the top of their salary ranges (approximately 55%) are ineligible to receive this increase. DOER estimates that the cost of the increases will be 3.11% this biennium and will add 5.42% to the next biennium's base. The cost of these increases is approximately \$4,687,000 in FY 06-07. Commissioner Ludeman, Mr. Larson, and Ms. Pettis stood for questions.

Mr. Larson described the negotiated provisions of the Managerial Plan. Approximately 1,160 unrepresented managers, including deputy and assistant commissioners, bureau heads and division directors are included in this plan. The provisions are similar to that in the Commissioner's Plan. There will be a 2 % across-the-board increase on July 1 of 2005 and 2006. Managers receive up to a 3.5% performance-based increase on January 1 of 2006 and 2007. Managers at the top of their salary ranges (approximately 45%) are ineligible to receive this increase. The early retirement incentives were modified to be similar to those in the collectively bargained agreements. DOER estimates that the cost of the increases will be 3.54% this biennium and will add 6.13% to the next biennium's base. The cost of these increases is approximately \$8,844,000 in FY 06-07. Mr. Larson stood for questions.

Sen. Wergin moved the SER-2, Approval Resolution for the Commissioner's and Managerial Plans. **MOTION APPROVED.**

Other items

Mr. Larson provided an update on negotiations with other bargaining units and stood for questions.

Rep. DeLaForest announced that the next meeting most likely will be in December or January and may include review of the Personnel Plan for MnSCU Administrators and the State Board of Investment Salary Administration Plan. The agenda might also include further discussion regarding the Health Care Assessment and background and history on the various processes for approving collective bargaining agreements and compensation plans (report submitted by Greg Hubinger, Director of the Legislative Coordinating Commission).

There being no further business, Rep. DeLaForest adjourned the meeting at 11:25 a.m.

Representative Chris DeLaForest, Chair