

## Subcommittee on Employee Relations Legislative Coordinating Commission



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Greg Hubinger, Director  
Sally Kidd, Commission Asst.

**DATE:** October 8, 2009  
**TO:** Members of the Subcommittee  
**FROM:** Greg Hubinger  
**RE:** Background information

At its next meeting, the Subcommittee will consider two collective bargaining agreements.

### **Minnesota Law Enforcement Association contract**

Minnesota Management and Budget has reached a tentative settlement with the Minnesota Law Enforcement Association (MLEA). This bargaining unit includes approximately 700 employees consisting of State Troopers, Conservation Officers, and BCA Agents. It also includes Fugitive Specialists in the Department of Corrections, Special Agents in the Gambling Enforcement Division of the Department of Public Safety and Insurance Fraud Specialists in the Department of Commerce. A copy of the contract in legislative format is at:

<http://www.commissions.leg.state.mn.us/lcer/MLEA10-11.pdf>

### **Financial provisions**

1. No across the board increases in either year.
2. No step increases in the first year, but provides them for employees who are eligible in the second year. Step increases represent approximately a 3.9% increase. About 60% of these employees are at the maximum of their salary ranges and do not receive these increases.
3. Salary ranges for FY 10-11 are unchanged from the FY 09 ranges.
4. Incorporates a provision from a Memorandum of Understanding, which establishes "specialty pay" equal to 6% for employees who serve as Field Training Officers, Primary Field Training Officers, Academy Instructors, Use of Force Instructors, and Backgrounders. This pay is provided only when the employee is specifically assigned to carry out these duties.
5. Continue the employer match for deferred compensation at \$400 per year.

### **Other provisions**

6. Continue early retirement incentives that provide for varying amounts of the employer share of health and dental insurance for eligible employees retiring after age 50.
7. Continue to permit employees to donate up to eight hours of vacation leave to a bank that can be used by the Association representative.
8. Implement the State Employee Group Insurance Program as provided in the other contracts.

### **Settlement Cost Sheet**

MMB estimates that the cost of the increases (steps, insurance, FICA, retirement contributions) provided in the Law Enforcement agreement will be 1.17% this biennium. The cost of these increases will add 2.46% to the next biennium's base. (This figure captures the tails – those obligations made during this biennium whose full costs are not realized until the next biennium.)

MMB points out that \$931,000 of the total settlement cost of \$1.5 million for this biennium results from legislation enacted in 2006 that increases the employer (and employee) contribution for the MSRS State Patrol Retirement Plan for employees' retirement by 1% per year over three years.

### **Minnesota Government Engineers Council contract**

MMB has reached a tentative settlement with the Minnesota Government Engineers Council (MGEC), which represents 927 engineers, primarily employed in the Department of Transportation. The tentative agreement is available at:  
<http://www.commissions.leg.state.mn.us/lcer/MGEC0911.pdf>

### **Financial provisions**

1. No across the board increases in either year.
2. No step increases in the first year, but provides them for employees who are eligible in the second year. Step increases represent approximately a 4% increase. About 65% of these employees are at the maximum of their salary ranges and do not receive these increases.  
 Some employees received step increases between July 1, 2009 and the date of the tentative settlement, as provided in the on-going contract. These employees' salaries are being returned to the original level, and their step increase in the second year delayed by the amount of the step increase paid in 2009.
3. Salary ranges for FY 10-11 are unchanged from the FY 09 ranges.
4. Employees continue to be eligible for achievement awards. These awards consist of either a step increase or a lump sum of up to \$1,600. Up to 35% of employees can receive one of these awards.
5. Continue the employer contribution to each employee's deferred compensation account at \$300 per year. Continue permitting engineers to convert up to 40 hours of compensatory time to deferred compensation.

**Other provisions**

6. Implement the State Employee Group Insurance Program as provided in the other contracts.
7. Permit dependents of engineers employed by MnSCU to use the tuition waiver program (as provided in other contracts.)
8. Permit the use of mediation in lieu of arbitration for settling contract grievances.

**Settlement Cost Sheet**

MMB estimates that the cost of the increases (steps, insurance, FICA, retirement contributions) provided in the MGEC contract will be 0.59% this biennium. The cost of these increases will add 1.55% to the next biennium's base. (This figure captures the tails – those obligations made during this biennium whose full costs are not realized until the next biennium.)

MMB reports that \$509,000 of the total settlement cost of \$1,033,000 for this biennium results from legislation enacted in 2006 that increases the employer (and employee) contribution for the MSRS General Plan for employees' retirement by 0.25% per year over four years

Attach: settlement sheet

# STATE EMPLOYEE SALARY SETTLEMENTS

## FY 2010-2011 ESTIMATED COSTS

LCC Subcommittee on Employee Relations

September 17, 2009

Bargaining Unit	Across the board increases (% increase)				BIENNIAL BASE(1)	BIENNIAL NEW MONEY (1)	% INCREASE (2)	% INCREASE BIENNIUM TO BIENNIUM (3)
	7/1/2009	1/9/2010	7/1/2010	1/1/2011				
AFSCME, Council 5					\$1,669,501,000	\$12,043,000	0.72%	2.10%
AFSCME, Unit 8, Correctional Guards					\$275,162,000	\$3,967,000	1.44%	2.90%
AFSCME, Unit 25, Radio Communications Oper					\$8,214,000	\$59,000	0.72%	2.04%
MN Association of Professional Employees					\$1,941,467,000	\$14,457,000	0.74%	2.16%
Middle Management Association					\$533,960,000	\$3,267,000	0.61%	1.63%
<b>MN Government Engineers Council</b>					\$174,067,000	\$1,033,000	0.59%	1.55%
Minnesota Nurses Association								
<b>MN Law Enforcement Association</b>					\$128,088,000	\$1,504,000	1.17%	2.46%
State Residential Schools Education Assoc								
State University Inter Faculty Organization					\$538,947,621	\$919,859	0.2%	0.7%
MN State University Admin & Service Faculty					\$104,868,914	-\$730,998	-0.70%	-0.39%
Minnesota State College Faculty					\$721,095,764	-\$1,526,293	-0.2%	0.22%
Personnel Plan for MnSCU administrators					\$161,890,638	-\$169,407	-0.10%	0.28%
Personnel Plan for St Bd of Invest employees (5)								
Office of Higher Education Plan					\$9,327,000	\$80,000	0.86%	2.70%
Managerial Plan					\$302,043,000	\$1,839,000	0.61%	1.64%
Commissioners Plan (4)					\$204,641,000	\$1,368,000	0.67%	1.88%
Office of Legislative Auditor								
<b>TOTAL</b>					<b>\$6,773,272,937</b>	<b>\$38,110,161</b>	<b>0.56%</b>	<b>1.56%</b>

The ">" indicates proposed contract or plan not yet acted on by the Subcommittee.

- (1) Includes all funds, including higher education agencies. Includes salaries, steps, FICA, insurance & pension.
- (2) Percent of new money needed over base.
- (3) This percentage reflects the annualized cost of the increases granted during the biennium.  
This figure depicts all of the costs of the contract, including "tails."
- (4) Groups within plan follow lead of comparable bargaining units.