

**Summary of Proposed Changes
2017-2019 Agreement between
The State of Minnesota and
The Minnesota Government Engineering Council**
December 6, 2017

Wages

First year of contract: (7/1/17 to 6/30/18) - 2.0% wage increase on all steps for all ranges effective July 1, 2017; step progression continues to be allowed.

Second year of contract: (7/1/18 to 6/30/19) - 2.25% wage increase on all steps for all ranges effective July 1, 2018; step progression continues to be allowed.

The severance payout for employees with twenty or more years of service would have 100% of severance rather than 75% of severance go into the Health Care Savings Account.

Vacation Cash Out

(NEW) Section 8. 2017-2019 Contract Period Vacation Conversion to Deferred Compensation. For the contract period of the 2017-2019 agreement (July 1, 2017 to June 30, 2019), employees who supervise and who are at the maximum of their salary range or who attain the maximum rate of their range no later than June 30 of the fiscal year may convert up to forty (40) hours of vacation leave to deferred compensation. Eligible employees must complete the appropriate forms through the employee self-service system no later than June 7 of each year. MSRS may charge an annual fee of .65% but no more than \$140 per year.

Employees electing to convert vacation leave must have used three (3) hours of vacation in the previous fiscal year for each hour of vacation converted up to forty (40) hours. Employees electing the vacation conversion shall not receive the State-paid matching contributions provided in Article 17.

Health Care Savings Plan:

Employees will divert 1% of their wages from gross pay to their Health Care Savings Plan. A health savings account is a tax-advantaged medical savings account. The account is owned by the individual and funds roll over and accumulate year to year if not spent. The funds contributed are not subject to federal income tax. Reimbursements can be requested after the employee separates from service at any age, retires, or is collecting a disability benefit from a Minnesota public pension plan. Funds deducted to pay qualified medical expenses are withdrawn tax-free. Funds taken out for non-qualified medical expenses are taxed as income, if you are under age 65 there is an additional 20% penalty for use of funds on non-qualified expenses.

Health Care Savings Plan Links:

<https://www.revisor.mn.gov/statutes/?id=352.98>
<https://www.msrs.state.mn.us/qualifying-events>
<https://www.msrs.state.mn.us/faqs-hcsp>

TENTATIVE AGREEMENTS

Additionally, several tentative agreements were reached. Regardless of the membership approving the contract or an arbitrator providing an arbitration award, the State's Negotiator stated she would honor the following tentative agreements at the point in time when the contract was passed by the Legislature.

Holidays

Add the word "classified" to allow temporary unclassified employees to get holiday pay.

Vacation Accrual for New Hires

The employer would have the discretion to credit new hires with prior private sector employment in a vacation eligible position. Current employees can request credit for prior private sector experience (last employer that provided vacation) be added to their vacation accrual rate (prior private sector experience must have occurred no more than four years (previously stated one year) years before becoming a state employee).

Vacancy, Reclassification, Filling of Positions

The employer would post vacancies for a minimum of seven (7) calendar days (a decrease from ten days).

Expense Reimbursement

Mileage reimbursement rate for motorcycles will increase from \$.15 to \$.30 per mile the first full pay period after the contract becomes effective.

Expand the metropolitan meal reimbursement amounts to locations outside the 48 contiguous states.

Insurance

Dental –Increase monthly premium from \$5.00 per month to \$13.50 per month. Add implants as a listed service with 80% coverage after deductible In-Network and 50% coverage Out-of-Network. Increase the employee and family annual maximum from \$1,500.00 to \$2,000.00. Delete language which currently limits Orthodontia coverage to dependent children ages 8-19.

Health - Elimination of \$10 co-payment for Convenience Clinics and Online Care. Also modify In-Network coverages for Prosthetics, Prosthetic Repairs and Orthodontics from 50% coverage to 80% coverage. Delete phrase which limits orthodontic care for dependents.

Leaves of Absence

The Paid Parental Leave Memorandum of Understanding would become part of the contract.

Add organ donation leave to list of statutory leaves.

Phased Retirement

An option for the employer to offer phased retirement would be added to the contract as a pilot.

- For full-time employees who are at least 55 years old, with at least ten (10) years of service.
- Must be mutually agreed to by the employee and the Appointing Authority.
- The phased retirement can be up to twelve (12) months.
- The work schedule must be at least 50% time.
- The employee would receive benefits, including insurance and retirement, as if the employee were employed full time.

Probationary Period

Change the probationary period from six months to twelve.

Seniority

Classification seniority could only be earned when working in a classification represented by the bargaining unit. This would discontinue language that allowed someone outside the bargaining unit to continue to accrue seniority for the last class served in an MGEC represented classification.

Discipline & Discharge

Increase potential discipline of 4-day reduction in vacation accrual to a 10-day limit.

Grievance Procedure

Willingness to participate in Advisory Mediation before arbitration.

Wages

Change minimum criteria for payout to Health Care Savings Plan from \$200 to \$500.

Achievement Awards could also be given in offices with less than three engineers. Also note wage diversion of 1% wages to Health Care Saving Plan (above)

Appendix

Allow for use of vacation, sick and holiday utilization for employees in trial periods for employees under Connect 700 program working with those with disabilities.

***Side agreements:**

The parties also agreed to convene a meeting to discuss the issues of reimbursement for safety shoes [Policy 1410] and other safety equipment.

The parties agreed that the Advisory Mediation process, already used with other bargaining units, is available to the parties on a voluntary basis after a grievance has

been appealed to MMB. MMB also agreed to have its LR Consultant attend a Step 1 grievance meeting at MnDOT to observe the process.