

**ESTIMATED COST OF THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE STATE OF MINNESOTA AND  
MGEC**

**July 1, 2021 – June 30, 2023**

**I. Bargaining Unit Composition**

Total Number of Employees: 1,123

**II. Biennial Summary of Costs (All Agencies and All Funds)**

<b>Employee Costs</b>	<b>Biennial Base</b>	<b>Biennial New Money</b>
Salaries	\$206,280,402	\$9,349,713
FICA and Retirement	\$28,598,130	\$1,296,218
Insurance	\$42,933,702	\$1,343,259
<b>TOTAL</b>	<b>\$277,812,234</b>	<b>\$11,989,190</b>

The Hubinger Number is **4.32%**, which represents the Biennial New Money as a percentage of the Biennial Base at the beginning of Fiscal Year 2022.

The Merriam Number is **6.56%**, which represents the growth in the Biennial Base over the term of the contract.

**III. Biennial Base and New Costs (By Agency and Funding Source)**

<b>Agency</b>	<b>Biennial Base</b>	<b>Biennial Base + New Costs</b>
<b>Commerce Dept</b>	<b>\$221,020</b>	<b>\$230,558</b>
Other	\$221,020	\$230,558
<b>Employ &amp; Econ Development Dept</b>	<b>\$250,382</b>	<b>\$261,187</b>
General	\$250,382	\$261,187
<b>Health Department</b>	<b>\$8,595,202</b>	<b>\$8,966,134</b>
Other	\$8,595,202	\$8,966,134
<b>Labor &amp; Industry Dept</b>	<b>\$3,054,056</b>	<b>\$3,185,856</b>
Other	\$3,054,056	\$3,185,856
<b>Military Affairs Dept</b>	<b>\$3,094,816</b>	<b>\$3,228,375</b>
General	\$288,252	\$300,692
Other	\$2,806,564	\$2,927,683
<b>MN St Colleges &amp; Universities</b>	<b>\$1,028,960</b>	<b>\$1,073,366</b>
Other	\$1,028,960	\$1,073,366
<b>Natural Resources Dept</b>	<b>\$9,671,126</b>	<b>\$10,088,491</b>
General	\$72,768	\$75,908
Other	\$9,598,358	\$10,012,582

**SUMMARY OF WAGE AND INSURANCE PROVISIONS IN THE AGREEMENT BETWEEN THE STATE OF MINNESOTA  
AND MGEC**

**July 1, 2021 – June 30, 2023**

<b>Pollution Control Agency</b>	<b>\$19,665,916</b>	<b>\$20,514,613</b>
Other	\$19,665,916	\$20,514,613
<b>Public Safety Dept</b>	<b>\$4,890,804</b>	<b>\$5,101,870</b>
Other	\$4,890,804	\$5,101,870
<b>Public Utilities Comm</b>	<b>\$319,008</b>	<b>\$332,775</b>
General	\$319,008	\$332,775
<b>Revenue Dept</b>	<b>\$221,180</b>	<b>\$230,725</b>
General	\$221,180	\$230,725
<b>Transportation Dept</b>	<b>\$223,993,596</b>	<b>\$233,660,203</b>
General	\$1,156,606	\$1,206,520
Other	\$222,836,990	\$232,453,683
<b>Water &amp; Soil Resources Board</b>	<b>\$2,806,168</b>	<b>\$2,927,270</b>
General	\$291,928	\$304,526
Other	\$2,514,240	\$2,622,744

**IV. Estimated Additional Salary and Non-Wage Costs (By Agency)**

<b>Agency</b>	<b>Additional Salary</b>	<b>Additional Non-Wage</b>
Commerce Dept	\$7,438	\$2,100
Employ & Econ Development Dept	\$8,427	\$2,379
Health Department	\$289,270	\$81,662
Labor & Industry Dept	\$102,784	\$29,016
Military Affairs Dept	\$104,155	\$29,404
MN St Colleges & Universities	\$34,629	\$9,776
Natural Resources Dept	\$325,480	\$91,885
Pollution Control Agency	\$661,852	\$186,845
Public Safety Dept	\$164,599	\$46,467
Public Utilities Comm	\$10,736	\$3,031
Revenue Dept	\$7,444	\$2,101
Transportation Dept	\$7,538,458	\$2,128,149
Water & Soil Resources Board	\$94,441	\$26,661

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**Wages**

Two and one-half percent (2.50%) general wage increase effective July 1, 2021. Employees whose rate of pay is at or over the new maximum rate are not eligible for this increase.

Two and one-half percent (2.50%) general wage increase effective July 1, 2022. All employees are eligible for this wage increase.

Progression step increases averaging 3.99% are available to employees in both fiscal years on the employee's anniversary date. Employees at the maximum rate of their salary range are not eligible for progression step increases. Approximately 35% of employees are eligible for progression step increases during the fiscal year. Progression step increases are delivered either on a semi-annual or annual basis depending on job classification.

**Insurance**

1. Medical plan:

- a. Effective January 1, 2022, 3D mammograms will not be subject to out of pocket costs on the same terms as are 2 D mammograms.
- b. Effective January 1, 2022, a member will no longer need a referral to visit an eye doctor for an eye injury when they had their annual exam within the past year.
- c. Effective January 1, 2022, the Emergency Room out of pocket costs will be streamlined so that members have a clear understanding of what they will pay for the service:
  - i. Cost level 1: was \$100 and subject to the deductible, it becomes a flat \$100 and not subject to the deductible
  - ii. Cost level 2: was \$100 and subject to the deductible, it becomes \$125 and not subject to the deductible.
  - iii. Cost level 3: was \$100 and subject to the deductible, it becomes \$150 and not subject to the deductible.
  - iv. Cost level 4: was subject to deductible and a 25% coinsurance to the out of pocket maximum, it becomes \$350 and not subject to the deductible.
- d. Effective January 1, 2023, a new infertility benefit designed by the Joint Labor Management committee on Insurance Benefits will be implemented.

2. Dental plan:

- a. The dental plan will be offered in open enrollment during both years of this contract rather than just one year.