

**DEPARTMENT OF PERSONNEL ADMINISTRATION
SUMMARY OF COLLECTIVE BARGAINING AGREEMENT
FOR BARGAINING UNIT 13**

**Exclusive Employee Representative:
International Union of Operating Engineers (IUOE)**

Number of Employees: Approximately 912 full-time equivalents

I. Retirement

Benefit Formula Calculation

- Bargaining Unit 13 (BU 13) Miscellaneous and Industrial First Tier retirement members, first employed by the state on or after January 15, 2011, will be subject to the Pre-SB 400 Retirement Formula of 2% at age 60 (from current 2% at 55).
- BU 13 State Safety retirement members, first employed by the State on or after January 15, 2011, will be subject to the Pre-SB 400 Retirement Formula of 2% at age 55 (from current 2.5% at 55).

Employee Pension Contribution

- Effective the pay period following legislative ratification, current BU 13 Miscellaneous and Industrial members in the First Tier retirement category shall have their contribution increased from 5% to 10% of monthly compensation over \$513.
- Effective the pay period following legislative ratification, current BU 13 State Safety retirement members shall have their contribution increased from 6% to 11% of monthly compensation over \$317.

II. Compensation

Adjusted Pay Ranges

- Effective July 1, 2013 all BU 13 represented classifications shall be adjusted by increasing the maximum step of the pay range by 5%. This only applies to employees who have been paid the maximum in their classification for 12 qualifying pay periods.

Personal Leave Program (PLP 2011)

- Effective the pay period following legislative ratification, the Personal Leave Program (PLP 2011) will apply to BU 13 employees. This program reduces pay by approximately 5%. The employer shall ensure that BU 13 employees schedule and use their PLP time before separation from employment. This program shall remain in effect for 12 months.
- The State will not implement a new furlough program for BU 13 employees during the twelve full months that the Personal Leave Program is in effect.

III. Health Benefits

Employer Contribution

- Effective the pay period following ratification, the State's monthly contribution to the health insurance portion of the BU 13 employee's allowance will be set at a dollar amount that equals the 80/80 formula¹: \$433 for employee only, \$866 for employee plus one dependent, and \$1,129 for employee plus two or more dependents. The amounts shall be increased according to this formula on January 1, 2012 and January 1, 2013

IV. Dental/Vision

Employer Contribution

- Effective the pay period following ratification, the State will pay the following contributions for BU 13 employee dental benefits: up to \$40.13 for employee only, up to \$71.30 for employee plus one dependent, and up to \$103.79 for employee plus two or more dependents.
- Effective the pay period following ratification, the State will pay \$8.64 per month for vision benefits to BU 13 employees and dependents. The vision benefit provided by the State shall have an employee copayment of \$10 for the comprehensive annual eye examination and \$25 for materials.

V. Miscellaneous

- The State and BU 13 agree to present to the Legislature, as part of the legislation implementing this Memorandum of Understanding (MOU), a provision to appropriate funds to cover the economic terms of this agreement through July 1, 2013.
- The State and IUOE agree to delete Lincoln's Birthday and Columbus Day as recognized holidays.
- Employees in Work Week Group 2 that work on January 1st, the last Monday in May, July 4th, the first Monday in September, Thanksgiving Day or Christmas shall receive one and one-half times the employee's regular rate of pay.
- BU 13 employees at the State Compensation Insurance Fund are exempted from the Personal Leave Program for the term of the agreement.
- BU 13 employees shall receive two days per fiscal year for professional/ personal development activities. The days cannot be accumulated and do not have a cash value. These activities shall be at the employees' expense and must be used within the fiscal year they are granted.

¹ Under this formula, the employer contribution for single-party coverage is 80 percent of that year's weighted average premium of the four plans with the highest employee enrollment (80 percent for dependent coverage).

- If another bargaining unit currently without a contract enters into an agreement that does not have pension reform or provides a greater value than that provided to BU 13, the Union shall be eligible for this benefit.
- BU 13 employees will have a salary survey conducted with outlined methodologies. The survey results may be used for negotiations of future MOUs.

VI. Duration

- April 1, 2011 through July 1, 2013

VII. Fiscal

- FY 10/11 Savings: \$7.5 million (GF=\$5.1 million and OF = \$2.3 million)
- Total Savings: \$6.7 million (GF = \$4.4 million and OF = \$2.2 million)

VIII. Agreement

- The complete Tentative Agreement between the State and IUOE is posted at: <http://www.dpa.ca.gov/bargaining/contracts/index.htm>