

# Alaska Department of Administration 2018

## Labor Contracts



Presentation to Senate Finance Committee

Presented by

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# Framework

- BACKGROUND: The scope and framework of negotiations are governed by the Public Employment Relations Act (PERA) AS 23.40.070-23.40.250.
  - The State begins bargaining successor agreements between October and December; start date may be accelerated if both parties agree.
  - Wages, hours and other terms and conditions of employment are mandatory subjects of bargaining.
  - The State may, but is not required to, negotiate permissive subjects of bargaining.
  - Monetary terms must be approved by the Legislature.
- STATUS QUO: If either side finds the demands too unfavorable, they can largely maintain status quo by doing nothing.

Once impasse is reached and mediation fails:

- employees have the right to strike (exception: protective service personnel do not have the right to strike but must enter binding arbitration)
- State has the right to implement last best offer

# State Personnel Overview

Bargaining Unit	Perm. Full Time	Perm. Part Time	Non Perm	Total Salary + Premium Pay	Total Benefits	Total Funding (Post-Vacancy)	UGF Funding	DGF Funding	Other Funding	Federal Funding
Non-Covered	1,702	25	153	\$ 174,272,098.97	\$ 95,035,797.12	\$ 269,307,897.97	\$ 105,628,838.73	\$ 17,921,349.49	\$ 122,507,715.49	\$ 23,249,994.27
ACOA	956			\$ 67,497,441.92	\$ 41,922,046.24	\$ 109,419,488.16	\$ 103,490,095.56	\$ 1,808,711.87		\$ 4,120,680.74
ASEA	7,772	955	112	\$ 491,981,706.60	\$ 311,315,863.75	\$ 803,297,602.28	\$ 320,666,677.24	\$ 113,952,816.28	\$ 208,952,446.64	\$ 159,725,662.13
APEA	2,276	21		\$ 203,491,164.82	\$ 113,571,001.47	\$ 317,062,180.16	\$ 125,582,341.54	\$ 55,073,647.03	\$ 75,170,471.92	\$ 61,235,719.67
AVTECTA	32			\$ 2,462,031.60	\$ 1,378,521.21	\$ 3,840,552.81	\$ 3,206,058.65		\$ 634,494.16	
CEA	201	2	3	\$ 12,171,394.89	\$ 7,840,142.10	\$ 20,011,537.77	\$ 4,621,883.34	\$ 1,817,890.62	\$ 12,637,496.79	\$ 934,267.03
LTC	1,398	309	69	\$ 94,734,106.85	\$ 61,934,597.97	\$ 156,668,704.41	\$ 53,704,153.66	\$ 19,932,952.20	\$ 76,202,795.86	\$ 6,828,802.70
PSEA	498		7	\$ 52,884,779.09	\$ 28,377,373.48	\$ 81,262,152.57	\$ 67,579,465.82	\$ 486,357.83	\$ 12,199,049.13	\$ 997,279.79
TEAME	29	1		\$ 2,126,445.26	\$ 952,353.84	\$ 3,078,799.10			\$ 3,078,799.10	
<b>Totals</b>	<b>14,864</b>	<b>1,313</b>	<b>344</b>	<b>\$ 1,101,621,170.00</b>	<b>\$ 662,327,697.18</b>	<b>\$ 1,763,948,915.25</b>	<b>\$ 784,479,514.53</b>	<b>\$ 210,993,725.32</b>	<b>\$ 511,383,269.07</b>	<b>\$ 257,092,406.32</b>
<b>AMHS Marine Vessels</b>										
IBU/MMP/MEBA	598	23	45			\$ 81,112,300.00 **				

\*\*Overall Marine Vessel Operations funding is 70% UGF, 30% DGF. Marine Vessel Operation PCN level detail not available from budget system.

\*Counts and costs based on FY2019 Management Plan budgeted PCNs

# Bargaining Unit (BU) Detail

	Bargaining Unit	Business Lead	# Emp in 2018	% of Total
Currently	Negotiating			
	ACOA - Alaska Correctional Officers Association	Brad Wilson	877	6.0%
	ASEA - Alaska State Employees Association	Jake Metcalfe	7,510	51.6%
	AVTECTA - AK Vocational Technical Center Teachers	Dale Butts	31	0.2%
	CEA - Confidential Employees Association	Brian Penner	184	1.3%
	IBU – Inlandboatmens’ Union of the Pacific	Trina Arnold	430	3.0%
	MEBA - Marine Engineers Beneficial Association	Ben Goldrich	75	0.5%
	MMP - Masters, Mates and Pilots	Shannon Adamson	86	0.6%
	Teachers’ Education Assoc. of Mt. Edgecumbe	Stephen Courtright	29	0.2%
Fall 2019	Negotiations			
	Public Safety Employees Association	Mike Robbins	448	3.1%
Fall 2020	Negotiations			
	APEA (SU) - Alaska Public Employees Association	Brian Penner	2,096	14.4%
	LTC - Public Employees, Local 71	Dennis Moen	1,555	10.7%
Non-Covered				
	Non-Covered - Exempt, Partially Exempt and Excluded		1,225	8.4%
	<b>TOTAL EMPLOYEES</b>		<b>14,546</b>	<b>100%</b>

SOURCE: Workforce Profile, BU Profiles, June 30, 2018

# Summary of Bargaining

<b>APEA – Supervisory Unit 2018-2021</b>	<b>ASEA – General Govt Unit 2019-2022</b>	<b>Confidential Employees 2019-2021</b>	<b>Labor Trades and Crafts 2018-2021</b>
<b>2,096 Employees</b>	<b>7,510 Employees</b>	<b>184 Employees</b>	<b>1,555 Employees</b>
No COLAs	3/1/1	No COLAs	No COLAs
Employee contributions to economy plan	Heath trust contributions	Employee contributions to economy plan	Heath trust contributions
40 hour workweek	Work rules regarding management rights	40 hour workweek	40 hour workweek

# Sample Historical COLAs & Anchorage CPI Comparison

Year	Anch. CPI	Non- Covered	ACOA	ASEA	APEA	AVTECTA	CEA	IBU	LTC	MEBA	MMP	PSEA	TEAME
2006	3.20%	2%	4%	2%	2%	1%	2%	6%	2%	6%	6%	3%	3%
2007	2.20%	5.50%	3%	4%	5.50%	3%	4%	0%	5%	3%	3%	3%	3%
2008	4.60%	3%	3%	3%	3%	3%	3%	Lump	2/1%	Lump	Lump	5%	3%
2009	1.20%	3%	3%	3%	3%	2.50%	3%	5%	Lump	5%	5%	3%	0%
2010	1.80%	2%	3%	1%	2%	2.50%	2%	4%	2.50%	4%	4%	3%	0%
2011	3.20%	2%	3%	2%	2%	2%	2%	2%	2.50%	0%	0%	2%	1%
2012	2.20%	2%	2%	2%	2%	2%	2%	2%	2%	0%	0%	2%	2%
2013	3.10%	1%	2%	1%	1%	1%	1%	1%	1%	0%	0%	1%	1%
2014	1.60%	1%	2%	1%	1%	1%	1%	0%	1%	0%	0%	1%	1%
2015	0.50%	2.50%	1%	2.50%	2.50%	1%	2.50%	1%	0%	1%	1%	1%	0%
2016	0.40%	0%	1%	0%	0%	1%	0%	2%	0%	2%	2%	2%	0%
2017	0.50%	0%	2.25%	0%	0%	0%	0%		0%			6%	
2018		0%		0%		0%	0%					0%	
<b>Totals</b>	<b>24.5%</b>	<b>24%</b>	<b>29.25%</b>	<b>21.50%</b>	<b>24%</b>	<b>20%</b>	<b>22.50%</b>	<b>23%</b>	<b>16%</b>	<b>21%</b>	<b>21%</b>	<b>32%</b>	<b>14%</b>

# Benefits

Benefits are an integral part of employees' total compensation package.

- Health Benefits:
  - Employee premium contribution.
  - Implemented an employee premium for partially exempt and exempt in the executive, legislative, and judicial branches; bargained employee contributions for all employee's.
- Health Trusts
  - We are contributing at a rate which seeks to neither over nor underfund.
- Pension: Defined benefit and defined contribution plans.

# State's Contribution to Health Trust / Health Insurance

Bargaining Unit	# of Employees	Health Insurance	Cost per Month per Employee		
			2018	2019	2020
Non-Covered	1,225	AlaskaCare	\$1,555		
ACOA	877	AlaskaCare	\$1,555		
APEA	2,096	AlaskaCare	\$1,555		
ASEA	7,510	GGU Health Trust	\$1,432	\$1,530*	\$1,555*
AVTECTA	31	AlaskaCare	\$1,555		
CEA	184	AlaskaCare	\$1,555		
IBU	430	AlaskaCare	\$1,555		
LTC	1,555	LTC Health Trust	\$1,503	\$1,530	\$1,555
MEBA	75	AlaskaCare	\$1,555		
MMP	86	MMP Health Trust	\$1,346		
PSEA	448	PSEA Health Trust	\$1,555	\$1,555	
TEAME	29	AlaskaCare	\$1,555		

Please note the effective date for any cost increase for AlaskaCare is January 1 and for the Health Trusts is July 1. For AlaskaCare cost increases are based on an actuary report published in July each year.

\*These are predicted costs based on current negotiations



# APPENDIX

# Bargaining Unit Summary

## Alaska Correctional Officers Association

### ACOA Bargaining Unit



Total Bargaining Unit Members	877
Average age of all members:	41
Average years of service:	8.52
Average monthly pay for permanent full-time member:	\$5,743.67
Average yearly pay for permanent full-time member:	\$68,924.04
Total overtime for all members:	\$6,981,712.87
Total FY18 gross pay for all members:	\$68,282,408.15

*\* Includes premium pays, excludes benefits*

# Bargaining Unit Summary

## Alaska Public Employees Association

Represents the Supervisory Bargaining Unit (SU)



Total Bargaining Unit Members	2,101
Average age of all members:	48
Average years of service:	13.70
Average monthly pay for permanent full-time member:	\$7,336.76
Average yearly pay for permanent full-time member:	\$88,041.12
Total overtime for all members:	\$1,221,882.78
Total FY18 gross pay for all members:	\$186,962,060.84

*\* Includes premium pays, excludes benefits*

# Bargaining Unit Summary

## Alaska State Employees Association

Represents the General Government Unit (GGU)



Total Bargaining Unit Members	8,051
Average age of all members:	43
Average years of service:	8.10
Average monthly pay for permanent full-time member:	\$5,081.36
Average yearly pay for permanent full-time member:	\$60,976.32
Total overtime for all members:	\$20,862,611.30
Total FY18 gross pay for all members:	\$433,257,257.84

*\* Includes premium pays, excludes benefits*

# Bargaining Unit Summary

## Alaska Vocational Technical Teachers Association

AVTECA Bargaining Unit



Total Bargaining Unit Members	31
Average age of all members:	53
Average years of service:	8.95
Average monthly pay for permanent full-time member:	\$6,691.43
Average yearly pay for permanent full-time member:	\$80,297.16
Total FY18 gross pay for all members:	\$2,458,201.88

*\* Includes premium pays, excludes benefits*

# Bargaining Unit Summary

## Confidential Employees Association

Represents the Confidential Unit (KK)



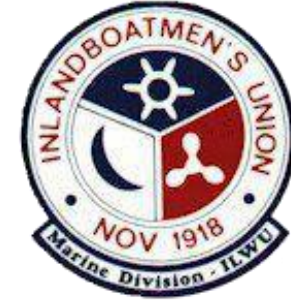
Total Bargaining Unit Members	198
Average age of all members:	43
Average years of service:	9.58
Average monthly pay for permanent full-time member:	\$5,342.96
Average yearly pay for permanent full-time member:	\$64,115.52
Total overtime for all members:	\$65,049.74
Total FY18 gross pay for all members:	\$11,657,912.31

*\* Includes premium pays, excludes benefits*

# Bargaining Unit Summary

## Inlandboatmen's Union of the Pacific

IBU Bargaining Unit



Total Bargaining Unit Members	430
Average age of all members:	48
Average years of service:	8.44
Average monthly pay for permanent full-time member:	\$4,717.16
Average yearly pay for permanent full-time member:	\$56,605.92
Total overtime for all members:	\$4,110,224.78
Total FY18 gross pay for all members:	\$28,260,252.60

*\* Includes premium pays, excludes benefits*

# Bargaining Unit Summary

## Labor Trades and Crafts

LTC Bargaining Unit



Total Bargaining Unit Members	1654
Average age of all members:	46
Average years of service:	8.88
Average monthly pay for permanent full-time member:	\$4,711.50
Average yearly pay for permanent full-time member:	\$56,538.00
Total overtime for all members:	\$10,857,000.08
Total FY18 gross pay for all members:	\$93,048,693.95

*\* Includes premium pays, excludes benefits*



# Bargaining Unit Summary

## Marine Engineers' Beneficial Association

MEBA Bargaining Unit



Total Bargaining Unit Members	86
Average age of all members:	48
Average years of service:	--
Average monthly pay for permanent full-time member:	\$7,092.65
Average yearly pay for permanent full-time member:	\$85,111.80
Total overtime for all members:	\$498,954.57
Total FY18 gross pay for all members:	\$9,364,620.23

*\* Includes premium pays, excludes benefits*

# Bargaining Unit Summary

## Masters, Mates & Pilots

MMP Bargaining Unit



Total Bargaining Unit Members	86
Average age of all members:	44
Average years of service:	12.81
Average monthly pay for permanent full-time member:	\$7,283.34
Average yearly pay for permanent full-time member:	\$87,400.08
Total overtime for all members:	\$1,053,104.76
Total FY18 gross pay for all members:	\$10,401,300.66

*\* Includes premium pays, excludes benefits*

# Bargaining Unit Summary

## Public Safety Employees Association

### PSEA Bargaining Unit



Total Bargaining Unit Members	384 (AA)	73 (AP)
Average age of all members:	41 (AA)	37 (AP)
Average years of service:	11.49 (AA)	8.68 (AP)
Average monthly pay for permanent full-time member:	\$8,199.47 (AA)	\$6,814.25 (AP)
Average yearly pay for permanent full-time member:	\$98,393.64 (AA)	\$81,771.00 (AP)
Total overtime for all members:	\$3,774,603.87 (AA)	\$863,317.60 (AP)
Total FY18 gross pay for all members:	\$43,883,313.24 (AA)	\$7,181,730.66 (AP)
<i>* Includes premium pays, excludes benefits</i>		<b>AA – DPS; AP – DOTPF</b>

# Bargaining Unit Summary

## Teachers Association of Mt. Edgecumbe

### TEAME Bargaining Unit



Total Bargaining Unit Members	29
Average age of all members:	43
Average years of service:	9.66
Average monthly pay for permanent full-time member:	\$5,653.41
Average yearly pay for permanent full-time member:	\$67,840.92
Total FY18 gross pay for all members:	\$2,090,555.42

*\* Includes premium pays, excludes benefits*

# Striking

AS § 23.40.200 specifies the three strike classes of public employees.

## Strike Class 1

- This class is composed of police and fire protection employees, jail, prison and other correctional institution employees, and hospital employees.
- These employees may not strike.

## Strike Class 2

- This class is composed of public utility, snow removal, sanitation and educational institution employees other than employees of a school district, a regional educational attendance area, or a state boarding school and AMHS vessel employees through the Alaska Labor Relations Agency decision.
- These employees may strike after mediation, subject to a vote (requiring a majority voting by secret ballot). The strike may only last for a limited time which is determined by the interests of the health, safety or welfare of the public.

## Strike Class 3

- This class is composed of all other public employees who are not included in Strike Classes 1 or 2.
- These employees may strike if a majority of the employees in the collective bargaining unit vote by a secret ballot to do so.

# Rejection of Monetary Terms: CBA Terms

If the monetary terms of an agreement are rejected the following contractual provisions apply:

ASEA: Re-enter negotiations for 10 days; if no agreement, Class 2 and Class 3 employees may take a strike vote

APEA: Not required to enter negotiations; impasse exists and members may call for a strike vote

CEA: Must re-enter negotiations upon demand by either party; negotiations last for 10 days but may be extended by mutual agreement; if no agreement, impasse exists and members may call for a strike vote

IBU: Must re-enter negotiations within five days

MEBA: Must re-enter negotiations immediately

MMP: Must re-enter negotiations immediately

PSEA: Upon written request, immediately negotiate a mutually satisfactory supplemental agreement

ACOA: Must re-enter negotiations immediately

LTC: Impasse exists and parties agree to pursue reasonable efforts to obtain a mutually satisfactory resolution

AVTECTA: Must re-enter negotiations

TEAME: Must re-enter negotiations immediately

*\*Note: No definition of "immediately" is provided for in the collective bargaining agreements.*