

The following depicts the methodology used to determine the yearly economic impact of the proposed UPS pilot furlough on the State of Alaska.

- 230 pilots furloughed or targeted for furlough. Release dates spanning May 23<sup>rd</sup>, 2010 through April 2011. Furlough projected to last through 2015.
- Of those 230, 70 live or lived in the Anchorage area: \$134,403 base pay. 134,403 times 70 equals a direct yearly payroll loss: \$9,408,262\*
- Of the 24 Anchorage residents currently furloughed, 9 have relocated out of Alaska.
- Of the 230, 195 of these pilots are entitled to unemployment benefits paid by the State of Alaska (Kentucky obligated to remaining 35). Minimum benefit for the 195 Anchorage based pilots, \$370.00 per week [this number can be greater based on number of dependents].
- Total yearly Alaska unemployment obligation: \$3,751,800 (\$370.00 times 52 weeks times 195 furloughed equals \$3,751,800).
- Total yearly Alaska economic impact: \$13,160,062 (\$9,408,262 payroll plus 3,751,800 unemployment).

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\*Crewmembers furloughed or scheduled for furlough were hired in 2006 and2007. These crewmember are paid in accordance with the 2006 UPS IPA Collective Bargaining Agreement

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