

ALASKA DEPARTMENT OF ADMINISTRATION FY16 GOVERNOR'S AMENDED BUDGET, FY15 INCREMENT/DECREMENTS AND LABOR CONTRACTS

Presentation to

House Finance

Budget Subcommittee

February 10, 2015

Commissioner Sheldon Fisher

Director Cheri Lowenstein, DAS

Director Kate Sheehan, DOPLR



DOA: FY16 GOVERNOR'S AMENDED BUDGET

	UGF FY15 Management Plan	UGF Reduction	% Reduced
General Fund			
Enterprise Technology Services/SATS/ALMR	10,769.0	-3,238.7	-30.1%
General Services	3,439.8	-922.3	-26.8%
Alaska Public Broadcasting & Airres Grants	5,147.3	-835.2	-16.2%
Alaska Public Offices Commission	1,395.2	-193.5	-13.9%
DAS, CO, DOA-IT, Fac Rent, DOA Leases, Central HR	4,339.9	-596.0	-13.7%
Administrative Hearings	420.4	-49.9	-11.9%
Personnel, Labor Relations/Labor Agreements	4,286.4	-459.5	-10.7%
Finance / ETravel	6,236.5	-635.2	-10.2%
Retirement & Benefits / Special Systems*	2,377.0	-201.6	-8.5%
Public Defender	25,963.3	-438.5	-1.7%
Office of Public Advocacy	23,803.5	-35.9	-0.2%
<i>*includes an increase of \$100.0 for PCORI and Actuarial</i>			
Funded from Receipts			
Alaska Oil & Gas Conservation Commission	0.0	0.0	0.0%
Motor Vehicles	0.0	0.0	0.0%
Risk Management	0.0	0.0	0.0%
Violent Crimes Compensation Board	0.0	0.0	0.0%

FY15 INCREMENTS, DECREMENTS AND SUPPLEMENTAL (\$ THOUSANDS)

Division	FY 15	
	Increments and Decrements	Supplemental
Alaska Public Offices Commission	\$75.2 DGF	
Personnel, Labor Relations		
ACOA Settlement		\$3,000.0 UGF
HB 278 Study	\$610.6 UGF	
Finance		
Outsource Single Audit for DHSS Major Fed Programs		\$1,317.9 UGF
Affordable Care Act Reporting Compliance		\$110.0 UGF
Retirement & Benefits		
Reinsurance Fee Mandate	\$3,200.0 DRB FUNDS	
Third Party Administrator	\$5,500.0 DRB FUNDS	
Public Defender	\$650.0 UGF	\$150.0 UGF
Office of Public Advocacy	\$193.0 UGF	\$150.0 UGF
Motor Vehicles		
Maintenance Contracts for VIN Decoder and Knowledge Systems	\$78.0 DGF	
License Plates	\$3.2 DGF	
Registration Commercial	\$11.4 DGF	
Alaska Oil & Gas Conservation Commission	\$750.0 DGF	

LABOR CONTRACTS

Salary Adjustments – In Addition to COLA

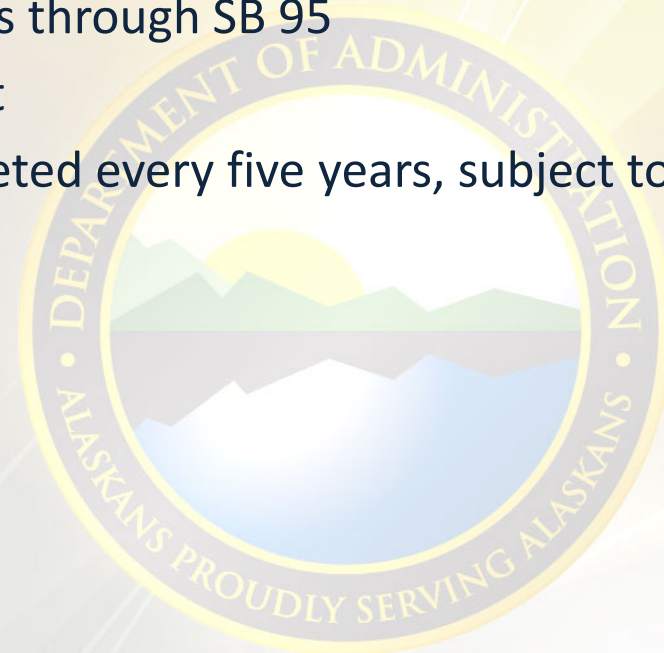
- During years 2 – 7, employees enjoy a ~3% - 4% pay increase annually.
- In 2009, the state moved off of service steps/longevity and instead went to pay increments (3.75% every two years)
 - Negotiated into ASEA, APEA, CEA, PSEA, ACOA and LTC in 2009
- Recently negotiated, in some Collective Bargaining Agreements (CBA), the “merit increase” amount down to 3.25%
 - ASEA, APEA, and CEA
- SB 95 reduced percentage to 3.25% for non-covered employees

(see Appendix A of Bargaining Unit Acronyms at the end of this presentation)

LABOR CONTRACTS

Geographic Differential (GeoDiff)

- Most recent implementation of GeoDiff in current contracts comes from a 2008 McDowell Group Study
- Helps communities with higher costs to recruit and retain
- Negotiated update differentials with GGU, SU, CEA, PSEA, ACOA, TEAME beginning with the 2009 CBAs
- Put into statute for non-covered employees through SB 95
- Have not yet bargained into LTC agreement
- AS 39.27.030 requires a study to be completed every five years, subject to legislative appropriation

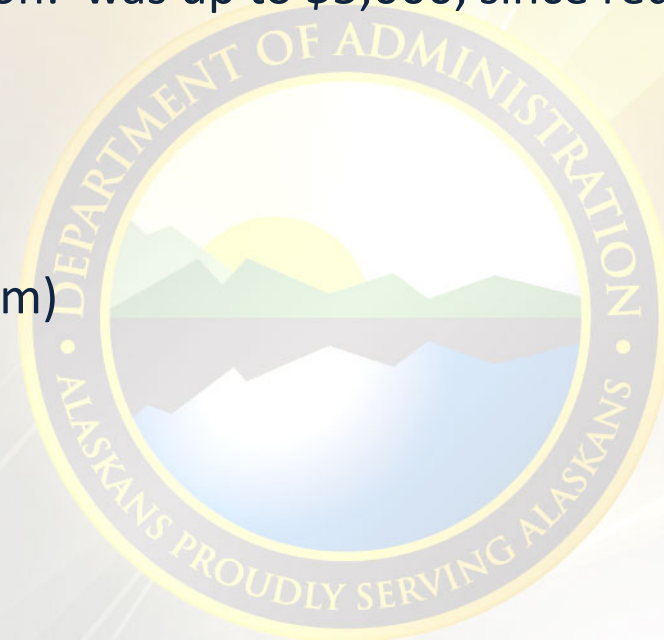


(see Appendix A of Bargaining Unit Acronyms at the end of this presentation)

LABOR CONTRACTS

Special Public Safety and Corrections Payments

- Rural Duty Extension Pay
 - Bids are for a minimum of two years- if a trooper extends his/her bid, would receive a lump sum payment
 - Rural locations only
 - Amount of payment depends on location: was up to \$5,000, since reduced to \$3,000
 - Bargained in 2008-2011 CBA
- Special Premium Pays
 - SERT (Special Emergency Response Team)
 - Diver
 - Pilot
 - Instructor

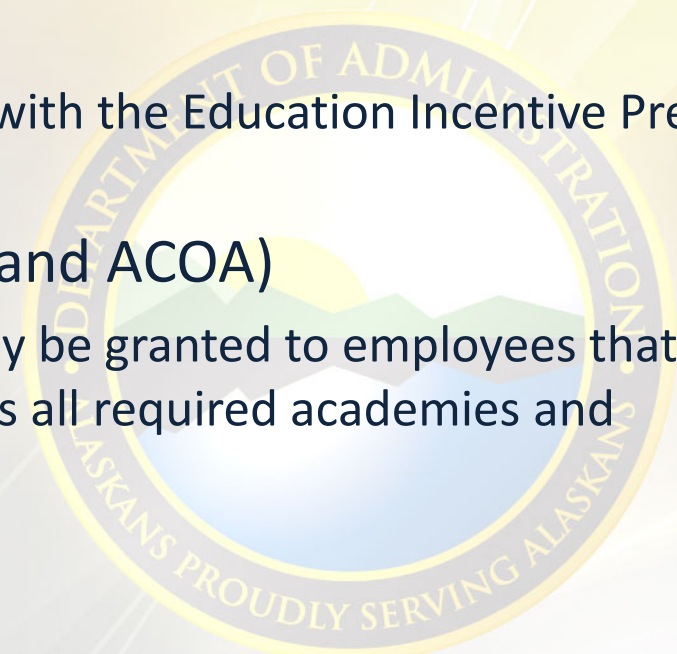


(see Appendix A of Bargaining Unit Acronyms at the end of this presentation)

LABOR CONTRACTS

Special Public Safety and Corrections Payments

- Education Incentive Premium Pay (PSEA and ACOA)
 - One earned step with Bachelor's Degree
- Alaska Police Standards Council Certificates (PSEA)
 - 3% for Intermediate Certificate
 - 3.75% for Advanced Certificate
 - No compounding between the two or with the Education Incentive Premium Pay
- Recruitment Incentive Leave (PSEA and ACOA)
 - Up to forty hours of Personal Leave may be granted to employees that recruit a candidate that successfully completes all required academies and probationary period

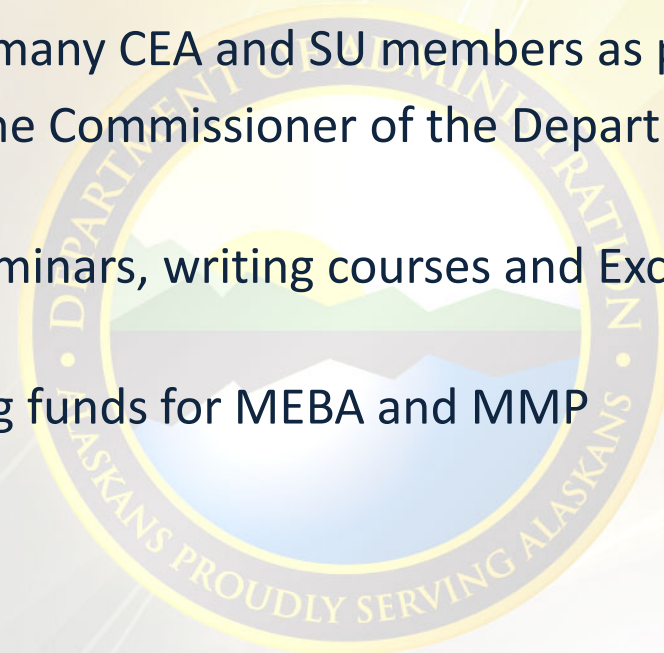


(see Appendix A of Bargaining Unit Acronyms at the end of this presentation)

LABOR CONTRACTS

Training Funds

- Developed a Training Committee in the 2010-2013 CEA CBA which requires \$20,000 funding by State for each year of the agreement.
- SU CBA also requires a Training Committee which requires \$50,000 funding by State for each year of the agreement
- Both committees are comprised of labor and State representatives
- Idea is to provide applicable training to as many CEA and SU members as possible
- Final training plans must be approved by the Commissioner of the Department of Administration.
- Prior trainings have included leadership seminars, writing courses and Excel training
- Per Employee / Day contribution to training funds for MEBA and MMP
 - Increases in each year of agreements

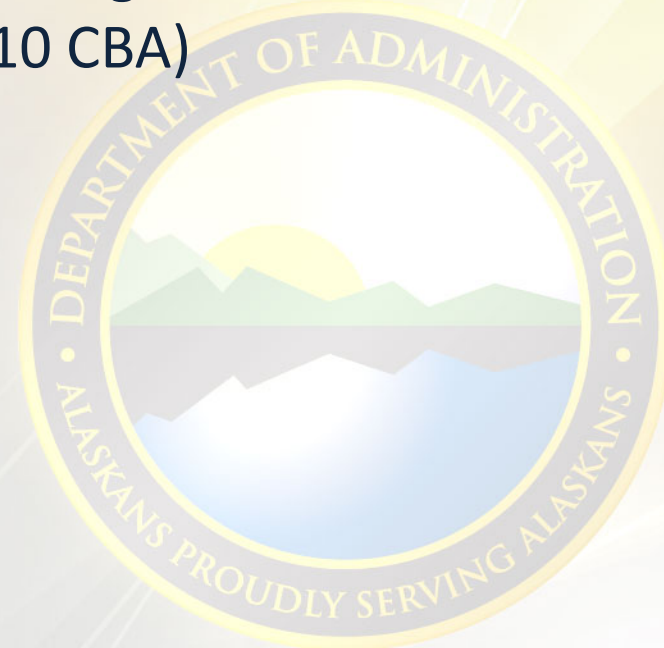


(see Appendix A of Bargaining Unit Acronyms at the end of this presentation)

LABOR CONTRACTS

Various Provisions

- ASEA
 - Flextime plan for overtime ineligible employees (2007-2010 CBA)
 - \$1/hour pay increase for each hour worked on a Saturday or Sunday for class 1 employees working in institutions with continuous operations (2007-2010 CBA)



(see Appendix A of Bargaining Unit Acronyms at the end of this presentation)

LABOR CONTRACTS

Various Provisions

- Marine Units
 - Fast Ferry supplemental agreements bargained in 2005
 - MEBA
 - Not part of PERS and in separate MEBA Pension
 - State bargains pension benefits with only this union
 - IBU
 - Conversion to Personal Leave (2008-2011 CBA)
 - Gave up split wages (2008-2011 CBA)
 - MM&P
 - Moved to a 2 by 2 schedule (2011-2014 CBA)
 - Pilotage Endorsements (2011-2014 CBA)



(see Appendix A of Bargaining Unit Acronyms at the end of this presentation)

Thank you!

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for more information about our department.

Questions?



APPENDIX A: BARGAINING UNIT ACRONYMS

Bargaining Units

ACOA - Alaska Correctional Officers Association

APEA - Alaska Public Employees Association

ASEA - Alaska State Employees Association

AVTECTA - Alaska Vocational Technical Teachers Association

CEA - Confidential Employees Association

EX / EE - Exempt Employees

IBU - Inlandboatmen's Union of the Pacific

LTC - Labor, Trades and Crafts, Public Employees, Local 71

MEBA - Marine Engineers' Beneficial Association

MMP - Masters, Mates and Pilots

PSEA - Public Safety Employees Association

PX - Partially Exempt Employees

TEAME - Teachers' Education Association of Mt. Edgecumbe

Other Useful Acronyms

ALRA - Alaska Labor Relations Association

CBA - Collective Bargaining Agreement

COLA - Cost of Living Adjustment

TA - Tentative Agreement



APPENDIX B: "HIGH 3" EARNERS BY CONTRACT

Job Class Title	Bargaining Unit	Location	Rate Override	Pay Rate	CY 2014 Total
TEACHER - AVTEC	AK Vocational Technical Center Teachers	SEWARD	Y	\$4,437.78	\$106,512.70
TEACHER - AVTEC	AK Vocational Technical Center Teachers	SEWARD	Y	\$4,325.46	\$112,973.15
AVTEC INSTRUCTOR	AK Vocational Technical Center Teachers	SEWARD	Y	\$4,267.27	\$101,866.27
LABOR RELATIONS ANALYST III	Confidential Employees	JUNEAU	N	\$4,926.00	\$117,600.00
HUMAN RESOURCE CONSULTANT VI	Confidential Employees	JUNEAU	N	\$4,867.00	\$116,184.00
HUMAN RESOURCE CONSULTANT V	Confidential Employees	JUNEAU	N	\$4,748.00	\$113,177.50
CORRECTIONAL OFFICER III	Correctional Officers	BETHEL	N	\$58.51	\$146,075.86
CORRECTIONAL OFFICER III	Correctional Officers	BETHEL	N	\$56.40	\$142,239.47
CORRECTIONAL OFFICER III (Acting Status)	Correctional Officers	NOME	N	\$55.45	\$118,900.38
HEARING EXAMINER I	Excluded Employees	ANCHORAGE	N	\$5,599.50	\$131,053.50
HUMAN RESOURCE CONSULTANT I	Excluded Employees	ANCHORAGE	N	\$3,156.00	\$73,872.00
OFFICE ASSISTANT III	Excluded Employees	ANCHORAGE	N	\$1,678.00	\$39,728.50
CHIEF INVESTMENT OFFICER	Exempt / Partially Exempt Employees	JUNEAU	Y	\$16,311.09	\$381,566.47
EXECUTIVE DIRECTOR, PFC	Exempt / Partially Exempt Employees	JUNEAU	Y	\$14,781.61	\$343,658.13
STATE INVESTMENT OFFICER	Exempt / Partially Exempt Employees	JUNEAU	Y	\$12,711.43	\$294,970.33
PUBLIC HEALTH NURSE III	General Government Employees	BETHEL	N	\$6,745.00	\$161,009.00
PUBLIC HEALTH NURSE III	General Government Employees	BETHEL	N	\$6,745.00	\$160,767.50
REVENUE APPEALS OFFICER II	General Government Employees	ANCHORAGE	N	\$6,004.00	\$143,322.50
FVF PASSENGER SVC WKR-IN-CHG	Inland Boatmen	JUNEAU	Y	\$32.21	\$93,745.43
FVF PASSENGER SVC WKR-IN-CHG	Inland Boatmen	CORDOVA	Y	\$32.21	\$74,494.50
CHF PURSER	Inland Boatmen	JUNEAU	Y	\$30.67	\$107,090.22
RURAL AIRPORT FOREMAN	Labor, Trades, and Crafts Employees	VALDEZ	N	\$44.42	\$100,832.93
RURAL AIRPORT FOREMAN	Labor, Trades, and Crafts Employees	NOME	N	\$44.32	\$114,262.10
RURAL AIRPORT FOREMAN	Labor, Trades, and Crafts Employees	DILLINGHAM	N	\$44.32	\$94,223.20
FVF CHIEF ENGINEER	Marine Engineers	CORDOVA	Y	\$39.70	\$154,246.93
FVF CHIEF ENGINEER	Marine Engineers	JUNEAU	Y	\$39.70	\$151,785.77
FVF CHIEF ENGINEER	Marine Engineers	CORDOVA	Y	\$39.70	\$150,280.61
FVF MASTER	Masters, Mates, & Pilots	CORDOVA	Y	\$50.16	\$177,685.70
FVF MASTER	Masters, Mates, & Pilots	CORDOVA	Y	\$50.16	\$155,863.76
FVF MASTER	Masters, Mates, & Pilots	CORDOVA	Y	\$50.16	\$151,098.56
TEACHER, MT. EDGE CUMBE HS	Mt. Edgecumbe Teachers	MOUNT EDGE CUMBE	Y	\$3,552.82	\$81,668.79
TEACHER, MT. EDGE CUMBE HS	Mt. Edgecumbe Teachers	MOUNT EDGE CUMBE	Y	\$3,415.24	\$81,529.35
TEACHER, MT. EDGE CUMBE HS	Mt. Edgecumbe Teachers	MOUNT EDGE CUMBE	Y	\$3,183.06	\$75,987.06
SERGEANT PS	Public Safety Officers	KOTZEBUE	Y	\$7,181.58	\$162,858.29
STATE TROOPER	Public Safety Officers	SELAWIK	Y	\$7,005.18	\$170,544.19
STATE TROOPER	Public Safety Officers	SELAWIK	Y	\$6,752.38	\$194,436.07
LIEUTENANT, DEPT PUBLIC SAFETY	Supervisory Employees	BETHEL	N	\$7,005.00	\$193,126.69
DIVISION DIRECTOR (Acting Status)	Supervisory Employees	BETHEL	Y	\$6,826.50	\$163,930.00
TECH ENG / ARCHITECT II	Supervisory Employees	JUNEAU	N	\$6,524.00	\$155,744.00

NOTE: CY 2014 Total does not include benefits (only gross pay)