

Alaska Department of Administration 2017

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

(Both options are harmful to labor-management relationship as well as the public)
- INCREMENTAL CHANGE: As a result, you tend to see pattern bargaining and incremental changes

Bargaining Unit (BU) Detail

	Bargaining Unit	Business Lead	# Emp in 2016	% of Total
Currently Negotiating				
	IBU – Inlandboatmens’ Union of the Pacific	Joshua Stephenson	503	3.3%
	MEBA - Marine Engineers Beneficial Association	Ben Goldrich	81	0.5%
	MMP - Masters, Mates and Pilots	Shannon Adamson	90	0.6%
	PSEA - Public Safety Employees Association	Jake Metcalfe	465	3.1%
	TEAME – Teachers’ Education Assoc. of Mt. Edgecumbe	Stephen Courtright	27	0.2%
	AVTECTA - AK Vocational Technical Center Teachers	Dale Butts	32	0.2%
Fall 2017 Negotiations				
	LTC - Public Employees, Local 71	Dennis Moen	1,596	10.6%
	APEA (SU) - Alaska Public Employees Association	Pete Ford	2,192	14.5%
	ACOA - Alaska Correctional Officers Association	Brad Wilson	953	6.3%
Fall 2018 Negotiations				
	ASEA - Alaska State Employees Association	Jim Duncan	7,755	51.3%
	CEA - Confidential Employees Association	Pete Ford	177	1.2%
Non-Covered				
	Non-Covered - Exempt, Partially Exempt and Excluded		1,256	8.3%
	TOTAL EMPLOYEES		15,127	100%

+ Marine Highways
+ Public Safety
+ Educators
Total = 7.9%

SOURCE: Workforce Profile, BU Profiles, June 30, 2016

Long Term Objectives

Alaska State government will be a model of efficiency and effectiveness, characterized by:

High performing workforce rewarded for best results

Compensation and benefit programs which are balanced and rational

Work rules which are efficient and streamlined

Summary of Bargaining

APEA – Supervisory Unit 2016-2018	ASEA – General Govt Unit 2016-2019	Confidential Employees 2016-2019	Labor Trades and Crafts 2015-2018
2,194 Employees	7,755 Employees	177 Employees	1,596 Employees
No COLAs	No COLAs	No COLAs	No COLAs
Furlough	Furlough	Furlough	Furlough
Employee contributions to economy plan	Heath trust contributions	Employee contributions to economy plan	Heath trust contributions
Language improvements for finance and payroll processing	Language improvements for finance and payroll processing	Language improvements for finance and payroll processing	Language improvements for finance and payroll processing
	Greater flexibility in travel, per diem, and moving rules		Leave cap

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%	2.25%	0%	0%		0%		0%				
2018		0%		0%			0%						
Totals	24%	24%	29.25%	21.50%	24%	20%	22.50%	23%	16%	21%	21%	26%	14%

Merit Steps and Pay Increments

The Governor has directed our teams to seek a freeze in merit steps and pay increments in conjunction with SB31 and HB71.

Troopers receive merit steps and pay increments.

The Marine Unions do not receive merit steps and pay increments. Historically the sole mechanism for pay increases has been COLAs.

Mt. Edgecumbe and the Alaska Vocational School teachers are placed on the salary scheduled based on years of service and education level; they are capped at 10 years and 18 years respectively.

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; currently bargained and implemented for Confidential Employee Association and Supervisory Unit in January 2017. This premium will increase in 2018.
 - Implemented cost savings measures and plan improvements.
- Health Trusts
 - We are contributing at a rate which seeks to neither over nor underfund.
- Pension: Defined benefit and defined contribution plans.

APPENDIX

Bargaining Unit Summary

Alaska Correctional Officers Association

ACOA Bargaining Unit



Total Bargaining Unit Members	949
Average age of all members:	41
Average years of service:	7.88
Average monthly pay for permanent full-time member:	\$5,410.40
Average yearly pay for permanent full-time member:	\$64,924.80
Total overtime for all members:	\$3,830,804.26
Total FY16 gross pay for all members:	\$64,895,624.03

** Includes premium pays, excludes benefits*

Bargaining Unit Summary

Alaska Public Employees Association

Represents the Supervisory Bargaining Unit (SU)



Total Bargaining Unit Members	2,196
Average age of all members:	48
Average years of service:	13.46
Average monthly pay for permanent full-time member:	\$7,304.09
Average yearly pay for permanent full-time member:	\$87,649.08
Total overtime for all members:	\$951,541.24
Total FY16 gross pay for all members:	\$188,358,927.36

** Includes premium pays, excludes benefits*

Bargaining Unit Summary

Alaska State Employees Association

Represents the General Government Unit (GGU)



Total Bargaining Unit Members	8,336
Average age of all members:	44
Average years of service:	8.10
Average monthly pay for permanent full-time member:	\$5,072.23
Average yearly pay for permanent full-time member:	\$60,866.76
Total overtime for all members:	\$18,954,489.98
Total FY16 gross pay for all members:	\$438,363,709.73

** Includes premium pays, excludes benefits*

Bargaining Unit Summary

Alaska Vocational Technical Teachers Association

AVTECA Bargaining Unit



Total Bargaining Unit Members	33
Average age of all members:	52
Average years of service:	8.71
Average monthly pay for permanent full-time member:	\$6,714.35
Average yearly pay for permanent full-time member:	\$80,572.20
Total FY16 gross pay for all members:	\$2,544,483.02

** Includes premium pays, excludes benefits*

Bargaining Unit Summary

Confidential Employees Association

Represents the Confidential Unit (KK)



Total Bargaining Unit Members	192
Average age of all members:	43
Average years of service:	9.03
Average monthly pay for permanent full-time member:	\$5,204.73
Average yearly pay for permanent full-time member:	\$62,456.76
Total overtime for all members:	\$64,401.94
Total FY16 gross pay for all members:	\$10,397,825.76

** Includes premium pays, excludes benefits*

Bargaining Unit Summary

Inlandboatmen's Union of the Pacific

IBU Bargaining Unit



Total Bargaining Unit Members	506
Average age of all members:	49
Average years of service:	8.02
Average monthly pay for permanent full-time member:	\$4,606.59
Average yearly pay for permanent full-time member:	\$55,279.08
Total overtime for all members:	\$4,359,029.67
Total FY16 gross pay for all members:	\$29,891,610.67

** Includes premium pays, excludes benefits*

Bargaining Unit Summary

Labor Trades and Crafts

LTC Bargaining Unit



Total Bargaining Unit Members	1701
Average age of all members:	47
Average years of service:	8.94
Average monthly pay for permanent full-time member:	\$4,688.22
Average yearly pay for permanent full-time member:	\$56,258.64
Total overtime for all members:	\$8,730,751.05
Total FY16 gross pay for all members:	\$90,072,067.06

** Includes premium pays, excludes benefits*

Bargaining Unit Summary

Marine Engineers' Beneficial Association

MEBA Bargaining Unit



Total Bargaining Unit Members

88

Average age of all members:

50

Average years of service:

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Average monthly pay for permanent full-time member:

\$6,279.33

Average yearly pay for permanent full-time member:

\$75,351.96

Total overtime for all members:

\$788,021.25

Total FY16 gross pay for all members:

\$8,939,151.16

** Includes premium pays, excludes benefits*

Bargaining Unit Summary

Masters, Mates & Pilots

MMP Bargaining Unit



Total Bargaining Unit Members	90
Average age of all members:	44
Average years of service:	11.8
Average monthly pay for permanent full-time member:	\$7,235.35
Average yearly pay for permanent full-time member:	\$86,824.20
Total overtime for all members:	\$1,234,586.29
Total FY16 gross pay for all members:	\$10,651,316.33

** Includes premium pays, excludes benefits*

Bargaining Unit Summary

Public Safety Employees Association

PSEA Bargaining Unit



Total Bargaining Unit Members	396 (AA), 75 (AP)
Average age of all members:	41 (AA), 37 (AP)
Average years of service:	11.16 (AA), 8.40 (AP)
Avg. monthly pay for permanent full-time member:	\$7,556.28 (AA) \$6,173.99 (AP)
Avg. yearly pay for permanent full-time member:	\$90,675.36 (AA) \$74,087.88 (AP)
Total overtime for all members:	\$2,865,741.65 (AA) \$677,765.15 (AP)
Total FY16 gross pay for all members:	\$40,642,749.72 (AA) \$6,201,612.88 (AP)

** Includes premium pays, excludes benefits*

AA – DPS;
AP – DOTPF

Bargaining Unit Summary

Teachers Association of Mt. Edgecumbe

TEAME Bargaining Unit



Total Bargaining Unit Members	27
Average age of all members:	44
Average years of service:	9.38
Average monthly pay for permanent full-time member:	\$5,600.91
Average yearly pay for permanent full-time member:	\$67,210.92
Total FY16 gross pay for all members:	\$1,968,405.97

** 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.*