

Collective

Bargaining

Agreements

**HFIN**

**FILE**

# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

## DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200  
JUNEAU, ALASKA 99811-0200  
PHONE: (907) 465-2200  
FAX: (907) 465-2135

FIN

January 24, 1995

The Honorable Gail Phillips  
Speaker of the House  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

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1.9.95 oc  
Office of the Chief Clerk

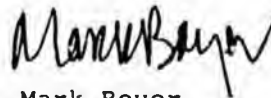
Dear Madam Speaker:

Pursuant to Alaska Statute 23.40.215, I am submitting the monetary terms of the collective bargaining agreement between the State of Alaska and the Labor, Trades and Crafts unit represented by Public Employees Local #71.

The enclosed memorandum from me to Ms. Annalee McConnell identifies the specific monetary terms applicable to this unit. Spreadsheets are enclosed projecting the estimated cost of the monetary terms. Funding for these terms will be formally requested by the Office of Management and Budget. The monetary terms of a collective bargaining agreement are subject to funding by appropriation by the Legislature; if funding is not appropriated, the terms are considered disapproved and the parties to that agreement may resume negotiations or explore other options.

In accordance with AS 23.40.215(b), we respectfully request that the Legislature advise the parties by concurrent resolution of its approval or disapproval of this submission within 60 legislative days of receipt.

Sincerely,



Mark Boyer  
Commissioner

MB/nl

Enclosure

cc: Annalee McConnell  
Director  
Office of Management and Budget

Pat Pourchot  
Legislative Liaison  
Office of the Governor

Division of Personnel  
Labor Relations Section

# MEMORANDUM

# STATE OF ALASKA

Department of Administration  
Office of the Commissioner

To: Annalee McConnell  
Director  
Office of Management and Budget  
Office of the Governor

Date: January 18, 1995  
Tele: 465-2200

From: Mark Boyer *M. Boyer*  
Commissioner  
Department of Administration

Re: Monetary Terms of Labor,  
Trades and Crafts Agreement

The State of Alaska has concluded negotiations with the Public Employees Local 71 representing employees in the Labor, Trades and Crafts Bargaining Unit. The following monetary terms are provided so that the appropriate budget amendment requests may be made to the legislature. I will be providing the legislature with the monetary terms as required by AS 23.40.215(b).

## Monetary Terms

Monetary terms of an agreement are defined in AS 23.40.250(4) as changes that will require an appropriation for their implementation, changes that will result in a change in state revenues, or changes that will result in a change in productive work hours for state employees. These provisions apply to 1,294 positions.

- I. Require Appropriation.
  - A. Effective July 1, 1995, the standard workweek will increase from 37.5 hours to 40 hours per week. This will result in an additional two and one-half hours of compensable work time each week for each full-time employee.
  - B. Effective July 1, 1995, the State will make a lump sum payment of two hundred twenty thousand dollars (\$220,000) to the Public Employees Local 71 Health and Welfare Trust.
  - C. Effective July 1, 1995, the tool allowance for qualified employees will increase by ten dollars (\$10) per month.
  - D. Effective July 1, 1995, the reimbursement rate for employees using privately owned aircraft for state business will increase to 45 cents per mile.

E. Effective July 1, 1996, the State will make a lump sum payment of two hundred twenty thousand dollars (\$220,000) to the Public Employees Local 71 Health and Welfare Trust.

II. State Revenue.

There are no provisions in the tentative agreement that would change state revenues.

III. Productive Work Hours.

The change in the standard work week will increase the productive work hours of all full-time employees.

**Other Terms**

There are other terms of the collective bargaining agreement which will not require an appropriation but may have a budgetary impact.

- Overtime provisions have been modified to provide payment at the rate of time and one-half for all work performed in excess of eight (8) hours of work per day or 40 hours of work per week. This change is expected to result in an overall savings.
- Travel and per diem provisions have been modified. This change is expected to result in an overall savings.

**Conclusion**

Funding of certain monetary terms will be required. Please prepare and forward to the legislature the necessary documents. Please feel free to call on the staff of the Labor Relations Section for any assistance desired.

cc: Michael P. McMullen  
Acting Director  
Division of Personnel/OEEO

Sharon Barton  
Director  
Division of Administrative Services

## LTC

### Monetary Terms

Monetary terms of an agreement are defined in AS 23.40.250(4) as changes which will require an appropriation for their implementation, that will result in a change in state revenues, or that will result in a change in productive work hours for state employees. These provisions apply to 1,294 positions.

#### 1. Require appropriation

##### FY 96

- A. Effective July 1, 1995, the standard workweek will increase from 37.5 hours to 40 hours. This will result in an additional two and one-half hours of compensable work time for each full time employee. **\$5,903,447.00**  
**<\$600,290.00>**

**CY 94: \$635,212.09 Straight-time OT**  
**CY 93: \$664,369.88 Straight-time OT**  
**CY 92: \$603,605.01 Straight-time OT**

- B. Effective July 1, 1995, the State will make a lump sum payment of two hundred twenty thousand dollars (\$220,000) to the Public Employees Local 71 Health and Welfare Trust. **\$220,000.00**
- C. Effective July 1, 1995, the tool allowance for qualified employees will increase by ten dollars (\$10.00) per month. **\$21,120.00**

**In CY 94, tool allowance payments totaled \$97,795.00 to the FTE of 176 employees.**

##### FY97

- A. Effective July 1, 1996, the State will make a lump sum payment of two hundred twenty thousand dollars (\$220,000) to the Public Employees Local 71 Health and Welfare Trust. **\$220,000.00**

#### 2. State Revenue

There are no provisions in the tentative agreement that would change state revenues.

#### 3. Productive Work Hours

The change in the standard work week will increase the productive work hours of all full-time employees.

#### Other Terms

There are other terms of the collective bargaining agreement which will not require an appropriation but may have budgetary impact.

- Overtime provisions have been modified to provide payment at the rate of time and one-half for all work performed in excess of eight (8) hours of work per day or 40 hours of work per week. This change is expected to result in an overall savings.
- Travel and per diem provisions have been modified. This change is expected to result in an overall savings.

**Labor Trades and Crafts  
FY 96 - 97 Monetary Terms**

**Summary**

<u>Funding Source</u>	<u>① FY95 Authorized</u>	<u>② FY 96 Hickel</u>	<u>③ FY 96 Monetary Terms</u>	<u>Total FY 96</u>	<u>④ FY 97 Monetary Terms</u>
General Funds	54,051,756	53,697,701	3,463,484	57,172,789	3,463,484
Other Funds	43,698,263	44,026,162	2,659,963	46,695,641	2,659,963
⑤ Adjustments			-579,170		-579,170
Total Funds	97,750,019	97,723,863	5,544,277	103,868,430	5,544,277

- ① FY 95 Authorized amounts based on FY 95 Authorized PACS file (scenario 66). Amounts shown are the vacancy adjusted amounts from report of 1-16-95.
- ② FY 96 Hickel amounts based on FY 96 Hickel PACS file (scenario 67). Amounts shown are the vacancy adjusted amounts from report of 1-16-95.
- ③ See Schedule A (attached) for FY 96 calculations
- ④ All FY 96 contractual provisions apply to FY 97. There are no new monetary terms taking effect in FY 97. Accordingly, assuming no change in the workforce, FY 97 costs are the same as FY 96.
- ⑤ Adjustments: This shows amounts which have not yet been broken out by funding source. It includes an increase in tool allowance costs and a reduction in overtime costs. (See Schedule A.) The bulk of the savings are expected to be non-general funds.

Labor Trades and Crafts  
FY 96 - 97 Monetary Terms

Schedule A - FY 96 Cost

Funding Sources	① 40 Hr Workweek	② Adjustment for current OT	Net 40 Hr Workweek	Tool Allowance	Health Trust	TOTAL
General funds	3,243,484		3,243,484		220,000	3,463,484
Other funds	2,659,963		2,659,963			2,659,963
③ Adjustments		-600,290	-600,290	21,120		-579,170
Total funds	5,903,447	-600,290	5,303,157	21,120	220,000	5,544,277

① Based on FY 96 Hickel PACS (scenario 67). All amounts are adjusted for budgeted vacancy.

② Adjustment for current OT: This amount is the average annual straight-time overtime paid to LTC members over the past three calendar years. Since 1/2 hour per day straight-time overtime has been paid when employees work an eight hour day, this cost will no longer be incurred. This offsetting cost reduction has not yet been broken out by funding source, however it is expected that the bulk of the savings will be in non-general funds.

③ Adjustments: Costs (savings) which have not yet been broken out by funding source.

# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

## DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200  
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January 24, 1995

The Honorable Gail Phillips  
Speaker of the House  
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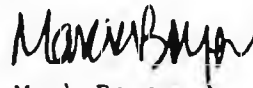
Dear Madam Speaker:

Pursuant to Alaska Statute 23.40.215, I am submitting the monetary terms of the collective bargaining agreement between the State of Alaska and the Supervisory Unit represented by the Alaska Public Employees Association.

The enclosed memorandum from me to Ms. Annalee McConnell identifies the specific monetary terms applicable to this unit. Spreadsheets are enclosed projecting the estimated cost of the monetary terms. Funding for these terms will be formally requested by the Office of Management and Budget. The monetary terms of a collective bargaining agreement are subject to funding by appropriation by the Legislature; if funding is not appropriated, the terms are considered disapproved and the parties to that agreement may resume negotiations or explore other options.

In accordance with AS 23.40.215(b), we respectfully request that the Legislature advise the parties by concurrent resolution of its approval or disapproval of this submission within 60 legislative days of receipt.

Sincerely,

  
Mark Boyer  
Commissioner

MB/nl

Enclosure

cc: Annalee McConnell  
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Office of Management and Budget

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Office of the Governor

Division of Personnel  
Labor Relations Section

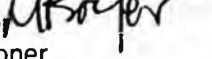
## MEMORANDUM

## STATE OF ALASKA

Department of Administration  
Office of the Commissioner

To: Annalee McConnell  
Director  
Office of Management and Budget

Date: January 18, 1994

From: Mark Boyer   
Commissioner  
Department of Administration

Subject: Monetary Terms of the 1995-98  
Supervisory Unit Agreement

The State of Alaska has concluded negotiations with the Alaska Public Employees Association representing the Supervisory Unit for an agreement extending from 7-1-95 through 6-30-98. The membership has ratified that agreement. I will be providing the legislature with the monetary terms, as required by AS 23.40.215(b).

### Monetary Terms

Monetary terms of an agreement are defined in AS 23.40.250(4) as changes which will require an appropriation for their implementation, that will result in a change in state revenues, or that will result in a change in productive work hours for state employees. These provisions apply to 1,213 positions.

#### 1. Require appropriation

##### FY96

- A. Effective July 1, 1995, the standard workweek will increase from 37.5 hours to 40 hours. This will result in an additional two and one-half hours of compensable work time for each overtime eligible employee in the bargaining unit.
- B. Effective July 1, 1995, the salary schedule for overtime exempt employees will be increased by 6.667% across the board.
- C. Effective July 1, 1995, the health insurance contribution will be increased from \$418.80 to \$423.50 per employee per month. Employees will no longer pay the difference between \$418.80 and \$423.50.
- D. Effective July 1, 1995, the State's contribution to the Legal Trust Fund will increase by \$1.50 per employee per month.
- E. Effective July 1, 1995, the standby rate of pay for overtime ineligible employees will increase from .75 hour per day to 1.25 hours per day.

##### FY97

- A. Effective July 1, 1996, the health insurance contribution will be increased from \$423.50 to \$450. The agreement presumes a change effective that date to a flexible benefits plan for this unit. If for any reason a flexible benefits plan is not implemented, the State remains obligated for \$450 per month per employee for health insurance benefits.

**FY98**

- A. Wages will be subject to contract reopener negotiations.
- B. Health insurance rates will be subject to contract reopener negotiations.
- C. Overtime provisions will be subject to contract reopener negotiations.

**2. State revenues**

There are no provisions in the tentative agreement that would change state revenues.

**3. Productive work hours****FY96**

- A. Effective July 1, 1995, the standard workweek will increase from 37.5 to 40 hours for all bargaining unit members.
- B. Effective July 1, 1995, leave accrual rates will be adjusted to reflect the 8 hour day. Leave balances will not be affected, except for a small number of employees covered by a separate letter of agreement negotiated in conjunction with this contract.

**FY97**

- A. Effective 1997, the Lincoln's birthday floating holiday (for which a day of annual leave has been added to personal leave accounts under previous agreements) will be eliminated.

**Other Terms**

There are other terms of the tentative agreement which will not require an appropriation but may have a budgetary impact:

1. Sea duty rates will follow any changes in sea duty rates negotiated for members of the General Government Unit.
2. Overtime eligibility will be determined strictly according to the FLSA.
3. Rates charged for rental of State owned housing will be increased by 6.667% effective July 1, 1995 and will be subject to the contract reopener negotiations.
4. Rates paid for travel entitlements modified. Changes are expected to result in overall savings.

**Conclusion**

Funding of certain monetary terms will be required. Please prepare and forward to the legislature the necessary documents. Please feel free to call on the Labor Relations Section for any assistance desired.

cc: Michael P. McMullen  
Acting Director  
Division of Personnel/OEEO

Sharon Barton  
Director  
Division of Administrative Services

## SU

### Monetary Terms

Monetary terms of an agreement are defined in AS 23.40.250(4) as changes which will require an appropriation for their implementation, that will result in a change in state revenues, or that will result in a change in productive work hours for state employees. These terms apply to 1,213 positions.

#### 1. Require appropriation

##### FY96

- A. Effective July 1, 1995, the standard workweek will increase from 37.5 hours to 40 hours. This will result in an additional two and one-half hours of compensable work time for each overtime eligible employee in the bargaining unit. **<\$31,915.00>**
- 10% (@100) of the SU is overtime eligible. In CY94, SU members received \$31,915 in straight time overtime, which can be deducted from the estimated cost increase as it is currently being paid.**
- CY 94: \$31,915.00**  
**CY 93: \$23,478.35**  
**CY 92: \$17,684.49**
- B. Effective July 1, 1995, the salary schedule for overtime exempt employees will be increased by 6.667% across the board. **\$5,249,602.00**
- 90% (@900) of the SU is overtime ineligible. The change in workweek results in a 6.67% across the board increase. Dollar amount reflects the amount of increase for entire unit.**
- C. Effective July 1, 1995, the health insurance contribution will be increased from \$418.80 to \$423.50 per employee per month. Employees will no longer pay the difference between \$418.80 and \$423.50. **\$63,432.00**
- Contribution will be \$4.70 x 1346 budgeted months**
- CY 93 \$3,926,841.15**  
**CY 94 \$4,976,653.21**
- D. Effective July 1, 1995, the State's contribution to the Legal Trust Fund will increase by \$1.50 per employee per month. **\$20,239.00**
- Contribution will be \$1.50 x 1346 budgeted months**
- CY 94 contribution was \$105,706.00**
- E. Effective July 1, 1995, the standby rate of pay for overtime ineligible employees will increase from .75 hour per day to 1.25 hours per day. **\$30,972.00**
- CY 92 OT eligible: \$96,540.50**  
**CY 92 OT Ineligible: \$112,566.81**
- CY 93 OT eligible: \$92,287.61**  
**CY 93 OT Ineligible: \$70,877.35**

CY 94 OT Eligible: \$83,016.51  
CY 94 OT Ineligible: \$24,372.31

Estimated cost of this provision: \$30,972.03. (\$1.50 x the number of standby hours worked by OT eligible employees in CY 94 less the amount of standby paid to OT ineligible employees paid in CY 94) Actual increase based solely on the adjust dollar amount is \$55,344.34.

**FY97**

- A. Effective July 1, 1996, the health insurance contribution will be increased from \$423.50 to \$450. The agreement presumes a change effective that date to a flexible benefits plan for this unit. If for any reason a flexible benefits plan is not implemented, the State remains obligated for \$450 per month per employee for health insurance benefits. **\$357,573.00**

**\$26.50 per month x 1346 budgeted months**

**FY98**

- A. Wages will be subject to contract reopener negotiations.  
B. Health insurance rates will be subject to contract reopener negotiations.  
C. Overtime provisions will be subject to contract reopener negotiations.

**2. State revenues**

Rates charged for rental of State owned housing will be increased by 6.667% effective July 1, 1995 and will be subject to the contract reopener negotiations.

**Negligible; only 3-4 SU members remaining in State housing.**

**3. Productive work hours**

**FY96**

- A. Effective July 1, 1995, the standard workweek will increase from 37.5 to 40 hours for all bargaining unit members.  
B. Effective July 1, 1995, leave accrual rates will be adjusted to reflect the 8 hour day. Leave balances will not be affected, except for a small number of employees covered by a separate letter of agreement negotiated in conjunction with this contract.

**FY 97**

- A. Effective 1997, the Lincoln's birthday floating holiday (for which a day of annual leave has been added to personal leave accounts under previous agreements) will be eliminated. **\$228,000**

## **Other Terms**

There are other terms of the tentative agreement which will not require an appropriation but may have a budgetary impact:

1. Sea duty rates will follow any changes in sea duty rates negotiated for members of the General Government Unit.  
**Note: No change at this date**
2. Overtime eligibility will be determined strictly according to the FLSA.  
**Theoretically eliminates extra grants of eligibility, few if any exist this date.**
3. Rates paid for travel entitlements modified. Changes are expected to result in overall savings.  
**Savings associated primarily with 10 hour day trip rule. Savings realized if travel patterns remains the same.**

Supervisory Unit  
FY 96 - 97 Monetary Terms

Summary

Funding Source	① FY95 Authorized	② FY 96 Hickel	③ FY 96 Monetary Terms	Total FY 96	④ FY 97 Monetary Terms
General funds	46,158,507	49,096,738	3,068,762	52,165,500	3,274,551
Other funds	34,012,487	36,208,961	2,264,515	38,473,476	2,416,299
⑤ Adjustments			-943		-943
Total funds	<u>80,170,994</u>	<u>85,305,699</u>	<u>5,332,334</u>	<u>90,638,976</u>	<u>5,689,907</u>

- ① FY 95 Authorized amounts based on FY 95 Authorized PACS file (scenario 66). Amounts shown are the vacancy adjusted amounts from report of 1-16-95.
- ② FY 96 Hickel amounts based on FY 96 Hickel PACS file (scenario 67). Amounts shown are the vacancy adjusted amounts from report of 1-16-95.
- ③ See Schedule A (attached) for FY 96 calculations
- ④ See Schedule B (attached) for FY 97 calculations
- ⑤ Adjustments are additional costs and cost savings which have not yet been broken out by funding source.

Supervisory Unit  
FY 96 - 97 Monetary Terms

Schedule A - FY 96 Costs

Funding Sources	① 40 Hr Workweek	② Adjustment for current OT	③ Standby Pay	④ Legal Trust	⑤ Health Insurance	TOTAL
General funds	3,020,612			11,649	36,501	3,068,762
Other funds	2,228,990			8,590	26,935	2,264,515
Adjustments		-31,915	30,972			-943
Total funds	5,249,602	-31,915	30,972	20,239	63,436	5,332,334

- ① Based on FY 96 Hickel PACS (scenario 67). All amounts are adjusted for budgeted vacancy.
- ② This is the amount of straight-time overtime paid employees working 8 hour days in calendar year 1994. Assuming the same amount would be paid in FY 96, this would offset part of the cost of going to a 40 hour workweek. This amount has not yet been broken out by funding source.
- ③ This amount is based on experience in calendar years 1992 - 1994. This amount has not yet been broken out by funding source.
- ④ Based on 13,496 budgeted months.
- ⑤ Based on 13,496 budgeted months.

Supervisory Unit  
FY 96 - 97 Monetary Terms

Schedule B - FY 97 Costs

Funding Sources	① FY 96 Cost	② Health Insurance	TOTAL
General funds	3,068,762	205,789	3,274,551
Other funds	2,264,515	151,784	2,416,299
Adjustments	-943		-943
Total funds	<u>5,332,334</u>	<u>357,573</u>	<u>5,689,907</u>

① See Schedule A (attached) for calculations.

② Health insurance contribution increase effective July 1, 1996.

# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

## DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200  
JUNEAU, ALASKA 99811-0200  
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January 24, 1995

The Honorable Gail Phillips  
Speaker of the House  
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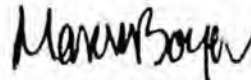
Dear Madam Speaker:

Pursuant to Alaska Statute 23.40.215, I am submitting the monetary terms of the collective bargaining agreement between the State of Alaska and unlicensed employees on the Alaska Marine Highway System represented by the Inlandboatmen's Union.

The enclosed memorandum from me to Ms. Annalee McConnell identifies the specific monetary terms applicable to this unit. Spreadsheets are enclosed projecting the estimated cost of the monetary terms. Funding for these terms will be formally requested by the Office of Management and Budget. The monetary terms of a collective bargaining agreement are subject to funding by appropriation by the Legislature; if funding is not appropriated, the terms are considered disapproved and the parties to that agreement may resume negotiations or explore other options.

In accordance with AS 23.40.215(b), we respectfully request that the Legislature advise the parties by concurrent resolution of its approval or disapproval of this submission within 60 legislative days of receipt.

Sincerely,



Mark Boyer  
Commissioner

MB/nl

Enclosure

cc: Annalee McConnell  
Director  
Office of Management and Budget

Pat Pourchot  
Legislative Liaison  
Office of the Governor

Division of Personnel  
Labor Relations Section

# MEMORANDUM


# STATE OF ALASKA

Department of Administration  
Office of the Commissioner

To: Annalee McConnell  
Director  
Office of Management and Budget  
Office of the Governor

Date: January 18, 1995

Tele: 465-2200

From: Mark Boyer   
Commissioner  
Department of Administration

Re: Monetary Terms of  
Inlandboatmen's  
Union of the Pacific  
Agreement

The State of Alaska has concluded negotiations with the Inlandboatmen's Union of the Pacific. The following monetary terms are provided so that budget amendment requests may be made to the legislature. I will be providing the legislature with the monetary terms as required by AS 23.40.215(b).

## Monetary Terms

Monetary terms of an agreement are defined in AS 23.40.250(4) as changes that will require an appropriation for their implementation, changes that will result in a change in state revenues, or changes that will result in a change in productive work hours for state employees. These terms apply to 625 employees.

- I. Require Appropriation.
  - A. Rule 9.02: Maintenance Rates. Effective July 1, 1994, maintenance rates increased from \$30.00 to \$45.00 per day. Increases in that rate will be paid retroactively on July 1, 1995, subject to legislative approval.
  - B. Rule 17.01: Pay Plan. Effective July 1, 1995, all employees, other than those in the Steward classification, shall receive a pay increase equal to 3.5%.
  - C. Rule 17.01: Pay Plan. Effective July 1, 1995, employees in the Junior Engineer classification shall have \$1.10 per hour added to their hourly wage. Employees in the Oiler classification shall have \$0.60 per hour added to their hourly wage. These wage rates are reduced by 22.5% for employees residing outside the State of Alaska.
  - D. Rule 17.02: Probationary pay rates. Effective, July 1, 1995, probationary employees shall be paid at 80% of the normal hourly rate.

E. Rule 29: Health Insurance. Effective July 1, 1996, IBU may opt for \$450.00 per month per eligible employee contribution in lieu of the state provided health insurance plan. Note: The IBU had the same option for July 1, 1995, and did not elect the health insurance trust.

F. Travel pay minimums have been decreased to four (4) hours. This change is expected to result in overall savings.

II. State Revenue.

There are no provisions in the agreement that would change state revenues.

III. Productive Work Hours.

There are no provisions in the agreement that would change productive work hours.

**Conclusion**

Funding of certain monetary terms will be required. Please prepare and forward to the legislature the necessary documents. Please feel free to call on the staff of the Labor Relations Section for any assistance desired.

cc: Michael P. McMullen  
Acting Director  
Division of Personnel/EEO

Sharon Barton  
Director  
Division of Administrative Services

## IBU

### Monetary Terms

Monetary terms of an agreement are defined in AS 23.40.250(4) as changes that will require an appropriation for their implementation, changes that will result in a change in state revenues, or changes that will result in a change in productive work hours for state employees. The terms of these provisions apply to 625 employees.

#### 1. Require Appropriation.

- A. Effective July 1, 1994, maintenance rates increased from \$30.00 per day to \$45.00 per day. Increases in that rate will be paid retroactively on July 1, 1995, subject to legislative approval. \$0.00

**Rate increase will not increase contract cost as maintenance payments are covered by Risk Management. Increase to maintenance rates may eventually increase premiums but are only one factor in determining premiums.**

- B. Effective July 1, 1995, all employees, other than those in the Steward classification, shall receive a pay increase equal to 3.5%. \$718,200.00

**Provision will effect approximately 400 employees.**

- C. Effective July 1, 1995, employees in the Junior Engineer classification shall have \$1.10 per hour added to their hourly wage. Employees in the Oiler classification shall have \$0.60 per hour added to their hourly wage. These wage rates are reduced by 22.5% for employees residing outside the State of Alaska. \$111,100.00

**Provision will provide increases to 48 employees.**

- D. Effective, July 1, 1995, probationary employees shall be paid at 80% of the normal hourly rate. <\$52,800.00>

**Provision will decrease the wages of approximately 90 employees per year. Probationary period covers 13 84 hr work assignments in the SE system, or 6 months of service in the SW system.**

- E. Effective July 1, 1996, IBU may opt for \$450.00 per month per eligible employee contribution in lieu of the state provided health insurance plan. \$193,300.00

**Note: The IBU had the same option for July 1, 1995, and did not elect the health insurance trust, this cost is associated solely with FY96.**

- F. Travel pay minimums have been decreased from eight (8) hours to four (4) hours. <\$12,000.00>

#### 2. State Revenue.

There are no provisions in the agreement that would change state revenues.

#### 3. Productive Work Hours.

There are no provisions in the agreement that would change productive work hours.

**Inlandboatmen's Union of the Pacific  
FY 96 - 97 Monetary Terms**

**Summary**

<u>Funding Source</u>	<u>③ FY 96 Monetary Terms</u>	<u>④ FY 97 Monetary Terms</u>
1076 Alaska Marine Highway fund	<u>764,500</u>	<u>957,800</u>
Total	<u>764,500</u>	<u>957,800</u>

- ① FY 95 Authorized amounts as reported by the Department of Transportation and Public Facilities.
- ② FY 96 Hickel amounts as reported by the Department of Transportation and Public Facilities.
- ③ See inset below for calculation of FY 96 costs.
- ④ See inset below. All FY 96 contractual provisions apply to FY 97 so the costs are included in the FY 97 column. The only monetary terms change that might impact FY 97 is that the union may opt to receive \$450.00 per month in lieu of the state provided health insurance plan. This option was available to the union in FY 96 and was not selected. Although the union has not indicated that it is likely to select this option for FY 97, the cost is shown for information purposes.

Funding Sources	FY 96 Cost				TOTAL
	3.5% Wage increase	Jr. Engineer/ Oiler increase	Probationary pay change	Travel pay change	
1076 Alaska marine highway fund	718,200	111,100	-52,800	-12,000	<u>764,500</u>
Total	<u>718,200</u>	<u>111,100</u>	<u>-52,800</u>	<u>-12,000</u>	<u>764,500</u>

Funding Sources	FY 97 Cost		TOTAL
	FY 96 cost	Potential health insurance change	
1076 Alaska marine highway fund	764,500	193,300	<u>957,800</u>
Total	<u>764,500</u>	<u>193,300</u>	<u>957,800</u>