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March 25, 2016

RE: Negotiation Results

Public Employees Local 71 members working for the State of Alaska.

Your bargaining team is happy to announce a Tentative Agreement with the State of Alaska. It's been a long journey and tough negotiations. We appreciate your support and understanding during these tenuous times.

Local 71 faced attacks on Merit and Pay increments, reduced leave accrual rates, elimination of double time pay, reductions to health and safety, contracting out our work, increases to housing charges in areas already having difficulty filling positions and stripping seniority language. I'm happy to say your team stood fast and secured existing contract language on key contract provisions.

Your health care contributions will average higher over the life of the contract, your accrual rates for leave continue UNCHANGED. Pay increments and Merit continue with NO REDUCTION. We refused a 400 hour cap on leave and pushed until we could settle on 1000 hrs. cap. For those few members over 1000 hours (approximately 83) the terms don't go into effect until January of 2017 to allow for two different tax years if they want to cash out or to roll in to a Deferred Comp account. To PROTECT YOUR GEO DIFF, language was changed to reflect the community, not political subdivisions which have changed multiple times since 1965.

It took almost a year and a half to get here with lots of negotiation meetings. I met personally with the Governor, Commissioners and Deputy Commissioners multiple times to get our points across. Local 71 was not willing to T/A until we had the best possible contract during Alaska's fiscal crisis.

I'm proud and appreciative of the hard work and dedication the team brought to these negotiations. Alaskans have not faced this fiscal uncertainty of this magnitude since the mid 80's. We believe our state will be on better financial footing when we meet for the next contract in the fall of 2017 and Local 71 negotiations team will push hard to increase wages and benefits for our members and their families.

Special Thanks to the team Phil Petrie, Tom Brice, Jordan Adams, Tracy Smith, Cathy Lavender, Lon Needles, Bob Madden and all of you who put the time and effort into sending recommendations to the team.

In an effort to make the changes as clear as possible, we have initiated a new format, color coded to help you easily distinguish what changes were made, wins, status quo, or compromises.

Thanks again for your patience and support. Ballots and contract language changes will be mailed in a week or so. Local 71 Business representatives will be available to answer questions.

A YES VOTE locks in this contract.

Fraternally,

Dennis Moen

Chief Spokesperson

Business Manager/ Secretary Treasurer

Moen

Enclosure: Negotiation Summary

DM/tls

PUBLIC EMPLOYEES

NEGOTIATION SUMMARY Tentative Agreement for July 1, 2016 to June 30, 2018 as compared to the Current Collective Bargaining Agreement.

WINS: The following articles have changes that improves or clarifies the current contract language.					
Article	Title	Changes			
4	Employment Referral Procedures	Change in antidiscrimination language to include more groups and proper procedure for filing complaints for violations.			
13	Classification and Wages	Language added for persons upgraded to positions outside of our bargaining unit to be properly compensated. Steps earned will be retained for 3 years instead of 2 to encourage employees to return to state service. Geographical Differential rates clarified to ease confusion. Premium pay language, to include overtime and holiday pay, was clarified to overcome recent issues with payroll. Shift differential language clarified.			
14	Working Rules	Clarification of workweek to correct issues with payroll. Clarification on Call back language to correct issues with payroll.			
19	Leave	Leave donated is returned to the donor if the donee goes back to work and does not use it within three pay periods. 37.5 hours of leave cashed in counts towards 75 hour per year leave usage requirement.			
22	Seniority	Members who transfer for any reason voluntary or due to camp closure or position elimination will retain 50% of their seniority. Laid off employees have recall rights for 3 years instead of 2ys.			
23	Health and Security	Employer contribution average is higher over the life of the current contract. Employer provided life Insurance increase from \$2000 to \$10,000.			

Compro	Compromises: The following articles have changes that are more favorable to the employer than the					
current contract language.						
Article	Title	Changes				
LOA 16-LL- xxx	Administration of Furloughs	Effective July 1, 2016, Members will be required to take 15-hours of furlough (unpaid leave) for each remaining year of the contract. Seasonals and Parttime employees (less than 30 hours per week) are exempt from furloughs. Furloughs may be taken in small increments to relieve financial impact and leave may be cashed out to supplement income. This is not a permanent addition to contract language and will				
		only be implemented if all other voluntary agreements reached also include the Furloughs.				
19	Leave	Leave cap of 1000 hours. Persons currently over 1000 will have until January 15, 2017 to either cash out or open a Deferred Comp account to roll their excess leave into.				

Status Quo: The following articles either have no change or the change does not positively or					
negatively impact the membership.					
Article	Title	Changes			
1	Purpose	No change			
2	Recognition	No change			
3	Union Activities	No change			
5	Union Responsibility	No change			
6	Recognition of Rights and Functions of Management	No change			
7	Contracting out	No change			
8	Separation from State Service & Discipline	No change			
9	Grievance Procedures	No change			
10	Union Representatives	No change			
11	Examination of Records	No change			
12	Checkoff	No change			
15	Travel and Moving	No change			
16	Time Cards	No change			
17	Pay Procedures	Checks postmarked prior to payday			
18	Conditions	No change			
20	Leaves of Absence	No change			
21	Safety and Liability	No change			
22	Seniority	Language cleanup regarding applicant pool for promotions			
24	Pension and Retirement	No change			
25	Tool Allowance	No change			
26	Separability and Savings	No change			
27	State Owned-Controlled Housing	No change			
28	Miscellaneous	No change			
29	Term of Agreement	Updated dates for 3-year agreement, July 1, 2015 to			
		June 30, 2018.			

For more information please contact your Business Representative or your Local Union Office.

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