

Submitted by: Chair of the Assembly at the  
Request of the Acting Mayor

Prepared by: Employee Relations

For Reading: May 18, 2009

CLERK'S OFFICE

**APPROVED**

5-26-09

Date:

**ANCHORAGE, ALASKA**

**AR No. 2009-133**

**A RESOLUTION RATIFYING A LETTER OF AGREEMENT, AMENDING THE  
COLLECTIVE BARGAINING AGREEMENT BETWEEN THE MUNICIPALITY OF  
ANCHORAGE (MOA) AND THE ANCHORAGE POLICE DEPARTMENT  
EMPLOYEES ASSOCIATION (APDEA)**

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**WHEREAS**, a collective bargaining agreement (CBA) between the MOA and the  
APDEA was ratified by the Assembly on December 16, 2008 (AR 2008-307) and

**WHEREAS**, since ratification of the CBA, the MOA identified a budget shortfall  
estimated at \$17 million; and

**WHEREAS**, the MOA and APDEA prepared a Letter of Agreement, amending the  
CBA to provide for wage concessions; and

**WHEREAS**, the Letter of Agreement, approved by the APDEA membership, is  
attached hereto as **Exhibit A**; and

**WHEREAS**, Anchorage Municipal Code section 3.70.130 requires Assembly  
ratification of amendments to a CBA; and

**WHEREAS**, it is in the best interest of the public for this CBA amendment to be  
subject to public review process, fostering good labor-management relationships; and

**WHEREAS**, the Administration recommends ratification of the Letter of Agreement;  
now, therefore,

**THE ANCHORAGE MUNICIPAL ASSEMBLY RESOLVES:**

**Section 1.** The Letter of Agreement, attached hereto as **Exhibit A**, amending the  
APDEA collective bargaining agreement, is hereby ratified.

**Section 2.** This resolution shall become effective immediately upon its passage  
and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 26<sup>th</sup> day of  
May, 2009.

Debbie Ossianer  
Chair

ATTEST:

Brian E. [Signature]  
Municipal Clerk



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

AM No. 283-2009

Meeting Date: May 18, 2009

1 **FROM: ACTING MAYOR**

2  
3 **SUBJECT: A RESOLUTION RATIFYING A LETTER OF AGREEMENT,**  
4 **AMENDING THE COLLECTIVE BARGAINING**  
5 **AGREEMENT BETWEEN THE MUNICIPALITY OF**  
6 **ANCHORAGE (MOA) AND THE ANCHORAGE POLICE**  
7 **DEPARTMENT EMPLOYEES ASSOCIATION (APDEA)**  
8  
9

10 The MOA and the APDEA reached an agreement on wage concessions. The  
11 Letter of Agreement, attached as **Exhibit A** to the resolution, becomes effective  
12 the first full pay period following Assembly approval. The Letter of Agreement  
13 was ratified by the APDEA membership.  
14

15 This bargaining unit has 530 MOA employees in the Anchorage Police  
16 Department.  
17

18 The key elements of the Letter of Agreement are:  
19

- 20 • Effective the first full pay period after Assembly approval, the 2009 wage  
21 increase of 3% is rolled back prospectively.  
22
- 23 • Any employee who retires prior to January 5, 2014 receives the rollback  
24 retroactively from the effective date.  
25
- 26 • Wage concessions payback:  
27
  - 28 ○ 2012: All employees receive a cost of living increase equal to the  
29 previous five year CPI-U average (min. of 2.9% and max. 4.5%)  
30 plus an additional one percent (1%).  
31
  - 32 ○ 2013: All employees receive a cost of living increase equal to the  
33 previous five year CPI-U average (min. of 2.9% and max. 4.5%)  
34 plus one percent (1%).  
35
  - 36 ○ 2014: One year contract extension with a wage reopener.  
37  
38  
39  
40

**THE ADMINISTRATION RECOMMENDS APPROVAL OF A RESOLUTION  
RATIFYING A LETTER OF AGREEMENT, AMENDING THE COLLECTIVE  
BARGAINING AGREEMENT BETWEEN THE MUNICIPALITY OF  
ANCHORAGE AND THE ANCHORAGE POLICE DEPARTMENT EMPLOYEES  
ASSOCIATION.**

Prepared by: Employee Relations Department  
Approved by: Lisa Arnold, Acting Employee Relations Director  
Concur: Sharon Weddleton, CFO  
Concur: James N. Reeves, Municipal Attorney  
Concur: Michael K. Abbott, Municipal Manager  
Respectfully submitted: Matt Claman, Acting Mayor

**LETTER OF AGREEMENT**

**by and between**

**MUNICIPALITY OF ANCHORAGE (MOA)**

**and the**

**ANCHORAGE POLICE DEPARTMENT EMPLOYEES ASSOCIATION (APDEA)**

**Subject: Wages and Contract Extension**

**Number: APDEA - 004**

The Municipality of Anchorage has a significant budget shortfall for fiscal year 2009. The MOA and APDEA have worked collaboratively to assist in reducing the budget shortage and have agreed to the following changes to their collective bargaining agreement.

**A. 2009 Wage Concessions**

The following is new language:

**Article XV, Section 5.B(i)**

Effective the first full pay period after the Assembly approves this agreement the three percent (3%) increase contained in Section 5.B will be prospectively rolled back.

**Article XV, Section 5.B(ii)**

Any employee who retires prior to January 5, 2014 will receive the rollback retroactively from the effective date (from the first full pay period after the Assembly approves this agreement). Employees who provide a written 30 day notice of intent to retire shall receive their retroactive payment in the pay period prior to their retirement. Employees who provide less notice will receive the retroactive payment in their final pay check. Retroactive payment percentages will be as follows:

2009 - 2011 retroactive payment will be three percent (3%)

2012 retroactive payment will be two percent (2%)

2013 retroactive payment will be one percent (1%)

The following will replace Article XV, Section 5(E) language:

Effective the first full pay period nearest to January 1, 2012, all pay scales shall be increased across-the-board by the average annual rate of increase of the Anchorage CPI-U over the previous five years, as measured by the First Half indices for each of the five years, with a minimum increase of 2.9% and a maximum increase of 4.5%, plus an additional one percent (1%).

The following will replace Article XV, Section 5(F) language:

Effective the first full pay period nearest to January 1, 2013, all pay scales shall be increased across-the-board by the average annual rate of increase of the Anchorage CPI-U over the previous five years, as measured by the First Half indices for each of the five years, with a minimum increase of 2.9% and a maximum increase of 4.5%, plus an additional one percent (1%).

The following is new language Article XV, Section 5(J) language:


The Union shall have the option to require the contract be "opened" for the sole purpose of negotiating an increase in wages for the period January 1 to December 31, 2014. If the Union elects to exercise this option, it shall give at least ninety (90) days written notice to the Municipality prior to December 31, 2013.

The following will replace Article XXVIII, Section 1


This agreement shall become effective upon the date of mutual ratification by the parties and shall remain in effect until December 31, 2014

IN WITNESS WHEREOF, this Agreement is entered into freely and voluntarily by the signatures of the parties below.

FOR THE MOA

 5/15/09  
Lisa Arnold                      Date  
Acting Employee Relations Director

FOR THE APDEA

 5/15/09  
Derek Hsieh                      Date  
President, APDEA

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects -- General Government**

AR 2009-133      Title: A RESOLUTION RATIFYING A LETTER OF AGREEMENT, AMENDING THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND THE ANCHORAGE POLICE DEPARTMENT EMPLOYEES ASSOCIATION.

Sponsor:            Acting Mayor  
Preparing Agency:   Employee Relations  
Others Impacted:

**REDUCTIONS IN EXPENDITURES AND REVENUES:**

(In Thousands of Dollars)

	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
<b>Operating Expenditures</b>						
1000 Personal Services	(\$887)	(\$1,563)	(\$1,612)	(\$1,119)	(\$590)	-
2000 Non-Labor						
3900 Contributions						
4000 Debt Service						
<b>TOTAL DIRECT COSTS:</b>	<b>(\$887)</b>	<b>(\$1,563)</b>	<b>(\$1,612)</b>	<b>(\$1,119)</b>	<b>(\$590)</b>	<b>-</b>
Add: 6000 Charges from Others						
Less: 7000 Charges to Others						
<b>FUNCTION COST:</b>	<b>(\$887)</b>	<b>(\$1,563)</b>	<b>(\$1,612)</b>	<b>(\$1,119)</b>	<b>(\$590)</b>	<b>-</b>

**REVENUES:**

**CAPITAL:**

**POSITIONS: FT/PT and Temp**

**PUBLIC SECTOR ECONOMIC EFFECTS:**

The numbers above reflect a 3% rollback effective June 2009, a 1% payback in 2012 and 2013, and a wage reopener in 2014.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

None

Prepared by: Lisa Arnold, Acting Employee Relations Director      Telephone: 343-4571

Validated by OMB: \_\_\_\_\_ Date: \_\_\_\_\_

Recommended by Sharon Weddleton, Chief Fiscal Officer

Approved by Acting Mayor Claman

CLERKS OFFICE  
2009 MAY 20 AM 8:09  
M.O.A

**Municipality of Anchorage**  
**MEMORANDUM**

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**DATE:** May 20, 2009  
**TO:** Members of the Assembly  
**FROM:** Director, Internal Audit  
**SUBJECT:** APDEA Cost Validation



M.O.A.  
2009 MAY 26 PM 1:35  
CLEANING OFFICE

Based on our review and analysis, the following table presents the estimated monetary impact resulting from the proposed wage concessions by APDEA.

We have presented both minimum (3.9%) and maximum (5.5%) increases for years 2012 and 2013. We did not compute an estimate for 2014 because of a wage reopener.

See the attached schedule for detailed computations.

# APDEA

	3.90%	5.50%
PERIOD	(SAVINGS)/COST FROM UNION OFFER	(SAVINGS)/COST FROM UNION OFFER
Effective 07/01/2009 (give up 3% as of 6-1-09)	(\$886,644)	(\$886,644)
Effective 07/01/2010	(\$1,562,720)	(\$1,587,019)
Effective 07/01/2011	(\$1,611,662)	(\$1,662,171)
Effective 01/01/2012 (add 1% to range of increase)	(\$1,118,741)	(\$1,180,397)
Effective 01/01/2013 (add 1% to range of increase)	(\$590,479)	(\$646,332)
Effective 01/01/2014 (wage re-opener)	\$0	\$0
TOTAL	(\$5,770,246)	(\$5,962,563)



**Content ID:** 007741**Type:** AR\_AllOther - All Other Resolutions

**Title:** A RESOLUTION RATIFYING A LETTER OF AGREEMENT, AMENDING THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND THE ANCHORAGE POLICE DEPARTMENT EMPLOYEES ASSOCIATION.

**Author:** maglaquijp**Initiating Dept:** Mayor**Review Depts:** Legal**Date Prepared:** 5/15/09 11:13 AM**Assembly Meeting Date:** 5/18/09 SPECIAL MEETING**Public Hearing Date:** 5/26/09

<b>Workflow Name</b>	<b>Action Date</b>	<b>Action</b>	<b>User</b>	<b>Security Group</b>	<b>Content ID</b>
Clerk_Admin_SubWorkflow	5/15/09 12:14 PM	Exit	Joy Maglaqui	Public	007741
MuniMgrCoord_SubWorkflow	5/15/09 12:14 PM	Approve	Joy Maglaqui	Public	007741
MuniManager_SubWorkflow	5/15/09 12:14 PM	Approve	Joy Maglaqui	Public	007741
CFO_SubWorkflow	5/15/09 12:13 PM	Approve	Sharon Weddleton	Public	007741
Legal_SubWorkflow	5/15/09 11:53 AM	Approve	Rhonda Westover	Public	007741
Mayor_SubWorkflow	5/15/09 11:53 AM	Approve	Joy Maglaqui	Public	007741
AllOtherARWorkflow	5/15/09 11:53 AM	Checkin	Joy Maglaqui	Public	007741
MuniManager_SubWorkflow	5/15/09 11:52 AM	Reject	Joy Maglaqui	Public	007741
MuniManager_SubWorkflow	5/15/09 11:52 AM	Checkin	Joy Maglaqui	Public	007741
CFO_SubWorkflow	5/15/09 11:46 AM	Approve	Sharon Weddleton	Public	007741
CFO_SubWorkflow	5/15/09 11:40 AM	Checkin	Jo Katkus	Public	007741
CFO_SubWorkflow	5/15/09 11:30 AM	Checkin	Jo Katkus	Public	007741
Mayor_SubWorkflow	5/15/09 11:14 AM	Approve	Joy Maglaqui	Public	007741
AllOtherARWorkflow	5/15/09 11:14 AM	Checkin	Joy Maglaqui	Public	007741