LETTER OF AGREEMENT
between the
STATE OF ALASKA
and the
PUBLIC EMPLOYEES LOCAL 71
representing the
LABOR, TRADES and CRAFTS UNIT

16-LL-200
Addendum

Re: Administration of Furloughs

Contingent upon a ratification vote by the Alaska Public Employees Association – Supervisory Unit:

RECITALS

To establish an option as an alternative to furloughs for employees who are contemplating retirement in the near future, the State of Alaska (State) and the Local 71 – Labor trades and Crafts (Union), agree to modify the rules pertaining to the administration of furloughs as follows:

- The parties recognize that administration of furloughs may impact the pension benefit calculations of employees preparing for retirement during the term of the collective bargaining agreement. Specifically, the calculation of an employee's highest three years of earnings would be affected by unpaid days during the final three years of employment.

- To allow such employees to avoid the negative impact on the calculation of earnings, bargaining unit members who as of July 1 of each year of the collective bargaining agreement would be eligible to retire within five years, based on the applicable early or normal retirement criteria for their pension plan tier, may elect to forfeit 22.5 hours of accrued Personal Leave to negate the obligation to take 15.0 unpaid furlough hours for that year.

FOR THE STATE OF ALASKA:

/*Signature on File*/

Kate Sheehan, Director
Division of Personnel & Labor Relations
Department of Administration

7/7/16
Date

FOR PUBLIC EMPLOYEES Local 71:

/*Signature on File*/

Dennis Moen
Business Manager

7/6/16
Date