

ASSEMBLY FINANCE COMMITTEE MEETING AGENDA

July 15, 2021

Immediately Following the Special Assembly Finance Committee Meeting

This meeting will be held at or hosted from the
Mona Lisa Drexler Assembly Chambers
Juanita Helms Administration Center
907 Terminal Street, Fairbanks, AK

This meeting will be conducted in-person and by zoom or zoom-only with consideration given to the Borough Operational Status and if the Juanita Helms Administration Center is otherwise open to the public. Please visit <https://www.fnsb.gov/415/Stay-Connected-with-the-Assembly> or contact the Borough Clerk's Office (907) 459-1401.

1. CALL TO ORDER

2. ROLL CALL

3. MEMORANDA/REPORTS/PRESENTATIONS

NONE

4. CONTRACTS/BID AWARDS

NONE

5. ADVANCED ORDINANCES AND RESOLUTIONS

5.a. ORDINANCE NO. 2021-25

An Ordinance Amending Ordinance No. 2020-20 (FY21 Budget) And Ordinance No. 2021-20 (FY22 Budget) To Waive Certain Cost Principles In FNSBC 7.08.010 For The FY 2020-21 (Half-Year) And FY 2021-22 Recurring Grants To The Fairbanks Economic Development Corporation And For The FY 2021-22 Recurring Grant To The Fairbanks Convention And Visitors Bureau DBA Explore Fairbanks. (Sponsor: Mayor Ward)

Documents:

[2021-25 Backup Information.pdf](#)

5.b. ORDINANCE NO. 2021-20-1A

An Ordinance Amending The FY 2021-22 Budget By Accepting A

Designated Gift And Appropriating \$92,791.11 To The Special Revenue And/Or Capital Projects Funds For The Fairbanks North Star Borough Animal Shelter. (Sponsor: Mayor Ward)

Documents:

[2021-20-1A Backup Information.pdf](#)

5.c. RESOLUTION NO. 2021-24

A [Resolution](#) Ratifying The Monetary Terms Of The Negotiated Collective Bargaining Agreement Between The Fairbanks North Star Borough Employees Association (FNSBEA) Local #6125, APEA/AFT (AFL-CIO) And The Fairbanks North Star Borough. (Sponsor: Mayor Ward)

A potential Executive Session for the purpose of meeting with the Borough's Chief Spokesperson, Borough Mayor and Borough Attorney regarding the negotiated terms as they relate to the Assembly's monetary goals.

Documents:

[R2021-24 Backup Information.pdf](#)

6. OTHER COMMITTEE BUSINESS/DISCUSSION ITEMS

6.a. Monthly Budget and Fund Balance Reports.

7. MAYOR/ASSEMBLY COMMENTS

8. ADJOURNMENT

9. AUDIO FILES - FINANCE COMMITTEE

[07-15-2021 Audio Track 1 \(MP3\)](#)

THE AGENDA ITEMS AS LISTED MAY NOT BE CONSIDERED IN SEQUENCE. THIS AGENDA IS SUBJECT TO CHANGE TO INCLUDE THE DELETION OF ITEMS OR EXECUTIVE SESSIONS, IF NEEDED.



Fairbanks North Star Borough

MAYOR'S OFFICE

mayor@fnsb.gov
Main: (907) 459-1300
Fax: (907) 459-1102

MEMORANDUM

TO: Fairbanks North Star Borough Assembly

From: Bryce Ward, Mayor *Bryce Ward*

Date: June 24, 2021

Subject: Ordinance 2021 – 25
Amending The FY 21 and FY22 Budget by waiving FNSB Code Requirements Related to Certain Cost Principles in FNSBC 7.08.010 for the Fairbanks Economic Development Corporation and Explore Fairbanks Recurring Grant Programs

Attached for your consideration is an ordinance that would amend the FY21 and FY22 budget by partially waiving requirements for Fairbanks Economic Development Corporation (FEDC) and Explore Fairbanks to comply with OMB cost principle provisions related to direct and indirect costs, cost rates and cost allocation plans. The Administration is transitioning the recurring grant to FEDC to a task-based agreement – therefore, it is not necessary to require FEDC and Explore Fairbanks to comply with OMB regulations related to direct and indirect cost allocations.

Attachments: Ordinance

/jw



By: Bryce J. Ward, Mayor
Introduced: 06/24/2021

FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2021 – 25

AN ORDINANCE AMENDING ORDINANCE NO. 2020-20 (FY21 BUDGET) AND
ORDINANCE NO. 2021-20 (FY22 BUDGET) TO WAIVE CERTAIN COST PRINCIPLES IN
FNSBC 7.08.010 FOR THE FY 2020-21 (HALF-YEAR) AND FY 2021-22 RECURRING
GRANTS TO THE FAIRBANKS ECONOMIC DEVELOPMENT CORPORATION AND FOR THE
FY 2021-22 RECURRING GRANT TO THE FAIRBANKS CONVENTION AND VISITORS
BUREAU DBA EXPLORE FAIRBANKS

WHEREAS, The Fairbanks North Star Borough Code of Ordinances (FNSBC)
provides specific grant standards and requirements for all Fairbanks North Star Borough
(Borough) grant agreements; and

WHEREAS, FNSBC provides that grant standards and requirements for grant
agreements may be waived by the assembly if authorized by ordinance; and

WHEREAS, The Borough is transitioning to a task-based grant agreement
with the Fairbanks Economic Development Corporation (FEDC); and

WHEREAS, The purpose of the FEDC grant is to fund projects and tasks that
are intended to create economic development opportunities and spur new development
within the Borough; and

WHEREAS, FNSBC 7.08.010(A)(3)(a) requires recipients of Borough grants
to comply with the U.S. Office of Management and Budget's (OMB) cost principles in the
Code of Federal Regulations (CFR) at 2 CFR 200.400 through 200.475; and

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Section 2. Partial Waiver of FNSBC 7.08.010. Those requirements in 2 CFR 200.411 through 200.415 related to cost allocation plans, cost rate proposals, indirect cost rates, certifications, etc. and to distinguishing between direct and indirect costs, under FNSBC 7.08.010(A)(3)(a), are waived for the respective appropriations for recurring grants to FEDC in Ordinances No. 2020-20 and 2021-20 and for the recurring grant to Explore Fairbanks in Ordinance No. 2021-20.

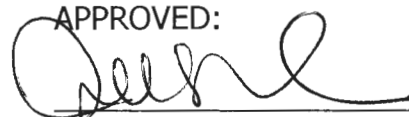
Section 3. Effective Date. This ordinance is effective at 5:00 p.m. on the first Borough business day following its adoption.

ADOPTED THE _____ DAY OF _____ 2021.

Mindy O'Neill
Presiding Officer

ATTEST:

April Trickey, CMC
Borough Clerk

APPROVED:


Jill S. Dolan
Borough Attorney




Fairbanks North Star Borough

Division of Animal Control

2408 Davis Road, PO Box 71267 Fairbanks, Alaska 99707-1267 (907) 459-1451 FAX (907) 459-1120

MEMORANDUM

TO: Fairbanks North Star Borough Assembly

THRU: Bryce Ward, Borough Mayor 

THRU Brad Paulson, Acting Emergency Operations Director

FROM: Sandra Hill, Animal Control Manager

DATE: June 24, 2021

SUBJECT: Ordinance No. 2021 - 20 - 1A
\$92,791.11 Estate Donation for the Animal Shelter

Animal Control has received two final bequest distributions from an estate, totaling \$92,791.11, designated for the FNSB Animal Shelter. This will be appropriated into a multi-year project fund for Animal Control programmatic improvements.

Animal Control has identified several programmatic needs, including but not limited to: expanding public outreach and education programs; upgrading outside areas, kennels, cages, and other equipment used to house animals; ensuring that Animal Control has adequate facilities to house livestock at the animal shelter; ensuring that animal emergency response equipment is protected from the elements; and/or considering an asset or program dedicated in honor of the bequest, such as a volunteer park, children's educational room, etc.

Animal Control strives to provide the highest quality service to the public that can be provided within its available budget. These programmatic needs fall outside Animal Control's core services and can be addressed by the generous supplemental funding now available.

I urge your approval of this ordinance.

Attachment

By: Bryce Ward, Mayor
Introduced: 06/24/2021

FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2021 - 20 - 1A

AN ORDINANCE AMENDING THE FY 2021-22 BUDGET BY ACCEPTING A DESIGNATED GIFT AND APPROPRIATING \$92,791.11 TO THE SPECIAL REVENUE AND/OR CAPITAL PROJECTS FUNDS FOR THE FAIRBANKS NORTH STAR BOROUGH ANIMAL SHELTER

WHEREAS, The Fairbanks North Star Borough Animal Control division (Animal Control) strives to provide the highest quality service to the public that can be provided within its available budget; and

WHEREAS, Animal Control has identified several programmatic needs, including but not limited to: expanding public outreach and education programs; upgrading outside areas, kennels, cages, and other equipment used to house animals; ensuring that Animal Control has adequate facilities to house livestock at the animal shelter; ensuring that animal emergency response equipment is protected from the elements; and/or considering an asset or program dedicated in honor of the bequest, such as a volunteer park, children's educational room, etc.; and

WHEREAS, Ordinance No. 2018-20-1A appropriated \$110,000 from the first bequest from an estate; and

WHEREAS, Animal Control has received two final generous bequest distributions from the estate totaling \$92,791.11; and

WHEREAS, The bequest from the estate is designated for the "FNSB Animal Shelter."

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be *added* is underlined
Text to be *deleted* is [BRACKETED, CAPITALIZED]

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NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. Classification. This ordinance is not of a general and permanent nature and shall not be codified.

Section 2. Acceptance of Designated Gift. The Fairbanks North Star Borough formally accepts a bequest of \$92,791.11 designated for the FNSB Animal Shelter.

Section 3. Special Revenue and/or Capital Projects Funds Appropriation. The FY 2021-22 budget is hereby amended by appropriating \$92,791.11 to the Special Revenue and/or Capital Projects Funds budgetary guideline "Animal Shelter - Estate Donation" and by increasing donation revenue by a like amount.

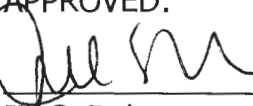
Section 4. Effective Date. This ordinance is effective at 5:00 p.m. on the first Borough business day following its adoption.

ADOPTED THE ____ DAY OF _____ 2021.

Mindy O'Neall
Presiding Officer

ATTEST:

April Trickey, CMC
Borough Clerk

APPROVED:


Jill S. Dolan
Borough Attorney

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]

FAIRBANKS NORTH STAR BOROUGH
FISCAL NOTE

I. Request

Ordinance No: 2021-20- Date Introduced: June 24, 2021

Abbreviated Title: \$92,791.11 Estate Donation to the Special Revenue and/or Capital Projects Funds for the Animal Shelter

II. Financial Detail

Department/Division Affected: Emergency Operations/Animal Control

EXPENDITURE	Special Revenue and/or Capital Projects Funds	Total
	FY 21/22	FY 21/22
Capital Outlay		
Awaiting Budget	92,791.11	
Total	92,791.11	

SOURCE OF FUNDING		
Contribution from Unrestricted Net Position		
Donation Revenue	92,791.11	
Total	92,971.11	

Specify Funding Sources: Donation from an Estate Bequest

OTHER FUNDING (PREVIOUSLY APPROPRIATED)		
Ord. No. 2018-20-1A	110,000	

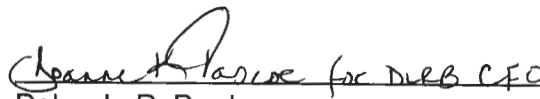
III. Project Purpose:

For the Borough Animal Control programmatic improvements





IV. Analysis of Future Liabilities and Funding Sources:

Ongoing maintenance of equipment, if applicable

IV. Fund Certification: I certify that funding sources are available as detailed in II above.


Debra L. R. Brady
 Chief Financial Officer

5/27/2021
 Date

mk	FA	SrGLA	
	GA	CA	
	SpA	C	
	TBM	GLA	

Fairbanks North Star Borough Fiscal Impact Statement (FIS) (FNSBC 3.20.010 C.)

Check	Date
Version 1	5/19/2021
Version 2	
Version 3	
Version 4	

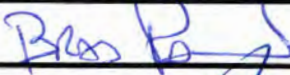
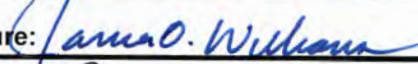
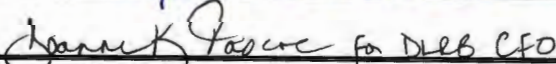
Originator's Name: Sandra Hill **Department:** Emergency Ops/Animal Control
To Be Introduced/Sponsored By: Mayor Ward
Abbreviated Ordinance Title: Animal Shelter Donation
Department(s)/Division(s) Affected: EO/Animal Control
Proposed Introduction Date: June 24, 2021 **Ordinance No.:** _____

Does this ordinance authorize:

- 1) a new or expansion of services which entails additional costs beyond that approved in the current adopted budget? Yes ___ No *
- 2) a project that is capital in nature and increases operational costs of the Borough in the current or any future fiscal year? Yes ___ No *

Required Information/Estimates	FISCAL IMPACT PRO FORMA SUMMARY - BEST ESTIMATE				
	Remainder of Current FY	1st Full FY of Operations	2nd Full FY of Operations	3rd Full FY of Operations	4th Full FY of Operations
	FY 20__ / __	FY 20__ / __	FY 20__ / __	FY 20__ / __	FY 20__ / __
1. Timeline inclusive of all phases					
2. Number and type of new positions which may be required					
3. Cost of operations and maintenance					
4. Future costs to complete capital assets					
5. Estimated revenue impact					
6. Estimated non-Borough funds that may be received:					
a. to fund the ordinance					
b. to fund future phases					
c. to fund future operations and maintenance costs					
7. Anticipated annual tax subsidy					

Is backup attached? Yes ___ No

Contact Person's Name, for FIS questions: Sandy Hill **Extension:** 1492
Director(s) Signature(s):  **Date:** 5/19/21
Mayor's Office or Assembly Member Signature:  **Date:** 5/20/21
Chief Financial Officer Signature:  **Date:** 5/27/2021



Fairbanks North Star Borough

Human Resources Department

humanresources@fnsb.gov

Main: (907) 459-1202

Fax: (907) 459-1187

MEMORANDUM

TO: Fairbanks North Star Borough Assembly Members
THROUGH: Bryce Ward, Borough Mayor *Q for BW*
FROM: Michelle Michel, Human Resources Director
SUBJECT: Resolution No. 2021-24
APEA Collective Bargaining Activities
DATE: June 24, 2021

Please be advised that the administration has completed the collective bargaining process for the Fairbanks North Star Borough Employees Association (FNSBEA) Local #6125, APEA/AFT (AFL-CIO).

A tentative three-year agreement has been agreed to by the Borough Administration and the Union. The membership ratification vote is currently in progress.

A copy of the tentative agreement is attached. This copy shows changes made from the current 2018-2021 contract in track changes mode.

The following management staff served on the negotiation team: Diane Thomas, Debbie Brady, Annmarie Billingsley, Jim Williams, and Michelle Michel.

The Administration worked extremely hard negotiating this contract in good faith and believes the agreement to be a good compromise that allows for stability over the life of the contract.

The significant financial provisions were incorporated into the approved FY22 budget, and the additional minor financial impacts can be absorbed within the budget appropriation. Included as part of this resolution package is an estimate of the financial impacts to the Borough.

I appreciate your consideration and urge the adoption of this resolution accepting the monetary terms of the FNSBEA agreement.

cc: Read File
Negotiation File



By: Bryce J. Ward, Mayor
Introduced: 06/24/2021

FAIRBANKS NORTH STAR BOROUGH

RESOLUTION NO. 2021 – 24

A RESOLUTION RATIFYING THE MONETARY TERMS OF THE NEGOTIATED COLLECTIVE BARGAINING AGREEMENT BETWEEN THE FAIRBANKS NORTH STAR BOROUGH EMPLOYEES ASSOCIATION (FNSBEA) LOCAL #6125, APEA/AFT (AFL-CIO) AND THE FAIRBANKS NORTH STAR BOROUGH

WHEREAS, The Fairbanks North Star Borough (Borough) has reached a tentative three-year agreement (Fiscal Year 2022 through Fiscal Year 2024) with the Fairbanks North Star Borough Employees Association (FNSBEA) Local #6125, APEA/AFT (AFL-CIO); and

WHEREAS, Although the monetary terms are ultimately subject to funding through assembly appropriation, FNSBC 2.32.490 requires the assembly to vote to either ratify or reject the monetary terms of a proposed labor agreement; and

WHEREAS, The significant financial impacts of this agreement for FY22 were estimated and included in the existing FY22 budget, and the minor financial impacts can be absorbed by the FY22 budget; and

WHEREAS, The agreed upon terms of the APEA contract include the following monetary terms that are significant and/or differ from the previous contract:

Add definition and section outlining Accident Review Committee and set threshold for an Accident Review Committee meeting at \$750.00 or more of expected damages or possible claims.

Increase training period for Public Works Equipment Operators to 48 months.

35 Require Union to indemnify and hold the Borough harmless against any claims,
36 loss and/or damages arising from the Borough's deduction and distribution of dues
37 pursuant to the terms of the signed Union Deduction authorization form.

38
39 Increase Employee Representatives from 8 to 10; reduce overall hours available
40 per year from 624 to 600.

41
42 Acting pay for nonexempt employee assignments will be based upon the
43 employee's step in the acting assignment grade, or 15% of base pay, whichever
44 is higher.

45
46 Acting time period for exempt employee assignments to receive compensation is
47 reduced from 3 to 2 days.

48
49 Change effective date for health plan changes as required by law to the beginning
50 of the contract, 7/1/21.

51
52 Exclude specialty medications from the Out of Pocket (OOP) maximum and
53 implement a separate specialty medications OOP maximum of \$2,000 per
54 individual.

55
56 Implement Caremark's Compound Management Program. (Effective 1/1/22)

57
58 Implement the Caremark Retail 90 option to allow participants to obtain a 90-day
59 supply of non-specialty medication at retail pharmacies. (Effective 1/1/22)

60
61 Require use of CVS Specialty Pharmacy for specialty medications, and implement
62 the Specialty Copay Card Program. (Effective 1/1/22)

63
64 Vision - Increase frame allowance from \$90 to \$120. (Effective 1/1/22)

65
66 Retain current biweekly health coverage payroll deductions for FY22, for employee
67 only coverage. Increase by \$10 per pay period in FY23 and \$5 per pay period in
68 FY24. (Pay Period Amounts: FY22 \$125, FY23 \$135, FY24 \$140). Add contingency
69 language that waives the deductible increases in FY23 and FY24 if budgeted health
70 decreases by 7% or more from the prior year.

71
72 Retain current biweekly health coverage payroll deductions for FY22, for
73 employee+family coverage. Increase by \$15 per pay period in FY23 and \$10 per
74 pay period in FY24. (Pay Period Amounts: FY22 \$155, FY23 \$170, FY24 \$180).
75 Add contingency language that waives the deductible increases in FY23 and FY24
76 if budgeted health decreases by 7% or more from the prior year.

77
78 Retain current dental/vision/audio \$10 biweekly payroll deductions for FY22.
79 Increase to \$12 in FY23 and to \$15 in FY24.

80
81 Increase the spousal health coverage opt-out charge from \$200 per pay period to
82 \$250 per pay period effective 7/1/21.

83
84 Increase membership of the Labor Management Committee on Employee Benefits
85 by 2 (one APEA, one Management) for a total of 10 members; the Borough and
86 APEA will be responsible for paying for training for their respective added
87 members.

88
89 Increase annual wellness funding from \$50,000 to \$75,000.

90
91 Allow employees who may occasionally be exposed to unsanitary conditions
92 release time (up to 10 minutes per incident) for personal hygiene.

93

94 If a disaster is declared by the Borough Assembly, the Borough will pay up to 40
95 hours of administrative leave beginning the second full week of the disaster. This
96 leave is available only if the employee has not been offered work. It is not available
97 if the employee has been ordered to return to work and refused.

98
99 Increase comp time balance maximum from 150 to 200 hours for exempt
100 employees.

101
102 COLA – None for FY22. For FY23 and FY24, minimum of 0.5% and a maximum of
103 3.0% (based upon U.S. DOL CPI-U for Urban Alaska (Annual Average).

104
105 Add hyperinflation language that if CPI is more than 2.0% over the established
106 cap of 3.0%, additional COLA will be granted in the amount that exceeds the 2.0%.

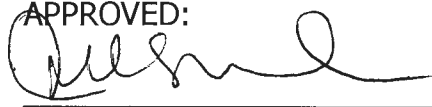
107
108 WHEREAS, Other changes were made to the contract that will result in
109 administrative efficiency and contract language clarity; however, identifying a cost or
110 savings at this time is not practicable.

111
112 NOW, THEREFORE, BE IT RESOLVED that the Assembly of the Fairbanks
113 North Star Borough approves and ratifies the monetary terms of the APEA contract.

114
115 ADOPTED THE _____ DAY OF _____ 2021.

116
117
118 _____
119 Mindy O’Neill
120 Presiding Officer

121 ATTEST:
122 _____
123
124 April Trickey, CMC
125 Borough Clerk

121 APPROVED:
122 
123 _____
124 Jill S. Dolan
125 Borough Attorney

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ARTICLE 1. DEFINITIONS

Section 1 - Tense, Number, and Gender as Used in this Agreement

- A. Words in the present tense include the past and future tenses, and words in the future tense include the present tense.
- B. Words in the singular number include the plural, and words in the plural number include the singular.
- C. Words of any gender include the masculine, feminine, and the neuter, and when the sense so indicates, words of the neuter gender may refer to any gender.

Section 2 - Definitions

1. "Accident Review Committee (ARC)" means a board charged with investigation of accidents and incidents. ARC meetings will be scheduled when damage or possible claims are expected to exceed \$750.00. The Union will be notified in advance of all Accident Review Board Meetings, and provided written notice of findings.

~~1.2.~~ "Bargaining Unit" in the Agreement means the Fairbanks North Star Borough Employees Association (FNSBEA), Local 6125, APEA/AFT (AFL-CIO).

~~2.3.~~ "Bargaining Unit Employee or Bargaining Unit Member" means a person occupying a position covered by the FNSBEA collective bargaining agreement.

~~3.4.~~ "Base Pay" means the rate of pay paid to an employee based on the employee's ~~range-grade~~ and longevity step on the salary table.

~~4.5.~~ **"Calendar Year"** means a twelve-month period beginning January 1, and ending December 31.

~~5.6.~~ **"Casual Employee"** is a person who is employed in a casual (temporary) capacity. Casual employees are not eligible for any fringe benefits.

~~6.7.~~ **"Compensatory Time"** is time off from work taken in lieu of overtime pay that is earned at the comparable overtime rate for non-exempt (hourly) employees, and hour for hour for exempt (salaried) employees.

~~7.8.~~ **"Confidential Employee"** means an employee who assists and acts in a confidential capacity to a person who formulates, determines and effectuates management policies in the area of collective bargaining, and is excluded from the Bargaining Unit.

~~8.9.~~ **"Continuous Service"** means uninterrupted employment with the Fairbanks North Star Borough. Absences due to military service, approved Family & Medical Leave, Leave Without Pay, or Leave of Absence does not constitute a break in service. Continuous service is not identical to Credited Service as used for retirement purposes by PERS.

~~9.10.~~ **"Department"** means a major functional unit of the Borough government established by the Borough Assembly.

~~10.11.~~ **"Department Director/Division Manager"** means a person directly responsible for the administration of a department or division.

~~11.12.~~ **"Disciplinary Action"** means imposition of certain personnel actions for just cause, (e.g., oral counseling, written reprimand, suspension, dismissal) or as a result of conduct detrimental to the Borough.

~~12.13.~~ **"Employee Representative"** means any Bargaining Unit Member designated as such by FNSBEA.

14. "Essential Employee during an Operational Closure" means any employee required by the Employer to work during a period due to the operational closure or partial operational closure of a facility.

~~13.15.~~ **"Flex Time"** means an alternate work schedule occurring in a work week that is mutually agreed to by the employee and his/her supervisor. In a flex time arrangement, overtime is paid during the workweek for any hours exceeding 10 (ten) in one (1) work-day or forty (40) in a work-week.

16. "FNSBEA Member" means an employee occupying a position covered by the FNSBEA collective bargaining agreement who elects union membership.

~~14.17.~~ **"Full-time Regular Employee"** is a person who is employed for a scheduled work week of thirty (30) hours or more per week. A full-time regular employee shall be eligible for benefits as set forth in this Agreement.

~~15.18.~~ **"Layoff"** means a separation from employment that is implemented because of budgetary limitations, lack of work, abolishment of position, departmental reorganization, or for similar reasons.

~~16.19.~~ **"Lead Person"** means an employee who under the direction of his/her manager/director may be responsible for the assigning, scheduling, and reviewing the day to day work activities and quality of work including if necessary, giving technical direction to the employees supervised. The Lead Person may be requested by the manager/director, to indicate the effectiveness of the work product of the employees supervised, and any other work that may be performed (i.e. services, repairs, etc.) on behalf of the Employer. The lead person shall provide input to the manager/director during the evaluation of an employee; however, the lead person shall not do anything more than provide input and make comments.

20. "Library Page" is a library employee whose primary functions involve minimal responsibility such as shelving books, unpacking shipments of books, checking in and checking out library materials, checking and cleaning films in the video department, and maintaining shelf order. In addition, no more than twenty-five percent (25%) of these employees' scheduled work time may be spent performing minor clerical duties of a routine nature entailing minimal responsibility.

~~17.~~

~~18.~~21. **"Merit Principles"** is defined as the filling of vacancies through promotion, transfer, or new hire and shall be based upon the principle that the person best qualified and able to perform the functions of the position will be selected to fill that position.

~~19.~~22. **"Part-time Regular Employee"** is a person who is employed for a scheduled work week of twenty (20) hours up to thirty (30) hours. A part-time regular employee shall receive full health benefits as provided in Article 22, however all other benefits under this Agreement shall be on a ~~pro-rata~~pro-rata basis.

~~20.~~23. **"Personnel Rules"** means ordinances, policies, or procedures enacted or adopted by the Employer. Any definition not set forth herein which is set forth in the Personnel Rules, shall be incorporated into and shall apply to the Agreement.

~~21.~~24. **"Probationary Employee"** means an employee occupying an FNSBEA position who has not completed his or her probationary period.

~~22.~~25. **"Recall"** is when an employee has left his place of work and/or duties and is subsequently required to return to work on an unscheduled basis prior to, and not as an early start on, the next scheduled work-day or scheduled overtime. An employee is not "recalled" when directed, required, or scheduled to work overtime on a scheduled day off or when given advance notice of the need to return to work prior to his next regularly scheduled shift.

~~23.~~26. **"Regular Employee"** means a full-time, part-time, or seasonal employee who has been retained in his/her FNSBEA position after completion of the probationary period whose position is identified as a regular position in the approved budget. A regular employee is not allowed to hold a casual position while employed by the Borough in a regular position.

~~24.~~27. **"Regularly Scheduled Work Week"** means an average number of hours worked during the last 28 days, working backwards from the Sunday prior to the

week in which the holiday occurs. The average number of hours worked during this 28 day period shall be deemed to be the “regularly scheduled work-week” for purposes of computing holiday pay only.

28. **“Seasonal Employee”** means an employee who holds a regular, budgeted seasonal position with the title of: Park Ranger, Lead Park Ranger, Equipment Operator, Park Caretaker, and Park Groundskeeper. Seasonal employees are afforded recall rights to return to the seasonal position each year.

~~25.~~

26-29. **“Standby” or “~~On-Call~~”** is when an employee is assigned by their department supervisor to be available ~~by via beeper device~~ or other means after their regularly scheduled shift, to return to work on an unscheduled basis when the need arises.

27-30. **“Supervisory Employee”** means an employee having substantial responsibility on behalf of the Employer who regularly participates in the performance of all or most of the following functions: employ, promote, transfer, suspend, discharge, or adjudicate grievances of other regular employees, if in connection with the foregoing, the exercise of such responsibility is not of a routine nature, but requires the exercise of independent judgment. This definition will not include lead workers.

28-31. **“Term Employee”** means a project specific employee holding a position for a period of more than six months but less than two years, with a projected discharge date which may be adjusted according to funding limitations or completion of work. Employees hired to fill a term position shall enjoy all benefits of a regular employee with the exception of employment protection beyond the life of the designated project(s).

29-32. **“Training Position”**- is a position where the minimum requirements of a regular position are waived or reduced by the Borough to allow for internal promotion and training into a regular position.

~~30.33.~~ **"Travel Status"** bargaining unit members shall be considered in travel status from the time an authorized trip begins until it ends. For purposes of interpretation, travel status will begin and end when the bargaining unit member leaves and returns to his/her immediate work station if travel begins and ends during assigned working hours, or when the bargaining unit member leaves and returns to his/her home if travel begins or ends outside assigned working hours. Travel status is primarily used for calculation of per-diem.

ARTICLE 2. RECOGNITION AND BARGAINING UNIT

Section 1 – Recognition

The Fairbanks North Star Borough, herein-after referred to as the "Employer" or "Borough", ~~,"~~ recognizes the Fairbanks North Star Borough Employees Association, Local #6125, APEA/AFT (AFL-CIO), herein-after referred to as "FNSBEA" or "Union", or the "Association" as the exclusive representative for all full-time regular, part-time regular, seasonal and term employees in the Fairbanks North Star Borough for collective bargaining with respect to salaries, wages, hours, and other terms and conditions of employment. The FNSBEA contracts with the Alaska Public Employees Association (APEA/AFT) for services and has authority to administer the contract and acts as FNSBEA's agent.

Section 2 - Exclusions

FNSBEA is not the exclusive representative for the following positions.

- A. Positions that are elected, appointed, confidential and supervisory employees as defined in Article 1; and
- B. All casual employees, college interns, high school student-trainees, positions reserved for senior citizens or disabled persons, and trainees employed under federal or state programs with a finite terminal date. It is not the intent of the Employer to use these employees in place of budgeted regular positions or to use these employees to circumvent hiring/budgeting of regular positions.
- C. Employees of the Borough Transportation Department covered under Laborers Local 942.
- D. Employees covered under the ASEA agreement.

Section 3 - Clarifications

- A. Additional classifications or reclassification shall be included within the bargaining unit or exempt there from on the basis of inclusion or exemption according to above definitions.
- B. The Employer and FNSBEA have adopted a formal review process to determine inclusion/exclusion of newly created positions or positions reclassified due to job duty changes in the bargaining unit. However, should unresolvable differences as to inclusion or exclusion from the bargaining unit occur, either party may request that the jurisdiction be determined in accordance with Alaska Statutes.

Section 4 - Casual Employees

- A. It is recognized that the need exists for the employer to hire casual employees in positions whose functions are identical to positions in the Bargaining Unit. It is not the intent of the Employer to use casual employees in place of budgeted

regular positions or to use casual employees to circumvent hiring/budgeting of regular positions. Every reasonable effort will be made to offer available work hours to regular employees before casual employees are offered these hours, unless overtime would be required. Regular employees will be offered work before casuals are assigned overtime. A casual employee may not work more than 1,040 hours in a calendar year. Casual employees exceeding 1,040 hours in a calendar year will be immediately terminated unless the current assignment is to replace a regular employee on leave (including FMLA, leave of absence or paid leave). In such a case, the casual employee may be retained until the regular employee returns, at the sole discretion of the employer.

- B. The Employer will provide an electronic monthly report to the FNSBEA and the APEA/AFT field office containing the following information: name of the casual (username); Classification title; userid; orgkeys; Department; Division; and casual hours worked (including straight and overtime hours) to date in the calendar year.
- C. Employees hired under the summer hire programs in Parks & Recreation and the Public Works Solid Waste Litter Patrol shall be classified as casual unless otherwise defined by the contract as seasonal.

ARTICLE 3. POLICY AND PURPOSE

It is the policy of the Employer and FNSBEA to continue harmonious and cooperative relationships between Borough employees and the Employer to ~~insure~~ ensure ~~assurance~~ orderly and uninterrupted operations of the government. This policy is effectuated by the provision of the Public Employment Relations Act, A.S. 23.40, of the State of Alaska, and ratified by the Fairbanks North Star Borough Assembly in Resolution No. 72-69, granting public employees the rights of organization and collective bargaining

concerning the determination of the terms and conditions of their employment. The Employer and FNSBEA now desire to enter into an Agreement reached through collective bargaining which will have as its purpose, among others, the following:

- A. To recognize the legitimate interest in the employees of the Fairbanks North Star Borough to participate through collective bargaining in the determination of terms and conditions of their employment.
- B. To promote fair and responsible working conditions.
- C. To promote individual efficiency and service to the citizens of the Borough.
- D. To avoid interruption of or interference with efficient operation of Borough Government.
- E. To address and resolve issues at the lowest level.
- F. To provide a basis for the adjustment of matters of mutual interest by means of amicable discussion.

ARTICLE 4. NON-DISCRIMINATION

Section 1 - Hiring and Management Treatment

- A. Employees shall not be discriminated against with respect to compensation terms, or conditions of employment because of race, color, creed, ethnic origin, religion, gender, sexual orientation, genetic information, national origin, physical or mental disability, political affiliation, domicile, marital status, change in marital status, parenthood, pregnancy, age, union affiliation or any other basis of discrimination

prohibited by local, state or federal law. The Employer and Union agree to comply with all State, Federal and local laws, rules, or regulations prohibiting discrimination against any person with regard to all aspects of employment or membership.

- B. The Fairbanks North Star Borough's obligations to refrain from illegal acts under federal and state laws, Borough Ordinance, and any other policy or procedure prohibiting discrimination or sexual harassment are not obligations under this collective bargaining agreement and are not subject to the grievance/arbitration procedure as defined in this agreement.
- C. Notwithstanding the prohibition against discrimination set forth above under (A) of this section, the employer may provide greater health and retirement benefits to employees who have a spouse or dependent children than are provided to other employees.

Section 2 - FNSBEA Admittance

The FNSBEA agrees that it shall not discriminate against any Bargaining Unit Member with respect to admittance to FNSBEA membership because of race, color, national origin, sex, age, religion, marital status, or changes in marital status, ethnicity, creed, height/weight, political affiliation, pregnancy, sexual orientation, parenthood or disability; including HIV status; and agrees to comply with applicable Federal and State Statutes and regulations prohibiting discrimination.

Section 3 –Anti Harassment and Anti Bullying

No employee shall be subjected to harassment or bullying behavior. All employees are expected to comply with all Borough policies, including the EEO, Anti-

Discrimination, Anti-Harassment, and Anti-Bullying Policy, FNSB 65.0809. The Policy, which includes contact information to file a complaint, will be distributed to all employees annually, and new hires shall be provided a copy at the new hire orientation.

ARTICLE 5. FNSBEA SECURITY

Section 1 - ~~Agency Shop~~FNSBEA Membership

~~A. It is recognized that FNSBEA owes the same responsibilities to all employees and is to provide benefits and services to all bargaining unit members whether or not they are members of FNSBEA. All employees shall, as a condition of continued employment, either become a member of FNSBEA and pay FNSBEA dues or pay an agency fee to FNSBEA as allowable by the law. Payment of FNSBEA dues or agency fees shall commence within thirty (30) days after the date of hire.~~

~~B. Upon the written request by FNSBEA to the Borough, a unit member employed for more than thirty (30) days who is not complying with the member or agency shop provision of the agreement shall be terminated in accordance with FNSBEA's written instructions. FNSBEA's written request for termination shall include copies of correspondence with the employee documenting the FNSBEA's efforts to enroll the employee as a member or agency fee participant. Where such dismissal action is taken by the Employer in accordance with FNSBEA's written request, the FNSBEA shall hold the Employer harmless provided the Borough has exercised ordinary diligence.~~

~~CA.~~ A person hired in a bargaining unit position shall be informed, at the time of the employment offer, of the FNSBEA membership ~~obligation~~ option under this Agreement. At the time of new employee orientation, the new employee shall be ~~given APEA/AFT enrollment forms and~~ notified that he/she will be contacted by an FNSBEA representative or APEA Field Office employee. The Employer shall notify the APEA/AFT Field Office, as soon as it is practical after hiring a new employee, to inform the APEA/AFT Field Office of the new employee's name. A FNSBEA Representative or APEA Field Office employee shall be allowed a maximum of thirty (30) minutes time, during normal working hours, with the new employee within the first fifteen (15) working days of employment. Borough conference rooms can be scheduled for this purpose. This time is to perform the FNSBEA enrollment action and discuss the FNSBEA's function with the new employee. If additional time is needed, an additional thirty (30) minutes can be used for the new hire, this additional time will be paid for using hours from the Association Leave Bank.

~~DB.~~ The Employer shall not sign up new hires for FNSBEA membership, dues or ~~agency fees., but will include the FNSBEA membership information and forms in the orientation package. The Employer will set-up the appropriate deductions for APEA/AFT/FNSBEA dues and initiation fees (as established by APEA/AFT/FNSBEA), when applicable. The Employer will neither interfere with nor support APEA/AFT in its interaction with members of this bargaining unit.~~

Section 2 - Exclusive Negotiations with FNSBEA

The Employer shall not negotiate or handle grievances with any employee, organizations, or individual other than APEA/AFT/FNSBEA and its representatives with reference to terms and conditions of employment of employees covered by the Agreement.

Section 3 - ~~Check-Check-Off~~ and Payroll Deductions

- A. Employees who desire to have dues or fees (as specified in this section) deducted from the pay to which they would otherwise be entitled and have those funds paid to the APEA/AFT/FNSBEA shall authorize such payroll deductions by executing ~~a check-off on a form mutually agreed to by the parties to this Agreement~~ the Union's dues authorization form. Upon receiving such authorization, the Employer shall make the deductions so authorized and promptly forward these deductions to the APEA/AFT. Payroll deductions will start at the beginning of the pay period following receipt of the authorization form in Human Resources. The APEA/AFT/FNSBEA shall have the right to receipts from deductions of APEA/AFT/FNSBEA and Employee's Political Information Committee (EPIC) dues. The Business Manager of APEA/AFT shall immediately notify the Human Resources Director and Mayor of the Fairbanks North Star Borough in writing of a decrease or increase in authorized dues or fees deducted.
- B. The Employer shall then make the appropriate changes in payroll deductions. The Employer shall remit employees' authorized APEA/AFT/FNSBEA deductions to the duly authorized representative of the APEA/AFT, together with list of the names of the employees from whose pay deductions are made. All changes in address of employees shall be transmitted to the APEA/AFT immediately.
- C. The FNSBEA agrees to hold the Employer free from all liability in connection with the collection of dues or fees, except that the Employer shall be held to the exercise of ordinary diligence and care in the transmittal of the monies to the APEA/AFT/FNSBEA.

Further, the Union shall defend, hold harmless and indemnify the Borough against any claims, loss, and/or damages directly or indirectly arising from the

Employers deduction and distribution of dues pursuant to the terms of the signed authorization form.

Section 4 - Use of Facilities

Where there is appropriate available space in the buildings owned or leased by the Employer, this space may be made available for use by the FNSBEA, provided that a request is approved in advance pursuant to the rules of the department concerned. Such approval shall not be unreasonably withheld or delayed.

Section 5 - List of Bargaining Unit Members

The Employer shall furnish to the APEA/AFT/FNSBEA a roster of bargaining unit members and their addresses semi-annually at no cost to APEA/AFT/FNSBEA, first on June 30th and second on December 31st, and again as soon as practical after the execution of this Agreement. Other reasonable requests shall be honored by the Employer. The Employer will furnish the FNSBEA by providing to the APEA/AFT (Northern Region Office) with a copy of a Monthly Personnel Employee Report.

Section 6 - Professional Representation

The FNSBEA shall have representatives from APEA/AFT who are not employees of the Employer who shall be authorized and empowered to speak for the FNSBEA in all matters governed by this Agreement and shall be permitted with prior approval of the Employer, to visit any work site at any time bargaining unit members are on duty. Such approval shall not be unreasonably withheld or delayed.

Section 7 - Bulletin Boards

The FNSBEA shall have the right, upon mutual agreement with the Employer, to use reasonable bulletin board space where it exists, and to provide and install a board(s) where it does not currently exist, for the purpose of posting FNSBEA information. Employer retains the right to approve the location of any bulletin board provided by FNSBEA. No bulletin board provided by FNSBEA shall be permitted in any public area. Bulletin Boards shall be permitted in the Administration Center in accordance with present practice, and one bulletin board per other Borough facility. However, no political information or derogatory information referencing the Borough or its personnel may be posted on the bulletin boards.

The Employer will make space available on the Employer's intranet for an electronic "bulletin board" for the FNSBEA's use.

Section 8 - Employee Representatives

There shall be up to ~~eight-ten~~ (~~8~~10) Employee Representatives who are employees of the Borough, who shall be properly dispersed at the primary Borough locations. The FNSBEA President shall be automatically considered one of said Employee Representatives. The Employee Representatives shall be entitled to perform their official duties during normal working hours, provided it will not significantly impact borough operations. Official representative duties include FNSBEA business, handling employee requests, providing information to employees and handling grievances. Time shall be recorded on the employee's timesheet. Such release time will not exceed a total for all employee representatives ~~624-600~~ hours of administrative leave per calendar year for the activities as described in this section. This administrative leave is funded by the Employer and will not reduce the individual representatives personal leave bank, or the Associated Leave Bank, as described in Article 24, Section 7. Any hours used in excess of the ~~624-600~~ hours allowed per calendar year will require a deduction from the Associated Leave Bank.

Prior to engaging in their official union duties, expected to last longer than 15 minutes, an Employee Representative shall notify his/her supervisor. Time to perform such duties shall not be unreasonably denied. It is agreed that the Employee Representatives conducting representation duties shall, wherever possible, meet outside the presence of other employees. Time spent by Employee Representatives outside of his/her workday will not be counted as work time. It is not the intent of the parties for the Employee Representative to receive overtime pay while performing employee representative duties outside of the work-day.

Union Officers or Representatives attending committee meetings who are not appointed committee members will be required to use hours from the Business Leave Bank. Non-Committee members must obtain supervisor approval for attendance at the meeting. Only Committee members may attend Sick Leave Bank meetings, due to medical confidentiality concerns.

For the purpose of layoff of positions in the bargaining unit, elected FNSBEA President and Employee Representatives shall head the seniority list of Borough service, provided that the Employee has at least six (6) months of continuous service as a designated Employee Representative.

Section 9 - Non-Discrimination

No Bargaining Unit Member shall be discriminated against for upholding lawful union activities. Employees who serve on an FNSBEA committee(s), serve as Employee Representative or as an officer of FNSBEA, shall not lose his/her position or be discriminated against for these reasons.

ARTICLE 6. FNSBEA RESPONSIBILITY

- A. FNSBEA agrees that this Agreement is binding on each and every member of the Bargaining Unit.
- B. FNSBEA agrees that it will ~~combat~~ discourage absenteeism and other practices which may hamper the Employer's operation and that the FNSBEA will vigorously support the Employer in efforts to promote goodwill between the Employer and Bargaining Unit Members.
- C. FNSBEA agrees to make every effort to see that Bargaining Unit Members under this Agreement ~~obey~~ understand and follow all reasonable rules and regulations as prescribed by this Agreement.

ARTICLE 7. AVAILABILITY OF THE PARTIES

Section 1 - Joint Meeting

FNSBEA and the Employer agree to meet upon request of either party and at reasonable times to discuss the interpretation and application of this Agreement. The FNSBEA and the Employer agree to advise the other party of their representatives for this purpose.

Section 2 - Labor/Management Committee

- A. To facilitate two-way communications between the parties and to promote a climate conducive to constructive employee relations and greater productivity, a

joint labor/management committee shall be established at the executive level of the Fairbanks North Star Borough. This committee shall consist of three (3) Management Representatives and three (3) FNSBEA Representatives, and shall be chaired by the Fairbanks North Star Borough Mayor or his/her designee. Participation of a Representative from the Laborers Local 942 and ASEA will be allowed when the subject matter is of interest to all parties.

B. This joint committee shall meet upon request of either party on a quarterly basis to discuss matters of mutual interest, including operating problems, methods of improving productivity, morale, and public relations, department organizational changes, or to work on specific issues as required in this agreement. Approved time spent in meetings shall neither be charged to leave credits nor considered overtime worked.

C. The committee(s) shall have no authority to contravene any provisions of this Agreement, nor to enter into any agreements binding the parties. Matters requiring a Letter of Agreement shall not be implemented until a signed Letter of Agreement has been approved by the designated management Representatives and FNSBEA Designated Negotiators.

~~C.D.~~ As needed, but not more than annually, the Employer and Union may desire mutually agreed training on collaborative labor-management relations from a source such as the Federal Mediation and Conciliation Services. In such a case, the cost of providing the training shall be split equally between the Employer and Union. Time spent by the Union LMC employees at such training shall also be split equally between a reduction of the Business Leave Bank and administrative leave granted by the Employer.

ARTICLE 8. PRE-NEGOTIATION FINANCIAL INFORMATION

The Employer agrees to furnish, upon timely request, the legally required statistical, budgetary, or payroll information for bargaining unit members necessary to the orderly conduct of collective bargaining.

ARTICLE 9. EMPLOYEE DISCIPLINE

Section 1 - General

- A. The FNSBEA recognizes the Employer's right to adopt and implement reasonable rules and regulations pertinent to safety, standards of conduct, and work rules. All employees shall be subject to such rules and regulations, and violations of such directives shall subject the offending employee to disciplinary sanctions.
- B. The Employer shall not discipline or discharge a regular employee without just cause. When disciplining employees, the Employer shall follow the principles of progressive discipline which include oral counseling, written reprimand, suspension(s) without pay, and discharge as described in Section 3. The Employer is not required to follow the progressive steps of discipline for serious violations of the work rules as generally defined in Section 3 below.
- C. An employee has a right to request union representation during an investigative interview if the employee has reasonable belief that discipline or other adverse consequences may result from what he/she says in the interview. In such an instance, the supervisor has the following options: 1) stop questioning the employee until the union representative arrives; or 2) call off the interview and reschedule; or 3) continue the interview if the employee voluntarily gives up his/her rights to a union representative.
 - 1. In all cases, when a Notification of Intent to Investigate (NOI) is issued, the employee shall be informed of the subject of the interview, and their rights to representation in writing prior to commencement of the meeting.

Section 2 - Oral Counseling

Prior to any disciplinary action for minor infractions of the work rules and after a preliminary investigation, if the supervisor determines that an alleged offense may warrant oral counseling, the supervisor shall first schedule a meeting with the employee to discuss the inappropriate behavior or performance problem and attempt to resolve the issue informally. The employee shall be informed that he/she has the right to have an FNSBEA representative present at the meeting. At this meeting the employee and supervisor shall attempt to agree to a plan or objective to improve the worker's conduct or performance which shall, when appropriate, include a plan for additional training. If the parties reach an agreement a copy shall be given to the employee but no record shall be placed in the employee's official personnel file. If the problem is corrected within the specified time and there are no disciplinary actions within one (1) year, the plan shall be expunged from the supervisor's anecdotal records and shall not be used as the basis of any future discipline or other employment decisions.

If the parties are unable to reach agreement or the problem persists despite an agreement, the supervisor may administer disciplinary action as set forth in Sections 3 and 4.

Section 3 - Disciplinary Administration

Disciplinary action will be administered on a case-by-case basis in a consistent and fair manner. The discipline imposed will depend upon intent and mitigating circumstances, including the employee's past record, length of service, existence of past discipline, and the potential detriment to the Employer resulting from the action. Suspension or dismissal may be appropriate for the first offense only for serious rule violations like theft, assault, dishonesty, fighting, intentional falsification of official records, possession or being under the influence of prohibited narcotics during duty

hours, being under the influence of alcohol during duty hours, gross negligence or gross insubordination.

Section 4 - Employee Rights

Prior to a determination being made by the supervisor that an alleged offense may warrant discipline, the supervisor is free to interview any potential witnesses without first notifying the employee or the FNSBEA. This is part of the preliminary investigation to determine if the allegation is accurate and warrants discipline or further investigation.

If discipline is subsequently issued, the APEA/AFT Field Office may request a summary of the witness statements and evidence (names excluded). APEA agrees it shall not use this information to pressure complainants to modify or withdraw their statements.

The Employer bears the initial burden of proof and burden of producing evidence related to the discipline imposed.

A. Written Reprimand, Suspension or Dismissal Procedures

1. After a preliminary investigation and when a supervisor determines that an alleged offense may warrant discipline more severe than oral counseling, a Notice of Intent (NOI) to Investigate and Impose Disciplinary Action (see Intent to Investigate form) is completed, which includes the allegations, and given to the employee at least two (2) business days prior to the meeting. A copy of the NOI shall be given to the Human Resources Director and the APEA/AFT field office.
2. The employee receives the memo and is informed that he/she has the right to have an FNSBEA representative present.

3. The meeting between the employee, FNSBEA representative, and management is the beginning of the actual investigation where questions may be asked of the employee by management.
 4. After the meeting, the FNSBEA shall be given up to three (3) business days to do an investigation if they desire.
 5. Another meeting, at the discretion of FNSBEA, may be set up after the three (3) business day period to give the employee an opportunity to respond to the allegations.
 6. Within ten (10) business days of the meeting set forth in number 5 above, and if it is determined by management that a written reprimand, suspension, or discharge is warranted, the employee shall receive in writing the actual appropriate disciplinary action (see Disciplinary Action Form) outlining the infraction and resulting discipline, with a copy provided to the APEA/AFT field office.
- B. A formal written letter of reprimand shall be removed from any files pertaining to that employee after two (2) years (or a lesser time if mutually agreed to by the parties) of issuance if there have been no further incidents. If the employee terminates employment prior to the expiration of this timeline, the file is closed upon termination, and the documents contained within the file are preserved.

Section 5 - FNSBEA Notification

The Employer agrees to furnish the APEA/AFT field office, either by fax, email, hand (receipt) or by Certified Mail, copies of disciplinary actions (e.g., written reprimands, suspensions, dismissals) concurrently with notification of the employee, but in no

case later than two (2) working days after the implementation of the disciplinary action.

NOTIFICATION OF INTENT TO INVESTIGATE

TO:

FROM:

SUBJECT: Notification of Intent to Investigate and If Necessary, Impose Disciplinary Action

DATE:

After a preliminary investigation it is alleged that on __ (insert date here) _____ you (insert allegations and subject of the investigation -here) _____ .

Prior to implementation of disciplinary action, you will have an opportunity to respond to the allegations and to have an FNSBEA representative present.

An appointment to discuss this matter has been scheduled for _____.

cc: Human Resources Director
APEA/AFT

DISCIPLINARY ACTION

TO:

FROM:

SUBJECT: Disciplinary Action

DATE:

After further investigation and our meeting with you on _____ regarding the allegations of _____.

I have determined that

_____.

This letter is to serve as a (written reprimand, suspension or discharge) (Note specific violations and resulting discipline)_____.

You are hereby reminded of your rights under the FNSBEA contract.

Employee Comments: _____

Employee Signature

Date

cc: APEA/AFT
Human Resources Director
Personnel File

ARTICLE 10. GRIEVANCE PROCEDURE

Section 1 -- Definition & Purpose

- A. A "Grievance" as defined in this Agreement is a complaint, controversy, or dispute arising between the parties. The Grievance Procedure outlined herein shall be the sole means of settling grievances.
- B. Complaints or disputes relating to the State of Alaska Public Employees Retirement System (PERS) shall not be subject to resolution by this Grievance Procedure.
- C. Having a desire to promote and maintain labor relations harmony, the parties agree that they will promptly attempt to resolve all complaints or disputes arising between them informally before the issue becomes a formal grievance. The employer and the FNSBEA agree to utilize the following procedure as the sole means to resolve differences between the parties.
- D. No employee shall be disciplined or discriminated against in any way because of the employee's use of the grievance procedure.

Section 2 - Grievance Format

- A. The parties agree that the current grievance form will continue to be utilized but may be altered by the mutual agreement of the parties. It is the intent of the parties that the allegations be made with specificity in order to allow the parties a full opportunity to investigate, discuss the grievance, and resolve it prior to arbitration.

- B. Grievances involving a disciplinary suspension of more than three (3) days must be entered into the formal grievance procedure at the STEP TWO level.

- C. Dismissal Grievances for non-probationary employees, and non-retained probationary transfers must be entered at the STEP TWO level. The ~~effected~~ affected employee will remain in paid status until the remedies under the STEP TWO grievance process (Article 10, Section 3, STEP 2) is complete. This paid status may be a regular work schedule, an alternate assignment, or administrative leave, depending upon the circumstances and at the sole discretion of the Employer. FNSBEA agrees to process the grievance in a timely manner and to provide the Employer with all relevant information and documentation within FNSBEA's possession at the time of the STEP TWO meeting, so that the Borough can properly determine whether termination is the appropriate discipline. Upon completion of the STEP TWO grievance process, should the Employer still believe termination is the appropriate action, the termination will become effective the date the STEP TWO decision is rendered. The process for probationary employees non-retention and non-retained probationary transfer grievance processing is defined in Article 17.

- D. Grievances involving or resulting from a decision by the Mayor or Chief of Staff must be entered into the Formal Grievance Procedure at the STEP TWO level.

Section 3 - Procedure

Step One - The APEA or an FNSBEA Representative, shall present the grievance in writing to the supervising division manager or Department Director, as may be appropriate, and a copy to the Human Resources Director, within fifteen (15) working days of the effective date of the alleged dispute or controversy or within fifteen (15) working days after the employee should have reasonably known of the action or inaction, whichever is later.

The division manager or Department Director, as may be appropriate, shall respond to the Grievant, the FNSBEA Representative, and the APEA/AFT Field Office in writing within five (5) working days

Step Two - If the grievance is not settled at STEP ONE, if applicable, the grievance must be submitted by APEA/AFT to the Human Resources Director within ten (10) working days of the STEP ONE Employer's response. The grievant, APEA/AFT Field Representative, FNSBEA employee representative, the Human Resources Director, and the appropriate Department Director shall, within five (5) working days of the STEP TWO NOTICE, schedule a meeting, and attempt to resolve the issue. Within five (5) working days of the STEP TWO grievance meeting, the Employer's representative shall mail a written decision to the grievant and the APEA/AFT Field Office. The APEA/AFT may, within fifteen (15) working days of the delivery of said Employer's notice, request that the dispute be submitted to arbitration.

Step Three (ARBITRATION) - Any grievance which involves the application or interpretation of the provisions of this Agreement may be submitted to arbitration.

- A. The parties shall cooperate with each other and shall provide all relevant documents requested by the other unless barred by law from disclosure. The parties shall exchange exhibits /witness lists at least 10 days before the arbitration.
- B. The parties shall cooperate in making all witnesses available for interview prior to the arbitration. Bargaining unit members who are subsequently interviewed by the Employer prior to arbitration will have union representation present during the interview. Requests by the Union to interview management employees will be coordinated through

the Borough Legal Department, and an Employer Representative will be present during the interview.

- C. If additional information becomes available between submission of exhibits/witness lists and the arbitration, that information will be made available to the other party immediately. If both parties agree, following the receipt of the additional information, the Arbitration may be rescheduled to allow the parties to resolve the issue in light of the new information.
- D. Employees who are subject to dismissal are left in paid status during the Step 2 grievance process, giving the Union their opportunity to investigate and provide relevant information that may affect the issuance of discipline. See Article 10, Section 2(C).
- E. The arbiter shall be empowered to mitigate the penalty as equity suggests under the facts but shall have no authority to rule contrary to, to amend, add to, subtract from, or otherwise modify the terms of this Agreement.
- F. Unless otherwise agreed by the parties, the arbiter shall render his opinion within the 30-day time frame recognized by the American Arbitration Association and Federal Mediation and Conciliation Service. The decisions and awards of the arbiters shall be binding upon all parties to this Agreement and enforceable under the provisions of AS 09.43.300-595 (which shall be included by reference in this provision(s)), except that issues of gross legal errors or awards that violate an explicit, well defined and dominant public policy may be appealed as provided by Alaska Court Rules.

Section 4 - Selection of Arbitrator

A panel of arbitrators will be selected and maintained throughout the contract period. The process for identifying the panel and selecting an arbitrator when needed is outlined below:

- A. Upon signing the agreement, the parties shall request the American Arbitration Association or the Federal Mediation and Conciliation Service to provide a listing of fifteen (15) arbitrators. The parties will meet and endeavor to agree upon a panel of nine (9) arbitrators from the list provided to be used for any future arbitration. The process to be used to select the panel of nine (9) arbitrators will be to alternately strike names from the list of fifteen (the order of striking to be determined by the toss of a coin flipped by the APEA/AFT Representative and called by the Employer). If an arbitrator becomes unavailable to serve on the panel, the last arbitrator struck shall be added to the panel. The party who wins the coin toss determines who strikes first.

- B. When the need for an arbitrator arises, the parties shall select an arbitrator from the panel of nine by alternately striking names from the list; the order of striking shall be determined by the toss of a coin flipped by the APEA/AFT Representative and called by the Employer. If the selected arbitrator becomes unavailable to serve, the last arbitrator struck shall be used. The party who wins the coin toss determines who strikes first. The parties may mutually agree to a local hearing officer not on the provided arbitrator list in the interest of time and efficiency.

Section 5 - Payment of Arbitration

Upon selection of an arbitrator, a written fee agreement must be established in advance of final selection, signed by both the Union and the Employer, and accepted

by the arbitrator that outlines specific costs charged by the arbitrator and the timelines required for a decision.

Expenses incident to the services of the arbiter shall be paid by the losing party, or if no losing party can be determined, the expenses shall be apportioned as in the arbiter's judgment is equitable. Expenses must be consistent with the fee agreement completed in advance of the arbitration or as mutually modified.

Section 6 - Arbitration Witnesses

Each party shall bear the expenses incurred in presenting its own case before the arbiter. A grievant shall be allowed to attend the arbitration proceeding without loss of pay. If the grievance is a class action, the Union may designate one of the grievants to represent the class at arbitration without loss of pay. Witnesses within this bargaining unit, who are employed by the Employer, may participate in arbitration without loss of pay for time required to testify at the hearing. Union Officers or Representatives who want to attend the arbitration will be required to take personal leave if FNSBEA Business Leave Bank time or Representative time, is not authorized by the Union.

Section 7 - Time Limits

The time limits prescribed in this section for the initiation and completion of steps of the grievance procedure may be extended by mutual consent of the parties so involved. Likewise, any step in the grievance procedure may be eliminated by mutual consent. Mutual consent shall be indicated in writing and shall be signed by all parties involved.

ARTICLE 11. EDUCATIONAL OPPORTUNITIES AND TRAINING

It is the policy of the Borough to make available to employees educational and/or training opportunities, providing funding is available, in order that services rendered to the public and the FNSB will be more efficient and cost-effective and to ensure a well-qualified and trained workforce.

Section 1 - Educational Opportunities

An employee wishing to enroll in any educational opportunity or training under this program should submit tuition and course-related fees reimbursement requests to his/her Department Director for approval prior to registration. (The mayor's office will have final approval of all training requests.) The Department Director shall evaluate all written requests for education reimbursement costs, tuition, required texts, course-related fees, and ~~travel~~-travel-related expenses submitted by individual employees, based upon the following criteria:

- A. The course or curriculum outlined in writing by the employee is directly applicable to the employee's work with the Borough and will demonstrably enhance the employee's job performance or promotional opportunities.
- B. The employee is not receiving educational assistance or reimbursement from any other source.
- C. Courses which are only offered locally during regular working hours may be approved by the Department Director provided reasonable arrangements can be made to schedule leave or make up the time off needed to attend the course. It is agreed that attendance at a course shall not be considered time worked unless the Employer approves attendance. It is agreed by the parties that any such arrangements are exempt from the shift differential provisions of this Agreement.

- D. The employee has made timely written application for approval of the course and tuition reimbursement to his/her Department Director.
- E. The employee submits evidence of satisfactory completion of the course, at which time cost reimbursement will be made.

Section 2 - Training

The Employer shall provide in-service training and material to all employees when management deems such additional instruction essential to operational requirements.

Section 3 - Required Training

If any State or Municipal ordinance requires course work to maintain licensing or certification/recertification for an employee to perform his/her required duties (excluding regular driver's licenses), or if the Employee is directed by the Employer to attend a course, the course cost shall be paid by the Employer. The Employer shall further pay for the Employee's time spent attending a class (which shall not include study time, special tutoring, or correspondence courses) under the following circumstances:

- A. When a State law or Municipal ordinance requires an employee to obtain a license or certification for a job which did not previously require a license or certification;
- B. When the course hours fall within the Employee's regularly scheduled shift;
- C. When the course hours fall outside of the Employee's regular shift and the Employer has directed the Employee to attend the course, provided that if

attendance at such course will result in overtime, the Employer may change the Employee's regular shift to avoid overtime. Such shift changes are not subject to any prior minimum notification requirements for shift changes otherwise required by this Agreement.

It is further understood that the Employer's obligation to pay for course costs or time spent attending courses under the terms of this subparagraph is limited to initial attendance of the course. Should the Employee fail the course or not obtain any required license or certification, the Employer is not required to resend the employee to the training or to pay for any subsequent costs to repeat or to attend that course.

If an employee is attending a course outside of the Fairbanks North Star Borough, the following will determine compensable time while in travel status:

Same Day Travel: (Travel that is expected to be completed in the same day). All time spent in travel mode is counted as hours worked and is therefore compensable time and counted for purposes of computing overtime pay.

Overnight Travel: (Travel that includes an overnight stay). All time spent in travel mode up to the Employee's regular scheduled hours for the day of travel, regardless of when the travel occurred is counted as hours worked and is therefore compensable time. However, only travel time occurring within the employee's regularly scheduled hours on his/her regularly scheduled workday is considered eligible for overtime pay if applicable. Every effort will be made to schedule travel based on economy and efficiency. However, employees will not be unreasonably prohibited from traveling during regular work hours.

Employees whose out of state training/education course ends prior to their regular scheduled work-day shall be paid for the entire day unless the Employee is taking personal time on their next scheduled workday (extending their travel), in which case they will be required to take leave or accrued comp for remainder of the regular scheduled work-day.

ARTICLE 12. SAFETY

Section 1 - General

- A. The Employer's rules concerning safety and equipment standards shall be in accordance with applicable State and Federal directives and prudent job-site operating practices.
- B. No employee will be required or requested to perform work in an unsafe manner or using unsafe equipment.
- C. Any employee who works with hazardous material, as defined by applicable controlling Federal, State and Local law, shall receive training in the proper and safe handling of such materials before being allowed to handle the same. All training shall be in accordance with any applicable controlling Federal, State, or Local law.
- D. Written notice shall be given to all employees, with a copy to the Union, who may have had a known exposure to Blood Borne Pathogen or other medically affected condition, as required by OSHA. However, in the case of imminent danger, a verbal direction/notification shall be given to employees.

Section 2 - Safety Equipment

- A. The Employer shall furnish such appropriate safety equipment as the Employer, consistent with applicable controlling law or regulations, deems necessary to assure the safety of the work-force. Failure to use such safety equipment shall constitute just cause for discipline.

- B. Borough vehicles scheduled for use on public highways shall be furnished with seat restraints, a first-aid kit, and flares. Any intentional or negligent misuse of Employer-provided safety equipment shall be considered a major violation of the work rules.
- C. Any employee required to work with any hazardous material, as defined by applicable controlling law or regulation, shall be furnished appropriate and adequate protective clothing or masks (rubber gloves, air packs, rubber smocks, filter masks, etc.), as may be necessary. Failure to use such protective clothing or masks shall constitute just cause for discipline.

Section 3 - Reporting

- A. All equipment or working areas which are claimed to be unsafe shall be reported to the immediate supervisor or Division Manager in charge of the area, the Occupational Health & Safety Technician and Risk Management who shall take immediate steps to jointly investigate the complaint and institute timely corrective action as necessary to correct the hazard.
- B. It shall not be a violation of this Agreement or grounds for disciplinary action of a bargaining unit employee(s) to refuse to work in proximity with a hazardous condition or defective equipment where an unsafe condition constitutes a life-threatening situation or hazard to health. Such determinations shall be made by officials with recognized expertise in the professional field. Frivolous claims of safety hazards by an employee may be grounds for disciplinary action.

Section 4 – Accident Review Committee

The Motor Vehicle Driving Policy (FNSB80.01) governs the process for handling accident reviews. Any bargaining unit employee scheduled for an Accident Review

Committee meeting shall receive written notice of the meeting and the findings from the meeting, with copies to APEA.

Only damages or possible claims expected to exceed \$750.00, shall be subject to review by the Accident Review Committee.

ARTICLE 13. RETIREMENT

The Borough shall participate in the State of Alaska Public Employees Retirement System (PERS).

PERS benefit, as defined by PERS are as follows:

- Tier I (1-1-1961- 6-30-1986)
- Tier II (entered after 6-30-1986)
- Tier III (entered after 6-30-1996)
- Tier IV (entered after 6-30-2006)

ARTICLE 14. WORKERS' COMPENSATION

- A. The Employer shall maintain the statutory required levels of Workers' Compensation coverage. The employer may elect to self-insure this coverage.
- B. The Borough will provide benefits in accordance with state law and regulations.
- C. An employee on workers' compensation leave that is either ineligible for FMLA or has exhausted their FMLA rights, may elect to use six (6) annual leave hours per pay period to maintain their health benefit eligibility.

~~C.D.~~ The Borough shall provide information to new employees at their orientation on the workers' compensation program to include contact information and maintain information on the website for employee access.

ARTICLE 15. POLITICAL ACTIVITIES

Section 1-~~Employee-~~ Political Rights

~~A Borough employee~~ Bargaining Unit Employee's may:

- A. Be a member or officer of a national, state, or local political party;
- B. Take part in political campaigns during non-work hours or on approved leave;
- C. Express political opinions; however, while engaged on official business, ~~a Borough employee~~ they may not voice private political preference or opinions nor display or distribute partisan political material;
- D. Register party preference;
- E. Serve as a voting or non-voting delegate at a party convention;
- F. Be appointed, nominated, or elected to a non-partisan public office in a local government unit. If a member accepts a seat on the FNSB Assembly, ~~the~~ y ~~employee~~ will resign FNSB employment before assuming the position;
- G. Make contributions to a political party or candidate for public office.

Section 2 - General Prohibitions

A bargaining unit employee shall not be compelled to make an assessment, subscription, contribution, or service for a political party.

ARTICLE 16. RECRUITMENT/FILLING OF VACANCIES

Section 1 - Career Opportunities

Pursuant to merit principles and to encourage career opportunities, the parties agree that it is their mutual intent that vacant or newly established bargaining unit FNSB positions be filled by qualified FNSBEA Bargaining Unit- members subject to the stipulations of this Article. In furtherance of these objectives, the parties have agreed to the following procedures. These procedures shall apply to all bargaining unit positions.

Section 2 - Employment Criteria

In filling a vacancy, factors to be considered include: prior experience and performance, job-related skills and ability, reliability, education and training, the ability to get along with others, and seniority in a relevant (similar) position. ~~and, w~~here relevant to the position to be filled, requisite physical qualifications will be considered.

Section 3 - Posting of Vacancies

A. All vacancy announcements for bargaining unit positions shall be posted on the Borough's website, and shall specify, at the minimum, the date the position opens, the job title, division, reporting relationships, wage, a narrative sampling of representative functions, the contents of the official job description, minimum qualifications, and the date the position closes. An email announcing the

vacancy, including closing date, will be sent to all employees and the APEA/AFT Field Office.

B. All vacancy announcements for bargaining unit positions shall be posted "internal" to all Borough Regular Employees for a minimum of five (5) working days before advertising externally. Qualified bargaining unit members shall receive first consideration in accordance with Section 3D. The Human Resources Department shall maintain a record of the date of such postings, which shall be open for inspection by APEA/AFT Field Representatives.

C. TRAINING POSITION:

1. If there are no qualified applicants, the Employer, at its sole discretion, shall consider whether a training position is possible and if so, the Human Resources Director shall notify the Union and the Employer shall develop a new description, modifying the minimum requirements of a position, and readvertised as a training position.

a. Pay during the first six (6) months of the training period shall be at Step B of the original position's grade level, or the incumbent's hourly rate if higher. Pay for the remainder of the training period shall be at one ~~range~~ grade below the normal classification ~~range~~ grade, or the current B step pay if higher. ~~And~~ employees in a training position are eligible for step movement. The successful applicant must meet the minimum requirements and satisfactorily perform the essential functions of the position within twenty four (24) months; if the requirements are met earlier the employee shall be moved into the regular non-training position at that time.

For the Public Works Equipment Operator Training Position, the time

period to meet the minimum requirements and satisfactorily perform the essential functions of the position is forty--eight (48) months.

- a.b. _____ Performance evaluations shall be completed every six (6) months, or until the employee has demonstrated the ability to work satisfactorily at the higher capacity. Once the employee has demonstrated the ability to work satisfactorily at the higher capacity, he/she will be placed at the position's appropriate ~~range-grade~~ and step. All time worked in the training position shall count towards the completion of a six (6) month probationary period.
- D. If two or more qualified bargaining unit members apply for the position, and their employment application and resume (if submitted) establishes that they meet the minimum qualifications as listed on the job description for the position, no external advertisements or review of non-bargaining unit member applications shall occur until the bargaining unit members have received a formal interview and/or examination, as may be applicable. Bargaining unit members applying for a position that is being advertised external will receive the same consideration as all external applicants.
- E. If approved by the FNSBEA a concurrent recruitment (internal and external) may be undertaken, however an internal review in accordance with Section 5 of this Article will occur prior to any external applications being considered. Concurrent recruitments are allowed for the following positions: Library Page, Assessing Clerk, Lifeguard I, Animal Tender, PT Equipment Operator, Recreation Specialist I, Recreation Specialist II, and on a case by case basis as requested by the Employer and approved by FNSBEA.

Section 4 - Submission of Internal Applications

- A. A bargaining unit employee who wishes to be considered for a vacant position shall submit an updated employment application and resume (if desired) and any other required documents as specified in the Vacancy Announcement, - to the Human Resources Department prior to the stipulated closing date.
- B. All bargaining unit members whose applications establish that they meet the minimum qualifications listed on the job description shall receive an interview.
- C. Bargaining unit members who are not selected for an interview shall- be notified verbally and followed up promptly via email, of the specific reasons (minimum qualification(s) they did not meet)- explaining why they did not receive an interview. If the bargaining unit member remains dissatisfied after delivery of the explanation, they may appeal the decision and submit additional qualifying information within ~~two-three~~ (23) working days to the Human Resources Director, who shall promptly review the appeal and any additional information received with the hiring supervisor. The Human Resources Director and hiring supervisor shall determine whether the bargaining unit member shall receive an interview; that decision shall be final.

When interviews are completed, any bargaining unit member who has been unsuccessful shall receive ~~written or~~ verbal notice of the hiring decision, followed up promptly via email -by the Human Resources Department. A bargaining unit member may, within two (2) working days of notification, request in writing the reason for non-selection, and/or a review by the Human Resources Director. The Human Resources Director shall promptly review the selection process and rely upon the application materials submitted by the bargaining unit member prior to the interview, interview notes and other screening devices. No filling of any position shall be final until this review process has been completed. The decision

of the Human Resources Director with respect to the filling of the vacancy shall be final.

- D. Submission of an application for employment constitutes approval by the bargaining unit member for the prospective hiring supervisor to have full access to the worker's personnel file, and to contact the employee's current supervisor relative to job credentials.

Section 5 - Selection Procedure

- A. If two or more qualified bargaining unit members apply for a position vacancy, the most suitable applicant shall be selected. For purposes of this Article, the determination of whether a bargaining unit member is qualified for any given vacancy shall be based upon the person's written application, the person's job interview, the results of any examination that may be administered for the position to be filled, references, and a review of the applicant's official personnel file. If, during the probationary period provided for in Article 17 of this Agreement, the bargaining unit employee demonstrates unsatisfactory ability to perform the job, then in accordance with Section 3 of Article 17 of this Agreement the employee shall be returned to his former bargaining unit position without loss of job or benefits.
- B. If only one bargaining unit member qualifies for a position vacancy, the Employee must be interviewed. The Employer may consider other Borough employees who applied for the position and/or advertise the position vacancy to the general public and may select the most qualified applicant to fill the vacancy regardless of whether or not the applicant is a bargaining unit member.

Section 6 - Examinations

The Employer shall maintain an equitable examination process to assist in the assessment of applicant qualifications. If an examination is required as a prerequisite to qualifying for a Borough position, all applicants, internal and external, shall be required to take such examinations. Any required examination shall be noted in the vacancy announcement.

ARTICLE 17. PROBATIONARY PERIOD

Section 1 - Object

The probationary or working test period is an integral part of the examination process. Its purpose is to provide the Employer an opportunity to measure the Employee's abilities against the job requirements, and to provide the Employee an opportunity to measure the job requirements against his/her personal needs, enabling either to reverse the action without prejudice, or right to arbitration.

Section 2 - Duration Upon Hire

- A. All new full-time, part-time, seasonal, and term employees shall complete a six (6) calendar month period of probation while on work status. For purposes of this section work status shall mean being physically on duty. During the initial probationary period, employees may be terminated at any time if the supervisor, acting in good faith, is actually dissatisfied with the employee's job performance.
- B. The probationary period may be extended up to an additional three (3) months by the Employer when the Employer determines that the Employee's job performance has been sub-standard, but is showing improvement. The Employer shall provide the Employee with a precise and complete detailed (including "goals to be achieved during the next three (3) months") written

explanation of the reasons for the extension of the probationary period. A copy shall be provided to APEA.

- C. If at any time during the probationary period the Employer is considering a non-retention, the reason and areas of needed improvement will be conveyed to the Employee in writing so that the Employee has an opportunity to address the performance deficiencies. A copy shall be provided to APEA.
- D. If the initial notification of performance deficiencies occurs within the last thirty (30) days of the probationary period (either initial or promotional), the Employee shall be given at least two (2) weeks' time to correct the deficiencies before non-retention will occur. Allowing for the timeframe, as specified in this section, may require an extension of the probationary period. A copy shall be provided to APEA.
- E. Notwithstanding the obligation to provide notice of correctible performance concerns, nothing in this Article shall be construed to require advance notice and an opportunity to correct conduct which constitutes a serious rule violation and which would otherwise warrant immediate dismissal.
- F. Upon satisfactory completion of the probationary period, the employee shall attain regular status. Unsatisfactory performance during probationary period means non-retention without the right to arbitration. However, the Union does have the right to file a grievance (at the step two level) on behalf of the individual who is being non-retained. Notice of the non-retention will be given to the APEA Field Office and the FNSBEA President. The grievance must be filed as soon as practicable but no later than five (5) working days of the notice of non-retention. The employee shall be left in paid status for a period not to exceed 10 working days while the STEP TWO grievance is being processed.

Section 3 - Duration Upon Promotion/Transfer

A. A bargaining unit employee who is promoted or transferred into a bargaining unit position shall be given a reasonable period, not to exceed ninety (90) days, to become acquainted with the job and to demonstrate ability to fill the job satisfactorily. If during this probationary period the employee demonstrates unsatisfactory ability to perform the job, the employee may be given an additional three (3) months extended probation (with precise and complete detailed written explanation [including "goals to be achieved during the next three (3) months"] of the reasons for the extension of the probationary period) or be returned to the employee's former job without loss of seniority. A copy shall be provided to APEA. Employees in a training position serve a six (6) month probationary period. If an employee accepts a position vacated by another employee who has been promoted or transferred to another position, the appointment shall be conditioned upon the successful completion of the probationary periods of both employees.

B. Current Employees who do not satisfactorily complete their probationary period in a new position will be moved back to their previous position (if available); and have the right to challenge the non-retention through the grievance process at the Step 2 level, but do not have rights to arbitration. If the previous position has been eliminated, the non-retained employee will be screened for any FNSBEA current vacancies that they may qualify for prior to being non-retained.

C. Employees who promote or transfer out of the bargaining unit have no rights to return to their former bargaining unit position.

Section 4 - Applications During Initial Probationary Period

New employees in their initial probationary status shall not be eligible to apply as an internal applicant for other Borough positions until having successfully completed probation unless mutually agreed to by the Employer and the FNSBEA. Employees in

probationary status who want to apply for another position will make a request to the Human Resources Director who will contact APEA to determine if there is mutual agreement.

This section is waived for placement due to the application of the provisions in Article 18, Section 1 & 2.

ARTICLE 18. LAYOFF AND SEPARATION

Section 1 - Reductions in Force

- A. Layoff means a separation from employment that is implemented because of budgetary limitations, lack of work, abolishment of position, departmental reorganization, or for similar reasons. This term shall be interpreted in accordance with the past practice of the parties, except when modified or changed during bargaining.
- B. Regular or probationary employees shall not be laid off while casual employees are in a position, in the same department for which the regular or probationary employees meet the minimum qualifications.
- C. The Employer shall make every reasonable effort to integrate employees anticipated for layoff into any FNSBEA position that is vacant, or becomes vacant up to the date of layoff, even though this may require a voluntary demotion, promotion, and/or transfer of the employee anticipated for layoff, provided the employee meets the minimum qualifications of the vacant position.
- D. Any FNSBEA members notified of layoff shall have their names placed on a Borough-wide layoff list from the date of notification, and will be eligible for recall, from that point forward, and for 18 months from the termination date, or until

rights are exhausted. Regular employees recalled from the layoff list shall not suffer a loss in seniority, longevity, leave accrual rate or merit pay earned prior to layoff; however, there will be no accrual of seniority, longevity, leave accrual rate or merit pay while on layoff status.

An employee on the layoff list shall have the first right of refusal of any FNSBEA vacancy, which occurs in the position classification from which he/she was laid off (according to seniority if more than one person on the layoff list is eligible). Failure by an individual on the layoff list to accept that offered position will result in that person being removed from the layoff list, except when the position offered is less than the employee's FTE at time of layoff. Declining a position in this circumstance- does not affect their layoff/recall rights.

Offers of recall shall be in writing and ~~hand-hand~~-delivered or sent to the former employee's last known mailing address via registered mail, return receipt requested, or via email if the Employer has made contact with the individual and they are agreeable. The addressee shall have five (5) working days after delivery of the recall notice in which to accept the offered position.

The Employer agrees that the filling of vacancies or new positions will not be manipulated with the intent to abuse the recall provisions.

- E. If a position vacancy occurs for a FNSBEA represented position classification that no one on the layoff list was laid off from, the Employer will screen the applications of personnel on that list. If anyone on the list meets the minimum qualifications of the vacant position, he/she shall be offered the first right of refusal to the position (in order of seniority of those on the layoff list) at the wage rate determined in accordance with Article 30, Section 4 and shall not suffer loss of seniority, longevity, leave accrual rate, or merit pay; however, there will be no accrual of seniority, longevity, leave accrual rate, or merit pay while on lay off

status. Refusal or acceptance shall not result in loss of call back rights. The employee may request removal from this process; such requests shall be documented in writing.

- F. Employees who return to ~~benefit~~benefit-eligible employment within thirty (30) days of layoff shall not suffer any loss of healthcare benefits.
- G. Employees holding seasonal positions will only be recalled in the position classification title from which he/she was laid off. Further, the seasonal employee shall have year-round internal recruitment rights under Article 16 with the ability to compete for FNSBEA positions. If successful in obtaining an FNSBEA position, Article 17, Section 2 Probationary Period, will apply.
- H. In the event that a seasonal position is abolished due to budgetary limitations, lack of work, departmental or borough-wide reorganization, or similar reasons, the employee will be eligible for bumping as defined in this Article, with the limitation that only other Seasonal positions are available in the bumping pool.

Section 2 - Bumping Rights

Upon notification of layoff, which shall include a reference to this section, an employee shall have two (2) working days to notify the Employer of his intent to exercise bumping rights as set forth below.

A regular full-time or part-time employee who is notified of a pending layoff because of budgetary limitations, lack of work, departmental reorganization or abolishment of position, shall have bumping rights as follows which may result in several options:

- A. An employee notified of layoff may bump a person out of a position if he/she has previously held that position within that department and if he/she has more Borough-wide seniority than the person currently occupying the position. An employee may not bump into a position from which he/she has had an

unsuccessful work improvement plan or disciplinary action for substandard job performance in the prior ~~three-two~~ (32) years.

- B. An employee notified of a layoff may bump a person out of another position within his/her own department if the employee notified of pending layoff meets the minimum qualifications of the position, and the employee has more Borough-wide seniority than the person currently occupying the position.
- C. An employee notified of a layoff may bump the person last hired with the same position title, even though this would mean going into another department or division if he/she has more Borough-wide seniority. If several people are in the same position title and the last one hired does not have the same FTE as the employee bumping, then they may choose to bump another employee in the same position title most recently hired with the equivalent FTE, provided that the bumping employee has more Borough-wide seniority.
- D. Employees designated as Terms are not eligible for bumping rights.

Section 3 - Separation

- A. The Employer agrees that, with the exception of serious rule violations (those infractions that could result in termination for the 1st offense), all regular Employees who have fulfilled probationary requirements shall be given two (2) weeks' notice of separation, or two (2) weeks' pay, computed at the base hourly rate, in lieu of such notice. The Employee and APEA/AFT Field Office shall be notified in writing, of the reason(s) for the separation within two (2) working days of notice to the Employee of the separation.
- B. The cash value of all accrued unused personal leave shall be cashed out to the employee at separation of employment. Nonexempt employees will be paid the

cash value of all accrued unused compensatory time at separation of employment.

- C. Rehire eligibility shall be noted on the Monthly Personnel Report.

Section 4 - Resignations

- A. To remain in good standing, an Employee who intends to terminate service with the Employer should submit a written resignation to the Employee's immediate supervisor stating the Employee's last date of employment. Resignation notices shall be submitted as early as possible, but at least two (2) weeks before the final work day unless mutually agreed otherwise by the Employer. Notation of failure to give notice will be placed in the Employee's personnel file and may affect rehire eligibility.
- B. Resignations may be rescinded with approval of the Department Director and the Chief of Staff.
- C. A copy of the Employee's resignation shall be filed in the Employee's personnel record.
- D. At the Employer's option, the resignation may be accepted upon receipt and the Employee may be relieved by the Employer of all duties immediately. In such circumstances, the Employee shall receive full pay and benefits for the notice period, not to exceed three (3) weeks.
- E. For retiring employees in good standing, a longer notice period is encouraged and will not result in an immediate relief of duties.

ARTICLE 19. POSITION CLASSIFICATION SYSTEM

Section 1 - Classification Plan

The Employer agrees to establish and maintain a formal system of job classifications and written pay plan. This pay plan shall include the principle of equal pay for equal work, and the positions shall be classified on the basis of actual job duties, assigned responsibility, and minimum qualifications. All bargaining unit positions shall be subject to this system.

Section 2 - Job Description

A job description is an inventory document of specific job duties, minimum qualifications, and responsibilities. This document may include approximate time to be spent at each task and position control number. The job description will include the wage grade salary, and it will be used as the primary recruiting notice.

If any minimum qualifications of a job are changed, or if the duties or responsibilities are materially changed, management will ensure that a new job description will be is prepared. ~~Also, if any changes occur in a job due to automation or technological advances in equipment or any other aspect of the job, any employee affected shall be thoroughly trained to operate or work with the automation or advances, and a new job description shall be prepared.~~ All new job descriptions shall be reviewed, revised, and upgraded or downgraded as appropriate, in accordance with the classification system. The Employer shall provide necessary training to employees as needed due to automation or technological advances in equipment.

Section 3 - Request for Review of Position

When an employee, or the FNSBEA acting on behalf of an employee, feels that the duties and responsibilities of his/her position are not accurately reflected in the job

description, the Employee ~~or FNSBEA~~ will complete a Position Description Questionnaire (PDQ) and submit it to the Human Resources Director for distribution to the Department Director for review and comment. When completed by the Director, the PDQ shall be returned to Human Resources for review and audit. A copy shall be provided to the FNSBEA. The Employee will be provided the opportunity to review and provide written comments on the draft job description before it is presented to the Job Evaluation Review Committee. Any Employee written comments shall be provided to the Job Evaluation Review Committee in the PDQ information packet.

For the purposes of determining appropriate grade placement, a committee consisting of the Human Resources Director and one other management representative and two FNSBEA representatives, shall review the revised job description and PDQ and make a grade placement recommendation to the Human Resources Director. The Human Resources Director will render a written report of his/her decision within forty-five (45) calendar days after receipt of the director's comments. Any retroactive pay due to an employee shall be paid 30 days from the date the PDQ was submitted by the employee or union to the Human Resources Department. If a mutually agreeable resolution is not achieved, any further appeal shall be submitted to arbitration as set forth in Article 10, Grievance Procedure.

ARTICLE 20. ACTING ASSIGNMENTS

- A. A Supervisor may designate in writing a bargaining unit member to assume a majority (more than ½) of the regular duties, functions, and responsibilities in a higher job classification, which would normally be performed during the "acting" period. The "acting" employee will be furnished with a description of the responsibilities and authority to be assumed for the acting period. Compensation for acting assignments are as follows:

1. Acting assignments where a non-exempt employee acts for another APEA bargaining unit member (in a higher job classification) for a period of- at least five (5) consecutive working days in length, the employee shall receive a pay adjustment for the entire acting period, equal to the employee's step on the appropriate grade of the acting assignment, or 15% of the employee's current base pay, whichever is ~~lower~~higher. This pay adjustment is in addition to any merit, longevity, cola, etc., currently being paid the employee.
 2. Acting assignments resulting in the employee acting for an exempt supervisory employee for a period of- at least ~~three-two~~(32) consecutive working days in length, the employee shall receive a pay adjustment for the entire acting period, of 15% of the employee's current base pay. This pay adjustment is in addition to any merit, longevity, cola, etc., currently being paid the employee.
- B. It is understood by the parties that an employee is not entitled to higher classification pay merely by assuming a portion of the duties of the higher classification; conversely, it is not required that each and every duty of the higher classification must be assumed before the employee is entitled to higher classification pay. As is indicated above, the employee must assume a majority of such duties.
- C. Employees may decline acting assignments.
- D. All time spent in a designated acting capacity shall count towards work experience requirements in promotional job openings, including time spent less than three consecutive working days. It is the employee's responsibility to maintain documentation if they intend to use acting work experience to qualify for promotional opportunities. Only acting assignments resulting in additional pay shall be maintained in the ~~employees~~employee's personnel file.

ARTICLE 21. PERFORMANCE EVALUATIONS

Section 1 - Purpose

- A. An established evaluation process is an effective means of communication between employees and their supervisors and provides a vehicle for improvement of performance which will in turn improve service to the public.
- B. Performance evaluation results shall be used for Employee development. This includes identifying and documenting training needs, performance areas in which improvement may or must be made and areas of potential growth and promotion. The evaluations further serve as a means for planning ways in which Employee growth can be encouraged and assisted. The Union shall have the opportunity to review and provide input to any future changes to the performance evaluation form.
- C. Performance evaluation results may be used as a guide to personnel actions, including, but not limited to, step movement, promotion, transfer, retention after the probationary period, demotion, and termination.
- A.D. Eligibility for step movement is dependent upon satisfactory job performance. Employees will advance to the next higher step on the salary schedule on July 1st of each year, provided satisfactory performance as noted in a written performance evaluation, due on or before June 1st of each year. If the employee received "does not meet expectations" performance rating in any category, they shall not be eligible for a step increase. Specific examples are required in the performance evaluation if any category denotes "does not meet expectations". If an employee is expected to not meet performance expectations, the supervisor will meet with the Employee and provide them with at

least two (2) weeks' time to correct the deficiencies. If a supervisor fails to complete the required performance evaluation timely, the employee shall be eligible for step movement if applicable.

Section 2 - Probationary Evaluation

Bargaining Unit members in a probationary status as per Article 17, shall receive formal performance evaluations at least fifteen (15) calendar days prior to the mid-point of their probationary period; and again fifteen (15) calendar days prior to the expiration of their probationary period. A delay in completion of the final probationary performance evaluation shall not extend the probationary period, and in such cases, regular status shall be attained at the close of business on the last probationary day.

Section 3 - Annual Performance Evaluation

A. Employees will receive, at a minimum, a performance evaluation from their immediate supervisor (not short term acting supervisor) on an annual basis to be completed by June 1st of each year.

B. When an annual evaluation is not timely completed, it is assumed the Employee is meeting performance expectations.

C. The Borough may complete, or an employee may request, a performance evaluation at any time. The evaluation process shall be in accordance with the following procedures:

A1.- The supervisor (reviewer) completes a draft of the performance evaluation and forwards it to their director for review and comment, prior to the reviewer meeting with the employee. Specific examples are required in the

performance evaluation for any category rated as “does not meet expectations”.”

~~B2.~~ -The supervisor meets with the evaluated employee to discuss the content and provide feedback on ~~of~~ the draft evaluation, including goals for the coming appraisal period.

3. The supervisor finalizes the evaluation and sends it to their supervisor for review, comment and signature.

~~C4.~~ -The supervisor presents the final evaluation to the employee who must sign his/her evaluation to acknowledge receipt thereof at time of delivery. Employees may submit comments ~~pertinent to the subject matter in~~ on the evaluation within five (5) calendar days of receipt of the electronic evaluation. Such comments shall be emailed to their supervisor and Human Resources for incorporation with the performance evaluation. Human Resources shall distribute a copy to the supervisor.

~~D5.~~ No further comments or changes may be made on the form by management after it has been submitted to the employee for final signature.

~~ED.~~ If an Employee's Supervisor is changed between scheduled evaluations, an evaluation report may be prepared by the outgoing Supervisor. Supervisors can evaluate only that performance which took place under their supervision. However, if the immediate supervisor is no longer available, the director shall complete the required evaluation.

~~FE.~~ If any changes occur in the job description due to automation, or technological advances in equipment, any Employee affected shall be adequately trained to

operate or effectuate the automation or advances before being evaluated on these advances in equipment.

~~F. G.~~ The original of all evaluations shall be filed in the Employee's official personnel files maintained in the Human Resources Department. This does not preclude the Department from retaining a copy of the evaluation in the departmental files.

~~H. G.~~ Upon an Employee's separation from Borough service, that Employee may receive a final performance evaluation as contained on the Exit Interview Form, and the rehire eligibility section shall be completed prior to departure. A copy of this Exit Evaluation, if completed, and Exit Interview Form shall be placed in the Employee's personnel file and a copy shall be provided to the Employee.

Section 4 - Confidentiality

Completed performance evaluations shall be treated as strictly confidential to the extent allowable by law, and the original copy shall be retained in the Employee's personnel file in the Human Resources Department. If a copy (hard copy or electronic) is retained in the department, it shall be secured in such a manner that it will remain confidential.

ARTICLE 22. HEALTH BENEFITS

Section 1 - Health Coverage

A. The Employer agrees to provide health, dental, audio, and vision coverage for each regular employee, employee's legal spouse, and employee's eligible dependent children in accordance with the schedule of benefits and other

provisions of the Borough Self-Insured Health Benefits Plan, the Coalition Health Center Program, or successor plans.

- B. During the annual open enrollment process, employees have the ability to decline health coverage under the Borough's health plan for themselves or any dependents. The employee is required to attest that he/she has other health coverage. Changes at other times of the year, outside the open enrollment process are limited to eligible IRS qualifying status change events.

- C. The level of benefits afforded by this plan has been fully negotiated between the parties. (INCLUDING THE FOLLOWING HEALTH PLAN CHANGES)
 - 1. Any change required by law. (Effective 7/1/~~18~~21)

 - ~~2. Prior to the effective date of the Excise Tax (currently set to be sometime in 2020), the parties agree to limit health plan coverage to reduce overall plan costs to avoid the Excise Tax. Necessary plan design changes shall be recommended by the Labor Management Committee on Employee Benefits~~

 - ~~3. Annual deductibles increase from \$240 to \$250, and family from \$600 to \$650 (Effective 1/1/19)~~

 - ~~4. Individual Out of Pocket (OOP) remains at \$1,200, adding Maximum at \$4,000 per family (Effective 1/1/19)~~

 - ~~5. Limit Physical Therapy to 24 visits per year. When max is reached, determine medically necessity for more visits (Effective 1/1/19)~~

 - ~~6. Limit Chiropractic to 24 visits per year. When max is reached, determine medically necessity for more visits (Effective 1/1/19)~~

 - ~~7. Limit Acupuncture to 12 visits per year. When max is reached, determine medically necessity for more visits (Effective 1/1/19)~~

- ~~8. Change Rx Structure (Effective 1/1/19)
 - ~~— Generic Brands remain at 0 Copay~~
 - ~~— Preferred Brands remain at 30% Copay~~
 - ~~— Non-Preferred Brands from 30% Copay to 50% Copay~~
 - ~~— Specialty from 30% Copay to 10% Copay, with scripts capped at \$150~~~~
- ~~9. Rx Advance Control Formulary. (Effective 1/1/19)~~
- ~~10. RX out of pocket remains at \$800 per person \$3,000 per family (Effective 1/1/19)~~
- ~~11. Remove “In Anchorage” from PPO Steerage language (Same 50% Copay if using a non PPO hospital). (Effective 1/1/19)~~
- ~~12. Add Emergency Room penalty for non-emergencies at \$500. Only applicable between the hours of 8AM-8PM (when urgent care is open) (Effective 1/1/19)~~
- ~~13. Extended Care or Skilled Nursing limited to 90 days and paid at regular coinsurance (80% or 100%). (Effective 1/1/19)~~
- ~~14. Waive \$50 deductible for preventive dental services. (Effective 1/1/19)~~
- ~~3. Addition of Medical/Prescription Option 2, a High Deductible Plan, with a \$1,500 individual annual deductible and a \$3,000 annual family deductible. The annual out of pocket maximums are individual of \$2,000 and \$4,000 per family, not including the deductible. Plan 2 will offer a Health Reimbursement Arrangement (HRA), funded by the Employer in the amount of \$250.00 annually. The mployee’s biweekly payroll contributions for Plan 2 shall be 70% of Option 1 for CY23 and CY24. (Effective 1/1/23)~~
- ~~42. Increase the annual prescription Out of Pocket (OOP) maximum for non-generic drugs from \$800 individual to \$1,200, and the family OOP remains the same at \$3,000. (Effective 1/1/22) 5Exclude specialty medications from the Out of Pocket (OOP) maximum and implement a separate specialty OOP maximum of \$2,000 per individual. (Effective 1/1/22)~~

63. Implement Caremark's Compound Management Program. (Effective 1/1/22)

74. Implement the Caremark Retail 90 option to allow participants to obtain a 90-day supply of non-specialty medication at retail pharmacies. (Effective 1/1/22)

85. Require use of CVS Specialty Pharmacy for specialty medications, and implement the Specialty Copay Card Program. (Effective 1/1/22)

96. Vision - Increase frame allowance from \$90 to \$120. (Effective 1/1/22)

No further changes in the level of benefits afforded under the Health Plan may be made except by mutual consent, or as required in Section 2F.

The Labor Management Committee on Employee Benefits, and the FNSBEA negotiating team will be afforded a minimum of thirty (30) days to review any updates to the health plan booklet prior to printing.

It is recognized that for health plan cost effectiveness the Borough must have only one health plan for its entire workforce. Therefore, a reopener of this article, to evaluate other bargaining unit considerations, is included as part of this agreement.

- D. Coverage shall commence on the first day of the month after the employee has been employed in a ~~benefit-eligible~~benefit-eligible position for thirty (30) days. Coverage may be subject to pre-existing condition limitations, as allowable by law. Coverage ceases the last day of the month in which employment termination occurs. If an employee is laid off and returns to ~~benefit-eligible~~benefit-eligible service within thirty (30) days the employee will not suffer any loss of healthcare benefits.

E. Each employee covered under the health plan shall pay employee contributions for such coverage in the biweekly amount of:

~~FY19-FY22~~ Employee Only ~~\$1406.25125.00~~ Employee + Family

~~\$136.25155.00~~ (Effective ~~7/1/187/1/21~~)

~~FY20-FY23~~ Employee Only ~~\$146.25135.00~~ Employee + Family

~~\$146.25170.00~~ (Effective ~~7/1/197/1/22~~)

~~FY21-FY24~~ Employee Only ~~\$126.25140.00~~ Employee + Family

~~\$156.25180.00~~ (Effective ~~7/1/207/1/23~~)

These annual increases in deductions for FY23 and FY24 will not be applied if the health estimate calculation for the next fiscal year is 7.0% less than the prior year health estimate, using prior fiscal year employee deduction rates in the calculation. In such a circumstance, the existing deductions will remain.

Employees selecting the Dental/Vision/Audio benefit shall pay an additional employee biweekly contribution of:

FY22 \$10.00 per pay period. (Effective 7/1/21)

FY23 \$12.00 per pay period. (Effective 7/1/22)

FY24 \$15.00 per pay period. (Effective 7/1/23)

~~\$10.00 per pay period.~~

Pages will pay 4% of base wages.

These deductions shall be on a pre-tax basis, unless otherwise requested, and taken in full amounts on the first pay date of the month in which health care coverage begins. These funds will be used to offset the budgeted amount for health care in the fiscal year they are deducted.

- F. Spousal Health Coverage Opt-Out/Reduced Benefit Plan Election – An additional charge will be applied to employees whose spouse declined available health coverage by their own employer or who took a reduced benefit plan (such as the 20% plan offered by the State of Alaska) therefore shifting primary cost coverage to the Borough’s plan. The biweekly surcharge for the spousal ~~opt-opt~~-out is ~~\$200~~250.00 per pay period. (Effective -7/1/21)

Employees will be required annually to affirmatively disclose via a questionnaire if their spouse has health coverage or if the spouse declined health coverage. Employees are required to notify the Employer should a spouse’s coverage change occur within thirty (30) days of said change. There are financial penalties for incorrect disclosure, as addressed in the health plan document.

Section 2 - Labor Management Committee on Employee Benefits (LMCEB)

- A. The parties agree that there exists a good faith obligation on the part of both the Employer and the Union to work together during the term of the collective bargaining agreement to reduce health care costs.
- B. In order to meet this obligation and duty to bargain, the Parties agree that the Labor-Management Committee on Employee Benefits shall continue to meet and consult on a regular basis.
- C. The Labor-Management Committee on Employee Benefits shall be composed of ~~eight-ten~~ (810) representatives, ~~two-three~~ (23) appointed by FNSBEA, one (1) appointed by Local 942, one (1) appointed by ASEA and ~~four-five~~ (45) appointed by the Borough Mayor. The Labor-Management Committee on Employee Benefits shall select a chairperson from its membership annually. A quorum for the meetings shall require no fewer than five (5) committee members. The

Borough and APEA will be responsible for paying for training for these added seats.

- D. The Labor-Management Committee on Employee Benefits shall be empowered to recommend health care benefit changes during the term of the collective bargaining agreement including, but not limited to issues regarding eligibility, plan design and benefit schedules, deductibles, co-payment provisions, preferred provider programs, utilization review and other options designed to contain costs, and enhance benefit options.

Prior to bargaining exchange of proposals for the next contract negotiations, the LMCEB will convene to review the Health Plan Consultant's- proposed health plan modifications/other considerations and make recommendations to the Bargaining Teams.

- E. In the event the per employee per month health care cost projection increases, as estimated by the health consultant, by 5% (after accounting for the employee deductions as specified in Section 1.E. of this article) or more from the previous fiscal year, or the balance of the HCCRF (Health Care Contingency Reserve Fund) declines below 50% of the current target amount as defined in Section 4.C of this article, then the parties will meet and confer to assess what, if any, action(s) might be appropriate to ensure containment of health care costs.
- F. It is the intent of this Agreement that all parties are dedicated to work collectively in order to contain the costs of health benefits and to consider and pursue reasonable health care program changes if the events described in Section 2E above occur. The parties agree that it is the responsibility of both parties to mutually work together to solve the problems arising from these events.

- G. In the interest of promoting harmonious working relationships between the Parties, one cent (\$.01) per hour per regular employee shall be set aside in a fund to be used for education and other such activities that will further communication, cooperation, and teamwork between management and FNSBEA, and to provide training to the Labor Management Committee on Employee Benefits.

Section 3 - Health Wellness Program

Wellness efforts shall be funded as part of the health plan costs -at an annual rate not to exceed \$~~5075~~,000. The Labor Management Committee on Employee Benefits shall oversee wellness focused activities.

Section 4 - Health Care Contingency Reserve Fund HCCRF

- A. The parties have mutually established a fund to be known as the Health Care Contingency Reserve Fund (HCCRF). The purpose of the fund is to smooth out health care costs over time. Health care costs are composed of claims paid, the cost of administering the health care plan by the ~~third-third~~-party administrator or its successor(s), aggregate and specific stop-loss premiums, utilization review fees, case management costs, disease management, independent medical examinations, health program audit rewards, Coalition Health Center Program costs, COBRA premium receipts net of costs for COBRA participants, refunds, employee contributions, consultant fees, the consultant's estimate of the reserve for IBNR (incurred but not reported) claims, life insurance premiums, wellness activities, and any added costs resulting from changes in the administration of the health and life insurance program agreed to by the parties during the term of the collective bargaining agreement. All reserve funds (including co-mingled employee and ~~employer~~Employer funds) shall be held solely for the funding of future health care costs as specifically outlined herein.

- B. The Health Care Contingency Reserve Fund shall continue in existence on an indefinite basis. Expenses directly associated with the administration of the Health Care Contingency Reserve Fund shall be borne by the Employer.
- C. The HCCRF shall be maintained with sufficient balance to offset unexpected spikes in health care costs in any given year without depleting the fund. The target level for the HCCRF in any fiscal year shall be one third (33 1/3 percent) of health care costs budgeted for that fiscal year.
- D. Funding Uses and Sources: The HCCRF shall be used to offset health care costs that exceed the budgeted costs in any fiscal year. Budgeted costs are those costs budgeted each year and are the Employer's best estimate of expected costs based on good faith projections compiled by the Employer's independent consultant. Budgeting shall be based upon a five (5) year rolling average of covered employees.

The HCCRF fund shall also be used to offset increased budgeted costs of \$85 per employee per month, for each year of the contract, provided that the balance of the HCCRF is at least 75% of the established target for the prior fiscal year.

- E. The HCCRF shall be funded by a combination of employer and employee contributions. Employees electing health coverage or Dental/Vision/Audio will contribute ten dollars (\$10.00) per pay period to the Reserve Fund (26 pay periods per year). Employer contributions will consist of a match of the total amount of the employee contribution stated above and any budgetary lapse for that fiscal year, up to the target level. Budget lapse is amount budgeted that is unspent at close of fiscal year. If the fund balance is over the target amount, and the consultant projected an increase in costs from the prior fiscal year, the employer contribution is waived for that fiscal year.

- F. The Labor Management Committee on Employee Benefits, The Labor Management Committee, and the FNSBEA Negotiation Team will be provided with the consultant health care estimates, the target amount, the staff benefit rate calculation, and the year-end accounting for the HCCRF.
- G. The Health Care Contingency Reserve Fund shall be established as a premium only plan to allow employee contributions to the Reserve Fund to be made on a pre-tax basis.

Section 5 - Life Insurance

The Employer agrees to pay the total cost of Life Insurance for each regular employee in an amount equal to the lesser of their base annual earnings (exclusive of bonuses, overtime, and other premium/exception pay) or \$250,000. To determine benefits, the amount of insurance is rounded to the next higher \$1,000 multiple, unless the amount equals a multiple of \$1,000.

Section 6 - Flexible Spending Accounts

Pursuant to and in accordance with applicable Federal laws and regulations, the Employer agrees to maintain voluntary accounts for employees to contribute money on a pre-tax basis to pay for unreimbursed medical expenses and dependent care at no cost to the Employee. Maximum contributions shall be the maximum allowable by law annually for both dependent care and medical.

Section 7 - Resolution of Disputes

- A. Assertions by the Union that the Employer/Plan Administrator has modified the expressed “benefit schedule” as set forth in the Borough Plan or successor agreement may be submitted to a ~~third-party~~third-party review through the grievance/arbitration procedure of the Agreement. This section does not apply to

ex gratia benefit schedule exceptions rendered by the Employer. However, ~~third party~~third-party arbitrator authority does not include the power to add to, subtract from, or otherwise modify the expressed provisions of the Borough Plan or successor agreement.

- B. Covered employee/dependent claims for Employer paid health benefit coverage is provided on the basis of “medical necessity” within the context of the Borough Plan or successor agreement. Individual claimant disputes challenging “medical necessity” determinations shall only be resolved by the employee submitting a petition in accordance with procedures set forth in the Plan document.

ARTICLE 23. HOLIDAYS

Section 1 – Holidays

The following days will be recognized as holidays with pay for all regular employees:

1. The first of January, known as New Year’s Day.
2. The third Monday in January, known as Martin Luther King, ~~Day~~Jr.’s BirthdDay.
3. The third Monday in February, known as President’s Day.
4. The last Monday in March, known as Seward’s Day.
5. The last Monday in May, known as Memorial Day.
6. The Fourth of July, known as Independence Day.
7. The first Monday in September, known as Labor Day.
8. The 18th of October, known as Alaska Day.
9. The 11th of November, known as Veteran's Day.
10. The fourth Thursday and Friday in November, known as Thanksgiving Days.
11. The 24th of December, known as Christmas Eve.
12. The 25th of December, known as Christmas Day.

~~In exchange for removal of the personal holiday for Seward's day, 8 hours of leave (prorated to FTE) will be deposited into bargaining unit members leave accounts during the month of July, 2018. This is a one-time adjustment.~~

Section 2 - Observance of Holidays

- A. If any one of the recognized holidays falls on a Sunday, the following Monday shall be observed as the Borough holiday; if any of the recognized holidays falls on a Saturday, the preceding Friday shall be the day observed as the Borough holiday. Employees who are scheduled to work on a holiday weekend where the facility is closed will observe the holiday on the recognized holiday, as set forth in Section 1 above.
- B. For full-time employees whose regularly scheduled day off falls on an observed holiday, either the scheduled workday immediately preceding or the scheduled workday immediately following are to be observed as that employee's holiday.

Holiday leave will be counted as time worked for the purpose of computing overtime pay.

~~C.~~ C. For purposes of computing holiday pay, the average number of hours worked each week during the last 28 days (prior four full weeks), working backwards from the Sunday prior to the week in which the holiday occurs, shall be deemed to be the "regularly scheduled work week". Employees who observe the holiday shall receive their current hourly wage rate for one-fifth (1/5) of the total number of hours in their regularly scheduled work week. ~~They shall receive this pay/benefit provided they are in work or leave status which authorizes holiday pay the day before and the day after the recognized holiday.~~

~~D. A regular employee who has any LWOP on the day following the holiday, the holiday shall be limited to the paid leave or work time on that day.~~

Probationary employees are eligible to use ~~annual~~ leave accrued within the pay period the holiday falls to qualify for holiday pay, if applicable.

~~E.D.~~ The maximum holiday pay/benefit is 8 hours. Employees working a four day, ten hour workweek or other modified schedule exceeding 8 hours in a day, will be required to take leave or LWOP at their option for the additional hours, or make up the time in the same workweek on their scheduled day off, with supervisor's advance approval. If an employee elects to take LWOP for temporary program closures, inclement weather events, or to cover holiday hours for a modified schedule exceeding 8 hours in a day, they will be considered in pay status and, therefore, eligible for the holiday.

~~FE.~~ Part time employees not scheduled to work on the observed holiday, will not be scheduled for another day off, but shall receive pay in accordance with Section 2C, of this Article.

Section 3 - Working on Holidays

Regular employees who are required to work on an observed holiday shall be paid at one and one half (1-1/2) times their hourly rate of pay for all hours actually worked, in addition to authorized holiday pay. Employees who are entitled to shift differentials shall receive such payments for those hours worked on the holiday.

Section 4 – Leave on Holidays

Holidays which occur during an employee's approved leave shall not be charged to such leave.

ARTICLE 24. LEAVE

Section 1 - Personal Leave

A. Accrual.

Regular employees with less than three (3) years of continuous service shall be granted two working days per month leave with pay at the following rate per hour per pay period (.09231). Regular employees with three (3) years, but less than five (5) years continuous service shall be granted 2-1/4 working days per month with pay at the following rate per hour per pay period (.10385). Regular employees with five (5) years but less than seven (7) years continuous service shall be granted 2-3/4 working days per month leave with pay at the following rate per hour per pay period (.12692). Regular employees with seven (7) years or more continuous service shall be granted three (3) working days per month with pay at the following rate per hour per pay period (.13846).

New regular, non-exempt employees shall be eligible to take leave after their first ninety (90) days of employment; exempt employees can use accrued leave immediately. Leave shall accrue from the beginning of employment. Leave may be used for any purpose.

Employees are expected to maintain a twenty four (24) hour balance (based on FTE), for emergency/unanticipated use. Planned leave may not be approved if the Employee is below this balance. The Director has the ability to waive this provision if circumstances warrant.

Leave cannot be used in the pay period in which it is accrued, except as allowed in the holiday provision noted in Article 23, Section 2.C. In cases of emergency

or extenuating circumstances, an Employee may request from the Chief of Staff, approval to use his/her accrued ~~annual~~personal leave within the first ninety (90) days of employment, or within the same pay period in which it is accrued.

An employee's personal leave shall not be unreasonably denied and mutually agreeable arrangements shall be made. The employee's supervisor will act on the employee's request for leave within seven (7) working days of receipt of the request. If no response is made by the Supervisor within the seven (7) working day period, the employee will notify the supervisor and the supervisor's supervisor for immediate response. Personal leave shall be considered as time worked except as provided for in Article 29, Section 5.D. The Employee shall suffer no loss of time in service while on leave.

Human Resources will not monitor electronic timekeeping records as a means to search for disciplinary infractions. However, these records shall be used when an inquiry is received.

B. Maximum Accrual.

1. Leave can be accrued from year to year with a maximum accrual limit of five hundred twenty (520) hours at the end of any calendar year.
2. Leave in excess of the five hundred twenty (520) hours maximum at the end of a calendar year shall be cashed out and paid to the employee during the month of January.

C. Cash in.

Upon written request, and limited to three (3) times per calendar year, an employee may request a leave cash-in of the cash value of their accrued personal leave. Cash-ins due to the 520 balance rule do not count towards the three per year limit. The ~~annual~~personal leave ~~cash in~~cash-in rate will be based

on the employee's regular position's rate of pay. The ~~annual-personal~~ leave ~~cash~~ ~~incash-in~~ rate shall not include acting pay or lead pay unless the acting or lead pay has been paid for more than six (6) consecutive months. Accrued ~~annual-personal~~ leave may be cashed in, provided a minimum of hours equal to three (3) weeks (pro-rated to FTE) is maintained in the employee's accrued personal leave balance. Exceptions due to unusual or unforeseen circumstances may be made by the Chief of Staff who may authorize a cash-in of the total accrued ~~annual-personal~~ leave, waive the maximum numbers of hours available for ~~cash-incash-in~~ and/or increase the number of ~~annual-personal~~ leave cash-ins permitted.

Section 2 - Parental Leave

Parental leave is in excess of Family & Medical Leave entitlement and can extend absences for an additional six (6) weeks' if substantiated by a physician's written recommendation, for the purpose of caring for a newborn or newly adopted child. Parental leave must be requested prior to the exhaustion of Family & Medical Leave. Employees must use available leave prior to using LWOP except that employees may elect to retain up to ten (10) days of ~~annual-personal~~ leave in their leave account to use upon their return. Employees on parental leave are not eligible for holiday pay and do not accrue personal leave during such absences for any time leave without pay is used. An Employee on parental leave shall remain eligible for health benefits and shall suffer no loss of time in service. The Employee shall within the first thirty (30) days of parental leave, declare an approximate date of his/her intent to return to work.

Section 3 - Family and Medical Leave

An Employee is entitled to Family and Medical leave in accordance with State and Federal law. Employees must use available leave prior to using LWOP, except that employees may elect to retain up to twenty (20) days of ~~annual personal~~ leave in their leave account to use upon their return. Employees in FMLA status that have elected to use LWOP are not eligible for holiday pay and do not accrue personal leave while in leave without pay status. An employee on leave, in FMLA status, shall suffer no loss of time in Borough service nor health benefits.

Section 4 - Sick Leave Bank

There is a Borough wide Sick Leave Bank, which shall be administered by a Sick Leave Bank Committee. The Committee shall consist of two (2) members selected by the FNSBEA, one (1) member selected by the ASEA, one (1) member selected by the Laborers Local 942, and one (1) member selected by the Employer. Details of the Sick Leave Bank and its operation are available from the Human Resources Director and from the APEA/AFT Field Office.

Section 5 - Leave Donation

FNSB employees may donate Personal Leave to other FNSB employees for catastrophic events, unforeseen emergencies/circumstances or illnesses. Donating Personal Leave for payment of services or purchases or in lieu of cash transactions is expressly prohibited. The Chief of Staff shall have the authority to review and approve leave donations for any exception requests. Details of the Leave Donation process are available from the Human Resources Director and from the APEA/AFT Field Office.

Section 6 - Leave of Absence/Leave Without Pay

Leave without pay in excess of two (2) weeks per year will affect PERS service credit.

A. Leave of Absence.

A regular employee may be granted a leave of absence without pay for a period of greater than two weeks' but not to exceed twelve months, provided such leave can be scheduled without seriously affecting the operations of the Borough. Request for leave of absence without pay shall be in writing, shall be directed to the Employee's Department Director, and shall contain a justification for the request. All Leave of Absence requests in excess of eighty (80) hours in a calendar year must be approved by the Department Director and the Chief of Staff. Employees must use available leave prior to using LWOP except that employees may elect to retain up to ten (10) days of ~~annual personal~~ leave in their leave account to use upon their return. Employees on a leave of absence are not eligible for holiday pay and do not accrue personal leave during such absences for any time leave without pay is used. An employee on leave without pay shall suffer no loss of time in Borough service. A leave of absence without pay shall be considered justifiable for the following reasons:

1. Education leave;
2. Extended compassionate leave;
3. Emergency leave; and
4. Any other approved leave of absence.

B. Leave Without Pay.

Employees are authorized to take leave without pay in the event of a temporary program cancellation where alternate work is not made available, or during an inclement weather event. Employees on leave without pay ~~are not eligible for holiday pay (except as provided for in Article 23.2.C) and~~ do not accrue personal leave during such absences for any time leave without pay is used.

When an employee has the need for leave, but has no accrued leave available, an employee may request leave without pay approval from their supervisor. Supervisors are authorized to approve leave without pay for periods not to exceed two (2) weeks in a calendar year.

Any employee owing payroll deductions due to a leave without pay situation will be required to pay those payroll deductions the 1st full pay period after returning to active duty, unless arrangements were made to either pre-pay or make payments while in non-paid status. Pay cannot be reduced below minimum wage, and therefore may require more than one pay period to recover payroll deductions.

Section 7 - FNSBEA Business Leave Bank and Negotiating Leave

There is hereby created an FNSBEA Business Leave Bank, which shall be administered by the Employer with a monthly report of the balance and withdrawals provided to the FNSBEA. The Bank shall be established by a transfer of three (3) hours of personal leave from each FNSBEA member after the date of signing this Agreement and the same amount annually (fiscal year) thereafter. After the signing of the Agreement, all new FNSBEA members shall be assessed three (3) hours of personal leave when the member's balance is at least one (1) day or more and such leave shall be transferred to the Bank. The FNSBEA President may, at his/her discretion, decrease or increase the hourly contribution depending on the balance and withdrawals. Withdrawals from the Bank will be for purposes of Executive Meetings, training sponsored by the FNSBEA, individual employee representatives time in excess of 104 hours per calendar year, contract negotiations, and other purposes as may be determined by the FNSBEA. The FNSBEA may ~~cash in~~cash-in leave from this bank, at the President's discretion. The cash value of such leave shall be determined by taking an average of all FNSBEA members' hourly rates at the beginning of each fiscal year. Withdrawals from the bank shall be made only on

request by the FNSBEA to the Human Resources Department on forms mutually agreed by the parties. Payments shall be made via direct deposit. All hours of personal leave transferred to the bank are final and not recoverable for re-credit to an individual's personal leave account. An Employee on FNSBEA Leave shall be in "pay status" and shall suffer no loss of pay, benefits, or accrued leave. Except for unusual and extenuating circumstances, and in the case of an individual employee representative's time in excess of 104 hours per calendar year or 600 hours total for all representatives, all requests for FNSBEA Leave shall be submitted to the Human Resource Director at least two (2) weeks before such leave is requested to be taken. The Human Resources Director is authorizing only that hours are available. The release of members for FNSBEA leave shall be handled on the same basis as release from duty for personal leave. Such release shall not be unreasonably withheld by the supervisor. Questions regarding Business Leave Bank balance shall be directed to the APEA Field Office.

The FNSBEA will pay up to 240 hours of wages for the members of the FNSBEA negotiating committee for the purpose of contract preparation and negotiations. The ~~employer~~Employer shall pay for all wages for up to a maximum of four (4) of the negotiating committee members beyond those initial 240 hours, not to exceed 240 hours. If negotiations are not concluded at the expiration of the Employer's 240 hours, the same process will be repeated. This matching will continue until a contract is in place.

Section 8 - Military Leave

Employees who are members of the National Guard or organized military reserves of the United States, shall not suffer a loss in pay or other employee fringe benefits due to annual training requirements or military call-up, up to eighty-eighty-four (84) hours of pay in a calendar year. The employee shall give as much advance written or verbal notice to the Employer as possible and is required to provide bona fide military

travel orders unless precluded by military necessity or, if the giving of such notice is otherwise impossible or unreasonable. Employees must return to their Borough position within the time frames as established by the Uniform Service Employment and Reemployment Rights Act (USERRA), and are required to remit to the Borough, within 30 days of return, the Leave Earnings Statement that must show all base salary received (including any COLA) as compensation for such duty in order to be eligible for pay and benefit continuation under this section. The net effect is the Borough will compensate the employee for the difference between the employee's military pay received and the employee's Borough wages. Failure to comply will result in cessation of pay during the absence.

The Employer may change an employee's weekend schedule to accommodate the employee's "scheduled drill weekend"~~-.."~~ The employee shall be given five (5) days' notice if such shift changes occur.

Employees who are absent from employment by reason of service in the uniformed services shall be entitled to employment benefits and reemployment rights and benefits in accordance with federal law. Employees must return to their Borough position within the time frames as established by the Uniform Service Employment and Reemployment Rights Act (USERRA). Employees ordered to attend additional periods of military training may take ~~annual~~ personal leave or leave without pay for such training.

Section 9 - Court Duty

The Employer agrees that an employee serving jury duty or subpoenaed as a witness for a ~~work-work~~-related matter will suffer no loss of salary or benefits as long as the time from the job is in compliance with the summons or subpoena. All hours served on jury duty will be counted as hours worked, provided it occurs on an employee's regularly scheduled workday. Fees paid to an Employee for court duty or other related fees, except mileage and per diem, received by the Employee in connection

with an absence granted under this section will be promptly returned to the Borough's Finance Department. This leave is considered Administrative leave and shall not be deducted from an Employee's personal leave account.

Section 10 - Voting Leave

When an employee's work schedule is such that he would be unable to vote prior to or after his normally scheduled working hours due to legally mandated polling hours, he shall be granted a reasonable time off duty to vote without loss of pay or accrued leave. This leave is considered Administrative Leave and shall not be deducted from an Employee's personal leave account.

Section 11 - Funeral/Bereavement Leave

In the case of a recent death (within last 12 months) in the employee's immediate family, the employee shall be allowed time off work without loss of pay not to exceed a total of three (3) days (not required to be consecutive), for the purpose of attending the funeral or memorial service, making necessary arrangements, family support or other similar reasons. Additional accrued leave can be taken in conjunction with funeral/bereavement leave.

For the purposes of Funeral/Bereavement leave, immediate family shall be defined as spouse, domestic partner, son (biological, step or adopted), daughter (biological, step or adopted), mother, father, sister, brother, grandmother, grandfather, grandchild, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law. Such Funeral/Bereavement Leave shall be charged as Funeral/Bereavement Leave and shall not be charged against any of the Employee's leave accounts.

Section 12 - ~~Cost~~ Cost-Saving Measures

The Employer and FNSBEA understand and agree that FNSBEA will assist the Employer in devising methods to implement ~~cost-cost~~-saving options. ~~Cost-Cost~~-saving options could include voluntary LWOP, voluntary reduced work-week/hours, etc.

ARTICLE 25. CONDITIONS

Section 1 - Meal Periods

A meal period of not less than thirty (30) minutes but not more than one and one-half (1 ½) hours shall be allowed at approximately the mid-point of the scheduled work day, but no later than six (6) hours after commencement of the shift, unless an alternate lunch schedule has been preapproved by the Division Manager or Department Director. It is not the intent for meal periods to be taken the first or last hour of the day; however ~~exceptions for field workers (while in field) or occasional~~ exceptions for extenuating circumstances may be made by the supervisor and the employee to accommodate departmental needs if preapproved by the Division Manager or Department Director, provided it does not result in an employee working more than eight (8) consecutive hours. Notwithstanding, managers and employees may collaborate on scheduling of meal periods ~~for employee needs if based upon departmental~~ operational- requirements are met. and employee(s) needs, with the departmental requirements taking primacy. This section is not a substitute for other flexible work options.

For shifts that extend beyond twelve (12) hours, an additional meal period of not less than thirty (30) minutes but not more than one (1) hour shall be allowed. Meal periods for employees working other than normal duty hours may be taken as

departmental operational requirements dictate. Employees who are asked or expected to remain on duty during their meal periods shall be paid for such time.

Section 2 - Relief Breaks

- A. Employees who work six (6) hours or more shall be allowed one (1) fifteen (15) minute relief break approximately midway through the first half of their scheduled shift, and one (1) fifteen (15) minute relief break approximately midway through the second half of their scheduled shift. Employees who work a shift of at least three (3) hours but less than six (6) hours shall be allowed one (1) fifteen (15) minute break. The Employer has the right to schedule the taking of such relief periods to accommodate operational requirements, and to establish reasonable rules governing the taking of such relief periods. When working other than the regular shift, relief periods shall be allowed consistent with the above schedule. Each break shall be free from assigned duties.
- B. The parties agree that the Employer shall provide a room designated as an "employee break room".

Section 3 - Parking

The Employer shall provide parking with electrical outlets for all bargaining unit members normally assigned to a Borough facility.

Section 4 - Examination of Personnel File

- A. All employee personnel files, and files of applicants, shall be maintained only by the Human Resources Department and shall be kept confidential as required by the Personnel Rules.

- B. An employee shall have the right to examine, at reasonable times and in the presence of a Human Resources Department staff member, his/her personnel file. APEA/AFT Field Representatives or designated FNSBEA Employee Representatives, with the bargaining unit member's permission, shall have the right to examine the employee's personnel file. The Employer shall make available copies of the original record(s) upon request by any employee or an APEA/AFT Field Representative with the employee's permission.
- C. A copy of all material placed by the Employer in the employee's personnel file shall be furnished concurrently to the employee. No secret employee file shall be kept by the Employer. A separate file for processed grievances shall be kept.

Anecdotal records such as counseling notes, work papers, evaluation notes, agreed plans of improvements, etc., may be maintained by a supervisor and shall not be considered a part of the employees official personnel file. Anecdotal records may be utilized during the next formal evaluation or subsequent discipline. However, such anecdotal records may not be used after one (1) year of the incident. It is understood that all such anecdotal files shall not be maintained as a secret personnel file and shall be made available for review by the employee.

All records shall be maintained under the required confidentiality provisions of the Personnel Rules.

Section 5 - Lead Person

The intent or purpose of "Lead Pay" is to compensate an employee who is assigned supervisory responsibility over three (3) or more employees in the same department. The employer agrees to pay an employee who is delegated Lead Person (technical direction/work product) supervisory responsibility over three (3) or more employees in

the same department a "lead pay" premium of ten (10%) percent of his/her base salary. Lead pay is not available if supervisory responsibility rated at VA4 (Price Waterhouse) or greater is included in the job description and used as a component for pay ~~range-grade~~ placement.

Section 6 - Identification Cards

The Employer shall supply all FNSB regular employees with an identification card. This card shall contain the employee's picture, name, job title, department, and signature.

Section 7 - Cleanup

The Employer agrees that any employee working at Maintenance Division, Animal Control Center, and Solid Waste facility who are exposed to unsanitary working conditions may use the last fifteen (15) minutes at the end of the shift for personal hygiene. Lifeguards are allowed a maximum of 15 minutes clean-up at the end of providing a swim lesson, or in the event of a water rescue.

All other employees who may occasionally be exposed to unsanitary conditions will be provided up to ten (10) minutes per incident immediately following the incident for personal hygiene.

Section 8 - Termination Pay and Benefits

Employees who resign or are terminated shall be paid in accordance with State and Federal law.

All employees are required to surrender all I.D. cards, equipment, uniforms, keys, and other Borough property on their last day of work.

The Employer shall advise all employees at the time of exit processing of the possible continuation of all benefits to which they may be entitled (e.g., PERS, insurance, etc.).

Section 9 - Claims and Liability

In the event any claim or claims are made by a person or persons against any bargaining unit employee for actions performed within the course and scope of his or her employment as covered by the terms of this Agreement, such claim(s) shall be defended by the Employer. Any liability which is incurred by an employee covered by this Agreement as a result of such claims shall be paid by the Employer. However, the Employer shall have no responsibility to defend employee or pay any liability resulting from such claim if such claim is based upon the acts or omissions of any employee resulting from gross negligence, reckless conduct or intentional misconduct.

The Employer shall reimburse an employee for the amount of vehicle insurance deductible paid by that employee or up to \$500.00 if the employee does not have comprehensive or collision insurance coverage, as a result of any accident occurring while the employee was using his/her private vehicle on FNSB business. Should the employee or his/her insurance company recover any monies from any ~~third party~~third-party as payment for damages as a result of such auto accident, the Employer shall be reimbursed its ~~pro-rata~~pro-rata share of such recovery up to the full amount of the deductible paid. Such claim shall not be paid by the Employer if such claims are based upon the acts or omissions of any employee resulting from gross negligence, reckless conduct, or intentional misconduct.

Section 10 - Clothing

Employees required by the Employer to wear a specific uniform in the performance of their duties shall have the required uniforms in proper sizes furnished by the Employer at no charge to the employee. If the uniform required to be worn includes a specific type of footwear, then footwear shall also be included. This paragraph pertains only to those instances where a uniform is required and does not pertain to

the issue of Safety. The Employer shall retain ownership of the uniforms or clothing which shall be returned when the employee leaves the employment of the Employer. The employee shall sign a receipt for all clothing issued.

Protective clothing (smocks and overalls) shall be made available to the employees when requested where required by the job, for the purpose of protecting their clothing. Regular Animal Control Tenders and Officers will be provided with seasonally appropriate jackets, footwear, and gloves for care of animals and cleaning of facilities. Regular Animal Control Officers will also be provided pants.

Section 11 - Equipment

Employees shall not be responsible for the lost, damaged, or stolen property or cargo in cases where it is proven the employee followed department policy in securing said property or cargo.

ARTICLE 26. TRANSPORTATION AND PER DIEM

Section 1 - Per Diem

Reimbursement for subsistence on official trips shall be in the amount in the following per diem schedule:

- A. The authorized per diem rate is \$54.00 per day (or actual receipts can be submitted in lieu of the flat per diem rate, if approved by Department Director) plus actual lodging and ground transportation expenses if required to be away from home overnight. Per diem will be calculated on the basis of one-third (1/3) day periods. In order to claim a third of a day, an employee must have obligated time of at least thirty (30) minutes into the respective period.

- B. Claims for lodging and ground transportation will be supported by receipts. Ground transportation is defined to be ~~limousine service or~~ taxi cabs, Uber, Lyft or other commercial ride share companies; car rental will be allowed only with prior approval of the Borough Mayor or his/her designee.

Section 2 - Transportation Payment, Per Diem

Employees who are required to travel on official business shall be reimbursed on the following basis:

- A. Actual cost of the airline transportation when furnished by a commercial carrier. Airfare will be at the coach rate, unless otherwise authorized by the Borough Mayor or his/her designee, and the distance shall be determined on the basis of the most economical route.
- B. Per diem shall be paid for all time in travel status. For purposes of this Article, travel status includes reasonable pre-flight ~~check-check~~-in times based upon current airline requirements and continues for one (1) hour ~~post-post~~-flight.
- C. No employee shall be normally required to provide on-the-job transportation as a condition of employment. An employee who is required to drive as part of the performance of his or her job duties must drive a Borough vehicle unless the use of a private vehicle is pre-approved by the Department Director. When an employee is authorized to use his/her automobile for official Borough business, she/he shall receive seventy (70) cents per mile or the federal mileage rate whichever is greater. No employee will be required to use his/her own vehicle for Borough business unless he/she is receiving a car allowance and/or mileage reimbursement. Home to normal Borough work site or equivalent is not eligible for a mileage reimbursement.

- D. When a bargaining unit member is authorized or required to use his/her private vehicle for official travel outside the Borough, such travel reimbursement via private vehicle will be limited to the cost of commercial coach airfare. In the event that more than one Employee travels in the same vehicle, reimbursement shall be made to the Employee who provides the vehicle. Travel between Fairbanks and Anchorage via private carrier will be reimbursed at a flat rate of \$250.00 per round trip, unless travel in this manner is required by the Borough.
- E. Employees who use their personal automobile for official Borough business, shall have a valid driver's license and comply with State mandated insurance requirements. Employees driving Borough vehicles must possess a valid driver's license. If at any time an employee's driving privileges are revoked, suspended or otherwise lost, employee must immediately notify employer and shall not be authorized to drive for the borough until such time as the Borough reinstates driving privileges. If a required driver is deemed unqualified to perform driving responsibilities, the Borough will screen the employee for any vacant positions in which they may qualify in order to allow the employee to retain employment with the Borough.

Required drivers who are unable to perform driving responsibilities due to a medical condition will be evaluated for possible reasonable accommodation under the ADA.

If a preferred driver is deemed unqualified to perform driving responsibilities, the Manager or Director will reassign the driving functions.

- F. In the event the Borough requires an employee to have and maintain reliable transportation available at all times, as specified in writing, for a period exceeding 30 days, car allowance is available. The car allowance reimbursement is

established at \$300.00 per month and the current IRS federal mileage rate for all miles traveled on Borough business.

- G. At the Employers sole discretion, auto-starts will be installed on pool vehicles where the Employer can identify staff efficiency and/or ~~cost saving~~cost-savings.

ARTICLE 27. SPECIAL MERIT AWARDS

The Employer may grant Employees a special monetary award (lump sum), additional step increase(s) (up to three steps), or a percentage increase of up to 1.5% at any time in recognition of (1) outstanding service; (2) special acts or accomplishments; or (3) achievements in additional education or specialized training which enables the individual to perform their assignment more effectively and from which the Employer benefits. The Employer shall have the sole right to determine the basis of such merit awards.

APEA will be provided with a list of the awards (names and amounts) after the awards are distributed to employees on a semi-annual basis.

ARTICLE 28. PAY ADMINISTRATION

Section 1 - Pay Day

- A. Employees covered by this Agreement will generally be paid on a bi-weekly schedule, every other Wednesday being designated as Pay Day. Direct deposits will be credited to employee accounts on payday. Electronic pay stubs will be made available to employees prior to payday. Checks will be mailed to the employee's mailing address the day before payday.

- B. Exceptions may be made to the pay date schedule to accommodate specific unusual operating requirements (i.e., year-end financial closures, etc.). In such cases, the FNSBEA and the employees will receive as much advance notice as feasible to include alternate pay arrangements.
- C. If a pay-day falls on a recognized holiday, the preceding Tuesday will be designated as pay-day.
- D. Payroll advances or picking up checks are prohibited, except that the Chief of Staff may approve an exception allowing a payroll advance or pick up of a payroll check for an unforeseen event or circumstance.
- E. Merit payments and leave ~~cash-cash~~-ins shall be paid by direct deposit if the employee has initiated direct deposit.

Section 2 - Itemized Deductions

Each employee's paycheck shall show all deductions and contain a breakdown of total hours, overtime hours, shift differentials, and leave accruals to date.

ARTICLE 29. HOURS OF WORK AND OVERTIME

Section 1 - Workweek and Workday

- A. The scheduled workweek for full-time Employees will consist of forty (40) hours (unless specified otherwise in the job vacancy announcement) scheduled between 12:01 a.m. on Monday and 12:00 Midnight on Sunday. All hours worked in excess of forty (40) during the scheduled workweek shall be subject to overtime pay, except as limited by this Article. It is the intent of the parties that, except for

unusual circumstances and subject to the Employer's right to schedule and assign hours of work (Article 31., Management Rights), the scheduled workweek will consist of five (5) consecutive days of work followed by two (2) consecutive days off.

- B. Whenever possible, the scheduled workday for regular Employees shall consist of consecutive hours, exclusive of meal periods, scheduled within a consecutive twenty-four (24) hour period. All hours worked in excess of eight (8) hours in a scheduled workday shall be subject to the overtime provisions of this Article.
- C. The immediately preceding two sections notwithstanding, any Employee regularly scheduled to work a forty (40) hour workweek within four (4) scheduled workdays, employees on flex schedules, or employees working an alternate work schedule (4 /10's, 9/80 or other modified schedule) shall not be eligible for overtime pay until having worked ten (10) hours in a scheduled workday, exclusive of meal periods.

Section 2 - Change of Work Schedules

Regular Employees shall be scheduled to work shifts having specified starting and ending times. Barring unusual operating requirements or circumstances necessitating a sooner change, an Employee shall be given five (5) days' notice of shift changes.

Section 3 - Operational Closures/Program Cancellations

In the event of an operational closure due to inclement weather and/or adverse environment conditions, or a program cancellation when alternate work is not made available, employees will be required to take accrued personal leave, accrued comp time or LWOP, at their option.

A. Non-exempt Employees deemed as essential by their manager/director and required to work during an operational closure impacting the employees department will be provided a \$1.00 per hour differential.

B. Should the Borough need to close operations for an extended period of time, and a disaster has been declared by the Borough Assembly, the following pay provisions for shall be applied:

1. Pay provision for the first week of an authorized closure, (forty (40) hours or pro-rated to the employee's FTE) shall be in accordance with this section and the Borough's Inclement Weather and/or Adverse Environment Conditions Policy.
2. If the closure exceeds a one ~~two~~ (12) week period, at the beginning of the 2nd week the Employer shall provide up to forty (40) hours of administrative leave to the employee (pro-rated to the employee's FTE) to be used during the 2nd week. This administrative leave is available provided the employee has not been offered work. This administrative leave is not available if the Employee was ordered to return to work and refused.

Section 4 - Shift Differential

A. Employees who are required to work before 6:00 a.m. or after 6:00 p.m. shall be paid a shift differential for those hours worked before 6:00 a.m. and after 6:00 p.m. in the amount of one dollar (\$1.00) per hour worked, and Employees who work on Saturday or Sunday shall receive a shift differential of one dollar (\$1.00) per hour worked.

- B. An employee requesting comp time in lieu of overtime is not eligible for shift differential.

Section 5 - Overtime/Compensatory Time/Flex Time

- A. All hours worked in excess of eight (8) hours in one scheduled workday or forty (40) hours in a scheduled workweek shall be paid on the basis of one and one-half (1.5) times the Employee's hourly rate of pay. Notwithstanding this provision, Employees who are scheduled to work four (4) ten (10) hour days, or other alternate schedule exceeding 8 hours in a day are not eligible for overtime payment until they have been in a work/pay status in excess of ten (10) hours in one workday or forty (40) hours in one workweek. No Employee may work overtime hours without his or her supervisor's advance approval. An employee in overtime status whose shift continues past midnight shall be paid at the applicable overtime rate for all hours worked until released.
- B. Employees classified and paid on the FNSBEA Exempt Professional Salary Schedule are FLSA (Fair Labor Standards Act) exempt.
- C. When a bargaining unit Employee who qualifies for shift differential pay works overtime, that overtime pay shall be computed on the basis of the following formula:

(Hourly wage rate plus shift differential) x 1.5

- D. For purposes of calculating overtime, ~~the following leaves are considered hours worked:~~ personal leave and, holidays, and personal holiday are considered hours worked, except that personal leave and/or comp time will not be counted toward overtime on a single day. In the circumstance where an employee has taken a partial day of leave, and the leave time plus time worked exceeds 8 hours, the leave time taken will be reduced to avoid overtime. Time spent in

travel mode, up to the normal scheduled workday, is considered actual work time and included in the overtime calculation.

E. Flex Time: For flexibility purposes and only when the arrangement is agreed upon by the employee and manager, a flexible work schedule is allowable during a workweek, provided that any hours over 10 in a workday or 40 in a workweek is paid at the overtime rate of pay. Once a flex arrangement is approved, it remains in effect for the entire workweek. This change will allow an employee to work 7 hours one day and 9 in the next, without requiring the use of accrued leave or payment of overtime. The employee and supervisor's signature on the official timesheet constitutes approval of a ~~flex~~-flex-time agreement.

F. Compensatory Time: Upon written consent of both an Employee's supervisor and the Employee, and subject to any applicable Federal and State laws, an Employee may receive compensatory time off in lieu of overtime pay. Compensatory time will be offered to employees in lieu of overtime provided it will not adversely affect the operational needs of the department.

1. Overtime eligible (Nonexempt) employees may receive compensatory time off in lieu of overtime, up to a maximum of one hundred (100) hours worked per calendar year, resulting in a maximum accrual of one hundred fifty (150) hours per calendar year. An overtime eligible employee may accumulate, and have credited to his/her account, no more than one hundred fifty (150) hours of unused compensatory time regardless of when such compensatory time was earned. For overtime eligible employees, compensatory time shall accrue at the same rate as the overtime it is replacing (1:1.5).

Compensatory time is considered hours worked for overtime calculation. An employee may carry a maximum of 150 hours of comp time over from year to year. If an employee has 150 hours of comp time accrued, and they are

authorized to work overtime, they must take overtime pay rather than comp time, regardless of whether they have met their 100 hours of comp time per year maximum.

2. Non overtime eligible (FLSA exempt) employees shall accrue comp time on an hour for hour basis (1:1), with a maximum balance at any time of ~~150-200~~ hours. Compensatory time utilization shall be treated, and is subject to, the same approval procedures as Personal Leave, except that any accrued but not used comp time will be forfeited at termination.
3. Nonexempt and Exempt Employees may use accrued compensatory time while in probationary status with Supervisor's prior approval.
4. Employees with less than eight (8) hours of compensatory time accrual will be required to use compensatory time before using ~~annual personal~~ leave.

Section 6 - Recall Pay

- A. Recall pay is granted for unscheduled or unanticipated callbacks to the work place. Employees who have left their normal place of work and are called back for overtime work shall be paid the applicable overtime rate of pay for all hours worked in excess of eight (8) hours in that day; provided that they shall receive a minimum guarantee of four (4) hours at the applicable straight-time rate of pay for each recall. Employees who have been recalled and are subsequently recalled within 2.5 hours are not eligible for a second recall pay. All overtime hours worked after the employee's normal scheduled workday shall be considered an extension of the shift and not subject to recall pay, provided the employee has not left work.
- B. If an employee is scheduled or given advance notice prior to the end of their current shift that they will need to return prior to his/her next regularly scheduled

shift, they are not eligible for recall pay.

- C. Shift differential, if applicable, is payable for actual hours worked during a recall, unless comp time is taken in lieu of recall pay.
- D. Employees that are contacted during non-work hours (via phone, text messaging or other method) for an authorized ~~work-work~~-related purpose and are not required to return to the workplace will be paid for all time worked, but are guaranteed a minimum of thirty (30) minutes for each call. If further contact occurs within the thirty (30) minute period, no further recall is paid.

Section 7 - Stand-by or On Call Pay

Employees assigned to standby or on call duty by their employing department supervisor shall receive standby or on call pay in an amount equal to four (4) straight-time hours for each twenty-four (24) hour period of assigned standby or on call.

Section 8 - Meeting Times

- A. Employees who are directed by the appropriate authority to attend meetings or hearings as an extension of their normally scheduled workday shall be paid in accordance with Section 5 above, as appropriate. Employees who have left their normal place of work and who are required to return for meetings shall be guaranteed a minimum of two (2) hours of pay at their straight-time rate.
- B. Regular Employees required to work evening meetings may have their regular schedule adjusted so that they can attend the meetings without the necessity of overtime. Advance notice shall be given whenever possible. If an employee leaves the workplace and returns later for the meeting, it will be considered a split shift and time spent commuting away from and back to the workplace is considered a normal commute and is not compensable. In such a case, all time

spent attending the meeting is compensable. If an employee returns to the workplace and then reports to a different location for the meeting, all time after the initial report to the workplace is compensable time. If the employee does not return to the workplace, but instead leaves for home directly after the meeting, compensable time ends at the conclusion of the meeting.

Section 9 - Minimum Scheduled Shift

An employee may not be scheduled for a shift of less than two (2) hours in duration, unless mutually agreed to by the employee and supervisor.

ARTICLE 30. CLASSIFICATION AND WAGE RATES

Section 1 - Bargaining Unit Wage Rates

- A. For the Fiscal Year beginning July 1, ~~2018~~2021, employees will not receive a (COLA) cost of living increase, ~~added to the base salary table based on the U.S. Department of Labor CPI-U for Anchorage for calendar (Jan-Dec) year 2017 (Annual average).~~
- B. For the Fiscal Year beginning July 1, ~~2019~~2022, employees will receive a (COLA) cost of living increase, added to the base salary table based on the U.S. Department of Labor CPI - Urban for Anchorage-Alaska for calendar (Jan-Dec) year ~~2018-2021~~ (Annual average), by a minimum of 0.5% to a maximum of 3.0%.
- C. For the Fiscal Year beginning July 1, ~~2020~~2023, employees will receive a (COLA) cost of living increase, added to the base salary table based on the U.S. Department of Labor CPI - Urban for Anchorage-Alaska for calendar (Jan-Dec) year ~~2019-2022~~ (Annual average), by a minimum of 0.5% to a maximum of 3.0%

D. If the U.S. Department of Labor CPI - ~~Urban~~- for ~~Anchorage-Alaska~~ (Annual average) is a negative amount, it will not be applied to the base salary tables.

~~D.E.~~ If the U.S. Department of Labor CPI - U for Alaska (Annual average) exceeds the COLA as established in this contract by more than 2.0% in a given year, additional COLA will be granted in the amount that exceeds the 2.0%.

Section 2 - New Classification

Should the Employer establish new classifications or revise an existing classification during the term of this Agreement, the classification committee created in Article 19, Section 3 will meet to review and make a grade placement recommendation to the Human Resources Director. Failing to reach an agreement, the dispute shall be submitted to an arbiter in accordance with the grievance arbitration procedure of this Agreement.

Section 3 - Salary Schedules Incorporated in this Contract

This Contract recognizes and adopts three distinct Salary Schedules as follows:

FNSBEA Salary Schedule

FNSBEA Page Salary Schedule

FNSBEA Exempt Professional Salary

The FNSBEA Salary Schedule and the FNSBEA Page Salary Schedule- consist of 20 steps (A-T), Steps B, C, and D are 3% steps, and steps E-T are 1.5% steps. The FNSBEA Exempt Professional Salary Schedule consists of 20 steps (A-T) of 1.9%.

Section 4 - Advancement on Salary Schedule for Employees on the FNSBEA Salary Schedule, and the FNSBEA Page Salary Schedule

A. Employees initially hired into a bargaining unit position will be placed at the Entry Level Step "A" on the FNSBEA Salary Schedule or FNSBEA Page Salary Schedule as determined by the classification system. Eligibility for step movement is dependent upon a satisfactory job performance. Employees will advance to the next higher step on the salary schedule on July 1st of each year (except the first year of the agreement, if not completed and signed by July 1st, the step increase will be applied the first day of the next pay period after signing – no retroactive adjustments will be processed), provided satisfactory performance as noted in a written performance evaluation, due on or before June 1st of each year. If the employee received “does not meet expectations” performance rating in any category, they shall not be eligible for a step increase. Specific examples are required in the performance evaluation if any category denotes “does not meet expectations”~~”.”~~ If an employee is expected to not meet performance expectations, the supervisor should discuss with the employee and follow up in writing, copying the Human Resources Director, the supervisor will meet with the Employee, and provide providing them with at least two (2) weeks’ time to correct the deficiencies. If a supervisor fails to complete the required performance evaluation timely, the employee shall be eligible for step movement. Employees reaching the last step in the appropriate grade will not be eligible for additional step movement. Employees not eligible for further step movement will be considered for a ~~merit merit~~-based adjustment per Article 27 and the Merit Pay Policy (FNSB 65.19).

~~B. Old longevity (for employees hired prior to July 1, 1982) will be calculated on the hourly rate of pay in the appropriate grade and longevity step of the FNSBEA Salary Schedule, or FNSBEA Page Schedule as appropriate.~~

~~D. Old Merit pay (prior to July 2006) is a supplemental increment that is added to the hourly salary after initial placement on the appropriate salary schedule and any calculation for old longevity or lead pay as determined. Old Merit pay will remain with the employee as long as they remain in the job title in which merit was earned.~~

~~E.B.~~ Merit pay (~~granted after July 2006~~)impacting the wage rate will be retained by the employee, regardless of position held, provided they do not move to a different salary table.

~~F.C.~~ A bargaining unit employee maintains their longevity throughout their career regardless of change in bargaining unit position.

Pay Processing for Promotions

Employees who are promoted will move into their new classification pay grade and longevity step on the FNSBEA Salary Schedule or FNSBEA Page Salary Schedule at the same longevity step as they held in their previous position. (In other words, moving straight down the schedule to the appropriate pay grade for the new position.)

Pay Processing for Demotions

Employees who experience a demotion from a higher grade to a lower grade will be placed at their current longevity step in the new classification pay grade on the FNSBEA Salary Schedule or FNSBEA Page Salary Schedule for the position they are demoted to. (In other words, moving straight up the schedule to the appropriate pay grade and longevity step for the new position).

Pay Processing for Lateral Transfers

Employees who experience a lateral transfer from one position to another in the same classification pay grade and longevity step will remain at the same salary grade and longevity step on the FNSBEA Salary Schedule or FNSBEA Page Salary Schedule. No reduction in base pay rate will occur with a lateral transfer.

Section 5 - Advancement on Salary Schedule for employees on the FNSBEA Exempt Professional Salary Schedule

An employee whose position is included on the FNSBEA Exempt Professional Salary Schedule may be initially placed at any point on the schedule as negotiated between the employee and the Borough Administration at the time of initial hire.

Eligibility for step movement is dependent upon ~~a~~ satisfactory job performance. Employees will advance to the next higher step on the salary schedule on July 1st of each year, (except the first year of the agreement, if not completed and signed by July 1st, the step increase will be applied the first day of the next pay period after signing – no retroactive adjustments will be processed) provided satisfactory performance as noted in a written performance evaluation. If the employee received “does not meet expectations” performance rating in any category, they shall not be eligible for a step increase. Specific examples are required in the performance evaluation if any category denoted as “does not meet expectations” If an employee is expected to not meet performance expectations, the supervisor should notify the employee in advance so that the employee can take corrective action. If a supervisor fails to timely complete the required performance evaluation timely, the employee shall be eligible for the merit step. Employees reaching the last longevity step on the salary table will not be eligible for additional step movement. Employees not eligible for further step movement will be considered for a merit based adjustment per Article 27 and the Merit Pay Policy (FNSB 65.19).

ARTICLE 31. MANAGEMENT RIGHTS

Section 1 - Management Rights

The Employer reserves all the rights, powers, and authority customarily exercised by Management except as otherwise specifically designated or modified by the expressed provisions of this Agreement.

Without limiting the generality of the above statement, these rights include, but are by no means limited to the right to plan, direct, and control the operations of the borough and the Employees assigned thereto. Such prerogatives shall include the exclusive rights to hire, promote, lay off, transfer, discipline or discharge Employees for just cause; determine the number of Employees, and increase or decrease the number of Employees; schedule and assign hours of work, make job assignments, determine the necessity of overtime and when such overtime shall be worked, and by whom it shall be worked; install or move equipment, introduce new technology; transfer, reduce, or cease any or all of the operations, in whole or in part at any time; promulgate and enforce policies or rules governing Employee conduct, safety, or modification of operation; determine job content, establish levels of job qualifications; judge Employee competence; and select supervisory personnel.

Section 2 – Subcontracting

The employer reserves the right to subcontract operations, in accordance with the following:

Should the subcontracting result in the layoff of existing bargaining unit members, the following will be required prior to such subcontracting:

- A. The Borough will be required to conduct (either internally or externally) an assessment or review of the desired subcontracting and present those findings to the union.
- B. If the assessment or review shows that there is a ~~cost saving~~cost-savings to subcontracting, the Borough must first give the union the ability to address these costs in order to retain the service.
- C. Wherever possible, where subcontracting affects employees currently receiving standby or on-call pay, the union shall be notified and allowed to provide input and alternatives in advance of the Employer's decision to subcontract.

ARTICLE 32. EFFECT OF THIS AGREEMENT

- A. ~~At the date of signing this agreement, the terms and conditions of employment as stated in the Personnel Ordinance in effect on January 1, 2018 shall continue in effect except as specifically superseded by this Agreement.~~ Prior to enacting any changes in the Personnel Ordinance the Employer shall allow FNSBEA a reasonable time to make a statement of its view and suggestions concerning the desirability of the proposed changes.
- B. If there is any conflict between the terms of this Agreement and any personnel memoranda, rules or ordinances the terms of this Agreement shall supersede those memoranda or rules in their application to the bargaining unit. Any conflict needs to be challenged through the grievance procedure.

ARTICLE 33. CONCLUSION OF COLLECTIVE BARGAINING

This Agreement is the entire agreement between the Employer and FNSBEA. The parties acknowledge that they have fully bargained with respect to the listed terms and conditions of employment and have settled them for the duration of this Agreement. This Agreement concludes all collective bargaining for the duration of this Agreement, except as may be reflected in mutual Letters of Agreements or the reopener expressed in Article 22.

ARTICLE 34. SAVING CLAUSE

Section 1 - Violations

If any article or part of an article of this Agreement should be decided by a court of competent jurisdiction or mutual agreement of the Employer and FNSBEA to be in violation with any Federal, State or local law, or if adherence to or enforcement of any article or part of an article should be restrained by a court of law, the remaining articles of this Agreement shall not be affected.

Section 2 - Replacement

If a determination of decision is made pursuant to Section 1 of this article that part of the Agreement is in violation of Federal, State, or local law, the parties to this Agreement shall convene within ten (10) working days for the purpose of negotiating a satisfactory replacement.

ARTICLE 35. LEGAL TRUST FUND

- A. The Employer agrees to pay the Alaska Public Employees Association Legal Trust Fund (hereinafter called the Fund) \$12.00 per month per Bargaining Unit Member in pay status in the month for which the contribution is made. The Employer shall remit the amount due for the previous month to the fund by the tenth (10th) of each month.
- B. The Fund shall be sponsored and administered by the APEA/AFT. The Employer shall have no voice in the amount or type of service provided by this plan; however, service provided by the Fund shall not be used in actions involving or in a position adverse to the Employer. The Fund shall attempt to obtain the maximum service possible for the employees.
- C. This Article confers only the right to demand and enforce payment of the required contributions. Failure by the Employer to remit the required contribution does not give rise to any grievance or cause of action by the FNSBEA, its members, or

any other person for other harm or damages which might result from the failure of the Employer to remit the required contribution. The provision or retention of legal assistance under this Article is the sole and exclusive responsibility of the FNSBEA and/or the member. Unless such actions are taken to demand and enforce payment by the Employer of the required contributions, the FNSBEA agrees to defend, indemnify and hold harmless the Employer against any and all legal actions, orders, judgments, or other decisions rendered in any proceeding as a result of the implementation of this Article.

ARTICLE 36. PRINTING OF AGREEMENT

- A. The Employer shall pay the cost to print the Agreement. Each ~~FNSBEA Bargaining Unit employee-Employee~~ shall receive a copy of the printed agreement. The format shall be mutually agreed to by the parties.

- B. Printing and copying of incidental union communication for internal use is permitted by designated union representatives.

ARTICLE 37. NO STRIKES, LOCKOUTS, OR PICKET LINES

Section 1 – Strikes

During the term of this Agreement, it is understood that the FNSBEA or its contractor, agent, or assigned representatives will not cause, permit, or authorize its members to strike, sit-down, slowdown, picket, or otherwise engage in any form of work stoppage. Furthermore, it is understood that no FNSBEA officer, contractor, agent, or assigned representative shall authorize, encourage, or assist in any way such strike or prohibited concerted activities; ~~and will actively assist the Borough in combating~~

such prohibited activities. FNSBEA agrees to make every effort to see that Bargaining Unit Employees understand and follow this contract provision.

Nothing in this section prohibits Bargaining Unit Employees from engaging in picketing activities during off work hours provided it does not cause a disruption of any functions, business of the Borough, or violate Borough facility specific policies.

Section 2 - Lockouts

The Employer agrees that during the term of this Agreement, it will not engage in any lockouts.

Section 3 - Violations

Violations of this Article by the FNSBEA, APEA/AFT, or the Borough are not subject to the Grievance Procedure contained herein, but either party may pursue such legal remedies as provided by law.

Section 4 - Discipline

Disciplinary action taken against an employee for any alleged violation of this Article is subject to the Grievance Procedure and shall enter at Step Two.

ARTICLE 38. SUCCESSORSHIP

This Agreement shall be binding upon any and all successors and assigns of the employer, and no provisions, terms, or obligations herein contained shall be affected by any consolidation or unification of municipal governments.

In the event that the employer absorbs, merges, or reforms, in whole or in part, through consolidation or unification with any other employer, seniority shall be determined as follows:

The current FNSBEA member having the longest term of service with their employer shall be number one (1) on the combined seniority list for their occupation.

Continuing this process, all other current FNSBEA members shall be listed on the combined seniority list likewise according to length of service with their employer by classification and/or duties or a position they may be qualified to perform.

ARTICLE 39. DEFERRED COMPENSATION PROGRAM

Pursuant to and in accordance with applicable Federal laws and regulations, the Employer agrees to maintain a Deferred Compensation Program(s). Participation in the program is voluntary.

ARTICLE 40. COST SAVINGS INCENTIVE PLAN

During the term of this Agreement, the Labor Management Committee shall meet to explore the feasibility of creating a Cost Savings Incentive Plan for FNSB employees. If the Labor Management Committee agrees to the terms and implementation process of a Cost Savings Incentive Plan, it shall be presented to the Chief of Staff and/or Borough Mayor for approval.

ARTICLE 41. DURATION OF AGREEMENT

This Agreement shall become effective July 1, ~~2018~~2021, and shall continue in full force and effect until June 30, ~~2021~~2024. The parties will exchange proposals no later than August 1, ~~2020~~2023. Formal negotiations shall commence no later than September 25, ~~2020~~2023 unless otherwise mutually agreed upon by the parties, with the intent that negotiations will be completed by December 1, ~~2020~~2023 for incorporation into the annual budget process.

Signed this _____ day of _____ ~~2018~~2021.

FOR THE FAIRBANKS NORTH
STAR BOROUGH

FOR THE FAIRBANKS NORTH STAR
BOROUGH EMPLOYEES ASSOCIATION

~~Sallie M. Stuvek~~Michelle Michel, Chief Negotiator
Chief Negotiator
Fairbanks North Star Borough

Michael Koskie,
Alaska Public Employees Association

~~Karl Kassel~~Bryce J. Ward,
Borough Mayor

Cecily ~~Hodges~~Manning,
Negotiating Team Member

Diane Thomas,
Negotiating Team Member

~~Paul Holland~~Rita Heselton,
Negotiating Team Member

Jim Williams,
Negotiating Team Member

Jeana Apling,
Negotiating Team Member

Debbie Brady,
Negotiating Team Member

~~Tom Steer~~Stephanie Pearson,
Negotiating Team Member

~~April Trickey~~Annmarie Billingsley,
~~Shawn Fletcher~~, Negotiating Team
Negotiating Team Member

~~_____~~Brian Powell,
Member (ALT)

Negotiating Team

~~Angela Parker~~Marsha Gross,

Member (ALT)

==

Jason Roach, Negotiating Team Member

FNSBEA, APEA/AFT
Contract Modification Worksheet

Page	Article	Section	Change	Monetary
ALL			Fixed punctuation and formatting throughout contract.	
ALL			Clarified that leave is "personal leave", it was referred to as annual or personal throughout the contract.	
2	TOC	16	Change title to "Recruitment/Filling of Vacancies."	
6	1	2 1	Add definition for Accident Review Committee and set review level at \$750 or greater. Provide notice of meetings and findings to APEA.	Monetary
6	1	2 3	Change title to "Bargaining Unit Employee or Bargaining Unit Member."	
7	1	2 14	Add definition of Essential Employee during an operational closure; an employee required by the employer to work during operational closures. "or partial operational closure"	
8	1	2 16	Add definition for "FNSBEA Member" who is an individual occupying a position covered by the agreement who elects union membership.	
10	1	2 29	Change "beeper" to "device."	
16	4	3	Changed Policy title to: EEO, Anti-Discrimination, Anti-Harassment, Anti-Bullying Policy FNSB 65.09. Add that the Policy will be distributed to all new hires at orientation and to all employees annually.	
17	5	1A	Delete language in A and B, change FNSBEA membership from "obligation" to "option", and allow the APEA Field Office to complete new hire Union orientation.	
17	5	1A	Allow Borough conference rooms to be used for new hire Union orientation. If exceeding 30 minutes, additional time will be paid from the Association Business Leave Bank.	
17	5	1B	Remove language concerning membership forms being included in the Borough's orientation package. Stipulate that the Borough will not interfere with nor support APEA/AFT in its interactions with members of the bargaining unit.	
18	5	3A	Specify that the form for payroll deductions will be provided by the Union; remove language requiring both parties to agree to the check off form.	
18	5	3A	Stipulate that payroll deductions will start at the beginning of the pay period following receipt of the authorization form in Human Resources.	
18	5	3C	Require Union to indemnify and hold the Borough harmless against any claims, loss and/or damages arising from the Borough's deduction and distribution of dues pursuant to the terms of the signed Union Deduction Authorization form.	Monetary
20	5	8	Increase employee reps from 8 to 10, reduce administrative leave hours from 624 to 600 annually.	Monetary
22	6	B	Change "combat" to "discourage."	
22	6	C	Change "obey" to "understand and follow."	
23	7	2B	Add "departmental organizational changes" to list of mutual interest items for discussion at the Labor/Management Committee.	
28	9	NOI	Modify Notice of Intent to Investigate to include "subject of the investigation."	
30	10	1	Change title to "Definition & Purpose."	
30	10	1C	Add language that we will try to resolve complaints "informally before the issue becomes a formal grievance."	
37	11	3	Add recertification to licensing requirements.	

FNSBEA, APEA/AFT
Contract Modification Worksheet

40	12	4	Add new section on Accident Review Committee (ARC), set threshold for damages or possible claims at \$750 to trigger an ARC meeting. Provide notice to APEA of scheduled meetings and subsequent findings.	Monetary
42	14	D	Provide new hires with Workers' compensation program information to include contact information and maintain information on the website for employee access.	
42	15	1	Change title to "Employee Political Rights."	
42	15	1	Change "Borough Employee" to " Bargaining Unit Employee."	
42	15	1C/F	Remove Borough Employee and replace with "they."	
43	16	2	Add "seniority in a relevant (similar) position" are factors for consideration when screening applications.	
44	16	3C1a	Modify pay for training positions after the first 6 months to leave at B step if higher.	*
44	16	3C1a	Add language to clarify that if an individual meets the requirements earlier, the employee shall be moved into the regular non-training position at that time.	
44	16	3C1a	Increase training period for Public Works Equipment Operators to 48 months.	Monetary*
45	16	3C1b	Change "range" to "grade"	
46	16	4C	Clarify that verbal notification to internal applicants that are not selected for an interview will be followed up promptly in writing and the specific reasons (minimum qualification(s) they did not meet) will be communicated.	
46	16	4C	Increase time period for internal applicants that are not selected for an interview to submit supplemental information for consideration from 2 to 3 days.	
46	16	4C	Require verbal notification to internal applicants that are not hired to be followed up promptly via email.	
49	17	2B-2D	Provide APEA a copy of any probationary extension for new hires. Provide APEA notification given to employees that the Employer is considering a non-retention.	
50	17	3A	Provide APEA a copy of any probationary extension for promoted employees.	
50	17	4	Add; "Employees in probationary status who want to apply for another position will make a request to the Human Resources Director who will contact APEA to determine if there is mutual agreement."	
54	18	2A	Reduce time period for consideration of bumping rights back into a position that the employee has an unsuccessful work improvement plan or disciplinary action for substandard job performance from 3 to 2 years.	
54	18	3B	Clarify that nonexempt employees will be paid the cash value of all accrued unused compensatory time as separation of employment.	
56	19	2	Modify language to ensure management will update job descriptions if minimum qualifications of a job are changes, or the duties or responsibilities are materially changed.	
56	19	2	The employer shall provide necessary training to employees as needed due to automation or technological advances in equipment. (restated)	
57	19	3	Remove FNSBEA from the list of individuals who may complete a Position Description Questionnaire for review.	

FNSBEA, APEA/AFT
Contract Modification Worksheet

57	19	3	Allow the employee to provide written comments on the draft job description and present such comments to the job evaluation committee for review.	
58	20	A1	Acting pay for nonexempt assignments is based upon the employees step in the acting assignment grade, or 15%, whichever is higher.	Monetary
58	20	A12	For exempt employees, reduce acting time period for compensation from 3 to 2 days.	Monetary
62	21	3C2	Clarify that the evaluation at this stage (meeting with the employee) is draft.	
62	21	3C3	Add the requirement for the supervisor to share the draft evaluation with their supervisor for review prior to sharing with the Employee. (current workflow process)	
62	21	3C4	Employee comments not made directly on the electronic evaluation will be emailed to HR for incorporation with the performance evaluation. HR will distribute a copy of such comments to the supervisor.	
64	22	1C	Change effective date for health plan changes as required by law to the beginning of the contract, 7-1-21.	Monetary
66	22	1C	Exclude specialty medications from the Out of Pocket (OOP) maximum and implement a separate specialty OOP maximum of \$2,000 per individual.	Monetary
66	22	1C	Implement Caremark's Compound Management Program. (Effective 1/1/22)	Monetary
66	22	1C	Implement the Caremark Retail 90 option to allow participants to obtain a 90-day supply of non-specialty medication at retail pharmacies. (Effective 1/1/22)	Monetary
66	22	1C	Require use of CVS Specialty Pharmacy for specialty medications, and implement the Specialty Copay Card Program. (Effective 1/1/22)	Monetary
66	22	1C	Vision - Increase frame allowance from \$90 to \$120. (Effective 1/1/22)	Monetary
67	22	1E	Retain current biweekly health payroll deductions for FY22, For <u>Employee only</u> Increase by \$10 per pay period in FY23 and \$5 per pay period in FY24. (Pay Period Amounts: FY22 \$125, FY23 \$135, FY24 \$140). Add contingency language that waives the deductible increases in FY23 and FY24 if budgeted health decreases by 7% or more from prior year.	Monetary
67	22	1E	Retain current biweekly health payroll deductions for FY22, For <u>Employee+family</u> Increase by \$15 per pay period in FY23 and \$10 per pay period in FY24. (Pay Period Amounts: FY22 \$155, FY23 \$170, FY24 \$180) Add contingency language that waives the deductible increases in FY23 and FY24 if budgeted health decreases by 7% or more from prior year.	Monetary
67	22	1E	Retain current Dental/Vision/Audio \$10 biweekly payroll deductions for FY22, increase to \$12 in FY23 ad \$15 in FY24.	Monetary
68	22	1F	Increase spousal opt-out from \$200 per pay period to \$250 per pay period effective 7-1-21.	Monetary
68	22	2C	Increase Labor Management Committee by 2 (One APEA, One Management) for a total of 10 representatives; the Borough and APEA will be responsible for paying for training for the added members.	Monetary
70	22	3	Increase annual wellness funding from \$50,000 to \$75,000.	Monetary
73	23	1	Correct Martin Luther King, Jr.'s Birthday holiday name.	

FNSBEA, APEA/AFT
Contract Modification Worksheet

74	23	1	Remove language about Seward's Day/1 time leave accrual adjustment.	
74	23	2C	Clarify that the computation for holiday pay is the "prior four full weeks."	
74	23	2C	Remove language "they shall receive this pay/benefit provided they are in work or leave status which authorizes holiday pay the day before and the day after the recognized holiday."	
74	23	2D	Remove language: "A regular employee who has any LWOP on the day following the holiday, the holiday shall be limited to the paid leave or work time on that day."	
76	24	1A	Clarify that leave can be used for vacation and sick time.	
76	24	1A	Add provision that employees are expected to maintain 24 hours of leave balance (based on FTE) for emergency/unanticipated use. Allow the Director to waive if circumstances warrant.	
80	24	6B	Remove "are not eligible for Holiday pay (except as provided for in Article 23.2.C) and"	
82	24	7	Increase employee reps from 8 to 10, reduce administrative leave hours from 624 to 600 annually.	Monetary
85	25	1	Allow for meal period adjustments at the beginning or end of a shift on an <u>occasional</u> basis provided it does not result in overtime and it can be accommodated by the Employer. Remove field worker language. Allow for scheduling of meal periods if operational requirements are met. Clarify that this language does not substitute for other flexible <u>work options</u> .	
89	25	7	Allow employees who may occasionally be exposed to unsanitary conditions release time (up to 10 minutes) per incident for personal hygiene.	Monetary
92	26	1B	Update ground transportation options, remove limousine services and add Uber, Lyft or other commercial ride share companies.	
94	27		Provide APEA with a list of merit award recipients (names and amounts) after the awards are distributed to employees on a semi-annual basis.	
97	29	3	If a disaster is declared by the Borough Assembly, the Borough will pay up to 40 hours of administrative leave beginning the 2nd full week of the disaster. This leave is available only if the Employee has not been offered work. It is not available if the Employee has been ordered to <u>return to work and refused</u> .	Monetary
98	29	5	Remove personal holiday reference in overtime calculation (personal holidays have been eliminated.)	
100	28	5F2	Increase comp time balance maximum from 150 to 200 hours for exempt employees for consistency between bargaining units	Monetary
102	30	1	CPI - 0 for FY22, For FY23 and FY24, minimum of .50% and a maximum of 3.0%. (based upon DOL Urban Alaska Annual Average)	Monetary
103	30	1	Add hyper inflation language that if CPI is more than 2.0% over the established cap of 3.0%, additional COLA will be granted in the amount that exceeds the 2.0%.	Monetary
104	30	4A	Clarify that if an employee is expected to not meet performance expectations that the supervisor should discuss with the employee and <u>follow up in writing, copying the HR Director.</u>	
104	30	4B	Remove old longevity and old merit language as provision has expired. Clarify that any merit pay impacting the wage rate will be retained by the employee as long as they stay on the same salary table.	

FNSBEA, APEA/AFT
Contract Modification Worksheet

109	32	A	Remove specific date language of personnel ordinance making any future changes effective as long as they do not conflict with an existing contract term.	
112	37	1	Reword section on Union efforts to ensure employees comply with the contract provision on strikes and other protected activity. Allow Bargaining Unit Members to picket during off hours as long as it does not disrupt functions, business of the Borough, or violate Borough facility specific policies.	
114	41		Establish contract dates as 7-1-21 to 6-30-24, exchange or proposals shall be no later that August 1, 2023 and bargaining will begin no later than September 25, 2023; update negotiation team members.	

FNSBEA (APEA) Agreement (2021-2024)
Summary of Estimated Financial Impacts as a result of Collective Bargaining

#	CONTRACT PROVISION	FY22	FY23 Minimum	FY23 Maximum	FY24 Minimum	FY24 Maximum
1	Step progression - Step Increases Non-exempt B, C, D at 3%, E-T at 1.5%, Exempts 1.9%.	\$306,979	\$312,197	\$312,197	\$317,505	\$317,505
2	CPI - 0 for FY22, For FY23 and FY24, minimum of .5% and a maximum of 3.00%. (based upon DOL Alaska Urban Annual Average)	\$0	\$93,384	\$560,302	\$95,438	\$586,636
3	Add hyper inflation language that if CPI is more than 2.0% over the established cap of 3.00%, additional COLA will be granted in the amount that exceeds the 2.0%.	\$0	undetermined	undetermined	undetermined	undetermined
4	Establish damage or claims amount at \$750 to hold an Accident Review Committee.	(\$1,237)	(\$1,275)	(\$1,275)	(\$1,312)	(\$1,312)
5	Require Union to indemnify and hold the Borough harmless against any claims, loss and/or damages arising from the Borough's deduction and distribution of dues pursuant to the terms of the signed Union Deduction authorization form.	undetermined	undetermined	undetermined	undetermined	undetermined
6	Increase Employee Representatives; decrease number of hours available annually by 24.	(\$742)	(\$764)	(\$764)	(\$788)	(\$788)
7	Increase training period for Public Works Equipment Operators from 24 to 48 months*	(\$750)	(\$750)	(\$750)	(\$750)	(\$750)
8	Acting Pay for nonexempt employees based upon step in acting grade or 15%, whichever is higher.	\$13,500	\$13,905	\$13,905	\$14,322	\$14,322
9	Acting time period for exempt employees to receive compensation reduced from 3 to 2 days.	\$2,400	\$2,472	\$2,472	\$2,546	\$2,546
10	Allow employees who may be occasionally exposed to unsanitary conditions release time (up to 10 minutes) per incident for personal hygiene.	included in budget	Included in budget	Included in budget	Included in budget	Included in budget
11	If a disaster is declared by the Borough Assembly, the Borough will pay up to 40 hours of administrative leave beginning the 2nd full week of the disaster. This leave is available only if the Employee has not been offered work. It is not available if the Employee has been ordered to return to work and refused.	included in budget	Included in budget	Included in budget	Included in budget	Included in budget
12	Health Care changes as expressed below. (applied 69% of estimate to APEA bargaining unit, based upon % of borough positions in unit)	(\$195,214)	\$43,244	\$43,244	(\$30,212)	(\$30,212)
Estimated Financial Impacts (APEA Contract):		\$124,936	\$462,413	\$929,331	\$396,749	\$887,947

#	ESTIMATED HEALTH PLAN RELATED CHANGES Borough Wide Basis	FY22	FY23	FY24
12	Any Law Changes.	undetermined	undetermined	undetermined
13	Exclude specialty medications from the Out of Pocket (OOP) maximum and implement a separate specialty OOP maximum of \$2,000 per individual.	(\$8,000)	(\$8,000)	(\$8,000)
14	Implement Caremark's Compound Management Program. (Effective 1/1/22)	\$0	(\$5,000)	(\$7,500)
15	Implement the Caremark Retail 90 option to allow participants to obtain a 90-day supply of non-specialty medication at retail pharmacies. (Effective 1/1/22)	undetermined	undetermined	undetermined
16	Require use of CVS Specialty Pharmacy for specialty medications, and implement the Specialty Copay Card Program. (Effective 1/1/22)	(\$21,000)	(\$22,000)	(\$23,000)
17	Vision - Increase frame allowance from \$90 to \$120. (Effective 1/1/22)	\$2,500	\$2,500	\$2,500
18	Payroll deductions - EE Only (25% of 360) (0 increase in FY22, \$10 increase in FY23, \$5 increase in FY24)	\$0	(\$23,400)	(\$35,100)
19	Payroll deductions - EE + F (75% of 360 - from FY20 HCCRF) (0 increase in FY22, \$15 increase in FY23, \$10 increase in FY24)	\$0	(\$105,300)	(\$175,500)
20	Dental/Vision/Audio (Y1 \$10, Y2 \$12, Y3 \$15) (0 increase in FY22, \$2 increase in FY23, \$3 increase in FY24.)	\$0	(\$17,992)	(\$44,980)
21	Increase Spousal Opt Out from \$200 pay period to \$250 per pay period, effective 7-1-21.	(\$11,700)	(\$11,700)	(\$11,700)
22	Increase Labor Management Committee by 2 (One APEA, One Management) for a total of 10 representatives; the Borough and APEA will be responsible for paying for training for the added members.		\$2,000	
23	Increase annual Wellness funding by \$25,000 per year. (effective 7/1/21)	\$25,000	\$25,000	\$25,000
24	Anticipated health plan increased. (budget impact based upon plan trend)	(\$269,719)	\$226,564	\$234,494
Total estimate of proposed changes to Health Plan:		(\$282,919)	\$62,672	(\$43,786)