

**ANCHORAGE, ALASKA
AR NO. 2023-405**

**A RESOLUTION APPROVING ADMINISTRATIVE AGREEMENT AA # 2023-02
BETWEEN THE MUNICIPALITY OF ANCHORAGE AND THE ANCHORAGE
POLICE DEPARTMENT EMPLOYEES ASSOCIATION REGARDING A
COLLECTIVE BARGAINING AGREEMENT EXTENSION.**

WHEREAS, the Municipality of Anchorage (MOA) and the Anchorage Police Department Employees Association (APDEA) were parties to an Assembly approved labor contract agreement approved January 27, 2021; and

WHEREAS, the purpose of this Administrative Agreement, APDEA AA # 2023-02, is to extend the contract; and

WHEREAS, the MOA and APDEA have negotiated an Administrative Agreement, APDEA AA # 2023-02, regarding amending leave, wage rates, health care contribution increases, 401(k) and term attached as Exhibit A (entitled "APDEA AA #2023-01" and new language proposed by APDEA AA # 2023-02 is underlined); and

WHEREAS, Administrative Agreement APDEA AA # 2023-02 was submitted and approved by APDEA executive board; and

WHEREAS, the Administrative Agreement APDEA AA # 2023-02 has an economic impact and the Summary of Economic Effects (SEE) is attached as Exhibit B; and

WHEREAS, it is in the best interest of the MOA and the APDEA to subject this Administrative Agreement APDEA AA # 2023-02 to the public review and approval process, in order to foster good labor-management relationships; and

WHEREAS, the Administration recommends approval of Administrative Agreement APDEA AA # 2023-02; and

WHEREAS, Anchorage Municipal Code section 3.70.130 requires Assembly approval of an Administrative Agreement; and

WHEREAS, Anchorage Municipal Code subsection 3.70.090D.3.c. requires the Assembly "shall have a 28-day period for public review and comment on the labor agreement terms and conditions, summary of economic effects, and contract changes, before action by the assembly"; and now, therefore,

THE ANCHORAGE MUNICIPAL ASSEMBLY RESOLVES:

1 **Section 1.** Administrative Agreement APDEA AA # 2023-02 is approved.

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

5
6 PASSED AND APPROVED by the Anchorage Assembly this 19th day of December,
7 2023.

8
9
10
11
12 ATTEST:



Chair



13
14
15
16
17 Municipal Clerk



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 915-2023

Meeting Date: November 21, 2023

1 **FROM: MAYOR**

2
3 **SUBJECT: A RESOLUTION APPROVING ADMINISTRATIVE**
4 **AGREEMENT AA # 2023-02 BETWEEN THE MUNICIPALITY**
5 **OF ANCHORAGE AND THE ANCHORAGE POLICE**
6 **DEPARTMENT EMPLOYEES ASSOCIATION REGARDING**
7 **A COLLECTIVE BARGAINING AGREEMENT EXTENSION.**
8

9
10 The Municipality of Anchorage (MOA) and the Anchorage Police Department
11 Employees Association (APDEA), reached a collaborative Administrative
12 Agreement signed by both parties on November 2, 2023 extending the
13 collective bargaining agreement with the amendments attached in Exhibit A.
14

15 The proposed APDEA Administrative Agreement, APDEA AA # 2023-02,
16 contains economic changes as well as language changes generally
17 consistent with other union agreements, the personnel rules, and the MOA
18 Administration and Assembly's direction, particularly regarding economic
19 guidelines.
20

21 The following are key provisions of the proposed APDEA AA # 2023-02:

- 22
- 23 • Wage increases of 7.8% for 2024, 3.3% for 2025, 4.3% for 2026 and
24 3.3% for 2027 effective the first full pay periods of January;
- 25
- 26 • Effective the first full pay period of January 2025 the maximum
27 Municipal 401(k) contribution shall increase from 4% to 6%.
28
- 29 • Effective the first full pay period of January 2027 the maximum
30 Municipal 401(k) contribution shall increase from 6% to 8%.
31
- 32 • No later than July 1, 2024 incorporates paid parental leave in
33 accordance with Personnel Rules 3.30.1518 paid parental leave.
34
- 35 • Effective January 1, 2025, 2026 and 2027 the MOA health care
36 contributions shall be 90% of the cost of the 500 Plan;

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

- Expires December 31, 2027.

The MOA is committed to working with unions upon collective bargaining commencement in accordance with AMC 3.70.090D. to consider the guidance outlined in AR 2023-217.

The overall average annual cost of the contract extension is 5.4%. A summary of economic effects is attached.

The Administration and the APDEA believe that approval of APDEA AA # 2023-02 fosters good labor-management relationships.

THE ADMINISTRATION RECOMMENDS APPROVAL.

Prepared by: Raylene Griffith, Labor Relations Director
Approved by: Tyler Andrews, Human Resources Director
Concur: Marilyn Banzhaf, Acting Director, Office of Management & Budget
Concur: Anne Helzer, Municipal Attorney
Concur: Alden Thern, CFO
Concur: Kent Kohlhase, P.E., Municipal Manager
Respectfully submitted: Dave Bronson, Mayor

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AR Number: 2023-405

Title: **A RESOLUTION APPROVING ADMINISTRATIVE AGREEMENT
AA # 2023-02 BETWEEN THE MUNICIPALITY OF ANCHORAGE
AND THE ANCHORAGE POLICE DEPARTMENT EMPLOYEES
ASSOCIATION REGARDING A COLLECTIVE BARGAINING
AGREEMENT EXTENSION.**

Sponsor: **MAYOR**
Preparing Agency: Department of Human Resources
Others Impacted: Various Municipal Departments

CHANGES IN EXPENDITURES AND REVENUES: (In Thousands of Dollars)

	FY24	FY25	FY26	FY27
Operating Expenditures				
1000 Personal Services	\$ 6,335	\$ 10,946	\$ 15,436	\$ 20,446
2000 Non-Labor				
3900 Contributions				
4000 Debt Service				
TOTAL DIRECT COSTS:	\$ 6,335	\$ 10,946	\$ 15,436	\$ 20,446
Add: 6000 Charges from Others				
Less: 7000 Charges to Others				
FUNCTION COST:	\$ 6,335	\$ 10,946	\$ 15,436	\$ 20,446

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp

PUBLIC SECTOR ECONOMIC EFFECTS:

The Collective Bargaining Agreement (CBA) increases direct labor costs (wages, benefits) an average of 5.4% annually for the General Government Fund, based on the four years covered by the CBA.

The wage increases 7.8% effective the first full pay period of 2024, 3.3% effective the first full pay period in 2025, 4.3% effective the first full pay period in 2026, and 3.3% effective the first full pay period in 2027.

The MOA health care contributions will be 90% of the cost of the 500 Plan in 2024, 2025, 2026, and 2027.

The MOA will increase the maximum 401k plan match from 4% to 6% effective the first full pay period of January 2025 then increase to 8% effective the first full pay period of 2027.

A Paid parental leave (PPL) policy was added but was not factored into the cost. Historically, we have not included PTO in costing because it is a productivity issue, not a funding issue.

Costs for this SEE were verified by Internal Audit.

PRIVATE SECTOR ECONOMIC EFFECTS:

ADMINISTRATIVE AGREEMENT

by and between

MUNICIPALITY OF ANCHORAGE

AND

ANCHORAGE POLICE DEPARTMENT EMPLOYEES ASSOCIATION

Subject: Collective Bargaining Agreement Extension

APDEA AA # 2023-01

This Agreement is between the Municipality of Anchorage (MOA) and the Anchorage Police Department Employees Association (APDEA).- The MOA and APDEA are parties to the Collective Bargaining Agreement in effect as of January 27, 2021.- The parties wish to amend the language in the CBA as outlined below.

Effective upon Assembly approval of this agreement, the language in Articles VII, X, XI, XII, XIV, XV, XVIII, XXVIII, and Appendix A shall be amended as outlined below.

The following Administrative Agreements APDEA AA 2021-01 Vera Whole Health Clinic Evaluation Incentive and APDEA AA 2023-01 Holidays have been integrated into the Collective Bargaining Agreement.

Article VII HOURS OF WORK AND OVERTIME; Section 2. Paragraph 5

Paid leave (including, but not limited to, holidays, vacation, military leave, jury duty, paid parental leave, and sick leave) and unpaid leave are not considered "hours worked" for the purposes of meeting the over forty (40) hour work week or outside of regularly schedule shift thresholds.

Article X SICK LEAVE; Section 3. Accrual During Leave.

Sick leave will continue to accrue during any approved paid leave, and during the first thirty days of approved unpaid leave. Employees on approved paid parental leave will not accrue sick leave.

Article XI OTHER PAID LEAVE; Section 7 Paid Parental Leave. Effective no later than July 1, 2024.

A. Paid parental leave shall mean an award of non-cashable leave as described below and is intended to allow parents to bond with and care for a new child.

B. Award. Upon request, eligible employees shall be awarded 160 hours of non-cashable leave for regular full time eligible employees who have been approved for leave under the Alaska Family Leave Act (AFLA) or the Family Medical Leave Act of 1993 (FMLA) for a

qualifying event of the birth of an employee's child or children, or placement of a child or children with the employee for adoption or foster care. Eligible employees who work less than full time will be eligible for a pro rata amount of leave based on their normal hours worked.

C. Rules for use.

1. Use in conjunction with AFLA or FMLA leave. Paid parental leave must be taken during approved AFLA or FMLA leave. Any paid parental leave taken will be counted toward the 18 weeks of protected leave per rolling 12-month period available to employees under AFLA or the twelve weeks of protected leave per rolling twelve-month period available to employees under FMLA.

2. Use in weekly blocks; use in coordination with other leave; unused paid parental leave; leave accrual during use. Employees must take paid parental leave in weekly blocks (40 hours over the course of a single work week or, for eligible employees who work less than full time, one-fourth of the amount of leave available to them under section A.) and must use all paid parental leave during approved AFLA or FMLA leave for the qualifying event. Any unused paid parental leave will be forfeited at the end of the approved AFLA or FMLA leave period. Employees that are awarded non-cashable leave under subsection A. will not accrue leave or sick leave while on paid parental leave.

3. One award per rolling 12-month period; two eligible employees. In no case will an employee receive more than one award of 160 hours of non-cashable (or the prorated amount for employees that work less than full time) leave as paid parental leave in a rolling 12-month period, regardless of whether more than one birth, adoption, foster care placement, or other qualifying event occurs within that twelve-month time frame. The birth or placement of more than one child at the same time will be treated as one qualifying event for which an employee will receive a total of 160 hours (or the prorated portion of hours for employees that work less than full time). If two eligible employees experience the same qualifying event, both employees may take parental leave.

Article XII ANNUAL LEAVE; Section 3. Accrual While on Leave.

Leave shall continue to accrue during the time an employee is on approved paid leave. Such additional accrual shall be canceled, however, if the employee quits and fails to resume duty upon completion of approved leave. Employees on approved paid parental leave will not accrue annual leave.

Article XIV HOLIDAYS; Section 1. Recognized Holidays.

Holidays recognized are:

New Year's Day

Martin Luther King, Jr. Day (third Monday in January)

President's Day (third Monday in February)

Seward's Day (last Monday in March)

Memorial Day

Juneteenth (June 19)

Independence Day

Labor Day

Indigenous People's Day (Second Monday in October)

Veteran's Day (November 11)

Thanksgiving Day

Day After Thanksgiving

Christmas Day

One Personal Holiday

Article XV WAGES; Section 4. Wage Increases.

- A. Wage Schedules.- Wages paid to employees shall be as specified in Appendix A of this Agreement.- All employees will be compensated under a pay grade and step system.
- B. Wage Rate Increases.- The wage schedule specified in Appendix A of this Agreement shall be adjusted as follows:
 - 1. Effective first full pay period of July 2021, the wage rates shall reflect an increase of one and two tenths percent (1.2%) as specified in Appendix A.
 - 2. Effective the first full pay period of January 2022, the hourly wage rates shall reflect an increase of one and one and two tenths percent (1.2%) as specified in Appendix A.
 - a. Effective the first full pay period of January 2022, an additional two and five tenths percent (2.5%) step will be added to the end of the salary table as specified in Appendix A.
 - 3. Effective the first full pay period of January 2023, the hourly wage rates shall reflect an increase of one and two tenths percent (1.2%) as specified in Appendix A.
 - 4. Effective the first full pay period of January 2024, the hourly wage rates shall reflect an increase of seven and eight tenths percent (7.8%) as specified in Appendix A.
 - a. If this Administrative Agreement is not fully approved on or before January 28, 2024, the parties agree to negotiate on a lump sum amount as specified under number 4 above only.

5. Effective the first full pay period of January 2025, the hourly wage rates shall reflect an increase of three and three tenths percent (3.3%) as specified in Appendix A.

6. Effective the first full pay period of January 2026, the hourly wage rates shall reflect an increase of four and three tenths percent (4.3%) as specified in Appendix A.

7. Effective the first full pay period of January 2027, the hourly wage rates shall reflect an increase of three and three tenths percent (3.3%) as specified in Appendix A.

~~4. In August 2023, the MOA and APDEA will re-open negotiations on wage increases as specified under this section only.~~

Article XV WAGES; Section 7. 401(k) Savings Plan.

D. Effective the first full pay period of January 2025, the maximum Municipal Contribution shall increase to six percent (6%).

E. Effective the first full pay period of January 2027, the maximum Municipal Contribution shall increase to eight percent (8%).

Article XVIII HEALTH AND WELFARE; Section 2. Municipal and Employee Contributions/Premiums.

A. Effective the first full month following Assembly approval of this Agreement, the Municipality shall contribute \$2238.00 monthly towards the Plan. Any remaining premium payments shall be the responsibility of the member.

B. Effective January 1, 2022, for all employees who do not opt out of the Municipality's Plan, the Municipality's premium payment shall be 90% of the 2022 cost of the 500 Plan, with employees paying the remainder of the premium costs, if any, for the plan the employee selects. Employees selecting lower cost plans shall have FSA/HSA options for the difference between the Municipality's premium obligation and the cost of the plan the employee selects.

C. Effective January 1, 2023, for all employees who do not opt out of the Municipality's Plan, the Municipality's premium payment shall be 90% of the 2023 cost of the 500 Plan, with employees paying the remainder of the premium costs, if any, for the plan the employee selects. Employees selecting lower cost plans shall have FSA/HSA options for the difference between the Municipality's premium obligation and the cost of the plan the employee selects.

D. Effective January 1, 2024, for all employees who do not opt out of the Municipality's Plan, the Municipality's premium payment shall be 90% of the 2024 cost of the 500 Plan, with employees paying the remainder of the premium costs, if any, for the plan the employee selects. Employees selecting lower cost plans shall have FSA/HSA options for the difference between the Municipality's premium obligation and the cost of the plan the employee selects.

E. Effective January 1, 2025, for all employees who do not opt out of the Municipality's Plan, the Municipality's premium payment shall be 90% of the 2025 cost of the 500 Plan, with employees

paying the remainder of the premium costs, if any, for the plan the employee selects. Employees selecting lower cost plans shall have FSA/HSA options for the difference between the Municipality's premium obligation and the cost of the plan the employee selects.

F. Effective January 1, 2026, for all employees who do not opt out of the Municipality's Plan, the Municipality's premium payment shall be 90% of the 2026 cost of the 500 Plan, with employees paying the remainder of the premium costs, if any, for the plan the employee selects. Employees selecting lower cost plans shall have FSA/HSA options for the difference between the Municipality's premium obligation and the cost of the plan the employee selects.

G. Effective January 1, 2027, for all employees who do not opt out of the Municipality's Plan, the Municipality's premium payment shall be 90% of the 2027 cost of the 500 Plan, with employees paying the remainder of the premium costs, if any, for the plan the employee selects. Employees selecting lower cost plans shall have FSA/HSA options for the difference between the Municipality's premium obligation and the cost of the plan the employee selects.

HE. Either party may reopen this section of the Agreement if changes in federal or state laws impact health care cost, premiums, care coverage, taxes, or penalties.

Article XVIII HEALTH AND WELFARE; Section 7. Vera Incentive.

A. For so long as the MOA elects to maintain a contract with Vera and continue the Annual Whole Health Evaluation, represented employees enrolled in the Plan who complete an Annual Whole Health Evaluation (AWHE) at the Vera Care Center may be qualified to earn an incentive contribution to their paycheck. If the MOA elects, employee spouses may receive an incentive for completing the same Evaluation. If the spouse is an employee of the MOA and enrolled in the Plan, only one incentive will be available. To earn the incentive, the employee must complete each of the determined steps of the AWHE.

B. Vera will report to the MOA the names of enrolled employees who have completed the AWHE. The MOA will not have access to employee health information.

C. The MOA agrees to add the incentive to the employee's paycheck within forty-five (45) days of the MOA being notified that all parts of the AWHE have been completed.

D. The contribution is not eligible for PERS and will be subject to applicable taxes and withholdings.

E. This incentive may be terminated by the MOA at any time.

Article XXVIII TERM OF AGREEMENT; Section 1. Term.

Unless otherwise specified in this Agreement, each of its provisions shall be effective upon Assembly approval of Administrative Agreement APDEA AA #2017-01 attached as Appendix B and Assembly approval of this Agreement, or January 1, 2018, whichever occurs later, and shall remain in effect until December 31, 2027~~December 31, 2024.~~

Article XXVIII TERM OF AGREEMENT; Section 2. Notice.

Either party shall give at least one hundred and eighty ninety (18090) days written notice to the other prior to the expiration date of this Agreement of its desire that the Agreement shall be re-negotiated.

Appendix A

2024 SALARY SCHEDULE

Salary Schedule Effective First Full Pay Period in 2024 ~ 7.8%

<u>Grade</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>
<u>GRD12</u>	<u>\$23.27</u>	<u>\$23.86</u>	<u>\$25.04</u>	<u>\$26.29</u>	<u>\$27.61</u>	<u>\$29.00</u>	<u>\$30.44</u>	<u>\$31.21</u>	<u>\$31.98</u>	<u>\$32.78</u>	
<u>GRD14</u>	<u>\$24.46</u>	<u>\$25.07</u>	<u>\$26.32</u>	<u>\$27.64</u>	<u>\$29.03</u>	<u>\$30.49</u>	<u>\$31.98</u>	<u>\$32.78</u>	<u>\$33.60</u>	<u>\$34.44</u>	
<u>GRD15</u>	<u>\$25.17</u>	<u>\$25.81</u>	<u>\$27.09</u>	<u>\$28.45</u>	<u>\$29.85</u>	<u>\$31.35</u>	<u>\$32.93</u>	<u>\$33.75</u>	<u>\$34.59</u>	<u>\$35.46</u>	
<u>GRD16</u>	<u>\$26.06</u>	<u>\$26.72</u>	<u>\$28.08</u>	<u>\$29.46</u>	<u>\$30.94</u>	<u>\$32.48</u>	<u>\$34.11</u>	<u>\$34.96</u>	<u>\$35.82</u>	<u>\$36.72</u>	
<u>GRD17</u>	<u>\$26.91</u>	<u>\$27.56</u>	<u>\$28.93</u>	<u>\$30.39</u>	<u>\$31.91</u>	<u>\$33.49</u>	<u>\$35.18</u>	<u>\$36.05</u>	<u>\$36.94</u>	<u>\$37.87</u>	
<u>GRD18</u>	<u>\$28.10</u>	<u>\$28.80</u>	<u>\$30.22</u>	<u>\$31.73</u>	<u>\$33.33</u>	<u>\$34.99</u>	<u>\$36.74</u>	<u>\$37.65</u>	<u>\$38.59</u>	<u>\$39.56</u>	
<u>GRD19</u>	<u>\$29.25</u>	<u>\$29.98</u>	<u>\$31.48</u>	<u>\$33.03</u>	<u>\$34.69</u>	<u>\$36.43</u>	<u>\$38.26</u>	<u>\$39.21</u>	<u>\$40.18</u>	<u>\$41.18</u>	
<u>GRD20</u>	<u>\$31.64</u>	<u>\$32.44</u>	<u>\$34.04</u>	<u>\$35.75</u>	<u>\$37.53</u>	<u>\$39.40</u>	<u>\$41.37</u>	<u>\$42.41</u>	<u>\$43.46</u>	<u>\$44.55</u>	
<u>GRD21</u>	<u>\$31.64</u>	<u>\$32.44</u>	<u>\$34.04</u>	<u>\$35.75</u>	<u>\$37.53</u>	<u>\$39.40</u>	<u>\$41.37</u>	<u>\$42.41</u>	<u>\$43.46</u>	<u>\$44.55</u>	
<u>GRD22</u>	<u>\$34.99</u>	<u>\$35.87</u>	<u>\$37.65</u>	<u>\$39.56</u>	<u>\$41.54</u>	<u>\$43.62</u>	<u>\$45.80</u>	<u>\$46.94</u>	<u>\$48.12</u>	<u>\$49.32</u>	
<u>GRD23</u>	<u>\$38.11</u>	<u>\$39.06</u>	<u>\$41.02</u>	<u>\$43.06</u>	<u>\$45.22</u>	<u>\$47.49</u>	<u>\$49.86</u>	<u>\$51.12</u>	<u>\$52.38</u>	<u>\$53.68</u>	
<u>GRD31</u>	<u>\$29.70</u>	<u>\$30.44</u>	<u>\$31.21</u>	<u>\$32.75</u>	<u>\$34.39</u>	<u>\$36.12</u>	<u>\$37.93</u>	<u>\$38.88</u>	<u>\$39.85</u>	<u>\$40.85</u>	
<u>GRD32</u>	<u>\$35.43</u>	<u>\$36.32</u>	<u>\$37.23</u>	<u>\$39.09</u>	<u>\$41.06</u>	<u>\$43.09</u>	<u>\$45.25</u>	<u>\$46.38</u>	<u>\$47.55</u>	<u>\$48.75</u>	
<u>GRD33</u>	<u>\$39.63</u>	<u>\$40.61</u>	<u>\$42.63</u>	<u>\$44.74</u>	<u>\$46.98</u>	<u>\$49.33</u>	<u>\$51.82</u>	<u>\$53.09</u>	<u>\$54.42</u>	<u>\$55.78</u>	
<u>GRD35</u>	<u>\$38.11</u>	<u>\$39.06</u>	<u>\$40.03</u>	<u>\$42.04</u>	<u>\$44.13</u>	<u>\$46.34</u>	<u>\$48.66</u>	<u>\$49.89</u>	<u>\$51.14</u>	<u>\$52.42</u>	
<u>GRD36</u>	<u>\$39.17</u>	<u>\$40.17</u>	<u>\$42.16</u>	<u>\$44.28</u>	<u>\$46.48</u>	<u>\$48.81</u>	<u>\$51.25</u>	<u>\$53.79</u>	<u>\$55.15</u>	<u>\$56.53</u>	<u>\$57.95</u>
<u>GRD37</u>	<u>\$46.34</u>	<u>\$47.51</u>	<u>\$49.88</u>	<u>\$52.36</u>	<u>\$54.99</u>	<u>\$57.72</u>	<u>\$60.62</u>	<u>\$63.63</u>	<u>\$65.23</u>	<u>\$66.87</u>	<u>\$68.53</u>

2025 SALARY SCHEDULE

Salary Schedule Effective First Full Pay Period in 2025 ~ 3.3%

Grade	1	2	3	4	5	6	7	8	9	10	11
GRD12	\$24.04	\$24.65	\$25.87	\$27.16	\$28.52	\$29.96	\$31.44	\$32.24	\$33.04	\$33.86	
GRD14	\$25.27	\$25.90	\$27.19	\$28.55	\$29.99	\$31.50	\$33.04	\$33.86	\$34.71	\$35.58	
GRD15	\$26.00	\$26.66	\$27.98	\$29.39	\$30.84	\$32.38	\$34.02	\$34.86	\$35.73	\$36.63	
GRD16	\$26.92	\$27.60	\$29.01	\$30.43	\$31.96	\$33.55	\$35.24	\$36.11	\$37.00	\$37.93	
GRD17	\$27.80	\$28.47	\$29.88	\$31.39	\$32.96	\$34.60	\$36.34	\$37.24	\$38.16	\$39.12	
GRD18	\$29.03	\$29.75	\$31.22	\$32.78	\$34.43	\$36.14	\$37.95	\$38.89	\$39.86	\$40.87	
GRD19	\$30.22	\$30.97	\$32.52	\$34.12	\$35.83	\$37.63	\$39.52	\$40.50	\$41.51	\$42.54	
GRD20	\$32.68	\$33.51	\$35.16	\$36.93	\$38.77	\$40.70	\$42.74	\$43.81	\$44.89	\$46.02	
GRD21	\$32.68	\$33.51	\$35.16	\$36.93	\$38.77	\$40.70	\$42.74	\$43.81	\$44.89	\$46.02	
GRD22	\$36.14	\$37.05	\$38.89	\$40.87	\$42.91	\$45.06	\$47.31	\$48.49	\$49.71	\$50.95	
GRD23	\$39.37	\$40.35	\$42.37	\$44.48	\$46.71	\$49.06	\$51.51	\$52.81	\$54.11	\$55.45	
GRD31	\$30.68	\$31.44	\$32.24	\$33.83	\$35.52	\$37.31	\$39.18	\$40.16	\$41.17	\$42.20	
GRD32	\$36.60	\$37.52	\$38.46	\$40.38	\$42.41	\$44.51	\$46.74	\$47.91	\$49.12	\$50.36	
GRD33	\$40.94	\$41.95	\$44.04	\$46.22	\$48.53	\$50.96	\$53.53	\$54.84	\$56.22	\$57.62	
GRD35	\$39.37	\$40.35	\$41.35	\$43.43	\$45.59	\$47.87	\$50.27	\$51.54	\$52.83	\$54.15	
GRD36	\$40.46	\$41.50	\$43.55	\$45.74	\$48.01	\$50.42	\$52.94	\$55.57	\$56.97	\$58.40	\$59.86
GRD37	\$47.87	\$49.08	\$51.53	\$54.09	\$56.80	\$59.62	\$62.62	\$65.73	\$67.38	\$69.08	\$70.79

2026 SALARY SCHEDULE

Salary Schedule Effective First Full Pay Period in 2026 ~ 4.3%

Grade	1	2	3	4	5	6	7	8	9	10	11
GRD12	\$25.07	\$25.71	\$26.98	\$28.33	\$29.75	\$31.25	\$32.79	\$33.63	\$34.46	\$35.32	
GRD14	\$26.36	\$27.01	\$28.36	\$29.78	\$31.28	\$32.85	\$34.46	\$35.32	\$36.20	\$37.11	
GRD15	\$27.12	\$27.81	\$29.18	\$30.65	\$32.17	\$33.77	\$35.48	\$36.36	\$37.27	\$38.21	
GRD16	\$28.08	\$28.79	\$30.26	\$31.74	\$33.33	\$34.99	\$36.76	\$37.66	\$38.59	\$39.56	
GRD17	\$29.00	\$29.69	\$31.16	\$32.74	\$34.38	\$36.09	\$37.90	\$38.84	\$39.80	\$40.80	
GRD18	\$30.28	\$31.03	\$32.56	\$34.19	\$35.91	\$37.69	\$39.58	\$40.56	\$41.57	\$42.63	
GRD19	\$31.52	\$32.30	\$33.92	\$35.59	\$37.37	\$39.25	\$41.22	\$42.24	\$43.29	\$44.37	
GRD20	\$34.09	\$34.95	\$36.67	\$38.52	\$40.44	\$42.45	\$44.58	\$45.69	\$46.82	\$48.00	
GRD21	\$34.09	\$34.95	\$36.67	\$38.52	\$40.44	\$42.45	\$44.58	\$45.69	\$46.82	\$48.00	
GRD22	\$37.69	\$38.64	\$40.56	\$42.63	\$44.76	\$47.00	\$49.34	\$50.58	\$51.85	\$53.14	
GRD23	\$41.06	\$42.09	\$44.19	\$46.39	\$48.72	\$51.17	\$53.72	\$55.08	\$56.44	\$57.83	
GRD31	\$32.00	\$32.79	\$33.63	\$35.28	\$37.05	\$38.91	\$40.86	\$41.89	\$42.94	\$44.01	
GRD32	\$38.17	\$39.13	\$40.11	\$42.12	\$44.23	\$46.42	\$48.75	\$49.97	\$51.23	\$52.53	
GRD33	\$42.70	\$43.75	\$45.93	\$48.21	\$50.62	\$53.15	\$55.83	\$57.20	\$58.64	\$60.10	
GRD35	\$41.06	\$42.09	\$43.13	\$45.30	\$47.55	\$49.93	\$52.43	\$53.76	\$55.10	\$56.48	
GRD36	\$42.20	\$43.28	\$45.42	\$47.71	\$50.07	\$52.59	\$55.22	\$57.96	\$59.42	\$60.91	\$62.43
GRD37	\$49.93	\$51.19	\$53.75	\$56.42	\$59.24	\$62.18	\$65.31	\$68.56	\$70.28	\$72.05	\$73.83

2027 SALARY SCHEDULE

Salary Schedule Effective First Full Pay Period in 2027 ~ 3.3%

Grade	1	2	3	4	5	6	7	8	9	10	11
GRD12	\$25.90	\$26.56	\$27.87	\$29.26	\$30.73	\$32.28	\$33.87	\$34.74	\$35.60	\$36.49	
GRD14	\$27.23	\$27.90	\$29.30	\$30.76	\$32.31	\$33.93	\$35.60	\$36.49	\$37.39	\$38.33	
GRD15	\$28.01	\$28.73	\$30.14	\$31.66	\$33.23	\$34.88	\$36.65	\$37.56	\$38.50	\$39.47	
GRD16	\$29.01	\$29.74	\$31.26	\$32.79	\$34.43	\$36.14	\$37.97	\$38.90	\$39.86	\$40.87	
GRD17	\$29.96	\$30.67	\$32.19	\$33.82	\$35.51	\$37.28	\$39.15	\$40.12	\$41.11	\$42.15	
GRD18	\$31.28	\$32.05	\$33.63	\$35.32	\$37.10	\$38.93	\$40.89	\$41.90	\$42.94	\$44.04	
GRD19	\$32.56	\$33.37	\$35.04	\$36.76	\$38.60	\$40.55	\$42.58	\$43.63	\$44.72	\$45.83	
GRD20	\$35.21	\$36.10	\$37.88	\$39.79	\$41.77	\$43.85	\$46.05	\$47.20	\$48.37	\$49.58	
GRD21	\$35.21	\$36.10	\$37.88	\$39.79	\$41.77	\$43.85	\$46.05	\$47.20	\$48.37	\$49.58	
GRD22	\$38.93	\$39.92	\$41.90	\$44.04	\$46.24	\$48.55	\$50.97	\$52.25	\$53.56	\$54.89	
GRD23	\$42.41	\$43.48	\$45.65	\$47.92	\$50.33	\$52.86	\$55.49	\$56.90	\$58.30	\$59.74	
GRD31	\$33.06	\$33.87	\$34.74	\$36.44	\$38.27	\$40.19	\$42.21	\$43.27	\$44.36	\$45.46	
GRD32	\$39.43	\$40.42	\$41.43	\$43.51	\$45.69	\$47.95	\$50.36	\$51.62	\$52.92	\$54.26	
GRD33	\$44.11	\$45.19	\$47.45	\$49.80	\$52.29	\$54.90	\$57.67	\$59.09	\$60.58	\$62.08	
GRD35	\$42.41	\$43.48	\$44.55	\$46.79	\$49.12	\$51.58	\$54.16	\$55.53	\$56.92	\$58.34	
GRD36	\$43.59	\$44.71	\$46.92	\$49.28	\$51.72	\$54.33	\$57.04	\$59.87	\$61.38	\$62.92	\$64.49
GRD37	\$51.58	\$52.88	\$55.52	\$58.28	\$61.19	\$64.23	\$67.47	\$70.82	\$72.60	\$74.43	\$76.27

Pursuant to AMC 3.70.130 D., each and every collective bargaining contract, Agreement, modification, written interpretation, or other change, alteration or amendment, no matter how denominated, shall include a summary of requirements and remedial provisions, and the certification under oath or affirmation by each duly authorized representative signing in on behalf of a party. The duly authorized representatives, on behalf of the parties to this Agreement, hereby affirm and certify as follows:

- A. This Agreement complies with Anchorage Municipal Code section 3.70.130.
- B. Section 3.70.130 requires Assembly approval of all modifications and amendments, no matter how denominated.
- C. Absent Assembly approval as required by section 3.70.130, any modification or amendment, no matter how denominated, shall be deemed null and void, and any payments made shall be recoverable by the Municipality.
- D. Absent Assembly approval as required by section 3.70.130, written clarifications, and interpretations within the definition of "administrative letter" are invalid.
- E. Section 3.70.010 prohibits the use of administrative letters to vary the explicit terms of a labor Agreement.
- F. Intentional actions in violation of section 3.70.130 are subject to fines and penalties under section 1.45.010.
- G. Remedial actions: in the event the provisions of section 3.70.130 are violated by administrative action, any labor Agreement, Agreement, modification, written

interpretation, or other change, alteration or amendment, no matter how denominated, shall be null and void with no force or effect.

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

AGREED TO AND SIGNED FOR BY:

APDEA

Darrell Evans 11/3/2023
Darrell Evans Date
APDEA President

MUNICIPALITY OF ANCHORAGE


Raylene Griffith 11/3/2023
Raylene Griffith Date
Labor Relations Director

MUNICIPALITY OF ANCHORAGE

MEMORANDUM

DATE: November 20, 2023

TO: Members of the Assembly

FROM: Acting Director, Internal Audit 

SUBJECT: APDEA Administrative Agreement Cost Validation

Based on our review and analysis, the following table presents our estimated incremental cost for the proposed contract extension through an Administrative Agreement between the Municipality of Anchorage and the Anchorage Police Department Employees Association (APDEA). An Administrative Agreement signed on October 24, 2023, amended the duration of the current Labor Contract Agreement from December 31, 2024, to December 31, 2027. After Assembly approval, the Administrative Agreement provide wage increases of 7.8% effective the first full pay period of 2024, 3.3% effective the first full pay period in 2025, 4.3% effective the first full pay period in 2026, and 3.3% effective the first full pay period in 2027. In addition, the Administrative Agreement will require the Municipality to increase the maximum 401k plan match from 4% to 6% effective the first full pay period of January 2025 then increase to 8% effective the first full pay period of 2027. Moreover, the Municipality's health care contribution will be 90% of the cost of the 500 Plan in 2024, 2025, 2026, and 2027. This analysis used a 4% increase each year in 2024, 2025, 2026, and 2027 based on historical data. Finally, the Administrative Agreement added a Paid Parental Leave policy, but was not factored into the cost for this validation. Historically, we have not included Paid Time Offs in costing because it is a productivity issue, not a funding issue. See the attached schedules for detailed computations.

	<u>Proposed Increase</u>	<u>Total Incremental Cost</u> <u>Increase</u>
1/1/2024 – 12/31/2024	7.8%	\$6,335,343
1/1/2025 – 12/31/2025	3.3% (Also Increase Maximum 401k Match from 4% to 6%)	\$10,945,797
1/1/2026 – 12/31/2026	4.3%	\$15,436,221
1/1/2027 – 12/31/2027	3.3% (Also Increase Maximum 401k Match from 6% to 8%)	\$20,445,575
Totals:		\$53,162,936

Summary of Total Estimated Cost of APDEA Contract
Estimate Uses 7.8% Increase Effective in January 2024, 3.3% in 2025, 4.3% in 2026 and 3.3% in 2027
General Government Activity

PERIOD	PROPOSED PERCENT INCREASE	TOTAL EARNINGS (REGULAR & OVERTIME)	RETIREMENT CONTRIBUTIONS & PAYROLL TAXES	EMPLOYER CONTRIBUTIONS TO HEALTH PLAN	401K Match	TOTAL EMPLOYER COST	INCREASE OVER BASE PERIOD
Base Year (2023)		\$63,279,810.60	\$15,801,193.73	\$13,412,688.00	\$2,141,341.62 <i>401K Match is 4%</i>	\$94,635,033.95	
1/1/2024 - 12/31/2024	7.80%	\$68,215,635.83	\$17,033,686.84	\$13,412,688.00	\$2,308,366.27 <i>401K Match is 4%</i>	\$100,970,376.93	\$6,335,342.98
1/1/2025 - 12/31/2025	3.30%	\$70,466,751.81	\$17,595,798.50	\$13,941,467.52	\$3,576,813.53 <i>401K Match Increase from 4% to 6%</i>	\$105,580,831.36	\$10,945,797.42
1/1/2026 - 12/31/2026	4.30%	\$73,496,822.14	\$18,352,417.84	\$14,491,398.22	\$3,730,616.51 <i>401K Match is 6%</i>	\$110,071,254.71	\$15,436,220.76
1/1/2027 - 12/31/2027	3.30%	\$75,922,217.27	\$18,958,047.63	\$15,063,326.15	\$5,137,017.90 <i>401K Match Increase from 6% to 8%</i>	\$115,080,608.94	\$20,445,575.00
TOTAL INCREASE IN EMPLOYER COSTS (with 7.8% in 2024, 3.3% in 2025, 4.3% in 2026 and 3.3% in 2027)						\$53,162,936.16	
TOTAL PERCENT INCREASE IN EMPLOYER COST (2027 vs. base year 2023)						21.60%	
Average Yearly Increase (Used 4 Years)						5.40%	

TOTAL EARNINGS: Includes total wage cost based on actual 2023 data for all current active employees as of October 19, 2023, including: Regular Earnings based on 2,080 hours for 1.0 FTE + Overtime Earnings based on actual overtime from 10-1-22 to 9-30-23.

PERS RETIREMENT PLAN CONTRIBUTIONS: Based on FY 2023 rate of 36% offset by 14% "on behalf" revenue to be paid by the State of Alaska, Dept. of Administration.

EMPLOYER SOCIAL SECURITY AND MEDICARE TAXES: Appropriate for each individual employee based on current rates.

HEALTH PLAN CONTRIBUTIONS: Based on 512 regular employees, less 46 employees who opted out of Municipal insurance and receive a \$350 per month payment.

Year	MOA Monthly Cost/Employee	Number of Employees	MOA Monthly Contribution	Number of Months	Total MOA Cost	
2023	\$2,305	466	\$1,074,130.00	12	\$12,889,560.00	
2024	\$2,364	466	\$1,101,624.00	12	\$13,219,488.00	
2025	\$2,459	466	\$1,145,688.96	12	\$13,748,267.52	(increase by 4%)
2026	\$2,557	466	\$1,191,516.52	12	\$14,298,198.22	(increase by 4%)
2027	\$2,659	466	\$1,239,177.18	12	\$14,870,126.15	(increase by 4%)

Note: Health care costs were calculated using the average MOA Health Benefit Plan premium percentage increase for the last nine years.

Opt Out Payment

Year	MOA Monthly Cost/Employee	Employees	MOA Opt Out Payment	Number of Months	Total MOA Cost
2023	\$350	46	\$16,100.00	12	\$193,200.00
2024	\$350	46	\$16,100.00	12	\$193,200.00
2025	\$350	46	\$16,100.00	12	\$193,200.00
2026	\$350	46	\$16,100.00	12	\$193,200.00
2027	\$350	46	\$16,100.00	12	\$193,200.00

401K MATCH: Includes total employer paid match of up to 4% of employees contributions from 02.01.23 to 09.30.23, annualized.

Used partial year instead of the full twelve months because of the change in 2023: Effective first full pay period of January 2023 the maximum Municipal contribution increased from 2% to 4%.