



TEAMSTERS LOCAL 1150

# CONTRACT

2023 SUMMARY

## BETTER HEALTHCARE

- ✓ free dental care
- ✓ free vision care
- ✓ free HDHP option
- ✓ Improved plan benefits
- ✓ retiree insurance after vesting period

Beginning in 2024 we will transition to Allegiant Care health and welfare fund. Allegiant Care is a union company with decades of experience providing healthcare benefits to Teamsters.

## WAGE IMPROVEMENTS

- **18% increase over the life of the agreement**
- **equity adjustments for tier 2 wages**
- **new wage scales**
- **hundreds of promotions**
- **improved automatic increases**

## RETIREMENT SECURITY

\$12 increase to the defined benefit pension multiplier over the life of the agreement

33% increase to the supplemental contribution to the defined contribution retirement plan

# "The best contract I've ever seen"

The Contract 2023 Negotiating Committee worked tirelessly on behalf of the Local 1150 membership and came away with an offer that is the richest in our Union's history. Our long-time attorney, who represents Teamsters across the state, called it the best contract he's ever seen. The Committee has reached a tentative agreement with Sikorsky Aircraft and is proud to put this offer before you. The Committee recommends ratification.



## CONTRACT 2023 HIGHLIGHTS

**ARTICLE 3 COOPERATION** - The Company agrees to respect the process of organizing non-union employees and will not use the anti-union and disrespectful tactics that other employers use to fight an organizing effort.

**NEW EMPLOYEE ORIENTATION** - The Union will now be officially responsible for New Employee Orientation. The Company will be responsible to provide the Union with a list of new hires and ensure that they attend Orientation.

**ARTICLE 5**

**DUES COLLECTION** - Adjustments made to the way the Company back-collects dues in arrears so that it matches the Union's computer systems. This will reduce errors in back-collection of dues.

**ARTICLE 6 DOCUMENTATION OF STEP ONE RESOLUTIONS** - Resolutions reached in the first step of the grievance procedure will be documented and signed by the Union and Company representatives.

**STEP THREE CHANGES** - Grievance meetings at Step 3 will now include a member of Management and a Union designated note taker. This streamlines the procedure by putting decision-makers in the room.

**ARBITRATION** - Subcontracting is now subject to arbitration and three new arbitrators are added to the panel.

**JOB MISCLASSIFICATION GRIEVANCES** - Successful Job Misclass grievances must now be paid within 21 days of the grievance settlement or the grieving employee(s) will receive a 10% increase to the agreed upon settlement. Two consecutive misclass grievance payouts to the same employee(s) will now trigger a meeting to discuss promoting the misclassified employee(s).

**STEWARD REQUESTS** - A Steward request must be complied with without delay, but in no case more than 2 hours after the request. If the request is made within 2 hours of the end of the shift, the Steward will be notified before the end of the shift.

**WORKERS COMPENSATION STEWARD** - Title changed to Workers Compensation Coordinator.

**QUARTERLY ESH MEETINGS** - Memorialized in the agreement that ESH Stewards, ESH Leadership and HR will meet on a quarterly basis to discuss Environmental Safety and Health issues.

**WAGE INCREASES** - Historic Wage Increases for all Members. The current \$0.89 COLA rate will be rolled into everyone's hourly rate prior to calculating the General Wage Increases (GWI).

**DEC 19, 2022: 4% | FEB 19, 2024: 4% | FEB 17, 2025: 3.5% | FEB 16, 2026: 3.5% | FEB 15, 2027: 3%**

**TIER 2** - For Tier 2 workers, an equity adjustment will be applied to the base hourly wage rate prior to calculation of the GWI in each year of the agreement as follows:

**DEC 19, 2022: \$2 | FEB 19, 2024: \$1 | FEB 17, 2025: \$0.50 | FEB 16, 2026: \$0.50 | FEB 15, 2027: NONE**

**TIER 2 PERCENTAGE INCREASE EQUIVALENTS: 2022 = 12.7% | 2024 = 6.7% | 2025 = 4.75% | 2026 = 4.7%**

**COLA** - COLA adjustments will continue on the same semi-annual schedule. COLA limit is increased from \$0.18 to \$0.30 and can no longer go down.

**AUTOMATIC WAGE PROGRESSION** - Automatic Wage Progressions will now be on a fixed schedule, taking place the last pay period of January, May and September. Wage progressions increase from \$0.10 to \$0.25

**PAID HOLIDAYS** - Good Friday has been converted to a floating holiday. We now get 2 floating holidays per year. The following days can be taken off with no-points, no-pay: MLK Day, Good Friday, Juneteenth, Veterans Day

**SHIFT PREMIUM** - Memorialized the current practice of paying 3rd shift workers who work a 6.5 hour shift a premium of 23.08% on the first 6.5 hours worked.

**REPORTING PAY** - Reporting Pay now applies to employees who are scheduled to work and are not notified at least 2 hours prior to the completion of the previous shift or more than 2 hours prior to the start of the affected shift if the closure is due to weather.

**PLANT CLOSURES** - Employees required to report to work during a plant closure will be paid double-time for all hours worked during any shift that begins during the closure period.

**DISTRIBUTION OF OVERTIME** - The current agreement concerning overtime distribution and automatic payouts for disparities measured over a 26-week period has been made part of the contract. A requirement to equalize overtime between shifts within a 48-hour window has been added.

**HOLIDAY PAY** - The requirement for employees to have 30-days of service to qualify for holiday pay is eliminated. The 15-day limit on military duty for the purpose of qualifying for holiday pay has been eliminated.

**JOB EVALUATIONS** - The Company must now notify the Union of all job evaluation decisions in writing, with an explanation.

**SALARY PERFORMING HOURLY WORK** - The Company must take action on any valid grievance alleging that salary employees have performed hourly work and must consider a monetary settlement.

**PROMOTIONAL INCREASES** - The minimum pay increase on promotions increases from \$0.60 to \$1.00

**JURY DUTY** - Eliminated the 30-day cap on jury duty pay.

**PERSONAL LEAVE** - New employees hired between January 1 and September 30 will receive 3 days of personal leave. All new hires will receive 5 days of personal leave on January 1 of the year following the year in which they are hired. Use of Personal Leave no longer disqualifies you for perfect attendance.

**BEREAVEMENT LEAVE** - Bereavement Leave is increased to 40-hours paid and can be used up to 30-days past the date of services. The definition of immediate family is expanded for the purpose of this benefit.

**PAYROLL ERRORS** - Payroll errors must be remedied as soon as possible. Errors in excess of 8 hours pay will be paid via separate check. Errors less than 8 hours will be remedied by the next pay period.

**PARENTAL LEAVE** - Effective June 1, 2023 the company will provide 4 weeks of paid parental leave for the birth of a child, adoption of a child, or placement of a foster child. The leave will be in addition to Family Medical Leave or any other similar benefit. Employees can return to work on a reduced work schedule for 30-days. Only hours worked will be paid during the reduced schedule.

**ARTICLE 8 SHIFT TRANSFERS AND REALLOCATIONS** - Shift transfers will be done by seniority within the department and occupational group, with the exception of when an Aircraft Rigger or Electrical Checkout Tech are required based on business need.

**SHIFT TRANSFERS FOR WORKING LEADERS** - When a Working Leader, who has been a Lead for less than a year, accepts a lower-rated job in the same occupational group due to a shift preference, that employee will go into wage regression to the top of the preceding labor grade.

**LOA FOR UNION LEADERS** - The 25-year limit on leaves of absence for union leaders is eliminated.

**ASSISTANT HOURLY BENEFITS COORDINATOR** - Memorialized the position of Assistant Hourly Benefits Coordinator.

**30-DAY TRANSFERS** - The Company must now notify the Union prior to any temporary transfers taking place.

**VACATION TIME** - New employees hired between January 1 and June 30 of any year will get five-days of vacation time (40-hours) paid at their hourly rate. New employees hired between July 1 and December 31 of any year will get 3-days of vacation time (24-hours) paid at their hourly rate.

**ARTICLE 9**

**VACATION PAY** - Pay for vacation time will now be based on the calculation of 2% of an employees previous year's earnings for each 40-hours of vacation time or the employee's base hourly rate, whichever is greater.

**PRO RATA VACATION PAY** - Employees now qualify for pro rata vacation pay when they resign.

**SAVING VACATION TIME** - You no longer have to save vacation time for the plant shutdown.

**PERFECT ATTENDANCE** - Employees will no longer earn 4-hours of paid vacation time for demonstrating perfect attendance for a calendar quarter. Employees will now earn 8-hours of pay at their base hourly rate for each calendar quarter of perfect attendance. Again, the use of personal time no longer disqualifies you from earning perfect attendance.

**ARTICLE 11 ANNUAL MILITARY TRAINING PAY** - The 15-day limit on paid time for military duty has been eliminated. This includes all branches of the military, including National Guard and Reserves and includes all training duty, encampment duty, temporary or emergency duty and basic training.

**CREDIT FOR SAFETY GLASSES** - Employees will receive 3 credits for the purpose of purchasing prescription safety glasses. If used in 2023, the credit will be \$200. If used in any other year over the remainder of the contract the credit will be \$100. Beginning in 2024, Allegiant Care will offer a \$130 benefit for prescription safety glasses.

**ARTICLE 12**

**STIPEND FOR SAFETY SHOES** - Employees will receive a \$150 stipend 3 times over the life of the contract for the purpose of purchasing safety shoes. This is an increase of \$50 per stipend.

**ARTICLE 13**

**REFUSAL TO CROSS PICKET LINES** - The company will not request or require any employee to cross a picket line and will not discipline in any way an employee who refuses to cross a picket line and enter the property of any employer who is involved in a primary labor dispute.

**REDUCTION OF TOTAL POINT COUNT** - The 30-day accumulator for removing points under the attendance policy is eliminated. Employees will now have 8-points removed from their total (down to 0) when they work 160 cumulative hours (or 130 hours for 3rd shift employees working a 6.50-hour shift), inclusive of overtime hours. Being assessed points does not re-set the accumulator and you will get credit for holidays and when you are on company travel or union business.

**ARTICLE 14**

**POINT VALUES** - Points for tardiness, out early and absence will now be assessed in 1-point per 1-hour increments rather than in 2-hour increments. For example: tardiness up to 1 hour = 1 point, tardiness of more than 1-hour, up to 2-hours = 2 points.

**ARTICLE 15**

**DURATION** - This is a 5-year offer that, if ratified by the membership, will take effect on December 19, 2022 and will expire on February 21, 2028. All provisions of this agreement will take effect on December 19, 2022 unless otherwise provided for in the agreement.

**SUCCESSORSHIP** - This is a new article on successorship, which means that if Sikorsky Aircraft is ever sold to another corporation or any buyer, the union and the collective bargaining agreement are made part of that sale.

**ARTICLE 16**

**OTHER PROVISIONS OF THE CONTRACT OFFER**

**FLIPPED WAGE SCALES:** The wage scales in this agreement have been flipped so that labor grade zero is now the entry level (lowest) grade. We have also added 3 grades to the top of the scale.

**ELIMINATION OF LETTER 15:** As part of the wage scale restructure, LETTER 15 of the current collective bargaining agreement has been eliminated and employees who receive wage adders in accordance with LETTER 15 will be promoted into a corresponding new grade based on their wage adder. These changes are as follows:

\$1,400 Wage Adder = Labor Grade 12

\$3,700 Wage Adder = Labor Grade 13

\$5,100 or \$5,200 Wage Adder = Labor Grade 14

OLD WAGE SCALE		
Effective Date		
GRADE	MIN	MAX
11	\$min	\$max
10	\$min	\$max
9	\$min	\$max
8	\$min	\$max
7	\$min	\$max
6	\$min	\$max
5	\$min	\$max
4	\$min	\$max
3	\$min	\$max
2	\$min	\$max
1	\$min	\$max
0	\$min	\$max

NEW WAGE SCALE		
Effective Date		
GRADE	MIN	MAX
0	\$min	\$max
1	\$min	\$max
2	\$min	\$max
3	\$min	\$max
4	\$min	\$max
5	\$min	\$max
6	\$min	\$max
7	\$min	\$max
8	\$min	\$max
9	\$min	\$max
10	\$min	\$max
11	\$min	\$max
12	\$min	\$max
13	\$min	\$max
14	\$min	\$max

**DEFINED BENEFIT PENSION MULTIPLIER:** The multiplier for the defined benefit pension is increased on March 1, 2023 to \$96 a month per year of service. The multiplier is increased on March 1, 2026 to \$100.

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**SIGNING BONUS:** All employees who are on the payroll on December 19, 2022 will receive a \$5,000 signing bonus that will be paid on February 2, 2023. The bonus can be deposited into an HSA or the Savings Plan with a 50% match from the company.

**SUPPLEMENTAL CONTRIBUTION:** The supplemental contribution to the defined contribution retirement plan (employees hired July 2017 and later) is increased to \$2.00 per hour for 40-hours per week.

**ENHANCED VOLUNTARY SEPARATION OPTION:** An Enhanced Voluntary Separation Package is being offered during 2023, 2024 and 2025 to employees aged 55 and older who are either in an occupational group impacted by layoff, or who volunteer. Employees must apply during the prescribed application period each year and the company will choose separation dates. Employees will have 1 week to accept the company's offer and **once accepted it is irrevocable**. The Company will accept no more than 250 applicants in 2023, no more than 150 applicants in 2024, and no more than 100 applicants in 2025. More details on the application process will be communicated shortly after ratification.

There are 2 Separation Options:

OPTION 1

One week of severance pay for each completed year of service;  
A one-time lump sum bonus of \$20,000;  
12-months of free medical, dental and vision coverage for the employee and their dependents

OPTION 2

One week of severance pay for each completed year of service;  
A one-time lump sum bonus of \$5,000;  
24-months of free medical, dental and vision coverage for the employee and their dependents

**GUIDELINES FOR OVERTIME:** An Employee who is on vacation for more than 2 consecutive weeks can now be charged for overtime. The "I" code can be used when an employee is ill or otherwise unavailable, once all other employees in the overtime group who are present that day have been offered. The guidelines for using the "NQ" code have been altered to read "an employee who has not received sufficient training on the job or lacks a required certification, license, skill, or other necessary qualification(s) and therefore, cannot perform the work without close supervision." The language no longer precludes probationary employees from working overtime.

**EMPLOYEE SAVINGS PLAN:** The maximum matched contribution to the employee savings plan is increased each year of the contract as follows: JAN 1, 2023 - \$94, JAN 1, 2024 - \$96, JAN 1, 2025 - \$98, JAN 1, 2026 - \$100, JAN 1, 2027 - \$102, JAN 1, 2028 - \$104. Unmatched contributions can now be made with no limits up to the IRS maximum.

**DEFERRED COLA:** The COLA deferral option has been eliminated because the new agreement now allows employees to contribute to the employee savings plan with no limits up to the IRS maximum.

**INDIVIDUAL MEDICAL ACCOUNT (IMA):** Beginning January 1, 2023, contributions (matched at 75%) of \$1 to \$23 per week can be made to the IMA. This is a \$5 per week increase. Catchup contributions have been increased as follows: Age 50-54: Up to \$9 / Age 55-59: Up to \$10 / Age 60+: Up to \$11

**OUTSOURCING / SUBCONTRACTING:** Subcontracting and outsourcing are now subject to arbitration. The subcontracting letter has been improved to provide for monthly meetings rather than quarterly meetings, during which the company must provide data and rationale for any subcontracting that is planned. We have also agreed to a separate letter that provides specific guidelines concerning the subcontracting of maintenance work.

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**SPECIAL ACCESS PROGRAM BONUSES:** Bonus payments for employees holding a Yankee White access will be \$150, grossed up, paid upon receipt of a Yankee White and again on the first pay period of every year to all employees who hold a Yankee White at that time. This increases the bonus over 5 years from \$625 to \$750.

**POSITIVE DRUG TESTS:** Employees subject to a random drug testing program (FAA, DoD) who test positive may request to be moved to a non-covered position if one is available upon their return to work.

**JOB POSTING:** Lateral and demotional postings are now subject to the grievance procedure. Active employees within the bargaining unit who apply will have priority during selection, followed by those with recall rights to another occupational group and, finally, external applicants. The company must provide union leadership with a list of open positions.

**NOTICE OF TERMINATIONS:** The company must notify the union of any terminations taking place.

**RETURN TO WORK PROTOCOL:** The requirement to return to work through Medical following a medical-related absence has been increased from 5 days to 10 days.

**FLIGHT OPS WAGE ADDERS:** A third wage adder has been added in the hangar for Certified Crewman - 53K.

**ALTERNATE WORK WEEK:** The possibility of the company establishing alternate work schedules that would eliminate overtime has been removed.

**JOB REFERRAL PROGRAM:** Teamsters employees are now qualified to receive bonus payments of up to \$10,000 under the corporate job referral program.

**HOURLY JOB RATING PLAN:** The company and union agree to meet and discuss the possibility of modifying or modernizing the Hourly Job Rating Plan.

**CAREER PATHWAYS INTERNSHIP:** The Career Pathways Program is memorialized in this agreement.

**BACKUP CARE:** Beginning no later than June 1, 2023 the company, through Bright Horizons, will provide a backup care benefit that gives employees up to 3 uses per year for emergency day care, elder care or babysitting services. This benefit is capped at 270 total uses per year.

**POWERHOUSE EMPLOYEES:** The company is now required to make every effort to have 2 operators in the Powerhouse at all times. All Powerhouse shifts will be 8-hours with all breaks and lunch periods paid. Third shifters will receive a 15% shift premium (was previously 10%). Fourth shifters (rotators) will be paid the shift premium applicable for the shift to which they are assigned and will be paid overtime rate if they are required to work a shift other than the shift to which they are assigned. Fourth shifters assigned to work a holiday will be paid holiday pay plus double time for their hours worked. Fourth shifters who are scheduled to work a holiday and choose to take the day off will be paid for the holiday but the absence will be subject to the attendance policy. Fourth shifters who are not scheduled to work a holiday will receive holiday pay.

**ESH MEETINGS AND CONFERENCES:** This agreement memorializes current practices concerning attendance of ESH Stewards to periodic ESH Meetings and ESH Conferences.

**CASH BALANCE PENSION:** The hourly contribution to the cash balance pension (employees hired before July 2017) is increased to \$1.80 for 40-hours per week.

**SPECIAL HIRE RATES:** New employees will no longer earn \$1 below the minimum rate while in their probationary period. New hires will earn the full minimum rate.

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## HEALTHCARE

**EFFECTIVE JANUARY 1, 2023:** Insurance opt-out payment increases 42% to \$25 per week. Transition and Bridge benefits increase to \$365 per month. Short-Term Disability, Life Insurance and Total & Permanent Disability benefits are no longer tied to your wage rate. All employees qualify for the same benefit... STD increases to \$650 per week, Life insurance increases to \$120,000 policy, T&PD increases to \$2,200 per month. New employees in 2023 will not be forced into a High Deductible Health Plan. Current practice of back-collecting no more than \$50 per week for medical premiums in arrears is memorialized. Vision care will continue with Davis Vision unchanged through 2023.

# Allegiant Care begins coverage in 2024

Allegiant Care is a healthcare administrator exclusively for Teamsters, run by Teamsters. Allegiant Care uses the CIGNA provider network which will ensure the least amount of disruption possible for our members. If members currently have Cigna, the transition will be seamless. Allegiant Care will offer the following plans and Members will see a significant savings across the board for Benefits.

**BUILD YOUR OWN PLAN:** Company pays 80% of premiums, Member pays 20%

**HIGH DEDUCTIBLE OPTION 1:** Company pays 87% of premiums, Member pays 13%

**HIGH DEDUCTIBLE OPTION 2:** Company pays 100% of premiums, Member pays 0%

**PRESCRIPTION DRUGS:** Allegiant Care will continue to administer the Prescription Drug Plan in 2024. The Cost share will change from \$14 and \$7 contributions to the cost shares identified in the above plans.

**DENTAL COVERAGE:** Members can elect Dental free of charge. The company will assume 100% of the weekly contributions. We will move to a Delta Dental plan offering a wide network of providers where members will no longer have to pay more than what a fee schedule states. The annual maximum and Orthodontia limits will increase to \$3,000.00... a 100% increase.

**VISION CARE:** EYEMED will become the new vision care provider. Vision care will remain at no cost to the member. Effective January 1st, 2024, Allegiant Care will offer an additional Rx Safety Glasses Stipend equal to \$130.00 every 24 months, with lenses every 12 months.

**SAVINGS ACCOUNTS AND OTHER BENEFITS:** Allegiant Care will continue to offer HSA accounts and HCSA accounts as well as a Tobacco Cessation program, and a weight management program for those at risk of diabetes.

**RETIREMENT BENEFIT:** Allegiant Care offers retirement benefits to members who vest in their plans. Members must have 13 continuous years with Allegiant Care or 20 years total and must have been a Teamster Member for the duration. Members who meet this eligibility will qualify for the following Pre-Retiree Subsidies.

Age 57-59 = 50% subsidy, Age 60-61= 70% subsidy, Age 62-64 = 100% subsidy

The 13-year vestment requirement will be reduced to 7-years for members who enroll beginning in 2024 and meet all other requirements.

Anticipated employee contribution rates in 2024 will be as follows. Medical plans include Rx benefit:

PLAN	EMP	EMP+SPOUSE	EMP+CHILDREN	FAMILY
BYO Option 1	\$43.98	\$98.99	\$87.97	\$149.58
HDHP 1	\$22.42	\$50.46	\$44.84	\$76.25
HDHP 2	\$0.00	\$0.00	\$0.00	\$0.00
DENTAL	\$0.00	\$0.00	\$0.00	\$0.00
VISION	\$0.00	\$0.00	\$0.00	\$0.00