



AMFA/Alaska Airlines Contract Negotiations Update

Update # 9

July 7, 2016

Participants for AMFA:

*Louie Key – National Director
Earl Clark – Chairman and Region I Director
Jason Munson – Airline Representative, Local 14
Mark Dahl – Airline Representative, Local 32*

Participants for Alaska Airlines:

*Greg Mays – VP Labor Relations
Kurt Kinder – VP Maintenance & Engineering
Bob Hartnett – Director, Labor Relations Ground
Sonia Alvarado – Manager, Labor Services M&E
Megan Koering – Sr Financial Planning Analyst
Keith Abernathy – MD Human Capital Operations
Josh Madsen – Dir Health Benefits & Med Relations
Amy Ross – Pension Analyst
Joyce Wong – Dir Benefit Plans & Compliance*

The Negotiating Committee is providing this update to the AMFA Membership at Alaska Airlines. This is the only official authorized source of negotiating communications by the Committee.

June 28th-30th, 2016 AMFA and Alaska Airlines met for a two-and-a-half day session to continue negotiations. We met at the CenterPoint Conference Center in Kent, Washington. We started the first day, which was a half-day session, with discussions on Article 22 Insurance. Keith Abernathy and Josh Madsen shared a spreadsheet on the article that laid out items in each section and paragraph the Company would like to see changed. Some of the highlights were to extend the rate caps currently in the contract by eight percent, changes mandated by the Affordable Care Act, and changing our current three-tiered dental coinsurance schedule from 80% coverage at each tier to 100% for diagnostic and preventive care, 80% for restorative procedures, and 50% for major procedures. They also explained that they believed a change to paragraph C for retiree medical needs to occur. The change would require the retiree to pay the full actuarial value for coverage to continue participating in the Group Medical Plan for themselves and their dependents until they are eligible for Medicare. Another item was the removal of paragraph E. that states what part-time employees would pay for healthcare. The Company explained that the items on the spreadsheet were items they were considering changing and not an official proposal.

On June 29th we started the day off with discussions on Article 20, Retirement Plan. The Company in their openers had no changes to the article. The Company provided our Committee data on how our pension is calculated. We spent the better part of the day going over the numbers and understanding the formulas thanks to Joyce Wong and Amy Ross. Our Committee now has all the data needed to send to our pension actuary. We plan to have our actuary work up proposals that would enhance the retirement plans that we can propose to the company. It will cover the pension plan, 401k, and the enhanced 401(k) plan that our members currently have. We then reviewed what items are still open to negotiate. We concluded the day with spirited discussions on the Preamble and what it means to each of us, which again rolled us into discussing Article 2 Scope, and Job Protection LOA #9.

We were scheduled for a full day on June 30th but due to the limited number of remaining items to be discussed, it turned into a half-day session. It started with us withdrawing our proposal to

remove or modify the Preamble. The Company then told us that they were withdrawing their proposal to create a new classification for a Line Maintenance Vendor Oversight Technician. Their Committee believes with the Virgin America merger and the new stations staffed by Virgin technicians it could address the Company's needs for oversight in those regions along with additional management. We then ended the session by informing the Company that we would be working on our proposals for medical and retirement and that we would present them at our next negotiating session.

Our Committee would like to thank all the observers that took the time to attend. Remember to check your Local's website for the most up-to-date information on times and locations of negotiations: www.amfa14.org and www.amfa32.com. If you have any questions, please contact your Airline Representative or attend your next monthly membership meeting for a question and answer period

If you plan to attend a future negotiation session, please contact your Airline Representative to RSVP, by RSVP'ing you are guaranteed a seat if the room is full.

Upcoming	Negotiation	Dates	-
July 18 th to the 20 th in Seattle			