

LOCAL LODGE 709, INTERNATIONAL ASSOCIATION OF MACHINISTS



# UNION REPORT

**FROM THE PRESIDENT**

1032 SOUTH MARIETTA PARKWAY, MARIETTA, GEORGIA 30060-2899 PHONE (770) 428-3385 FAX (770) 590-8307

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TO: All Local Lodge 709 Members

FROM: Your Negotiating Team

The following is a summary of the Company's proposed **LAST, BEST & FINAL 2014** offer for you, the membership, to vote on. The combined committees **recommend** this contract.

## CONTRACT/STRIKE VOTE

**LOCAL LODGE 709**

**UNION HALL**

1032 SOUTH MARIETTA PARKWAY

MARIETTA, GEORGIA

Sunday, March 2, 2014

12:00 P.M. – 8:00 P.M.

There will be no Union Meeting on Saturday. This vote will count as a meeting. There will be an **INFORMATIONAL MEETING** from 10:00am – 12:00 p.m. in the auditorium and the voting will begin at 12:00 p.m.

These contract negotiations have been very stressful for both the Negotiating Committee and the Membership. We kept all of you informed throughout this process. We all worked together and your Negotiating Committee is greatly appreciative of your support, resolve and actions during this very difficult process.

Your Negotiating Committee unanimously **recommends** a ratification vote for this contract.

Thank you again for your resolve and support.

**YOUR NEGOTIATING TEAM**

TO: All Local Lodge 1027 & 2386 Members

Contact your local lodge office for the times and locations of your ratification vote.

**Summary of Last, Best and Final Offer**



<b>Term</b>	March 3, 2014 through March 4, 2018
<b>Ratification Bonus</b>	<b>\$2,700</b> payable within 60 days of ratification if ratified on March 2, 2014.
<b>Wages</b>	<p><b>3.0%</b> lump sum payable within 60 days of ratification</p> <p><b>2.5%</b> GWI March 14, 2015</p> <p><b>2.5%</b> GWI March 12, 2016</p> <p><b>2.5%</b> GWI March 11, 2017</p>
<b>COLA Formula</b>	Maintain current formula, quarterly adjustments, and annual fold-in for <b>all employees</b> .
<b>COLA Supplement</b>	Maintain <b>\$800</b> Cost-of-Living Supplements per year for <b>all employees</b> .
<b>Pension</b>	<p>No pension freeze for the duration of the Agreement.</p> <p>For a member hired before March 7, 2011 who retires and begins receiving a monthly benefit on or after January 1, 2014 the retirement benefit will be <b>\$95</b> per month per year credited service.</p> <p>For a member who retires and begins receiving a monthly benefit on or after January 1, 2014 under Sections 4.05(A)(2), 4.05(A)(3), 6.01(B) of the Plan, member will receive a benefit of <b>\$33</b> per year of credited service.</p> <p>For employees retiring on or after January 1, 2015, the plan will be amended to include a pop-up feature.</p>
<b>Hourly Capital Accumulation Plan (HCAP)</b>	Employees hired or rehired on or after March 7, 2011 will receive deposits of <b>\$400</b> per quarter in the Hourly Capital Accumulation Plan.
<b>Savings Plan</b>	<p>The Company will match 50% of the first <b>\$78</b>, in \$1 increments, of employees' weekly elective contributions, a <b>\$7</b> increase.</p> <p>Maximum unmatched elective deferral amount will be <b>\$250</b>, a <b>\$50</b> increase.</p>
<b>Basic Benefit Plan</b>	<p>The Company quarterly contribution for each employee will be <b>\$70</b>, a <b>\$5</b> increase.</p> <p>For employees hired after March 1, 2005, the Company provides an additional quarterly contribution that will be <b>\$40</b>, a <b>\$5</b> increase.</p>
<b>Holidays</b>	<b>392</b> hours over life of the Agreement
<b>Bereavement Leave</b>	<b>3 days</b> , unpaid, each calendar year for death of parent, spouse, same-sex domestic partner and/or Lockheed Martin registered dependents
<b>Life and AD&amp;D</b>	Increase from <b>\$34,000</b> to <b>\$38,000</b>
<b>A&amp;S Benefit</b>	Increase from <b>\$340</b> to <b>\$370</b>
<b>LM HealthWorks Health Fund Contribution</b>	Company contributes <b>\$250</b> for Employee Only coverage and <b>\$500</b> for Employee +1 or more coverage for employees enrolled in LM HealthWorks effective January 1, 2015 and January 1 of each year of the Agreement thereafter. Additionally, employees may earn up to <b>\$1,000</b> per year for Employee Only coverage and <b>\$1,600</b> per year for Employee +1 or more coverage. Unused Health Fund accruals may be rolled over from year-to-year.

**Summary of Last, Best and Final Offer**

<b>Medical Benefits</b>	<p>LM HealthWorks Company Contribution - <b>87%</b>                  LM HealthWorks Employee contribution - <b>13%</b>                  No change to employee contribution or 2014 plan design                  Employees hired or rehired on or after March 3, 2014 will have LM HealthWorks as their only option for health care coverage.</p> <p>HMO/POS Company Contribution - <b>85%</b>                  HMO/POS Employee Contribution - <b>15%</b>                  Current HMO/POS plan design                  Employees hired prior to March 3, 2014 will maintain HMO/POS as an option for health care coverage.</p>
<b>Early Retiree Medical</b>	<p>Continue current service based contribution formula and effective January 1, 2015, increase the annual contribution cap from <b>\$5,500</b> to <b>\$6,000</b> for Retiree Only coverage and <b>\$11,000</b> to <b>\$12,000</b> for Family coverage for employees retiring on or after March 3, 2014.</p>
<b>Age 65+ Retiree Medical Plans</b>	<p>Increase monthly contribution for Medicare Eligible Retirees from <b>\$30</b> to <b>\$40</b> plus 100% of the amount over the maximum monthly Company subsidy for Single coverage and <b>\$60</b> to <b>\$80</b> plus 100% of the amount over the maximum monthly Company subsidy for Family coverage.</p>
<b>Dental Benefits</b>	<p>Effective January 1, 2015, <b>include dental implants</b> into the Comprehensive and Comprehensive Plus dental plan designs.</p>
<b>Group Universal Life (GUL) Insurance</b>	<p>Employees will be granted a one-time GUL special enrollment during Annual Enrollment for 2015. During this period, members may enroll or <b>increase one level up</b> to the plan maximum in the GUL Insurance plan for the year beginning January 1, 2015 <b>without providing Proof of Insurability</b>.</p>
<b>Special Accident Insurance</b>	<p>Add the following Special Features:                  Surgical Implantation Benefit                  Monthly Mortgage Payment Benefit                  Loss of life as a result of a Motorcycle Accident while wearing safety equipment                  Hearing Aids and Prosthetic Devices</p>
<b>Voluntary Separation Incentive Program (VSIP)</b>	<p>A Voluntary Separation Incentive Program (VSIP) is a new program that pays eligible employees \$1,000 per year of seniority, up to \$30,000. This program is only available to eligible employees within certain classifications.</p>