



# Summary of **Triumph's Amended Proposal** Between IAM District 751, Local 86 & Triumph Composite Systems

## UNION RECOMMENDS ACCEPT

### YOUR NEGOTIATORS RECOMMEND: ACCEPT

Triumph presented your negotiating team with its "**Amended Final Offer**" on Thursday, June 16th after three days of negotiations with the Federal Mediator. The issues you went on strike for were restoring retirement security for all, eliminating the two-tier wage scale, and regaining caps on medical. These issues were addressed and the company made movement in these important areas. Because of this, your Negotiating Committee recommends you **ACCEPT** this proposal.

Triumph's "**amended offer**" did address our major issues - retirement security, did not eliminate but closed the gap on a two-tier wage system, and incorporated a new District 751 Savings Plan for those members not in the IAM Pension Plan.

From the start, your union negotiating team has pursued a fair contract that would provide everyone at Triumph with an equal opportunity to earn wages and retirement security. Our goal was to right the wrongs that were imposed in the last contract three years ago. We feel this does not fix these issues 100% but made improvements in all areas including a new savings plan. This final proposal addresses many concerns and includes a new retirement savings plan available for members and future hires not included in the IAM Pension Fund.

Everyone will receive Lump Sum Bonuses who are on the payroll as of May 10, 2016 and will receive a \$3,000 bonus on July 08, 2016, a \$2,000 bonus on May 26, 2017, and a \$2,000 bonus on May 25, 2018.

Healthcare will remain capped at 8% in each year of the contract and stays at an 85/15 plan with the same % cost share premiums as in the current contract.

Outsourcing - The Company and the Union mutually recognize the necessity to meet and confer on work packages that may be outsourced and evaluate ways to keep work at Triumph Composite Systems. In the event work packages are to be outsourced, the company agrees to provide 120 day advanced notification to the union.

Duration - Triumph has offered lump sum bonuses for everyone in years 1, 2, and 3 and 3% GWI's for everyone in the 4th year.

You have remained strong in your fight for your brothers and sisters. We have shown Triumph that we are Strong, that we are United and that we Are One Equal Team. We are the Fighting Machinists of District 751, Local 86.

- Your IAM Negotiating Team

Jon Holden

Steve Warren

Ken Howard

Rick Olson

Jerry Purser

Jerry Womble

To view new contract in its entirety with changes highlighted, visit [www.iam751.org/triumph](http://www.iam751.org/triumph)

# Summary

**District 751 Savings Plan:** The Company will make contributions of \$1,500 in each year of the contract for all employees hired after May 11, 2013 to the District 751 Savings Plan.

**WAGES:** The company is proposing to bridge the gap between Table 1 and Table 2 maximum rates in each classification by 1/2 over 3 years. Example: \$3.53 is the difference between Table 1 and Table 2 for Production Mechanic B. Bridging the gap is \$1.77 for this classification. \$0.65 increase for all employees in Table 2 effective July 4, 2016. \$0.56 in year 2 to the maximum rate effective May 2017, \$0.56 in year 3 to the maximum rate effective May 2018.

Table 2 will continue to receive \$0.65 progression steps. Progression steps will remain at 14 steps to max out. This structure of bridging the gaps takes place of GWI's for Table 2 on the previous offer.

The Company has proposed to increase the minimum rate of pay for Table 2 by 2%.

**CHANGES TO PAY:** The Company is proposing a 3% general wage increase for all members on May 11, 2019. They are offering a 3% GWI to both the Table 1 and Table 2 wage rates in year 4.

**LUMP SUMS:**

- \$3,000 bonus in year 1 for all members payable July 08, 2016
- \$2,000 bonus in year 2 for all members payable May 26, 2017
- \$2,000 bonus in year 3 for all members payable May 25, 2018

**HEALTH CARE:** Triumph has proposed to leave health care caps the same as in the current contract.

**COST OF LIVING:** Same as current contract.

# Economic Issues

**WAGES:**

**Members on Table 1 - Heritage** will receive a 3% General Wage Increase in **2019**.

**Members on Table 2.** Triumph is offering \$0.65 to everyone on July 4, 2016. Bridging the gap between Table 1 and Table 2 in each classification by 1/2 over 3 years will be added to Table 2. (See table below).

Job Classification	Max. Rate of Pay 2015	Max. Rate of Pay 2019 + 3%
Team Lead	\$27.48	\$28.30
Production Mechanic A	\$27.48	\$28.30
Production Mechanic B	\$24.78	\$25.52
Maintenance Mech. A	\$30.18	\$31.09
Maintenance Mech. B	\$28.42	\$29.27
Inspection Mechanic A	\$28.42	\$29.27
Insepction Mechanic B	\$26.58	\$27.38
Tooling Mechanic A	\$29.44	\$30.32
Tooling Mechanic B	\$27.60	\$28.43
Development Mech. A	\$31.30	\$32.24
Development Mech B	\$29.54	\$30.43

Job Classification	Minimum Rate of Pay +2%	7/4/16 Max	5/12/17 Max	5/11/18 Max	5/11/19 Max +3%
Team Lead	\$13.63	\$24.22	\$24.88	\$25.53	\$26.30
Production Mechanic A	\$13.63	\$24.22	\$24.88	\$25.53	\$26.30
Production Mech B	\$11.22	\$21.90	\$22.47	\$23.02	\$23.71
Maintenance Mech. A	\$16.23	\$26.54	\$27.30	\$28.04	\$28.88
Maintenance Mech. B	\$14.49	\$25.03	\$25.72	\$26.40	\$27.19
Inspection Mechanic A	\$14.49	\$25.03	\$25.72	\$26.40	\$27.19
Insepction Mechanic B	\$12.76	\$23.45	\$24.08	\$24.69	\$25.43
Tooling Mechanic A	\$15.51	\$25.90	\$26.63	\$27.35	\$28.17
Tooling Mechanic B	\$13.78	\$24.33	\$24.99	\$25.64	\$26.52
Development Mech. A	\$17.25	\$27.50	\$28.30	\$29.08	\$29.95
Development Mech B	\$15.51	\$25.99	\$26.72	\$27.44	\$28.26

## LUMP SUM: Increased lump sum payments (see below)

**LUMP SUM:** Total of \$7,000

Payable July 08, 2016	Payable 5/26/2017	Payable 05/25/2018
\$3,000	\$2,000	\$2,000

Triumph is offering \$3,000 more in total lump sums from their original offer.

## Overtime: SAME AS ORIGINAL PROPOSAL

Company will not assign designated overtime to an employee more than **one** consecutive weekend (*previously two consecutive weekends*) or two weekends total in a calendar month.

Changed language to all time **compensated** (*previously "worked"*) in excess of eight hours in one day shall be paid at time and one half for the first two hours and then double time thereafter.

## Pension/401K/Retirement Security

### Pension & 401(k)

**PENSION:** Triumph offered an additional nickel on 5/11/17 for those in the pension plan in 2018 bringing the contribution to \$1.80 an hour.

**401(k) PROPOSAL:** For employees hired after May 11, 2013, the Company will match fifty percent (50%) of the first six percent (6%) of employee contributions for the duration of this Agreement.

### District 751 Savings

**DISTRICT 751 SAVINGS PLAN:** The Company will make contributions to the District 751 Savings Plan of \$1,500 in each year of the contract for all employees hired after May 11, 2013.

## Health Care/Dental

**HEALTH CARE:** The Company and the employee will continue to share the monthly premiums for health insurance, with employees paying 13% for Employee Only coverage, 15% for Employee plus One coverage and 18% for Family coverage (this is the same cost sharing as in the previous contract).

**Health Care premium caps remain at 8% for the life of the contract.**

### 2016 Medical Premiums

	TCS Monthly	Employee Monthly	Employee Per Pay
Employee	\$505.50	\$75.54	\$34.86
Employee + One (1)	\$918.00	\$162.00	\$74.77
Family	\$1,230.10	\$270.02	\$124.63

### 2016 Dental Premiums

	TCS Monthly	Employee Monthly	Employee Per Pay
Employee	\$35.00	\$5.00	\$2.31
Employee + One (1)	\$68.00	\$12.00	\$5.45
Family	\$98.00	\$22.00	\$10.15

Medical and Dental rates for 2016 remain unchanged. Future rates based on actual experience rating.

## Article 20 - Miscellaneous

Within six (6) months following the effective date of this agreement and at regular six-month intervals thereafter, the Company will meet and discuss with the Union the Company's plans for subcontracting or outsourcing any bargaining unit work. The discussions will be non-binding, will not delay the implementation of any actions by the Company, and will not abridge the Company's right to assign work and direct the workforce.

The Company and the Union mutually recognize the necessity to meet and confer on work packages that may be outsourced and evaluate ways to keep work at Triumph Composite Systems. In the event work packages are to be outsourced, the company agrees to provide 120 day advanced notification to the union.

# Paid Time Off

**Holidays** – Article 7 (reflects same number of holidays as previous agreement and 2019 schedule)

<b>2016 Holidays</b>	<b>Date</b>	<b>2017 Holidays</b>	<b>Date</b>	<b>2018 Holidays</b>	<b>Date</b>	<b>2019 Holidays</b>	<b>Date</b>
Memorial Day	5/30/16	Winter Break	1/2/17	Winter Break	1/1/18	Winter Break	1/1/19
Independence Day	7/4/16	Memorial Day	5/29/17	Memorial Day	5/28/18	Memorial Day	5/27/19
Labor Day	9/5/16	Independence Day	7/4/17	Independence Day	7/4/18	Independence Day	7/4/19
Thanksgiving Day	11/24/16	Labor Day	9/4/17	Labor Day	9/3/18	Labor Day	9/2/19
Day after Thanksgiving	11/25/16	Thanksgiving Day	11/23/17	Thanksgiving Day	11/22/18	Thanksgiving Day	11/28/19
Winter Break	12/23/16	Day after Thanksgiving	11/24/17	Day after Thanksgiving	11/23/18	Day after Thanksgiving	11/29/19
Winter Break	12/26/16	Winter Break	12/22/17	Winter Break	12/24/18	Winter Break	12/24/19
Winter Break	12/27/16	Winter Break	12/25/17	Winter Break	12/25/18	Winter Break	12/25/19
Winter Break	12/28/16	Winter Break	12/26/17	Winter Break	12/26/18	Winter Break	12/26/19
Winter Break	12/29/16	Winter Break	12/27/17	Winter Break	12/27/18	Winter Break	12/27/19
Winter Break	12/30/16	Winter Break	12/28/17	Winter Break	12/28/18	Winter Break	12/30/19
		Winter Break	12/29/17	Winter Break	12/31/18	Winter Break	12/31/19
						<b>2020 Holidays</b>	
						Winter Break	01/1/20

*NOTE: Vacation, PTO, Bereavement, Promotions, Employee Reviews, and Temporary Assignments listed below is the same language as in the previous offer.*

## Vacation - Article 8

Company Service	Annual Vacation
1 thru 2 years	40 hours
3 thru 4 years	80 hours
5 thru 8 years (previously 9 years)	96 hours
9 thru 11 years (previously 10 & 11 years)	120 hours
12 and 13 years	128 hours
14 and 15 years	136 hours
16 and 17 years	144 hours
18 years or more	160 hours

**8.3(c):** Vacation credits may be used in **one (1) hour** increments (previously had to be used in 2 hour increments).

## Paid Time Off - Article 9

**9.1:** Added **option to roll over up to 40 hours PTO for a maximum balance of 80 hours.**

For cash out, employees will be required to notify the Human Resources department by the end of the first calendar year pay period, to indicate the amount of hours they wish to cash out. All remaining hours will be rolled over up to maximum allowed.

Vacation can be used in lieu of PTO in **one hour** increments after PTO has been exhausted.

**9.2:** Increased payout of unused PTO for voluntary resignation with greater than 2-week notice from half to **FULL** payment.

## Bereavement

Bereavement leave must be taken on consecutive workdays as selected by the employee within **thirty (30) calendar days** following the death or evidence of belated notification of death (previously within 20 calendar days).

Also added: **Employees shall be granted up to an additional two (2) days leave without pay providing evidence of additional time needed for memorial or death.**

# Promotions, Employee Reviews, Temp Assignments

**PROMOTIONS:** Language added to remove any disciplinary action taken directly related to the failure to meet new job qualifications issued to employee during the 90-day evaluation period, if the member is moved back to the previously held classification.

**TRAINING:** Language added that bargaining unit employees assigned to train two or more employees will be promoted to the "A" classification during such training.

# Article 17 - Environmental Safety and Health

Renamed Article 17 Environmental Safety & Health.

**Section 17.3(b):** Increased safety shoe allowance from \$75 per year to **\$100 per year**.

**Section 17.3(c):** Increased from \$100 to **\$125** for prescription safety glasses every 24 months and noted employees responsible for all expenses exceeding the \$125.

## Art. 21 - Layoff, reclass & recall rights

Bump rights no longer limited to job held in previous 7 years.

For layoffs, Team Lead & Production Mechanic A are considered same classification.

**Section 17.4:** Changed preferred process for addressing health & safety matters from SHERP to Employee/Illness Reporting Form and the Safety Concerns/Ideals Reporting Form.

Moved 17.8(a) Wellness Programs into Medical Benefits attachment.

## Duration

Four (4) year agreement to expire May 11, 2020.

### **TUESDAY, JUNE 21, 2016 All Membership Meeting**

**WHERE: Red Lion Hotel At The Park  
303 W. North River Drive**

**TIME: 11 a.m. - 3:00 p.m.**

## VOTING THE PROPOSAL

**WHEN: Wednesday, June 22, 2016**

**WHERE: Machinists Union Hall**

**TIME: Polls will be open between 8:00 a.m. and 5:00 p.m.**

To view new contract in its entirety with changes highlighted, visit [www.iam751.org/triumph](http://www.iam751.org/triumph)

**1**

 Triumph Composite Systems, Inc.  
**CONTRACT VOTE**  
June 22, 2016

I ACCEPT the Contract...

I REJECT the Contract...

**2**

### How Are the Ballots Counted?

Members who volunteer to count the ballots will tabulate them and validate the numbers.

**3**

### What Do the Results Mean?

If a majority of voting members vote to ACCEPT the contract, the lockout ends and the contract is signed.

If a majority of voting members vote to REJECT the contract, the lockout continues.