



AEROSPACE PROFESSIONAL STAFF ASSOCIATION

Representing the non-supervisory MTS since 1974

P. O. Box 248, Hawthorne, CA 90250

CONTRACT RATIFICATION

Dear APSA Member,

The APSA/Aerospace contract negotiations have been completed for the period from August 1, 2025, to August 1, 2027. **APSA successfully negotiated the following changes in the terms and conditions of employment for non-supervisory Members of the Technical Staff (MTS):**

- During fiscal year 2026, merit salary and cash distribution aggregating 3% (no less than 2.5% merit and up to 0.5% cash merit) of the bargaining unit payroll as of December 1, 2025 will be administered no later than February 14, 2026, subject to approval of the Board of Trustees. *Note: this is a significant improvement over the company's initial proposal of 2.5% merit budget with no allocation between a merit base-salary increase or a merit cash distribution.*
- During fiscal year 2027, merit salary and cash distribution aggregating 3% (no less than 2.5% merit and up to 0.5% cash merit) of the bargaining unit payroll as of November 30, 2026, will be administered no later than **January 16, 2027**, subject to approval of the Board of Trustees. *Note: this is an earlier effective raise date by approximately 1 month, negotiated by APSA.*
- There will also be a separate discretionary reserve for promotional and special salary increases and other contingencies of up to 1.0% computed on the same basis as above.
- During fiscal year 2026 and 2027, the company will budget up to a maximum of 1% of the gross payroll for the Performance Recognition Payment (PRP) Program.
- The company will again raise Compensatory Time accrual from the current 20 hours to 40 hours, but only for the duration of the contract that ends August 1, 2027. Part-time MTS will increase their accrual to 20 hours from the current 10 hours. *Note: this is a significant improvement over the company's initial proposal to reduce maximum accrual to 20 hours.*
- The company will maintain the current employee 35% premium cost sharing for dental insurance.
- The company will not move any job family out of the high-demand designation during the term of the contract.
- The company will not decrease the salary ranges during the term of the contract.
- The company will add an up to \$25K fertility, surrogacy, menopause, and adoption benefit to Anthem non-HMO plans in 2027.
- APSA persuaded the company to withdraw their proposal to not have vacation and holidays count towards hours worked for EWW.
- APSA persuaded the company to withdraw their proposal to not start corrective action at Step 3 for MTS within their first year of employment.

There are some reductions in the employees' benefits that are being imposed by the Corporation:

- In CY 2026, company will increase the Anthem medical plan premiums by 15.3% (increases in the range of \$8.03 to \$24.87 per week for the PPO). Kaiser Permanente medical plans premium



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will increase by 28% (in the range of \$10.81 to \$33.50 per week.) *Note: this is a significant improvement over the company's initial proposal which would have increased the PPO cost sharing for families by 34.5% and all the Anthem Plans and Kaiser's out-of-pocket expenses by large amounts. This would have resulted in an average cost shift to the employees of \$1900 per person. This is also an improvement over the company proposal to limit the EPO to a High-Performance Network which lacked specialist coverage for many smaller regional sites.*

- In CY2026, the Anthem non-HMO plans will limit the use of GLP-1 prescription drugs for weight loss to those with a high BMI and 11 co-morbidities, and those with very high BMI and no co-morbidities. *Note: this is a significant improvement over the company's original proposal that only listed four co-morbidities and required co-morbidities independent of the BMI. GLP-1 drugs represent 10% of the Anthem Plan's prescription drug costs and 40% of the cost growth.*
- In CY2027, the deductibles, copays, and out-of-pocket maximums will go up except for the Basic CDHP plan. This will result in an average cost shift of \$1,375 to employees in out-of-pocket costs. *Note: this is a significant reduction in the cost shift by \$563 over the company's original proposal. Originally the company proposed a \$1000/\$2000 deductible for the HMOs and EPO and APSA negotiated that down to \$125/\$250. Originally the company proposed a \$4000/\$8000 out-of-pocket maximum for the PPO and APSA negotiated that down to \$3400/\$6800.*
- In CY2026, the dental plans will have increases in the range of \$0.05 to \$0.92 per week.
- The company will roll over the compensatory time earned balance instead of paying it out at the end of the fiscal year.
- The company will no longer have two weeks of termination pay for those terminated for poor performance.



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This agreement has been approved by the APSA Board of Directors and Negotiations Committee and is recommended for ratification by the APSA membership. It is hereby submitted for your consideration and approval.

Please respond with your vote to ratify or not ratify the agreement electronically, or by printing and returning the paper ballot in the company mail by January 23rd.

If returning the ballot by mail, use company mail, and address it to Richard Mahoney, M4-933.

Here is a link to a ballot you can print out and return:

<http://www.apsatalk.org/apsatalk/html/negotiations.html>

The United States Post Office option is not available due to slow mail processing. The company has agreed to allow use of its e-mail system to vote electronically and has put in place the security requirements requested by APSA to ensure the integrity of the vote.

Failure to ratify the contract will cause APSA and the company to go back to negotiations. This will delay implementation of the raises. If the contract is not ratified, it is unlikely, based on the effort expended to date, that the company and APSA would be able to negotiate a better agreement.

If you have any questions or wish to review a copy of the negotiated Memorandum of Agreement, please feel free to contact Richard Mahoney (Agreement Ratification Chairperson), x62343. Copies of the agreement may also be accessed at APSA's web site, www.apsatalk.org under Negotiations.

16 January 2025

 Mark Simpson, APSA President

APSA Officers

Mark Simpson
Suzanne Dawes
Elizabeth Klein-Lebbink
Richard Mahoney
Wendy Chiado
John Cinnamon
Terry Rector

APSA Negotiations Committee

Mark Simpson, Chairperson
Jalyssa Alejos
Glenn Bean
Zachary Chaney
Wendy Chiado
Alexander Crosby
Stephen Daire
Suzanne Dawes
David Heath
Monica Kim
Elizabeth Klein-Lebbink
Richard Mahoney
Hope Marks
Lewis Levy (outside counsel)