



2020 - 2026 Proposed Contract Amendment / Extension

Visit www.speea.org for more details.

A complete redline, a clean version of the offer, and a video explaining the offer is available for streaming.



Updated 2/25/2020

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Summary of Offer

- Articles & LOUs with no change or immaterial changes
- Summary of Changes
 - Article 6 - Sick Leave, Bereavement & Family Illness
 - Article 11 - Rates of Pay and Work Schedules
 - Article 15 - Voluntary Investment Plan
 - Article 16 - Group Benefits
 - Article 20 - Ed Wells Partnership
 - LOU 20 - Employee Incentive Plan
 - Appendix B - SPEEA Professional Unit Classifications
 - LOU XX - Paid Parental Leave
 - Side Letter - Student Debt Assistance Related Tools and Benefits
- Questions?

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Articles and LOUs with Immaterial or No Changes		
Article 1	Recognition	No Change
Article 2	Rights of Management	No Change
Article 3	Grievance Procedure and Arbitration	No Change
Article 4	Performance Management	No Change
Article 5	Vacation Plan	No Change
Article 7	Holidays	Updated Dates
Article 8	Workforce Administration	Name Changes
Article 9	Non-Boeing Labor	No Change
Article 10	Joint Meetings	No Change
Article 12	Union Officials	No Change
Article 13	Union Security	No Change
Article 14	Strikes and Lockouts	No Change
Article 17	Retirement Plan	No Change
Article 18	Non-Discrimination	No Change
Article 19	Separability	No Change
Article 21	Layoff Benefits	No Change
Article 22	Job Classifications	No Change
Article 23	Duration	Updated Dates
LOUs 1 – 19	Various Letters of Understanding	No Change
LOUs 21 – 29	Various Letters of Understanding	No Change
Appendix A	Holiday Schedule	Updated Dates
Attachment A	Health and Insurance Plans	Immaterial Changes
Attachment B	Retiree Medical Plan	Immaterial Changes

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Summary of Proposed Changes		
Article 6	Sick Leave & Family Illness	Minor Enhancement
Article 11	Rates of Pay and Work Schedules	Major Enhancement
Article 15	Voluntary Investment Plan	Minor Enhancement
Article 16	Group Benefits	Contribution Increases after the 2022 contract would have ended
Article 20	Ed Wells Partnership	Minor Enhancement
LOU 20	Employee Incentive Plan	Major Enhancement
Prof: Appendix B	SPEEA Professional Unit Classifications	Minor Enhancement
LOU XX	Paid Parental Leave	Major Enhancement
Side Letter	Student Debt Assistance Related Tools and Benefits	Potential Future Enhancement

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Article 6

Sick Leave & Family Illness

- Full participation in WA Paid Family and Medical Leave (WAPFML)
 - Cost shared by Employee & Boeing
 - Partial wage replacement up to \$1,000 per week
 - <https://paidleave.wa.gov/>
 - Also eligible based on laws passed in other states
 - California, Oregon, & Utah
- Minor Enhancement of ability to use sick leave

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Article 6

Sick Leave & Family Illness

- WAPFML premiums are 0.40% of gross wages up to Social Security Wage Base Threshold (\$137,700 for 2020)
 - **Family Leave** is 33.33% of total premium
 - Employees pay 100% of the family leave premium
 - **Medical Leave** is 66.67% of total premium
 - Employees are responsible for 45% and employers are responsible for 55%
- 2020 Total Employee Cost 63.33% of 0.4% = 0.2533% of first \$137,700
 - No more than \$348.82 for 2020 (**\$13.41 per paycheck max**)
- Benefit provides for 12 weeks of partial wage replacement up to \$1,000 per week
- Other States: California, Oregon, or Utah future eligible
- Minor Enhancement of ability to use sick leave

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ARTICLE 11 Compensation

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Article 11: Compensation

	Wage Increase Pool		Promo & OOS Funds*		Increases to Base Salaries		Additional Lump Sum Award	
	Prof	Tech	Prof	Tech	Prof	Tech	Prof	Tech
2020	3.0%	3.0%	0.5%	0.5%	3.5%	3.5%	2.0%	2.0%
2021	3.0%	3.0%	0.5%	0.5%	3.5%	3.5%	2.0%	2.0%
2022	3.0%	3.0%	0.5%	0.5%	3.5%	3.5%	1.5%	1.5%
2023	3.0%	2.0%	1.5%	1.5%	4.5%	3.5%	0.0%	1.0%
2024	3.0%	2.0%	1.5%	1.5%	4.5%	3.5%	0.0%	1.0%
2025	3.0%	2.0%	1.5%	1.5%	4.5%	3.5%	0.0%	1.0%
2026	3.0%	2.0%	1.5%	1.5%	4.5%	3.5%	0.0%	1.0%

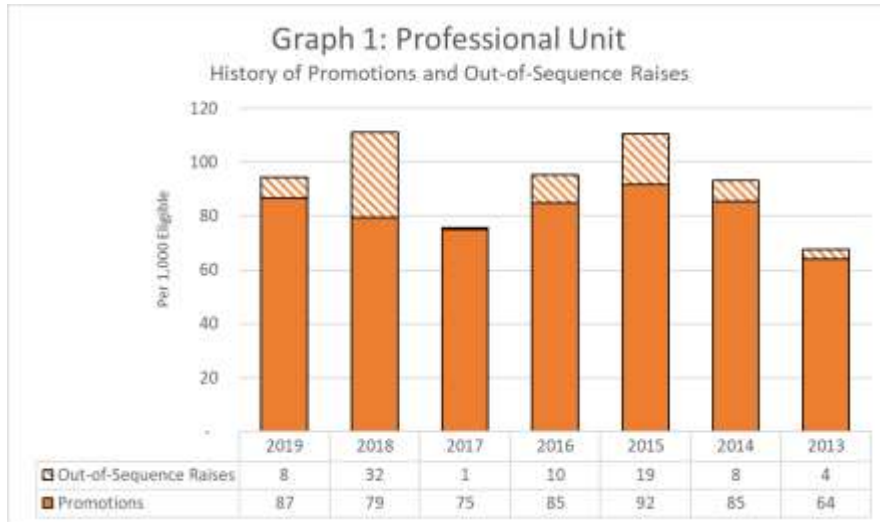
* If not spent, rolls into next year's Wage Increase Pool

2021-2022 Min 2% Prof, 2.5% Tech - Min Satisfied by Lump first

2020, 2023-2026 Min 2% Prof & Tech Minimum Raise

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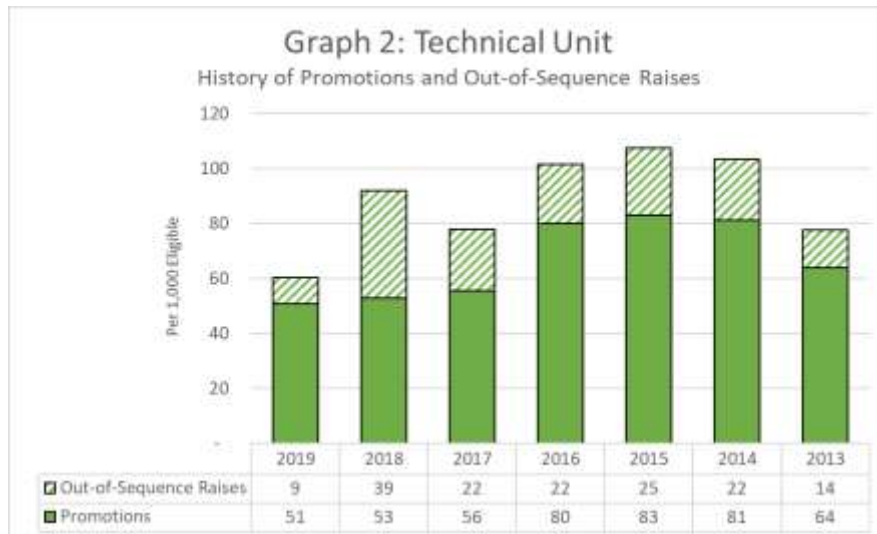
Promotions and Out-of-Sequence



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Promotions and Out-of-Sequence



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Promotional Spend History

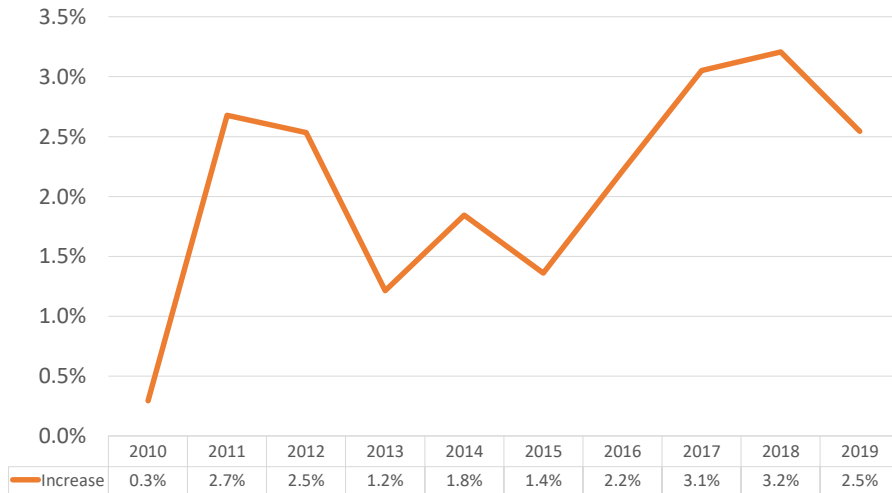
Promotional/OOS Funds

Year	Prof	Tech
2012	0.82%	0.85%
2013	0.57%	0.71%
2014	0.45%	0.58%
2015	0.41%	0.41%
2016	0.39%	0.37%
2017	0.30%	0.29%
2018	0.50%	0.31%
2019	0.57%	0.33%
Average Promotional/OOS	0.501%	0.481%

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Seattle-Tacoma-Bellevue, WA, CPI-U 12-month
CUURS49DSA0, CUUS549DSA0



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An example of how 4% can lead to more than 3% + 2%

World 1

	Raise Pool	Lump Sum	Salary	Lump Sum
2020	3.00%	2%	\$ 103,000	\$ 2,000
2021	3.00%	2%	\$ 106,090	\$ 2,060
2022	3.00%	2%	\$ 109,273	\$ 2,122
2023	3.00%	2%	\$ 112,551	\$ 2,185
2024	3.00%	2%	\$ 115,927	\$ 2,251
2025	3.00%	2%	\$ 119,405	\$ 2,319
2026	3.00%	2%	\$ 122,987	\$ 2,388
			\$	804,559

World 2

	Raise Pool	Lump Sum	Salary	Lump Sum
2020	4.00%	0%	\$ 104,000	\$ -
2021	4.00%	0%	\$ 108,160	\$ -
2022	4.00%	0%	\$ 112,486	\$ -
2023	4.00%	0%	\$ 116,986	\$ -
2024	4.00%	0%	\$ 121,665	\$ -
2025	4.00%	0%	\$ 126,532	\$ -
2026	4.00%	0%	\$ 131,593	\$ -
			\$	821,423

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Article 15: Voluntary Investment Plan

- Increased employee maximum contribution
 - 30% increased to 50% (ASAP, before 9/1/2020)
 - Flows through to 2021 Supplemental Savings Plan

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Article 16 & Attachment A

- No Change to benefits through 2026
- No change to premiums for active employees through 2022

	Advantage+	Traditional	Other Plans
Current through 2022 (no change)	0%	5%	12%

Effective Jan 2023			
Pay Band 1: Less than \$100k	0%	6%	12%
Pay Band 2: \$100k < \$200k	6%	9%	15%
Pay Band 3: \$200k+	9%	12%	18%

- Effective 1/1/2023, ***new retirees*** will pay no less than **Pay band 1**
 - No change to those already retired
- No change to Preferred Partnership Discounts AND Enhanced HSA contributions

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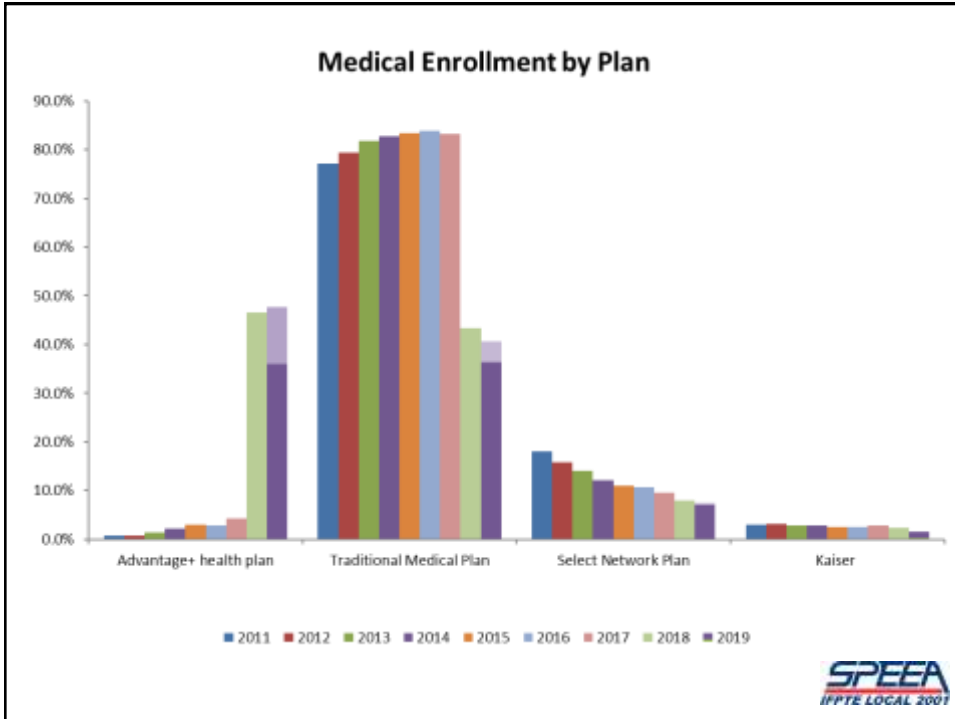
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Retiree Medical

- Under the current contract:
 - 16.4(a) those hired before 1993 pay \$20 a month (each) for traditional
 - 16.4(b) for those hired between 1993 and through 2006 Boeing pays 3.33% of the healthcare premiums for each year of company service. The retiree pays the remaining, not to be less than those in 16.4(a).
 - 16.4(b) Example: 15 years of service x 3.33% = 50% Paid by Boeing 50% paid by the retiree
- Under this proposal:
 - Retirees that retire (commence) before 1/1/2023, it's the same as the current contract.
 - Retirees that retire on/after 1/1/2023, (regardless of their salary upon termination) will pay the greater of:
 - What they thought they were going to pay based on 16.4(a) and/or 16.4(b) of the current contract or
 - Pay Band 1

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Not a Percentage of your Salary

<u>Annual Base Salary</u>	<u>Advantage+ health plan*</u>	<u>Traditional Medical Plan*</u>	<u>All Other Plans</u>
<u>Pay Band 1: \$100,000 or less</u>	<u>0%</u>	<u>6%</u>	<u>12%</u>
<u>Pay Band2: \$100,000.01 to \$200,000</u>	<u>6%</u>	<u>9%</u>	<u>15%</u>
<u>Pay Band 3: \$200,000.01 or more</u>	<u>9%</u>	<u>12%</u>	<u>18%</u>

* Employee contributions will be based on the rates for the Advantage+ health plan and the Traditional Medical Plan, as applicable, regardless of geographic region.

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Estimated Monthly Payroll Contributions Employee Only

		Normal Network					
		Advantage+			Traditional		
		<100k	100k - 200k	200k+	<100k	100k - 200k	200k+
Current	2020	\$0	\$0	\$0	\$32	\$32	\$32
Assumes 5% Medical Inflation	2021	\$0	\$0	\$0	\$33	\$33	\$33
	2022	\$0	\$0	\$0	\$35	\$35	\$35
	2023	\$0	\$41	\$62	\$44	\$66	\$88
	2024	\$0	\$43	\$65	\$46	\$70	\$93
	2025	\$0	\$46	\$69	\$49	\$73	\$97
	2026	\$0	\$48	\$72	\$51	\$77	\$102

		Preferred Partnership					
		Advantage+			Traditional		
		<100k	100k - 200k	200k+	<100k	100k - 200k	200k+
Current	2020	\$0	\$0	\$0	\$2	\$2	\$2
Assumes 5% Medical Inflation	2021	\$0	\$0	\$0	\$3	\$3	\$3
	2022	\$0	\$0	\$0	\$5	\$5	\$5
	2023	\$0	\$11	\$32	\$14	\$36	\$58
	2024	\$0	\$13	\$35	\$16	\$40	\$63
	2025	\$0	\$16	\$39	\$19	\$43	\$67
	2026	\$0	\$18	\$42	\$21	\$47	\$72

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Estimated Monthly Payroll Contributions Employee + Spouse or Employee + Child(ren)

		Normal Network					
		Advantage+			Traditional		
		<100k	100k - 200k	200k+	<100k	100k - 200k	200k+
Current	2020	\$0	\$0	\$0	\$64	\$64	\$64
Assumes 5% Medical Inflation	2021	\$0	\$0	\$0	\$67	\$67	\$67
	2022	\$0	\$0	\$0	\$70	\$70	\$70
	2023	\$0	\$83	\$124	\$88	\$132	\$177
	2024	\$0	\$87	\$130	\$93	\$139	\$185
	2025	\$0	\$91	\$137	\$97	\$146	\$195
	2026	\$0	\$96	\$144	\$102	\$153	\$204

		Preferred Partnership					
		Advantage+			Traditional		
		<100k	100k - 200k	200k+	<100k	100k - 200k	200k+
Current	2020	\$0	\$0	\$0	\$4	\$4	\$4
Assumes 5% Medical Inflation	2021	\$0	\$0	\$0	\$7	\$7	\$7
	2022	\$0	\$0	\$0	\$10	\$10	\$10
	2023	\$0	\$23	\$64	\$28	\$72	\$117
	2024	\$0	\$27	\$70	\$33	\$79	\$125
	2025	\$0	\$31	\$77	\$37	\$86	\$135
	2026	\$0	\$36	\$84	\$42	\$93	\$144

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Estimated Monthly Payroll Contributions Employee + Spouse + Child(ren)

		Normal Network					
		Advantage+			Traditional		
		<100k	100k - 200k	200k+	<100k	100k - 200k	200k+
Current	2020	\$0	\$0	\$0	\$95	\$95	\$95
	2021	\$0	\$0	\$0	\$100	\$100	\$100
Assumes 5% Medical Inflation	2022	\$0	\$0	\$0	\$105	\$105	\$105
	2023	\$0	\$124	\$186	\$132	\$199	\$265
	2024	\$0	\$130	\$196	\$139	\$209	\$278
	2025	\$0	\$137	\$206	\$146	\$219	\$292
	2026	\$0	\$144	\$216	\$153	\$230	\$307

		Preferred Partnership					
		Advantage+			Traditional		
		<100k	100k - 200k	200k+	<100k	100k - 200k	200k+
Current	2020	\$0	\$0	\$0	\$5	\$5	\$5
	2021	\$0	\$0	\$0	\$10	\$10	\$10
Assumes 5% Medical Inflation	2022	\$0	\$0	\$0	\$15	\$15	\$15
	2023	\$0	\$34	\$96	\$42	\$109	\$175
	2024	\$0	\$40	\$106	\$49	\$119	\$188
	2025	\$0	\$47	\$116	\$56	\$129	\$202
	2026	\$0	\$54	\$126	\$63	\$140	\$217

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Proposal Vs. Non-Union

SPEEA 2023-2026

	Adv+	TMP	Others
<\$100k	0.0%	6.0%	12.0%
\$100k - <\$200k	6.0%	9.0%	15.0%
\$200k+	9.0%	12.0%	18.0%

Non-Union 2020

	Adv+	TMP	Others
<\$75k	0.0%	12.5%	21.5%
\$75k - <\$150k	7.0%	20.0%	29.0%
\$150k+	15.0%	27.5%	36.5%

\$100k Increments			
Base	Prof	Tech	Total
0-100000	2,547	2,754	5,301
100000-200000	10,049	2,618	12,667
200000+	493	0	493
	13,089	5,372	18,461

\$75k Increments			
Base	Prof	Tech	Total
0-75000	163	898	1,061
75000-150000	8,836	4,409	13,245
150000+	4,090	65	4,155
	13,089	5,372	18,461

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Article 20: Ed Wells

- Funding increases each year of the contract on a headcount basis
- One-time Supplement of \$250,000 for targeted classes

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Employee Incentive Plan (EIP)

Performance Year	Paid Year	BCA	BDS	Corp
2019	2020		0.00	
2018	2019		16.60	
2017	2018		18.70	
2016	2017	9.50	9.90	9.70
2015	2016	8.25	9.75	9.00
2014	2015	12.25	12.75	12.50
2013	2014	16.00	16.25	17.00
2012	2013	14.75	16.00	16.00
2011	2012	15.00	15.00	16.00
2010	2011	14.25	12.00	14.00
2009	2010		7.00	
2008	2009		6.00	
2007	2008		15.00	
2006	2007		12.00	
2005	2006		14.00	
2004	2005		14.00	
2003	2004		8.00	
2002	2003		10.50	
2001	2002		9.00	
2000	2001		7.85	

- Historical Target 10 days
 - $10 / (2080/8) = 3.846\%$
- Target increases to 5%
 - 30% More Annual Bonus
- “One Company Score”
 - Same as:
 - Non-Union = PBI
 - Managers = MIP
 - Executive = STIP

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Paid Parental Leave (PPL)

Effective 6/1/2020, with 12-month lookback

Highlights:

- Available for birth, adoption, surrogacy, or foster placements
- Maximum 12 weeks salary continuation
- PPL must be completed within one year following the event
- PPL must be taken in one-workweek increments
- PPL runs concurrently with and offset by WAPFML
- If during Holiday, PPL forfeited during days holiday, will receive holiday pay
- Employees must provide 30 days' advance notice for PPL if the need for the leave is foreseeable.

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Student Loan Side Letter

- Student Debt Assistance Related Tools and Benefits
 - Effective January 2021 SPEEA participates in tuition.io and any other tool and benefit generally available to the non-union employees.

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Compensation

- Mercer/SIRS market reference eliminated - replaced with fixed wage pools. Five of seven years have guaranteed 2% minimum wage increases for every employee.
- Promotional funds increase from 0.5% to 1.5% in 2023. Funds must either be spent on increases to base salaries that year or roll into the very next year's wage pool to increase base salaries.
- 30% Increase to Employee Incentive Plan payouts when they occur. Target increases from 10 days to 5% of eligible pay.

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Medical

- No change in benefits (deductibles, coinsurance, ect) through duration of contract.
- No change in monthly premiums until 2023 – after that, Pay Band premiums in place with reasonable premiums. Higher earners pay more for medical.
- The Advantage+ Medical Plan option remains premium free for those in Pay Band 1 (less than \$100k base salary).

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Retirement

- No change to pension. For those with a pension, Final Average Earnings continues to grow through 2026 and is supplemented with higher EIP payouts.
- No change to matching or non-matching 401k contributions.
- Maximum contribution increases from 30% to 50%, flows through to Supplemental Savings Plan.
- For those with retiree medical, protections remain in the contract through 2026.
- No change in retiree medical premiums for individuals that retire before 2022. Individuals retiring after 2022 will pay the greater of their current rate or Pay Band 1.

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Medical/Parental Leave & Misc

- **WAPFML**
 - Upon ratification, employees will be subject to a new Washington State Law. While not in the contract, the law provides partial wage replacement for 12 weeks (up to 18) paid family and medical leave. More details can be found online at paidleave.wa.gov
- **Boeing Paid Parental Leave**
 - Full participation in the Boeing Paid Parental Leave with 12-month lookback. Up to 12 weeks of full pay for birth, adoption and more.
- **Boeing Student Loan**
 - Potential future benefit

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