

KPBSD Negotiations Update

Borough Assembly Chambers
November 12, 2012
7:00 PM

KPBSD Current Salary Offer

- Step and Column Movement on Salary Schedules
Certified = Step Movement
Classified = Column Movement
- 1% increase to Salary Schedules for each of 3 years
- Fixed Dollar amount payment for each of 3 years

Step and Column Movement

- Certified/KPEA Salary Schedule
 - Existing FY12 Certified Salary Schedule(attached Exhibit A)
 - Percent Increase Range* = From 1.78% to 4.82%
 - Dollar Increase Range* = From \$1,217 to \$2,287 annually
 - Above figures do not include any educational movement
- Classified/KPESA Salary Schedule
 - Existing FY12 Classified Salary Schedule(attached Exhibit B)
 - Percent Increase Range* = From 3.44% to 12.34%
 - Dollar Increase Range* = From \$0.54 to \$3.19 per hour

*These increases were implemented in the September 28, 2012 payroll for all employees that had step or column movement available for FY13.

1% Annual Salary Schedule Increases

- Certified/KPEA
 - Proposed Salary Schedules for FY13, FY14 and FY15 attached as Exhibit C with a 1% increase each year for three years

- Classified/KPESA
 - Proposed Salary Schedules for FY13, FY14 and FY15 attached as Exhibit D with a 1% increase each year for three years

Fixed Dollar Amount Payments

- Certified/KPEA
 - \$600 one-time payment outside of Salary Schedule in FY 13
 - \$600 one-time payment outside of Salary Schedule in FY 14
 - \$600 one-time payment outside of Salary Schedule in FY 15

- Classified/KPESA
 - \$300 one-time payment outside of Salary Schedule in FY 13
 - \$300 one-time payment outside of Salary Schedule in FY 14
 - \$300 one-time payment outside of Salary Schedule in FY 15

- Revenue source is from existing Fund Balance – One-Time payments from One-Time revenues

Certified Salary Increase Example

- Mid-Range Teacher at C+36/M(E) = \$53,645 in FY12

- District Offer

Step Increase to C+36/M(F) \$55,201 =	\$1,556
1% Increase from \$55,201 to \$55,753 =	\$ 552
\$600 one-time payment in FY 13 =	<u>\$ 600</u>
Overall Salary Increase =	\$2,618
 Percentage Increase =	 4.88%

Classified Salary Increase Example

- Head Custodian I - Range 6, Column C
199 days, 8 hours per day, \$18.82 per hour
- FY12 Salary = \$29,961.44
- District Offer
 - Column D increase to \$19.69 per hour = \$1,385.04
 - 1% Increase from \$19.69 to \$19.89 = \$ 318.40
 - \$300 one-time payment in FY 13 = \$ 300.00
 - Overall Salary Increase = \$2,003.44

Percentage Increase = 6.69%

Health Care

- Self-Funding
- Collective Bargaining Agreement Language
- Health Care Reserve
- Fund Balance Reserved for Self-Insurance
- KPBSD Health Care Cost History
- District Offer

Health Care Self-Funding

- A self-funded health care plan is where an employer pays for claims out-of-pocket as they are presented instead of paying a pre-determined premium to an insurance carrier for a Fully Insured plan.
- Revenues stem from:
 - employer contributions
 - employee contributions
- Expenditures stem from:
 - Claims as determined by the Schedule of Benefits
 - Administrative Costs
 - i. Third Party Administrator(TPA) – Pays claims
 - ii. Broker – Consults on plan design and obtains Stop-loss insurance
 - Stop-loss Insurance
 - i. Individual
 - ii. Aggregate

**Collective Bargaining Agreement
Health Care Language**

- KPEA Section 210 Health Care (Exhibit E)
- KPESA Article 27 Health Care
- Both items contain the exact same language

FY12 Contribution Amounts

	Monthly FY12 CBA	Healthcare Committee Additional 50/50	Monthly Total	Yearly Total
District	\$ 975	\$ 140	\$ 1,115	\$ 13,380
Employee	\$ 200	\$ 140	\$ 340	\$ 4,080
Total	\$ 1,175	\$ 280	\$ 1,455	\$ 17,460

Health Care Cost Reserve Account

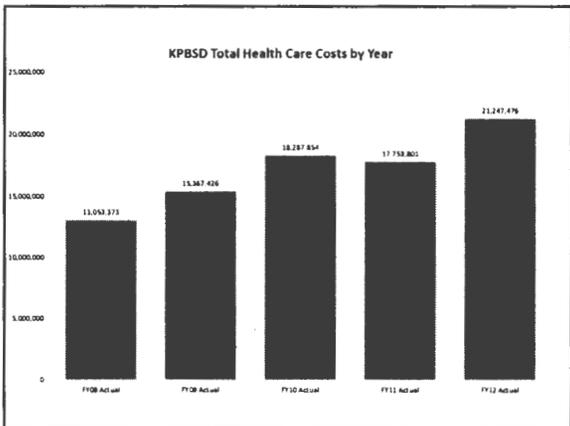
- "Should health care costs remain below the negotiated monthly cap per employee for a twelve (12) month period, any such savings shall be applied to the reserve account to offset future year expenses and/or provide additional benefits."
- "A health care cost committee shall determine and control the health care program for all District employees covered by the program during the term of this agreement including but not limited to the following; ...regulating use of the health care cost reserve account"

Health Care Cost Reserve Account Year Ending Balances

Fiscal Year	FY08	FY09	FY10	FY11	FY12
Year Ending Reserve	\$ 348,777	\$ 519,568	\$ 80,349	\$ 2,921,297	\$ 3,603,192
Net Change	\$ 67,041	\$ 170,791	\$ (439,219)	\$ 2,840,948	\$ 681,895

Fund Balance Self-Insurance Health Care

- Alaska Administrative Code 4 ACC 09.160 Fund Balance allows school districts to specifically assign fund balance for self-insurance
- For FY12, KPBSD has assigned \$5,994,173 to Self-insurance Health Care
- Those funds have been set aside to fund the District's health care offer for FY13, FY14 and FY15



KPEA Salary and Health Care Comparison
(Exhibit F)

- Does not include 4 additional days proposed in Section 470 Work Day at a cost of just over \$1.1 Million per year
- No KPEA increase to Health Care Costs for three years
- Does not reflect KPBSD proposed changes to 50/50 increase language
 - FY13: 60/40 (District/Employee % contribution)
 - FY14: 65/35 (If employee participates in Wellness Program)
 - FY15: 70/30 (If the employee continues to participate)
- Incorrect numbers on District Proposal
- No known new revenue to meet increased CPI cost

KPBSD FY12 Certified Salary Schedule

**Kenai Peninsula Borough School District
FY12 Certified Salary Schedule**

Exhibit A

Step movement increases

Each year of employment adds a longevity step in the vertical column letters A-U. Additional educational movement is horizontal in chart.

Step	C	Step Incr	%	C+18	Step Incr	%	C+36orM	Step Incr	%	C+54/M	Step Incr	%	C+72/M	Step Incr	%	C+90/M	Step Incr	%
A	43,945			45,246			47,427			48,980			50,534			52,091		
B	45,246	1,301	2.96%	47,428	2,182	4.82%	48,980	1,553	3.27%	50,534	1,554	3.17%	52,091	1,557	3.08%	53,645	1,554	2.98%
C	47,427	2,181	4.82%	48,981	1,553	3.27%	50,534	1,554	3.17%	52,091	1,557	3.08%	53,645	1,554	2.98%	55,201	1,556	2.90%
D	48,980	1,553	3.27%	50,535	1,554	3.17%	52,091	1,557	3.08%	53,645	1,554	2.98%	55,201	1,556	2.90%	56,759	1,558	2.82%
E	50,534	1,554	3.17%	52,091	1,556	3.08%	53,645	1,554	2.98%	55,201	1,556	2.90%	56,759	1,558	2.82%	58,313	1,554	2.74%
F	52,091	1,557	3.08%	53,645	1,554	2.98%	55,201	1,556	2.90%	56,759	1,558	2.82%	58,313	1,554	2.74%	59,866	1,553	2.66%
G	53,644	1,553	2.98%	55,224	1,579	2.94%	56,759	1,558	2.82%	58,313	1,554	2.74%	59,866	1,553	2.66%	61,418	1,552	2.59%
H	55,931	2,287	4.26%	56,759	1,535	2.78%	58,313	1,554	2.74%	59,866	1,553	2.66%	61,418	1,552	2.59%	62,977	1,559	2.54%
I	57,454	1,523	2.72%	58,313	1,554	2.74%	59,866	1,553	2.66%	61,418	1,552	2.59%	62,977	1,559	2.54%	64,529	1,552	2.46%
J	58,947	1,493	2.60%	60,594	2,281	3.91%	61,418	1,552	2.59%	62,977	1,559	2.54%	64,529	1,552	2.46%	66,085	1,556	2.41%
K	60,412	1,465	2.49%	62,118	1,524	2.52%	62,977	1,559	2.54%	64,529	1,552	2.46%	66,085	1,556	2.41%	67,637	1,552	2.35%
L	61,847	1,435	2.38%	63,612	1,494	2.41%	65,260	2,283	3.63%	66,085	1,556	2.41%	67,637	1,552	2.35%	69,194	1,557	2.30%
M				65,076	1,464	2.30%	66,477	1,217	1.86%	67,637	1,552	2.35%	69,194	1,557	2.30%	70,749	1,555	2.25%
N				66,511	1,435	2.21%	68,000	1,523	2.29%	69,194	1,557	2.30%	70,749	1,555	2.25%	72,307	1,558	2.20%
O							69,494	1,494	2.20%	71,478	2,284	3.30%	73,035	2,286	3.23%	74,594	2,287	3.16%
P							70,958	1,464	2.11%	73,001	1,523	2.13%	74,558	1,523	2.09%	75,994	1,400	1.88%
Q							72,393	1,435	2.02%	74,494	1,493	2.05%	76,052	1,494	2.00%	77,517	1,523	2.00%
R										75,958	1,464	1.97%	77,516	1,464	1.92%	79,011	1,494	1.93%
S										77,395	1,437	1.89%	78,951	1,435	1.85%	80,474	1,463	1.85%
T																81,910	1,436	1.78%
Longevity																83,486	1,576	1.92%

Range	Initial Year 1	A Year 2	Year 2 \$ amt Increase	Year 2 % Increase	B Year 3	Year 3 \$ amt Increase	Year 3 % Increase	C Year 4	Year 4 \$ amt Increase	Year 4 % Increase	D Year 5	Year 5 \$ amt Increase	Year 5 % Increase	E Year 6	Year 6 \$ amt Increase	Year 6 % Increase	F Year 7	Year 7 \$ amt Increase	Year 7 % Increase	G Year 8	Year 8 \$ amt Increase	Year 8 % Increase	H Year 9	Year 9 \$ amt Increase	Year 9 % Increase	Total Increase	Avg Increase
1	\$13.16	\$14.63	\$ 1.47	11.17%	\$15.17	\$ 0.54	3.69%	\$15.72	\$ 0.55	3.63%	\$16.43	\$ 0.71	4.52%	\$17.00	\$ 0.57	3.47%	\$17.67	\$ 0.67	3.94%	\$18.37	\$ 0.70	3.96%	\$19.10	\$ 0.73	3.97%	38.35%	4.79%
2	\$13.87	\$15.40	\$ 1.53	11.03%	\$15.99	\$ 0.59	3.83%	\$16.61	\$ 0.62	3.88%	\$17.36	\$ 0.75	4.52%	\$17.98	\$ 0.62	3.57%	\$18.68	\$ 0.70	3.89%	\$19.42	\$ 0.74	3.96%	\$20.21	\$ 0.79	4.07%	38.75%	4.84%
3	\$14.15	\$15.73	\$ 1.58	11.17%	\$16.35	\$ 0.62	3.94%	\$16.95	\$ 0.60	3.67%	\$17.73	\$ 0.78	4.60%	\$18.37	\$ 0.64	3.61%	\$19.06	\$ 0.69	3.76%	\$19.84	\$ 0.78	4.09%	\$20.63	\$ 0.79	3.98%	38.82%	4.85%
4	\$14.68	\$16.31	\$ 1.63	11.10%	\$16.93	\$ 0.62	3.80%	\$17.63	\$ 0.70	4.13%	\$18.43	\$ 0.80	4.54%	\$19.08	\$ 0.65	3.53%	\$19.82	\$ 0.74	3.88%	\$20.61	\$ 0.79	3.99%	\$21.45	\$ 0.84	4.08%	39.04%	4.88%
5	\$15.15	\$16.84	\$ 1.69	11.16%	\$17.51	\$ 0.67	3.98%	\$18.20	\$ 0.69	3.94%	\$19.05	\$ 0.85	4.67%	\$19.74	\$ 0.69	3.62%	\$20.49	\$ 0.75	3.80%	\$21.32	\$ 0.83	4.05%	\$22.17	\$ 0.85	3.99%	39.20%	4.90%
6	\$15.65	\$17.39	\$ 1.74	11.12%	\$18.07	\$ 0.68	3.91%	\$18.82	\$ 0.75	4.15%	\$19.69	\$ 0.87	4.62%	\$20.41	\$ 0.72	3.66%	\$21.19	\$ 0.78	3.82%	\$22.04	\$ 0.85	4.01%	\$22.94	\$ 0.90	4.08%	39.37%	4.92%
7	\$16.17	\$17.97	\$ 1.80	11.13%	\$18.71	\$ 0.74	4.12%	\$19.48	\$ 0.77	4.12%	\$20.39	\$ 0.91	4.67%	\$21.12	\$ 0.73	3.58%	\$21.94	\$ 0.82	3.89%	\$22.83	\$ 0.89	4.06%	\$23.75	\$ 0.92	4.03%	39.59%	4.95%
8	\$16.75	\$18.60	\$ 1.85	11.04%	\$19.38	\$ 0.78	4.19%	\$20.20	\$ 0.82	4.23%	\$21.17	\$ 0.97	4.80%	\$21.94	\$ 0.77	3.64%	\$22.78	\$ 0.84	3.87%	\$23.70	\$ 0.92	4.04%	\$24.65	\$ 0.95	4.01%	39.78%	4.97%
9	\$17.37	\$19.30	\$ 1.93	11.11%	\$20.12	\$ 0.82	4.25%	\$20.97	\$ 0.85	4.22%	\$21.97	\$ 1.00	4.77%	\$22.76	\$ 0.79	3.60%	\$23.64	\$ 0.88	3.87%	\$24.59	\$ 0.95	4.02%	\$25.58	\$ 0.99	4.03%	39.86%	4.98%
10	\$18.04	\$20.04	\$ 2.00	11.09%	\$20.89	\$ 0.85	4.24%	\$21.82	\$ 0.93	4.45%	\$22.86	\$ 1.04	4.77%	\$23.70	\$ 0.84	3.67%	\$24.61	\$ 0.91	3.84%	\$25.61	\$ 1.00	4.06%	\$26.63	\$ 1.02	3.98%	40.11%	5.01%
11	\$19.21	\$20.84	\$ 1.63	8.49%	\$21.74	\$ 0.90	4.32%	\$22.72	\$ 0.98	4.51%	\$23.78	\$ 1.06	4.67%	\$24.66	\$ 0.88	3.70%	\$25.62	\$ 0.96	3.89%	\$26.66	\$ 1.04	4.06%	\$27.74	\$ 1.08	4.05%	37.68%	4.71%
12	\$19.52	\$21.70	\$ 2.18	11.17%	\$22.63	\$ 0.93	4.29%	\$23.65	\$ 1.02	4.51%	\$24.81	\$ 1.16	4.90%	\$25.73	\$ 0.92	3.71%	\$26.73	\$ 1.00	3.89%	\$27.81	\$ 1.08	4.04%	\$28.93	\$ 1.12	4.03%	40.53%	5.07%
13	\$20.33	\$22.59	\$ 2.26	11.12%	\$23.62	\$ 1.03	4.56%	\$24.68	\$ 1.06	4.49%	\$25.89	\$ 1.21	4.90%	\$26.86	\$ 0.97	3.75%	\$27.90	\$ 1.04	3.87%	\$29.02	\$ 1.12	4.01%	\$30.20	\$ 1.18	4.07%	40.77%	5.10%
14	\$21.24	\$23.60	\$ 2.36	11.11%	\$24.67	\$ 1.07	4.53%	\$25.82	\$ 1.15	4.66%	\$27.08	\$ 1.26	4.88%	\$28.10	\$ 1.02	3.77%	\$29.20	\$ 1.10	3.91%	\$30.37	\$ 1.17	4.01%	\$31.60	\$ 1.23	4.05%	40.92%	5.12%
15	\$22.20	\$24.66	\$ 2.46	11.08%	\$25.80	\$ 1.14	4.62%	\$27.01	\$ 1.21	4.69%	\$28.33	\$ 1.32	4.89%	\$29.39	\$ 1.06	3.74%	\$30.53	\$ 1.14	3.88%	\$31.77	\$ 1.24	4.06%	\$33.05	\$ 1.28	4.03%	40.99%	5.12%
16	\$21.24	\$23.60	\$ 2.36	11.11%	\$24.67	\$ 1.07	4.53%	\$25.82	\$ 1.15	4.66%	\$26.98	\$ 1.16	4.49%	\$27.91	\$ 0.93	3.45%	\$28.99	\$ 1.08	3.87%	\$30.16	\$ 1.17	4.04%	\$31.38	\$ 1.22	4.05%	40.20%	5.02%
17	\$22.25	\$24.71	\$ 2.46	11.06%	\$25.87	\$ 1.16	4.69%	\$27.02	\$ 1.15	4.45%	\$28.20	\$ 1.18	4.37%	\$29.17	\$ 0.97	3.44%	\$30.30	\$ 1.13	3.87%	\$31.52	\$ 1.22	4.03%	\$32.78	\$ 1.26	4.00%	39.90%	4.99%
18	\$23.47	\$25.84	\$ 2.37	10.10%	\$27.05	\$ 1.21	4.68%	\$28.32	\$ 1.27	4.70%	\$30.03	\$ 1.71	6.04%	\$31.50	\$ 1.47	4.90%	\$32.72	\$ 1.22	3.87%	\$34.04	\$ 1.32	4.03%	\$35.41	\$ 1.37	4.02%	42.34%	5.29%
19	\$25.86	\$29.05	\$ 3.19	12.34%	\$30.31	\$ 1.26	4.34%	\$31.66	\$ 1.35	4.45%	\$33.13	\$ 1.47	4.64%	\$34.30	\$ 1.17	3.53%	\$35.57	\$ 1.27	3.70%	\$36.90	\$ 1.33	3.74%	\$38.32	\$ 1.42	3.85%	40.59%	5.07%

PROPOSED KPEA KPEA SALARY SCHEDULE

2012-13

1%

Step	C	C+18	C+36orM	C+54/M	C+72/M	C+90/M
A	44,384	45,698	47,901	49,470	51,039	52,612
B	45,698	47,902	49,470	51,039	52,612	54,181
C	47,901	49,471	51,039	52,612	54,181	55,753
D	49,470	51,040	52,612	54,181	55,753	57,327
E	51,039	52,612	54,181	55,753	57,327	58,896
F	52,612	54,181	55,753	57,327	58,896	60,465
G	54,180	55,776	57,327	58,896	60,465	62,032
H	56,490	57,327	58,896	60,465	62,032	63,607
I	58,029	58,896	60,465	62,032	63,607	65,174
J	59,536	61,200	62,032	63,607	65,174	66,746
K	61,016	62,739	63,607	65,174	66,746	68,313
L	62,465	64,248	65,913	66,746	68,313	69,886
M		65,727	67,142	68,313	69,886	71,456
N		67,176	68,680	69,886	71,456	73,030
O			70,189	72,193	73,765	75,340
P			71,668	73,731	75,304	76,754
Q			73,117	75,239	76,813	78,292
R				76,718	78,291	79,801
S				78,169	79,741	81,279
T						82,729
LONGEVITY						84,384

PROPOSED KPEA KPEA SALARY SCHEDULE

2013-14

1%

Exhibit C

Page 2

Step	C	C+18	C+36orM	C+54/M	C+72/M	C+90/M
A	44,828	46,155	48,380	49,964	51,550	53,138
B	46,155	48,381	49,964	51,550	53,138	54,723
C	48,380	49,966	51,550	53,138	54,723	56,311
D	49,964	51,551	53,138	54,723	56,311	57,900
E	51,550	53,138	54,723	56,311	57,900	59,485
F	53,138	54,723	56,311	57,900	59,485	61,069
G	54,722	56,334	57,900	59,485	61,069	62,653
H	57,055	57,900	59,485	61,069	62,653	64,243
I	58,609	59,485	61,069	62,653	64,243	65,826
J	60,132	61,812	62,653	64,243	65,826	67,413
K	61,626	63,367	64,243	65,826	67,413	68,997
L	63,090	64,891	66,572	67,413	68,997	70,585
M		66,384	67,813	68,997	70,585	72,171
N		67,848	69,367	70,585	72,171	73,760
O			70,891	72,915	74,503	76,093
P			72,384	74,468	76,057	77,521
Q			73,848	75,991	77,581	79,075
R				77,485	79,074	80,599
S				78,951	80,538	82,092
T						83,556
LONGEVITY						85,228

PROPOSED KPEA KPEA SALARY SCHEDULE

2014-15

1%

Step	C	C+18	C+36orM	C+54/M	C+72/M	C+90/M
A	45,277	46,617	48,864	50,464	52,065	53,669
B	46,617	48,865	50,464	52,065	53,669	55,270
C	48,864	50,465	52,065	53,669	55,270	56,874
D	50,464	52,066	53,669	55,270	56,874	58,479
E	52,065	53,669	55,270	56,874	58,479	60,080
F	53,669	55,270	56,874	58,479	60,080	61,680
G	55,269	56,897	58,479	60,080	61,680	63,279
H	57,626	58,479	60,080	61,680	63,279	64,885
I	59,195	60,080	61,680	63,279	64,885	66,484
J	60,733	62,430	63,279	64,885	66,484	68,087
K	62,243	64,000	64,885	66,484	68,087	69,686
L	63,721	65,540	67,237	68,087	69,686	71,291
M		67,048	68,491	69,686	71,291	72,893
N		68,526	70,060	71,291	72,893	74,498
O			71,600	73,644	75,248	76,854
P			73,108	75,213	76,817	78,297
Q			74,587	76,751	78,356	79,866
R				78,260	79,865	81,405
S				79,740	81,343	82,912
T						84,392
LONGEVITY						86,080

PROPOSED KPESA SALARY SCHEDULE

2012-13

1%

Range	INITIAL	A	B	C	D	E	F	G	H
1	13.29	14.78	15.32	15.88	16.59	17.17	17.85	18.55	19.29
2	14.01	15.55	16.15	16.78	17.53	18.16	18.87	19.61	20.41
3	14.29	15.89	16.51	17.12	17.91	18.55	19.25	20.04	20.84
4	14.83	16.47	17.10	17.81	18.61	19.27	20.02	20.82	21.66
5	15.30	17.01	17.69	18.38	19.24	19.94	20.69	21.53	22.39
6	15.81	17.56	18.25	19.01	19.89	20.61	21.40	22.26	23.17
7	16.33	18.15	18.90	19.67	20.59	21.33	22.16	23.06	23.99
8	16.92	18.79	19.57	20.40	21.38	22.16	23.01	23.94	24.90
9	17.54	19.49	20.32	21.18	22.19	22.99	23.88	24.84	25.84
10	18.22	20.24	21.10	22.04	23.09	23.94	24.86	25.87	26.90
11	19.40	21.05	21.96	22.95	24.02	24.91	25.88	26.93	28.02
12	19.72	21.92	22.86	23.89	25.06	25.99	27.00	28.09	29.22
13	20.53	22.82	23.86	24.93	26.15	27.13	28.18	29.31	30.50
14	21.45	23.84	24.92	26.08	27.35	28.38	29.49	30.67	31.92
15	22.42	24.91	26.06	27.28	28.61	29.68	30.84	32.09	33.38
16	21.45	23.84	24.92	26.08	27.25	28.19	29.28	30.46	31.69
17	22.47	24.96	26.13	27.29	28.48	29.46	30.60	31.84	33.11
18	23.70	26.10	27.32	28.60	30.33	31.82	33.05	34.38	35.76
19	26.12	29.34	30.61	31.98	33.46	34.64	35.93	37.27	38.70

PROPOSED KPESA SALARY SCHEDULE
2013-14 1%

Range	INITIAL	A	B	C	D	E	F	G	H
1	13.42	14.92	15.47	16.04	16.76	17.34	18.03	18.74	19.48
2	14.15	15.71	16.31	16.94	17.71	18.34	19.06	19.81	20.62
3	14.43	16.05	16.68	17.29	18.09	18.74	19.44	20.24	21.04
4	14.98	16.64	17.27	17.98	18.80	19.46	20.22	21.02	21.88
5	15.45	17.18	17.86	18.57	19.43	20.14	20.90	21.75	22.62
6	15.96	17.74	18.43	19.20	20.09	20.82	21.62	22.48	23.40
7	16.50	18.33	19.09	19.87	20.80	21.54	22.38	23.29	24.23
8	17.09	18.97	19.77	20.61	21.60	22.38	23.24	24.18	25.15
9	17.72	19.69	20.52	21.39	22.41	23.22	24.12	25.08	26.09
10	18.40	20.44	21.31	22.26	23.32	24.18	25.10	26.12	27.17
11	19.60	21.26	22.18	23.18	24.26	25.16	26.13	27.20	28.30
12	19.91	22.14	23.08	24.13	25.31	26.25	27.27	28.37	29.51
13	20.74	23.04	24.09	25.18	26.41	27.40	28.46	29.60	30.81
14	21.67	24.07	25.17	26.34	27.62	28.66	29.79	30.98	32.24
15	22.65	25.16	26.32	27.55	28.90	29.98	31.14	32.41	33.71
16	21.67	24.07	25.17	26.34	27.52	28.47	29.57	30.77	32.01
17	22.70	25.21	26.39	27.56	28.77	29.76	30.91	32.15	33.44
18	23.94	26.36	27.59	28.89	30.63	32.13	33.38	34.72	36.12
19	26.38	29.63	30.92	32.30	33.80	34.99	36.28	37.64	39.09

PROPOSED KPESA SALARY SCHEDULE
2014-15 1%

Exhibit D
Page 3

Range	INITIAL	A	B	C	D	E	F	G	H
1	13.56	15.07	15.63	16.20	16.93	17.52	18.21	18.93	19.68
2	14.29	15.87	16.47	17.11	17.89	18.52	19.25	20.01	20.82
3	14.58	16.21	16.85	17.46	18.27	18.93	19.64	20.44	21.26
4	15.12	16.80	17.44	18.16	18.99	19.66	20.42	21.23	22.10
5	15.61	17.35	18.04	18.75	19.63	20.34	21.11	21.97	22.84
6	16.12	17.92	18.62	19.39	20.29	21.03	21.83	22.71	23.64
7	16.66	18.51	19.28	20.07	21.01	21.76	22.60	23.52	24.47
8	17.26	19.16	19.97	20.81	21.81	22.60	23.47	24.42	25.40
9	17.90	19.88	20.73	21.61	22.64	23.45	24.36	25.34	26.36
10	18.59	20.65	21.52	22.48	23.55	24.42	25.36	26.39	27.44
11	19.79	21.47	22.40	23.41	24.50	25.41	26.40	27.47	28.58
12	20.11	22.36	23.32	24.37	25.56	26.51	27.54	28.65	29.81
13	20.95	23.27	24.34	25.43	26.67	27.67	28.75	29.90	31.12
14	21.88	24.32	25.42	26.60	27.90	28.95	30.08	31.29	32.56
15	22.87	25.41	26.58	27.83	29.19	30.28	31.46	32.73	34.05
16	21.88	24.32	25.42	26.60	27.80	28.76	29.87	31.07	32.33
17	22.92	25.46	26.65	27.84	29.05	30.05	31.22	32.48	33.77
18	24.18	26.62	27.87	29.18	30.94	32.45	33.71	35.07	36.48
19	26.64	29.93	31.23	32.62	34.13	35.34	36.65	38.02	39.48

210 HEALTH CARE

Exhibit E

The District health care program is self-funded. Program costs are solely a product of administrative expenses and actual claims experience.

A health care cost committee shall determine and control the health care program for all District employees covered by the program during the term of this agreement including but not limited to the following; setting the amount of employee monthly contributions and dependent coverage costs, benefits and coverage provided, cost containment measures, evaluating and deciding the outcome of appeals, regulating use of the health care cost reserve account, and implementing any wellness measures it deems beneficial to employees and the health care program. The committee will be composed of up to nine (9) members and KPEA will be entitled to at least three (3) Association representatives on the committee. The Director of Human Resources will be the plan administrator.

The committee shall annually review by-laws in September of each year unless the committee deems that an alternate time would be better. The committee will meet monthly unless this is changed by the committee members in accordance with the committee's by-laws.

Only permanent and permanent part-time employees who currently work four (4) or more hours per day are eligible for year-round health care benefits.

The District will make contributions to the health care program for each participant on a 12-month basis as follows:

FY10 950.00 per eligible employee per month
FY11 975.00 per eligible employee per month
FY12 975.00 per eligible employee per month

Employee participants will make contributions to the health care program on a 12-month basis as follows:

FY10 175.00 per eligible employee per month
FY11 200.00 per eligible employee per month
FY12 200.00 per eligible employee per month

Effective FY 10 and FY 11, benefits are afforded to the employee, spouse and all eligible dependents. Effective FY 12, health benefits are afforded to employees only. Effective July 1, 2011 employees may elect to have dependent and/or spouse coverage per the following rate schedule:

Dependent Coverage:	\$5.00 per month per dependent (up to four)
Spouse Coverage:	\$10 per month
Family Coverage (spouse and dependents):	\$30 per month

Employees who have elected no spousal and/or dependent coverage may, during open enrollment, add that coverage.*

Effective FY 10, all permanent and permanent part-time employees who work four (4) or more hours per day are required, as a condition of employment, to participate in the KPBSD health plan.

Effective FY 11 and 12, all permanent and permanent part-time employees who work six (6) or more hours per day are required, as a condition of employment, to participate in the KPBSD health plan.

Employees first hired with the District on or after July 1, 2010, for at least 4 hours per day or .50 FTE, but less than 6 hours per day or .75 FTE, may opt out of health care coverage altogether. The choice to opt out will be made upon initial employment and will be irrevocable* unless a person is rehired after employment has been terminated more than 1 school year.

*Guidelines involving “qualifying event” and “pre-existing conditions” will be followed in accordance to the health plan document.

<http://www.kpbsd.k12.ak.us/employees.aspx?id=10156>

All funds deposited into the health care account in excess of actual expenditures will be placed in the health care cost reserve account to be used only to offset future health care cost increases.

Expenditures in excess of available health care cost account reserves shall be borne equally between the District and all eligible employees. Should health care costs remain below the negotiated monthly cap per employee for a twelve (12) month period, any such savings shall be applied to the reserve account to offset future year expenses and/or provide additional benefits.

The District agrees to work with the health plan committee to provide reasonable time for meetings and provide adequate support including an expert health care consultant for plan design. Administrative leave will be provided for all participants.

The District shall maintain a “reward” system to protect the plan from inaccurate charges by Service Providers. The District and employee shall evenly divide any monetary benefits resulting from the correction of such charges. Errors made by the plan administrator are ineligible for this reward.

A flexible benefit account program, under the provision of Section 125 of the Internal Revenue Service Code, will continue.

Salary and Health Care Comparison

EXHIBIT F

2012-2013

KPEA Proposed	
Total Health Cost Per Employee	\$1,455.00
District Portion of Health Care Per Employee	\$1,236.75
Total District Cost	\$9,156,154.95
Salary Cost (2.8% CPI)	\$43,111,306.93
Total Teacher Health and Salary	\$52,267,461.88

Difference -\$305,699.81

Teacher proposal is less

2012-2013

District Proposal	
Total Health Cost Per Employee	\$1,600.00
District Portion of Health Care Per Employee	\$1,330.00
Total District Cost	\$9,846,522.00
Salary Cost (1%)	\$42,356,439.69
\$600 Stipend	\$370,200.00
Total Teacher Health and Salary	\$52,573,161.69

2013-2014

KPEA Proposed	
Total Health Cost Per Employee	\$1,455.00
District Portion of Health Care Per Employee	\$1,205.05
Total District Cost	\$9,292,419.08
Salary Cost (2.5% CPI)	\$44,189,089.61
Total Teacher Health and Salary	\$53,481,508.69

Difference \$706,104.60

Teacher proposal is more

2013-2014

District Proposal	
Total Health Cost Per Employee	\$1,600.00
District Portion of Health Care Per Employee	\$1,350.00
Total District Cost	\$9,995,400.00
Salary Cost (1%)	\$42,780,004.09
\$600 Stipend	\$370,200.00
Total Teacher Health and Salary	\$52,775,404.09

2014-2015

KPEA Proposed	
Total Health Cost Per Employee	\$1,455.00
District Portion of Health Care Per Employee	\$1,273.65
Total District Cost	\$9,430,086.26
Salary Cost (2.0% CPI)	\$45,072,871.40
Total Teacher Health and Salary	\$54,502,957.66

Difference \$707,433.53

2014-2015

District Proposal	
Total Health Cost Per Employee	\$1,600.00
District Portion of Health Care Per Employee	\$1,380.00
Total District Cost	\$10,217,520.00
Salary Cost (1%)	\$43,207,804.13
\$600 Stipend	\$370,200.00
Total Teacher Health and Salary	\$53,795,524.13