



Contact: Pegge Erkeneff  
[Communications Specialist](mailto:Communications@kpbsd.org)  
907.714.8888  
Fax: 907.262.5867  
[Pegge@kpbsd.org](mailto:Pegge@kpbsd.org)

148 N. Binkley  
Soldotna, AK 99669  
[www.KPBSD.k12.ak.us](http://www.KPBSD.k12.ak.us)

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**

## PRESS RELEASE

### *Status of Negotiations following the January 22, 2013, post advisory arbitration bargaining session between KPBSD and the KPEA and KPESA.*

**Soldotna, January 23, 2013—The following email was sent to all Kenai Peninsula Borough School District employees this morning.**

Sent to: All KPBSD staff  
Subject: info: 1/22/13 collective bargaining update from KPBSD

Dear KPBSD employees,

Thank you for your patience during the past twelve months of negotiations between KPBSD and KPEA and KPESA.

On January 22, 2013, KPBSD met with both KPEA and KPESA for collective bargaining. This was the first meeting since the Advisory Arbitration Award/Opinion was received on December 21, 2012.

KPBSD presented a last best offer to the Associations on January 22, 2013. The school district demonstrated willingness to accept the Arbitrator's report with one exception. The last best offer by the school district to KPESA and KPEA adopts the Arbitrator's recommendations of:

- A 2% salary increase for each of the three years of the contract, built into the salary schedule\*
- Health care percentage change to 80/20 % (year one); 83/17 % (year two); and 85/15 % (year three). (Currently, if health care plan costs exceed the mandated fixed contributions by both the District and the employees, those costs are shared 50/50 %. The school district proposal eliminates the 50/50 cost share.) Also, the additional amount employees contribute monthly for dependent, spouse, or family health care coverage is eliminated.\*

The only change the District proposed when it met with the Associations on Tuesday would have precluded both the District and the Health Care Committee (HCC) from changing health care coverage without mutual consent. As you know, the 50/50 split comes into effect if the amounts set forth in the negotiated agreement do not cover the actual health plan costs. That exception related to the authority of the current structure of the HCC—now composed of a super majority of classified and teaching staff—to increase health insurance coverages and thereby increase the cost of the insurance plan without District approval. The current structure of the HCC has been acceptable to the school district because the 50/50 % sharing of excess health care plan costs requires thoughtful and cautionary consideration of any Plan changes that increase costs. The school district is not willing to continue with this structure in a new 80/20; 83/17; 85/15 split. The committee change is described in the attached offer.

Finally, the Arbitrator's Award/Opinion did not address the difficult issue of implementing a new health care plan cost sharing methodology in the middle of the school year, retroactive to July 1, 2012, or recommend a methodology of implementing wage increases retroactive to July 1, 2012. On January 22, 2013, the Associations were not willing to engage the District to address these administrative issues. Appendix A and B in the attached offers address these topics and how to implement them.

**KPBSD: ONE DISTRICT, FORTY-THREE DIVERSE SCHOOLS**

ANCHOR POINT COOPER LANDING HOMER HOPE KACHEMAK SELO KENAI MOOSE PASS NANWALEK NIKISKI NIKOLAEVSK NINILCHIK  
PORT GRAHAM RAZDOLNA SELDOVIA SEWARD SOLDOTNA STERLING TUSTUMENA TYONEK VOZNESENKA

**FOR RELEASE JANUARY 23, 2013**

**1 OF 2**

The KPBSD negotiating team is awaiting a reply from KPESA, and KPEA, on this last best offer.

Thank you for your commitment to your work at KPBSD.

**\*From final two pages of the Arbitrators Award/Opinion**

**1. Salary Schedule:** “For FY 13, FY 14 and FY 15, the pay scales in each year of these Agreements shall be increased by two percent (2%).”

**2. Health Insurance:**

“For FY 13 the District will make contributions on a 12-month basis equal to 80% of the cost of the health care program and employees will make contributions on a 12-month basis equal to 20% of the cost of the health care program.

For FY 14 the District will make contributions on a 12-month basis equal to 83% of the cost of the health care program and employees will make contributions on a 12-month basis equal to 17% of the cost of health care program.

For FY 15 the District will make contributions on 12 month basis equal to 85% of the cost of the health care program and employees will make contributions on a 12-month basis equal to 15% of the cost of the health care program.

The paragraph that provides for the 50/50 percentage split between the District and employees for health care costs shall be eliminated. Additional amounts for dependent, spouse and family coverage shall be eliminated.”

**Links**

Arbitrators Award/Opinion: <http://bit.ly/21December2012ArbitratorsAward>

Collective Bargaining webpage: <http://bit.ly/CollectiveBargainingKPBSD>

January 22, 2013—KPBSD offer to KPEA: <http://bit.ly/KPBSDofferToKPEA22January2013>

January 22, 2013— KPBSD offer to KPESA: <http://bit.ly/KPBSDofferToKPESA22January2013>

**KPBSD: ONE DISTRICT, FORTY-THREE DIVERSE SCHOOLS**

ANCHOR POINT COOPER LANDING HOMER HOPE KACHEMAK SELO KENAI MOOSE PASS NANWALEK NIKISKI NIKOLAEVSK NINILCHIK  
PORT GRAHAM RAZDOLNA SELDOVIA SEWARD SOLDOTNA STERLING TUSTUMENA TYONEK VOZNESENKA

**FOR RELEASE JANUARY 23, 2013**

**###**

**2 OF 2**