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KENAI PENINSULA BOROUGH SCHOOL DISTRICT

NEWS RELEASE

KPBSD offer to KPEA and KPESA

Soldotna, October 26, 2012—the Kenai Peninsula Borough School District (KPBSD) negotiating team and both Kenai Peninsula Education Association (KPEA) and Kenai Peninsula Education Support Association (KPESA) teams have been participating in collective bargaining since January, 2012. Advisory Arbitration is currently proceeding, and an arbitration award is expected from the arbitrator by mid-December, after which time an additional collective bargaining session will be scheduled.

On June 30, 2012, the three year negotiated contracts ended, and effective July 1, 2012, remain status quo. The district believes that its employees, and all members of the educational community in the Borough, well understand that there are two sides to the story of these negotiations. The district presented its case during advisory arbitration and looks forward to the arbitrator's award, which should be detailed and informative, and is also a public record that will be made available to all interested persons.

The offer KPBSD presented to KPEA and KPESA includes:

Salary and Benefits: Steps movement; percentage increase; plus one-time payment

- 1) An annual raise built into employee contracts (based on longevity) commonly referred to as *steps* for KPEA, and *columns* for KPESA employees. This annual percentage range is between:
 - Certified employees/KPEA range: 1.78% and 4.82% (\$1,217 to \$2,287 annually)
[KPEA \(FY12\) salary schedule](#)
 - Classified employees/KPESA range: 3.44% and 12.34% (\$0.54 to \$3.19 per hour increase)
[KPESA \(FY12\) salary schedule](#)
- 2) A 1% salary increase, each year, for the next three years (FY13, FY14, FY15)
 - Full-time certified teacher range: \$439 to \$835 (FY13)
- 3) \$600 to each certified employee, each year, for the next three years (FY13, FY14, FY15)
\$300 to each classified employee, each year, for the next three years (FY13, FY14, FY15)

Health Care: Employee monthly health care contribution is reduced by \$70 every month for 36 months. The result is an \$840 annual savings to the employee (compared to FY12) for each of the next three years.

KPBSD: ONE DISTRICT, FORTY-THREE DIVERSE SCHOOLS

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- 1) The district's offer lowers the pre-determined monthly health care employee contribution from \$340 (FY12 amount) to \$270 per month. Employees may add a spouse for an additional \$10 per month; and each dependent child is \$5 per month (not to exceed \$30 per month for family members.)
- 2) The school district monthly contribution portion on behalf of the employee will increase from the current amount of \$1,115 per month to: \$1,330 (FY13); \$1,350 (FY15); and \$1,380 (FY16).

The school district intends to fund health care cost increases with the use of the health care self-insurance fund balance within the General Fund. Additionally, the [Health Care Program \[Cost\] Committee](#) has the authority to reduce employee contributions by use of a Health Care Reserve fund the committee oversees. Thus, the district offer plans to both reduce the current monthly contribution an employee makes, and keep that amount predictable for the next three years.

If health care expenditures exceed the pre-determined monthly contributions and the above two accounts are either depleted or not accessed to offset costs, any necessary increases shall be borne at a rate of:

- FY13: 60/40 (District/Employee % contribution)
- FY14: 65/35 (If the employee is a participant in the new KPBSD Wellness program*--an annual physical paid for by the health care plan)
- FY15: 70/30 if the employee continues to participate in the KPBSD Wellness program*

Permanent and permanent part-time employees who work .75 FTE or more, will be eligible for year-round health care benefits. Employees must complete a probationary period (30 days) before health care benefits are provided.

Any employees presently working between four (4) and six (6) hours per day will be grandfathered into the health care program, and given a one-time opportunity to opt-out of the district health care program.

*If the employee does not participate in the KPBSD Wellness program during the FY14 and FY15 school years, the District/Employer percentage split will be 50/50.

In order to provide our students with the best possible learning opportunities without reducing staff over a new negotiated contract period, KPBSD must make fiscally responsible expenditure commitments that do not exceed revenue, and are sustainable over a three year time period.

Link:

[KPBSD Collective Bargaining webpage](#)

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