



Kari Dendurent
907.714.8835
Fax 907.262.5867
148 N. Binkley Street
Soldotna, Alaska, 99669

Assistant Superintendent
e: kdendurent@kpbsd.org
Facebook: [KPBSD](https://www.facebook.com/KPBSD)
www.kpbsd.k12.ak.us

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

NEWS RELEASE

Kenai Peninsula Borough School District

FOR IMMEDIATE RELEASE: May 19, 2026

KPBSD Negotiations Statement

On April 30, 2026, the bargaining teams for the Kenai Peninsula Borough School District, the Kenai Peninsula Education Association, and the Kenai Peninsula Educational Support Association agreed to modifications to the existing District provided health care plan, as explained more fully below. The School Board approved those modifications, but the bargaining unit membership for the unions rejected them. The District team was disappointed by this action, as it dismissed the efforts of all three bargaining teams after over a year of good faith and diligent work resulting in an agreement on this complicated and critical employee benefit.

The health care agreement would have immediately lowered all KPBSD health care plan member premiums by approximately 33% by changing the employee health care contribution structure from an 85/15 split to a 90/10 split. The proposal also provided an immediate \$1,000 payment to all members in the upcoming June payroll. Further, the deal would have enabled family members who both work at the district to get on the same plan, further saving costs and allow them to have one Out-of-Pocket Maximum.

Under the proposal, annual employee savings would have included:

- Tier 1 (Employee Only): approximately \$848 in annual savings
- Tier 2 (Employee + Spouse): approximately \$1,866 in annual savings
- Tier 3 (Employee + Children): approximately \$1,612 in annual savings
- Tier 4 (Employee + Family): more than \$2,700 in annual savings

The District had hoped to implement these health care savings effective July 1, 2026, so employees could begin realizing these benefits immediately for the 2026–2027 school year. However, because the agreement reached by the parties' bargaining teams was not ratified by the unions, the earliest any health care changes can now be implemented is January 1, 2027.

This health care proposal came as the parties continue to negotiate full successor agreements to the current agreements that expired in the summer of 2025 (the current agreements remain in effect while new agreements are negotiated).

In addition to the health care terms described above, the District has proposed significant salary increases for both certified and support staff employees as part of its overall bargaining package. These proposals represent

substantial ongoing investments in employee compensation at a time when school districts across Alaska, including KPBSD, continue to face serious financial challenges.

For KPEA members, the District proposed adding \$2,500 to every salary cell in both Year 1 and Year 2 of the agreement, followed by an additional 2.5% increase in Year 3. For a beginning teacher on the lowest cell of the salary schedule, the District's proposal would have resulted in an immediate 4.7% salary increase in Year 1, growing to a cumulative approximate 11.7% increase over the life of the agreement. These increases would have provided meaningful, permanent salary growth for educators throughout the District while also increasing retirement earnings and long-term compensation value. Importantly, these percentage increases do not include the additional salary advancement employees would continue to receive through normal step and longevity movement on the salary schedule.

For KPESA members, the District proposed a \$1.00 per hour increase to every salary cell in both Year 1 and Year 2, followed by an additional 2.5% increase in Year 3. For employees on the lower end of the salary schedule, the District's proposed \$1.00 per hour increase represented an immediate 5.3% salary increase in Year 1 alone, while even employees at the highest salary cells would have received approximately a 2.0% increase in the first year. Over the life of the agreement, the proposal would have resulted in cumulative increases of up to 12.8% for support staff salary cells. This proposal would have provided immediate and meaningful increases to support staff across all classifications, recognizing the critical role these employees play in supporting students and schools every day. Importantly, these figures also do not include the additional compensation increases employees would continue to receive through normal step and longevity advancement during the life of the agreement.

In addition to these salary increases, the District has also agreed to numerous other benefit enhancements and compensation improvements, including sick leave cash outs, additional leave incentives, and expanded work flexibility. The District believes these proposals represented a strong and competitive package designed to provide immediate financial benefit to employees while remaining fiscally responsible to students, schools, and the broader community.

These proposed increases and benefit enhancements have not come from a place of financial abundance. In recent years, the District has been required to make difficult reductions to programs, services, and operations, just to remain financially sustainable in the face of significant fiscal pressures impacting school districts across Alaska. Despite these challenges, the District has prioritized directing available resources toward employee compensation and benefits because it recognizes that attracting and retaining quality staff is essential to serving students and communities across the Kenai Peninsula.

Unfortunately, the unions have been unwilling to agree to these terms and the parties are proceeding to non-binding arbitration as required by Alaska law. Because the healthcare deal was rejected by the union vote, it must also go to arbitration.

KPBSD remains committed to providing a fair contract to employees while being prudent fiscal stewards of student education on the Kenai Peninsula. The District will continue to work with the unions to find a resolution to these matters.