

8/13/2019

**KPBSD Package Proposal to KPEA  
to settle the FY19, FY20, FY21 bargaining**

The current agreement continues for FY 19-21 except for all previous TAs that modify existing language, and except for the modifications to the existing language as follows, with applicability to those employed on the date of ratification.

- A change to the duration for July 1, 2019-June 30, 2021.
- Salary schedule increases in the amounts of .5 percent in FY19, 1 percent in FY20, and 2 percent in FY21.
- KPEA employees at C+90/M-T not receiving a step increase will receive an additional .5 percent in FY19, 1 percent in FY20, and 2 percent in FY21 based on the same year's salary in C+90/M-T.
- KPBSD offers either of the two attached healthcare plans. KPEA and KPESA must agree to the same plan.
- In addition for FY20, the district will replenish the Healthcare Employee Reserve Account to \$750,000.00. This equates to a district contribution of \$668,748.17, equaling \$618.07 per employee.

8/13/2019

**KPBSD Package Proposal to KPESA  
to settle the FY19, FY20, FY21 bargaining**

The current agreement continues for FY 19-21 except for all previous TAs that modify existing language, and except for modifications to existing language as follows, with applicability to those employed on the date of ratification.

- A change in duration to July 1, 2019-June 30, 2021.
- A new shift differential for KPESA, for Article 17, Section A in the amounts of 40 cents per hour for split shift and 60 cents per hour for graveyard shift. This shift differential is retroactive to July 1, 2018 for those eligible employees employed as of the date of ratification.
- Salary schedule increases in the amounts of .5 percent in FY19, 1 percent in FY20, and 2 percent in FY21.
- KPESA employees not receiving a step increase will receive an additional .5 percent in FY19, 1 percent in FY20, and 2 percent in FY21, off base salary in that year's Column H.
- Addition of Article 37 Extracurricular Programs.
- KPBSD offers either of the two attached healthcare plans. KPESA and KPEA must agree to the same plan.
- In addition for FY20, the district will replenish the Healthcare Employee Reserve Account to \$750,000.00. This equates to a district contribution of \$668,748.17, equaling \$618.07 per employee.

Kenai Peninsula Borough School District  
**KPBSD Fairbanks B Plan**  
 100% Migration

**District Portion of Cap Increase By \$250 Per Month**

**HDHP 90/10**

	\$	1,895.61
	\$	<u>210.62</u>
	\$	2,106.23
FY20 - Broker Recommended Rate	\$	2,288.85
Amount above/below Cap	\$	182.62
50% of Excess District	\$	91.31
50% of Excess Employees	\$	91.31
District per Month	\$	1,986.92
Employee per Month	\$	<b>301.93</b>
Total FY20 Monthly Amounts	\$	2,288.85
Monthly District Cost For All Employees	\$	2,133,950.29
Monthly Employee Cost For All Employees	\$	324,274.61
Yearly District Cost For All Employees	\$	25,607,403.48
Yearly Employee Cost For All Employees	\$	3,891,295.32
Employee Contribution Amount		
Yearly	\$	3,623.18
12 Month	\$	301.93
9 Month	\$	<b>402.57</b>

**Fairbanks "B" Plan Benefit Level**

Deductible - Individual	\$	2,500.00
Deductible - Family	\$	5,000.00
Emergency Room Deductible for Non-Emergency	\$	500.00
Coinsurance - Preferred Provider		80% / 20%
Coinsurance - Non-Preferred Provider		60% / 40%
Out of Pocket - After Deductible		
Medical - Individual (preferred providers)	\$	2,000.00
Medical - Family (preferred providers)	\$	8,000.00
Prescription - Individual	\$	1,500.00
Prescription - Family	\$	3,000.00
Plus an HRA Allowance of \$750 per fiscal year.		

Kenai Peninsula Borough School District  
 FY19 Year End Healthcare Reserve Balance and Payback

	FY19 Beginning Balance	FY 19 Reserve Repayment	FY19 Adjustment	FY19 Subtotal	FY19 Interest	FY19 Total	Percent for Int Split
ER Healthcare Reserve	1,572,408.17	-	1,440,730.28	3,013,138.45	74,258.48	3,087,396.93	97%
EE Healthcare Reserve	471,065.27	268,810.14	(660,577.86)	79,297.55	1,954.28	81,251.83	3%
<b>Total</b>	<b>2,043,473.44</b>	<b>268,810.14</b>	<b>780,152.42</b>	<b>3,092,436.00</b>	<b>76,212.76</b>	<b>3,168,648.76</b>	

Interest is calculated on beginning balance + adjustment/total reserve before interest.  
 Split is on a percentage of total.

FY19 Interest Earnings = \$76,212.76

EE Required Reserve	750,000.00
FY19 EOY Balance	<u>81,251.83</u>
Amount to Repay	<b>668,748.17</b>

Average Employees per month FY19 1,082

Reimbursement per employee per year \$ 618.07  
 $668,748.17 / 1,082 = 618.07$

9 months \$ 68.67  
 $618.07/9 = 68.67$

Kenai Peninsula Borough School District  
**KPBSD Fairbanks C Plan**  
 100% Migration

**District Portion of Cap Increase By \$250 Per Month**

HDHP 90/10

	\$	1,895.61
	\$	<u>210.62</u>
	\$	2,106.23
FY20 - Broker Recommended Rate	\$	2,312.22
Amount above/below Cap	\$	205.99
50% of Excess District	\$	102.99
50% of Excess Employees	\$	102.99
District per Month	\$	1,998.60
Employee per Month	\$	<b>313.62</b>
Total FY20 Monthly Amounts	\$	2,312.22
Monthly District Cost For All Employees	\$	2,146,499.98
Monthly Employee Cost For All Employees	\$	336,824.30
Yearly District Cost For All Employees	\$	25,757,999.76
Yearly Employee Cost For All Employees	\$	4,041,891.60
Employee Contribution Amount		
Yearly	\$	3,763.40
12 Month	\$	313.62
9 Month	\$	<b>418.16</b>

**Fairbanks "C" Plan Benefit Level**

Deductible - Individual	\$	3,000.00
Deductible - Family	\$	6,000.00
Emergency Room Deductible for Non-Emergency	\$	500.00
Coinsurance - Preferred Provider		80% / 20%
Coinsurance - Non-Preferred Provider		60% / 40%
Out of Pocket - After Deductible		
Medical - Individual (preferred providers)	\$	2,000.00
Medical - Family (preferred providers)	\$	4,000.00
Prescription - Individual	\$	1,500.00
Prescription - Family	\$	3,000.00

Plus an HRA Allowance of \$750 per fiscal year.