

Package Proposals  
Presented to the  
Kenai Peninsula Borough School District  
From the  
Kenai Peninsula Educational Support Association  
On October 17<sup>th</sup> 2018

To expedite agreement, the KPESA presents for consideration the following package of proposals. KPESA would tentatively agree to a successor agreement containing articles hitherto tentatively agreed upon and the following package of proposals. Should KPESA not receive a response by the end of the business day October 31, 2018 this package would be considered expired.

KPESA does not amend, withdraw, or modify any previously made proposals outside of this package.

## KPESA Proposal 1

Duration: Three years

### **Article 36 Contract Conditions Term and Savings Clause**

The Agreement will remain in full force and effect retroactive from July 1, ~~2015~~ **2018**, unless a later effective date is set forth in this Agreement, until June 30, ~~2018~~ **2021**.

No later than January 15<sup>th</sup> of the year in which this agreement terminates, either party may give notice of its desire to open negotiations with respect to a successor agreement by delivering a written request to the other party. The notification shall indicate the initial items of negotiations in which the serving party is interested and a brief description of the nature of the changes. The parties will meet to negotiate on such termination, modification, or amendments no later than February 15<sup>th</sup> of the year in which this agreement terminates. Those items contained in the opening notifications and any additional items brought to the first bargaining session shall be the only items discussed during the negotiations sessions, unless mutually agreed.

Nothing herein will preclude the termination, modification, or amendment of this Agreement at any time by written mutual consent of the parties.

Change any other references to the effective dates accordingly.

# KPESA Proposal 2

## Salary

Effective July 1, 2018 a 0.5% increase to the 2017-2018 salary schedule

Effective July 1, 2019 a 1.0% increase to the 2018-2019 salary schedule

Effective July 1, 2020 a 2.0% increase to the 2019-2020 salary schedule

Replace Article 16 in its entirety with the following

### Article 16 Salary Schedule

#### **KPESA Salary Schedule:**

Salary Schedule RANGE	2018-2019		0.5% increase						
	Initial	A	B	C	D	E	F	G	H
1	\$14.46	\$16.08	\$16.67	\$17.27	\$18.06	\$18.67	\$19.42	\$20.18	\$20.98
2	\$15.24	\$16.92	\$17.57	\$18.25	\$19.07	\$19.76	\$20.52	\$21.34	\$22.21
3	\$15.56	\$17.28	\$17.96	\$18.62	\$19.49	\$20.18	\$20.94	\$21.80	\$22.66
4	\$16.13	\$17.92	\$18.60	\$19.37	\$20.25	\$20.96	\$21.78	\$22.64	\$23.57
5	\$16.64	\$18.50	\$19.24	\$19.99	\$20.93	\$21.69	\$22.51	\$23.42	\$24.36
6	\$17.20	\$19.11	\$19.86	\$20.67	\$21.64	\$22.42	\$23.29	\$24.22	\$25.21
7	\$17.77	\$19.75	\$20.56	\$21.40	\$22.40	\$23.21	\$24.10	\$25.08	\$26.09
8	\$18.41	\$20.44	\$21.30	\$22.20	\$23.27	\$24.10	\$25.02	\$26.04	\$27.08
9	\$19.08	\$21.21	\$22.11	\$23.03	\$24.13	\$25.00	\$25.98	\$27.02	\$28.11
10	\$19.82	\$22.02	\$22.95	\$23.98	\$25.11	\$26.04	\$27.04	\$28.14	\$29.26
11	\$21.12	\$22.90	\$23.89	\$24.96	\$26.13	\$27.09	\$28.15	\$29.29	\$30.48
12	\$21.45	\$23.85	\$24.87	\$25.99	\$27.26	\$28.27	\$29.38	\$30.55	\$31.79
13	\$22.33	\$24.81	\$25.96	\$27.11	\$28.44	\$29.51	\$30.65	\$31.89	\$33.19
14	\$23.34	\$25.93	\$27.10	\$28.37	\$29.76	\$30.87	\$32.08	\$33.37	\$34.71
15	\$24.39	\$27.09	\$28.35	\$29.68	\$31.12	\$32.29	\$33.55	\$34.90	\$36.31
16	\$23.34	\$25.93	\$27.10	\$28.37	\$29.65	\$30.66	\$31.85	\$33.14	\$34.48
17	\$24.44	\$27.15	\$28.42	\$29.69	\$30.99	\$32.05	\$33.29	\$34.63	\$36.02
18	\$25.79	\$28.39	\$29.73	\$31.11	\$33.00	\$34.61	\$35.95	\$37.40	\$38.90
19	\$28.41	\$31.92	\$33.31	\$34.78	\$36.41	\$37.69	\$39.08	\$40.55	\$42.11

Salary Schedule RANGE	2019-2020		1.0% increase						
	Initial	A	B	C	D	E	F	G	H
1	\$14.61	\$16.24	\$16.84	\$17.44	\$18.24	\$18.86	\$19.61	\$20.38	\$21.19

2	\$15.39	\$17.09	\$17.74	\$18.43	\$19.27	\$19.96	\$20.73	\$21.55	\$22.43
3	\$15.71	\$17.45	\$18.14	\$18.81	\$19.68	\$20.38	\$21.15	\$22.02	\$22.89
4	\$16.29	\$18.10	\$18.79	\$19.56	\$20.45	\$21.17	\$22.00	\$22.87	\$23.80
5	\$16.81	\$18.69	\$19.43	\$20.19	\$21.14	\$21.90	\$22.74	\$23.65	\$24.60
6	\$17.37	\$19.30	\$20.06	\$20.88	\$21.85	\$22.65	\$23.52	\$24.46	\$25.46
7	\$17.95	\$19.95	\$20.77	\$21.61	\$22.63	\$23.44	\$24.34	\$25.34	\$26.35
8	\$18.60	\$20.65	\$21.51	\$22.42	\$23.50	\$24.34	\$25.27	\$26.30	\$27.36
9	\$19.28	\$21.42	\$22.33	\$23.26	\$24.37	\$25.25	\$26.24	\$27.29	\$28.39
10	\$20.02	\$22.24	\$23.18	\$24.22	\$25.37	\$26.30	\$27.31	\$28.42	\$29.55
11	\$21.33	\$23.13	\$24.13	\$25.21	\$26.39	\$27.37	\$28.43	\$29.58	\$30.79
12	\$21.66	\$24.09	\$25.12	\$26.25	\$27.53	\$28.55	\$29.67	\$30.86	\$32.11
13	\$22.55	\$25.06	\$26.22	\$27.39	\$28.73	\$29.80	\$30.96	\$32.21	\$33.52
14	\$23.57	\$26.19	\$27.38	\$28.65	\$30.06	\$31.18	\$32.40	\$33.70	\$35.06
15	\$24.64	\$27.37	\$28.63	\$29.97	\$31.44	\$32.61	\$33.88	\$35.25	\$36.67
16	\$23.57	\$26.19	\$27.38	\$28.65	\$29.94	\$30.97	\$32.17	\$33.48	\$34.83
17	\$24.69	\$27.42	\$28.71	\$29.98	\$31.30	\$32.37	\$33.62	\$34.98	\$36.38
18	\$26.05	\$28.68	\$30.03	\$31.43	\$33.33	\$34.96	\$36.31	\$37.77	\$39.29
19	\$28.70	\$32.24	\$33.64	\$35.13	\$36.78	\$38.06	\$39.48	\$40.96	\$42.53

Salary Schedule RANGE	2020-2021		2.0% increase						
	Initial	A	B	C	D	E	F	G	H
1	\$14.90	\$16.57	\$17.18	\$17.79	\$18.61	\$19.24	\$20.00	\$20.79	\$21.62
2	\$15.70	\$17.44	\$18.10	\$18.80	\$19.65	\$20.36	\$21.14	\$21.98	\$22.88
3	\$16.03	\$17.80	\$18.50	\$19.19	\$20.08	\$20.79	\$21.58	\$22.46	\$23.35
4	\$16.62	\$18.46	\$19.16	\$19.95	\$20.86	\$21.60	\$22.44	\$23.33	\$24.28
5	\$17.15	\$19.06	\$19.82	\$20.59	\$21.57	\$22.34	\$23.19	\$24.12	\$25.10
6	\$17.71	\$19.68	\$20.46	\$21.30	\$22.29	\$23.10	\$23.99	\$24.95	\$25.97
7	\$18.31	\$20.34	\$21.18	\$22.04	\$23.08	\$23.91	\$24.83	\$25.84	\$26.88
8	\$18.97	\$21.06	\$21.94	\$22.87	\$23.97	\$24.83	\$25.78	\$26.83	\$27.90
9	\$19.66	\$21.85	\$22.78	\$23.73	\$24.86	\$25.76	\$26.76	\$27.84	\$28.96
10	\$20.42	\$22.68	\$23.65	\$24.70	\$25.87	\$26.83	\$27.86	\$28.99	\$30.14
11	\$21.75	\$23.60	\$24.61	\$25.72	\$26.92	\$27.91	\$29.00	\$30.17	\$31.40
12	\$22.09	\$24.57	\$25.62	\$26.77	\$28.08	\$29.12	\$30.26	\$31.47	\$32.75
13	\$23.01	\$25.56	\$26.74	\$27.93	\$29.30	\$30.40	\$31.58	\$32.85	\$34.19
14	\$24.04	\$26.71	\$27.92	\$29.23	\$30.66	\$31.81	\$33.05	\$34.37	\$35.76
15	\$25.13	\$27.91	\$29.21	\$30.57	\$32.06	\$33.27	\$34.56	\$35.96	\$37.41
16	\$24.04	\$26.71	\$27.92	\$29.23	\$30.54	\$31.59	\$32.81	\$34.15	\$35.52
17	\$25.18	\$27.96	\$29.28	\$30.58	\$31.93	\$33.02	\$34.29	\$35.68	\$37.11
18	\$26.57	\$29.25	\$30.63	\$32.05	\$34.00	\$35.66	\$37.03	\$38.53	\$40.08
19	\$29.27	\$32.88	\$34.31	\$35.83	\$37.51	\$38.83	\$40.26	\$41.78	\$43.38

## KPESA Proposal 3

### Health Insurance

Remove the health insurance cap

#### Article 27 Health Care

##### **ARTICLE 27 HEALTH CARE**

The District health care program is self-funded. Program costs are solely a product of administrative expenses and actual claims experience as reported in the District's final annual CAFR.

A Health Care Program Committee (HCPC) shall be composed of four (4) representatives selected by the Kenai Peninsula Education Association, three (3) representatives selected by the Kenai Peninsula Education Support Association, one (1) representative selected by the Kenai Peninsula Administrator Association, and three (3) current employee representatives selected by the Superintendent. The Health Care Committee shall select a chairperson from its membership. The Plan Administrator and Benefits Manager are non-voting advisors to the committee. The HCPC shall select a chairperson from its committee of voting members.

A quorum for the meetings shall require no fewer than nine (9) committee members. The HCPC will conduct a formal vote on any matter that could impact the cost or benefits of the health care program or on any matter that would require a change in the summary plan description. Formal votes shall require an eighty percent (80%) vote of the total voting committee members to pass.

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.

The HCPC shall be empowered to determine health care benefits different from benefits in the plan in place on ~~July 1, 2015~~/January 1, ~~2017~~ **2019**. The committee will 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: benefits and coverage provided, cost containment measures, preferred provider programs, co-payment provisions, evaluating other health insurance programs, and implementing any wellness measures it deems beneficial to employees and the health care program. The District shall not be required to adopt changes made by the HCPC which would result in violations of established laws or regulations.

The HCPC shall be advisory to matters related to Broker selection, Third Party Administration and Stop-Loss insurance.

The District shall not be required to adopt changes made by this committee which would result in violations of established laws or regulations.



The District agrees to work with the HCPC 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.

Members who have alternative health insurance coverage meeting the minimum ACA requirements may elect to waive their entitlement to District provided health insurance coverage. Alternative health insurance coverage shall not include District provided coverage which the member is entitled to by reason of his/his status as a spouse or dependent of a District employee who is covered by the District's health insurance plan. ~~This provision will become effective no earlier than November 7, 2016.~~

**For the dates of July 1, 2018 to December 31, 2018 health plan shall operate as follows:**

	Traditional Health Plan (85/15)	High Deductible Health Plan (90/10)
Deductible	\$200 / Individual \$600 / Family	\$1,500 / Individual \$3,000 / Family
Out of Pocket (Not including deductible)	\$1,000 / Individual \$3,000 / Family	\$2,000 / Individual \$4,000 / Family
Health Reimbursement Arrangement (HRA)	None	\$750 / Year

Total District dollar share of health plan costs is based on the negotiated District percentage as applied to actual plan costs. The District will make contributions to the health care program for each participant on a 12-month basis as follows:

~~FY17, FY18~~ Traditional Health Plan 85% per eligible employee per month

High Deductible Plan 90% per eligible employee per month.

~~In FY18,~~ The District's contribution to the Traditional Health Plan shall be no more than

\$1731.45/month. If the total premium exceeds the cap, the District and employees will share the cost over the cap 50/50.

~~In FY18,~~ The District's contribution to the High Deductible Health Plan shall be no more than

\$1645.61/month. If the total premium exceeds the cap, the District and employees will share the cost over the cap 50/50.

The District will independently calculate its contribution amount separately for both Traditional Health Plan and the High Deductible Health Plan and report the amounts to the health care committee.

Total employee dollar share of health plan costs is based on the negotiated employee percentage as applied to actual plan costs. Employee participants will be responsible to the health care program on a 12-month basis as follows:

FY17, FY18                      Traditional Health Plan 15% per eligible employee per month.

High Deductible Plan 10% per eligible employee per month.

In FY18, The employee's contributions are subject to the District's contribution caps set forth above.

Beginning January 1, 2019

		<u>High Deductible Health Plan (95/5)</u>
<u>Deductible</u>		<u>\$1,500 / Individual \$3,000 / Family</u>
<u>Out of Pocket (Not including deductible)</u>		<u>\$2,000 / Individual \$4,000 / Family</u>
<u>Health Reimbursement Arrangement (HRA)</u>		<u>\$750 / Year</u>

Total District dollar share of health plan costs is based on the negotiated District percentage as applied to actual plan costs. The District will make contributions to the health care program for each participant on a 12-month basis as follows:

High Deductible Plan 95% per eligible employee  
per month.

The total employee dollar share of health plan costs is based on the negotiated employee percentage as applied to actual plan costs. Employee participants will be responsible to the health care program on a 12-month basis as follows:

High Deductible Plan 5% per eligible employee  
per month.

The health care subcommittee comprised of KPEA, KPESA, and KPAA HCPC representatives, shall determine the employee contribution amount.



The health care subcommittee comprised of KPEA, KPESA, and KPAA HCPC representatives, shall determine the employee contribution amount separately for both the Traditional Health Plan and the High Deductible Health Plan. The formula to calculate the rate, established by KPEA/KPESA bargaining team is set out in Appendix A.

Health Care Reserve Account: A separate employee health care reserve account shall be established and maintained. ~~The initial amount in this account as of July 1, 2012 was \$1,246,835.~~ Any interest gained on this account shall be retained in this account. \$750,000 of the employee health care reserve account shall be set aside for use at year end for payment of the employee portion of program costs that exceed employee deposits. If the employee health care reserve falls below \$750,000, an amount needed to replenish the fund to \$750,000 will be calculated by the sub-committee and added to the employee's annual rate in the following year. Any amount in the employee health care reserve exceeding the \$750,000 balance will be used to offset future employee costs as determined by the sub-committee.

Sub Committee - The Association health care committee representatives (KPEA, KPESA, and KPAA) will have the authority to address the usage of any amount remaining above the \$750,000 requirement stated above. These monies can be used to pay down the employee share of the health care employee contribution or can be placed in the Employee Health Care Reserve account to pay down future costs or overages.

Benefits are afforded to the employee, spouse and all eligible dependents.

As of November 7, 2016, all employees who work thirty (30) or more hours per week or at least .75 FTE are eligible for year round health benefits and are required, as a condition of employment, to participate in the KPBSD health plan. Any employee who as of November 7, 2016, has been working between twenty (20) and thirty (30) hours per week or between .50 and .75 FTE, and has previously been receiving health benefits, shall be grand parented as eligible for health benefits for the remaining length of time they are employed by the District. All such affected employees shall have a one-time option to opt out of health benefit coverage before their start of employment for the 2017-2018 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>

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.

Dental and vision benefits shall be provided separately from medical and prescription benefits.



Employees shall have the option to elect not to receive dental and vision coverage. The cost of the dental and vision benefits shall be included in the calculation of the employer and employee contribution amounts. The employer and employee contributions will be the same for an employee.

## KPESA Proposal 4

### Article 20 Personal Leave

Amend Article 20 as follows

#### ARTICLE 20 PERSONAL LEAVE

- A.** All employees may earn ~~four (4)~~ **five (5)** of their assigned workdays as personal leave each year cumulative to ~~eight (8)~~ **nine (9)** working days.
- B.** Except in the case of extreme emergency or situation in which the administrator involved and the District Superintendent shall consider as particularly extenuating, personal leave will not be granted for the first or last day of school. Personal leave may be granted on the day before and/or the day after school vacation or holiday.
- C.** Prior approval is required before personal leave days are taken.
- D.** Unused personal leave may be cashed in by submitting application no later than May 31 per the following guidelines:
1. No more than ~~three (3)~~ **four (4)** days per year may be cashed in.
  2. The value of each day will be equivalent to the employee's per diem.
  3. The cash out provision is available only at the end of the school year.
- E.** Employees may purchase one (1) additional personal leave day at the substitute rate of pay after all accrued personal leave has been exhausted
- F.** Personal leave shall be used in a minimum of one (1) hour increments.

An employee working a 215 or 216 day work calendar where at least one day falls in each calendar month shall receive one additional day of personal leave. This day may not accumulate or have cash value.

## KPESA Proposal 8

Add section G. Longevity to Article 17 Payment Conditions

Longevity Language

### **G. Longevity**

**All bargaining unit employees not receiving a step increase who are at the highest step of the salary schedule, shall receive a 1.5% increase to their salary.**