

**BEFORE ARBITRATOR DOROTHY A. FALLON**

**KENAI PENINSULA EDUCATIONAL  
SUPPORT ASSOCIATION**

**THE KENAI PENINSULA EDUCATION  
ASSOCIATION**

**and**

**KENAI PENINSULA BOROUGH  
SCHOOL DISTRICT**

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**Advisory Interest Arbitration  
Case No. 01-18-0003-3445**

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT'S  
ARBITRATION EXHIBITS  
RE: HEALTH CARE**

## **HEALTH CARE**

1. 2016 Advisory Interest Arbitration, Report from Arbitrator Gary Axton
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3. Negotiated Agreement KPBSD/KPESA FY 16, FY 17, FY 18, Article 27, Health Care
4. Summary of Benefits and Coverage, KPBSD Traditional Plan
5. Summary of Benefits and Coverages, KPBSD High Deductible Health Plan (HDHP)
6. Public Education Health Trust Responses to KPBSD's Request for Premium Rate Proposal, dated March 30, 2016 and October 25, 2018
7. District's Proposed Negotiated Agreement for KPEA, Section 210, Health Care, FY 19
8. District's Proposed Negotiated Agreement for KPESA, Article 27, Health Care, FY 19
9. KPEA's Proposed Negotiated Agreement Section 210, Health Care, FY 19, FY 20, FY 21
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11. Juneau School District's Negotiated Agreement with Juneau Education Association (JEA), FY 17, FY 18, FY 19, Article 17, Section 1.A., Health Insurance
12. JEA Base Plan Summary of Benefits and Coverages, Public Education Health Trust
13. JEA HDHP Summary of Benefits and Coverages, Public Education Health Trust
14. Juneau School District's Negotiated Agreement with Juneau Education Support Staff (JESS), FY 17, FY 18, FY 19, Article 25, Section 1, Health Insurance

15. JESS Health Insurance Plan Schedule of Benefits, APEA-AFT Health and Welfare Trust
16. Anchorage School District's Negotiated Agreement with Anchorage Education Association (AEA), FY 19, FY 20, FY21, Section 205, Health Benefits
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23. Anchorage School District's Negotiated Agreement with General Teamsters Local 951, Warehouse and Maintenance Employees, FY 15, FY 16, FY 17, Article 19.07, Health Insurance
24. Anchorage School District's Health Insurance Coverage through AETNA, Summary of Coverages and Benefits
25. Anchorage School District's Negotiated Agreement with Public Employees Local 71, AFL-CIO, Custodians, and Building Plant Operators, FY 18, FY 19, FY 20, Article 15, Section 1., Health Benefits
26. Matanuska-Susitna Borough School District's Negotiated Agreement with Matanuska-Susitna Education Association (MSEA), FY 18, FY 19, Article VIII, Section 1., Health Insurance

27. Matanuska-Susitna Borough School District's Negotiated Agreement with Classified Employees' Association (CEA), FY 15, FY 16, FY 17, Article VII A., Health Insurance
28. Public Education Health Trust, Summary of Benefits and Coverage, Plan C
29. Public Education Health Trust, Summary of Benefits and Coverage, Plan F
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31. Public Education Health Trust, Summary of Benefits and Coverage, HDHP
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IN THE MATTER OF  
INTEREST ARBITRATION  
BETWEEN  
KENAI PENINSULA EDUCATION  
ASSOCIATION and KENAI PENINSULA  
EDUCATIONAL SUPPORT ASSOCIATION,  
Associations,  
and  
KENAI PENINSULA BOROUGH  
SCHOOL DISTRICT,  
District.

AAA CASE NO. 01-15-0005-1440

ADVISORY INTEREST

ARBITRATION 2016

HEARING SITE:

Kenai, Alaska

HEARING DATES:

June 1 & 2, 2016

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I. **INTRODUCTION**

This is an advisory interest arbitration proceeding pursuant to AS 23.40.200(g). The Kenai Peninsula Educational Association (KPEA or Association) and the Kenai Peninsula Educational Support Association (KPESA or Association) are the exclusive bargaining agents for teachers and support employees, respectively, within the Kenai Peninsula Borough School District (KPBSD or District). The previously negotiated agreements between the Associations and the District covered three years beginning July 1, 2012 and ending June 30, 2015. The parties entered into negotiations for a successor agreement in February 2015. The parties engaged in negotiations that resolved many of the areas in dispute. However, several contract articles were unresolved and the parties moved the dispute to advisory interest arbitration.

The Associations represent two bargaining units composed of a total of approximately 1,174 certificated staff and support staff. KPEA is composed of approximately 673 certificated staff employed by the District. KPESA represents approximately 501 support employees. Several proposals of the KPESA and KPEA mirrored each other in the language offered. The District operates 44 elementary and secondary schools with an enrollment for the 2014-2015 school year of 8,974 students.

The District is located in southeast Alaska that covers 25,600 square miles. School buses travel 7,708 miles every day transporting students throughout the District. The District is the largest employer on the Kenai Peninsula. The District offices are located in Kenai, Alaska.

## **II. STANDARDS FOR ADVISORY ARBITRATION**

This advisory arbitration is conducted under AS 23.40.200(g). The statute outlines certain requirements for the arbitrator selection. The statute is silent with respect to the standards used in formulating an advisory arbitration award. I will use several of the traditional standards for advisory interest arbitration that include cost of living, comparability, ability to pay, and ability to attract and retain qualified personnel.

Your Arbitrator has carefully reviewed and evaluated all of the evidence and argument submitted by the parties pursuant to the well-recognized criteria. Since the record in this case is so comprehensive, it would be impractical for your Arbitrator in the Discussion and Recommendations to restate every piece of evidence, testimony, and argument presented. However, in formulating the Recommendations, your advisory Interest Arbitrator did give careful consideration to all of the evidence and argument placed into the record by the parties. I will discuss and make findings on each of the issues separately.

For comparison purposes, both parties referred to the school districts of Anchorage, Fairbanks, Juneau, and Mat-Su. One of the major concerns of the District was the veto by Governor Bill Walker of an education bill, which resulted in cuts to state spending for schools. The District's revenue loss from the funding formula cut was \$444,812, compounded by a \$655,072 reduction in pupil transportation funding, for a total revenue loss of \$1,099,084 to the FY 17 budget. It is against this backdrop that the District reviewed and analyzed the issues and evidence presented at the advisory interest arbitration.

### III. **ISSUES**

The issues submitted for the advisory interest arbitration are as follows:

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### IV. **ISSUE 1: HEALTH CARE**

#### A. **Background**

The health care provision for the KPEA is found in Section 210 of the Collective Bargaining Agreement (CBA). The health care program for KPESA is included in Article 27 of the CBA. The District's health care program is self-funded. The amount each party is required to contribute for health insurance is set in the CBAs. The FY 15 agreement required the District contribute 85% of the premium and the employee 15% of the total premium. The parties' CBA for 2012-2015 required the District to pay \$1,590.45 per month per employee. The employees pay \$275 per month or \$3,300 per year for the cost of health insurance.

During the prolonged period of negotiation, the District rolled over its health care proposal for 2015-2016 to 2016-2017 with an implementation date of January 1, 2017. The District estimated its health care cost for FY 2016 at over \$27.27 million. The District has proposed a four-year agreement with substantial changes to the health care program. The Associations proposed a two-year agreement. The Associations proposed to continue the traditional health care program with the addition of a High Deductible Health Plan (HDHP). The District also proposed the addition of a HDHP for FY 17.

**B. The District**

The District's proposals are based on its concern for the ever-increasing cost of the current health care plan. From FY 13 to FY 14, the insurance cost increased by \$1.6 million. From FY 14 to FY 15, the increase was almost \$2.1 million. From FY 15 to FY 16, the estimated increase will be almost \$2.17 million. From FY 16 to FY 17, the District estimated the increase for the status quo of the Traditional Health Plan to be over \$2.4 million. That would bring the total cost for health plans to over \$27.27 million. From FY 12 to FY 17, the District's contribution for the plans cost would have increased by over 55%, from \$13,380 per year per employee to \$20,770 per year per employee.

The District submits that its health care proposals are essential to the fiscal health of the District, to the guarantee of employee health care options, and to the maintenance of programs and jobs. The District's last best offer provided a soft landing to employees if implemented by January 1, 2017. The cost of annual increases of over \$2 million per year in health care costs is a situation that is untenable.

The Associations' proposals are nothing more than a continuation of the status quo traditional health plans with the corresponding, rapidly increasing cost. The District also rejects the Associations' claim that the Associations accepted the District's initial health care proposal for FY 16. The District referred to the Associations' actions as a "sham acceptance."

In sum, the District has been frank and unapologetic as to its intent to decrease the cost of a self-insured plan, and to provide cost containment in its health care options to its employees. Thus, the Arbitrator should recommend the

establishment of caps on insurance liability for the District for FY 18 and FY 19. Without a cap, there is no incentive for the employees to reduce health care costs.

**C. The Associations**

KPEA and KPESA's final insurance proposals dated April 1, 2016 accepted the District's February 9, 2015 offer with three noted exceptions. According to the Associations, the District's health insurance last best offer strays far from its opening approach.

The Arbitrator should reject the District's proposal to remove the 50/50 share for costs above the cap to a percentage cost share as a step backward. The parties adopted a recommendation by arbitrator Kathryn Whalen in her 2012 award to implement a 50/50 share for costs above the cap to a percentage cost share. The District provided no fair rationale to change from the current easy and predictable method of an 85/15 cost sharing to a cap. According to the Associations, the District's presentation is a means of punishing the Associations for not taking cost-cutting measures. Fairbanks School District does not use a cap. The District's proposal would burden employees with premium increases that many members would be unable to afford.

In a matter of two years, the District attempts to increase the annual employee's cost for health insurance from the current \$3,300 to \$8,264, or an increase of 150%. This is a blatant attempt to cost shift an unprecedented amount to the employee's pocketbook. This major cost shifting is made at the same time the District proposes a zero increase to the employee's salary. It is also an attempt to force employees into no other option than choosing the HDHP, creating a false choice. No



other District has taken such a calculated move to burden employees with shouldering a 150% increase in their contribution for health insurance coverage.

The District over-estimates the annual health care costs in its budget because it failed to take into account that over 70 KPEA and KPESA employees are funded through grants for the entire cost of their salaries and benefits. The salary and benefit costs for employees paid through grants do not come out of the general fund budget. This inflated the amount totals by approximately \$1.3 million. At no time has the District ever claimed that it has an inability to pay. The Associations submit that what the District seeks through its health insurance proposal goes too far to shift the cost of insurance to the employees.

For all of the above-stated reasons, the Arbitrator should recommend a two-year agreement, retroactive to June 1, 2015 that includes retention of the 85/15 split, allowing dual non-District covered employees to opt out for FY 17, and reducing coverage for new hires to those who work 30 hours or more per week for FY 17.

**D. Discussion and Findings**

The Arbitrator finds that neither proposal should be adopted in its entirety. I will recommend the District's proposal be adopted with modifications. While I agree with the District's attempt to lower health care costs, the proposals go too far, too fast, to shift the additional cost of health care onto the employees. This is particularly true when the District's salary offer for FY 16 is essentially a freeze on wages. For teachers who completed the work calendar for FY 16, they would receive a \$750 signing bonus that would not be added to the salary schedule. For FY 17, FY 18, and FY 19, teachers would receive a 1% increase that would not be added to the salary schedule.

The Associations' proposal is essentially to retain the status quo for two years. It does zero to alleviate the rising costs of the health care program to the District. The time has come for employees to recognize that cost containment provisions must become a part of the contract. In light of the District's stated intent that it needs to decrease the cost of the self-insured plan, and to provide cost containment options to its employees, I will not burden this Recommendation with an extensive review of the proposal. I also reject the Associations' assertion that the Associations agreed to adopt the District's offer dated April 1, 2016. The purported acceptance came with several major exceptions so that the Associations' position can only be viewed as a counteroffer. The District did not accept the Associations' counteroffer and characterized the Associations' position as a "sham acceptance." While I will not go so far as to label it a sham acceptance, there is no doubt that the Associations' purported acceptance constituted a counteroffer.

This Arbitrator will be recommending in the duration issue a three-year agreement. The two-year agreement proposed by the Associations makes little sense when the parties are into the second year of the contract. The parties should not be placed in a position of turning right around and entering into negotiations for a successor agreement. The District's proposed four-year agreement is not acceptable in a period of economic flux.

The parties recognize that FY 16 has passed and that the hope of health care cost savings could not be accomplished in FY 16. I will recommend that double-covered employees will be allowed to opt out of the District's plan while remaining covered as a spouse or dependent of another employee covered by the plan. I will

recommend, pursuant to the District's proposal, that the implementation of the HDHP be set for January 1, 2017 to meet the reality that no such plan is available at the present time. The same holds true for the opt-out provisions, and other cost saving measures.

### **RECOMMENDATIONS**

This Arbitrator recommends that the Health Care language shall be amended as follows:

#### **210 HEALTH CARE/ARTICLE 27**

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 Health Care Program Committee 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 Health Care Program Committee shall be empowered to determine health care benefits different from benefits in the plan in place on July 1, 2015. 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 Health Care Program Committee 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 Health Care Program Committee 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 January 1, 2017.

	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:

FY 17, FY 18.      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:

FY 17, FY 18. Traditional Health Plan 15% per eligible employee per month.  
 High Deductible Plan 10% per eligible employee per month. In FY 18, the employee's contributions are subject to the District's contribution caps set forth above and cost sharing of 50/50 if the premium exceeds the caps.

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 July 1, 2017, 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 July 1, 2017, 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 who receives dental and vision coverage as it is for an employee who elects not to received dental and vision coverage.

The above recommendation also applies to Article 27 of the KPESA bargaining unit.

V. **ISSUE 2: SALARY AND WAGES**

A. **Background**

The KPEA salary schedule is included in Article 105 of the CBA. The KPESA wage schedule is located in Article 16 of their CBA. The fiscal year 2015 wage schedules for both groups of employees were automatically rolled over for FY 16 as part of the status quo.

The parties have widely divergent positions on the salary and wage issue. The Associations are seeking a two-year agreement with an increase of 1.5% for FY 16 and 1.0% for FY 17, if the state's Basic Student Allocation (BSA) increases by \$50. Subsequent to the arbitration hearing, Governor Walker vetoed half of the \$50 BSA increase with additional reductions in pupil transportation. The impact of Governor Walker's veto on the Associations' salary proposal for FY 17 is a .5% reduction in their offer.

The District countered with a proposal for a four-year contract. The District offered to provide employees with step movement and column placement for FY 16. In addition, the District proposed a payment of \$750 (TRS eligible) to be paid to teachers who completed their FY 16 work calendar, with an additional \$250 to those teachers at the longevity step. In FY 17, FY 18, and FY 19, teachers would be paid an additional 1% (TRS eligible) of that salary schedule amount. It was the District's position that the \$750 proposed for FY 16 would be off the salary schedule as well as the 1% increase proposed for FY 17, FY 18, and FY 19. The same wage offer was made to KPESA.

**B. The Associations**

The Associations begin by pointing out that its 1.5% salary schedule increase for FY 16 followed by a .5% increase for FY 17 is reasonable and within the ability of the District to pay. According to the Associations, the members of the teacher bargaining unit lag behind the four other comparative districts in salary. In addition, the requirements for Kenai teachers to advance on the salary schedule are more restrictive than in the other districts. The Associations submit other districts have not allowed their budgetary concerns to interfere with their willingness to fairly compensate their employees. It is past time for Kenai to honor its employees by providing a slight increase to the salary schedules.

In 2014, the legislature funded a study that shows Kenai teachers required a 14% salary increase in order to be comparable to Anchorage teachers. Several of the comparable districts have recently bargained contracts that all provide for modest increases. In FY 16, the Anchorage teachers received a 1% increase on the salary schedule, Fairbanks received a 1.75% salary increase, and Mat-Su received a 1.25% salary schedule increase. For FY 17, the Juneau teachers negotiated a .5% increase, the same as the Association is seeking. The employees in the comparable districts are not receiving increases that are off the salary schedules, nor should Kenai employees be required under comparable circumstances to have such a recommendation made. The Association is seeking a modest increase, which is in line with what employees in other comparable districts received.

The Arbitrator should reject the District's salary proposals as not reasonable or supported by the comparators. According to the Associations a 2% wage



increase is needed to maintain a cost of living standard over the two-year duration of the CBA. When compared against the four other districts, it was readily apparent that KPEA and KPESA's salaries lagged behind the other four. The District has the ability to pay the modest increases proposed by the Associations. It is necessary to adopt the Associations' position in order to recruit new employees, to attract competent and experienced employees, and retain current employees.

For all of the above-stated reasons, the Arbitrator should recommend the adoption of the Associations' proposals on the wage issue.

**C. The District**

The District's last best salary proposal continued the rollover of the FY 15 salary schedule with step movement and column placement for FY 17, FY 18, and FY 19. For FY 16, the District proposed a payment of \$750 (TRS eligible) would be paid to teachers who completed the FY 16 work calendar, with an additional \$250 to those teachers at the longevity step. The \$750 would be off the salary schedule.

The District's last best salary proposal would retain the FY 15 salary schedule for FY 16. The District's proposal would allow step movement and column placement for eligible employees. The FY 15 salary schedule has automatically rolled over to FY 16 as part of the status quo, the District proposed the payment of \$750 to (TRS eligible) bargaining unit members who completed their FY 16 work calendar. In FY 17, FY 18, and FY 19, members would be paid an additional 1% of their salary schedule amount. That 1% would be off the salary schedule and would not compound on the schedule each year. The total general fund increase for both Associations would be almost \$1,040,000. The District's 1% off the schedule payments in FY 17, FY 18,

and 19 are estimated to increase the budgeted KPEA general fund salaries by approximately \$500,000 in each of the fiscal years, after step increases. The District's 1% off the schedule payments to KPESA employees in those three fiscal years increases the budgeted general fund salaries by approximately \$250,000 each year, after step increases.

When Governor Walker vetoed the school budget bill, the resulting loss to Kenai's funding was \$1.1 million. The District has costed out KPEA's FY 16 1.5% salary schedule increase in the general fund at \$748,312, including benefits. The District has costed out KPEA's FY 17 salary schedule increase of 1% at \$513,675, excluding benefits, and \$587,182 with benefits.

The critical distinction between the District's last salary proposal and that of the Associations is the cumulative impact of KPEA's salary schedule increase. The cumulative salary cost increases to implement KPEA's proposal over the life of the contract constitutes a cost increase of almost \$1.5 million. With projected flat enrollment and the legal obligation to balance its budget, the KPEA proposal would have to be funded from the general fund balance, or from reductions in programs and operations. KPEA's proposal ignores the lost opportunity for health plan cost savings proposed by the District.

Turning to KPESA's last best proposal, the District's cost estimate for FY 16 salary schedule increase of 1.5% is \$351,908, including benefits. The Arbitrator should reject the Associations' costing of the proposal as incorrect because it is based on faulty assumptions. The cumulative amount of the salary cost increases over the period of the two-year contract would be \$927,000.

The District does not have a continuing flow of money to pay cumulating and compounding salary schedule increases and ever increasing health insurance costs. That is the major reason why the District has proposed its wage increase be off the salary schedule.

The Associations' claims that grant funded positions negate a fiscal crisis with health care because grant funds will increase to cover the costs of those positions. The fact is that less than 4% of the District's teachers and less than 10% of KPESA support staff are paid from grant funds. The District's use of the benefit of grant funds has little bearing on the impact on programs and operations resulting from continuing insurance and wage increases.

Turning to the KPEA's argument regarding recruitment and retention, the District alleges this argument is without basis in fact. The evidence presented by the District shows that Kenai has one of the best retention rates in the state. Kenai's percentage of teacher turnover averaged approximately 10% for the period from 1999 through 2012. The evidence shows the District was successful this spring in filling almost all vacant positions as of the date of the arbitration hearing.

Moreover, the District's evidence demonstrated that Kenai has a smaller class size, a positive factor for both retention and recruitment of teachers, than in the comparable districts. The District has achieved its favorable class size by balancing its priorities, including the number of teacher positions, and wisely using its general fund balance.

The Arbitrator should find that the District needs to contain the cost of maintaining the current programs, without damaging the programs and operations of the District, and recommend adoption of its proposals.

**D. Discussion and Findings**

The KPEA's salary schedule is included in Article 105 of the CBA. The KPESA's wage schedule is located in Article 16 of their CBA. For FY 15 wage schedules for both groups of employees were automatically rolled over for FY 16 as part of the status quo.

Your Arbitrator is recommending a three-year CBA as in the best interest of the parties. Your Arbitrator was persuaded the District's cost figures provided are a correct and accurate picture of the District's financial situation. The District's general fund balance has decreased annually from FY 12 to achieve the required balanced budgets. Your Arbitrator rejects the Associations' claim that focuses on the general fund balance providing money to pay increased costs to meet the Associations' proposal for wage increases, health insurance, and other.

For FY 16, I am persuaded the District's salary and wage proposals for step movement and column placement should be adopted. With my recommendation on the District's proposals, the District will have some breathing room to adjust to the rapidly changing economic picture in Alaska, as illustrated by Governor Walker's veto of the education budget bill.

The FY 15 salary schedule was rolled over for FY 16 and should remain in place with two exceptions. The two exceptions are to adopt the District's proposal to add \$750 to be paid to teachers who completed the FY 16 work calendar, with an

additional \$250 to those teachers at the longevity step. I also agree with the District that the additional amount should not become a part of the salary schedule. While I agreed with the District to make the additional payments of \$750 and \$250 off the salary schedule for FY 16, that approach is not a long-term fix. The Arbitrator will recommend for FY 17 and FY 18, that the increases should be added to the salary schedule. Adoption of the District's proposal for dollars off the salary schedule is not in accord with the comparable districts' approach to wage increases. Further, keeping wage increases off the salary schedule will drive the District's salary schedule to the bottom of the comparators. Therefore, I reject the District's attempt to make its salary and wage proposals off the salary schedule for the proposed duration of a four-year contract.

After reviewing the salary schedules of the comparators, I find District teachers are paid a competitive and reasonable salary schedule. At the BA+0 level, District teachers earn \$46,635 per year and at the BA+45 with MA, the starting salary is \$58,580. A similar review at the BA+9 with Masters at the 10<sup>th</sup> year reveals a salary of \$70,130. Comparing salary schedules is not an exact science. The task for the parties and this Arbitrator is to maintain a salary schedule that does not fall substantially behind the comparators, but keeps the District's salary schedule in a competitive position. This approach is in accord with the District's position that seeks to maintain a competitive and reasonable salary schedule that will attract qualified new employees and retain experienced teachers.

Turning to the factor of cost of living, the evidence overwhelmingly supports a wage settlement that is consistent with either the Associations' or District's

position. Both parties have proposed moderate wage increases that are in line with recent increases recorded in the CPI-U.

The evidence produced by the District showed the cost of living as measured by the CPI edging downward to 1% or less. District Ex. 14. The cost of living for Anchorage in 2014 rose 1.6% over the previous year and 1.5% in 2013 over prior years. District Ex. 14. The increase on the salary schedule recommended by your Arbitrator is consistent with the increases recorded on the CPI-U for Anchorage. When the amounts recommended by this Arbitrator to the salary schedule are combined with other economic benefits that are provided to members of the bargaining units, members will be well protected from any loss of purchasing power due to inflation.

The amounts of salary increases recommended by your Arbitrator are consistent with increases negotiated in the comparator districts. In 2016, Anchorage teachers received a 1% increase on the salary schedule, Fairbanks teachers received a 1.75% salary schedule increase, and Mat-Su teachers received a 1.25% salary schedule increase.

In formulating my recommendations for FY 17 and FY 18, I am mindful that I have recommended adoption of the District's proposal for FY 16 that provides limited increases of \$750 and \$250 for qualifying teachers. These dollar amounts are not added to the salary schedule. In addition, the Arbitrator has set in place a system effective January 1, 2017 that will shift additional costs of the health care program to the employees and provide for cost containment measures. The recommendations on the salary schedule shall be retroactive to July 1, 2015.

**RECOMMENDATIONS**

Your Arbitrator recommends as follows:

1. The structure of the salary schedules shall remain unchanged through the duration of the recommended three-year Collective Bargaining Agreements for both KPEA and KPESA bargaining unit employees.
2. The KPESA salary schedule should provide all eligible members with step movement and column placement for 2015-2016.
3. The KPEA salary schedule should provide all eligible teachers with step movement and column placement for 2015-2016.
4. Teachers who have completed their work calendar for the FY 16 fiscal year are eligible for an additional \$750 in FY 16 salary, payable by June 30, 2016. Eligible teachers who were at the "longevity" step for both FY 15 and FY 16 will have an additional \$250 added to their FY 16 salary, for a total of \$1,000. That additional salary is TRS eligible and based on a 1.0 FTE, and will be prorated for FTEs less than 1.0. The additional money shall not be applied to the current salary schedule.
5. In FY 17 and FY 18, KPESA employees shall be paid their salary schedule amount plus 1.5% of that salary schedule amount (PERS eligible). The additional 1.5% shall be included in the FY 17 and FY 18 salary schedule.
6. In FY 17 and FY 18, KPEA teachers shall be paid their salary schedule amount plus 1.5% of that salary schedule amount (TRS eligible). The additional 1.5% shall be included in the FY 17 and FY 18 salary schedule.
7. Delete from Article 10, Work Rules, paragraph (p) subsection 1.c.

**VI. ISSUE 3: OTHER**

**A. Background**

This section will address the language changes proposed by KPEA and KPESA.

**B. KPEA Extracurricular Program**

The KPEA proposal would allow teachers and their dependents to attend all extra curricular events free of charge, providing seating is available. According to the Association, adding this language provides teacher quality time to spend with their families while still supporting their students. Often the teacher is the only spectator attending the game in support of the students.

The District's position is one of policy. If teachers are admitted free of charge, what about parents, siblings, grandparents, uncles/aunts, and other family members and participating students? Whether a teacher is required to pay what others pay to attend such functions is not a term and condition of employment.

I agree with the District that the Association's proposed language should not become a part of the CBA.

**C. KPEA Section 545, Professional Leave**

KPEA seeks language to change this section allowing the full-time release president to have all benefits of the contract. The Association's proposal seeks to change the outcome of an arbitration award by arbitrator David Gaba. Gaba's decision precluded the District from allowing the full-time release president to participate in the teacher retirement system.



The District asserted that the TRS issue was between the Association and the Teachers Retirement System and should not be a part of the Collective Bargaining Agreement.

I concur with the District that the Association's proposal should not become a part of the successor agreement.

**D. Section 121, Extracurricular Salary Schedule**

KPEA's proposal is to link the extracurricular salary schedule to the teacher base salary. The effect would be that each year the salary schedule increases; the coaches' stipends and other teachers on the extracurricular salary schedule would also increase. The KPEA's proposal also would increase high school and middle school athletic directors' stipends to higher ranges and add categories of coaches eligible for stipends. The Association, by this proposal, seeks to avoid the continuing bargaining over the extracurricular salary schedule.

The District countered with a proposal to increase the existing extracurricular salary schedule by 5%. Both parties recognized a need to increase the stipend amounts paid to members who occupy positions on the extracurricular schedule. The 5% increase to stipends was in recognition by the District that there had been no increase in the extracurricular schedule for several years. The District objects to the KPEA proposal, that it would be a complete re-write of existing salary schedules for extracurricular duties.

I am persuaded by the evidence that the 5% increase proposed by the District to the extracurricular salary schedule shall be adopted effective July 1, 2015. I agree with the KPEA that salary increases on the extracurricular schedule should be tied

to the increases to the base rate of the overall salary schedule. I do not agree that the time is right to completely re-write the structure of the salary schedule. Therefore, it would be my recommendation that effective July 1, 2017, the extracurricular salary schedule shall be tied to the increase provided on the teacher salary schedule to the existing extracurricular salary schedule set forth in Section 121.

**E. Section 320, Personal Leave**

KPEA proposes an additional personal leave day, with allowance for an additional day to cash out. According to the Association, many employees of the District rely on hunting to put meat on the table. Having an extra day of personal leave will allow employees to have a block of uninterrupted time to accomplish the hunt. The Association is seeking what is in the best interest of the membership.

The District responded by stating the current agreement already provides four personal leave days, cumulative to eight days. That number compares favorably with each of the other four large urban school districts. Anchorage provides three days with a maximum of five days to be carried over from one year to the next. Fairbanks provides four days, cumulative to ten days. Mat-Su provides four days, cumulative to seven days. Juneau provides four days, cumulative to ten days. The District submits the personal leave provision provides adequate time off and is consistent with the comparators.

I agree with the District that members of both bargaining units currently enjoy a level of personal leave days, cumulative to eight days that is consistent with the comparators. Allowing additional time off for employees to hunt would not be in the public interest. The majority of the members of these bargaining units do not work a full

12-month schedule. As such, the members already have substantial time they are not working. The same holds true for the KPESA, Article 20, on Personal Leave. Thus, I must conclude the Associations' proposal should not become a part of the successor agreement.

**F. KPESA Article 10, Work Rules**

KPESA proposed to add new language that allows employees to maintain the number of hours worked per week in the event of an early release or late start due to listed factors, primarily weather related school closures. Association witnesses explained that most of the employees live paycheck to paycheck and cannot afford even the slightest cut in their pay. Allowing the employee to coordinate with the supervisor to make up lost work time does not present any additional cost to the District.

In reply, the District asserts the proposed language should not become a part of the successor contract. Even if the District chose to have the employee make up the time lost, the agreement of the employee is required. Absent that agreement, the employee would still be paid for the lost hours of work.

I find that the KPESA proposal to pay wages to those employees who start the workday late or leave work sites early in the event of inclement weather should not become a part of the successor contract.

**G. KPESA Article 21, Association Leave**

Article 21 currently provides for unpaid leave to the KPESA president. The Association then pays the president for his/her services to the Association. KPESA proposes that the full-time release president be placed back on the District payroll. KPESA also proposes that if the time records establish that up to 50% of the full-time

release president's time is spent in service to the District that KPESA receive credit for the time spent in service to the District.

The District objects to the proposal because it assumes the president was actually working 50% of the time on District matters. The premise that the president's work or attendance is for the benefit of and under the control of the supervision of the District is simply not true. Current language should not be changed.

I conclude that the KPESA proposal should not become a part of the successor CBA.

#### **H. KPEA Section 110, Salary Conditions**

The KPEA proposed to add paragraph (h), allowing a certain group of employees to gain additional credits through the use of Continuing Educational Units (CEUs). Association witnesses explained that occupational therapists, physical therapists, speech language pathologists, psychologists, and audiologists have difficulty finding college courses that are applicable to those specific fields. The purpose of this proposal is to allow members of this group of teachers to utilize CEU credits to maintain the licensure. KPEA seeks to allow this group of employees to take advantage of this course work to count toward the employee's salary advancement.

The District objected to the Association's proposal as being without evidence to support the proposal of the lack of relevant college courses to justify adoption of the proposal. Further, the Association presented no information as to the cost to the District of less restrictive column movement. The Association's proposal does not even address whether the language is limited to CEUs earned subsequent to a successor agreement or whether all CEUs, regardless of when taken, would be eligible.

I conclude KPEA failed to provide sufficient evidence to justify a need for the addition of CEUs to be added to the contract as a means for salary movement.

**I. Duration**

The District offered a proposal for a four-year contract. The Associations proposed a two-year contract. I reject a four-year contract as it binds the parties for a period of time that is too long in a climate of economic uncertainty. The Associations' proposal for a two-year contract has little to support its adoption. Adoption of a two-year contract would compel the parties to return immediately to negotiations for a successor agreement. There is little to say for continuing negotiations. The parties need a period of rest from the sometime contentious and time-consuming aspects of contract negotiations. The prior CBA was for a three-year term. Thus, as previously stated, the Arbitrator will recommend a three-year agreement as appropriate to allow both parties to return their focus to the education and care of students. A three-year CBA is in the best interest of the parties and patrons of the District.

The Arbitrator will recommend a three-year contract for both Associations.

## **RECOMMENDATIONS**

Your Arbitrator recommends as follows:

### **1. KPEA Extracurricular Program**

The KPEA proposal to require free admission for teachers and dependents to all extracurricular events should not become a part of the successor CBA.

### **2. KPEA Section 545, Professional Leave**

The KPEA proposal to add language to allow the full-time release president to have all benefits of the CBA, including the Teacher Retirement System, should not become a part of the successor CBA.

### **3. Section 121, Extracurricular Salary Schedule**

The District's proposal to add a 5% increase to the current extracurricular salary schedule retroactive to July 1, 2015, should be adopted. The KPEA proposal to re-write the current extracurricular salary schedule should not become a part of the successor CBA.

The following language should be added to the successor CBA:

Effective July 1, 2017, the current extracurricular salary schedule shall be adjusted by an amount equal to the percentage increase on the base rate set forth in the teacher salary schedule.

### **4. Section 320, Personal Leave**

The KPEA proposal to add an additional day of leave to Section 320, Personal Leave, should not become a part of the successor CBA.

**5. KPESA Article 10, Work Rules**

The KPESA proposal to add new language to Article 10, Work Rules, should not become a part of the successor CBA.

**6. KPESA Article 21, Association Leave**

The KPESA proposal to add new language to Article 21, Association Leave, should not become a part of the successor CBA.

**7. KPEA Section 110, Salary Conditions**

The KPEA proposal to allow a specified group of employees to gain additional credits through the use of Continuing Education Units for the purpose of maintaining licensure should not become a part of the successor CBA.

**8. Duration**

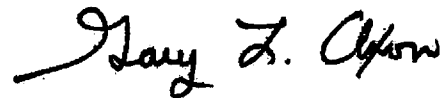
The Arbitrator recommends the parties enter into a three-year Collective Bargaining Agreement retroactive to July 1, 2015.

**VII. CONCLUSION**

The parties to these Collective Bargaining Agreements have worked the 2015-16 school year without reaching successor agreements. By the time the parties receive this report, the 2016-2017 school year will be well under way. The Arbitrator has recommended some changes in contract language. However, the Arbitrator is recommending nothing radical or drastic for inclusion in the successor agreements. For the most part, I have attempted to be careful to use basic and conservative language where changes have been recommended in order to make them more acceptable to both parties. It is my express hope that this approach will provide the means to resolve the issues, which divide the parties.

It is time for the Associations and the District to close this contract without further delay. By the time a contract is finally entered into over one year will have elapsed of the three-year agreement recommended by the Interest Arbitrator to the parties. Prolonged negotiations will not be in the best interest of either the Associations, District, or patrons of the District.

Respectfully submitted,



Gary L. Axon  
Arbitrator  
Dated: August 22, 2016



**COLLECTIVE BARGAINING AGREEMENT**

**BETWEEN**

**THE KENAI PENINSULA BOROUGH  
SCHOOL DISTRICT**

**AND**

**THE KENAI PENINSULA EDUCATION ASSOCIATION**

**FOR THE YEARS**

**2015-2016**

**THROUGH**

**2017-2018**

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### **135 MILEAGE REIMBURSEMENT RATE**

For all certificated staff whose duties require automobile travel, as determined by the Superintendent, the mileage reimbursement rate shall be per Board policy. (See [www.gsa.gov](http://www.gsa.gov)).

### **140 DISCRETIONAL MATERIALS**

The School Board shall allocate a discretionary material fund in the amount of \$225 per teacher to be used by classroom teachers, librarians, and counselors for incidental instructional materials. Half-time employees shall receive one-half the amount allocated to full-time employees. Any monies not utilized by May 1 will revert to the school's general fund.

<http://www.kpbsd.k12.ak.us/privateAssets/0/16/22/518/540/544/6B046A2D-8742-4370-945E-8585784F3D09.xls>

### **150 VANDALISM**

The Borough has a policy that may provide coverage for vandalism of employees' personal property.

### **210 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. 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 shall become effective no earlier than November 7, 2016.

	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 the 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.

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:

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 and cost sharing of 50/50 if the premium exceeds the caps.

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 who receives dental and vision coverage as it is for an employee who elects not to received dental and vision coverage.

## **220 LIABILITY INSURANCE**

The Board shall provide each certificated employee with at least five-hundred thousand dollars (\$500,000) of tort liability insurance. This insurance shall cover all potential liabilities, including attorney fees, which occur in the scope of their employment (except suits against the District or another District employee). Protection from liability suits arising from assigned duties, or through supervision of extracurricular activities shall be specific items contained in the policy.

## **221 WORKER'S COMPENSATION**

- A. The School District, being required by law to carry worker's compensation insurance on all employees, agrees to cover those accidents that happen while an employee is on the job or in any function in compliance with a direct order by a supervisor(s).
- B. A worker's compensation report must be filed in the District Office within forty-eight (48) hours of a compensatory accident. Forms shall be available in all school offices.

**COLLECTIVE BARGAINING AGREEMENT**

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**AND**

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**FOR THE YEARS**

**2015-2016**

**THROUGH**

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## ARTICLE 27 HEALTH CARE

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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. 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.

	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.

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

who receives dental and vision coverage as it is for an employee who elects not to received dental and vision coverage.

#### **ARTICLE 28 LIFE INSURANCE**

- A.** Life insurance coverage in an amount equal to the employee's annual salary rounded to the next highest thousand will be provided by the District at no cost to all eligible employees. An employee may increase coverage to a maximum of double her/his salary by paying the additional premium. In the event of accidental death, the insurance shall pay double the specified amount.
- B.** It is the employee's responsibility to sign and return the application card. All employees will complete and have on file in the accounting office a listing of beneficiaries.
- C.** Term life insurance in the amount of ten thousand dollars (\$10,000) or the employee's annual salary, whichever is less, shall be provided for the spouse of the employee at no additional cost to the employee. The ten thousand dollar (\$10,000) coverage does not apply when both husband and wife are employees of the School District.
- D.** Dependent coverage (optional): Dependent benefits shall be two thousand dollars (\$2,000) per dependent. The cost to the employee shall not exceed the per month premium rate established by the carrier and shall cover all listed dependents.
- E.** Conversion provisions: Any employee may obtain, within thirty (30) days after termination (for any reason), an individual policy without a physical examination, subject to the provisions and rates established by the insurance carrier.



**This is only a summary.** If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document at [www.kpbsd.rehnonline.com](http://www.kpbsd.rehnonline.com) or by calling 1-800-872-8979.

Important Questions	Answers	Why this Matters:
What is the overall <b>deductible</b> ?	\$200 Individual \$600 Family	You must pay all the costs up to the <b>deductible</b> amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the <b>deductible</b> starts over (usually, but not always, January 1st). See the chart starting on page 2 of this document for how much you pay for covered services after you meet the <b>deductible</b> .
Are there other <b>deductibles</b> for specific services?	Yes. \$250 Emergency Room Deductible (waived if directly admitted as an inpatient, or treatment is for accidental injury and is received on the day of or within 2 days after the accident)	You must pay all of the costs for these services up to the specific <b>deductible</b> amount before this plan begins to pay for these services.
Is there an <b>out-of-pocket limit</b> on my expenses?	Medical \$1,000 Individual \$3,000 Family Annual overall out-of-pocket expenses for PPO network providers (including deductible, coinsurance, and prescription drugs) shall not exceed the ACA limit of \$7,150 per person, \$14,300 per family	The <b>out-of-pocket limit</b> is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses.
What is not included in the <b>out-of-pocket limit</b> ?	Copayments, premiums, balance-billed charges, deductibles, emergency room deductible, utilization review noncompliance penalties, coinsurance for services at a non-PPO facility and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the <b>out-of-pocket limit</b> .
Is there an overall annual limit on what the plan pays?	No	The chart starting on page 2 describes any limits on what the plan will pay for <i>specific</i> covered services, such as office visits.

**Questions:** Call 1-800-872-8979 or visit us at [www.kpbsd.rehnonline.com](http://www.kpbsd.rehnonline.com). If you aren't clear about any of the bolded terms used in this form, see the Glossary. You can view the Glossary at [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform) or call 1-800-872-8979 to request a copy.

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Important Questions	Answers	Why this Matters:
Does this plan use a <b>network of providers</b> ?	Yes. For a list of participating providers see <a href="http://www.multiplan.com">www.multiplan.com</a> (1/17), <a href="http://www.acma.com">www.acma.com</a> (2/17 – 12/17) and <a href="http://www.caremark.com">www.caremark.com</a> . Participating providers also include Central Peninsula Hospital, South Peninsula Hospital, and Alaska Regional Hospital.	If you use an in-network doctor or other health care <b>provider</b> , this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network <b>provider</b> for some services. Plans use the term in-network, <b>preferred</b> , or participating for <b>providers</b> in their <b>network</b> . See the chart starting on page 2 of this document for how this plan pays different kinds of <b>providers</b> .
Do I need a referral to see a <b>specialist</b> ?	No	You can see the <b>specialist</b> you choose without permission from this plan.
Are there services this plan doesn't cover?	Yes	Some of the services this plan doesn't cover are listed on page 5 of this document. See your policy or plan document for additional information about <b>excluded services</b> .



- **Copayments** are fixed dollar amounts (for example, \$15) you pay for covered health care, usually when you receive the service.
- **Coinsurance** is *your* share of the costs of a covered service, calculated as a percent of the **allowed amount** for the service. For example, if the plan's **allowed amount** for an overnight hospital stay is \$1,000, your **Coinsurance** payment of 20% would be \$200. This may change if you haven't met your **deductible**.
- The amount the plan pays for covered services is based on the **allowed amount**. If an out-of-network **provider** charges more than the **allowed amount**, you may be balanced billed and have to pay the difference. For example, if an out-of-network hospital charges \$1,500 for an overnight stay and the **allowed amount** is \$1,000, you may have to pay the \$500 difference. (This is called **balance billing**.)
- This plan encourages you to use **in-network providers** by charging you lower **deductibles**, **copayments** and **Coinsurance** amounts.



Common Medical Event	Services You May Need	Your Cost If You Use a Participating Provider	Your Cost If You Use a Non-Participating Provider	Limitations & Exceptions
If you visit a health care <u>provider's</u> office or clinic	Primary care visit to treat an injury or illness	20% coinsurance	20% coinsurance	
	Specialist visit	20% coinsurance	20% coinsurance	
	Other practitioner office visit	20% coinsurance	20% coinsurance	
	Preventive Care Screening/Immunization	No Charge	No Charge	
If you have a test	Diagnostic test (x-ray, blood work)	20% Coinsurance	40% coinsurance at a Non-PPO facility	20% coinsurance outside the PPO Network Area. Allowable charges for services at a non-preferred facility in the Municipality of Anchorage will be the rate of the Preferred Provider Hospital, or 50% of the billed charges if no rate is established.
	Imaging (CT/PET scans, MRIs)	20% Coinsurance	40% coinsurance at a Non-PPO facility	20% coinsurance outside the PPO Network Area. Allowable charges for services at a non-preferred facility in the Municipality of Anchorage will be the rate of the Preferred Provider Hospital, or 50% of the billed charges if no rate is established.
If you need drugs to treat your illness or condition More information about <u>prescription drug coverage</u> is available at <a href="http://www.caremark.com">www.caremark.com</a> .	Generic drugs	\$5 copay	\$5 copay	Up to a 100-day or 100-unit supply. Specialty medications are limited to a 30-day supply. If you choose a brand-name medication when a generic equivalent is available, you will pay the difference in cost between the brand name and the generic, plus your brand name copay. Reimbursement at a Non-Participating Provider is based upon the amount the Plan pays at a Participating Pharmacy.
	Preferred brand drugs	\$25 copay	\$25 copay	
	Non-preferred brand drugs	\$50 copay	\$50 copay	
	Specialty drugs	\$100 copay	\$100 copay	

**Questions:** Call 1-800-872-8979 or visit us at [www.kpbsd.rehmonline.com](http://www.kpbsd.rehmonline.com). If you aren't clear about any of the bolded terms used in this form, see the Glossary. You can view the Glossary at [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform) or call 1-800-872-8979 to request a copy.

Common Medical Event	Services You May Need	Your Cost If You Use a Participating Provider	Your Cost If You Use a Non-Participating Provider	Limitations & Exceptions
If you have outpatient surgery	Physician/surgeon fees	20% coinsurance	20% coinsurance	20% coinsurance outside the PPO Network Area. Allowable charges for services at a non-preferred facility in the Municipality of Anchorage will be the rate of the Preferred Provider Hospital, or 50% of the billed charges if no rate is established.
	Facility fee (e.g., ambulatory surgery center)	20% coinsurance	40% coinsurance	
If you need immediate medical attention	Emergency room services	\$250 deductible + 20% coinsurance	\$250 deductible + 40% coinsurance (non emergency); 20% coinsurance (emergency)	Deductible waived if directly admitted as an inpatient, or treatment is for accidental injury and is received on the day of or within 2 days after the accident. 20% coinsurance outside the PPO Network Area. Allowable charges for services at a non-preferred facility in the Municipality of Anchorage will be the rate of the Preferred Provider Hospital, or 50% of the billed charges if no rate is established.
	Emergency medical transportation	20% coinsurance	20% coinsurance	
	Urgent care	20% coinsurance	40% coinsurance	20% coinsurance outside the PPO Network Area
If you have a hospital stay	Facility fee (e.g., hospital room)	20% coinsurance	40% coinsurance	20% coinsurance outside the PPO Network Area. Allowable charges for services at a non-preferred facility in the Municipality of Anchorage will be the rate of the Preferred Provider Hospital, or 50% of the billed charges if no rate is established.
	Physician/surgeon fee	20% coinsurance	20% coinsurance	



Common Medical Event	Services You May Need	Your Cost If You Use a Participating Provider	Your Cost If You Use a Non-Participating Provider	Limitations & Exceptions
<b>If you have mental health, behavioral health, or substance abuse needs</b>	Mental/Behavioral health outpatient services	20% coinsurance	20% coinsurance	
	Mental/Behavioral health inpatient services	20% coinsurance	40% coinsurance	20% coinsurance outside the PPO Network Area
	Substance use disorder outpatient services	20% coinsurance	20% coinsurance	
	Substance use disorder inpatient services	20% coinsurance	40% coinsurance	20% coinsurance outside the PPO Network Area
<b>If you are pregnant</b>	Prenatal and postnatal care	20% coinsurance	20% coinsurance	
	Delivery and all inpatient services	20% coinsurance	40% coinsurance	20% coinsurance outside the PPO Network Area. Allowable charges for services at a non-preferred facility in the Municipality of Anchorage will be the rate of the Preferred Provider Hospital, or 50% of the billed charges if no rate is established.
<b>If you need help recovering or have other special health needs</b>	Home health care	20% coinsurance	20% coinsurance	1 visit per day, 100 visit limit per calendar year
	Rehabilitation services	20% coinsurance	20% coinsurance	Chiropractic and rolfing services combined are limited to 20 visits per calendar year; acupuncture limited to 20 visits per calendar year; physical therapy limited to 24 visits per calendar year
	Habilitation services	Not covered	Not covered	
	Skilled nursing care	20% coinsurance	20% coinsurance	90-day limit per calendar year
	Durable medical equipment	20% coinsurance	20% coinsurance	DME major equipment requires preauthorization
	Hospice service	20% coinsurance	20% coinsurance	



Common Medical Event	Services You May Need	Your Cost If You Use a Participating Provider	Your Cost If You Use a Non-Participating Provider	Limitations & Exceptions
<b>If your child needs dental or eye care</b>	Eye Exam	20% coinsurance	20% coinsurance	Maximum benefit of 1 exam per calendar year.
	Glasses	20% coinsurance	20% coinsurance	Maximum benefit of 1 pair of lenses per calendar year. Eyeglass lenses prescribed for Medical Reasons maximum benefit of \$150 per lens. Contact lenses prescribed for Medical Reasons maximum benefit of \$600 (2 pair).
	Frames	20% coinsurance	20% coinsurance	Maximum benefit of \$100 in a calendar year, one set of frames allowed every 2 calendar years.
	Dental check-up	No Charge	No Charge	

### Excluded Services & Other Covered Services:

**Services Your Plan Does NOT Cover** (This isn't a complete list. Check your policy or plan document for other excluded services.)

- Cosmetic surgery
- Infertility treatment
- Speech Therapy
- Habilitation services
- Long term care
- Weight loss programs
- Hearing aids
- Private duty nursing
- The Covered Person is responsible for any charges that exceed the Usual & Customary amount as well as for any charges in excess of stated benefit maximums and services and supplies not covered under this Plan.

**Other Covered Services** (This isn't a complete list. Check your policy or plan document for other covered services and your costs for these services.)

- Acupuncture
- Dental care (Adult)
- Roling
- Bariatric surgery
- Massage Therapy
- Routine eye care (adult)
- Chiropractic care
- Non-emergency care when traveling outside the U.S.
- Routine foot care

### Your Rights to Continue Coverage:

If you lose coverage under the plan, then, depending upon the circumstances, Federal and State laws may provide protections that allow you to keep health coverage. Any such rights may be limited in duration and will require you to pay a premium, which may be significantly higher than the premium you pay while covered under the plan. Other limitations on your rights to continue coverage may also apply.

For more information on your rights to continue coverage, contact the plan at (509) 534-0600 or toll free at (800) 872-8979. You may also contact your state insurance department, the U.S. Department of Labor, Employee Benefits Security Administration at 1-866-444-3272 or [www.dol.gov/ebsa](http://www.dol.gov/ebsa), or the U.S. Department of Health and Human Services at 1-877-267-2323 x61565 or [www.cms.gov](http://www.cms.gov).

### Your Grievance and Appeals Rights:

If you have a complaint or are dissatisfied with a denial of coverage for claims under your plan, you may be able to **appeal** or file a **grievance**. For questions about your rights, this notice, or assistance, you can contact:

### Does this Coverage Provide Minimum Essential Coverage?

The Affordable Care Act requires most people to have health care coverage that qualifies as "minimum essential coverage." **This plan or policy does provide minimum essential coverage.**

### Does this Coverage Meet the Minimum Value Standard?

The Affordable Care Act establishes a minimum value standard of benefits of a health plan. The minimum value standard is 60% (actuarial value). **This health coverage does meet the minimum value standard for the benefits it provides.**

### Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-800-872-8979

Rehn & Associates, Appeals Department, P O Box 5433, Spokane WA 99205, Phone (509) 534-0600, Toll Free (800) 872-8979.  
Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform)

*To see examples of how this plan might cover costs for a sample medical situation, see the next page.*



## About these Coverage Examples:

These examples show how this plan might cover medical care in given situations. Use these examples to see, in general, how much financial protection a sample patient might get if they are covered under different plans.



**This is not a cost estimator.**

Don't use these examples to estimate your actual costs under this plan. The actual care you receive will be different from these examples, and the cost of that care will also be different.

See the next page for important information about these examples.

### Having a baby (normal delivery)

- Amount Billed by Provider: \$7,540
- Plan pays \$6,190
- Patient pays \$1,350

#### Sample care costs (billed charges):

Hospital charges (mother)	\$2,700
Routine obstetric care	\$2,100
Hospital charges (baby)	\$900
Anesthesia	\$900
Laboratory tests	\$500
Prescriptions	\$200
Radiology	\$200
Vaccines, other preventive	\$40
<b>Total Billed Charges</b>	<b>\$7,540</b>

#### Patient pays:

Deductibles	\$200
Copays	\$0
Coinsurance	\$1,000
Limits or exclusions	\$150
<b>Total</b>	<b>\$1,350</b>

### Managing type 2 diabetes (routine maintenance of a well-controlled condition)

- Amount Billed by Provider: \$5,400
- Plan pays \$4,480
- Patient pays \$920

#### Sample care costs:

Prescriptions	\$2,900
Medical Equipment and Supplies	\$1,300
Office Visits and Procedures	\$700
Education	\$300
Laboratory tests	\$100
Vaccines, other preventive	\$100
<b>Total</b>	<b>\$5,400</b>

#### Patient pays:

Deductibles	\$200
Copays	\$200
Coinsurance	\$440
Limits or exclusions	\$80
<b>Total</b>	<b>\$920</b>

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## Questions and answers about the Coverage Examples:

### What are some of the assumptions behind the Coverage Examples?

- Costs don't include **premiums**.
- Sample care costs are based on national averages supplied by the U.S. Department of Health and Human Services, and aren't specific to a particular geographic area or health plan.
- The patient's condition was not an excluded benefit.
- All services and treatments started and ended in the same coverage period.
- There are no other medical expenses for any member covered under this plan.
- Out-of-pocket expenses are based only on treating the condition in the example.
- The patient received all care from in-network **providers**. If the patient had received care from out-of-network **providers**, costs would have been higher.

### What does a Coverage Example show?

For each treatment situation, the Coverage Example helps you see how **deductibles**, **copayments**, and **coinsurance** can add up. It also helps you see what expenses might be left up to you to pay because the service or treatment isn't covered or payment is limited.

### Does the Coverage Example predict my own care needs?

- ✗ **No.** Treatments shown are just examples. The care you would receive for this condition could be different based on your doctor's advice, your age, how serious your condition is, and many other factors.

### Does the Coverage Example predict my future expenses?

- ✗ **No.** Coverage Examples are **not** cost estimators. You can't use the examples to estimate costs for an actual condition. They are for comparative purposes only. Your own costs will be different depending on the care you receive, the prices your **providers** charge, and the reimbursement your health plan allows.

### Can I use Coverage Examples to compare plans?

- ✓ **Yes.** When you look at the Summary of Benefits and Coverage for other plans, you'll find the same Coverage Examples. When you compare plans, check the "Patient Pays" box in each example. The smaller that number, the more coverage the plan provides.

### Are there other costs I should consider when comparing plans?

- ✓ **Yes.** An important cost is the **premium** you pay. Generally, the lower your **premium**, the more you'll pay in out-of-pocket costs, such as **copayments**, **deductibles**, and **coinsurance**. You should also consider contributions to accounts such as health savings accounts (HSAs), flexible spending arrangements (FSAs) or health reimbursement accounts (HRAs) that help you pay out-of-pocket expenses.





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Important Questions	Answers	Why this Matters:
What is the overall <b>deductible</b> ?	\$1,500 Individual \$3,000 Family	You must pay all the costs up to the <b>deductible</b> amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the <b>deductible</b> starts over (usually, but not always, January 1st). See the chart starting on page 2 of this document for how much you pay for covered services after you meet the <b>deductible</b> .
Are there other <b>deductibles</b> for specific services?	Yes. \$250 Emergency Room Deductible (waived if directly admitted as an inpatient, or treatment is for accidental injury and is received on the day of or within 2 days after the accident)	You must pay all of the costs for these services up to the specific <b>deductible</b> amount before this plan begins to pay for these services.
Is there an <b>out-of-pocket limit</b> on my expenses?	Medical \$2,000 Individual \$4,000 Family  Annual overall out-of-pocket expenses for PPO network providers (including deductible, coinsurance, and prescription drugs) shall not exceed the ACA limit of \$7,150 per person, \$14,300 per family	The <b>out-of-pocket limit</b> is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses.
What is not included in the <b>out-of-pocket limit</b> ?	Copayments, premiums, balance-billed charges, deductibles, emergency room deductible, utilization review, noncompliance penalties, coinsurance for services at a non-PPO facility and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the <b>out-of-pocket limit</b> .
Is there an overall annual limit on what the plan pays?	No	The chart starting on page 2 describes any limits on what the plan will pay for <i>specific</i> covered services, such as office visits.

**Questions:** Call 1-800-872-8979 or visit us at [www.kpbsd.rehnonline.com](http://www.kpbsd.rehnonline.com). If you aren't clear about any of the bolded terms used in this form, see the Glossary. You can view the Glossary at [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform) or call 1-800-872-8979 to request a copy.

Does this plan use a <b>network of providers</b> ?	Yes. For a list of participating providers see <a href="http://www.multiplan.com">www.multiplan.com</a> (1/17), <a href="http://www.aetna.com">www.aetna.com</a> (2/17 - 12/17) and <a href="http://www.caremark.com">www.caremark.com</a> . Participating providers also include Central Peninsula Hospital, South Peninsula Hospital, and Alaska Regional Hospital.	If you use an in-network doctor or other health care <b>provider</b> , this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network <b>provider</b> for some services. Plans use the term in-network, <b>preferred</b> , or participating for <b>providers in their network</b> . See the chart starting on page 2 of this document for how this plan pays different kinds of <b>providers</b> .
Important Questions	Answers	Why this Matters:
Do I need a referral to see a <b>specialist</b> ?	No	You can see the <b>specialist</b> you choose without permission from this plan.
Are there services this plan doesn't cover?	Yes	Some of the services this plan doesn't cover are listed on page 5 of this document. See your policy or plan document for additional information about <b>excluded services</b> .



- **Copayments** are fixed dollar amounts (for example, \$15) you pay for covered health care, usually when you receive the service.
- **Coinsurance** is *your* share of the costs of a covered service, calculated as a percent of the **allowed amount** for the service. For example, if the plan's **allowed amount** for an overnight hospital stay is \$1,000, your **Coinsurance** payment of 20% would be \$200. This may change if you haven't met your **deductible**.
- The amount the plan pays for covered services is based on the **allowed amount**. If an out-of-network **provider** charges more than the **allowed amount**, you may be balanced billed and have to pay the difference. For example, if an out-of-network hospital charges \$1,500 for an overnight stay and the **allowed amount** is \$1,000, you may have to pay the \$500 difference. (This is called **balance billing**.)
- This plan encourages you to use **in-network providers** by charging you lower **deductibles**, **copayments** and **Coinsurance** amounts.

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Common Medical Event	Services You May Need	Your Cost If You Use a Participating Provider	Your Cost If You Use a Non-Participating Provider	Limitations & Exceptions
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	20% coinsurance	20% coinsurance	
	Specialist visit	20% coinsurance	20% coinsurance	
	Other practitioner office visit	20% coinsurance	20% coinsurance	
	Preventive Care Screening/Immunization	No Charge	No Charge	
If you have a test	Diagnostic test (x-ray, blood work)	20% Coinsurance	40% coinsurance at a Non-PPO facility	20% coinsurance outside the PPO Network Area. Allowable charges for services at a non-preferred facility in the Municipality of Anchorage will be the rate of the Preferred Provider Hospital, or 50% of the billed charges if no rate is established.
	Imaging (CT/PET scans, MRIs)	20% Coinsurance	40% coinsurance at a Non-PPO facility	20% coinsurance outside the PPO Network Area. Allowable charges for services at a non-preferred facility in the Municipality of Anchorage will be the rate of the Preferred Provider Hospital, or 50% of the billed charges if no rate is established.
If you need drugs to treat your illness or condition More information about <b>prescription drug coverage</b> is available at <a href="http://www.caremark.com">www.caremark.com</a> .	Generic drugs	\$5 copay	\$5 copay	Up to a 100-day or 100-unit supply. Specialty medications are limited to a 30-day supply. If you choose a brand-name medication when a generic equivalent is available, you will pay the difference in cost between the brand name and the generic, plus your brand name copay. Reimbursement at a Non-Participating Provider is based upon the amount the Plan pays at a Participating Pharmacy.
	Preferred brand drugs	\$25 copay	\$25 copay	
	Non-preferred brand drugs	\$50 copay	\$50 copay	
	Specialty drugs	\$100 copay	\$100 copay	

Common Medical Event	Services You May Need	Your Cost If You Use a Participating Provider	Your Cost If You Use a Non-Participating Provider	Limitations & Exceptions
If you have outpatient surgery	Physician/surgeon fees	20% coinsurance	20% coinsurance	20% coinsurance outside the PPO Network Area. Allowable charges for services at a non-preferred facility in the Municipality of Anchorage will be the rate of the Preferred Provider Hospital, or 50% of the billed charges if no rate is established.
	Facility fee (e.g., ambulatory surgery center)	20% coinsurance	40% coinsurance	
If you need immediate medical attention	Emergency room services	\$250 deductible + 20% coinsurance	\$250 deductible + 40% coinsurance (non emergency); 20% coinsurance (emergency)	Deductible waived if directly admitted as an inpatient, or treatment is for accidental injury and is received on the day of or within 2 days after the accident. 20% coinsurance outside the PPO Network Area. Allowable charges for services at a non-preferred facility in the Municipality of Anchorage will be the rate of the Preferred Provider Hospital, or 50% of the billed charges if no rate is established.
	Emergency medical transportation	20% coinsurance	20% coinsurance	
	Urgent care	20% coinsurance	40% coinsurance	
If you have a hospital stay	Facility fee (e.g., hospital room)	20% coinsurance	40% coinsurance	20% coinsurance outside the PPO Network Area. Allowable charges for services at a non-preferred facility in the Municipality of Anchorage will be the rate of the Preferred Provider Hospital, or 50% of the billed charges if no rate is established.
	Physician/surgeon fee	20% coinsurance	20% coinsurance	

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Common Medical Event	Services You May Need	Your Cost If You Use a Participating Provider	Your Cost If You Use a Non-Participating Provider	Limitations & Exceptions
<b>If you have mental health, behavioral health, or substance abuse needs</b>	Mental/Behavioral health outpatient services	20% coinsurance	20% coinsurance	
	Mental/Behavioral health inpatient services	20% coinsurance	40% coinsurance	20% coinsurance outside the PPO Network Area
	Substance use disorder outpatient services	20% coinsurance	20% coinsurance	
	Substance use disorder inpatient services	20% coinsurance	40% coinsurance	20% coinsurance outside the PPO Network Area
<b>If you are pregnant</b>	Prenatal and postnatal care	20% coinsurance	20% coinsurance	
	Delivery and all inpatient services	20% coinsurance	40% coinsurance	20% coinsurance outside the PPO Network Area. Allowable charges for services at a non-preferred facility in the Municipality of Anchorage will be the rate of the Preferred Provider Hospital, or 50% of the billed charges if no rate is established.
<b>If you need help recovering or have other special health needs</b>	Home health care	20% coinsurance	20% coinsurance	1 visit per day, 100 visit limit per calendar year
	Rehabilitation services	20% coinsurance	20% coinsurance	Chiropractic and rolfing services combined are limited to 20 visits per calendar year; acupuncture limited to 20 visits per calendar year; physical therapy limited to 24 visits per calendar year
	Habilitation services	Not covered	Not covered	
	Skilled nursing care	20% coinsurance	20% coinsurance	90 day limit per calendar year
	Durable medical equipment	20% coinsurance	20% coinsurance	DME major equipment requires preauthorization
	Hospice service	20% coinsurance	20% coinsurance	

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Common Medical Event	Services You May Need	Your Cost If You Use a Participating Provider	Your Cost If You Use a Non-Participating Provider	Limitations & Exceptions
If your child needs dental or eye care	Eye Exam	20% coinsurance	20% coinsurance	Maximum benefit of 1 exam per calendar year.
	Glasses	20% coinsurance	20% coinsurance	Maximum benefit of 1 pair of lenses per calendar year. Eyeglass lenses prescribed for Medical Reasons maximum benefit of \$150 per lens. Contact lenses prescribed for Medical Reasons maximum benefit of \$600 (2 pair).
	Frames	20% coinsurance	20% coinsurance	Maximum benefit of \$100 in a calendar year, one set of frames allowed every 2 calendar years.
	Dental check-up	No Charge	No Charge	

### Excluded Services & Other Covered Services:

<b>Services Your Plan Does NOT Cover</b> (This isn't a complete list. Check your policy or plan document for other <u>excluded services</u> .)		
• Cosmetic surgery	• Habilitation services	• Hearing aids
• Infertility treatment	• Long term care	• Private duty nursing
• Speech Therapy	• Weight loss programs	
• The Covered Person is responsible for any charges that exceed the Usual & Customary amount as well as for any charges in excess of stated benefit maximums and services and supplies not covered under this Plan.		
<b>Other Covered Services</b> (This isn't a complete list. Check your policy or plan document for other covered services and your costs for these services.)		
• Acupuncture	• Bariatric surgery	• Chiropractic care
• Dental care (Adult)	• Massage Therapy	• Non-emergency care when traveling outside the U.S.
• Roling	• Routine eye care (adult)	• Routine foot care

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## Your Rights to Continue Coverage:

If you lose coverage under the plan, then, depending upon the circumstances, Federal and State laws may provide protections that allow you to keep health coverage. Any such rights may be limited in duration and will require you to pay a premium, which may be significantly higher than the premium you pay while covered under the plan. Other limitations on your rights to continue coverage may also apply.

For more information on your rights to continue coverage, contact the plan at (509) 534-0600 or toll free at (800) 872-8979. You may also contact your state insurance department, the U.S. Department of Labor, Employee Benefits Security Administration at 1-866-444-3272 or [www.dol.gov/ebsa](http://www.dol.gov/ebsa), or the U.S. Department of Health and Human Services at 1-877-267-2323 x61565 or [www.cms.gov](http://www.cms.gov).

## Your Grievance and Appeals Rights:

If you have a complaint or are dissatisfied with a denial of coverage for claims under your plan, you may be able to appeal or file a grievance. For questions about your rights, this notice, or assistance, you can contact:

### Does this Coverage Provide Minimum Essential Coverage?

The Affordable Care Act requires most people to have health care coverage that qualifies as "minimum essential coverage." This plan or policy does provide minimum essential coverage.

### Does this Coverage Meet the Minimum Value Standard?

The Affordable Care Act establishes a minimum value standard of benefits of a health plan. The minimum value standard is 60% (actuarial value). This health coverage does meet the minimum value standard for the benefits it provides.

### Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-800-872-8979

Rehn & Associates, Appeals Department, P O Box 5433, Spokane WA 99205, Phone (509) 534-0600, Toll Free (800) 872-8979.  
Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform)

To see examples of how this plan might cover costs for a sample medical situation, see the next page.

## About these Coverage Examples:

These examples show how this plan might cover medical care in given situations. Use these examples to see, in general, how much financial protection a sample patient might get if they are covered under different plans.



**This is not a cost estimator.**

Don't use these examples to estimate your actual costs under this plan. The actual care you receive will be different from these examples, and the cost of that care will be also be different.

See the next page for important information about these examples.

### Having a baby (normal delivery)

- Amount Billed by Provider: \$7,540
- Plan pays \$4,712
- Patient pays \$2,828

#### Sample care costs (billed charges):

Hospital charges (mother)	\$2,700
Routine obstetric care	\$2,100
Hospital charges (baby)	\$900
Anesthesia	\$900
Laboratory tests	\$500
Prescriptions	\$200
Radiology	\$200
Vaccines, other preventive	\$40
<b>Total Billed Charges</b>	<b>\$7,540</b>

#### Patient pays:

Deductibles	\$1,500
Copays	\$0
Coinsurance	\$1,178
Limits or exclusions	\$150
<b>Total</b>	<b>\$2,828</b>

### Managing type 2 diabetes (routine maintenance of a well-controlled condition)

- Amount Billed by Provider: \$5,400
- Plan pays \$3,056
- Patient pays \$2,344

#### Sample care costs:

Prescriptions	\$2,900
Medical Equipment and Supplies	\$1,300
Office Visits and Procedures	\$700
Education	\$300
Laboratory tests	\$100
Vaccines, other preventive	\$100
<b>Total</b>	<b>\$5,400</b>

#### Patient pays:

Deductibles	\$1,500
Copays	\$0
Coinsurance	\$764
Limits or exclusions	\$80
<b>Total</b>	<b>\$2,344</b>



## Questions and answers about the Coverage Examples:

### What are some of the assumptions behind the Coverage Examples?

- Costs don't include **premiums**.
- Sample care costs are based on national averages supplied by the U.S. Department of Health and Human Services, and aren't specific to a particular geographic area or health plan.
- The patient's condition was not an excluded benefit.
- All services and treatments started and ended in the same coverage period.
- There are no other medical expenses for any member covered under this plan.
- Out-of-pocket expenses are based only on treating the condition in the example.
- The patient received all care from in-network **providers**. If the patient had received care from out-of-network **providers**, costs would have been higher.

### What does a Coverage Example show?

For each treatment situation, the Coverage Example helps you see how **deductibles**, **copayments**, and **coinsurance** can add up. It also helps you see what expenses might be left up to you to pay because the service or treatment isn't covered or payment is limited.

### Does the Coverage Example predict my own care needs?

- ✗ **No**. Treatments shown are just examples. The care you would receive for this condition could be different based on your doctor's advice, your age, how serious your condition is, and many other factors.

### Does the Coverage Example predict my future expenses?

- ✗ **No**. Coverage Examples are **not** cost estimators. You can't use the examples to estimate costs for an actual condition. They are for comparative purposes only. Your own costs will be different depending on the care you receive, the prices your **providers** charge, and the reimbursement your health plan allows.

### Can I use Coverage Examples to compare plans?

- ✓ **Yes**. When you look at the Summary of Benefits and Coverage for other plans, you'll find the same Coverage Examples. When you compare plans, check the "Patient Pays" box in each example. The smaller that number, the more coverage the plan provides.

### Are there other costs I should consider when comparing plans?

- ✓ **Yes**. An important cost is the **premium** you pay. Generally, the lower your **premium**, the more you'll pay in out-of-pocket costs, such as **copayments**, **deductibles**, and **coinsurance**. You should also consider contributions to accounts such as health savings accounts (HSAs), flexible spending arrangements (FSAs) or health reimbursement accounts (HRAs) that help you pay out-of-pocket expenses.

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# Public Education HEALTH TRUST



March 30, 2016

Kenai Peninsula School District  
c/o Collen Savoie  
Parker, Smith and Feek  
3800 Centerpoint Drive, Suite 601  
Anchorage, AK 99503

RE: Plan Rates for FY17

Dear Colleen:

The Trustees met on March 28 and 29th, 2016 to respond to the request of health insurance coverage for the Kenai Peninsula Borough School District employees and board members. The Trust requested and received 2 years of claims experience, large claims including diagnosis, census, medical disclosure and current plan designs.

The Trust offers plans with low administrative COSTS. We strive to provide options to districts/associations/employees with CHOICE in mind regarding their benefit plan design options each year. The need for local CONTROL in the decisions is paramount. Your group understands and knows best what to offer in terms of benefits to attract and retain qualified employees while addressing budget constraints.

The Trustees have approved an offer of coverage to Kenai Peninsula Borough School District employees and school board members. The premiums include a 5% load to the rates. Per policy, new groups joining the Trust; may be subject to an adjustment to rates if the historical claims, large claim diagnosis and medical disclosure warrants the load. The load is reviewed annually for reconsideration and will be removed at the 3<sup>rd</sup> renewal year.

The Trust offers eight medical plans, three dental plans and an option to add orthodontia coverage. A group may offer up to two different plan design options for their members/ employees. Additionally, with the school district's administrative agreement, a group can be defined as the entire eligible employee base, or broken into classified, certificated, administrative, school board. Which provides additional options in plan selection.

TRUSTEE:

Chairperson:  
Ron Fuhre

Secretary:  
Jessica Coe

Kathy Bell, Stephen Byers, Keri Clark, Josh Andrews, Tim Walter

The Trust strives to offer access to quality care. We recently implemented Teladoc providing access to physician visits from the comfort of home. The visits are free to the members and their families.

Attachments to this letter include, summary of plan designs offered by the Trust, list of in-network providers in the Kenai Borough Community, implementation agreement for the district/associations and a separate agreement for each school board member.

Should Kenai Peninsula Borough School District elect to move forward with selection of the Trust for their health insurance needs, please notify the Trust no later than May 2, 2016, of the plan designs selected for medical and dental coverages.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rhonda Kitter".

Rhonda Kitter  
Chief Financial Officer



# PUBLIC EDUCATION HEALTH TRUST DATA REQUEST FORM

## ITEMS NEEDED TO PROVIDE PROPOSAL

Thank you for your interest in the PEHT health plans. To provide you with a proposal we need the following information to be sent to Aon.

- Most recent 2 years of claims experience: medical / pharmacy / dental and vision broken out separately, if possible. This should include enrollment, premiums, and claims by month.
- Large claims listing for the most recent 2 years for claimants over \$50,000. Please include diagnosis, if available.
- Census (should include all benefit eligible employees) – identifier, birthdate, gender, date of hire, city, zip code, enrollment tier, COBRA vs. Active, waived
- Medical Disclosure Form – needed for small groups that do not have claims experience or groups that do not have large claims information available.
- Current plan booklets for medical/Rx, dental and vision
- Current and renewal rates for medical/RX, dental and vision
- Which PEHT plan(s) are you interested in enrolling?
- Requested effective date
- Current plan year

Please send the information to:

Rhonda Prowell-Kitter:

[rp@pehtak.com](mailto:rp@pehtak.com) and

Doris Holzer: [doris.holzer@aon.com](mailto:doris.holzer@aon.com)

We appreciate your interest in the Trust and the opportunity to provide you a proposal.

Thank you,



Doris Holzer | Vice President | Aon 206-467-4607





Thursday, October 25, 2018

Curt Hebert  
Marsh & McLennan Agency LLC  
1031 W. 4<sup>th</sup> Ave, Suite 400  
Anchorage, AK 99501

Re: Kenai Peninsula Borough School District Request for Proposal

Dear Curt,

Thank you for requesting a proposal from the Public Education Health Trust. Attached are the rates that the Trust can offer to Kenai Peninsula Borough School District (KPBSD) for Medical, Dental and Vision coverage effective January 1, 2019, with rates guaranteed through June 30, 2019. The Trust programs plan year is July 1<sup>st</sup> through June 30<sup>th</sup>. Effective July 1, 2019 Kenai will be subject to any rate action that is implemented with the Trust programs at that time. These rates include a load of 45% to the medical rates. The Trust will review this load at each July 1<sup>st</sup> renewal and may revise the load if warranted, however, a load may remain through the plan year ending June 30, 2022.

The Trust will only be covering claims incurred and paid January 1<sup>st</sup>, 2019 and after, the Trust will not be providing coverage for claims runout for the current plan. This proposal is contingent upon receiving the returned rate exhibit accepting our proposal by November 2, 2018.

The Trust prides itself in keeping administrative COSTS low, while providing superior local service and understanding of the Alaska marketplace. We strive to provide options to districts/associations/employees with CHOICE in mind regarding their benefit plan design options each year. The need for local CONTROL in the decisions is paramount. You and your group understand and know best what to offer in terms of benefits to attract and retain qualified employees with addressing budget constraints.

The Trust offers new groups a 4-tier rate structure. The rate exhibit includes all Trust plans that are available, which are eight medical plans, three dental plans and an option to add orthodontia coverage. VSP vision coverage is also included in all medical plan options. A group may offer up to three different medical plan design options for their members / employees and must include a dental plan offering, however, separate eligibility can be offered for the dental plan. Additionally, with the school district's administrative agreement, a group can be defined as the entire eligible employee base, or broken into classified, certificated, administrative and/or school board. This provides additional options in plan selection. Our coverage is offered on a fully-pooled basis, no individual group claims information is shared.

October 25, 2018  
Curt Hebert  
Page 2

Enclosed are summaries of the plans the Trust will offer for the 2018/2019 plan year. The Trust has additional programs that have helped us to reduce our program costs to keep our rates competitive. We have a 24/7 Teladoc service for convenient access to physician care for some of the more typical symptoms (flu, cold, sinus infections, respiratory issues, etc.) that can be offered via a phone consultation with a remote physician. The Trust has a voluntary medical tourism program through Bridge Health to coordinate travel and care for elective surgeries that can be treated at a high quality and lower cost setting by traveling to Centers of Excellence. The Trust also offers a Wellness program through GO365, that provides incentives for participation in wellness activities.

The Trust benefits are administered by EBMS, a third party administrator (TPA) out of Montana, who has provided this service for over 18-years. The Aetna ASA network provides a national PPO network, and the Trust currently has 22 additional direct provider contracts they have negotiated in Alaska to help control costs. The Trust's health coverage provides coordination of benefits for members who have double coverage, including spouses who are both covered under the Trust plans.

The Trust requires proof of dependent eligibility to be submitted within 30 days of eligibility. Acceptable documents include birth certificates, adoption certificates and legal guardianship for dependent children and a marriage license for a spouse. Or, tax returns can be submitted (income redacted) listing the dependents. For spouses the Trust also accepts statements of financial interdependence in lieu of state/federal marriage certificates. To implement coverage with the Trust for a January 1, 2019 effective date the following steps will need to occur:

- ✓ Your acceptance of our rate offer would need to occur by having the group complete and sign the election form by November 2, 2018
- ✓ Once we receive your acceptance we will prepare a group participation agreement (attached) for signature and submission by November 15, 2018.
- ✓ All enrollment forms must be submitted by December 1, 2018.
- ✓ To be enrolled in coverage dependent verification of eligibility must be submitted by January 31, 2019
- ✓ First month's premium will be due January 1, 2019

All forms should be submitted electronically or via hardcopy directly to the Trust as follows:

Public Education Health Trust  
Attn: Rhonda Prowell-Kitter, CFO,  
4003 Iowa Drive,  
Anchorage, AK 99517,  
Fax: (907) 222-2556;  
Email: rpk@pehtak.com



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October 25, 2018  
Curt Hebert  
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Please let us know if you have any questions. We look forward to working with you and supporting a smooth implementation should KPBSD decide to join the Trust.

Sincerely,

A handwritten signature in black ink, which appears to read "Doris Holzer". The signature is written in a cursive, flowing style.

Doris Holzer  
Vice President

Cc: Rhonda Prowell-Kitter, Public Education Health Trust  
Greg Goldstein, Aon





# Public Education

## HEALTH TRUST



### TRUST VISION STATEMENT

Maximize Member Benefits at the Least Cost.

We value fiscal integrity.  
 We value the highest standard of service.  
 We value open and honest communication.  
 We value mutual respect and building trust.  
 We value the greatest possible benefit for all.

	A	B
Individual/Family DEDUCTIBLE	\$100 / \$300	\$250 / \$750
COINSURANCE %	Preferred 80% to \$5,000; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate	Preferred 80% to \$10,000; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate
Individual/Family OUT-OF-POCKET LIMIT*	\$1,000 plus deductible/ \$3,000 plus deductible	\$2,000 plus deductible/ \$6,000 plus deductible
OUT-OF-POCKET (Non Preferred)	No limit	No limit
CHIROPRACTIC OR MASSAGE THERAPY	Subject to deductible and coinsurance; up to 20 visits each per calendar year	Subject to deductible and coinsurance; up to 20 visits each per calendar year
PRIMARY CARE OFFICE VISITS	N/A	N/A
SPECIALTY PROVIDER OFFICE VISITS	N/A	N/A
PRESCRIPTIONS - Retail (Generic medications required when available)	\$12 / \$25 / \$50 - 30-day supply	\$12 / \$25 / \$50 - 30-day supply
PRESCRIPTIONS - Mail Order (Generic medications required when available)	\$24 / \$50 / \$100 - 90-day supply	\$24 / \$50 / \$100 - 90-day supply
PRESCRIPTION SPECIALTY (Not including oncology medications)	50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non-Formulary	50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non-Formulary
PREVENTIVE CARE (Well baby and routine cancer screenings)	Paid at 100%	Paid at 100%
EMERGENCY ROOM DEDUCTIBLE (waived if admitted)	\$500	\$500
INPATIENT HOSPITAL CO-PAY	\$500 per admission; capped two times per individual per year	\$500 per admission; capped two times per individual per year
BridgeHealth or miChoice	100% no deductible	100% no deductible



	C	E
Individual/Family DEDUCTIBLE	\$500 / \$1,500	\$1,000 / \$3,000
COINSURANCE %	Preferred 80% to \$10,000; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate	Preferred 80% to \$15,000; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate
Individual/Family OUT-OF-POCKET LIMIT*	\$2,000 plus deductible / \$6,000 plus deductible	\$3,000 plus deductible / \$9,000 plus deductible
OUT-OF-POCKET (Non Preferred)	No limit	No limit
CHIROPRACTIC OR MASSAGE THERAPY	Subject to deductible and coinsurance; up to 20 visits each per calendar year	Subject to deductible and coinsurance; up to 20 visits each per calendar year
PRIMARY CARE OFFICE VISITS	N/A	N/A
SPECIALTY PROVIDER OFFICE VISITS	N/A	N/A
PRESCRIPTIONS - Retail (Generic medications required when available)	\$17 / \$30 / \$60 - 30-day supply	\$17 / \$30 / \$60 - 30-day supply
PRESCRIPTIONS - Mail Order (Generic medications required when available)	\$34 / \$60 / \$120 - 90-day supply	\$34 / \$60 / \$120 - 90-day supply
PRESCRIPTION SPECIALTY (Not including oncology medications)	50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non-Formulary	50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non-Formulary
PREVENTIVE CARE (Well baby and routine cancer screenings)	Paid at 100%	Paid at 100%
EMERGENCY ROOM DEDUCTIBLE (waived if admitted)	\$500	\$500
INPATIENT HOSPITAL CO-PAY	\$500 per admission; capped two times per individual per year	\$500 per admission; capped two times per individual per year
BridgeHealth or miChoice	100% no deductible	100% no deductible

Individual/Family DEDUCTIBLE
COINSURANCE %
Individual/Family OUT-OF-POCKET LIMIT*
OUT-OF-POCKET (Non Preferred)
CHIROPRACTIC OR MASSAGE THERAPY
PRIMARY CARE OFFICE VISITS (PCP OVC)
SPECIALTY PROVIDER OFFICE VISITS
PRESCRIPTIONS - Retail (Generic medications required when available)
PRESCRIPTIONS - Mail Order (Generic medications required when available)
PRESCRIPTION SPECIALTY (Not including oncology medications)
PREVENTIVE CARE (Well baby and routine cancer screenings)
EMERGENCY ROOM DEDUCTIBLE (waived if admitted)
INPATIENT HOSPITAL CO-PAY
BridgeHealth or miChoice

F	G
\$1,500 / \$3,000	\$3,000 / \$6,000
Preferred 80% to \$15,000; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate	Preferred 80% to \$15,000; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate
\$3,000 plus deductible / \$6,000 plus deductible	\$3,000 plus deductible / \$6,000 plus deductible
No limit	No limit
Subject to PCP OVC or deductible/coinsurance; up to 20 visits each per calendar year.	Subject to PCP OVC or deductible/coinsurance; up to 20 visits each per calendar year.
\$25 (1st 6 visits per Calendar Year)	\$30 (1st 6 visits per calendar year)
Subject to deductible and coinsurance	Subject to deductible and coinsurance
\$17 / \$30 / \$60 - 30-day supply	\$17 / \$30 / \$60 - 30-day supply
\$34 / \$60 / \$120 - 90-day supply	\$34 / \$60 / \$120 - 90-day supply
50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non-Formulary	50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non-Formulary
Paid at 100%	Paid at 100%
\$500	\$500
\$500 per admission; capped two times per individual per year	\$500 per admission; capped two times per individual per year
100% no deductible	100% no deductible



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	HDHP	SGOOP
Individual/Family DEDUCTIBLE	\$1,500 / \$3,000	\$6,650 / \$13,300
COINSURANCE %	Preferred 80% to \$17,500; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate	Preferred: Paid at 100% Non Preferred Facility & Providers: up to 125% of Medicare equivalent rate
Individual/Family OUT-OF-POCKET LIMIT*	\$3,500 plus deductible / \$7,000 plus deductible	\$6,650 / \$13,300
OUT-OF-POCKET (Non Preferred)	No limit	No Limit
CHIROPRACTIC OR MASSAGE THERAPY	Subject to deductible and coinsurance; up to 20 visits each per calendar year	Subject to deductible; up to 20 visits each per calendar year
PRIMARY CARE OFFICE VISITS	N/A	N/A
SPECIALTY PROVIDER OFFICE VISITS	N/A	N/A
PRESCRIPTIONS - Retail (Generic medications required when available)	Prescriptions are subject to deductible and coinsurance. Some preventive drugs will be covered with deductible waived.	Prescriptions are subject to deductible. Some preventive drugs will be covered with deductible waived.
PRESCRIPTIONS - Mail Order (Generic medications required when available)	Prescriptions are subject to deductible and coinsurance. Some preventive drugs will be covered with deductible waived.	Prescriptions are subject to deductible. Some preventive drugs will be covered with deductible waived.
PRESCRIPTION SPECIALTY (Not including oncology medications)	50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non-Formulary	Prescriptions are subject to deductible
PREVENTIVE CARE (Well baby and routine cancer screenings)	Paid at 100%	Paid at 100%
EMERGENCY ROOM DEDUCTIBLE (waived if admitted)	\$500	N/A
INPATIENT HOSPITAL CO-PAY	\$200 per admission; capped two times per individual per year; applies to out-of-pocket	N/A
BridgeHealth or miChoice	100% after deductible	100% after deductible

\*All plans are subject to the following limitations: co-payment for non-Medicare equivalent services, out-of-pocket maximum, and a 30-day waiting period for global out-of-pocket. Please refer to the plan's summary of benefits for more details. Inpatient hospital deductibles, emergency room deductibles, and out-of-pocket maximums are not subject to the 30-day waiting period.



# Your Dental Benefit Options

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## Dental Plan A

Deductible	\$50 per person or \$150 per family
Maximum (per calendar year)	\$2000
Preventive Care	100% up to Usual and Customary (two visits per person per year)
Basic	80% subject to deductible and up to Usual and Customary
Major	50% subject to deductible and up to Usual and Customary

## Dental Plan B

Deductible	\$75 per person or \$225 per family
Maximum (per calendar year)	\$3000 per person
Preventive Care	100% up to Usual and Customary (two visits per person per year)
Basic	80% subject to deductible and up to Usual and Customary
Major	50% subject to deductible and up to Usual and Customary

## Dental Plan - Value

Deductible	\$50 per person or \$150 per family
Maximum (per calendar year)	\$500 per person
Preventive Care	100% up to the UCR (two visits per person per year) – after dental deductible
Basic	None
Major	None

## Orthodontia

Orthodontia (per lifetime)	50% up to \$2000 per person
----------------------------	-----------------------------

Members are encouraged to use Aetna Dental Administrators ASALookup.AetnaSignatureAdministrators.com when available for additional Plan discounts.

# Your Health Benefit Plan ebms

Public Education Health Trust (PEHT), has contracted with Employee Benefit Management Services, LLC (EBMS), a family-owned, nationally recognized third party administrator of group health benefit plans, for the administration of your benefits, including claims processing, access to Aetna Signature Administrator's national provider network, call center and online customer support and Carelink's medical management services. EBMS' dedicated team of health, legal and business strategists work collaboratively with PEHT administration and your member organizations to help maximize health and financial outcomes for the Trust and the members they serve.

EBMS has devoted a team of highly trained professionals available to help members navigate the complicated healthcare and insurance system. These member advocates will help explain the member's summary of benefits, review benefit programs offered by the member's health plan, assist with billing questions, and/or help the member resolve outstanding claims issues. This service is designed for members who are experiencing complex health issues or are having difficulty resolving their claims and benefits questions.

EBMS also provides real time access through our web based benefit administration resource, miBenefits. Allowing 24/7 online access to all benefits, claims, healthcare resources and general information, miBenefits allows you to check claims status and Explanation of Benefits (EOB) forms, view plan documents and provider directories. To access this web based portal, visit [www.ebms.com](http://www.ebms.com).

# Your VSP Vision Benefits



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VSP is the largest not-for-profit vision care company in the U.S. today. They've worked exclusively with private-practice doctors to provide Public Education Health Trust members with the best eye care possible. With more than 67 million members nationwide, 49,000 clients, 54,000 access points of care and 31,000 doctors in their network, one in five people in the U.S. rely on VSP for quality eye coverage.

**Vision (In VSP Network - for a list of VSP Providers go to [www.vsp.com](http://www.vsp.com))**

Co-pay	Examination - \$25; Materials - \$25
Annual Exam	Paid-in-Full every calendar year (after co-payment)
Lenses (single vision, lined bifocal, lined trifocal, and Lenticular Lenses)	Paid-In-Full every calendar year (after co-payment). Anti-reflective coating covered in full.
Frames	Paid-in-Full up to \$195 every calendar year (after co-payment) OR 2 pairs of frames every other calendar year (after co-payment).
Contact Lenses (instead of spectacle lenses and frame)	Necessary - Paid-in-Full (after co-payment); Specific benefit criteria must be met for Necessary Contact Lenses. Eligibility is determined by the VSP doctor at the time of service. Elective - paid up to \$130. Contact lens fitting and evaluation exam is covered after a \$60 copay.

*\*The above table is not applicable to the HDHP. Please see routine care services listed in the medical benefit booklet.*

## Pharmacy Benefit Management



As your pharmacy benefits manager, Optum wants to help you get the most value from your prescription benefits. We are committed to giving you the information you need to make the best decisions regarding the prescriptions you take!

### YOUR HEALTH IS IN YOUR HANDS

Visit [Optumrx.com/myoptumrx](http://Optumrx.com/myoptumrx) or get the Optum Mobile App for iPhone or Android to locate a nearby pharmacy, find your copay, review your benefit documents, order mail order refills, and more. Most national chains and many local pharmacies are included in the Optum network. Save the most money by choosing generic medications when possible.

### HOME DELIVERY

Members who take long-term maintenance medications will save money using this service. Medications are delivered right to your door, and you can order refills quickly and easily online or by phone.

### CUSTOMER SERVICE

We are here to assist you day and night! Call the phone number on your member ID card or visit [Optumrx.com/myoptumrx](http://Optumrx.com/myoptumrx).



# Member Assistance Program Pg 14

The SupportLinc Member Assistance Program (MAP) is designed to help you manage life's daily challenges. We can refer you to professional counselors and services that can help you and your eligible family members resolve a broad range of personal concerns, such as:

- Marriage and Relationship Issues
- Stress and Anxiety
- Depression
- Substance Abuse
- Anger Management
- Family Problems
- Grief and Loss
- Legal and Financial Services
- Dependent Care

Visit [www.supportlinc.com](http://www.supportlinc.com) to find out more information!



## Go365

Getting motivated to get healthier just got a little easier. In October, PEHT partnered with Go365, a wellness rewards program, to provide members with resources to help make better lifestyle choices. Members who participate in Go365 earn points – which translate into dollars – by tracking healthy activities.



**POINTS AND BUCKS** | Points are earned with activities, such as logging physical activity in a fitness app or device, keeping a sleep diary, tracking food intake, getting a flu shot, going to the dentist, donating blood, participating in online health coaching, using the online Go365 health calculators, and more.

Points earned through the designated activities translate into "bucks" that can be redeemed at Go365's online mall to purchase e-gift cards to Amazon, Target, movie theaters, Lowe's, and other retailers. The bucks can also be used to purchase fitness trackers and other items.

**LEVELS** | All participants start in the Blue status and begin to work their way up by earning points. To move to Bronze, members can complete their health assessment and/or their biometric screening or log a verified workout. After achieving Bronze status, participants work toward Silver, Gold, and Platinum. Participants become eligible for Bonus Bucks, surprise rewards, and monthly jackpot drawings, as they progress.

**CONDITIONS** | All members participating in the medical plan and their enrolled dependents are eligible to take part in this program. Every member 18 years or older can register and create their own account. The points and bucks earned through the program will track toward the family's account. **NEXT STEPS** | All members receive an ID card in the mail from Go365. You can use your Member ID number, found on your card, to register at [www.Go365.com](http://www.Go365.com). Then, you can sign into your account at any time to view a personalized dashboard, connect a compatible fitness device or tracking app, track points, unlock activities, contact a health coach, participate in challenges with coworkers, and more.

### QUESTIONS?

Please contact Go365 or visit the Go365 community page.

## Teladoc



*Public Education Health Trust has contracted with Teladoc to provide 24/7 Physician Consultations for you and your Dependents.*

Teladoc offers 24/7 Physician Consultations, which provide access to licensed, U.S.-based physicians by phone, secure e-mail, video and mobile app at any time of the day. Physicians offer diagnoses, medical advice, treatment recommendations and can even prescribe medications over the phone.

Call: 1-800-Teladoc or [www.Teladoc.com](http://www.Teladoc.com).

# BridgeHealth

Pg 15  
BridgeHealth

BridgeHealth is a surgery benefit program that is offered to you through PEHT. The suite of tools, services and dedicated Care Coordinators are available to help you when considering a planned surgery. Then, if surgery is right for you, this program may actually lower your out-of-pocket costs while improving the quality of care and the entire experience.

**BRIDGEHEALTH IS OFFERED TO YOU AT NO EXTRA COST – YOU'RE ALREADY ENROLLED!!**

- > **Gain access to decision support:** If you are considering surgery, that's when to contact BridgeHealth. It's at this important juncture that you can start off with less anxiety and focus more fully on your options. No worries. That's the BridgeHealth way.
- > **Get top-quality care:** If you decide to have surgery, you want the best care. BridgeHealth's stringent standards in selecting providers, verified by external data, deliver top-tier options.
- > **Save Money:** BridgeHealth has pre-negotiated agreements with care providers that lower your plan sponsor's healthcare costs as well as those of the actual surgery. These savings, which can be significant, are passed on to you.
- > **Let your Care Coordinators help:** BridgeHealth provides you with dedicated Care Coordinators who will guide you toward your most informed decision.

## FEEL NO PAIN IN YOUR WALLET!!

How? BridgeHealth pre-negotiates rates for a wide variety of surgical procedures with top tier providers across the nation. These rates translate to lower costs for you. More reasons to take advantage of BridgeHealth include: You'll know about any costs upfront — no surprises after surgery! Your health plan offers the BridgeHealth surgical benefit to deliver more value, quality and cost savings to you.

Refer to your PEHT Plan Benefits Booklet to learn more about your BridgeHealth Surgery Benefit or call the BridgeHealth Staff at 855.265.2874 with any questions.



# miChoice

miChoice+

**If your elective surgery is not eligible through the BridgeHealth Surgery Option, you can use the EBMS miChoice program.**

A friendly and knowledgeable miChoice concierge will help find a provider who can perform a high-quality, low-cost procedure.

The concierge will explore options across your area and the U.S. to ensure you receive the high-quality healthcare you deserve. This means you could receive compensation for you and your companion, if travel is required for your procedure.

In addition, our team will coordinate with your providers' offices for you.

Plus, you'll experience personalized support from one of our clinical nurses.

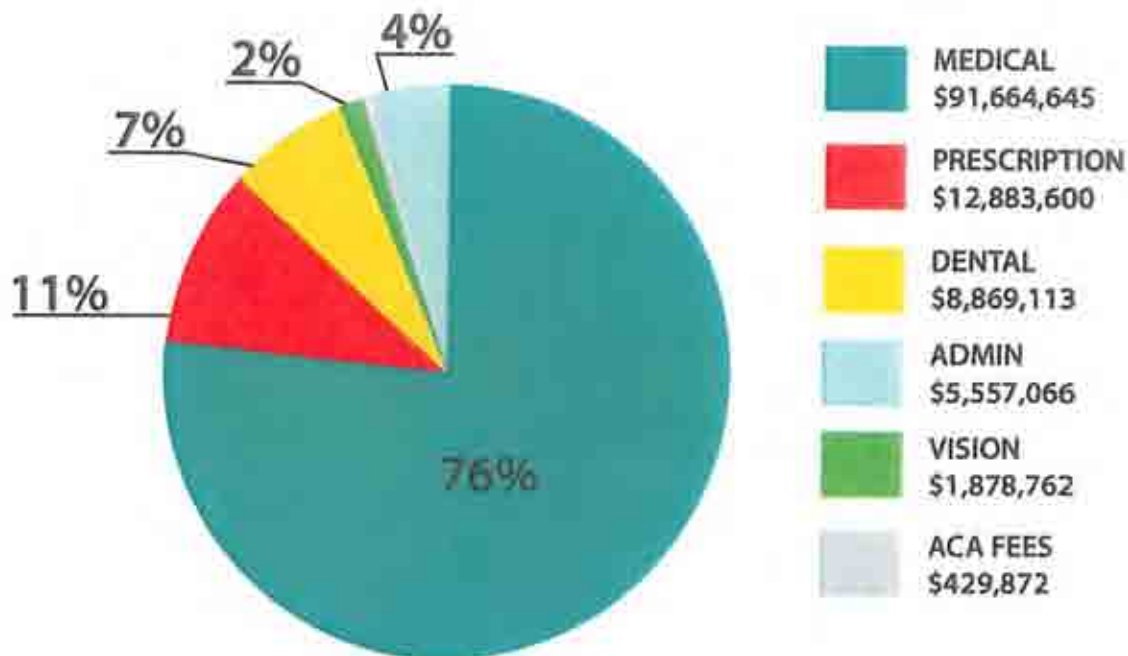
Your health plan may also have financial incentives within your benefits to reward you for being an informed healthcare consumer.

The miChoice concierge team analyzes reports of facilities, based on both cost and quality. miChoice also allows a member to see how many times facilities have performed their specific surgery and what the success rate was nationally and compared to others in the area. This information helps the concierge team determine the best medical provider.

**If you would like more information on miChoice and what it can do, call a miChoice advocate toll-free at 866.677.8745.**



# Public Education Health Trust FY 2017 Dollar Spend



The Public Education Health Trust was established on July 1, 1996.

As of January 1, 2018, the following associations/employer groups participate in the Trust:

Alaska Gateway School District  
Anchorage Education Association  
Bristol Bay Borough School District  
Chatham School District  
Classified Employee Association  
Copper River School District  
Cordova School District  
Craig City School District  
Delta Greely School District  
Denali Borough School District  
Haines School District

Hoonah School District  
Hydaburg City School District  
Juneau Administrators  
Juneau Exempt  
Juneau Education Association  
Kake School District  
Kashunamiut School Board  
Kashunamiut School District  
Klawock School District  
Mat-Su Borough School Board  
Mat-Su Borough School District

Mat-Su Education Association  
Nenana School District  
NEA Alaska - Staff  
NEA Alaska - Management  
Petersburg School District  
Pribilof School District  
Public Education Health Trust Office  
Southeast Island School District  
Tanana School District  
Wrangell School District

**Contact the Health Plan by Mail:**

Public Education Health Trust  
4003 Iowa Drive; Anchorage, Alaska 99517

**Contact the Health Plan by Phone:**

in Anchorage: 907-274-7526  
outside of Anchorage: 1-888-685-7526




**Contact the Health Plan by Fax:**

907-222-2556

Rates for Plan Year FY 2019  
Effective January 1, 2019

Group	Kenai Peninsula Borough School District
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Please complete the following steps:

-  Indicate which medical plan or plans you will offer by checking the appropriate green box(s)  
 Indicate the dental plan that will go with the medical plan(s) offered by checking the corresponding orange box(s)  
 If orthodontia is included under the plan indicate by checking the corresponding purple box  
 Review your current enrollment provided within the rate exhibit below. The enrollment by plan and rate tier is listed under the Tiered Rates section.

initial sign and date the bottom of the rate sheet

Return this form to the Trust no later than November 2, 2018.

		TIERED RATES			
Medical Plan Choices		Employee	Employee + Spouse	Employee + Child(ren)	Employee + Spouse + Child(ren)
Enrollment Assumption		209	209	107	559
<input type="checkbox"/>	Plan A Medical	\$1,202.00	\$2,523.00	\$2,332.00	\$3,653.00
<input type="checkbox"/>	Plan B Medical	\$1,156.00	\$2,426.00	\$2,242.00	\$3,512.00
<input type="checkbox"/>	Plan C Medical	\$1,140.00	\$2,393.00	\$2,211.00	\$3,464.00
<input type="checkbox"/>	Plan E Medical	\$1,053.00	\$2,211.00	\$2,042.00	\$3,200.00
<input type="checkbox"/>	Plan F Medical	\$1,034.00	\$2,172.00	\$2,005.00	\$3,143.00
<input type="checkbox"/>	Plan G Medical	\$954.00	\$2,004.00	\$1,850.00	\$2,900.00
<input type="checkbox"/>	HDHP	\$960.00	\$2,016.00	\$1,862.00	\$2,918.00
<input type="checkbox"/>	SHDHP	\$877.00	\$1,843.00	\$1,704.00	\$2,670.00
<input type="checkbox"/>	Plan Dental A	\$57.70	\$121.30	\$129.90	\$193.50
<input type="checkbox"/>	Plan Dental B	\$54.90	\$115.30	\$123.50	\$183.90
<input type="checkbox"/>	Plan Dental Value (V)	\$25.30	\$53.10	\$56.90	\$84.70
<input type="checkbox"/>	Orthodontia Rider	\$9.60	\$20.10	\$21.60	\$32.10

Dental Plan Choices  
(rates illustrated below medical rates)

☒ A
 ☐ B
 ☐ V
 ☐ Ortho

		Initial
Group has selected to offer Medical Plan(s) indicated above		_____
Group has selected to offer Dental Plan(s) indicated above		_____
Group has selected to offer Orthodontia, if indicated above		_____
Group will offer coverage to Domestic Partners		_____
_____	_____	_____
Signature	Title	Date

Topic of discussion

Rates assume a January 1, 2019 effective date and are guaranteed through June 30, 2019.  
Rates will only cover claims incurred and paid effective January 1, 2019 and after.  
Employee must work a minimum of 15 hours on average per work week to be eligible for coverage.  
Our rates assume the PEHT plans are the only benefits offered to employees. If other plans are made available, the Trust must be notified and have an opportunity to review.  
PEHT reserves the right to change rates if enrollment changes by 10% or more.  
Plan deductibles and out of pocket maximums are accumulated on a calendar year basis.  
For mid-year enrollment of new groups, plan deductibles can be credited for prior coverage, provided EOB information is submitted to the Plan Administrator.  
Rates include broker payment of 2.75% of premium to a maximum of \$15,000 annually for a fiscal year, payable to Marsh & McLennan Agency.  
Rates include a new group load, which will be reviewed annually for up to three plan years starting at the July 1, 2019 renewal.  
A group participation agreement must be signed and returned no later than December 1, 2018.  
Completed enrollment applications must be submitted by December 1, 2018.  
Proof of dependent eligibility documents must be submitted by January 31, 2019.



		Plan A	Plan B	Plan C	Plan E	Plan F	Plan G	HDHP	SHDHP	
Individual/Family Deductible		\$100/\$300	\$250/\$750	\$500/\$1500	\$1000/\$3000	\$1500/\$3000	\$3000/\$6000	\$1500/\$300	\$6500/\$13300	
In-network co-insurance		80%							100%	
Out-of-network co-insurance		125% of medicare								
Individual/Family Out of Pocket		\$1100/\$3300	\$2250/\$6750	\$2500/\$7500	\$4000/\$12000	\$4500/\$9000	\$6000/\$12000	\$5000/\$10000	\$6500/\$13300	
	EE	209	\$1,202.00	\$1,156.00	\$1,140.00	\$1,053.00	\$1,034.00	\$954.00	\$960.00	\$877.00
	ES	209	\$2,523.00	\$2,426.00	\$2,393.00	\$2,211.00	\$2,172.00	\$2,004.00	\$2,016.00	\$1,843.00
	EC	107	\$2,332.00	\$2,242.00	\$2,211.00	\$2,042.00	\$2,005.00	\$1,850.00	\$1,862.00	\$1,704.00
	ESC	559	\$3,653.00	\$3,512.00	\$3,464.00	\$3,200.00	\$3,143.00	\$2,900.00	\$2,918.00	\$2,670.00
Monthly	1084	\$3,070,076.00	\$2,951,740.00	\$2,911,350.00	\$2,689,470.00	\$2,641,526.00	\$2,437,272.00	\$2,452,380.00	\$2,243,338.00	
Composite		\$2,832.17	\$2,723.01	\$2,685.75	\$2,481.06	\$2,436.83	\$2,248.41	\$2,262.34	\$2,069.50	

		Dental A	Dental B	Ortho
Deductible		\$50/\$150	\$75/\$225	
Co-insurance		100%/80%/50%		
Annual Max		\$3,000	\$2,000	\$2000 lifetime max
EE	209	\$57.70	\$54.90	\$9.60
ES	209	\$121.30	\$115.30	\$20.10
EC	107	\$129.90	\$123.50	\$21.60
ESC	559	\$193.50	\$183.90	\$32.10
	1084	\$159,476.80	\$151,586.40	\$26,462.40
		\$147.12	\$139.84	\$24.41

*Public Education*  
HEALTH TRUST

Rates for Plan Year FY 2019  
Effective July 1, 2018

C0215 Anchorage Education Association

**Please complete the following steps:**

- Indicate whether you wish to pay for coverage on a composite or flared rate basis by checking ONE red box
- Indicate which medical plan or plans you will offer by checking the appropriate green box(es)
- Indicate the dental plan that will go with the medical plan(s) offered by checking the corresponding orange box(es)
- If orthodontia is included under the plan indicate by checking the corresponding purple box

Review your current option(s) and enrollment provided within the rate exhibit below. The total enrollment by plan is listed under the Composite Rate, enrollment broken out by tier is listed under the Tiered Rates.

Initial, sign and date the bottom of the rate sheet

DOI: 10.1002/1522-2675(200109)23:9<1015::AID-ANGL.1015>3.0.CO;2-9

ADDITIONAL SERVICES		CONCURRENCE RATES		FAMILY COVERAGE				INDIVIDUAL RATES			
				Employee	Employee + Spouse	Employee + Child(ren)	Employee + Spouse + Child(ren)	(rates illustrated below medical rates)			
Med C - Den B - No Ortho		2673		526	512	242	1393				
Med F - Den B - No Ortho		251		116	48	24	63				
Total		2924		642	560	266	1456				
Plan A Medical		\$1,965.00		\$829.00	\$1,740.00	\$1,608.00	\$2,519.00				
Plan B Medical		\$1,891.00		\$797.00	\$1,673.00	\$1,546.00	\$2,422.00				
Plan C Medical		\$1,863.00		\$786.00	\$1,650.00	\$1,525.00	\$2,389.00				
Plan E Medical		\$1,721.00		\$726.00	\$1,525.00	\$1,408.00	\$2,207.00				
Plan F Medical		\$1,690.00		\$713.00	\$1,498.00	\$1,383.00	\$2,168.00				
Plan G Medical		\$1,362.00		\$658.00	\$1,382.00	\$1,276.00	\$2,000.00				
HDHP		\$1,569.00		\$662.00	\$1,390.00	\$1,284.00	\$2,012.00				
SHDHP		\$1,435.00		\$605.00	\$1,271.00	\$1,175.00	\$1,841.00				
Plan Dental A		\$143.60		\$57.70	\$121.30	\$129.90	\$193.50				
Plan Dental B		\$136.70		\$54.90	\$115.30	\$123.50	\$183.90				
Plan Dental Value (V)		\$49.90		\$25.30	\$53.10	\$56.90	\$84.70				
Orthodontia Rider		\$24.90		\$9.60	\$20.10	\$21.60	\$32.10				

Group has selected to offer Medical Plan(s) indicated above	_____
Group has selected to offer Dental Plan(s) indicated above	_____
Group has selected to offer Orthodontia, if indicated above	_____
Group has selected to pay Composite or Tiered rates, as indicated above	_____
Group will terminate coverage effective July 1, 2018	_____





  

_____	_____	_____
Signature	Title	Date

Rates for Plan Year FY 2019  
Effective July 1, 2018

**Color:** **Malanaka-Suzina Borough School District**

Please complete the following steps:

-  Indicate whether you wish to pay for coverage on a composite or tiered rate basis by checking **ONE** red box
-  Indicate which medical plan or plans you will offer by checking the appropriate green box(s)
-  Indicate the dental plan that will go with the medical plan(s) offered by checking the corresponding orange box(s)
-  If orthodontia is included under the plan indicate by checking the corresponding purple box

Review your current option(s) and enrollment provided within the rate exhibit below. The total enrollment by plan is listed under the Composite Rate. enrollment broken out by tier is listed under the Tiered Rates.

Initial, sign and date the bottom of the rate sheet

[Return this form to the District for Health Administration](#)

Medical Plan Options		EMPLOYEE RATES			
	EMPLOYEE RATES	Employee	Employee + Spouse	Employee + Child(ren)	Employee + Spouse + Child(ren)
Med C - Den B - Ortho	57	7	18	1	34
Med A - Den B - Ortho	47	2	3	3	39
Med H - Den V - No Ortho	3	1	0	1	1
Med F - Den B - Ortho	3	2	0	1	0
Total	110	12	18	6	74
Plan A Medical	\$1,965.00	\$829.00	\$1,740.00	\$1,608.00	\$2,519.00
Plan B Medical	\$1,891.00	\$797.00	\$1,673.00	\$1,546.00	\$2,422.00
Plan C Medical	\$1,863.00	\$786.00	\$1,650.00	\$1,525.00	\$2,389.00
Plan E Medical	\$1,721.00	\$726.00	\$1,525.00	\$1,408.00	\$2,207.00
Plan F Medical	\$1,690.00	\$713.00	\$1,498.00	\$1,383.00	\$2,168.00
Plan G Medical	\$1,562.00	\$658.00	\$1,382.00	\$1,276.00	\$2,000.00
HDHP	\$1,569.00	\$662.00	\$1,390.00	\$1,284.00	\$2,012.00
SHDHP	\$1,435.00	\$605.00	\$1,271.00	\$1,175.00	\$1,841.00
Plan Dental A	\$143.60	\$57.70	\$121.30	\$129.90	\$193.50
Plan Dental B	\$136.70	\$54.90	\$115.30	\$123.50	\$183.90
Plan Dental Value (V)	\$49.90	\$25.30	\$53.10	\$56.90	\$84.70
Orthodontia Rider	\$24.90	\$9.60	\$20.10	\$21.60	\$32.10

☐ Group has selected to offer Medical Plan(s) indicated above  
☐ Group has selected to offer Dental Plan(s) indicated above  
☐ Group has selected to offer Orthodontia, if indicated above  
☐ Group has selected to pay Composite or Tiered rates, as indicated above  
☐ Group will terminate coverage effective July 1, 2018

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 Date

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

THE KENAI PENINSULA BOROUGH  
SCHOOL DISTRICT

AND

THE KENAI PENINSULA EDUCATION ASSOCIATION

FOR THE YEARS

~~2015-2016~~

~~THROUGH~~

~~2017-2018~~

2018-19



## 210 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, 2018~~ ~~July 1, 2015~~ ~~January 1, 2017~~. 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 shall become effective no earlier than November 7, 2016.

	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:

~~FY19~~ ~~FY17, FY18~~

Traditional Health Plan 85% per eligible employee per month.  
High Deductible Plan 90% per eligible employee per month.

In ~~FY18~~ ~~FY19~~, 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 the employees will share the cost over the cap 50/50.

In ~~FY18~~ ~~FY19~~, 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.

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:

~~FY17, FY18~~ ~~FY19~~

Traditional Health Plan 15% per eligible employee per month.  
High Deductible Plan 10% per eligible employee per month.

In ~~FY18~~ ~~FY19~~, the employee's contributions are subject to the District's contribution caps set forth above and cost sharing of 50/50 if the premium exceeds the caps.

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 Broker's separate estimate of each plan's final costs for

the upcoming school year shall be used by the subcommittee to establish that school year's initial and separate employee payroll deduction amounts for each plan. Subcommittee established amounts over or under the Broker's estimates, must include a written justification of the rationale for any such different employee deduction amounts for each plan. In no event shall the Subcommittee establish those separate plan employee amounts in excess of the Broker's estimate for the purpose of using any excess to subsidize the other plan, and any such excess at the end of the plan year cannot be used to subsidize the other plan. On July 1, 2018, or as soon thereafter as the employee contribution amount is established for each plan, there shall be a 30-day open enrollment period. 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. Revenues and expenditures for both the Traditional Health Plan and the High Deductible Health Plan will be tracked separately. Any calculation of an increase in employee payroll deduction amounts to replenish the fund shall only be made for the employees in the plan that necessitated the fund drawdown. If both plans necessitated the fund drawdown, the replenishment amounts shall be determined separately for each plan. 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 who receives dental and vision coverage as it is for an employee who elects not to receive dental and vision coverage.



COLLECTIVE BARGAINING AGREEMENT

BETWEEN

THE KENAI PENINSULA BOROUGH  
SCHOOL DISTRICT

AND

THE KENAI PENINSULA EDUCATIONAL SUPPORT ASSOCIATION

FOR THE YEARS

~~2015-2016~~

~~THROUGH~~

~~2017-2018~~

2018-19

## 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, 2018~~ ~~July 1, 2015~~ ~~January 1, 2017~~. 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.

	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:

~~FY19 FY17, FY18~~ Traditional Health Plan 85% per eligible employee per month.  
High Deductible Plan 90% per eligible employee per month.

In ~~FY18 FY19~~, 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 FY19~~, 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:

~~FY19 FY17, FY18~~ Traditional Health Plan 15% per eligible employee per month.  
High Deductible Plan 10% per eligible employee per month.

In ~~FY18 FY19~~, the employee's contributions are subject to the District's contribution caps set forth above.

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 Broker's separate estimate of each plan's final costs for



the upcoming school year shall be used by the subcommittee to establish that school year's initial and separate employee payroll deduction amounts for each plan. Subcommittee established amounts over or under the Broker's estimates, must include a written justification of the rationale for any such different employee deduction amounts for each plan. In no event shall the Subcommittee establish those separate plan employee amounts in excess of the Broker's estimate for the purpose of using any excess to subsidize the other plan, and any such excess at the end of the plan year cannot be used to subsidize the other plan. On July 1, 2018, or as soon thereafter as the employee contribution amount is established for each plan, there shall be a 30-day open enrollment period. 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. Revenues and expenditures for both the Traditional Health Plan and the High Deductible Health Plan will be tracked separately. Any calculation of an increase in employee payroll deduction amounts to replenish the fund shall only be made for the employees in the plan that necessitated the fund drawdown. If both plans necessitated the fund drawdown, the replenishment amounts shall be determined separately for each plan. 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 who receives dental and vision coverage as it is for an employee who elects not to receive dental and vision coverage.

**2/15/18**

**KPEA**

**Initial Proposal**

## **210 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. 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 shall become effective no earlier than November 7, 2016.

	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 the 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.

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:

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 and cost sharing of 50/50 if the premium exceeds the caps.~~

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.

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\*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 who receives dental and vision coverage as it is for an employee who elects not to received dental and vision coverage.

**Proposals**  
**Presented to the**  
**Kenai Peninsula Borough School District**  
**From the**  
**Kenai Peninsula Educational Support Association**

## 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. 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.

	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:

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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.~~

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.

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\*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 who receives dental and vision coverage as it is for an employee who elects not to ~~received~~ receive dental and vision coverage.



NEGOTIATED AGREEMENT  
BETWEEN THE  
JUNEAU EDUCATION ASSOCIATION  
AND THE  
BOARD OF EDUCATION

ON BEHALF OF THE  
CITY AND BOROUGH OF JUNEAU SCHOOL DISTRICT

JULY 1, 2016 – JUNE 30, 2019



annual evaluation shall be placed in the personnel file subject to the conditions of this article. An employee may request that such material related to evaluation be removed from the employee's personnel file and returned to the employee at the end of thirty-six (36) calendar months.

Confidential references and information originating outside the District obtained by the District in the process of evaluating the teacher for initial employment shall not be available for inspection or response by the non-tenured teacher.

## ARTICLE 15

### Disciplinary Action for Just Cause

No certificated employee shall be disciplined, suspended, formally reprimanded, or demoted without just cause. It is not the intent of the parties to limit the application of AS 14.20.170.

Formal reprimands will result in a written record being placed in the employee's personnel file.

An employee may request that formal reprimands be removed from the employee's personnel file and returned to the employee at the end of thirty-six (36) calendar months if there has been no recurrence of a like nature.

## ARTICLE 16

### Medical

The District will pay up to four hundred dollars (\$400), every three (3) years, toward the cost of any required physical, either by the State or the District. This will include any special test required by the doctor to support his/her findings of fitness to hold the position. (4 AAC 06.050)

## ARTICLE 17

### Health and Life Insurance

#### Section 1. Health Insurance

- A. The District agrees to pay \$1569 per month per teacher (0.5 FTE or greater) to the JEA Health Trust or JEA's designee. If a teacher works less than 0.5 FTE and opts to have District health insurance coverage, the District's health insurance payment will be proportional to the percent of the full-time equivalency the teacher works.

#### Section 2. Life Insurance

The basic life plan shall be equal to two (2) times the employee's annual salary rounded to the next higher \$1,000. For employees hired after July 1, 2015, or who are age 59 or younger on July 1, 2015, life insurance shall be reduced according to the following schedule:

Age of Employee	Percentage Paid
70 through 74	65%
75 or older	50%



Saul Friedman

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From: Bartlett, Kristin <kristin.bartlett@juneauschools.org>  
Sent: Wednesday, January 2, 2019 2:02 PM  
To: Saul Friedman  
Subject: Re: Juneau School District Public Records Request

Happy New Year!

The Juneau School District does not contribute funds for teachers who waive insurance coverage.

Best regards,

Kristin

On Mon, Dec 24, 2018 at 12:20 PM Saul Friedman <[sfriedman@jdolaw.com](mailto:sfriedman@jdolaw.com)> wrote:

Good afternoon Kristin. I have one more request regarding JEA. The District's negotiated agreement contribution is \$1569/month/teacher. Is this for each teacher participant, or is this payment of \$1529/month also made for those teachers who waive insurance coverage? If so, that would increase the monthly contribution on a per participant basis. If it is for the waiver folk as well, similar to my request for JESS, please let me know the number of JEA waivers, and the number of participating JEA members.

Thank you. I want to be accurate in what I present at advisory arbitration and your help is invaluable.

Have a safe and wonderful holiday and a Happy New Year.

Saul


**JDOLAW**  
ATTORNEYS AT LAW

Saul R. Friedman

Of Counsel

McMain, Dunnagan & Owens, PC

3000 A Street, Suite 300

 The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. NOTE: Information about the cost of this plan (called the premium) will be provided separately. This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, call 1-866-247-1443 or visit [www.ebms.com](http://www.ebms.com). For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at <https://www.healthcare.gov/sbc-glossary> or call 1-866-487-2365 to request a copy.

Important Questions	Answers	Why This Matters
What is the overall <u>deductible</u> ?	\$50 per covered person; or \$100 per family unit up to two covered persons; or \$150 per family unit for three or more covered persons. Each JANUARY a new <u>deductible</u> amount is required.	Generally, you must pay all of the costs from <u>providers</u> up to the <u>deductible</u> amount before this <u>plan</u> begins to pay. If you have other family members on the <u>plan</u> , each family member must meet their own individual <u>deductible</u> until the total amount of <u>deductible</u> expenses paid by all family members meets the overall family deductible.
Are there services covered before you meet your <u>deductible</u> ?	Yes. Air ambulance, BridgeHealth or miChoice Surgery Benefit, Teladoc physician consultations, and the following <u>preferred provider</u> services: <u>prescription drug coverage</u> , and <u>preventive care</u> , are covered before you meet your <u>deductible</u> . <u>Copayments</u> do not apply to the <u>deductible</u> .	This <u>plan</u> covers some items and services even if you haven't yet met the <u>deductible</u> amount. But a <u>copayment</u> or <u>coinsurance</u> may apply. For example, this <u>plan</u> covers certain <u>preventive services</u> without cost sharing and before you meet your <u>deductible</u> . See a list of covered <u>preventive services</u> at <a href="https://www.healthcare.gov/coverage/preventive-care-benefits/">https://www.healthcare.gov/coverage/preventive-care-benefits/</a> .
Are there other <u>deductibles</u> for specific services?	Yes. \$500 per inpatient admission, limited to two deductibles per covered person per calendar year. There are no other specific <u>deductibles</u> .	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this <u>plan</u> begins to pay for these services.
What is the <u>out-of-pocket limit</u> for this <u>plan</u> ?	<u>Medical coinsurance maximum out-of-pocket</u> : <u>Preferred Providers</u> : \$264.75 per covered person; <u>Non-Preferred Providers</u> : Unlimited. <u>Super Global maximum out-of-pocket</u> (is the most a member will pay in a calendar year for <u>deductibles</u> , <u>copayments</u> , and <u>coinsurance</u> ): <u>Preferred Providers</u> : \$7,350 per covered person / \$14,700 per family unit; <u>Non-Preferred Providers</u> : Unlimited.	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other family members in this <u>plan</u> , they have to meet their own <u>out-of-pocket limits</u> until the overall family <u>out-of-pocket limit</u> has been met.
What is not included in the <u>out-of-pocket limit</u> ?	<u>Deductibles</u> and <u>prescription drug copayments</u> are not included in the medical <u>coinsurance maximum out-of-pocket limit</u> . <u>Non-preferred provider</u> or facility penalty, Vision Service Plan benefits, <u>prescription drug discounts or coupons</u> , any difference between the private and semi-private room rate when a semi-private room is available, <u>premiums</u> , <u>balance-billing charges</u> (unless balanced billing is prohibited), and health care this <u>plan</u> doesn't cover are not included in the medical <u>coinsurance maximum out-of-pocket limit</u> or the super global maximum <u>out-of-pocket limit</u> .	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .

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Will you pay less if you use a <u>network provider</u> ?	Yes. Refer to your EBMS/Public Education Health Trust identification card, or login to <a href="http://www.ebms.com">www.ebms.com</a> or call 1-866-247-1443 for a list of <u>network providers</u> .	This plan uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the plan's <u>network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the <u>provider's</u> charge and what your <u>plan</u> pays (balance billing). Be aware, your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a <u>referral</u> to see a <u>specialist</u> ?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .

All copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you visit a health care <u>provider's</u> office or clinic	Primary care visit to treat an injury or illness	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Coverage limited to 20 visits/calendar year for massage therapy. Coverage limited to 20 visits/calendar year for spinal manipulation/chiropractic services.  You may have to pay for services that aren't preventive. Ask your <u>provider</u> if the services needed are preventive. Then check what your <u>plan</u> will pay for.
	<u>Specialist</u> visit	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	<u>Preventive care/ screening/immunization</u>	No charge	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
If you have a test	<u>Diagnostic test</u> (x-ray, blood work)	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	<u>Imaging</u> (CT/PET scans, MRIs)	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
If you need drugs to treat your illness or condition  More information about <u>prescription drug coverage</u> is available at <a href="http://www.optumrx.com/myOptumRx">www.optumrx.com/myOptumRx</a> or	Generic drugs	\$12 <u>copayment</u> / prescription (retail) \$24 <u>copayment</u> / prescription (mail order)		<u>Deductible</u> does not apply. Coverage is limited to 30-day supply per prescription retail or 90-day supply per prescription mail order. At select pharmacies a 90-day supply option may be available at the same cost as mail order, including compounds. If a covered person requests a preferred name drug when a generic equivalent is available, they are responsible for the preferred name drug <u>coinsurance</u> plus the difference in cost between the preferred name drug and the generic drug.
	Compound drugs	\$12 <u>copayment</u> / prescription (retail)		
	Preferred brand name drugs	\$25 <u>copayment</u> / prescription (retail) \$50 <u>copayment</u> / prescription (mail order)		
	Non-preferred brand name drugs	\$50 <u>copayment</u> / prescription (retail) \$100 <u>copayment</u> / prescription (mail order)		

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
call 1-855-395-2022.	<u>Specialty drugs</u> - Value specialty drugs - Formulary specialty - Non-formulary specialty	50% <u>coinsurance</u> up to \$100 50% <u>coinsurance</u> up to \$400 50% <u>coinsurance</u> up to \$600	Not Covered	<u>Deductible</u> does not apply. Limited to a 30-day supply/ prescription & requires purchase through the specialty pharmacy program. Non-preferred specialty pharmacy is not covered.
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
	Physician/surgeon fees	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
If you need immediate medical attention	<u>Emergency room care</u> - Medical Emergency - Non-medical Emergency	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/visit emergency room <u>deductible</u>	Coverage limited to services from the nearest hospital where professional and necessary treatment can be provided due to a Medical Emergency.
	<u>Emergency medical transportation</u> - Ground ambulance - Air ambulance	15% <u>coinsurance</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare; <u>deductible</u> does not apply		Coverage limited to services to the nearest hospital or skilled nursing facility where professional and necessary treatment can be provided as medically necessary. Pre-notification is strongly recommended for air ambulance services. Please Call 1-800-228-9118.
	<u>Urgent care</u>	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
If you have a hospital stay	Facility fee (e.g., hospital room)	15% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
	Physician/surgeon fees	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None



Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you need mental health, behavioral health, or substance abuse services	Outpatient services	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Inpatient services	15% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
If you are pregnant	Office visits	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Maternity benefits only apply to covered employee or covered spouse. <u>Cost sharing</u> does not apply to certain <u>preventive services</u> . Depending on the type of services, <u>coinsurance</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (e.g. ultrasound).
	Childbirth/delivery professional services	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	Childbirth/delivery facility services	15% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
If you need help recovering or have other special health needs	Home health care	15% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Rehabilitation services	<u>Outpatient:</u> 15% <u>coinsurance</u>	<u>Outpatient:</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Inpatient is limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate. Outpatient includes speech, physical, and occupational therapies. Physical therapy is limited to 5 visits/calendar year. Occupational therapy is limited to 20 visits/calendar year.
	Habilitation services	<u>Inpatient:</u> 15% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	<u>Inpatient:</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
	Skilled nursing care	15% coinsurance after overall deductible and \$500/admission inpatient deductible	0% coinsurance up to the allowed amount; 125% of Medicare after overall deductible and \$500/admission inpatient deductible	Pre-notification is recommended. The inpatient deductible will only be applied twice/calendar year per covered person. Coverage limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility to the semi-private room rate.
	Durable medical equipment	15% coinsurance		Pre-notification is recommended for DME expenses over \$2,000.
	Hospice services	15% coinsurance	0% coinsurance up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
If your child needs dental or eye care	Children's eye exam	\$25 copayment	Up to \$50	PEHT has contracted with Vision Service Plan (VSP) to provide vision care services. Coverage limited to one exam/calendar year.
	Children's glasses	\$25 copayment	Up to \$70 for frame Up to \$50 for single vision lenses Up to \$75 for bifocal lenses Up to \$75 for progressive lenses Up to \$100 for trifocal lenses	Coverage limited to one pair of lenses/calendar year and one frame every other calendar year.
	Children's dental check-up	No charge	Not covered	Coverage limited to 2 exams/cleanings, fluoride treatments, and bitewings/calendar year; to 1 complete series or panoramic x-ray/calendar year; to 1 sealant per permanent tooth every 5 calendar years.

**Excluded Services & Other Covered Services:**

**Services Your Plan Generally Does NOT Cover** (Check your policy or plan document for more information and a list of any other excluded services.)

- |                         |  |                        |
|-------------------------|--|------------------------|
| • Cosmetic Surgery      | • Long Term Care                                     | • Private Duty Nursing |
| • Dental Care (Adult)   | • Non-emergency care when traveling outside the U.S. | • Weight Loss Programs |
| • Infertility Treatment |  |                        |

**Other Covered Services** (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)

- |                     |                     |  |
|---------------------|---------------------|--|
| • Acupuncture       | • Chiropractic Care | • Routine eye care (Adult) through VSP |
| • Bariatric Surgery | • Hearing Aids      | • Routine Foot Care                    |

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**Your Rights to Continue Coverage:** There are agencies that can help if you want to continue your coverage after it ends. For more information, contact EBMS at 1-800-777-3575 or these agencies: Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or [www.dol.gov/agencies/ebsa/](http://www.dol.gov/agencies/ebsa/) or Department of Health and Human Services, Center for Consumer Information and Insurance Oversight, at 1-877-267-2323 x61565 or [www.ccoio.cms.gov](http://www.ccoio.cms.gov). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit [www.HealthCare.gov](http://www.HealthCare.gov) or call 1-800-318-2596.

**Your Grievance and Appeals Rights:** There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact EBMS at 1-800-777-3575 or the DOL's Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a consumer assistance program can help you file your appeal. Contact your state's program if available at: <http://www.cms.gov/CCIIO/Resources/Consumer-Assistance-Grants/>.

**Does this plan provide Minimum Essential Coverage? Yes.**

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

**Does this plan meet Minimum Value Standards? Yes.**

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

#### Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-866-247-1443.

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog 1-866-247-1443.

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-866-247-1443.

Navajo (Dine): Dine'ehgo shika at'ohwol ninisingo, kwijigo holne' 1-866-247-1443.

— To see examples of how this plan might cover costs for a sample medical situation, see the next section. —

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About these Coverage Examples:



This is **not** a cost estimator. Treatments shown are just examples of how this [plan](#) might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your [providers](#) charge, and many other factors. Focus on the [cost sharing](#) amounts ([deductibles](#), [copayments](#) and [coinsurance](#)) and [excluded services](#) under the [plan](#). Use this information to compare the portion of costs you might pay under different health [plans](#). Please note these coverage examples are based on self-only coverage.

**Peg is Having a Baby**

(9 months of in-network pre-natal care and a hospital delivery)

■ The <a href="#">plan's</a> overall <a href="#">deductible</a>	\$50
■ <a href="#">Specialist</a> <a href="#">coinsurance</a>	15%
■ <a href="#">Hospital (facility)</a> <a href="#">coinsurance</a>	15%
■ <a href="#">Other</a> <a href="#">coinsurance</a>	15%

This EXAMPLE event includes services like:  
Specialist office visits (*prenatal care*)  
Childbirth/Delivery Professional Services  
Childbirth/Delivery Facility Services  
Diagnostic tests (*ultrasounds and blood work*)  
Specialist visit (*anesthesia*)

**Total Example Cost** \$12,800

In this example, Peg would pay:

*Cost Sharing*

Deductibles*	\$550
Copayments	\$48
Coinsurance	\$275

*What isn't covered*

Limits or exclusions	\$60
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**The total Peg would pay is** \$423

**Managing Joe's type 2 Diabetes**

(a year of routine in-network care of a well-controlled condition)

■ The <a href="#">plan's</a> overall <a href="#">deductible</a>	\$50
■ <a href="#">Primary care physician</a> <a href="#">coinsurance</a>	15%
■ <a href="#">Hospital (facility)</a> <a href="#">coinsurance</a>	15%
■ <a href="#">Other</a> <a href="#">coinsurance</a>	15%

This EXAMPLE event includes services like:  
Primary care physician office visits (*including disease education*)  
Diagnostic tests (*blood work*)  
Prescription drugs  
Durable medical equipment (*glucose meter*)

**Total Example Cost** \$7,400

In this example, Joe would pay:

*Cost Sharing*

Deductibles	\$50
Copayments	\$697
Coinsurance	\$265

*What isn't covered*

Limits or exclusions	\$60
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**The total Joe would pay is** \$1,072

**Mia's Simple Fracture**

(in-network emergency room visit and follow up care)

■ The <a href="#">plan's</a> overall <a href="#">deductible</a>	\$50
■ <a href="#">Specialist</a> <a href="#">coinsurance</a>	15%
■ <a href="#">Hospital (facility)</a> <a href="#">coinsurance</a>	15%
■ <a href="#">Other</a> <a href="#">coinsurance</a>	15%

This EXAMPLE event includes services like:  
Emergency room care (*including medical supplies*)  
Diagnostic test (*x-ray*)  
Durable medical equipment (*crutches*)  
Rehabilitation services (*physical therapy*)

**Total Example Cost** \$1,900

In this example, Mia would pay:

*Cost Sharing*

Deductibles*	\$50
Copayments	\$0
Coinsurance	\$260

*What isn't covered*

Limits or exclusions	\$0
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**The total Mia would pay is** \$310

\*Note: This [plan](#) has other [deductibles](#) for specific services included in this coverage example. See "Are there other [deductibles](#) for specific services?" row above.

The [plan](#) would be responsible for the other costs of these EXAMPLE covered services.

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The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. NOTE: Information about the cost of this plan (called the premium) will be provided separately.

This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, call 1-866-247-1443 or visit [www.ebms.com](http://www.ebms.com). For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at <https://www.healthcare.gov/sbc-glossary> or call 1-866-487-2365 to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall <u>deductible</u> ?	\$1,500 single coverage or \$3,000 family coverage. Each JANUARY a new <u>deductible</u> amount is required.	Generally, you must pay all of the costs from <u>providers</u> up to the <u>deductible</u> amount before this <u>plan</u> begins to pay. If you have other family members on the policy, the overall family <u>deductible</u> must be met before the <u>plan</u> begins to pay.
Are there services covered before you meet your <u>deductible</u> ?	Yes. <u>Preferred providers preventive care</u> is covered before you meet your <u>deductible</u> .	This <u>plan</u> covers some items and services even if you haven't yet met the <u>deductible</u> amount. But a <u>copayment</u> or <u>coinsurance</u> may apply. For example, this <u>plan</u> covers certain <u>preventive services</u> without <u>cost sharing</u> and before you meet your <u>deductible</u> . See a list of covered <u>preventive services</u> at <a href="https://www.healthcare.gov/coverage/preventive-care-benefits/">https://www.healthcare.gov/coverage/preventive-care-benefits/</a> .
Are there other <u>deductibles</u> for specific services?	Yes. \$200 per inpatient admission, limited to two <u>deductibles</u> per covered person per calendar year; and \$500 per non-medical emergency room incident. There are no other specific <u>deductibles</u> .	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this <u>plan</u> begins to pay for these services.
What is the <u>out-of-pocket limit</u> for this <u>plan</u> ?	<u>Medical coinsurance maximum out-of-pocket</u> : Preferred Providers: \$3,500 single coverage / \$7,000 family coverage (not to exceed \$3,500 per covered person); Non-Preferred Providers: Unlimited. <u>Super Global maximum out-of-pocket</u> (is the most a member will pay in a calendar year for <u>deductibles</u> , <u>copayments</u> , and <u>coinsurance</u> ): Preferred Providers: \$6,650 single coverage / \$13,300 family coverage (not to exceed \$6,650 per covered person); Non-Preferred Providers: Unlimited.	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other family members in this <u>plan</u> , they have to meet their own <u>out-of-pocket limits</u> until the overall family <u>out-of-pocket limit</u> has been met.
What is not included in the <u>out-of-pocket limit</u> ?	<u>Deductibles</u> are not included in the medical <u>coinsurance maximum out-of-pocket limit</u> . <u>Non-preferred provider or facility penalty</u> , Vision Service Plan benefits, <u>prescription drug discounts or coupons</u> , any difference between the private and semi-private room rate when a semi-private room is available, <u>premiums</u> , <u>balance-billing charges</u> (unless balanced billing is prohibited), and health care this <u>plan</u> doesn't cover are not included in the medical <u>coinsurance maximum out-of-pocket limit</u> or the <u>super global maximum out-of-pocket limit</u> .	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .



Will you pay less if you use a <u>network provider</u> ?	Yes. Refer to your EBMS/Public Education Health Trust identification card, or login to <a href="http://www.ebms.com">www.ebms.com</a> or call 1-866-247-1443 for a list of <u>network providers</u> .	This plan uses a provider network. You will pay less if you use a provider in the plan's network. You will pay the most if you use an out-of-network provider, and you might receive a bill from a provider for the difference between the provider's charge and what your plan pays (balance billing). Be aware, your network provider might use an out-of-network provider for some services (such as lab work). Check with your provider before you get services.
Do you need a <u>referral</u> to see a <u>specialist</u> ?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .

 All copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Coverage limited to 20 visits/calendar year for massage therapy. Coverage limited to 20 visits/calendar year for spinal manipulation/chiropractic services.
	Specialist visit	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	Preventive care/ screening/immunization	No charge	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	You may have to pay for services that aren't preventive. Ask your <u>provider</u> if the services needed are preventive. Then check what your <u>plan</u> will pay for.
If you have a test	Diagnostic test (x-ray, blood work)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Imaging (CT/PET scans, MRIs)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
If you need drugs to treat your illness or condition More information about <u>prescription drug coverage</u> is available at <a href="http://www.optumrx.com/">www.optumrx.com/</a>	Preventive Care drugs	No Charge (retail or mail order)		Retail or mail order prescriptions are available up to a 90-day supply per prescription. If a covered person requests a preferred name drug when a generic equivalent is available, they are responsible for the preferred name drug <u>coinsurance</u> plus the difference in cost between the preferred name drug and the generic drug.
	HDHP Expanded List of Preventive Drugs	20% <u>coinsurance</u> ; deductible does not apply (retail or mail order)		
	Generic drugs	20% <u>coinsurance</u> (retail or mail order)		
	Compound drugs	20% <u>coinsurance</u> (retail or mail order)		
	Preferred brand name drugs	20% <u>coinsurance</u> (retail or mail order)		
	Non-preferred brand name drugs	20% <u>coinsurance</u> (retail or mail order)		

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
myOptumRx or call 1-855-395-2022	<u>Specialty drugs</u> - Value specialty drugs - Formulary specialty - Non-formulary specialty	50% <u>coinsurance</u> up to \$100 50% <u>coinsurance</u> up to \$400 50% <u>coinsurance</u> up to \$600	Not Covered	Limited up to a 30-day supply per prescription and must be obtained through the Specialty Pharmacy Program. Only the first fill will be available through the retail pharmacy benefit.
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
	Physician/surgeon fees	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
If you need immediate medical attention	<u>Emergency room care</u> - Medical Emergency - Non-medical Emergency	20% <u>coinsurance</u> 20% <u>coinsurance</u> after overall deductible and \$500/visit emergency room deductible	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall deductible and \$500/visit emergency room deductible	Coverage limited to services from the nearest hospital where professional and necessary treatment can be provided due to a Medical Emergency. The emergency room deductible is waived for medical emergency, accidental injury, or if admitted as an inpatient.
	<u>Emergency medical transportation</u> - Ground ambulance - Air ambulance	20% <u>coinsurance</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare		Coverage limited to services to the nearest hospital or skilled nursing facility where professional and necessary treatment can be provided as medically necessary. Pre-notification is strongly recommended for air ambulance services. Please Call 1-800-228-9118.
	<u>Urgent care</u>	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
If you have a hospital stay	Facility fee (e.g., hospital room)	20% <u>coinsurance</u> after overall deductible and \$200/admission inpatient deductible	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall deductible and \$200/admission inpatient deductible	Pre-notification is recommended. The inpatient deductible will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
	Physician/surgeon fees	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you need mental health, behavioral health, or substance abuse services	Outpatient services	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Inpatient services	20% <u>coinsurance</u> after overall <u>deductible</u> and \$200/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$200/ admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
If you are pregnant	Office visits	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Maternity benefits only apply to covered employee or covered spouse. <u>Cost sharing</u> does not apply to certain preventive services. Depending on the type of services, <u>coinsurance</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (e.g. ultrasound).
	Childbirth/delivery professional services	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	Childbirth/delivery facility services	20% <u>coinsurance</u> after overall <u>deductible</u> and \$200/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$200/ admission inpatient <u>deductible</u>	The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
If you need help recovering or have other special health needs	<u>Home health care</u>	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	<u>Rehabilitation services</u>	<u>Outpatient:</u> 20% <u>coinsurance</u>	<u>Outpatient:</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Inpatient is limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate. Outpatient includes speech, physical, and occupational therapies. Physical and occupational therapies are limited to 20 visits per therapy/calendar year.
	<u>Habilitation services</u>	<u>Inpatient:</u> 20% <u>coinsurance</u> after overall <u>deductible</u> and \$200/ admission inpatient <u>deductible</u>	<u>Inpatient:</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$200/ admission inpatient <u>deductible</u>	

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
	Skilled nursing care	20% coinsurance after overall deductible and \$200/admission inpatient deductible	0% coinsurance up to the allowed amount; 125% of Medicare after overall deductible and \$200/admission inpatient deductible	Pre-notification is recommended. The inpatient deductible will only be applied twice/calendar year per covered person. Coverage limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate.
	Durable medical equipment	20% coinsurance		Pre-notification is recommended for DME expenses over \$2,000.
	Hospice services	20% coinsurance	0% coinsurance up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
If your child needs dental or eye care	Children's eye exam	No charge	Not Covered	PEHT has contracted with Vision Service Plan (VSP) to provide vision care services. Coverage limited to one exam/calendar year.
	Children's glasses	\$25 copayment	Not Covered	Coverage limited to one pair of glasses/ calendar year when chosen from VSP's Pediatric Exchange Collection; otherwise, 20% savings on other frame brands. Lens enhancements are excluded.
	Children's dental check-up	Not Covered		Dental benefits may be available as a separate election.

**Excluded Services & Other Covered Services:**

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services.)

- Cosmetic Surgery
- Dental Care (Adult)
- Infertility Treatment
- Long Term Care
- Non-emergency care when traveling outside the U.S.
- Private Duty Nursing
- Weight Loss Programs

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)

- Acupuncture
- Bariatric Surgery
- Chiropractic Care
- Hearing Aids
- Routine eye care (Adult) Exam only through VSP
- Routine Foot Care



**Your Rights to Continue Coverage:** There are agencies that can help if you want to continue your coverage after it ends. For more information, contact EBMS at 1-800-777-3575 or these agencies: Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or [www.dol.gov/agencies/ebsa/](http://www.dol.gov/agencies/ebsa/) or Department of Health and Human Services, Center for Consumer Information and Insurance Oversight, at 1-877-267-2323 x61565 or [www.ccoio.cms.gov](http://www.ccoio.cms.gov). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit [www.HealthCare.gov](http://www.HealthCare.gov) or call 1-800-318-2596.

**Your Grievance and Appeals Rights:** There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact EBMS at 1-800-777-3575 or the DOL's Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a consumer assistance program can help you file your appeal. Contact your state's program if available at: <http://www.cms.gov/CCIIO/Resources/Consumer-Assistance-Grants/>.

**Does this plan provide Minimum Essential Coverage? Yes.**

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

**Does this plan meet Minimum Value Standards? Yes.**

If your plan doesn't meet the [Minimum Value Standards](#), you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

**Language Access Services:**

Spanish (Español): Para obtener asistencia en Español, llame al 1-866-247-1443.

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog 1-866-247-1443.

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-866-247-1443.

Navajo (Dine): Dine'ehgo shika a'ohwol ninisingo, kwijigo holne' 1-866-247-1443.

\_\_\_\_\_ To see examples of how this plan might cover costs for a sample medical situation, see the next section.

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About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

**Peg is Having a Baby**

(9 months of in-network pre-natal care and a hospital delivery)

■ The plan's overall deductible	\$1,500
■ Specialist coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:  
Specialist office visits (prenatal care)  
Childbirth/Delivery Professional Services  
Childbirth/Delivery Facility Services  
Diagnostic tests (ultrasounds and blood work)  
Specialist visit (anesthesia)

**Total Example Cost \$12,800**

In this example, Peg would pay:

*Cost Sharing*

Deductibles*	\$2,000
Copayments	\$0
Coinsurance	\$2,530

*What isn't covered*

Limits or exclusions	\$60
<b>The total Peg would pay is</b>	<b>\$4,590</b>

**Managing Joe's type 2 Diabetes**

(a year of routine in-network care of a well-controlled condition)

■ The plan's overall deductible	\$1,500
■ Primary care physician coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:  
Primary care physician office visits (including disease education)  
Diagnostic tests (blood work)  
Prescription drugs  
Durable medical equipment (glucose meter)

**Total Example Cost \$7,400**

In this example, Joe would pay:

*Cost Sharing*

Deductibles	\$1,500
Copayments	\$0
Coinsurance	\$1,440

*What isn't covered*

Limits or exclusions	\$60
<b>The total Joe would pay is</b>	<b>\$3,000</b>

**Mia's Simple Fracture**

(in-network emergency room visit and follow up care)

■ The plan's overall deductible	\$1,500
■ Specialist coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:  
Emergency room care (including medical supplies)  
Diagnostic test (x-ray)  
Durable medical equipment (crutches)  
Rehabilitation services (physical therapy)

**Total Example Cost \$1,900**

In this example, Mia would pay:

*Cost Sharing*

Deductibles*	\$1,900
Copayments	\$0
Coinsurance	\$0

*What isn't covered*

Limits or exclusions	\$0
<b>The total Mia would pay is</b>	<b>\$1,900</b>

\*Note: This plan has other deductibles for specific services included in this coverage example. See "Are there other deductibles for specific services?" row above.

The plan would be responsible for the other costs of these EXAMPLE covered services.

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**Agreement between  
Juneau Education Support Staff  
and  
Board of Education  
on behalf of the  
Juneau City and Borough School District**

**July 1, 2016 - June 30, 2019**

**ARTICLE 24**  
**Physical Examination**

**Section 1. Initial Examination**

The District will cover a maximum of four hundred (\$400.00) dollars toward the cost of any required physical, either by the State or the District. A Bargaining Unit Member will not be required to use sick or annual leave to comply with the provisions of this Article.

**Section 2. Re-examination**

Re-examination shall be required a minimum of every three (3) years thereafter and subject to conditions in Section 1.

**Section 3. Supplemental Examinations**

Additional physical examinations, other than those outlined in Sections 1 and 2 of this Article, may be required at the discretion and expense of the Board.

**ARTICLE 25**  
**Health and Life Insurance**

Insurance provided in whole or in part by the Employer shall be continued for the life of this Agreement. This includes, but is not limited to the following:

**Section 1. Health Insurance**

The District shall pay to the APEA/AFT Health and Welfare Trust, or other health insurance program that is mutually agreeable, one thousand five hundred sixty-nine dollars (\$1569.00) per month for FY17 for each full-time employee enrolled in the health insurance plan.

The District shall pay to the APEA/AFT Health and Welfare Trust, or other health insurance program that is mutually agreeable, one thousand five hundred ninety-nine dollars (\$1599.00) per month for FY 18 for each full-time employee enrolled in the health insurance plan.

The District shall pay to the APEA/AFT Health and Welfare Trust, or other health insurance program that is mutually agreeable, one thousand six hundred twenty-nine dollars (\$1629.00) per month for FY 19 for each full-time employee enrolled in the health insurance plan.

Any additional increases to health insurance costs during the life of this contract will be the responsibility of individual Bargaining Unit Members. The plan year shall be July 1 through June 30. The Employer shall pay a prorated amount of the premium for enrolled permanent part-time employees, as defined, according to the number of hours worked.

Newly hired employees shall have access to health insurance benefits following completion of the probationary period.

For the purposes of health insurance only, enrolled JESS members who are assigned to work no less than six and one half (6.5) hours per day will receive benefits as a full-time employee under this provision.



In FY17, the District will make a monthly payment to the APEA/AFT Health and Welfare Trust equal to 35% of the amount that would have been paid to the trust for employees who waived insurance in FY17.

In FY18, the District will make a monthly payment to the APEA/AFT Health and Welfare Trust equal to 25% of the amount that would have been paid to the trust for employees who waived insurance in FY18.

In FY19, the District will make a monthly payment to the APEA/AFT Health and Welfare Trust equal to 20% of the amount that would have been paid to the trust for employees who waived insurance in FY19.

The District will select a comprehensive Employee Assistance Plan for all JESS members effective FY17 through FY19 at a total annual premium cost not to exceed \$12,000.00.

## **Section 2. Employee and Dependent Life Insurance**

- a. The Employer shall pay the total premium including any rate increase for a life and accidental death and dismemberment plan, which insures the life of every Bargaining Unit Member in a principal amount of one-hundred thousand dollars (\$100,000), or the limits of the policy if reduced due to the employee's age.

The Employer shall pay the total premium including any rate increase for a life and accidental death and dismemberment plan, which insures the life of every Bargaining Unit Member's dependents and spouse in a principal amount of five thousand dollars (\$5,000), or the limits of the policy if reduced due to the age of the dependent or spouse.

- b. The District shall provide for an optional life insurance feature at the Bargaining Unit Member's option and expense. Such plan shall provide for an amount equal to the next higher thousand dollars of the annual salary and shall be graduated by age grouping.
- c. Past practice regarding conversion of Health and/or Life Insurance and premium payments shall continue for retired employees and Bargaining Unit Members on approved leave of absence without pay.

## **Section 3. Travel Insurance**

All Bargaining Unit Members covered under this Agreement shall be covered by a \$100,000 accidental death policy while on approved travel from the District. This shall cover all commercial travel by airplane, boat or automobile while on District-approved travel leave, and at no cost to the employee.

## **ARTICLE 26 Legal Trust Fund**

### **Section 1. Employer Contributions**

- a. In addition to the wages paid per Article 13, the Employer agrees to pay the Alaska Public Employees Association Legal Trust Fund (hereinafter the Fund) twelve dollars (\$12.00) per month per Bargaining Unit Member. Such contributions shall be made over seasonal and summer breaks for nine (9) and ten (10) month employees.
- b. The Employer shall remit the amount due for the previous month to the Fund by the tenth (10th) of each month.
- c. The contributions to the Fund shall be used exclusively for a pre-paid legal service plan for the

**Saul Friedman**

pg 4

**To:**  
**Subject:**

Saul Friedman  
FW: Juneau School District Public Records Request

**From:** Bartlett, Kristin [mailto:kristin.bartlett@juneauschools.org]  
**Sent:** Friday, December 21, 2018 10:02 AM  
**To:** Saul Friedman <sfriedman@jdolaw.com>  
**Cc:** Darryl Smith <darryl.smith@juneauschools.org>; Weiss, Bridget <bridget.weiss@juneauschools.org>; Hansen, Cherish <cherish.hansen@juneauschools.org>  
**Subject:** Re: Juneau School District Public Records Request

Good morning Mr. Friedman,

The Juneau School District contributes \$1,629/month per enrolled full time JESS employee to the health insurance program. As of October 2018, there were 224 full time employees participating in the program and 50 full time employees receiving waivers. The district pays \$325.80 per waiver.

Sincerely,

Kristin Bartlett

**APEA-AFT Health & Welfare Trust**

**Employee Benefit Plan**

**Juneau Education Support Staff**

**Effective Date: March 1, 2006**  
**Restatement Date: September 1, 2016**

The APEA-AFT Health & Welfare Trust  
Employee Benefit Plan

JESS

Amendment Number 2  
to the September 2016 SPD Restatement

Effective January 1, 2017

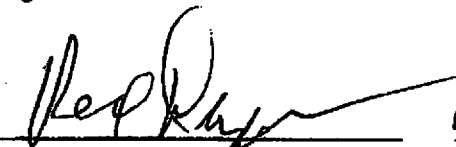
The APEA-AFT Health & Welfare Trust Employee Benefit Plan is hereby amended as follows:


The Plan shall adopt the Caremark Advanced Control Formulary. No payment shall be made for medications which are listed as excluded on the Advance Control Formulary.

The following language shall be added to the Plan:

Formulary refers to a list of covered drugs that serves as a guide within select drug classes for you and your doctor. The formulary is managed by the Prescription Benefits Manager. Non-formulary drugs are not included on the drug list and may be considered non-preferred or excluded. If a drug is not on the list then it may not be covered or may cost you more. You may be responsible for the full cost of a non-formulary drug. The formulary is subject to change in response to market dynamics. An appeals exception process is available to accommodate medical necessity circumstances.

Signed:

	10-24-16	Chair
Authorized Signature	Date	Title

	10-24-16	Trustee
Authorized Signature	Date	Title



**ESTABLISHMENT OF THE PLAN;  
ADOPTION OF THE PLAN DOCUMENT AND SUMMARY PLAN DESCRIPTION**

This Plan Document and Summary Plan Description (the "Summary Plan Description"), made by the Board of Trustees of APEA-AFT Health & Welfare Trust (the "Board of Trustees") as of September 1, 2016, hereby amends and restates the APEA-AFT Health & Welfare Trust Employee Benefit Plan (the "Plan"), which was originally adopted by the Board of Trustees, effective March 1, 2006.

The Board of Trustees, as the settlor of the Plan, hereby adopts this Summary Plan Description as the written description of the Plan. This Summary Plan Description amends and replaces any prior statement of the health care coverage contained in the Plan or any predecessor to the Plan.

IN WITNESS WHEREOF, the Plan Sponsor has caused this Summary Plan Description to be executed.

APEA-AFT Health & Welfare Trust

**SCHEDULE OF BENEFITS**

<b>MEDICAL BENEFITS</b>	
Deductible, per Calendar Year	\$800 per Individual \$2,400 per Family
Out-of-Pocket Maximum, per Calendar Year (excluding deductible)	\$1,500 per Individual \$4,500 per Family
Annual and Lifetime Maximum Benefits	Unlimited
<b>Benefit Percentages (Based on Allowable Charges) and Calendar Year Maximums</b>	
Acupuncture	80%, 12 visits allowed
Emergency Room Expenses – Calendar Year Deductible Waived	\$50 ER deductible, waived if admitted to the Hospital, then 80%  No coverage for non-emergency services
Coalition Health Center	\$0 copay for preventive services \$10 copay for all other services
Hearing Aid Expense	80%, up to \$800
Home Health Care	80%, 130 visits allowed
Hospice Care - Inpatient	10 days allowed 80% PPO Facility 80% Out-of-Area Facility 50% Non-PPO Facility
Hospice Care – Outpatient	80%, 6 months allowed
Hospital Charges	80% PPO Facility 80% Out-of-Area Facility 50% Non-PPO Facility
Mental or Nervous Conditions	No coverage
Outpatient Dialysis Treatment	80% of the Usual and Reasonable Charge
Preventive Care Services	100%, not subject to the deductible
Private Duty Nursing	80%, 70 visits allowed

Rehabilitation Therapy Massage Therapy Physical Therapy Occupational Therapy	80%, 45 visits allowed for all services combined
Skilled Nursing / Convalescent Care Facility	120 days allowed 80% PPO Facility 80% Out-of-Area Facility 50% Non-PPO Facility
Substance Abuse Treatment	No coverage
Transplant-Related Travel and Lodging	80%, up to \$50 per night, \$10,000 per transplant period
All Other Travel	Up to \$600 for transportation expense Up to \$150 per day for lodging Annual maximum of 7 days lodging
All Other Covered Services	80%

<b>PRESCRIPTION DRUG BENEFITS</b>	
Calendar Year Deductible	\$500 per Individual
Retail Copays (per 30 day supply)	
Generic	\$10 (no deductible)
Preferred Brand	\$25
Non-Preferred Brand	\$45
Mail Order Copays (up to a 90 day supply)	
Generic	\$20 (no deductible)
Preferred Brand	\$50
Non-Preferred Brand	\$90
Pre-authorization is required for Specialty drugs and Specialty medications are limited to a 30-day supply. Step-therapy for some specialty drugs may apply.	

<b>DENTAL BENEFITS</b>	
Deductible, per Calendar Year	\$50 per Individual \$150 per Family
Calendar Year Maximum Benefit	\$2,000 per Individual
<b>Benefit Percentages (Based on Allowable Charges)</b>	
Diagnostic and Preventive	100%, not subject to the deductible
Restorative	80%
Reconstructive	50%

<b>VISION BENEFITS (ADMINISTERED THROUGH VSP)</b>	
Copay	\$25
Eye Exam	Every 12 months
Lenses	Every 24 months
Frames	Every 24 months
Benefits are limited to the Network and Non-VSP provider allowances	



**GENERAL PLAN INFORMATION**

**Name of Plan:** APEA-AFT Health & Welfare Trust Employee Benefit Plan

**Plan Administrator:  
(Named Fiduciary)** APEA-AFT Board of Trustees  
211 Fourth Street, Suite 306  
Juneau, AK 99801  
Phone (907) 586-2334 (Fax) (907) 463-4980

**Plan Sponsor Tax ID No.:** 52-7332235

**Fiscal Year:** July 1 through June 30

**Plan Year:** September 1 through August 31

**Plan Type:** Medical, Dental, Vision, Prescription Drug

**Claims Administrator:** Welfare & Pension Administration Service, Inc.  
2815 Second Avenue, Suite 300  
PO Box 34203  
Seattle, WA 98124-1203  
800-331-6158  
[www.wpas-inc.com](http://www.wpas-inc.com)

**Participating Employer(s):** Juneau City and Borough School District and APEA-AFT

**Agent for Service of Legal Process:** APEA-AFT Health & Welfare Trust

# ***TENTATIVE AGREEMENT***

Between the

**Anchorage Education  
Association**

and the

**Anchorage School District**

July 1, 201718 – June 30, 201821

shall be made for mileage traveled by a member to the first nor from the last duty station. Should the federal mileage reimbursement rate change, the rate will be adjusted prospectively. Mileage driven between July 1 – September 30 must be submitted for reimbursement by October 15, mileage driven between October 1 – December 31 must be submitted for reimbursement by January 15, mileage driven between January 1 and March 31 must be submitted for reimbursement by April 15, and mileage driven between April 1 – June 30 must be submitted for reimbursement by July 15th.

## 170 DISABILITY RETIREMENT

In the event a tenured member retires because of disability and subsequently recovers, the member shall have rehire privileges as defined by Alaska statute 14.20.165 and appropriate regulations.

## 200 SERIES – INSURANCE BENEFITS

### 205 HEALTH BENEFITS

For the 2017–2018 2018-2019 year, the District shall contribute toward the cost of health care, \$1,645 monthly per eligible member (.75 or greater FTE) who elects health coverage. In 2019-2020 and 2020-2021 the District shall contribute \$1,695 monthly per eligible member. through the Public Education Health Trust (PEHT).

This contribution shall be transmitted to the PEHT account with the clear understanding that such funds may be used only to provide a comprehensive health plan for Anchorage School District teachers. The District shall have no obligation or responsibility for any aspect of plan selection or for administration of benefits offered under whatever plan may be purchased by the Association.

- A. The District will apply the full amount of waiver funds retained in prior fiscal years to the members' portion of the premium amount on a monthly basis until the retained funds from the prior fiscal years are expended.

The District will deposit a one-time payment of ~~\$800,000~~ 1.9 million into the waiver/reserve fund on or before February 1, 2018~~9~~.

An independent accounting of the waiver monies will be provided by the District to the Association as agreed upon by the parties.

- B. The following procedures will be adhered to with respect to the timing of the District's contribution of funds to the PEHT:
- The District will run an initial eligibility report, and based on that report will transmit the agreed-upon District contribution per member times the number of members on the initial eligibility report to the PEHT within five District working days of the first of the month.
  - Prior to running the next month's eligibility report, the District will reconcile the actual number of eligible members with the number on the initial eligibility report,





The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. NOTE: Information about the cost of this plan (called the premium) will be provided separately. This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, call 1-866-247-1443 or visit [www.ebms.com](http://www.ebms.com). For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at <https://www.healthcare.gov/sbc-glossary> or call 1-866-487-2365 to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall <u>deductible</u> ?	\$500 per covered person or \$1,500 per family unit. Each JANUARY a new <u>deductible</u> amount is required.	Generally, you must pay all of the costs from <u>providers</u> up to the <u>deductible</u> amount before this <u>plan</u> begins to pay. If you have other family members on the <u>plan</u> , each family member must meet their own individual <u>deductible</u> until the total amount of <u>deductible</u> expenses paid by all family members meets the overall family <u>deductible</u> .
Are there services covered before you meet your <u>deductible</u> ?	Yes. Air ambulance, BridgeHealth or miChoice Surgery Benefit, Teladoc physician consultations, and the following preferred provider services: <u>prescription drug coverage</u> , and <u>preventive care</u> , are covered before you meet your <u>deductible</u> . Copayments do not apply to the <u>deductible</u> .	This <u>plan</u> covers some items and services even if you haven't yet met the <u>deductible</u> amount. But a <u>copayment</u> or <u>coinsurance</u> may apply. For example, this <u>plan</u> covers certain <u>preventive services</u> without <u>cost sharing</u> and before you meet your <u>deductible</u> . See a list of covered <u>preventive services</u> at <a href="https://www.healthcare.gov/coverage/preventive-care-benefits/">https://www.healthcare.gov/coverage/preventive-care-benefits/</a> .
Are there other <u>deductibles</u> for specific services?	Yes. \$500 per inpatient admission, limited to two <u>deductibles</u> per person per calendar year; and \$500 per non-medical emergency room visit. There are no other specific <u>deductibles</u> .	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this <u>plan</u> begins to pay for these services.
What is the <u>out-of-pocket limit</u> for this <u>plan</u> ?	<b>Medical coinsurance maximum out-of-pocket:</b> Preferred Providers: \$2,000 per covered person / \$6,000 per family unit; Non-Preferred Providers: Unlimited. <b>Super global maximum out-of-pocket</b> (is the most a member will pay in a calendar year for <u>deductibles</u> , <u>copayments</u> , and <u>coinsurance</u> ): Preferred providers: \$7,350 per covered person or \$14,700 per family unit; Non-Preferred Providers: Unlimited.	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other family members in this <u>plan</u> , they have to meet their own <u>out-of-pocket limits</u> until the overall family <u>out-of-pocket limit</u> has been met.
What is not included in the <u>out-of-pocket limit</u> ?	<u>Deductibles</u> and <u>prescription drug copayments</u> are not included in the <u>medical coinsurance maximum out-of-pocket limit</u> . Non-preferred provider or facility penalty, Vision Service Plan benefits, <u>prescription drug discounts</u> or coupons, any difference between the private and semi-private room rate when a semi-private room is available, <u>premiums</u> , <u>balance-billing charges</u> (unless balanced billing is prohibited), and health care this <u>plan</u> doesn't cover are not included in the <u>medical coinsurance maximum out-of-pocket limit</u> or super global <u>maximum out-of-pocket limit</u> .	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .

EXH17  
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Will you pay less if you use a <u>network provider</u> ?	Yes. Refer to your EBMS/Public Education Health Trust identification card, or login to <a href="http://www.ebms.com">www.ebms.com</a> or call 1-866-247-1443 for a list of <u>network providers</u> .	This plan uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the <u>plan's network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the <u>provider's</u> charge and what your <u>plan</u> pays ( <u>balance billing</u> ). Be aware, your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a <u>referral</u> to see a <u>specialist</u> ?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .

 All copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Coverage limited to 20 visits/calendar year for massage therapy. Coverage limited to 20 visits/calendar year for spinal manipulation/chiropractic services.
	<u>Specialist</u> visit	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	<u>Preventive care/ screening/immunization</u>	No charge	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	You may have to pay for services that aren't preventive. Ask your <u>provider</u> if the services needed are preventive. Then check what your <u>plan</u> will pay for.
If you have a test	<u>Diagnostic test</u> (x-ray, blood work)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Imaging (CT/PET scans, MRIs)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
If you need drugs to treat your illness or condition More information about <u>prescription drug coverage</u> is available at <a href="http://www.optumrx.com">www.optumrx.com</a>	Generic drugs	\$17 <u>copayment</u> / prescription (retail) \$34 <u>copayment</u> / prescription (mail order)		Coverage is limited to 30-day supply per prescription retail or 90-day supply per prescription mail order. At select pharmacies a 90-day supply option may be available at the same cost as mail order, including compounds. If a covered person requests a preferred name drug when a generic equivalent is available, they are responsible for the preferred name drug <u>coinsurance</u> plus the difference in cost between the preferred name drug and the generic drug.
	Compound drugs	\$17 <u>copayment</u> / prescription (retail)		
	Preferred brand name drugs	\$30 <u>copayment</u> / prescription (retail) \$60 <u>copayment</u> / prescription (mail order)		
	Non-preferred brand name drugs	\$60 <u>copayment</u> / prescription (retail) \$120 <u>copayment</u> / prescription (mail order)		

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
/myOptumRx or call 1-855-395-2022	<u>Specialty drugs</u> - Value specialty drugs - Formulary specialty - Non-formulary specialty	50% <u>coinsurance</u> up to \$100 50% <u>coinsurance</u> up to \$400 50% <u>coinsurance</u> up to \$600	Not Covered	<u>Deductible</u> does not apply. <u>Specialty drugs</u> limited to a 30-day supply/ prescription & requires purchase through the specialty pharmacy program. Non-preferred specialty pharmacy is not covered.
	Facility fee (e.g., ambulatory surgery center)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
If you have outpatient surgery	Physician/surgeon fees	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
If you need immediate medical attention	<u>Emergency room care</u> - Medical Emergency - Non-medical Emergency	20% <u>coinsurance</u> 20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/visit emergency room <u>deductible</u>		Coverage limited to services from the nearest hospital where professional and necessary treatment can be provided due to a Medical Emergency. The emergency room <u>deductible</u> is waived for medical emergency, accidental injury, or if admitted as an inpatient.
	<u>Emergency medical transportation</u> - Ground ambulance - Air ambulance	20% <u>coinsurance</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare; <u>deductible</u> does not apply		Coverage limited to services to the nearest hospital or skilled nursing facility where professional and necessary treatment can be provided as medically necessary. Pre-notification is strongly recommended for air ambulance services. Please Call 1-800-228-9118.
	<u>Urgent care</u>	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Facility fee (e.g., hospital room)	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient deductible will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
If you have a hospital stay	Physician/surgeon fees	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you need mental health, behavioral health, or substance abuse services	Outpatient services	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Inpatient services	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
If you are pregnant	Office visits	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Maternity benefits only apply to covered employee or covered spouse. <u>Cost sharing</u> does not apply to certain <u>preventive services</u> . Depending on the type of services, <u>coinsurance</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (e.g. ultrasound).
	Childbirth/delivery professional services	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	Childbirth/delivery facility services	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	
If you need help recovering or have other special health needs	Home health care	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Rehabilitation services	Outpatient: 20% <u>coinsurance</u>	Outpatient: 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Inpatient is limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate. Outpatient includes speech, physical, and occupational therapies. Physical and occupational therapies are limited to 20 visits per therapy/calendar year.
	Habilitation services	Inpatient: 20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	Inpatient: 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	
	Skilled nursing care	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Coverage limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate.

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If your child needs dental or eye care	Durable medical equipment	20% coinsurance		Pre-notification is recommended for DME expenses over \$2,000.
	Hospice services	20% coinsurance	0% coinsurance up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
	Children's eye exam	\$25 copayment	Up to \$50	PEHT has contracted with Vision Service Plan (VSP) to provide vision care services. Coverage limited to one exam/year.
	Children's glasses	\$25 copayment	Up to \$70 for frame Up to \$50 for single vision lenses Up to \$75 for bifocal lenses Up to \$75 for progressive lenses Up to \$100 for trifocal lenses	Coverage limited to one pair of lenses/calendar year and one frame every other calendar year.
	Children's dental check-up	Not covered		Dental benefits may be available as a separate election.

**Excluded Services & Other Covered Services:**

**Services Your Plan Generally Does NOT Cover** (Check your policy or plan document for more information and a list of any other [excluded services](#).)

- Cosmetic Surgery
- Dental Care (Adult)
- Infertility Treatment
- Long Term Care
- Non-emergency care when traveling outside the U.S.
- Private Duty Nursing
- Weight Loss Programs

**Other Covered Services** (Limitations may apply to these services. This isn't a complete list. Please see your [plan](#) document.)

- Acupuncture
- Bariatric Surgery
- Chiropractic Care
- Hearing Aids
- Routine eye care (Adult) through VSP
- Routine Foot Care

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**Your Rights to Continue Coverage:** There are agencies that can help if you want to continue your coverage after it ends. For more information, contact EBMS at 1-800-777-3575 or these agencies: Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or [www.dol.gov/agencies/ebsa/](http://www.dol.gov/agencies/ebsa/) or Department of Health and Human Services, Center for Consumer Information and Insurance Oversight, at 1-877-267-2323 x61565 or [www.cciio.cms.gov](http://www.cciio.cms.gov). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit [www.HealthCare.gov](http://www.HealthCare.gov) or call 1-800-318-2596.

**Your Grievance and Appeals Rights:** There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact EBMS at 1-800-777-3575 or the DOL's Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a consumer assistance program can help you file your appeal. Contact your state's program if available at: <http://www.cms.gov/CCIIO/Resources/Consumer-Assistance-Grants/>.

**Does this plan provide Minimum Essential Coverage? Yes.**

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

**Does this plan meet Minimum Value Standards? Yes.**

If your plan doesn't meet the [Minimum Value Standards](#), you may be eligible for a [premium tax credit](#) to help you pay for a plan through the Marketplace.

**Language Access Services:**

Spanish (Español): Para obtener asistencia en Español, llame al 1-866-247-1443.

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog 1-866-247-1443.

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-866-247-1443.

Navajo (Dine): Dine'ehgo shika at'ohwol ninisingo, kwijigo holne' 1-866-247-1443.

To see examples of how this plan might cover costs for a sample medical situation, see the next section.

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

**Peg is Having a Baby**

(9 months of in-network pre-natal care and a hospital delivery)

■ The plan's overall deductible	\$500
■ Specialist coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:

Specialist office visits (prenatal care)  
Childbirth/Delivery Professional Services  
Childbirth/Delivery Facility Services  
Diagnostic tests (ultrasounds and blood work)  
Specialist visit (anesthesia)

**Total Example Cost** \$12,800

In this example, Peg would pay:

Cost Sharing

Deductibles*	\$1,000
Copayments	\$68
Coinsurance	\$2,520

What isn't covered

Limits or exclusions	\$60
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**The total Peg would pay is** \$3,648

**Managing Joe's type 2 Diabetes**

(a year of routine in-network care of a well-controlled condition)

■ The plan's overall deductible	\$500
■ Primary care physician coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:

Primary care physician office visits (including disease education)  
Diagnostic tests (blood work)  
Prescription drugs  
Durable medical equipment (glucose meter)

**Total Example Cost** \$7,400

In this example, Joe would pay:

Cost Sharing

Deductibles	\$500
Copayments	\$969
Coinsurance	\$585

What isn't covered

Limits or exclusions	\$60
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**The total Joe would pay is** \$2,114

**Mia's Simple Fracture**

(in-network emergency room visit and follow up care)

■ The plan's overall deductible	\$500
■ Specialist coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:

Emergency room care (including medical supplies)  
Diagnostic test (x-ray)  
Durable medical equipment (crutches)  
Rehabilitation services (physical therapy)

**Total Example Cost** \$1,900

In this example, Mia would pay:

Cost Sharing

Deductibles*	\$1,000
Copayments	\$0
Coinsurance	\$180

What isn't covered

Limits or exclusions	\$0
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**The total Mia would pay is** \$1,180

\*Note: This plan has other deductibles for specific services included in this coverage example. See "Are there other deductibles for specific services?" row above.

The plan would be responsible for the other costs of these EXAMPLE covered services.

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The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. NOTE: Information about the cost of this plan (called the premium) will be provided separately.

This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, call 1-866-247-1443 or visit [www.ebms.com](http://www.ebms.com). For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at <https://www.healthcare.gov/sbc-glossary> or call 1-866-487-2365 to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall <u>deductible</u> ?	\$1,500 per covered person or \$3,000 per family unit. Each JANUARY a new <u>deductible</u> amount is required.	Generally, you must pay all of the costs from <u>providers</u> up to the <u>deductible</u> amount before this <u>plan</u> begins to pay. If you have other family members on the <u>plan</u> , each family member must meet their own individual <u>deductible</u> until the total amount of <u>deductible</u> expenses paid by all family members meets the overall family <u>deductible</u> .
Are there services covered before you meet your <u>deductible</u> ?	Yes. Air ambulance, BridgeHealth or miChoice Surgery Benefit, Teladoc physician consultations, and the following preferred provider services: first six office visits for primary care and mental health substance abuse physician services, <u>prescription drug coverage</u> , and <u>preventive care</u> , are covered before you meet your <u>deductible</u> . Copayments do not apply to the <u>deductible</u> .	This <u>plan</u> covers some items and services even if you haven't yet met the deductible amount. But a <u>copayment</u> or <u>coinsurance</u> may apply. For example, this <u>plan</u> covers certain <u>preventive services</u> without <u>cost sharing</u> and before you meet your <u>deductible</u> . See a list of covered <u>preventive services</u> at <a href="https://www.healthcare.gov/coverage/preventive-care-benefits/">https://www.healthcare.gov/coverage/preventive-care-benefits/</a> .
Are there other <u>deductibles</u> for specific services?	Yes. \$500 per inpatient admission, limited to two <u>deductibles</u> per covered person per calendar year; and \$500 per non-medical emergency room visit. There are no other specific <u>deductibles</u> .	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this <u>plan</u> begins to pay for these services.
What is the <u>out-of-pocket limit</u> for this <u>plan</u> ?	<u>Medical coinsurance maximum out-of-pocket</u> : Preferred Providers: \$3,000 per covered person or \$6,000 per family unit; Non-Preferred Providers: Unlimited. <u>Super global maximum out-of-pocket</u> (is the most a member will pay in a calendar year for <u>deductibles</u> , <u>copayments</u> , and <u>coinsurance</u> ): Preferred providers: \$7,350 per covered person or \$14,700 per family unit; Non-Preferred Providers: Unlimited.	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other family members in this <u>plan</u> , they have to meet their own <u>out-of-pocket limits</u> until the overall family <u>out-of-pocket limit</u> has been met.
What is not included in the <u>out-of-pocket limit</u> ?	<u>Deductibles</u> , <u>copayments</u> , and <u>prescription drug copayments</u> , are not included in the medical <u>coinsurance maximum out-of-pocket limit</u> . Non-preferred provider or facility penalty, Vision Service Plan benefits, <u>prescription drug discounts or coupons</u> , any difference between the private and semi-private room rate when a semi-private room is available, <u>premiums</u> , <u>balance-billing charges</u> (unless balanced billing is prohibited), and health care this <u>plan</u> doesn't cover are not included in the medical <u>coinsurance maximum out-of-pocket limit</u> or Super Global maximum <u>out-of-pocket limit</u> .	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .



Will you pay less if you use a <u>network provider</u> ?	Yes. Refer to your EBMS/Public Education Health Trust identification card, or login to <a href="http://www.ebms.com">www.ebms.com</a> or call 1-866-247-1443 for a list of <u>network providers</u> .	This <u>plan</u> uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the <u>plan's network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the <u>provider's</u> charge and what your <u>plan</u> pays ( <u>balance billing</u> ). Be aware, your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a <u>referral</u> to see a <u>specialist</u> ?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .

 All copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you visit a health care <u>provider's</u> office or clinic	Primary care visit to treat an injury or illness	\$25 <u>copayment</u> /visit, deductible does not apply; or 20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	For <u>preferred providers</u> , the first six (combined) office visits (other than outpatient mental disorder or substance abuse treatment)/calendar year are subject to a \$25 office visit <u>copayment</u> ; thereafter, covered charges are subject to <u>deductible</u> and <u>coinsurance</u> . Coverage limited to 20 visits/calendar year for massage therapy. Coverage limited to 20 visits/calendar year for spinal manipulation/chiropractic services. You may have to pay for services that aren't preventive. Ask your <u>provider</u> if the services needed are preventive. Then check what your <u>plan</u> will pay for.
	<u>Specialist</u> visit	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	<u>Preventive care/screening/immunization</u>	No charge	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
If you have a test	Diagnostic test (x-ray, blood work)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Imaging (CT/PET scans, MRIs)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.



Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you need drugs to treat your illness or condition More information about <u>prescription drug coverage</u> is available at <a href="http://www.optumrx.com/myOptumRx">www.optumrx.com/myOptumRx</a> or call 1-855-395-2022.	Generic drugs	\$17 <u>copayment</u> / prescription (retail) \$34 <u>copayment</u> / prescription (mail order)		Coverage is limited to 30-day supply per prescription retail or 90-day supply per prescription mail order. At select pharmacies a 90-day supply option may be available at the same cost as mail order, including compounds. If a covered person requests a preferred name drug when a generic equivalent is available, they are responsible for the preferred name drug <u>coinsurance</u> plus the difference in cost between the preferred name drug and the generic drug.
	Compound drugs	\$17 <u>copayment</u> / prescription (retail)		
	Preferred brand name drugs	\$30 <u>copayment</u> / prescription (retail) \$60 <u>copayment</u> / prescription (mail order)		
	Non-preferred brand name drugs	\$60 <u>copayment</u> / prescription (retail) \$120 <u>copayment</u> / prescription (mail order)		
	<u>Specialty drugs</u> - Value specialty drugs - Formulary specialty - Non-formulary specialty	50% <u>coinsurance</u> up to \$100 50% <u>coinsurance</u> up to \$400 50% <u>coinsurance</u> up to \$600	Not Covered	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
	Physician/surgeon fees	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
If you need immediate medical attention	<u>Emergency room care</u> - Medical Emergency - Non-medical Emergency	20% <u>coinsurance</u> 20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/visit emergency room <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/visit emergency room <u>deductible</u>	Coverage limited to services from the nearest hospital where professional and necessary treatment can be provided due to a Medical Emergency. The emergency room <u>deductible</u> is waived for medical emergency, accidental injury, or if admitted as an inpatient.
	<u>Emergency medical transportation</u> - Ground ambulance - Air ambulance	20% <u>coinsurance</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare; <u>deductible</u> does not apply		Limited to services to the nearest hospital or skilled nursing facility where professional and necessary treatment can be provided as medically necessary. Pre-notification is strongly recommended for air ambulance services. Please Call 1-800-228-9118.
	<u>Urgent care</u>	<u>Payable per normal plan provisions</u>	<u>Payable per normal plan provisions</u>	None

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you have a hospital stay	Facility fee (e.g., hospital room)	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ <u>admission inpatient deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ <u>admission inpatient deductible</u>	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Limited to the semi-private room rate.
	Physician/surgeon fees	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
If you need mental health, behavioral health, or substance abuse services	Outpatient services	\$25 <u>copayment</u> /visit, <u>deductible</u> does not apply; or 20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	For preferred providers, the first six (combined) office visits (mental disorder or substance abuse treatment)/calendar year are subject to a \$25 office visit <u>copayment</u> ; thereafter, covered charges are subject to <u>deductible</u> and <u>coinsurance</u> .
	Inpatient services	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ <u>admission inpatient deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ <u>admission inpatient deductible</u>	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Limited to the semi-private room rate.
If you are pregnant	Office visits	\$25 <u>copayment</u> /visit, <u>deductible</u> does not apply; or 20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Maternity benefits only apply to covered employee or covered spouse. For preferred providers, the first six (combined) office visits (other than outpatient mental disorder or substance abuse treatment)/calendar year are subject to a \$25 office visit <u>copayment</u> ; thereafter, covered charges are subject to <u>deductible</u> and <u>coinsurance</u> . <u>Cost sharing</u> does not apply to certain <u>preventive services</u> .
	Childbirth/delivery professional services	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Depending on the type of services, <u>coinsurance</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (e.g. ultrasound).
	Childbirth/delivery facility services	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ <u>admission inpatient deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ <u>admission inpatient deductible</u>	The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Limited to the semi-private room rate.

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you need help recovering or have other special health needs	<u>Home health care</u>	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	<u>Rehabilitation services</u>	<u>Outpatient:</u> \$25 <u>copayment</u> /visit, deductible does not apply; or 20% <u>coinsurance</u>  <u>Inpatient:</u> 20% <u>coinsurance</u> after overall deductible and \$500/ admission inpatient deductible	<u>Outpatient:</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare  <u>Inpatient:</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall deductible and \$500/ admission inpatient deductible	For preferred providers, the first six (combined) office visits (other than outpatient mental disorder or substance abuse treatment)/calendar year are subject to a \$25 office visit <u>copayment</u> ; thereafter, covered charges are subject to deductible and <u>coinsurance</u> . Pre-notification is recommended. The inpatient deductible will only be applied twice/calendar year per covered person. Inpatient is limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate. Outpatient includes speech, physical, and occupational therapies. Physical and occupational therapies are limited to 20 visits per therapy/calendar year.
	<u>Habilitation services</u>			
	<u>Skilled nursing care</u>	20% <u>coinsurance</u> after overall deductible and \$500/ admission inpatient deductible	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall deductible and \$500/ admission inpatient deductible	Pre-notification is recommended. Inpatient deductible will only be applied twice/calendar year per covered person. Coverage limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate.
	<u>Durable medical equipment</u>	20% <u>coinsurance</u>		Pre-notification is recommended for DME expenses over \$2,000.
	<u>Hospice services</u>	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If your child needs dental or eye care	Children's eye exam	\$25 <u>copayment</u>	Up to \$50	PEHT has contracted with Vision Service Plan (VSP) to provide vision care services. Coverage limited to one exam/calendar year.
	Children's glasses	\$25 <u>copayment</u>	Up to \$70 for frame Up to \$50 for single vision lenses Up to \$75 for bifocal lenses Up to \$75 for progressive lenses Up to \$100 for trifocal lenses	Coverage limited to one pair of lenses/calendar year and one frame every other calendar year.
	Children's dental check-up	Not covered		Dental benefits may be available as a separate election.

**Excluded Services & Other Covered Services:**

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services.)

- Cosmetic Surgery
- Dental Care (Adult)
- Infertility Treatment
- Long Term Care
- Non-emergency care when traveling outside the U.S.
- Private Duty Nursing
- Weight Loss Programs

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)

- Acupuncture
- Bariatric Surgery
- Chiropractic Care
- Hearing Aids
- Routine eye care (Adult) through VSP
- Routine Foot Care

**Your Rights to Continue Coverage:** There are agencies that can help if you want to continue your coverage after it ends. For more information, contact EBMS at 1-800-777-3575 or these agencies: Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or [www.dol.gov/agencies/ebsa/](http://www.dol.gov/agencies/ebsa/) or Department of Health and Human Services, Center for Consumer Information and Insurance Oversight, at 1-877-267-2323 x61565 or [www.cciio.cms.gov](http://www.cciio.cms.gov). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit [www.HealthCare.gov](http://www.HealthCare.gov) or call 1-800-318-2596.

**Your Grievance and Appeals Rights:** There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact: EBMS at 1-800-777-3575 or the DOL's Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a consumer assistance program can help you file your appeal. Contact your state's program if available at: <http://www.cms.gov/CCIIO/Resources/Consumer-Assistance-Grants/>.

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Does this plan provide Minimum Essential Coverage? Yes.

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this plan meet Minimum Value Standards? Yes.

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-866-247-1443.

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog 1-866-247-1443.

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-866-247-1443.

Navajo (Dine): Dinekehgo shika a'ohwol ninisingo, kwijigo holne' 1-866-247-1443.

—To see examples of how this plan might cover costs for a sample medical situation, see the next section—

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

**Peg is Having a Baby**

(9 months of in-network pre-natal care and a hospital delivery)

■ The plan's overall deductible	\$1,500
■ Specialist coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:  
Specialist office visits (prenatal care)  
Childbirth/Delivery Professional Services  
Childbirth/Delivery Facility Services  
Diagnostic tests (ultrasounds and blood work)  
Specialist visit (anesthesia)

Total Example Cost \$12,800

In this example, Peg would pay:

Cost Sharing

Deductibles*	\$2,000
Copayments	\$120
Coinsurance	\$2,480

What isn't covered

Limits or exclusions	\$60
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The total Peg would pay is \$4,660

**Managing Joe's type 2 Diabetes**

(a year of routine in-network care of a well-controlled condition)

■ The plan's overall deductible	\$1,500
■ Primary care physician copayment	\$25
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:  
Primary care physician office visits (including disease education)  
Diagnostic tests (blood work)  
Prescription drugs  
Durable medical equipment (glucose meter)

Total Example Cost \$7,400

In this example, Joe would pay:

Cost Sharing

Deductibles	\$1,500
Copayments	\$1,200
Coinsurance	\$440

What isn't covered

Limits or exclusions	\$60
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The total Joe would pay is \$3,200

**Mia's Simple Fracture**

(in-network emergency room visit and follow up care)

■ The plan's overall deductible	\$1,500
■ Specialist coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:  
Emergency room care (including medical supplies)  
Diagnostic test (x-ray)  
Durable medical equipment (crutches)  
Rehabilitation services (physical therapy)

Total Example Cost \$1,900

In this example, Mia would pay:

Cost Sharing

Deductibles*	\$1,900
Copayments	\$0
Coinsurance	\$0

What isn't covered

Limits or exclusions	\$0
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The total Mia would pay is \$1,900

\*Note: This plan has other deductibles for specific services included in this coverage example. See "Are there other deductibles for specific services?" row above.

The plan would be responsible for the other costs of these EXAMPLE covered services.



# Public Education HEALTH TRUST

## Rates for Plan Year FY 2019 Effective July 1, 2018

<b>Group</b>	<b>Anchorage Education Association</b>
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**Please complete the following steps:**

- ☒ Indicate whether you wish to pay for coverage on a composite or tiered rate basis by checking ONE red box
- ☒ Indicate which medical plan or plans you will offer by checking the appropriate green box(s)
- ☒ Indicate the dental plan that will go with the medical plan(s) offered by checking the corresponding orange box(s)
- ☒ If orthodontia is included under the plan indicate by checking the corresponding purple box

Review your current option(s) and enrollment provided within the rate exhibit below. The total enrollment by plan is listed under the Composite Rate, enrollment broken out by tier is listed under the Tiered Rates.

Initial, sign and date the bottom of the rate sheet

Return this form to the Trust no later than APRIL 30, 2018

Medical Plan Choices		<input type="checkbox"/> COMPOSITE RATES	<input type="checkbox"/> TIERED RATES				Dental Plan Choices (rates illustrated below medical rates)			
			Employee	Employee + Spouse	Employee + Child(ren)	Employee + Spouse + Child(ren)				
Med C - Den B - No Ortho		2673	526	512	242	1393				
Med F - Den B - No Ortho		251	116	48	24	63				
<b>Total</b>		<b>2924</b>	<b>642</b>	<b>560</b>	<b>266</b>	<b>1456</b>				
<input type="checkbox"/>	Plan A Medical	\$1,965.00	\$829.00	\$1,740.00	\$1,608.00	\$2,519.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Plan B Medical	\$1,891.00	\$797.00	\$1,673.00	\$1,546.00	\$2,422.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Plan C Medical	\$1,863.00	\$786.00	\$1,650.00	\$1,525.00	\$2,389.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Plan E Medical	\$1,721.00	\$726.00	\$1,525.00	\$1,408.00	\$2,207.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Plan F Medical	\$1,690.00	\$713.00	\$1,498.00	\$1,383.00	\$2,168.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Plan G Medical	\$1,562.00	\$658.00	\$1,382.00	\$1,276.00	\$2,000.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	HDHP	\$1,569.00	\$662.00	\$1,390.00	\$1,284.00	\$2,012.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	SHDHP	\$1,435.00	\$605.00	\$1,271.00	\$1,175.00	\$1,841.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plan Dental A		\$143.60	\$57.70	\$121.30	\$129.90	\$193.50	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plan Dental B		\$136.70	\$54.90	\$115.30	\$123.50	\$183.90	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plan Dental Value (V)		\$49.90	\$25.30	\$53.10	\$56.90	\$84.70	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Orthodontia Rider		\$24.90	\$9.60	\$20.10	\$21.60	\$32.10	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Group has selected to offer Medical Plan(s) indicated above \_\_\_\_\_

Group has selected to offer Dental Plan(s) indicated above \_\_\_\_\_

Group has selected to offer Orthodontia, if indicated above \_\_\_\_\_

Group has selected to pay Composite or Tiered rates, as indicated above \_\_\_\_\_

Group will terminate coverage effective July 1, 2018 \_\_\_\_\_

Signature

Title

Date

**AGREEMENT**

**Between**

**The Anchorage School District**

**And**

**Anchorage Council of  
Education/American Federation of  
Teachers, Local 4425**

**July 1, 2018 through June 30, 2021**



- F. Once all non-workdays have been used, annual leave may be used with prior supervisory approval, if submitted at least ten (10) days in advance. Approval or non-approval of the supervisor shall occur within five (5) days of the submission of the leave request.

### **613 EMERGENCY LEAVE**

Emergency leave shall be granted for emergencies not previously stated to include but not limited to home heating or flooding problems. Such leave shall be counted as non workdays or annual leave, at the discretion of the employee. The employee shall specify the leave and reason on the leave slip. The District may require further verification of the emergency.

### **614 TRAVEL EMERGENCY LEAVE**

Absence as a result of travel emergencies beyond the control of the employee shall be counted as non-work days when written verification acceptable to the District has been received, provided the employee has non-work days available. If not, the employee may elect to use annual leave for the time missed or take leave without pay. Notification shall be in advance, unless impossible. Neither non-work days nor annual leave days shall be affected when the travel is for District business.

## **700 BENEFITS**

### **701 HEALTH BENEFITS**

- A. Contributions made for health insurance may only be used for the District's comprehensive health benefits plan. The District will contribute \$1645 per eligible employee per month in years 2018-2019, 2019-2020, and 2020-2021. During the term of this agreement the amount of monthly contribution provided by the District shall in no case be less than the highest monthly contribution provided for any other employee group participating in the District's employee health benefits plan.
- B. Health insurance benefits shall be described in the District's summary plan description as periodically amended. Coverage shall begin on the first day of the month following attainment of eligibility. Eligibility is attained after a waiting period of 60 calendar days for employees who do not currently have health benefit coverage with one of the District employee benefit plans. When employees become

benefit eligible, the District will make contributions to the health benefits plan equal to the two-month waiting period. Only those employees assigned to positions of 30 hours or more per week shall be eligible for health insurance coverage under the District's benefit plan. Employees whose work hours are increased to 30 or more hours per week must fulfill the 60 calendar day waiting period requirement before becoming benefit eligible. Eligibility requirements for life insurance benefits are the same as those for medical insurance benefit eligibility.

- C. The District will continue the Health Benefits Task Force whose members shall include representatives from each of the District's bargaining units and the District's exempt employees covered by the District's health plan. Representatives will be appointed by their respective bargaining group.

The Task Force shall assist with research, monitor health care costs and usage, and assess responses from various proposed carriers/administrators on health benefits, and assist in the design of health benefit plans. The Task Force shall meet no less than quarterly during the school year. Members shall include at least two ACE representatives. The Task Force shall develop jointly issued communications as needed as determined by the Task Force.

- D. Employees who choose to waive health insurance coverage under the District's benefits plan must provide proof of health insurance coverage from another health insurance provider.
- E. In June of each year the District's medical plan reserves, excluding the allocation necessary for the incurred but not reported claims (IBNR), will be determined.

In addition the average monthly plan revenue (AMPR) for the prior twelve-month period will also be determined. If the reserve, excluding the IBNR, is less than three times the AMPR, the District is required to contribute revenue to the plan in accordance with 701 B. for the following fiscal year. If the reserve, excluding the IBNR, is greater than three times the AMPR, the District will not contribute revenue in accordance with 701 B., for the following fiscal year.

## **702 LIFE INSURANCE**

- A. The District shall provide group life insurance protection for each employee in the amount of three (3) times annual salary and group accidental death and dismemberment insurance in the amount of three times annual salary as described in the insurance policy between the District and the insurance carrier.

# **NEGOTIATED AGREEMENT**

**Between**

**THE ANCHORAGE SCHOOL DISTRICT**

**And**

**THE TOTEM ASSOCIATION**

**OF**

**EDUCATIONAL SUPPORT PERSONNEL,**

**APEA/AFT (AFL-CIO)**

**July 1, 2018 through June 30, 2021**

through the normal evaluation process without the employee's electronic signature. The employee has the right to add comments to the evaluation before signing it. The employee's electronic signature on the evaluation does not indicate the employee's concurrence unless so noted. All evaluations will be electronically filed in Human Resources by July 1 of each year.

- E. The employee may request that the evaluation be formally reconsidered. If a request for reconsideration is made within 30 calendar days of the principal's/supervisor's dated email notice of the completed evaluation, the employee shall be entitled to a meeting with the evaluator and the evaluator's supervisor for the purpose of determining whether or not reasonable grounds exist to warrant a rescission or modification of the evaluation. If such grounds are found to exist, the evaluation will be revised accordingly; otherwise, there are no further appeals available.
- F. At the request of the employee, an Association representative may be in attendance whenever meetings or discussions between the principal/supervisor and the employee occur relative to performance expectations for improvement.
- G. The evaluation cannot be grieved.
- H. The District and TOTEM will meet during the 2018-2019 school year for the purpose of reviewing evaluation procedures and recommending changes to the evaluation document and procedures. Any adopted changes to the evaluation process or procedures will be implemented in the 2019-2020 school year.

## SECTION 700 BENEFITS

### 701 HEALTH BENEFITS

For the duration of the Agreement, the District shall contribute to a health plan which meets the requirements of the Patient Protection and Affordable Care Act (PPACA).

- A. Employees assigned to positions of thirty (30) hours or more per week shall be eligible for health insurance coverage. Eligibility is attained after a waiting period of sixty (60) calendar days for employees who do not currently have health benefit coverage with one of the District's employee benefit plans. Coverage shall begin the first day of the month following attainment of eligibility.
- B. Employees who lose their eligibility for health benefits for any reason, such as unpaid leave, layoff, or termination of employment other than retirement or gross misconduct, may elect to pay the cost of the health program provided through COBRA, according to its provisions.
- C. The District's monthly contribution for health benefits per eligible employee per month shall be \$1,645 during the 2018-2019 year. The District's monthly contribution amount per eligible employee per month will be \$1,645 effective July 1, 2019, and \$1,645 per eligible employee per month effective July 1, 2020. Health insurance benefits shall be described in the District's summary plan description as periodically amended. The employee contribution for those electing coverage is the difference between the premium amount and the combined total of the District's contribution and any subsidy from the reserve account.



- D. The employee contribution will not be less than \$75 per eligible employee per month or more than \$225 per eligible employee per month in any year of this agreement.
- E. Employees who choose to waive health insurance coverage under the District's benefits plan must provide proof of health insurance coverage from another health insurance provider.
- F. The Association may have up to two (2) representatives on the District Health Benefits Task Force.

## **702 LIFE INSURANCE**

Eligibility for life insurance benefits for new-to-district employees is attained after a waiting period of ninety (90) calendar days. Coverage shall begin on the first day of the month following attainment of eligibility.

### **702.1 Employee Life Insurance**

The District shall provide on a fully paid basis group term life insurance for each employee in an amount equal to three times the employee's annual salary rounded to the next highest \$1,000 to a maximum of \$50,000 as described in the insurance policy provided by the District's insurance carrier. Accidental death and dismemberment insurance will be provided for an additional amount equal to the face amount of the life insurance. Employees may purchase, at their expense, and at the then current group rate, supplemental term life and accidental dismemberment and disability (AD&D) insurance in an amount equal to the difference between the coverage provided by the District and three times the salary rounded to the next higher \$1,000. Employee contributions shall be made by payroll deduction. Upon termination, an employee may elect to exercise conversion privileges as described in the insurance policy provided by the District's insurance carrier.

### **702.2 Dependent Life Insurance**

The District shall make available dependent life insurance coverage in the amount specified in the table contained in the insurance policy between the District and its insurance carrier, but not less than \$5000. The premiums shall be paid by the employee. Upon termination, an employee may elect to exercise conversion privileges as stated in the insurance policy.

## **703 WORKERS' COMPENSATION**

Employees injured on the job shall be eligible for whatever compensation and benefits are available under the Workers' Compensation Act. Employees are required to complete all Workers' Compensation paperwork. Further, employees may elect to supplement their income while on leave with a compensable injury by cashing in their accrued leave in accordance with Section 401.

Additionally, up to the first three (3) days of time lost due to an occupational injury which is covered by Workers' Compensation but may not be compensable, shall be paid using employee accrued compensatory time, then annual leave if available. If the employee has no paid leave time available, the time lost shall be unpaid. The employee must notify the principal/supervisor as soon as possible when such time is lost so that the leave request may be submitted promptly on the employee's timecard/record.

# **Collective Bargaining Agreement**

**Between**

**The Anchorage School District**

**And**

**General Teamsters Local 959**

**covering:  
Food Service Bargaining Unit**

**July 1, 2015 through June 30, 2018**

pg 2  
b. Employees are required to acknowledge their evaluation by electronic signature within five (5) workdays of receipt. If an employee has not acknowledged the electronic evaluation within the five-workday time period, the evaluation shall be continued through the normal evaluation process without the employee's electronic signature. The employee has the right to add comments to the evaluation before signing it. The employee's electronic signature on the evaluation does not indicate the employee's concurrence unless so noted. All evaluations will be electronically filed in Human Resources by July 1 of each year.

c. Only the procedures governing the evaluation process may be grieved.

## SECTION 700 INSURANCE

### 701 HEALTH INSURANCE.

For the duration of the Agreement, the District shall contribute to a health plan which meets the requirements of the Patient Protection and Affordable Care Act (PPACA).

a. Employees assigned to positions of thirty (30) hours or more per week shall be eligible for health insurance coverage. Eligibility is attained after a waiting period of sixty (60) calendar days for employees who do not currently have health benefit coverage with one of the District's employee benefit plans. Coverage shall begin the first day of the month following attainment of eligibility.

b. Employees who lose their eligibility for health benefits for any reason, such as unpaid leave, layoff, or termination of employment other than retirement or gross misconduct, may elect to pay the cost of the health program provided through COBRA, according to its provisions.

c. The District's monthly contribution for health benefits per eligible employee per month shall be \$1,540 during the 2015-2016 year. The District's monthly contribution amount per eligible employee per month will be \$1,580 effective July 1, 2016, and \$1,645 per eligible employee per month effective July 1, 2017. Health insurance benefits shall be described in the District's summary plan description as periodically amended. The employee contribution for those electing coverage is the difference between the premium amount and the combined total of the District's contribution and any subsidy from the reserve account.

d. Employees who choose to waive health insurance coverage under the District's benefits plan must provide proof of health insurance coverage from another health insurance provider.

e. The bargaining unit may have up to two (2) representatives on the District Health Benefits Task Force.

pg 3  
f. The parties agree that either side may open 701 Health Insurance for the 2017-2018 year for the sole purpose of moving from the District's plan to another health insurance plan. No changes to contribution amounts shall be considered during the opener. Should the membership leave the District's self-insured plan, they are not entitled to any plan reserves, and the run-out period for claims incurred prior to leaving the plan will be sixty (60) days.

**701.1** Consistent with applicable statutes, and if the District offers a Flexible Spending Account, employees shall have access to Flexible Spending Accounts for each year of this Agreement. Employees who submit proof of eligible expenses may be reimbursed from such accounts in accord with established rules.

**701.2 COBRA Protection.** Employees who lose their eligibility for health benefits for any reason, such as unpaid leave, layoff, or termination of employment other than retirement or gross misconduct, may elect to pay the full cost of the health program provided through COBRA, according to its provisions.

## **702 LIFE INSURANCE.**

**702.1 Employee Life Insurance.** The District shall provide on a fully paid basis, group term life insurance for each employee in an amount equal to three (3) times the employee's annual salary rounded to the next highest one thousand dollars (\$1,000) payable to the employee's legal beneficiary, but in no event shall such insurance be less than five thousand dollars (\$5,000) in accordance with the insurance policy between the District and its carrier. Accidental death or dismemberment insurance will be provided in an additional amount equal to the face amount of the life insurance. Upon termination, an employee may elect to exercise conversion privileges as stated in the District's insurance policy.

**702.2 Dependent Life Insurance.** The District shall make available dependent life insurance coverage in the amount specified in the table contained in the insurance policy between the District and its insurance carrier, but not less than five thousand dollars (\$5,000). The premiums shall be paid by the employee. Upon termination, an employee may elect to exercise conversion privileges as stated in the insurance policy.

## **703 WORKERS' COMPENSATION.**

The District shall provide Workers' Compensation for on-the-job employees' injuries in the amount and coverage prescribed by Statute. Additionally, up to the first three (3) days of time lost due to an occupational injury which is covered by Workers' Compensation but may not be compensable, shall be paid leave and deducted from the employee's accrued annual leave. If the employee has no accrued annual leave time available, the time lost shall be unpaid. The employee must notify the supervisor as soon as possible when such time is lost so that the leave request may be submitted promptly on the employee's timecard/record.

**703.1** The District will continue to make health insurance available while an individual is on Workers' Compensation during that period of time covered by FMLA, and will continue the District contribution during that time provided the employee continues to make the elected co-payments. The premiums for



# **AGREEMENT**

**BETWEEN**

**ANCHORAGE SCHOOL DISTRICT**

**AND**

**GENERAL TEAMSTERS LOCAL 959**

**COVERING**

**WAREHOUSE AND MAINTENANCE EMPLOYEES**

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**July 1, 2014 – June 30, 2017**

by the Union. This time limit may be extended if necessary based on the volume of time records requested.

## **ARTICLE 19 CONDITIONS AND HEALTH BENEFITS**

**19.01** A lunch period of not less than thirty (30) minutes shall be allowed approximately midway of the regular shift. The District reserves the right to stagger individual employee's lunch periods for an appropriate coverage of work. Any established lunch period shall be for a minimum of thirty (30) working days.

- a. The District shall provide eating areas and washroom facilities on request. These eating areas will be maintained in a clean and sanitary condition.

**19.02 Relief Period.** All employees shall be allowed one (1) relief period not to exceed fifteen (15) minutes in duration the first (1st) half of the shift and fifteen (15) minutes during the second (2nd) half of the shift. The employees may take the relief period at their discretion except when designated by the Craft Lead. When working other than the regular shift, relief breaks shall be taken each two (2) hours.

**19.03 Payday.** The District shall establish a bi-weekly payday on which employees shall be paid every other Friday. If a regular payday falls on a holiday, then the last working day before such holiday shall be considered payday.

**19.04 Pay Shortages.** Proven pay shortages of less than two hundred dollars (\$200.00) shall be paid with the next regular payroll. Proven pay shortages of greater than two hundred dollars (\$200.00) shall be paid by Wednesday of the week following the payroll, if proof of the error is presented by the employee in a timely manner to ensure receipt in Payroll by noon on Tuesday. The District will incur a penalty of twenty dollars (\$20.00) per day, up to a maximum of two hundred dollars (\$200.00), if it does not comply with these deadlines.

**19.05 Termination Pay.** When an employee is terminated by the employer, all compensation owed to the employee becomes due immediately and shall be paid within three (3) working days. When the employee terminates their employment, the employee compensation will be paid on the next regular bi-weekly payday.

**19.06 Itemized Deductions.** The District shall itemize all deductions, except deferred compensation, so employees can clearly determine the purposes for which amounts have been withheld and shall include the number of straight-time hours, overtime hours, dues deductions, holiday pay, leave pay, basic rate per hour pay, and other compensation payable to the employee.

### **19.07 Health Insurance.**

For the duration of the Agreement, the District shall contribute to a health plan which meets the requirements of the Patient Protection and Affordable Care Act (PPACA).

- a. Eligibility is attained after a waiting period of 60 calendar days for employees who do not currently have health benefit coverage with one of the District employee

benefit plans. Coverage shall begin on the first day of the month following attainment of eligibility.

- b. Employees who lose their eligibility for health benefits for any reason, such as unpaid leave, layoff, or termination of employment other than retirement or gross misconduct, may elect to pay the cost of the health program provided through COBRA, according to its provisions.
- c. The District's monthly contribution for health benefits shall be \$1,540 during the 2014-2015 year. The District's monthly contribution amount will be \$1,540 effective July 1, 2015 and \$1,580 effective July 1, 2016. Health insurance benefits shall be described in the District's summary plan description as periodically amended. The employee contribution for those electing coverage is the difference between the premium amount and the combined total of the District contribution and any subsidy from the reserve account. The amount of contribution provided by the District shall be equal to the highest monthly contribution provided by the District for members of any other employee group participating in the District's employee health benefits plan during the life of this agreement.
- d. Employees who choose to waive health insurance coverage under the District's benefits plan must provide proof of health insurance coverage from another health insurance provider.
- e. The Union may have up to two (2) representatives on the District Health Benefits Task Force.
- f. Consistent with applicable statutes, and if the District offers a Flexible Spending Account, employees shall have access to Flexible Spending Accounts for each year of this Agreement. Employees who submit proof of eligible expenses may be reimbursed from such accounts in accord with established rules.
- g. The parties agree that either side may open health insurance Article 19.07 for the 2016-2017 year for the sole purpose of moving from the District's plan to another health insurance plan. No changes to contribution amounts shall be considered during the opener. Should the membership leave the District's self-insured plan, they are not entitled to any plan reserves, and the run-out period for claims incurred prior to leaving the plan will be sixty (60) days.

**19.08** Employees with compensable claims under the Workers' Compensation Act, who are absent from work for extended periods, shall retain their health insurance coverage consistent with current FMLA statutory requirements. It is the employee's responsibility to cover whatever employee contribution may be inherent in the option plans in which they are enrolled.

## ARTICLE 20 HOLIDAYS

### **20.01 Paid Holidays.**

- a. **Holidays Observed.** The following days are designated as holidays off with pay.

Home > Departments > Benefits > Overview & Services > About

## Benefits

The Anchorage School District provides a competitive benefits package to eligible employees. Employee premiums vary depending on bargaining unit and benefits selected. This website provides an overview of benefits available to those eligible. **In the event of any discrepancy between the website and the plan booklet, the plan booklet will prevail.** The benefits plan is subject to change. Employees should read the benefit plan booklet for a complete description of benefits, limitations, exclusions and for information on how best to use the plan. **Questions regarding ASD-provided insurance plans should first be directed to the plan providers (i.e. Aetna, MetLife, Guardian, Navia Benefit Solutions, PayFlex).**

## Benefits Currently Offered to ASD Employees

For more detailed information, visit the [Benefits Support Central](#) page on ASD's intranet.

## Health Insurance



The Anchorage School District provides access to a variety of health insurance benefits to eligible employees as defined by the collective bargaining group agreement.

Members on the District's Health Plan are: APA, ACE, Exempt, Food Service, Maintenance, Non-Rep & TOTEM.

\* NOTE: The District's Health Insurance does not apply to AEA, Local 71, and Bus Drivers/Attendants. Employees in the following groups are eligible for health insurance through these other trust funds:

### **AEA employees (Teachers)**

907-274-7526

[Public Education Health Trust](#)

### **Local 71 employees (Custodians)**

907-276-7611

[Local 71 Trust Fund](#)



**Teamsters Local 959, (Bus Drivers and Attendants)**

907-751-9700 or 800-478-4450

959 Trust

ASD is pleased to partner with Aetna to provide you with two medical plan options. With the choice of two plans, you can select the plan that best fits you and your family's needs. When you enroll in the Consumer Driven Health Plan (CDHP), you may be eligible to open and contribute pre-tax dollars into a Health Savings Account (HSA). If you are not eligible for the HSA, you will be provided with the new Health Reimbursement Arrangement (HRA).

It is important to note that both plans offer the PPO Plus Alaska provider network. If you voluntarily see an out-of-network provider for care, you will pay more than if you choose to see an in-network

provider.

[Learn More about Health Insurance](#)

## Employee Assistance Program (EAP)



Aetna Resources for Living

888-238-6232

[www.resourcesforliving.com](http://www.resourcesforliving.com)

Username: AnchorageSD

Password: ARFL

Group Number: 737480

ASD is pleased to offer you an Employee Assistance Program through Aetna to provide Confidential counseling services to help resolve personal concerns are available 24 hours a day at no charge. Services are available for both employee and dependents for ACE, APA, Exempt, Food Service, Maintenance, Non-represented, and TOTEM, Bus and Custodians employees.

For more detailed information, visit the [Benefits Support Central](#) page on ASD's Employee Portal.

### AEA Members only-

Your EAP is provided through Support Line 888-881-5462 [www.supportline.com](http://www.supportline.com) or contact your Public Education Health Trust at 907-274-7526 or [www.pehtak.com](http://www.pehtak.com)

## COST OF COVERAGE AND PLAN HIGHLIGHTS

### COST OF COVERAGE (MONTHLY)

	AETNA MEDICAL CDHP WITH HSA OR HRA	AETNA MEDICAL PPO	DENTALVISION
Employee Only	\$75.00	\$160.00	\$55.00
Employee + Spouse	\$150.00	\$200.00	\$55.00
Employee + Child(ren)	\$100.00	\$190.00	\$55.00
Employee + Family	\$180.00	\$225.00	\$55.00

### MEDICAL HIGHLIGHTS (PPO)

Benefit Features	In-Network	Out-of-Network
Annual Deductible	\$1,500/individual; \$4,500/family	
Out-of-Pocket Maximum	\$5,300/individual; \$12,900/family	
Lifetime Max Benefit	Unlimited Plan Pays	
Preventive Services	100%	100%
Office Visit	100% after \$50 copay	100% of allowed amount after \$50 copay
Specialist Visit	100% after \$125 copay	100% of allowed amount after \$125 copay

### MEDICAL HIGHLIGHTS (CDHP)

Benefit Features	In-Network	Out-of-Network
Annual Deductible	\$1,500/individual; \$3,000/family (aggregate)	
HSA/HRA Funding (offsets deductible)	\$750/individual; \$1,500/family	
Out-of-Pocket Maximum	\$5,300/individual; \$10,600/family (aggregate) \$6,850/embedded individual maximum	
Lifetime Max Benefit	Unlimited Plan Pays	
Preventive Services	100%	100%
Office Visit	80% after deductible	60% of allowed amount after deductible
Specialist Visit	80% after deductible	60% of allowed amount after deductible

### VERA WHOLE HEALTH CLINIC

Vera Whole Health is an independent primary care health clinic, and an additional benefit available to Anchorage School District employees and their families on the District sponsored health plan.

Benefit Features	In-Network	Out-of-Network
Preventative Care	100%	100%
Primary Care	100%	\$75 initial patient visit / \$50
Acute Care	100%	\$75 initial patient visit / \$50



## PHARMACY HIGHLIGHTS

Benefit Features	AETNA E PRO PLAN		AETNA CONSUMER DRIVEN HEALTH PLAN	
	In-Network	Out-of-Network	In-Network	Out-of-Network
<b>Deductible</b>	N/A		Subject to medical plan deductible	
<b>Retail Pharmacy</b>	<b>You Pay</b>		<b>You Pay</b>	
Generic	\$15 copay	\$15 copay then 40%	\$15 copay	\$15 copay then 40%
Preferred Brand	20% (up to \$120 cap)	20% (up to \$120 cap) then 40%	20% (up to \$120 cap)	20% (up to \$120 cap) then 40%
Non-preferred Brand	20% (up to \$240 cap)	20% (up to \$240 cap) then 40%	20% (up to \$240 cap)	20% (up to \$240 cap) then 40%
<b>Supply Limit</b>	Up to 90 days	Up to 90 days	Up to 90 days	Up to 90 days
<b>Mail Order</b>	<b>You Pay</b>		<b>You Pay</b>	
Generic	\$30 copay		\$30 copay	
Preferred Brand	20% (up to \$80 cap)	Not covered	20% (up to \$80 cap)	Not covered
Non-preferred Brand	20% (up to \$160 cap)		20% (up to \$160 cap)	
<b>Supply Limit</b>	31-90 days		31-90 days	

## DENTAL HIGHLIGHTS

Benefit Features	In-Network	Out-of-Network
<b>Calendar Year Deductible</b>	\$50/individual; \$150/family	
<b>Annual Plan Maximum</b>	\$2,000	
<b>Reimbursement Level</b>	Negotiated Fee	90th Percentile of Reasonable and Customary
<b>Diagnostic and Preventive Services</b>	<b>Plan Pays</b>	<b>Plan Pays</b>
Exams, Cleanings, X-rays	100%	100%
<b>Basic Services</b>	<b>Plan Pays</b>	<b>Plan Pays</b>
Fillings, Periodontics, Endodontics	80% after deductible	80% after deductible
<b>Major Services</b>	<b>Plan Pays</b>	<b>Plan Pays</b>
Crowns, Bridges, Dentures	50% after deductible	50% after deductible

## VISION HIGHLIGHTS

Benefit Features	In-Network	Out-of-Network
<b>Vision Benefits</b>	<b>Plan Pays</b>	<b>Plan Pays</b>
<b>Eye Exam</b>	100%	100% up to \$50
Once every 12 months		
<b>Materials</b>	100%	100% up to benefit limits listed below
<b>Contact Lens Fitting/Exam</b>	100% after up to \$60 copay	See Contact Lenses Below
<b>Eyeglass Lenses</b>		
Once every 12 months	100% for basic lens	100% up to \$50
Single Vision Lens	100% for basic lens	100% up to \$65
Bifocal Lens	100% for basic lens	100% up to \$100
Trifocal Lens		
<b>Frames</b>		
Once every 24 months	100% up to \$180	100% up to \$70
<b>Contact Lenses (in lieu of eyeglasses)</b>	100% up to \$170	100% up to \$105
Once every 12 months		

***TENTATIVE AGREEMENT***

by and between

The Anchorage School District

And

Public Employees Local 71

AFL-CIO

Representing Custodians and

Building Plant Operators

July 1, 2017 through June 30, 2020



## **ARTICLE 14 LEAVE WITHOUT PAY**

### **Section 1. Unpaid Leave**

Unpaid leave shall not be granted until annual leave has been exhausted, unless the leave is for Workers' Compensation.

Short-Term Unpaid Leave: One (1) to Ten (10) Workdays.

The District may approve unpaid short-term leave for up to ten (10) workdays for employee medical or compelling personal reasons. The employee shall submit the Leave Request to the supervisor for approval at least ten (10) calendar days in advance except in emergency situations over which the employee has no control. Short-term unpaid leave for medical reasons may require a physician's statement with the leave request form, and a release to return to work from the physician at the end of the leave. Employees who lose medical and/or life insurance coverage while on unpaid short-term leave must re-establish their benefit eligibility upon their return to work.

### **Section 2. Family Medical Leave**

A copy of the Anchorage School District's Family and Medical Leave Policy, which complies with the Alaska Family/Medical Leave Act (AS 23.10.500-.550) and the Medical Leave Act of 1993 (Public Law 103-3) is available upon request from the Human Resources Department. The Human Resources Department will maintain the latest regulations and legal interpretations in regard to the law and provide current copies of such materials to the Union upon request.

## **ARTICLE 15 BENEFITS**

### **Section 1. Health Benefits**

#### **Eligibility**

Employees working thirty (30) or more hours per week shall be eligible for health insurance coverage. Eligibility is attained the first of the month following a waiting period of sixty (60) calendar days.

A. For the 2017-2018 school year, the District shall contribute ~~\$1,390~~ \$1,495 per

eligible employee per month toward the cost of health care benefits. The amount of District contribution shall increase to ~~\$1,430~~ \$1,530 per month for the 2016-2017 2018-2019 and \$1,550 per month for the 2019-2020 school years.

This contribution shall be transmitted to the Local 71 Health Plan Trust account in accordance with the District payment schedule, with the clear understanding that such funds may be used only to provide a comprehensive health plan for District employees. The District shall have no obligation or responsibility for any aspect of plan selection or for administration of benefits offered under whatever plan may be managed by the Union.

- B. The effective date of obligation for transmission of District contributions to provide coverage for new employees shall be the first day of the month following initial eligibility date. The details of the health plan for custodians shall be determined by the Union, in accord with its agreement with the Health Trust.
- C. Benefits provided shall be described in a booklet published by the Union and made available to all employees.
- D. Employees on District-approved unpaid leave, laid-off custodians, or custodians who terminate their employment may elect to pay the full cost of the health plan then in effect in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1986. All arrangements for such continued coverage must be made with the appropriate representatives of the Local 71 Health Plan Trust, or designee, in coordination with the District's Benefits Department.

## Section 2. Life Insurance

The District shall provide fully paid term life insurance coverage for eligible employees as described in the insurance policy provided by the District's insurance carrier, in an amount of three times the employee's annual salary to a maximum of \$50,000.00 for death by natural causes and an additional amount of three times the employee's annual

salary to a maximum of \$50,000.00 for accidental death. Employees may purchase at the District's rate, additional life insurance for a total maximum of up to three times their annual salary to the next highest even thousand dollars for death by natural causes with an additional three times their annual wage to the next highest even thousand dollars for accidental death. Dependent life insurance premiums shall be fully paid by the employee.

## Section 3. Life Insurance Upon Termination

Upon termination, an employee may convert the life insurance coverage in effect on the employee on the date of termination to an individual policy in accordance with the rules established by the insurance carrier. If such election is made, the terminated

NEGOTIATED AGREEMENT

BETWEEN

MATANUSKA-SUSITNA  
EDUCATION ASSOCIATION

AND

MATANUSKA-SUSITNA BOROUGH  
SCHOOL DISTRICT

JULY 1, 2017– JUNE 30, 2019



- claims, and (c) pay the full amount of any adverse judgments or awards resulting from such claims, including costs, attorneys' fees and interest.
- M. The district will provide on a voluntary basis to all Association employees a medical reimbursement plan and a dependent care plan, consistent with Section 125 of the Internal Revenue Code.
- N. Teachers who provide documentation to the Human Resources Department not later than forty-five (45) days after the start of a new semester of national board certification or other national certification deemed as comparable to national board certification by the Human Resources Department will be eligible for an increase to their annual salary of two thousand (2,000) dollars for the life of the certificate, provided the teacher is employed in a position in the area of such certification. Teachers who submit proof of certificate in the second semester will receive only one thousand (1,000).

## ARTICLE VIII INSURANCE

### SECTION 1 Health Insurance

- A. In FY 18 the District will continue to pay \$1706 per member per month(pmpm) for the group health premium. If the premium is less than \$1706 the District will only be required to pay the actual premium amount. Beginning in FY 19 the District's share of the group health pan premiums shall be capped at \$1744 pmpm. If the premium is less than \$1744 pmpm the District will only pay the premium amount. In FY 19 MSEA will only offer health insurance plans currently offered in FY18. MSEA's commitment to restrict new plan offerings will not become part of the status quo in the event a successor agreement is not ratified by June 30, 2019. Employees shall have the option of opting out if they do not want to pay their share of the premium, and in such case, the District shall not be required to pay any share of the premium. The District shall be obligated to pay this amount per .50 FTE equivalent teacher per fiscal years FY 18 and 19 to the Public Education Health Trust for health insurance except for teachers who opt out of health insurance coverage. Teachers who are paying a higher premium amount in FY 18 because they previously waived or were enrolled in the HDHP will continue to pay the higher premium amount only through FY 18. Beginning in FY 19 there will no longer be a different premium rate for teachers who previously waived or elected the HDHP.
- B. Payments shall be made in advance on the first business day of each month and shall be accompanied with a list of teachers for whom payments are being made.
- C. Insurance coverage for employees and their dependents shall begin the first day of the month following employment. The employee has the option to continue health insurance coverage at his/her own expense during an unpaid leave of absence. The employee must pay 100% of the cost prior to the first day of the month in which insurance coverage is desired. Payment must be made no later than the first day of the month in which insurance is desired.
- D. The insurance plan description, deductibles, and limitations of coverage shall be determined by MSEA and the Public Education Health Trust. Such determinations shall not be subject to the grievance procedure under Article II of this Agreement.



- E. Any dispute regarding the adjudication of claims shall be between the claimant and the Public Education Health Trust. Such dispute shall not be subject to the grievance procedure under Article II, nor shall it otherwise involve the District.

## **SECTION 2 Life Insurance**

- A. Each employee shall be provided with \$15,000 of life insurance at the District expense. Beginning July 1, 2015 this will increase to \$50,000.
- B. Employees shall be able to purchase, at their expense, up to five (5) times their annual salary in term life insurance at the group rate, if the increase from three (3) times (FY'10 N.A.) to five (5) times does not increase the group rate.

## **ARTICLE IX REIMBURSEMENTS**

### **SECTION 1 Physical Examinations**

All contracted, certificated personnel not covered by the District's health insurance will be reimbursed up to the amount of one hundred and fifty dollars (\$150) for the physical examination required every three (3) years. Any employee seeking such reimbursement shall first be required to submit said bill to any existing health insurer providing coverage to the employee. The exam to be conducted and the form utilized by the District shall include only a TB test (on initial employment), and whether or not the employee is free from communicable disease and otherwise mentally and physically able to perform the duties of the position. No additional medical services and/or tests shall be conducted, except at the employee's own expense. It shall be the responsibility of the employee to present to the Business Office documentation of the actual cost no later than sixty (60) days after the beginning date of employment, otherwise, the reimbursement will be forfeited. Employees shall provide the district with results from an annual tuberculin skin test at no cost to the employee. New employees shall submit the results from a pre-employment skin test prior to the first day of work.

### **SECTION 2 Automobile Allowance**

Certificated teachers who provide passenger vehicles for School District business directed by the unit administrator shall receive reimbursement for the use of such vehicles at the applicable deduction rate as established by the Internal Revenue Service. Each certificated employee with responsibilities in more than one building shall confer with his or her supervisor(s) or unit administrator to designate a base building for the purpose of calculating a mileage reimbursement. On days in which the employee teacher works in another building other than the base building, the District shall reimburse the employee for mileage required beyond that distance which the employee would travel to commute to and from his/her building.

## **ARTICLE X IN-SERVICE**



# **NEGOTIATED AGREEMENT**

**Between**

**BOARD OF EDUCATION MATANUSKA-  
SUSITNA BOROUGH SCHOOL DISTRICT**

**And**

**CLASSIFIED EMPLOYEES'  
ASSOCIATION**

**July 1, 2014 – June 30, 2017**

5. The accumulation of compensatory time in lieu of overtime payments will be in accordance with the Fair Labor Standards Act. Each hour of overtime worked, when converted to compensation time, shall be computed at the same rate as paid overtime. Partial hours shall be prorated. Compensation time must be used within thirty (30) workdays. If the compensation time is denied by the supervisor, the overtime must be paid at the appropriate rate of pay. However, all hours in excess of two hundred forty (240) at the end of the calendar year must be cashed out.
6. Call-out will be distributed on an equal basis from a call-out list by trades. There will be no crossovers for work requiring a certificate of fitness (i.e. electricians, plumbers, etc.). Building custodians shall be notified when a call out for their building occurs and whenever possible used for work not requiring a certificate of fitness.

**P. Call-Back**

1. This provision applies to employees who have left the premises of the employer at the end of their regular shift and are notified that they must report back for work prior to the commencement of their next scheduled shift. If the time worked adjoins the employee's next shift, the following section on early call-in will apply.
2. If an employee is called back to work, after completion of his/her regular shift, the employee shall be paid a minimum of four (4) hours pay at the appropriate overtime rate.

**Q. Early Call-In**

If an employee is notified within four (4) hours after completion of his/her shift that he/she is to report for duty prior to his/her next scheduled shift, he/she shall be paid at the appropriate rate for the extra hours worked. If an employee is notified later than four (4) hours after the completion of his/her shift that he/she is to report for duty prior to his/her next scheduled shift, he/she shall receive a minimum of two (2) hours pay. The employee shall work his/her entire scheduled shift.

**R. School Closure Days**

1. Classified employees who work twelve months shall report to work or utilize appropriate leave during school closure days.
2. Classified employees who work less than twelve months per year shall not report to work and will not be compensated for school closure days. Any make-up days will be worked by the employee. At the end of the school term, if there have been no make-up days, the employee may use paid leave for the school closure days.

## ARTICLE VII Employee Benefits

**A. Insurance**

1. In FY 15, the District will pay \$1514 per member per month of the group health premium. In FY 16 and FY 17, the District will continue to pay \$1514 per member per month of the group health premium, or any lesser amount should the premium be reduced. If the premium increases over the \$1514 amount the District and the employee (.875 or higher FTE) will pay the increased amount on a 50% - 50% basis. Employees shall have the option of opting out if they do not want to pay their share of the premium, and in such

case, the District shall not be required to pay any share of the premium. Any fulltime employee desiring to opt out must provide proof of other health insurance coverage. The District shall be obligated to pay this amount per .875 or higher FTE employee per fiscal year to the Public Education Health Trust for health insurance except for employees who opt out of health insurance coverage. Employees whose FTE is between .75-.874 will pay, in addition to the employee's premium, 25 percent of the District's portion of the premium. Employees whose FTE is between .50-.75 will pay, in addition to the employee's premium, 50 percent of the District's portion of the premium.

This paragraph applies to employees who were enrolled in the HDHP as of the end of the FY '14 or who enroll in the HDHP plan at any time during the term of this Agreement, and to employees who waived health insurance as of the end of the FY '14 or who waive health insurance at any time during the term of this Agreement. If any such employee elects to enroll in the plan during the term of the Agreement, the employee shall pay the applicable premium amount calculated pursuant to the preceding paragraph, plus 10% of the District's base premium amount of \$1514 or less. However, if such enrollment is the result of a qualifying life event, the employee's premium will be calculated pursuant to the preceding paragraph.

2. Payments shall be made in advance on the first business day of each month and shall be accompanied with a list of employees for whom payments are being made.
3. Insurance coverage for employees and their dependents shall begin the first day of the month following employment. In accordance with COBRA, the employee has the option to continue health insurance coverage at his/her own expense during an unpaid leave of absence or upon termination. The employee must pay 100% of the cost prior to the first day of the month in which insurance coverage is desired. Payment must be made no later than the first day of the month in which insurance is desired.
4. The insurance plan description, deductibles, and limitations of coverage shall be determined by CEA and the Public Education Health Trust, provided that CEA does not enhance the plan or coverage which results in an increased cost to the District. Such determinations shall not be subject to the grievance procedure under Article XI of this Agreement.
5. Any dispute regarding the adjudication of claims shall be between the claimant and the Public Education Health Trust.
6. Each employee shall be provided with \$15,000 of life insurance at the District expense. Employees shall be able to purchase, at their expense, up to three (3) times their annual salary in term life insurance at the group rate.

**B. Physical Exams**

1. All employees shall have a physical exam upon initial employment by the District. The examination must occur not more than 90 days prior to the beginning day of employment. A reexamination will be required every three (3) years by October 1st of the year in which it is required.
2. The examination form must be submitted to the Personnel department within 30 days following initial employment. The physical examination is a condition of employment.
3. The cost of the exam shall be the responsibility of the employee; however employees not covered by health insurance shall be reimbursed up to \$115 for the required physicals. Any employee seeking such reimbursement shall first be required to



submit said bill to any existing health insurer providing coverage to the employee. The exam to be conducted and the form utilized by the District shall include only whether or not the employee is free from communicable diseases and otherwise mentally and physically able to perform the duties of the position. No additional medical services and/or tests shall be conducted, except at the employee's own expense. The employee must present documentation of the actual cost no later than sixty (60) days after the beginning date of employment or after the actual examination, whichever is later; otherwise the reimbursement shall be forfeited.

4. This provision does not exempt employees from taking physical examinations required by Board policy or other regulations.

**C. Holidays**

1. All permanent employees shall be entitled to observe the following School District holidays that fall within their term of employment according to their FTE.

New Year's Day  
Martin Luther King Jr. Day  
Memorial Day  
Independence Day  
Labor Day  
Thanksgiving Day  
Day after Thanksgiving  
Christmas Day

2. In addition, permanent, term, and part time employees will have five (5) floating holidays according to the F.T.E. These days may not be carried over beyond the fiscal year during which they accrue. Employees who terminate prior to the end of the fiscal year will be allocated 2.6 hours of floating holiday pay for each full day month worked.

Employees must obtain approval in advance from their supervisor to utilize floating holidays. Employee requests shall be given full consideration, and to the extent practicable, approved. The final decision regarding approval or disapproval of any request will be based upon the supervisor's evaluation of the needs of the job. Floating holidays will be scheduled on the basis of classification seniority.

3. All permanent term employees shall be entitled to those holidays that fall within their term of employment according to their FTE Hours worked on legal holidays observed by the Matanuska-Susitna Borough School District shall be paid at the rate of one and one-half (1 1/2) times the regular hourly rate, in addition to the regular pay that an employee is entitled to receive for these holidays.
4. The provisions of sections 1 and 2 above shall not be applicable to temporary and substitute employees.
5. Nine Month Employees
  - a. These employees working at least 189 but not more than 213; and who do not normally work during the Christmas and Spring break, shall work through Christmas and Spring break or take accrued annual leave. Examples:

School aide                      189-202



The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. NOTE: Information about the cost of this plan (called the premium) will be provided separately.

This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, call 1-866-247-1443 or visit [www.ebms.com](http://www.ebms.com). For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at <https://www.healthcare.gov/sbc-glossary> or call 1-866-487-2365 to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall <u>deductible</u> ?	\$500 per covered person or \$1,500 per family unit. Each JANUARY a new <u>deductible</u> amount is required.	Generally, you must pay all of the costs from <u>providers</u> up to the <u>deductible</u> amount before this <u>plan</u> begins to pay. If you have other family members on the <u>plan</u> , each family member must meet their own individual <u>deductible</u> until the total amount of <u>deductible</u> expenses paid by all family members meets the overall family <u>deductible</u> .
Are there services covered before you meet your <u>deductible</u> ?	Yes. Air ambulance, BridgeHealth or miChoice Surgery Benefit, Teladoc physician consultations, and the following preferred provider services: <u>prescription drug coverage</u> , and <u>preventive care</u> , are covered before you meet your <u>deductible</u> . Copayments do not apply to the <u>deductible</u> .	This <u>plan</u> covers some items and services even if you haven't yet met the <u>deductible</u> amount. But a <u>copayment</u> or <u>coinsurance</u> may apply. For example, this <u>plan</u> covers certain <u>preventive services</u> without <u>cost sharing</u> and before you meet your <u>deductible</u> . See a list of covered <u>preventive services</u> at <a href="https://www.healthcare.gov/coverage/preventive-care-benefits/">https://www.healthcare.gov/coverage/preventive-care-benefits/</a> .
Are there other <u>deductibles</u> for specific services?	Yes. \$500 per inpatient admission, limited to two <u>deductibles</u> per person per calendar year; and \$500 per non-medical emergency room visit. There are no other specific <u>deductibles</u> .	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this <u>plan</u> begins to pay for these services.
What is the <u>out-of-pocket limit</u> for this <u>plan</u> ?	<b>Medical coinsurance maximum out-of-pocket:</b> Preferred Providers: \$2,000 per covered person / \$6,000 per family unit; Non-Preferred Providers: Unlimited. <b>Super global maximum out-of-pocket</b> (is the most a member will pay in a calendar year for <u>deductibles</u> , <u>copayments</u> , and <u>coinsurance</u> ): Preferred providers: \$7,350 per covered person or \$14,700 per family unit; Non-Preferred Providers: Unlimited.	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other family members in this <u>plan</u> , they have to meet their own <u>out-of-pocket limits</u> until the overall family <u>out-of-pocket limit</u> has been met.
What is not included in the <u>out-of-pocket limit</u> ?	<u>Deductibles</u> and <u>prescription drug copayments</u> are not included in the medical <u>coinsurance maximum out-of-pocket limit</u> . Non-preferred provider or facility penalty, Vision Service Plan benefits, <u>prescription drug discounts</u> or coupons, any difference between the private and semi-private room rate when a semi-private room is available, <u>premiums</u> , <u>balance-billing charges</u> (unless balanced billing is prohibited), and health care this <u>plan</u> doesn't cover are not included in the medical <u>coinsurance maximum out-of-pocket limit</u> or super global <u>maximum out-of-pocket limit</u> .	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .

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Will you pay less if you use a <u>network provider</u> ?	Yes. Refer to your EBMS/Public Education Health Trust identification card, or login to <a href="http://www.ebms.com">www.ebms.com</a> or call 1-866-247-1443 for a list of <u>network providers</u> .	This <u>plan</u> uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the <u>plan's network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the <u>provider's charge</u> and what your <u>plan</u> pays ( <u>balance billing</u> ). Be aware, your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a <u>referral</u> to see a <u>specialist</u> ?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .

 All copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you visit a health care <u>provider's office</u> or clinic	Primary care visit to treat an injury or illness	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Coverage limited to 20 visits/calendar year for massage therapy. Coverage limited to 20 visits/calendar year for spinal manipulation/chiropractic services.
	<u>Specialist</u> visit	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	<u>Preventive care/ screening/immunization</u>	No charge	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	You may have to pay for services that aren't preventive. Ask your <u>provider</u> if the services needed are preventive. Then check what your <u>plan</u> will pay for.
If you have a test	<u>Diagnostic test</u> (x-ray, blood work)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Imaging (CT/PET scans, MRIs)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
If you need drugs to treat your illness or condition  More information about <u>prescription drug coverage</u> is available at <a href="http://www.optumrx.com">www.optumrx.com</a>	Generic drugs	\$17 <u>copayment/</u> prescription (retail) \$34 <u>copayment/</u> prescription (mail order)		Coverage is limited to 30-day supply per prescription retail or 90-day supply per prescription mail order. At select pharmacies a 90-day supply option may be available at the same cost as mail order, including compounds. If a covered person requests a preferred name drug when a generic equivalent is available, they are responsible for the preferred name drug <u>coinsurance</u> plus the difference in cost between the preferred name drug and the generic drug.
	Compound drugs	\$17 <u>copayment/</u> prescription (retail)		
	Preferred brand name drugs	\$30 <u>copayment/</u> prescription (retail) \$60 <u>copayment/</u> prescription (mail order)		
	Non-preferred brand name drugs	\$60 <u>copayment/</u> prescription (retail) \$120 <u>copayment/</u> prescription (mail order)		

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
/myOptumRx or call 1-855-395-2022.	<u>Specialty drugs</u> - Value specialty drugs - Formulary specialty - Non-formulary specialty	50% <u>coinsurance</u> up to \$100 50% <u>coinsurance</u> up to \$400 50% <u>coinsurance</u> up to \$600	Not Covered	Deductible does not apply. <u>Specialty drugs</u> limited to a 30-day supply/prescription & requires purchase through the specialty pharmacy program. Non-preferred specialty pharmacy is not covered.
	Facility fee (e.g., ambulatory surgery center)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
If you have outpatient surgery	Physician/surgeon fees	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	<u>Emergency room care</u> - Medical Emergency - Non-medical Emergency	20% <u>coinsurance</u> 20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/visit emergency room <u>deductible</u>	20% <u>coinsurance</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/visit emergency room <u>deductible</u>	Coverage limited to services from the nearest hospital where professional and necessary treatment can be provided due to a Medical Emergency. The emergency room <u>deductible</u> is waived for medical emergency, accidental injury, or if admitted as an inpatient.
If you need immediate medical attention	<u>Emergency medical transportation</u> - Ground ambulance - Air ambulance	20% <u>coinsurance</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare; <u>deductible</u> does not apply	20% <u>coinsurance</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Coverage limited to services to the nearest hospital or skilled nursing facility where professional and necessary treatment can be provided as medically necessary. Pre-notification is strongly recommended for air ambulance services. Please Call 1-800-228-9118.
	<u>Urgent care</u>	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
If you have a hospital stay	Facility fee (e.g., hospital room)	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient deductible will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
	Physician/surgeon fees	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None



Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you need mental health, behavioral health, or substance abuse services	Outpatient services	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Inpatient services	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
If you are pregnant	Office visits	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Maternity benefits only apply to covered employee or covered spouse. <u>Cost sharing</u> does not apply to certain <u>preventive services</u> . Depending on the type of services, <u>coinsurance</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (e.g. ultrasound).
	Childbirth/delivery professional services	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	Childbirth/delivery facility services	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	The inpatient deductible will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
If you need help recovering or have other special health needs	<u>Home health care</u>	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	<u>Rehabilitation services</u>	<u>Outpatient:</u> 20% <u>coinsurance</u>	<u>Outpatient:</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended. The inpatient deductible will only be applied twice/calendar year per covered person. <u>Inpatient</u> is limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate. <u>Outpatient</u> includes speech, physical, and occupational therapies. Physical and occupational therapies are limited to 20 visits per therapy/calendar year.
	<u>Habilitation services</u>	<u>Inpatient:</u> 20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	<u>Inpatient:</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	
	<u>Skilled nursing care</u>	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient deductible will only be applied twice/calendar year per covered person. Coverage limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate.

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
	Durable medical equipment	20% coinsurance		Pre-notification is recommended for DME expenses over \$2,000.
	Hospice services	20% coinsurance	0% coinsurance up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
If your child needs dental or eye care	Children's eye exam	\$25 copayment	Up to \$50	PEHT has contracted with Vision Service Plan (VSP) to provide vision care services. Coverage limited to one exam/year.
	Children's glasses	\$25 copayment	Up to \$70 for frame Up to \$50 for single vision lenses Up to \$75 for bifocal lenses Up to \$75 for progressive lenses Up to \$100 for trifocal lenses	Coverage limited to one pair of lenses/calendar year and one frame every other calendar year.
	Children's dental check-up	Not covered		Dental benefits may be available as a separate election.

**Excluded Services & Other Covered Services:**

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services.)

- Cosmetic Surgery
- Dental Care (Adult)
- Infertility Treatment
- Long Term Care
- Non-emergency care when traveling outside the U.S.
- Private Duty Nursing
- Weight Loss Programs

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)

- Acupuncture
- Bariatric Surgery
- Chiropractic Care
- Hearing Aids
- Routine eye care (Adult) through VSP
- Routine Foot Care

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**Your Rights to Continue Coverage:** There are agencies that can help if you want to continue your coverage after it ends. For more information, contact EBMS at 1-800-777-3575 or these agencies: Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or [www.dol.gov/agencies/ebsa/](http://www.dol.gov/agencies/ebsa/) or Department of Health and Human Services, Center for Consumer Information and Insurance Oversight, at 1-877-267-2323 x61565 or [www.cciio.cms.gov](http://www.cciio.cms.gov). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit [www.HealthCare.gov](http://www.HealthCare.gov) or call 1-800-318-2596.

**Your Grievance and Appeals Rights:** There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact EBMS at 1-800-777-3575 or the DOL's Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a consumer assistance program can help you file your appeal. Contact your state's program if available at: <http://www.cms.gov/CCIIO/Resources/Consumer-Assistance-Grants/>.

**Does this plan provide Minimum Essential Coverage? Yes.**

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

**Does this plan meet Minimum Value Standards? Yes.**

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

#### Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-866-247-1443.

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog 1-866-247-1443.

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-866-247-1443.

Navajo (Dine): Dinekehgo shika a'ohwol ninisingo, kwijigo holne' 1-866-247-1443.

To see examples of how this plan might cover costs for a sample medical situation, see the next section.

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this [plan](#) might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your [providers](#) charge, and many other factors. Focus on the [cost sharing](#) amounts ([deductibles](#), [copayments](#) and [coinsurance](#)) and [excluded services](#) under the [plan](#). Use this information to compare the portion of costs you might pay under different health [plans](#). Please note these coverage examples are based on self-only coverage.

**Peg is Having a Baby**

(9 months of in-network pre-natal care and a hospital delivery)

■ The <a href="#">plan's</a> overall <a href="#">deductible</a>	\$500
■ <a href="#">Specialist coinsurance</a>	20%
■ <a href="#">Hospital (facility) coinsurance</a>	20%
■ <a href="#">Other coinsurance</a>	20%

This EXAMPLE event includes services like:  
Specialist office visits (*prenatal care*)  
Childbirth/Delivery Professional Services  
Childbirth/Delivery Facility Services  
Diagnostic tests (*ultrasounds and blood work*)  
Specialist visit (*anesthesia*)

Total Example Cost \$12,800

In this example, Peg would pay:

Cost Sharing

Deductibles*	\$1,000
Copayments	\$68
Coinsurance	\$2,520

What isn't covered

Limits or exclusions	\$60
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The total Peg would pay is \$3,648

**Managing Joe's type 2 Diabetes**

(a year of routine in-network care of a well-controlled condition)

■ The <a href="#">plan's</a> overall <a href="#">deductible</a>	\$500
■ <a href="#">Primary care physician coinsurance</a>	20%
■ <a href="#">Hospital (facility) coinsurance</a>	20%
■ <a href="#">Other coinsurance</a>	20%

This EXAMPLE event includes services like:  
Primary care physician office visits (*including disease education*)  
Diagnostic tests (*blood work*)  
Prescription drugs  
Durable medical equipment (*glucose meter*)

Total Example Cost \$7,400

In this example, Joe would pay:

Cost Sharing

Deductibles	\$500
Copayments	\$969
Coinsurance	\$585

What isn't covered

Limits or exclusions	\$60
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The total Joe would pay is \$2,114

**Mia's Simple Fracture**

(in-network emergency room visit and follow up care)

■ The <a href="#">plan's</a> overall <a href="#">deductible</a>	\$500
■ <a href="#">Specialist coinsurance</a>	20%
■ <a href="#">Hospital (facility) coinsurance</a>	20%
■ <a href="#">Other coinsurance</a>	20%

This EXAMPLE event includes services like:  
Emergency room care (*including medical supplies*)  
Diagnostic test (*x-ray*)  
Durable medical equipment (*crutches*)  
Rehabilitation services (*physical therapy*)

Total Example Cost \$1,900

In this example, Mia would pay:

Cost Sharing

Deductibles*	\$1,000
Copayments	\$0
Coinsurance	\$180

What isn't covered

Limits or exclusions	\$0
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The total Mia would pay is \$1,180

\*Note: This [plan](#) has other [deductibles](#) for specific services included in this coverage example. See "Are there other [deductibles](#) for specific services?" row above.

The [plan](#) would be responsible for the other costs of these EXAMPLE covered services.





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Important Questions	Answers	Why This Matters:
What is the overall <u>deductible</u> ?	\$1,500 per covered person or \$3,000 per family unit. Each JANUARY a new <u>deductible</u> amount is required.	Generally, you must pay all of the costs from providers up to the <u>deductible</u> amount before this plan begins to pay. If you have other family members on the plan, each family member must meet their own individual <u>deductible</u> until the total amount of <u>deductible</u> expenses paid by all family members meets the overall family <u>deductible</u> .
Are there services covered before you meet your <u>deductible</u> ?	Yes. Air ambulance, BridgeHealth or miChoice Surgery Benefit, Teladoc physician consultations, and the following preferred provider services: first six office visits for primary care and mental health substance abuse physician services, <u>prescription drug coverage</u> , and <u>preventive care</u> , are covered before you meet your <u>deductible</u> . <u>Copayments</u> do not apply to the <u>deductible</u> .	This plan covers some items and services even if you haven't yet met the <u>deductible</u> amount. But a <u>copayment</u> or <u>coinsurance</u> may apply. For example, this plan covers certain <u>preventive services</u> without <u>cost sharing</u> and before you meet your <u>deductible</u> . See a list of covered <u>preventive services</u> at <a href="https://www.healthcare.gov/coverage/preventive-care-benefits/">https://www.healthcare.gov/coverage/preventive-care-benefits/</a> .
Are there other <u>deductibles</u> for specific services?	Yes. \$500 per inpatient admission, limited to two <u>deductibles</u> per covered person per calendar year; and \$500 per non-medical emergency room visit. There are no other specific <u>deductibles</u> .	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this plan begins to pay for these services.
What is the <u>out-of-pocket limit</u> for this plan?	<u>Medical coinsurance maximum out-of-pocket</u> : Preferred Providers: \$3,000 per covered person or \$6,000 per family unit; Non-Preferred Providers: Unlimited. <u>Super global maximum out-of-pocket</u> (is the most a member will pay in a calendar year for <u>deductibles</u> , <u>copayments</u> , and <u>coinsurance</u> ): Preferred providers: \$7,350 per covered person or \$14,700 per family unit; Non-Preferred Providers: Unlimited.	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other family members in this plan, they have to meet their own <u>out-of-pocket limits</u> until the overall family <u>out-of-pocket limit</u> has been met.
What is not included in the <u>out-of-pocket limit</u> ?	<u>Deductibles</u> , <u>copayments</u> , and <u>prescription drug copayments</u> , are not included in the medical <u>coinsurance maximum out-of-pocket limit</u> . Non-preferred provider or facility penalty, Vision Service Plan benefits, <u>prescription drug discounts</u> or coupons, any difference between the private and semi-private room rate when a semi-private room is available, <u>premiums</u> , <u>balance-billing</u> charges (unless balanced billing is prohibited), and health care this plan doesn't cover are not included in the medical <u>coinsurance maximum out-of-pocket limit</u> or Super Global maximum <u>out-of-pocket limit</u> .	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .

EX-129-091



Will you pay less if you use a <u>network provider</u> ?	Yes. Refer to your EBMS/Public Education Health Trust identification card, or login to <a href="http://www.ebms.com">www.ebms.com</a> or call 1-866-247-1443 for a list of <u>network providers</u> .	This <u>plan</u> uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the <u>plan's network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the <u>provider's</u> charge and what your <u>plan</u> pays ( <u>balance billing</u> ). Be aware, your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a <u>referral</u> to see a <u>specialist</u> ?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .

 All copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you visit a health care <u>provider's</u> office or clinic	Primary care visit to treat an injury or illness	\$25 <u>copayment</u> /visit, deductible does not apply; or 20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	For <u>preferred providers</u> , the first six (combined) office visits (other than outpatient mental disorder or substance abuse treatment)/calendar year are subject to a \$25 office visit <u>copayment</u> ; thereafter, covered charges are subject to deductible and <u>coinsurance</u> . Coverage limited to 20 visits/calendar year for massage therapy. Coverage limited to 20 visits/calendar year for spinal manipulation/chiropractic services. You may have to pay for services that aren't preventive. Ask your <u>provider</u> if the services needed are preventive. Then check what your <u>plan</u> will pay for.
	<u>Specialist</u> visit	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	<u>Preventive care/screening/immunization</u>	No charge	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
If you have a test	Diagnostic test (x-ray, blood work)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Imaging (CT/PET scans, MRIs)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you need drugs to treat your illness or condition More information about <u>prescription drug coverage</u> is available at <a href="http://www.optumrx.com/myOptumRx">www.optumrx.com/myOptumRx</a> or call 1-855-395-2022.	Generic drugs	\$17 <u>copayment</u> / prescription (retail) \$34 <u>copayment</u> / prescription (mail order)		Coverage is limited to 30-day supply per prescription retail or 90-day supply per prescription mail order. At select pharmacies a 90-day supply option may be available at the same cost as mail order, including compounds. If a covered person requests a preferred name drug when a generic equivalent is available, they are responsible for the preferred name drug <u>coinsurance</u> plus the difference in cost between the preferred name drug and the generic drug.
	Compound drugs	\$17 <u>copayment</u> / prescription (retail)		
	Preferred brand name drugs	\$30 <u>copayment</u> / prescription (retail) \$60 <u>copayment</u> / prescription (mail order)		
	Non-preferred brand name drugs	\$60 <u>copayment</u> / prescription (retail) \$120 <u>copayment</u> / prescription (mail order)		
	<u>Specialty drugs</u> - Value specialty drugs - Formulary specialty - Non-formulary specialty	50% <u>coinsurance</u> up to \$100 50% <u>coinsurance</u> up to \$400 50% <u>coinsurance</u> up to \$600	Not Covered	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
	Physician/surgeon fees	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
If you need immediate medical attention	<u>Emergency room care</u> - Medical Emergency - Non-medical Emergency	20% <u>coinsurance</u> 20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/visit emergency room <u>deductible</u>	0% <u>coinsurance</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/visit emergency room <u>deductible</u>	Coverage limited to services from the nearest hospital where professional and necessary treatment can be provided due to a Medical Emergency. The emergency room <u>deductible</u> is waived for medical emergency, accidental injury, or if admitted as an inpatient.
	<u>Emergency medical transportation</u> - Ground ambulance - Air ambulance	20% <u>coinsurance</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare; <u>deductible</u> does not apply		Limited to services to the nearest hospital or skilled nursing facility where professional and necessary treatment can be provided as medically necessary. Pre-notification is strongly recommended for air ambulance services. Please Call 1-800-228-9118.
	<u>Urgent care</u>	<u>Payable per normal plan provisions</u>	<u>Payable per normal plan provisions</u>	None

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Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you have a hospital stay	Facility fee (e.g., hospital room)	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient deductible will only be applied twice/calendar year per covered person. Limited to the semi-private room rate.
	Physician/surgeon fees	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
If you need mental health, behavioral health, or substance abuse services	Outpatient services	\$25 <u>copayment</u> /visit, deductible does not apply; or 20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	For <u>preferred providers</u> , the first six (combined) office visits (mental disorder or substance abuse treatment)/calendar year are subject to a \$25 office visit <u>copayment</u> ; thereafter, covered charges are subject to <u>deductible</u> and <u>coinsurance</u> .
	Inpatient services	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient deductible will only be applied twice/calendar year per covered person. Limited to the semi-private room rate.
If you are pregnant	Office visits	\$25 <u>copayment</u> /visit, deductible does not apply; or 20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Maternity benefits only apply to covered employee or covered spouse. For <u>preferred providers</u> , the first six (combined) office visits (other than outpatient mental disorder or substance abuse treatment)/calendar year are subject to a \$25 office visit <u>copayment</u> ; thereafter, covered charges are subject to <u>deductible</u> and <u>coinsurance</u> . <u>Cost sharing</u> does not apply to certain <u>preventive services</u> . Depending on the type of services, <u>coinsurance</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (e.g. ultrasound).
	Childbirth/delivery professional services	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	Childbirth/delivery facility services	20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/ admission inpatient <u>deductible</u>	The inpatient deductible will only be applied twice/calendar year per covered person. Limited to the semi-private room rate.

FOIA



Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you need help recovering or have other special health needs	<u>Home health care</u>	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	<u>Rehabilitation services</u>	<u>Outpatient:</u> \$25 <u>copayment</u> /visit, deductible does not apply; or 20% <u>coinsurance</u>  <u>Inpatient:</u> 20% <u>coinsurance</u> after overall deductible and \$500/ admission inpatient deductible	<u>Outpatient:</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare  <u>Inpatient:</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall deductible and \$500/ admission inpatient deductible	For <u>preferred providers</u> , the first six (combined) office visits (other than outpatient mental disorder or substance abuse treatment)/calendar year are subject to a \$25 office visit <u>copayment</u> ; thereafter, covered charges are subject to <u>deductible</u> and <u>coinsurance</u> . Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Inpatient is limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate. Outpatient includes speech, physical, and occupational therapies. Physical and occupational therapies are limited to 20 visits per therapy/calendar year.
	<u>Habilitation services</u>			
	<u>Skilled nursing care</u>	20% <u>coinsurance</u> after overall deductible and \$500/ admission inpatient deductible	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall deductible and \$500/ admission inpatient deductible	Pre-notification is recommended. Inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Coverage limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate.
	<u>Durable medical equipment</u>	20% <u>coinsurance</u>		Pre-notification is recommended for DME expenses over \$2,000.
	<u>Hospice services</u>	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.

POS

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If your child needs dental or eye care	Children's eye exam	\$25 <u>copayment</u>	Up to \$50	PEHT has contracted with Vision Service Plan (VSP) to provide vision care services. Coverage limited to one exam/calendar year.
	Children's glasses	\$25 <u>copayment</u>	Up to \$70 for frame Up to \$50 for single vision lenses Up to \$75 for bifocal lenses Up to \$75 for progressive lenses Up to \$100 for trifocal lenses	Coverage limited to one pair of lenses/calendar year and one frame every other calendar year.
	Children's dental check-up	Not covered		Dental benefits may be available as a separate election.

**Excluded Services & Other Covered Services:**

**Services Your Plan Generally Does NOT Cover** (Check your policy or [plan](#) document for more information and a list of any other [excluded services](#).)

- Cosmetic Surgery
- Dental Care (Adult)
- Infertility Treatment
- Long Term Care
- Non-emergency care when traveling outside the U.S.
- Private Duty Nursing
- Weight Loss Programs

**Other Covered Services** (Limitations may apply to these services. This isn't a complete list. Please see your [plan](#) document.)

- Acupuncture
- Bariatric Surgery
- Chiropractic Care
- Hearing Aids
- Routine eye care (Adult) through VSP
- Routine Foot Care

**Your Rights to Continue Coverage:** There are agencies that can help if you want to continue your coverage after it ends. For more information, contact EBMS at 1-800-777-3575 or these agencies: Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or [www.dol.gov/agencies/ebsa/](http://www.dol.gov/agencies/ebsa/) or Department of Health and Human Services, Center for Consumer Information and Insurance Oversight, at 1-877-267-2323 x61565 or [www.cciio.cms.gov](http://www.cciio.cms.gov). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance [Marketplace](#). For more information about the [Marketplace](#), visit [www.HealthCare.gov](http://www.HealthCare.gov) or call 1-800-318-2596.

**Your Grievance and Appeals Rights:** There are agencies that can help if you have a complaint against your [plan](#) for a denial of a [claim](#). This complaint is called a [grievance](#) or [appeal](#). For more information about your rights, look at the explanation of benefits you will receive for that medical [claim](#). Your [plan](#) documents also provide complete information to submit a [claim](#), [appeal](#), or a [grievance](#) for any reason to your [plan](#). For more information about your rights, this notice, or assistance, contact: EBMS at 1-800-777-3575 or the DOL's Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a consumer assistance program can help you file your appeal. Contact your state's program if available at: <http://www.cms.gov/CCIIO/Resources/Consumer-Assistance-Grants/>.

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**Does this plan provide Minimum Essential Coverage? Yes.**

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

**Does this plan meet Minimum Value Standards? Yes.**

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

**Language Access Services:**

Spanish (Español): Para obtener asistencia en Español, llame al 1-866-247-1443.

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog 1-866-247-1443.

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-866-247-1443.

Navajo (Dine): Dine'ehgo shika a'ohwol ninisingo, kwijigo holne' 1-866-247-1443.

— To see examples of how this plan might cover costs for a sample medical situation, see the next section. —



About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

**Peg is Having a Baby**

(9 months of in-network pre-natal care and a hospital delivery)

■ The plan's overall deductible	\$1,500
■ Specialist coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:

Specialist office visits (prenatal care)  
Childbirth/Delivery Professional Services  
Childbirth/Delivery Facility Services  
Diagnostic tests (ultrasounds and blood work)  
Specialist visit (anesthesia)

**Total Example Cost** \$12,800

In this example, Peg would pay:

Cost Sharing

Deductibles*	\$2,000
Copayments	\$120
Coinsurance	\$2,480

What isn't covered

Limits or exclusions	\$60
<b>The total Peg would pay is</b>	<b>\$4,660</b>

**Managing Joe's type 2 Diabetes**

(a year of routine in-network care of a well-controlled condition)

■ The plan's overall deductible	\$1,500
■ Primary care physician copayment	\$25
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:

Primary care physician office visits (including disease education)  
Diagnostic tests (blood work)  
Prescription drugs  
Durable medical equipment (glucose meter)

**Total Example Cost** \$7,400

In this example, Joe would pay:

Cost Sharing

Deductibles	\$1,500
Copayments	\$1,200
Coinsurance	\$440

What isn't covered

Limits or exclusions	\$60
<b>The total Joe would pay is</b>	<b>\$3,200</b>

**Mia's Simple Fracture**

(in-network emergency room visit and follow up care)

■ The plan's overall deductible	\$1,500
■ Specialist coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:

Emergency room care (including medical supplies)  
Diagnostic test (x-ray)  
Durable medical equipment (crutches)  
Rehabilitation services (physical therapy)

**Total Example Cost** \$1,900

In this example, Mia would pay:

Cost Sharing

Deductibles*	\$1,900
Copayments	\$0
Coinsurance	\$0

What isn't covered

Limits or exclusions	\$0
<b>The total Mia would pay is</b>	<b>\$1,900</b>

\*Note: This plan has other deductibles for specific services included in this coverage example. See "Are there other deductibles for specific services?" row above.

The plan would be responsible for the other costs of these EXAMPLE covered services.

page

## Date \_\_\_\_\_





The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. NOTE: Information about the cost of this plan (called the premium) will be provided separately.


This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, call 1-866-247-1443 or visit [www.ebms.com](http://www.ebms.com). For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at <https://www.healthcare.gov/sbc-glossary> or call 1-866-487-2365 to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall <u>deductible</u> ?	\$1,500 single coverage or \$3,000 family coverage. Each JANUARY a new <u>deductible</u> amount is required.	Generally, you must pay all of the costs from <u>providers</u> up to the <u>deductible</u> amount before this <u>plan</u> begins to pay. If you have other family members on the policy, the overall family <u>deductible</u> must be met before the <u>plan</u> begins to pay.
Are there services covered before you meet your <u>deductible</u> ?	Yes. <u>Preferred providers preventive care</u> is covered before you meet your <u>deductible</u> .	This <u>plan</u> covers some items and services even if you haven't yet met the <u>deductible</u> amount. But a <u>copayment</u> or <u>coinsurance</u> may apply. For example, this <u>plan</u> covers certain <u>preventive services</u> without <u>cost sharing</u> and before you meet your <u>deductible</u> . See a list of covered <u>preventive services</u> at <a href="https://www.healthcare.gov/coverage/preventive-care-benefits/">https://www.healthcare.gov/coverage/preventive-care-benefits/</a> .
Are there other <u>deductibles</u> for specific services?	Yes. \$200 per inpatient admission, limited to two <u>deductibles</u> per covered person per calendar year; and \$500 per non-medical emergency room incident. There are no other specific <u>deductibles</u> .	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this <u>plan</u> begins to pay for these services.
What is the <u>out-of-pocket limit</u> for this <u>plan</u> ?	<u>Medical coinsurance maximum out-of-pocket</u> : Preferred Providers: \$3,500 single coverage / \$7,000 family coverage (not to exceed \$3,500 per covered person); Non-Preferred Providers: Unlimited. Super Global maximum out-of-pocket (is the most a member will pay in a calendar year for <u>deductibles</u> , <u>copayments</u> , and <u>coinsurance</u> ): Preferred Providers: \$6,650 single coverage / \$13,300 family coverage (not to exceed \$6,650 per covered person); Non-Preferred Providers: Unlimited.	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other family members in this <u>plan</u> , they have to meet their own <u>out-of-pocket limits</u> until the overall family <u>out-of-pocket limit</u> has been met.
What is not included in the <u>out-of-pocket limit</u> ?	<u>Deductibles</u> are not included in the medical <u>coinsurance maximum out-of-pocket limit</u> . Non-preferred provider or facility penalty, Vision Service Plan benefits, <u>prescription drug discounts or coupons</u> , any difference between the private and semi-private room rate when a semi-private room is available, <u>premiums</u> , <u>balance-billing charges</u> (unless balanced billing is prohibited), and health care this <u>plan</u> doesn't cover are not included in the medical <u>coinsurance maximum out-of-pocket limit</u> or the super global maximum <u>out-of-pocket limit</u> .	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .

EXH 31  
pg 1



Will you pay less if you use a <u>network provider</u> ?	Yes. Refer to your EBMS/Public Education Health Trust identification card, or login to <a href="http://www.ebms.com">www.ebms.com</a> or call 1-866-247-1443 for a list of <u>network providers</u> .	This plan uses a provider <u>network</u> . You will pay less if you use a <u>provider in the plan's network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the <u>provider's charge</u> and what your <u>plan</u> pays ( <u>balance billing</u> ). Be aware, your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a <u>referral</u> to see a <u>specialist</u> ?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .

 All copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you visit a health care <u>provider's office</u> or clinic	Primary care visit to treat an injury or illness	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Coverage limited to 20 visits/calendar year for massage therapy. Coverage limited to 20 visits/calendar year for spinal manipulation/chiropractic services.  You may have to pay for services that aren't preventive. Ask your <u>provider</u> if the services needed are preventive. Then check what your <u>plan</u> will pay for.
	<u>Specialist</u> visit	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	Preventive care/ <u>screening/immunization</u>	No charge	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
If you have a test	<u>Diagnostic test</u> (x-ray, blood work)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Imaging (CT/PET scans, MRIs)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
If you need drugs to treat your illness or condition  More information about <u>prescription drug coverage</u> is available at <a href="http://www.optumrx.com/">www.optumrx.com/</a>	Preventive Care drugs	No Charge (retail or mail order)		Retail or mail order prescriptions are available up to a 90-day supply per prescription. If a covered person requests a preferred name drug when a generic equivalent is available, they are responsible for the preferred name drug <u>coinsurance</u> plus the difference in cost between the preferred name drug and the generic drug.
	HDHP Expanded List of Preventive Drugs	20% <u>coinsurance</u> ; <u>deductible</u> does not apply (retail or mail order)		
	Generic drugs	20% <u>coinsurance</u> (retail or mail order)		
	Compound drugs	20% <u>coinsurance</u> (retail or mail order)		
	Preferred brand name drugs	20% <u>coinsurance</u> (retail or mail order)		
	Non-preferred brand name drugs	20% <u>coinsurance</u> (retail or mail order)		

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
<a href="#">myOptumRx</a> or call 1-855-395-2022.	<u>Specialty drugs</u> <ul style="list-style-type: none"> <li>- Value specialty drugs</li> <li>- Formulary specialty</li> <li>- Non-formulary specialty</li> </ul>	50% <u>coinsurance</u> up to \$100 50% <u>coinsurance</u> up to \$400 50% <u>coinsurance</u> up to \$600	Not Covered	Limited up to a 30-day supply per prescription and must be obtained through the Specialty Pharmacy Program. Only the first fill will be available through the retail pharmacy benefit.
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
	Physician/surgeon fees	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
If you need immediate medical attention	<u>Emergency room care</u> <ul style="list-style-type: none"> <li>- Medical Emergency</li> <li>- Non-medical Emergency</li> </ul>	20% <u>coinsurance</u> 20% <u>coinsurance</u> after overall <u>deductible</u> and \$500/visit emergency room <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$500/visit emergency room <u>deductible</u>	Coverage limited to services from the nearest hospital where professional and necessary treatment can be provided due to a Medical Emergency. The emergency room <u>deductible</u> is waived for medical emergency, accidental injury, or if admitted as an inpatient.
	<u>Emergency medical transportation</u> <ul style="list-style-type: none"> <li>- Ground ambulance</li> <li>- Air ambulance</li> </ul>	20% <u>coinsurance</u> 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare		Coverage limited to services to the nearest hospital or skilled nursing facility where professional and necessary treatment can be provided as medically necessary. Pre-notification is strongly recommended for air ambulance services. Please Call 1-800-228-9118.
	<u>Urgent care</u>	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
If you have a hospital stay	Facility fee (e.g., hospital room)	20% <u>coinsurance</u> after overall <u>deductible</u> and \$200/admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$200/admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
	Physician/surgeon fees	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None



Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
If you need mental health, behavioral health, or substance abuse services	Outpatient services	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Inpatient services	20% <u>coinsurance</u> after overall <u>deductible</u> and \$200/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$200/ admission inpatient <u>deductible</u>	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
If you are pregnant	Office visits	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Maternity benefits only apply to covered employee or covered spouse. <u>Cost sharing</u> does not apply to certain <u>preventive services</u> . Depending on the type of services, <u>coinsurance</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (e.g. ultrasound).
	Childbirth/delivery professional services	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	
	Childbirth/delivery facility services	20% <u>coinsurance</u> after overall <u>deductible</u> and \$200/ admission inpatient <u>deductible</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$200/ admission inpatient <u>deductible</u>	The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Coverage limited to the semi-private room rate.
If you need help recovering or have other special health needs	Home health care	20% <u>coinsurance</u>	0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	None
	Rehabilitation services	Outpatient: 20% <u>coinsurance</u>	Outpatient: 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare	Pre-notification is recommended. The inpatient <u>deductible</u> will only be applied twice/calendar year per covered person. Inpatient is limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate. Outpatient includes speech, physical, and occupational therapies. Physical and occupational therapies are limited to 20 visits per therapy/calendar year.
	Habilitation services	Inpatient: 20% <u>coinsurance</u> after overall <u>deductible</u> and \$200/ admission inpatient <u>deductible</u>	Inpatient: 0% <u>coinsurance</u> up to the allowed amount; 125% of Medicare after overall <u>deductible</u> and \$200/ admission inpatient <u>deductible</u>	



Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Preferred Provider (You will pay the least)	Non-Preferred Provider (You will pay the most)	
	Skilled nursing care	20% coinsurance after overall deductible and \$200/ admission inpatient deductible	0% coinsurance up to the allowed amount; 125% of Medicare after overall deductible and \$200/ admission inpatient deductible	Pre-notification is recommended. The inpatient deductible will only be applied twice/calendar year per covered person. Coverage limited to 180 combined days/calendar year for Inpatient Rehabilitation Therapy and Skilled Nursing Facility and subject to the semi-private room rate.
	Durable medical equipment	20% coinsurance		Pre-notification is recommended for DME expenses over \$2,000.
	Hospice services	20% coinsurance	0% coinsurance up to the allowed amount; 125% of Medicare	Pre-notification is recommended.
If your child needs dental or eye care	Children's eye exam	No charge	Not Covered	PEHT has contracted with Vision Service Plan (VSP) to provide vision care services. Coverage limited to one exam/calendar year.
	Children's glasses	\$25 copayment	Not Covered	Coverage limited to one pair of glasses/ calendar year when chosen from VSP's Pediatric Exchange Collection; otherwise, 20% savings on other frame brands. Lens enhancements are excluded.
	Children's dental check-up	Not Covered		Dental benefits may be available as a separate election.

**Excluded Services & Other Covered Services:**

Services Your [Plan](#) Generally Does NOT Cover (Check your policy or [plan](#) document for more information and a list of any other [excluded services](#).)

- Cosmetic Surgery
- Dental Care (Adult)
- Infertility Treatment
- Long Term Care
- Non-emergency care when traveling outside the U.S.
- Private Duty Nursing
- Weight Loss Programs

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your [plan](#) document.)

- Acupuncture
- Bariatric Surgery
- Chiropractic Care
- Hearing Aids
- Routine eye care (Adult) Exam only through VSP
- Routine Foot Care

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**Your Rights to Continue Coverage:** There are agencies that can help if you want to continue your coverage after it ends. For more information, contact EBMS at 1-800-777-3575 or these agencies: Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or [www.dol.gov/agencies/ebsa/](http://www.dol.gov/agencies/ebsa/) or Department of Health and Human Services, Center for Consumer Information and Insurance Oversight, at 1-877-267-2323 x61565 or [www.cco.cms.gov](http://www.cco.cms.gov). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit [www.HealthCare.gov](http://www.HealthCare.gov) or call 1-800-318-2596.

**Your Grievance and Appeals Rights:** There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact: EBMS at 1-800-777-3575 or the DOL's Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a consumer assistance program can help you file your appeal. Contact your state's program if available at: <http://www.cms.gov/CCIIO/Resources/Consumer-Assistance-Grants/>.

**Does this plan provide Minimum Essential Coverage? Yes.**

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

**Does this plan meet Minimum Value Standards? Yes.**

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

**Language Access Services:**

Spanish (Español): Para obtener asistencia en Español, llame al 1-866-247-1443.

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog 1-866-247-1443.

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-866-247-1443.

Navajo (Dine): Dine'ehgo shika a'ohwoi ninisingo, kwijigo holne' 1-866-247-1443.

— To see examples of how this plan might cover costs for a sample medical situation, see the next section. —



About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

**Peg is Having a Baby**

(9 months of in-network pre-natal care and a hospital delivery)

■ The plan's overall deductible	\$1,500
■ Specialist coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:

Specialist office visits (prenatal care)  
Childbirth/Delivery Professional Services  
Childbirth/Delivery Facility Services  
Diagnostic tests (ultrasounds and blood work)  
Specialist visit (anesthesia)

**Total Example Cost** \$12,800

In this example, Peg would pay:

Cost Sharing

Deductibles*	\$2,000
Copayments	\$0
Coinsurance	\$2,530

What isn't covered

Limits or exclusions	\$60
----------------------	------

**The total Peg would pay is** \$4,590

**Managing Joe's type 2 Diabetes**

(a year of routine in-network care of a well-controlled condition)

■ The plan's overall deductible	\$1,500
■ Primary care physician coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:

Primary care physician office visits (including disease education)  
Diagnostic tests (blood work)  
Prescription drugs  
Durable medical equipment (glucose meter)

**Total Example Cost** \$7,400

In this example, Joe would pay:

Cost Sharing

Deductibles	\$1,500
Copayments	\$0
Coinsurance	\$1,440

What isn't covered

Limits or exclusions	\$60
----------------------	------

**The total Joe would pay is** \$3,000

**Mia's Simple Fracture**

(in-network emergency room visit and follow up care)

■ The plan's overall deductible	\$1,500
■ Specialist coinsurance	20%
■ Hospital (facility) coinsurance	20%
■ Other coinsurance	20%

This EXAMPLE event includes services like:

Emergency room care (including medical supplies)  
Diagnostic test (x-ray)  
Durable medical equipment (crutches)  
Rehabilitation services (physical therapy)

**Total Example Cost** \$1,900

In this example, Mia would pay:

Cost Sharing

Deductibles*	\$1,900
Copayments	\$0
Coinsurance	\$0

What isn't covered

Limits or exclusions	\$0
----------------------	-----

**The total Mia would pay is** \$1,900

\*Note: This plan has other deductibles for specific services included in this coverage example. See "Are there other deductibles for specific services?" row above.

The plan would be responsible for the other costs of these EXAMPLE covered services.

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# Health Insurance Premiums FY19 Desk Reference - Deductions

EXH 32 pg 1

MSEA	FTE	EE Per Payroll Premium	Total EE Premium	ER Per Payroll Premium	Total ER Premium	Annual Amount
				A/B Plan (with Ortho)		
	.50 - 1.0	\$ 255.06	\$ 4,591.08	\$1,162.67	\$ 20,928.12	\$ 25,519.20
				C/B Plan (with Ortho)		
	.50 - 1.0	\$ 187.06	\$ 3,367.08	\$1,162.67	\$ 20,928.12	\$ 24,295.20
				F/B Plan (with Ortho)		
	.50 - 1.0	\$ 71.73	\$ 1,291.14	\$1,162.67	\$ 20,928.06	\$ 22,219.20

CEA	FTE	EE Per Payroll Premium	Total EE Premium	ER Per Payroll Premium	Total ER Premium	Annual Amount
				A/B Plan		
	.875 - 1.0	\$ 229.90	\$ 4,138.20	\$1,171.23	\$ 21,082.20	\$ 25,220.40
	.75 - .874	\$ 522.70	\$ 9,408.60	\$878.43	\$ 15,811.80	\$ 25,220.40
	.49 - .74	\$ 815.51	\$ 14,679.18	\$585.62	\$ 10,541.22	\$ 25,220.40
				A/B Plan - Previously Waived (no qualifying event)		
	.875 - 1.0	\$ 330.83	\$ 5,954.94	\$1,070.30	\$ 19,265.46	\$ 25,220.40
	.75 - .874	\$ 623.64	\$ 11,225.52	\$777.49	\$ 13,994.88	\$ 25,220.40
	.49 - .74	\$ 916.45	\$ 16,496.10	\$484.68	\$ 8,724.30	\$ 25,220.40
				C/B Plan		
	.875 - 1.0	\$ 161.90	\$ 2,914.20	\$1,171.23	\$ 21,082.20	\$ 23,996.40
	.75 - .874	\$ 454.70	\$ 8,184.60	\$878.43	\$ 15,811.80	\$ 23,996.40
	.49 - .74	\$ 747.51	\$ 13,455.18	\$585.62	\$ 10,541.22	\$ 23,996.40
				C/B Plan - Previously Waived (no qualifying event)		
	.875 - 1.0	\$ 262.83	\$ 4,730.94	\$1,070.30	\$ 19,265.46	\$ 23,996.40
	.75 - .874	\$ 555.64	\$ 10,001.52	\$777.49	\$ 13,994.88	\$ 23,996.40
	.49 - .74	\$ 848.45	\$ 15,272.10	\$484.68	\$ 8,724.30	\$ 23,996.40
				F/B Plan		
	.875 - 1.0	\$ 46.56	\$ 838.08	\$1,171.24	\$ 21,082.32	\$ 21,920.40
	.75 - .874	\$ 339.37	\$ 6,108.66	\$878.43	\$ 15,811.74	\$ 21,920.40
	.49 - .74	\$ 632.18	\$ 11,379.24	\$585.62	\$ 10,541.16	\$ 21,920.40
				F/B Plan - Previously Waived (no qualifying event)		
	.875 - 1.0	\$ 147.50	\$ 2,655.00	\$1,070.30	\$ 19,265.40	\$ 21,920.40
	.75 - .874	\$ 440.30	\$ 7,925.40	\$777.50	\$ 13,995.00	\$ 21,920.40
	.49 - .74	\$ 733.11	\$ 13,195.98	\$484.69	\$ 8,724.42	\$ 21,920.40
				Catastrophic Health Plan		
	.875 - 1.0	\$ -	\$ -	\$1,079.27	\$ 19,426.80	\$ 19,426.80
	.75 - .874	\$ 269.81	\$ 4,856.58	\$809.46	\$ 14,570.22	\$ 19,426.80
	.49 - .74	\$ 539.63	\$ 9,713.34	\$539.64	\$ 9,713.46	\$ 19,426.80

MLMA, EXEC, SCBD	FTE	EE Per Payroll Premium	Total EE Premium	ER Per Payroll Premium	Total ER Premium	Annual Amount
				A/B Plan (with Ortho)		
	1.0	\$ 255.06	\$ 4,591.08	\$1,162.67	\$ 20,928.12	\$ 25,519.20
				C/B Plan (with Ortho)		
	1.0	\$ 187.06	\$ 3,367.08	\$1,162.67	\$ 20,928.12	\$ 24,295.20
				F/B Plan (with Ortho)		
	1.0	\$ 71.73	\$ 1,291.14	\$1,162.67	\$ 20,928.06	\$ 22,219.20
				Catastrophic Health Plan		
	1.0	\$ -	\$ -	\$1,079.27	\$ 19,426.80	\$ 19,426.80

MSPA	FTE	EE Per Payroll Premium	Total EE Premium	ER Per Payroll Premium	Total ER Premium	Annual Amount
				A/B Plan (with Ortho)		
	1.0	\$ 232.20	\$ 4,179.60	\$1,185.53	\$ 21,339.60	\$ 25,519.20
				A/B Plan - Previously Waived (no qualifying event)		
	1.0	\$ 350.75	\$ 6,313.50	\$1,066.98	\$ 19,205.70	\$ 25,519.20
				C/B Plan (with Ortho)		
	1.0	\$ 164.20	\$ 2,955.60	\$1,185.53	\$ 21,339.60	\$ 24,295.20
				C/B Plan - Previously Waived (no qualifying event)		
	1.0	\$ 282.75	\$ 5,089.50	\$1,066.98	\$ 19,205.70	\$ 24,295.20
				F/B Plan (with Ortho)		
	1.0	\$ 48.86	\$ 879.48	\$1,185.53	\$ 21,339.72	\$ 22,219.20
				F/B Plan - Previously Waived (no qualifying event)		
	1.0	\$ 167.42	\$ 3,013.56	\$1,066.98	\$ 19,205.64	\$ 22,219.20
				Catastrophic Health Plan		
	1.0	\$ -	\$ -	\$1,079.27	\$ 19,426.80	\$ 19,426.80

Revised 6/27/18

# **Negotiated Agreement**

between

**BOARD OF EDUCATION**

**FAIRBANKS NORTH STAR  
BOROUGH SCHOOL DISTRICT**

and

**FAIRBANKS EDUCATION ASSOCIATION**

July 1, 2016 - June 30, 2019

All teachers hired after June 30, 2005, will have their paychecks automatically deposited in one or more financial institutions of their choosing. The request will be made on a form provided by the Payroll Office. Provided all information on the auto deposit form is validated by the financial institution(s), the automatic deposit should commence the second payday following the submission of the request. Teachers wishing to change the automatic deposit arrangement must notify the Payroll Office by using an approved form. Changes are subject to the same validation process discussed above and should commence on the second payday following submission of the change request.

#### IV. Non-Automatic Deposit

Teachers hired before July 1, 2005, may maintain their present method of payment. Payment will be held at the District office until the end of the payday, then mailed to the employee's home address.

#### 111 HEALTH PLAN

The District agrees to offer options for health plan coverage, as described below, beginning the first day of the month following thirty (30) days of employment and continuing until employment termination. For employees who elect to participate in the District's health benefits plan, coverage will extend until August 31 for any terminating teacher who holds and completes a full year contract. Terminating teachers who qualify for health coverage under the Alaska Teachers' Retirement System (TRS) do not qualify for health coverage under the District's plan. An employee has the option to continue health plan coverage at his/her own expense during a long-term leave of absence.

Employees may choose not to be covered by District health benefits and therefore not required to make an employee contribution, provided the employee signs a statement attesting that he/she is covered by other health insurance. Employees who wish to enroll a spouse and/or children in the District's plan may do so by completing the proper paperwork and providing the required supporting documentation to Human Resources in a timely manner.

The District offers a Plan Option A, a Plan Option B, and a Plan Option C. Plan options, benefits, and criteria for participation are described in the *Summary Plan Description*. The District shall provide each employee with a copy of the Summary Plan Description describing health care benefits and shall inform employees of any changes in benefits annually.

Employee contributions to the District's plan in the form of payroll deductions will be based on a tiered structure as follows:

- Employee Only
- Employee + Spouse or Employee + Child(ren)
- Employee + Family

Employee contributions are based on actuaries, provided by the Health Plan Consultant, of total health plan costs and are dependent on which family tier of coverage is selected. Employee contributions will be deducted from employee paychecks over nineteen (19) pay periods beginning with the first pay check in September.

Total employee dollar share of health plan costs is based on the negotiated employee percentage as applied to plan costs. For the 2017, 2018 and 2019 plan years the Standard group health plan, (Plan A), the District shall pay 80% and the employee shall pay 20% of the health plan costs. Plan A will not be an option for new District employees after January 1, 2017.



The High Deductible Health Plan (HDHP) (Plan B and Plan C), the District shall pay 100% and an employee shall pay 0% of the health plan costs for 2017, 2018 and 2019. The dollar amount for the 100% rate in 2019 will become a hard cap of District contribution for ensuing years.

#### Health Plan Employee Contribution Calculation

##### 1. The following definitions will apply:

- Base-Employee-Contribution – For 2017 & 2018 the amount equal to the Employee-Dollar-Share divided by the number of Eligible Positions. Beginning in the plan year 2019 Base-Employee Contribution is the amount equal to the Employee-Dollar Share divided by the number of Participating Employees.
- Employee Contributions – amounts collected from employees during the period of September through May of the fiscal year.
- Employee Percentage – the negotiated percentage that will be applied to Plan-Costs to calculate the Employee-Dollar-Share.
- Employee-Dollar-Share – the amount equal to Plan-Costs multiplied by the Employee Percentage and is used to calculate the Base-Employee-Contribution.
- Eligible Positions – the number of benefit eligible employees on April 1 of the previous plan year.
- Participating Employees – the number of benefit eligible employees who are enrolled in the plan on April 1 of the previous plan year.
- Expected Contribution – For 2017 and 2018 plan year is the amount expected to be collected during the fiscal year and is equal to the number of Eligible Positions times the Base-Employee Contribution. For the 2019 plan year the amount expected to be collected during the fiscal year is equal to the number of Enrolled Active Plan Participants times the Base-Employee Contribution.
- Plan-Costs – the current year of the actuarial costs as supplied by the health plan consultant.

##### 2. Calculating Tiered Employee Contribution Rates:

At the end of each fiscal year the District will calculate the Base-Employee-Contribution for the next plan year which begins on January 1. An employee's contribution for Plan Option A will be based on a negotiated formula applied to the tiered structure as follows:

<u>Employee Only</u>	<u>75% of the Base-Employee-Contribution</u>
<u>Employee + Spouse or Employee + Child(ren)</u>	<u>100% of the Base-Employee-Contribution</u>
<u>Employee + Family</u>	<u>125% of the Base-Employee-Contribution</u>

For the 2017, 2018 & 2019 year the employee's annual contribution for Plan Option B and Option C will be \$0.00. The dollar amount of the District contribution in 2019 will become a hard cap of District contribution for ensuing years.

For part-time employees, the contribution rate is two (2) times the full-time employee rate.

Health plan costs are composed of claims paid, the costs of administering the health care plan by the third party administrator or its successor(s), aggregate and specific stop-loss premiums, utilization review fees, case management costs, health program audit rewards, PA Clinic, wellness initiative costs, COBRA premium receipts, refunds, consultant fees, and any added costs resulting from changes in the administration of the health benefits plan agreed to by the parties during the term of the collective bargaining agreement or due to any requirement imposed by state or federal law.

A *Joint Committee on Health Benefits* (Joint Committee) shall be composed of three (3) representatives selected by the Fairbanks Education Association, three (3) representatives selected by the Education Support Staff Association, one (1) representative selected by the Fairbanks Principals' Association, the Fairbanks North Star Borough Risk Manager as a non-voting member, and three (3) representatives selected by the Superintendent. The Joint Committee shall select a chairperson from its membership. A quorum for the meetings shall require no fewer than seven (7) committee members. The Joint Committee will conduct a formal vote on any proposed changes in benefits. Passage of motions requires a super majority vote of seventy-five percent (75%). Minutes shall be taken of the meetings.

The Joint Committee shall be empowered to determine health care benefits to be provided, which shall be formalized through a memorandum of agreement between the District and a designated representative of each affected employee group. "Health care benefits" shall include dates of eligibility for coverage, benefit schedules, deductibles, co-payment provisions, preferred provider programs, wellness programs, and other options designed to contain costs while enhancing benefit options. The District shall not be required to adopt changes made by this committee which would:

- a. Result in violations of established laws or regulations;
- b. Alter the administration or management of health care benefits;
- c. Result in a cost increase to the Plan of more than five percent (5%); or
- d. Be detrimental to the financial interests of the District, as determined by the Superintendent.

The District agrees to work with the Joint Committee 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.

Plan B will be a qualified High Deductible plan eligible for Health Savings Account (HSA) and Plan C will be a qualified high Deductible plan eligible for Health Reimbursement Arrangements (HRA).

For employees enrolled and participating in a qualifying Health Savings Account (HSA) "Plan B" or a Health Reimbursement Arrangement (HRA) "Plan C" the District will make a seven hundred fifty (\$750) dollar contribution each year.

## 112 LIFE INSURANCE

The District shall provide group term life insurance for each member of the bargaining unit in an amount equal to the teacher's annual salary rounded up to the nearest thousand. The policy shall include a double indemnity provision.

A teacher has the option to continue District group term life insurance coverage at his/her own expense during a long-term leave of absence.

Fairbanks North Star Borough School District  
Summary of Rate Calculation for 2019

	<u>Med/Rx</u>	<u>DVA</u>	<u>Total</u>
<b>Estimated Plan Costs (Per Covered EE / mo)</b>	\$1,789	\$186	\$1,975
<b>Estimated Plan Costs (Total*)</b>	\$33,442,476	\$3,484,917	\$36,927,393.21
<b>Adjustment for contribution excess / (shortfall)</b>	\$10,491	\$0	\$10,491
<b>Risk Management/SD Admin Expenses</b>	\$564,857	\$0	\$564,857
<b>Total Plan Costs</b>	\$34,017,824	\$3,484,917	\$37,502,742
*Assumes 1,558 covered Ees / mo			
<b>Employee Dollar Share</b> (=20% of plan costs)	\$6,803,565	\$696,983	\$7,500,548
<b>Base-Employee-Contribution</b> (= EE Dollar Share / covered EEs) ** Used 1,558	\$4,366.86	\$447.36	\$4,814.22
<b>Tiered Rates for Plan A</b>			
Employee Only (75% of Base-EE-Cont)	\$3,275.14	\$335.52	\$3,610.66
Emp + Sp or Ch (100% of Base-EE-Cont)	\$4,366.86	\$447.36	\$4,814.22
Employee + Fam (125% of Base-EE Cont)	\$5,458.57	\$559.20	\$6,017.77
<b>Tiered Rates for Plan A per pay period</b>			
Employee Only	\$172.38	\$17.66	\$190.03
Emp + Sp or Ch	\$229.83	\$23.55	\$253.38
Employee + Fam	\$287.29	\$29.43	\$316.72

This is the composite for all plans (A, B, and C)



# **Negotiated Agreement**

**between**

**BOARD OF EDUCATION**

**FAIRBANKS NORTH STAR BOROUGH  
SCHOOL DISTRICT**

**and**

**EDUCATION SUPPORT  
STAFF ASSOCIATION**

**July 1, 2016 - June 30, 2019**

## ARTICLE 11 – VACATION TIME FOR NINE AND TEN MONTH EMPLOYEES

pg 2

- a. Education support employees employed for nine (9) and ten (10) months per year shall receive the same winter vacation days as regular classroom teachers. School term employees shall be paid for these days.
- b. Education support employees employed for nine (9) and ten (10) months per year shall receive three (3) paid vacation days at Spring Break subject to the school term calendar approved by the School Board. Two (2) of these three (3) days may be taken anytime throughout the year in exchange for Leave Without Pay (LWOP) during Spring Break.

## ARTICLE 12 - HOLIDAYS

Holidays are:

- a. New Year's Day
- b. Martin Luther King Jr. Day
- c. Two (2) paid holidays during spring break if scheduled on the school calendar and not used for make-up of school closure. If spring break is calendared for more than two (2) days, the Superintendent shall designate which days will be the holidays.
- d. Memorial Day
- e. Independence Day
- f. The day before or the day after Independence Day  
(The Superintendent shall select the day.)
- g. Labor Day
- h. Thanksgiving Day
- i. The day after Thanksgiving
- j. Christmas Day
- k. The day before or the day after Christmas  
(The Superintendent shall select the day.)
- l. Additional holidays as declared by the School Board.

## ARTICLE 13 – HEALTH PLAN

### 13.1 Health Plan

The District agrees to offer options for health plan coverage, as described below, beginning the first day of the month following thirty (30) days of employment and continuing until employment termination. For employees who elect to participate in the district's health plan, coverage will extend until August 31 for any terminating employee who holds and completes a full year contract. Retired teachers who qualify for health coverage under the Alaska Teachers' Retirement System (TRS) do not qualify for health coverage under the district's health plan. An employee has the option to continue health plan coverage at his/her own expense during a long-term leave of absence.

Employees may choose not to be covered by district health plan and therefore not required to make an employee contribution, provided the employee signs a statement attesting that he/she is covered by other health insurance. Employees who wish to enroll a spouse and/or children in the district's plan may do

so by completing the proper paperwork and providing the required supporting documentation to Human Resources in a timely manner.

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The District offers a Plan Option A, Plan Option B, and Plan Option C. Plan options, benefits, and criteria for participation are described in the *Summary Plan Description* and are subject to revision by the *Joint Committee on Health Benefits*. The District shall provide each employee with a copy of the *Summary Plan Description* describing health care benefits and shall inform employees of any changes in benefits annually. Plan A will not be an option for new District employees after January 1, 2017.

Employee contributions to the District's plan in the form of payroll deductions will be based on a family tiered structure as follows:

- Employee Only
- Employee + Spouse or Employee + Child(ren)
- Employee + Family

Employee contributions are based on actuaries, provided by the health plan consultant, of total health plan costs and are dependent on which tier of coverage is selected. Employee contributions will be deducted from employee paychecks over nineteen (19) pay periods beginning with the first pay check in September.

Total employee dollar share of health plan costs is based on the negotiated employee percentage as applied to average plan costs. For the 2017, 2018, and 2019 plan years the Standard group health plan, (Plan A), the District shall pay 80% and the employees shall pay 20% of the health plan costs. Plan A will not be an option for new to District employees after January 1, 2017.

The High Deductible Health Plan (HDHP) (Plan B and Plan C), the District shall pay 100% and the employee shall pay 0% of the health plan costs for 2017, 2018, and 2019. The dollar amount of the 100% rate in 2019 will become a hard cap of District contribution for ensuing years.

### 13.2 Health Plan Employee Contribution Calculation

a. For the purposes of Article 13, the following definitions will apply:

- Base-Employee-Contribution – for 2017 & 2018 the amount equal to the Employee-Dollar-Share divided by the number of eligible positions. Beginning in the plan year 2019, Base-Employee Contribution is the amount equal to the Employee-Dollar-Share divided by the number of participating employees.
- Eligible Positions – the number of benefit-eligible employees who are enrolled in the plan on April 1<sup>st</sup> of the previous plan year.
- Employee Contributions – amounts collected from employees during the period of September through May of the fiscal year.
- Employee Percentage – the negotiated percentage that will be applied to Plan-Costs to calculate the Employee-Dollar-Share.
- Employee-Dollar-Share – the amount equal to Plan-Costs multiplied by the Employee Percentage and is used to calculate the Base-Employee-Contribution.
- Participating Employees – the number of benefit eligible employees who are enrolled in the plan on April 1<sup>st</sup> of the previous plan year.
- Expected Contribution – for the 2017 and 2018 plan years, the amount expected to be collected during the fiscal year and is equal to the number of eligible positions times the Base-Employee-



Contribution. For the 2019 plan year, the amount expected to be collected during the fiscal year is equal to the number of enrolled active plan participants, times the Base-Employee Contribution.

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- Plan-Costs- the current year of the actuarial costs, as supplied by the health plan consultant.

b. Calculating Tiered Employee Contribution Rates

At the end of each fiscal year the District will calculate the Base-Employee-Contribution for the next plan year which begins on January 1st. An employee's contribution for Plan Option A will be based on a negotiated formula applied to the tiered structure as follows:

Employee Only	75% of the Base-Employee-Contribution
Employee + Spouse or Employee + Child(ren)	100% of the Base-Employee-Contribution
Employee + Family	125% of the Base-Employee-Contribution

For the 2017, 2018, and 2019 years, the employee's annual contribution for Plan Option B and Plan Option C will be zero dollars (\$0). The dollar amount of the District contribution in 2019 will become a hard cap of District contribution for ensuing years.

For part-time employees, the contribution rate is two (2) times the full-time employee rate.

c. Employee-Dollar-Share Adjustment

An important cost sharing feature of the plan concerns over or under collections of expected contributions. If the actual employee contributions collected are below the expected contribution at the end of a given fiscal year, the underpayment will be added to the Employee-Dollar-Share in the next plan year. If the actual employee contributions collected are above the expected contribution, the overpayment will be deducted from the Employee-Dollar-Share in the next plan year.

Health plan costs are composed of claims paid, the costs of administering the health care plan by the third party administrator or its successor(s), aggregate and specific stop-loss premiums, utilization review fees, case management costs, health program audit rewards, PA Clinic, wellness initiative costs, COBRA premium receipts, refunds, consultant fees, and any added costs resulting from changes in the administration of the health benefits plan agreed to by the parties during the term of the collective bargaining agreement or due to any requirement imposed by state or federal law.

### 13.3 Joint Committee on Health Benefits

*A Joint Committee on Health Benefits* (Joint Committee) shall be composed of three (3) representatives selected by the Fairbanks Education Association, three (3) representatives selected by the Education Support Staff Association, one (1) representative selected by the Fairbanks Principals' Association, the Fairbanks North Star Borough Risk Manager as a non-voting member, and three (3) representatives selected by the Superintendent. The Joint Committee shall select a chairperson from its membership. A quorum for the meetings shall require no fewer than seven (7) committee members. The Joint Committee will conduct a formal vote on any proposed changes in benefits. Passage of motions requires a super majority vote of seventy-five percent (75%). Minutes shall be taken of the meetings.

The Joint Committee shall be empowered to determine health care benefits to be provided, which shall be formalized through a memorandum of agreement between the District and a designated representative of each affected employee group. "Health care benefits" shall include dates of eligibility for coverage, benefit schedules, deductibles, co-payment provisions, preferred provider programs, wellness programs, and other options designed to enhance benefit options while containing costs. The District shall not be required to adopt changes made by this committee which would:

- a. result in violations of established laws or regulations;
- b. alter the administration or management of health care benefits;
- c. result in a cost increase to the Plan of more than five percent (5%); or
- d. be detrimental to the financial interests of the District, as determined by the Superintendent.

The District agrees to work with the Joint Committee 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.

#### **13.4 Health Savings Account (HSA)/ Health Reimbursement Arrangements (HRA)**

Plan B will be a qualified High Deductible plan eligible for a Health Savings Account (HSA) and Plan C will be a qualified High Deductible plan eligible for Health Reimbursement Arrangements (HRA).

For employees enrolled and participating in a qualifying Health Savings Account (HSA) "Plan B" or a Health Reimbursement Arrangement (HRA) "Plan C", the District will make a seven hundred fifty (\$750) dollar contribution each year. For part-time employees, the HRA and HSA contribution of fifty percent (50%) of the full-time employee rate for 2017 and 2018. Part-time employees will receive the same HSA and HRA contribution rate as full-time employees after 2018.

#### **13.5 Life Insurance**

The District shall provide group life insurance for each member of the bargaining unit in an amount equal to the employee's annual salary rounded up to the nearest thousand. The policy shall include a double indemnity provision.

The employee has the option to continue group life insurance coverage at his/her own expense during a long-term leave of absence.

### **ARTICLE 14 - DUES CHECKOFF AND PAYROLL DEDUCTIONS**

#### **14.1 Dues and Payroll Deductions**

Employees who desire to have dues or fees, as specified in this Agreement, deducted from the pay to which they would otherwise be entitled, and to have those funds paid to the ESSA, shall authorize such payroll deductions by executing a check-off on a form mutually agreed to by the parties to this Agreement. Upon receiving such authorization, the District shall make the deductions so authorized and promptly forward these deductions to the ESSA. No other employee organization shall be accorded payroll deduction privileges with regard to the District education support employees. The ESSA shall immediately notify the District in writing of any decrease or increase in authorized dues or fees to be deducted. The District shall make the appropriate adjustment in payroll deductions upon receipt of the employee authorization for the change. Should an employee temporarily be in an unpaid status, the District shall continue to account for the dues arrearage and shall make the deduction from the employee's pay upon return to paid status. An employee who wants to establish a repayment plan must contact the payroll office. The District shall remit employee-authorized ESSA deductions to the duly authorized representative of the ESSA, together with a list of names of the employees from whom payroll deductions are made. The ESSA agrees to hold the District free from all liabilities in connection with the collection of dues or fees, except that the District shall be held to the exercise of ordinary diligence and care in the transmittal of the monies to the ESSA.

#### **14.2 Agency Fee**

- a. The ESSA, as the exclusive representative of all the members of the bargaining unit, shall represent all such persons fairly and equally, and all persons in the bargaining unit shall be required to pay the agency fee to the ESSA. No person shall be required to join the ESSA, but

2019

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# EMPLOYEE BENEFITS ENROLLMENT GUIDE

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## Medical and Prescription Drug Benefits

Three Plan Options Offered for 2019 – Now is the time to review your medical benefit elections. The premium for Plan A has increased for 2019. All deductibles have remained the same.

PLAN A	PLAN B	PLAN C
<ul style="list-style-type: none"> <li>• Payroll deduction required</li> <li>• Lowest medical deductibles</li> <li>• Prescription copays apply, and prescriptions are not subject to the medical deductible</li> <li>• Can use the Coalition Health Center</li> <li>• Can enroll in the FSA</li> <li>• Can use BridgeHealth</li> <li>• Can use Teladoc</li> <li>• No HSA</li> <li>• No HRA</li> </ul>	<ul style="list-style-type: none"> <li>• <b>No employee cost</b></li> <li>• High Deductible Health Plan (HDHP) that qualifies for HSA contributions</li> <li>• If you have family members covered under the plan, the family deductible applies</li> <li>• Prescriptions are covered under medical and subject to the medical deductible and coinsurance</li> <li>• Cannot use the Coalition Health Center</li> <li>• Can enroll in the FSA</li> <li>• Can use BridgeHealth</li> <li>• Can use Teladoc</li> <li>• Can contribute to an HSA; FNSBSD will contribute \$750 to your HSA on your behalf</li> <li>• No HRA</li> </ul>	<ul style="list-style-type: none"> <li>• <b>No employee cost</b></li> <li>• Identical to Plan A except Plan C has higher deductibles and higher out-of-pocket maximum for individuals</li> <li>• Prescription copays apply, and prescriptions are not subject to the medical deductible</li> <li>• Can use the Coalition Health Center</li> <li>• Can enroll in the FSA</li> <li>• Can use BridgeHealth</li> <li>• Can use Teladoc</li> <li>• FNSBSD will contribute \$750 to an HRA on your behalf</li> <li>• May be a good option for employees with other coverage</li> </ul>

\*Only benefit eligible employees hired on or before January 1, 2017 may select Plan A. All employees, and those hired or rehired, after January 1, 2017 may choose Plan B or Plan C. All employees have the option to waive medical coverage.



**Employee Contributions for Full-Time Employees\* (per pay period)**

Employee Only	\$172.30 (\$3,273.77 annually)
Employee & Spouse	\$229.74 (\$4,365.02 annually)
Employee & Child(ren)	\$229.74 (\$4,365.02 annually)
Employee & Family	\$287.17 (\$5,456.28 annually)

**Annual Deductible**

\$1,000 per person  
\$3,000 per family

**Reimbursement Percentage**

Plan pays 80% of allowable charges. You pay 20% up to the medical out-of-pocket limit.

**Medical Out-of-Pocket Limit (after deductible)**

\$2,000 per person  
\$6,000 per family

\$2,000 per person  
\$8,000 per family

\$2,000 per person  
\$4,000 per family

**Preventive Care**

Plan pays 100% of allowable charges. Not subject to the deductible.

**Coalition Health Center**

\$10 copay per visit  
\$0 copay for preventive services

Not available

\$10 copay per visit  
\$0 copay for preventive services

**PPD provisions**

Services are reimbursed at 60% of allowable charges and the out-of-pocket limit is doubled. Applies to all non-PPD facilities inside and outside Alaska and to all non-PPD providers outside Alaska.

**Teladoc**

\$5

\$40 or less

\$5

**Prescription Drug Benefits  
Participating Retail Pharmacy  
(up to a 30-day supply allowed)**

Generic	\$5
Preferred Brand	\$30 + 15%
Non-Preferred Brand	\$60 + 20%
Specialty Medication	\$100

**MEDICAL PLAN B**

Covered under the medical benefit. Subject to the annual deductible, reimbursement percentage and out-of-pocket limit

**MEDICAL PLAN C**

Generic	\$5
Preferred Brand	\$30 + 15%
Non-Preferred Brand	\$60 + 20%
Specialty Medication	\$100

**Participating Mail Order Pharmacy  
(up to a 90-day supply allowed)**

Generic	\$5
Preferred Brand	\$60 + 15%
Non-Preferred Brand	\$100 + 20%
Specialty Medication (30-day supply)	\$100

Generic	\$5
Preferred Brand	\$60 + 15%
Non-Preferred Brand	\$100 + 20%
Specialty Medication	\$100

**Prescription Out-of-Pocket Maximum**

\$1,500 per person  
\$3,000 per family

\$1,500 per person  
\$3,000 per family

Employees on Plan A working fewer than 30 hours per week pay 2x the full-time employee contribution rate.







## PPO Provision – Use PPO providers to help keep your costs down!

The plan has contracted with the following Preferred Providers who provide discounted rates for FNSBSD and plan participants:

Municipality of Anchorage	Matanuska-Susitna Borough	Nationwide
<p>Alaska Regional Hospital and the Surgery Center of Anchorage are the Preferred Provider (PPO) Facilities for inpatient and outpatient services obtained in the Municipality of Anchorage, Alaska.</p>	<p>Mat-Su Regional Medical Center is the Preferred Provider (PPO) Facility for services obtained in the Matanuska-Susitna Borough, Alaska.</p>	<p>Aetna is the nationwide network of Preferred Providers (PPO), including facilities and other health providers. Fairbanks Memorial Hospital is included in Aetna's Nationwide network.</p>
<p>The Surgery Center of Anchorage and its affiliate, New Frontier Anesthesia, are now covered as Preferred Provider Facilities for services obtained in the Municipality of Anchorage.</p>	<p>Non-PPO penalties will apply:</p> <ul style="list-style-type: none"> <li>• In Alaska, if you use a non-PPO facility, and</li> <li>• Outside Alaska, if you use a non-PPO facility or any other non-PPO provider.</li> </ul> <p>The non-PPO penalties are:</p> <ul style="list-style-type: none"> <li>• Services are reimbursed at 60% of the Allowable Charges, and</li> <li>• The annual Out-of-Pocket Limit is doubled.</li> </ul>	<p>Non-PPO penalties are not assessed for:</p> <ul style="list-style-type: none"> <li>• Services unavailable at a PPO facility, or</li> <li>• Emergency services at a non-PPO emergency facility. Once the patient is medically stable, he/she should be moved to a PPO facility. Services obtained at a non-PPO facility after the patient is stable for transfer are subject to non-PPO penalties.</li> </ul>

### Within the Municipality of Anchorage Only:

Alaska Regional Hospital and the Surgery Center of Anchorage are the only PPO Facilities for inpatient and outpatient services obtained in the Municipality of Anchorage. (Other PPO facilities in Anchorage are considered non-PPO facilities, even if they are in the Aetna network.) If you use a facility other than Alaska Regional Hospital or the Surgery Center of Anchorage for inpatient or outpatient services:

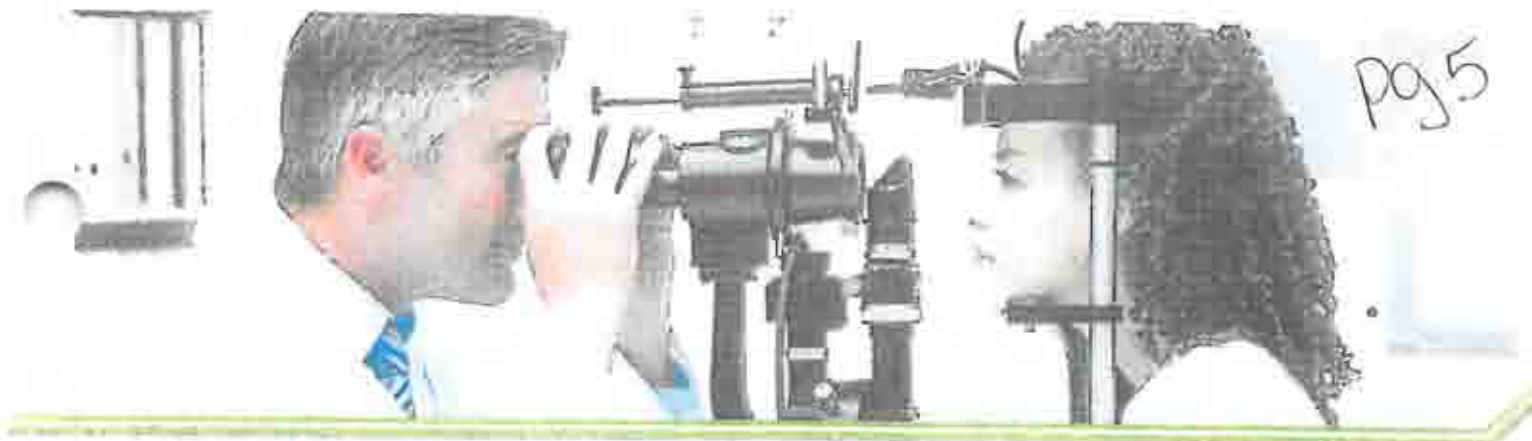
- The non-PPO penalties described above will apply.
- The Allowable Charges at a non-PPO facility in the Municipality of Anchorage for inpatient services will be limited to the contracted rate at Alaska Regional Hospital.
- The Allowable Charges for outpatient services at a non-PPO provider in the Municipality of Anchorage will be the case rate at Alaska Regional Hospital or Surgery Center of Anchorage, if any, or 50% of the billed charges if no case rate is available. Examples of common outpatient procedures include: outpatient surgery and procedures, ultrasound, lab and diagnostic x-ray tests, MRIs and CT scans. This section may not apply for outpatient dialysis services.

Within the Municipality of Anchorage, no non-PPO penalties are assessed for:

- Services unavailable at a PPO facility, or
- Services performed in a doctor's office, with doctor's staff, and the doctor's equipment, or
- Emergency services at a non-PPO emergency facility. Once the patient is medically stable, he/she should be moved to a PPO facility. Services obtained at a non-PPO facility after the patient is stable for transfer are subject to non-PPO penalties.







## Dental, Vision, and Audio Coverage

Dental, vision and audio benefits are offered as a separate election from the medical and prescription benefits. The benefits are the same – but you have a choice to elect to purchase dental, vision, and audio benefits alone, in combination with medical benefits, or not at all.

### DENTAL, VISION, AND AUDIO BENEFIT

Employee Contribution Rate (Full-Time Employees)	MEDICAL PLAN A OR NO MEDICAL COVERAGE	PLAN B	PLAN C
<b>Dental Coverage</b>			
Preventive Care	\$17.66		\$0.00
Basic Dental Services	\$23.55		\$0.00
Comprehensive Dental Services	\$23.55		\$0.00
Oral Surgery & X-Rays	\$29.43		\$0.00
<b>Vision Coverage</b>			
Annual Eye Exam	\$50 per person, waived for preventive and diagnostic		
<b>Audio Coverage</b>			
100% of allowable charges	100% of allowable charges		
80% of allowable charges	80% of allowable charges		
50% of allowable charges	50% of allowable charges		
<b>Calendar Year Maximum Benefit</b>	\$3,000 per person		
<b>Frames</b>			
Every calendar year, covered in full at VSP providers	Every calendar year, covered in full at VSP providers		
Every 2 calendar years, covered up to \$120 at VSP providers	Every 2 calendar years, covered up to \$120 at VSP providers		
Every calendar year, covered up to \$200 at VSP providers (in lieu of frames and lenses)	Every calendar year, covered up to \$200 at VSP providers (in lieu of frames and lenses)		
<b>Lenses</b>			
Plan pays for exam and hearing aid devices:	Plan pays for exam and hearing aid devices:		
- 80% of allowable charge up to a \$600 benefit for each year, and	- 80% of allowable charge up to a \$600 benefit for each year, and		
- 50% of the remaining allowable charges up to a \$2,500 maximum total benefit for each ear in any 3 consecutive years	- 50% of the remaining allowable charges up to a \$2,500 maximum total benefit for each ear in any 3 consecutive years		

\*Employees working fewer than 30 hours per week pay 2x the full-time employee contribution rate. This applies to Plan A with DVA or DVA coverage only.



# HRA HSA FSA



## Navia Benefit Solutions – Optional Benefit Choices

Enrollment Guides may be found at: [www.k12northstar.org/openenrollment](http://www.k12northstar.org/openenrollment)

FSA	HSA	HRA
<p><b>Flexible Spending Arrangement (FSA):</b> Works with Plan A, Plan B, Plan C, or if you waived coverage</p> <p>Flexible Spending Arrangements allow eligible FNSBSD employees to pay for qualified health and dependent care expenses with pre-tax dollars. This reduces your taxable income.</p> <p>Maximum annual contributions for 2019 are:</p> <p><b>Medical FSA - \$2,700*</b></p> <p><b>Dependent Care FSA - \$5,000</b></p> <p>You must enroll each year during Open Enrollment or within 30 days of an IRS Qualifying Status Change Event to participate.</p> <ul style="list-style-type: none"> <li>• <b>Health Care FSA</b> — reimburses you for most out-of-pocket medical, dental, orthodontia, and vision expenses.</li> <li>• <b>Dependent Care FSA</b> — reimburses you for out-of-pocket, non-educational, and non-medical dependent care expenses that are incurred because you and your spouse, (if married) work</li> </ul>	<p><b>Health Savings Account (HSA):</b> Works with Plan B. An HSA lets you set aside money to pay for future medical costs through your own tax-deferred contributions.</p> <ul style="list-style-type: none"> <li>• You may make pre-tax contributions through payroll deductions, which reduces the amount of taxable income. For 2019, the maximum employee contribution is \$3,500/individual and \$7,000/family.</li> <li>• The money stays in your account from year to year. It is yours to keep even after you leave FNSBSD.</li> <li>• The FNSBSD will contribute up to \$750 each year to your HSA.</li> </ul> <p>You may enroll in either the HSA or the Health Care FSA, but not both.</p> <p><b>Who is eligible to establish a Health Savings Account?</b></p> <p>An individual who:</p> <ul style="list-style-type: none"> <li>• Is covered under a qualified high-deductible health plan (HDHP), such as Plan B;</li> <li>• Is not also covered by any other health plan that is not a qualified HDHP;</li> <li>• Is not enrolled in Medicare; and</li> <li>• may not be claimed as a dependent on another person's tax return.</li> </ul> <p>If any of these criteria are not met, you are not eligible to enroll in an HSA. You may elect a Health Care FSA.</p> <p>New for 2019: Two election changes allowed per year in addition to Open Enrollment (dates to be determined).</p> <p>You may still elect Plan B.</p>	<p><b>Health Reimbursement Arrangement (HRA):</b> Works with Plan C</p> <p>An HRA allows FNSBSD to set aside funds for you to spend on qualified health care expenses. Money not used in one calendar year can be rolled over as long as you remain in Plan C. FNSBSD will contribute up to \$750 to each employee's account. Contributions made by FNSBSD will be available in full on 1/1/2019.</p> <p>You can use these funds for you and your dependents that are enrolled in Plan C. If you leave Plan C, the funds will be forfeited.</p> <p><b>How the HRA works with a Health Care FSA:</b></p> <p>You may have both an HRA and enroll in a Health Care FSA.</p> <p>Expenses are paid from the Health Care FSA first.</p>

\*subject to change in IRS limit

Visit [www.naviabenefits.com](http://www.naviabenefits.com) for more information







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## Don't Forget About the Coalition Health Center (CHC)!

If you are enrolled in Plan A or C, the Coalition Health Center offers a wide range of services for you, your spouse, and your children aged two and older. Services include:

- **Wellness and preventive care**, such as physicals, lab work, women's care, immunizations, and minor care
- **Chronic disease management**, including medication management.
- **Treatment for illnesses**, such as coughs, colds, sore throats, earaches, and rashes.
- **Treatment for injuries**, such as sprains, strains, and minor lacerations.
- **On-site services**, such as X-rays and EKGs.
- **Prescription dispensary**. The CHC can provide some common prescription medications, for your convenience.

The CHC is located at Ridgeview Business Park, 575 Riverstone Way, Unit 1, Fairbanks, AK 99709. Call them at (907) 450-3300, or visit their website: [www.coalitionhealthcenter.com](http://www.coalitionhealthcenter.com). Hours of operation are Monday-Friday, 7:30 am to 6:30 pm, and walk-in hours for acute illness and injury are between 8:30 and 4:30 p.m. Preventive care visits at the CHC are available **at no cost to you**, and all other visits are available at a mere **\$10 copay**.

Are you eligible to use this service? What will it cost? We break it down for you here!

	PLAN A	PLAN B	PLAN C
CAN I VISIT THE CHC?	<u>YES</u> Preventive services are offered at \$0 copay. All other visits are \$10.	<u>NO</u>	<u>YES</u> Preventive services are offered at \$0 copay. All other visits are \$10.
CAN I USE TELADOC?	<u>YES</u> \$5 copay per visit, <u>not</u> subject to the deductible.	<u>YES</u> <u>Subject to deductible and coinsurance</u> , but the cost per visit is \$40.  Call 1-855-Teladoc (835-2362) or visit <a href="http://teladoc.com">teladoc.com</a> .	<u>YES</u> \$5 copay per visit, <u>not</u> subject to the deductible.
CAN I USE THE NURSELINE?	<u>YES</u> It's free to covered employees and family members.  If you want advice but don't need to see a physician, you may call the Nurseline: 800-566-1555.	<u>YES</u> It's free to covered employees and family members.	<u>YES</u> It's free to covered employees and family members.
CAN I USE URGENT CARE?	<u>YES</u> If you need to see a physician immediately, but your condition is not life threatening, you may use an urgent care center such as Steese Immediate Care, First Care, or US Healthworks. The services are <u>subject to the deductible and coinsurance</u> .	<u>YES</u>	<u>YES</u>
CAN I USE THE EMERGENCY ROOM?	<u>YES</u> Emergency room visits should be restricted to life threatening situations or if there is risk of bodily harm if you don't receive services immediately. <u>If you use the emergency room for non-emergency services</u> during the hours of operation for the CHC, an additional <u>\$500 penalty may be applied</u> to your emergency room visit. Emergency room services are <u>subject to the deductible and coinsurance</u> .	<u>YES</u>	<u>YES</u>





## KPBSD Health Care Costs Increase From KPEA/KPESA Proposal

## 1. FY18 Cap Related Information

	FY18 Cap Amount <u>Traditional</u>	FY18 Cap Amount <u>HDHP</u>
District (85% Traditional - 90% HDHP)	\$ 1,731.45	\$ 1,645.61
Employee (15% Traditional - 10% HDHP)	\$ 305.55	\$ 182.85
Monthly Total	\$ 2,037.00	\$ 1,828.46

## 2. FY19 Contribution Amounts Based On Subcommittee 9/24/2018 Rate Determination

	FY19 Contributions <u>Traditional</u>	FY19 Contributions <u>HDHP</u>
FY19 Subcommittee Determined Monthly Amount	\$ 2,421.08	\$ 2,078.17
Amount above/below Cap	\$ 384.08	\$ 249.71
50% of Excess/Reduction	\$ 192.04	\$ 124.86
District	\$ 1,923.49	\$ 1,770.47
Employee	\$ 497.59	\$ 307.70
Total FY19 Monthly Amounts	\$ 2,421.08	\$ 2,078.17

## 3. Yearly Cost Based On Subcommittee 9/24/2018 Rate Determination

	<u>Traditional</u>	<u>HDHP</u>	<u>Both Plans</u>
Employees enrolled	522	560	1,082
Monthly District Cost Per Employee	\$ 1,923.49	\$ 1,770.47	
Monthly Employee Cost	\$ 497.59	\$ 307.70	
Monthly District Cost For All Employees	\$ 1,004,061.78	\$ 991,463.20	\$ 1,995,524.98
Monthly Employee Cost For All Employees	\$ 259,741.98	\$ 172,312.00	\$ 432,053.98
Yearly District Cost For All Employees	\$ 12,048,741.36	\$ 11,897,558.40	\$ 23,946,299.76
Yearly Employee Cost For All Employees	\$ 3,116,903.76	\$ 2,067,744.00	\$ 5,184,647.76

## COMPARISON #1 IN SCHOOL DISTRICT HEALTH INSURANCE

### Health insurance payments for teachers in Kenai, Juneau, Mat-Su, Anchorage, and Fairbanks School Districts\*

#### Options in KPBSD Health Care

The Kenai Peninsula Borough School District (KPBSD) provides health insurance to its employees through a self-insured model with two options: Traditional Plan or a High Deductible Plan (HDHP).

Each plan's total costs for medical, dental, and vision claims, along with administrative and stop loss expenses, are split between the District and the plan participants according to a formula set forth in the negotiated agreement between KPBSD and KPEA.

#### Health Care and Bargaining in KPBSD

##### Public Education Health Trust (PEHT) cost for KPBSD

During 2018 bargaining, at the request of the KPEA and KPESA, premium quotes were obtained from the PEHT (formerly known as the NEA-Alaska Health Trust.)

- KPBSD provided PEHT with requested health care claims and other data. The PEHT consultant, AON Risk Services, provided premium quotes to KPBSD on October 25, 2018. The proposed PEHT rates included "a load of 45% to the medical rates." This reflects the high utilization of medical services by current KPBSD plan participants.
- To switch to PEHT, the only option for KPBSD participation would have been a 4-tier rate structure. Instead of the same monthly premium (composite rate) for each employee, the monthly premium would be differentiated: single employee; employee + spouse; employee + child(ren); and employee + spouse + child(ren).

After receiving this quote and 4-tier rate information from AON Risk Services, neither the District, KPEA, or KPESA proposed health insurance through the PEHT.

#### COMPARE contributions between KPBSD, Juneau, MSBSD, ASD, and Fairbanks\*

*The KPBSD contribution cost to provide health insurance to KPEA members is compared to Juneau Education Association (teachers), Matanuska-Susitna Education Association (MSEA) members, Anchorage Education Association (AEA) members, and Fairbanks Education Association (FEA).*

## KENAI PENINSULA BOROUGH SCHOOL DISTRICT

### KPBSD's Traditional Plan

As of November 30, 2018, KPBSD is paying \$1923.49/month or \$23,081.88/year for its Traditional Plan.

### KPBSD's High Deductible Health Plan (HDHP)

As of November 30, 2018, KPBSD is paying \$1,770.47/month or \$21,245.64/year for its High Deductible Plan.

**KPBSD has not proposed a hard cap in FY19.** It is only proposing that the current cost sharing formula in the FY18 KPEA and KPESA negotiated agreements continue. It hopes that the Health Care Program Committee will exercise its authority and consider additional health care cost reduction measures.

## KPBSD Health Care Plan webpage

### JUNEAU SCHOOL DISTRICT AND JUNEAU EDUCATION ASSOCIATION

In the FY19 Negotiated Agreement between the Juneau School District and the Juneau Education Association (teachers), the District pays a hard cap of \$1,569 per member per month. That equates to \$18,828 per member per year. That amount is \$4,253.88 less than the \$23,081.88 that KPBSD pays per member per year. **If KPBSD paid the same as Juneau, it would be paying \$1,284,671.76 less per year for the 302 teachers in the Traditional Plan.** That amount could be spent on program needs, salaries, PTR reductions, among other things.

The Juneau hard cap of \$18,828 per member per year is \$2,412.66 less per member per year than what KPBSD pays for its HDHP. **If KPBSD paid the same as Juneau, it would be paying \$752,749.92 less per year for the 312 teachers in the HDHP.** That amount could be spent on program needs, salaries, PTR reductions, among other things.

The Juneau School District offers its teachers a "Super Global Maximum Out-of-Pocket, per Calendar Year Plan" of \$7,350 Per Covered Person and \$14,700 Per Family Unit, for "Preferred Provider & Facilities."

### MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT (MSBSD)

The FY19 Negotiated Agreement between MSBSD and MSEA, states, "The District's share of the group health plans shall be capped at \$1744 pmpm." (Per Member Per Month). **That equates to \$20,928/year.** This is called a hard cap. It means that after that amount is paid by MSBSD, 100% of health insurance plan costs exceeding that amount are paid by the MSEA participants.

- **KPBSD's Traditional Plan**

**As of November 30, 2018, KPBSD is paying \$1923.49/month or \$23,081.88/year for its Traditional Plan.** That amount is \$2,153.88 more per teacher than the \$20,928/year that MSBSD pays.

If KPBSD only paid what MSBSD pays, it would pay a lesser amount calculated by multiplying \$2,153.88 by the 302 teachers in the Traditional Plan. That lesser amount is \$650,471.76/year. That amount could be spent on program needs, salaries, PTR reductions, among other things.

- **KPBSD's High Deductible Health Plan**

**As of November 30, 2018, KPBSD is paying \$1,770.47/month or \$21,245.64/year for its High Deductible Plan.** That amount is \$317.64 more per teacher than the \$20,928/year that MSBSD pays. MSBSD's most equivalent high deductible plan offered to MSEA members is the Trust's Plan F with deductibles of \$1,500 individual/ \$3,000 family, and out-of-pocket limits, after deductibles are paid, of \$3,000 individuals/\$6,000 family. Plan F also requires additional inpatient hospital co-pays of \$500 per admission, capped at two per individual each plan year.

### ANCHORAGE SCHOOL DISTRICT (ASD) AND AEA MEMBERS

Anchorage School District's FY19 agreement sets forth a hard cap for the District's cost at \$1,645/month per teacher participant, plus a one-time \$1.9 million payment into an AEA reserve fund. The \$1.9 million equates to approximately \$50/month per AEA teacher.



In FY20 and FY21, Anchorage School District will pay a hard cap of \$1,695/per participant per month with no further reserve fund payment. That payment equates to \$20,340/year. In FY19, the KPBSD is paying \$2,741.88/year/teacher more in FY19 for its Traditional Plan. **If KPBSD paid the same as Anchorage, it would be paying \$828,047.76 less for the 302 teachers in the Traditional Plan.** That amount could be spent on program needs, salaries, PTR reductions, among other things.

Anchorage School District's \$20,340/year cap in FY20 and FY21 is \$905.64 more/year/teacher than what KPBSD is paying in FY19 for its High Deductible Health Plan (HDHP). **If KPBSD paid the same as Anchorage, it would be paying \$282,559.68 less for the 312 teachers in the HDHP.** That amount could be spent on program needs, salaries, PTR reductions, among other things.

### **FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT AND (FEA) MEMBERS**

In the FY19 Negotiated Agreement between the Fairbanks North Star Borough School District and Fairbanks Education Association (FEA), the District pays a hard cap of \$1,604.74 per member per month. That equates to \$19,256.88 per member per year. That amount is \$3,825.00 less than the \$23,081.88 that KPBSD pays per member per year. **If KPBSD paid the same as Fairbanks, it would be paying 1,155,150.00 less per year for the 302 teachers in the Traditional Plan.** That amount could be spent on program needs, salaries, PTR reductions, among other things.

Fairbanks pays \$19,256.88 per member per year, which is \$1,988.76 less per member per year than what KPBSD pays for its HDHP. **If KPBSD paid the same as Fairbanks, it would be paying \$620,493.12 less per year for the 312 teachers in the HDHP.** That amount could be spent on program needs, salaries, PTR reductions, among other things.

*\*This document is the first in a series that compares the KPBSD health insurance costs to the costs of Mat-Su, Anchorage, Juneau, and Fairbanks, four other large Alaska School Districts.*

- Anchorage School District (ASD) and Anchorage Education Association (AEA) members
- Fairbanks North Star Borough School District and Fairbanks Education Association (FEA)
- Juneau School District (JSD) and Juneau Education Association (teachers)
- Kenai Peninsula Borough School District and Kenai Peninsula Education Association (KPAA)
- Matanuska-Susitna Borough School District's (MSBSD) and Matanuska-Susitna Education Association (MSEA) members

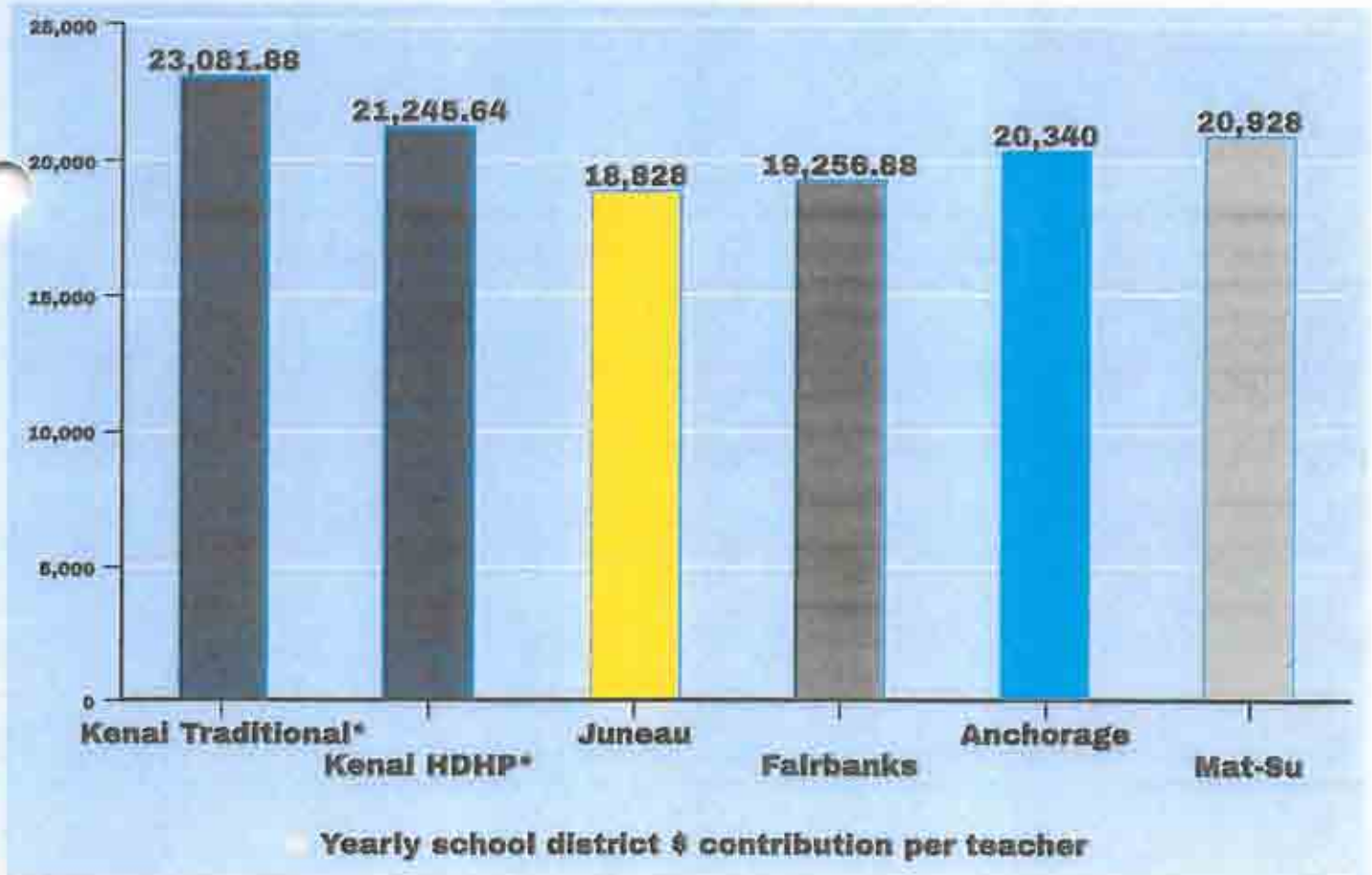
# Supplemental KPBSD Health Care Plan Information

School Districts 2018-2019 contribution per teacher in  
Kenai, Juneau, Fairbanks, Anchorage, and Mat-Su



## School District health care contributions per participating teacher, per year\*

The Kenai Peninsula Borough School District (KPBSD) contributions to provide health insurance to KPEA members (teachers) is compared to Juneau Education Association (teachers), Fairbanks North Star Borough School District (teachers), Anchorage Education Association (AEA) members, and Matanuska-Susitna Education Association (MSEA) members as paid by their respective districts.



\*read more at [www.KPBSD.org](http://www.KPBSD.org), and review plan benefits at <http://bit.ly/KPBSDhealthcare>



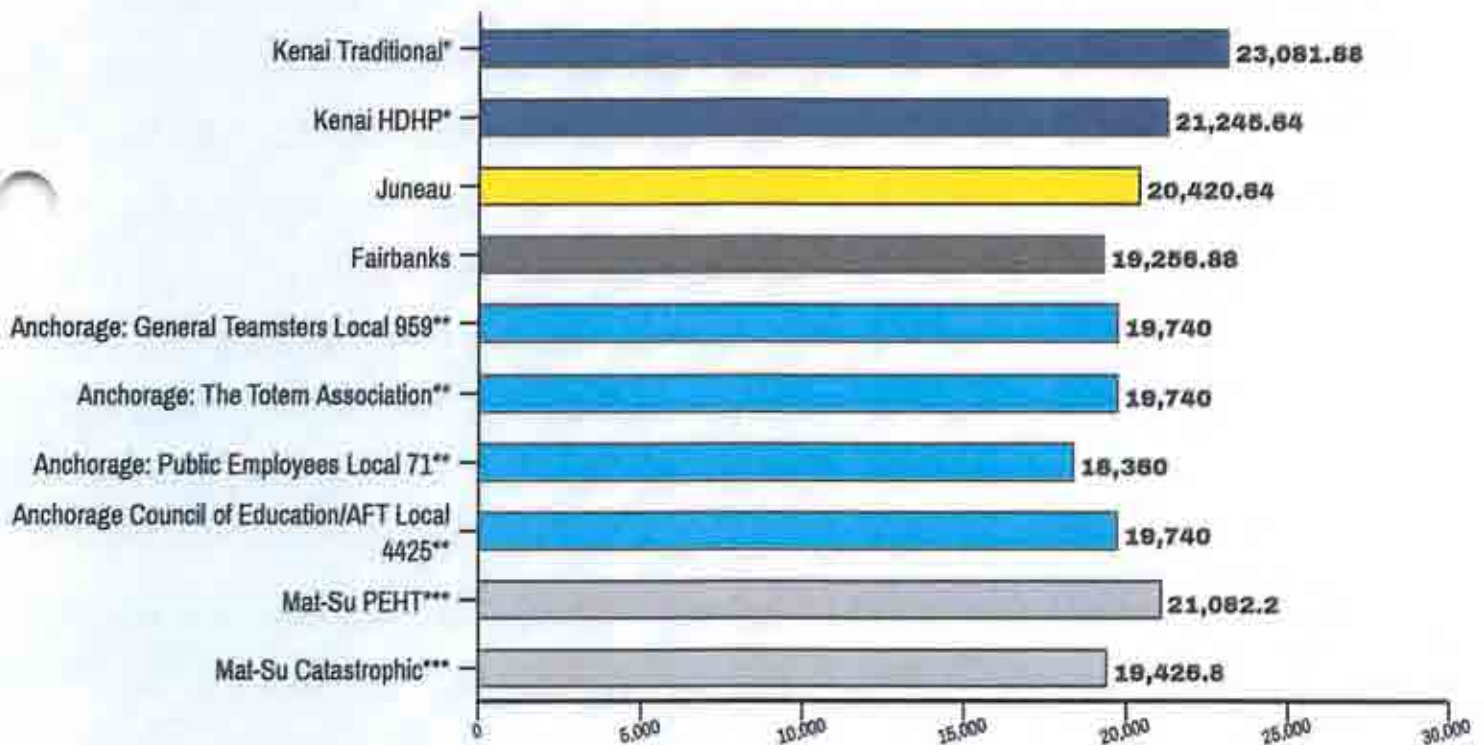
# Supplemental KPBSD Health Care Plan Information



## School Districts 2018-2019 contribution per support staff in Kenai, Juneau, Fairbanks, Anchorage, and Mat-Su

### SCHOOL DISTRICT HEALTH CARE CONTRIBUTIONS PER PARTICIPATING SUPPORT STAFF EMPLOYEE, PER YEAR\*

The Kenai Peninsula Borough School District (KPBSD) contributions to provide health insurance to KPESA members (support staff) is compared to support staff (classified employees) in Juneau School District; Fairbanks North Star Borough School District; Matanuska-Susitna School District; and four groups of employees in Anchorage School District as paid annually by their respective districts.



Kenai: read more at [www.KPBSD.org](http://www.KPBSD.org), and review plan benefits at <http://bit.ly/KPBSDhealthcare>

Anchorage:

General Teamsters Local 959 bargaining units for Food Service; Bus Drivers and Attendants; Warehouse and Maintenance

The Totem Association represents educational support personnel

Public Employees Local 71, AFL-CIO, represents Custodians; Building Plant Operators

Anchorage Council of Education, AFT Local 4425 represents other classified including but not limited to, Interpreters, Technicians, Assistants, Coordinators, Specialists, Facilitators, Managers

\*Mat-Su:

Public Education Health Trust (PEHT) plans A/B, B/C, and F/B

Education Health Trust (PEHT) Catastrophic Health Plan



Kenai Peninsula Borough School District  
Total Health Care Plan Costs  
FY08 through FY18

Fiscal Year	Administrative Fee/ Stop Loss Premium	Health Care Costs	Prescription Costs	Total Care Plan Costs	Average # Employees per Month	Total Employees	Average Cost per Employee	Employee Payroll Contribution	Employee Use of Reserves	Employee Paid Into Reserves	Total Employee Contribution	District Contribution	Total Contribution
FY08 Actual	*	13,053,373	**	13,053,373	1,105	13,256	11,813	2,283,628			2,283,628	10,857,387	13,141,015
FY09 Actual	+	14,537,561	829,865 ++	15,367,426	1,161	13,932	13,236	2,487,148			2,478,148	12,823,910	15,302,058
FY10 Actual	1,184,951	15,551,234	1,551,669	18,287,854	1,207	14,487	15,151	3,361,635			3,361,635	14,487,000	17,848,635
FY11 Actual	1,230,775	14,765,833	1,757,193	17,753,801	1,211	14,528	14,660	4,635,498			4,635,498	15,959,252	20,594,750
FY12 Actual	1,654,971	17,811,340	1,781,165	21,247,476	1,235	14,825	17,204	5,277,201			5,277,201	16,578,952	21,856,153
FY13 Actual	2,082,705	17,624,127	1,834,548	21,541,380	1,221	14,655	17,642	3,625,250	880,641		4,505,891	17,624,414	22,130,305
FY14 Actual	2,481,754	18,772,341	1,887,067	23,141,162	1,223	14,672	18,922	3,237,286	696,711		3,933,997	19,207,165	23,141,162
FY15 Actual	3,026,206	20,183,863	2,100,720	25,310,789	1,214	14,566	20,849	4,145,578		-348,960	3,796,618 ~	21,514,171	25,310,789
FY16 Actual	3,148,503	23,275,370	2,287,603	28,711,476	1,210	14,458	23,728	4,082,521	224,197		4,306,718	24,404,734	28,711,452
FY17 Actual	3,251,265	23,136,767	3,078,254	29,466,286	1,173	14,078	25,120	4,362,971	166,297		4,529,268	25,058,581	29,587,849
FY18 Actual	3,299,634	20,660,912	5,003,029	28,963,575	1,126	13,508	25,723	5,114,558	46,070		5,160,628	23,777,075	28,937,703

\* FY08 Administrative Fees included in Health Care Costs.

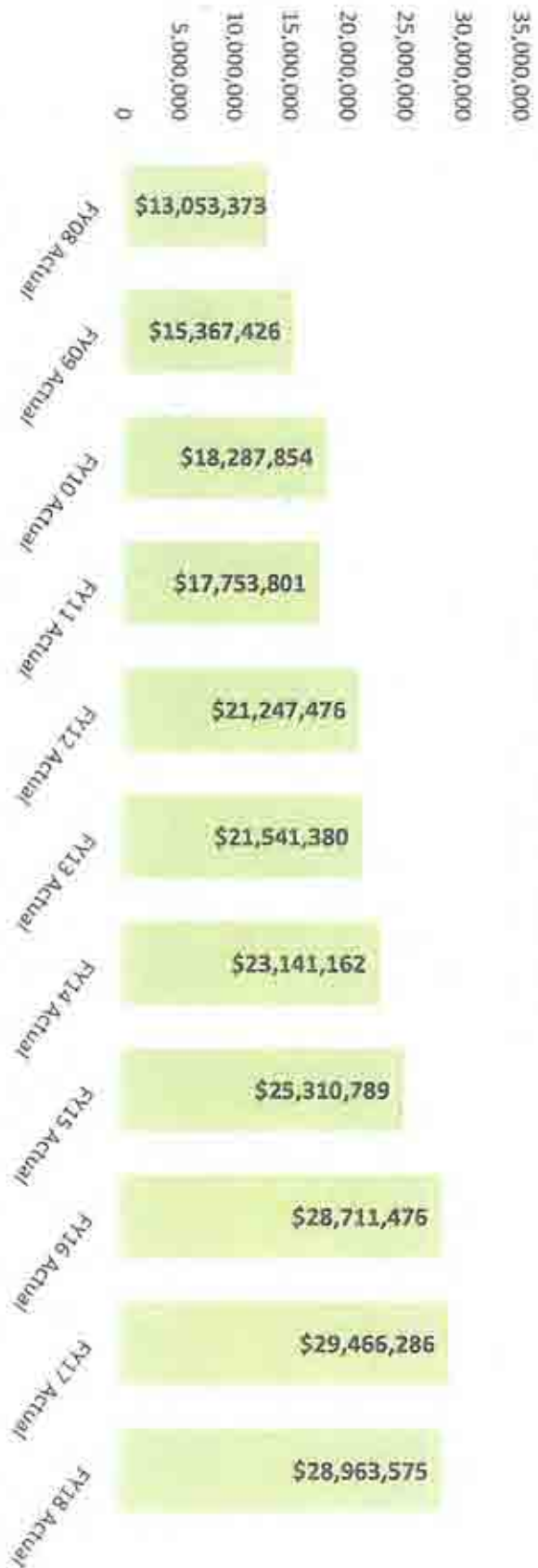
\*\* FY08 Prescription Costs included in Health Care Costs.

+ FY09 Administrative Fees included in Health Care Costs.

++ FY09 Prescription Cost data reflects prescription costs for January 1 - June 30, 2009. Balance of prescription costs for the year are included in the Health Care Costs.

PJL

# Total Net Health Care Plan Costs by Year



\* In FY18 the stop loss premium totaled (\$2,248,028) and the stop loss reimbursements totaled \$4,128,039. An excess of \$1,880,011 that was reimbursed to the District. The projected rates for FY19 reflect an increased stop loss premium due to the high claims that qualified for reimbursement.

# Employee and Employer Contributions for Health Care Plan Costs FY08 through FY18

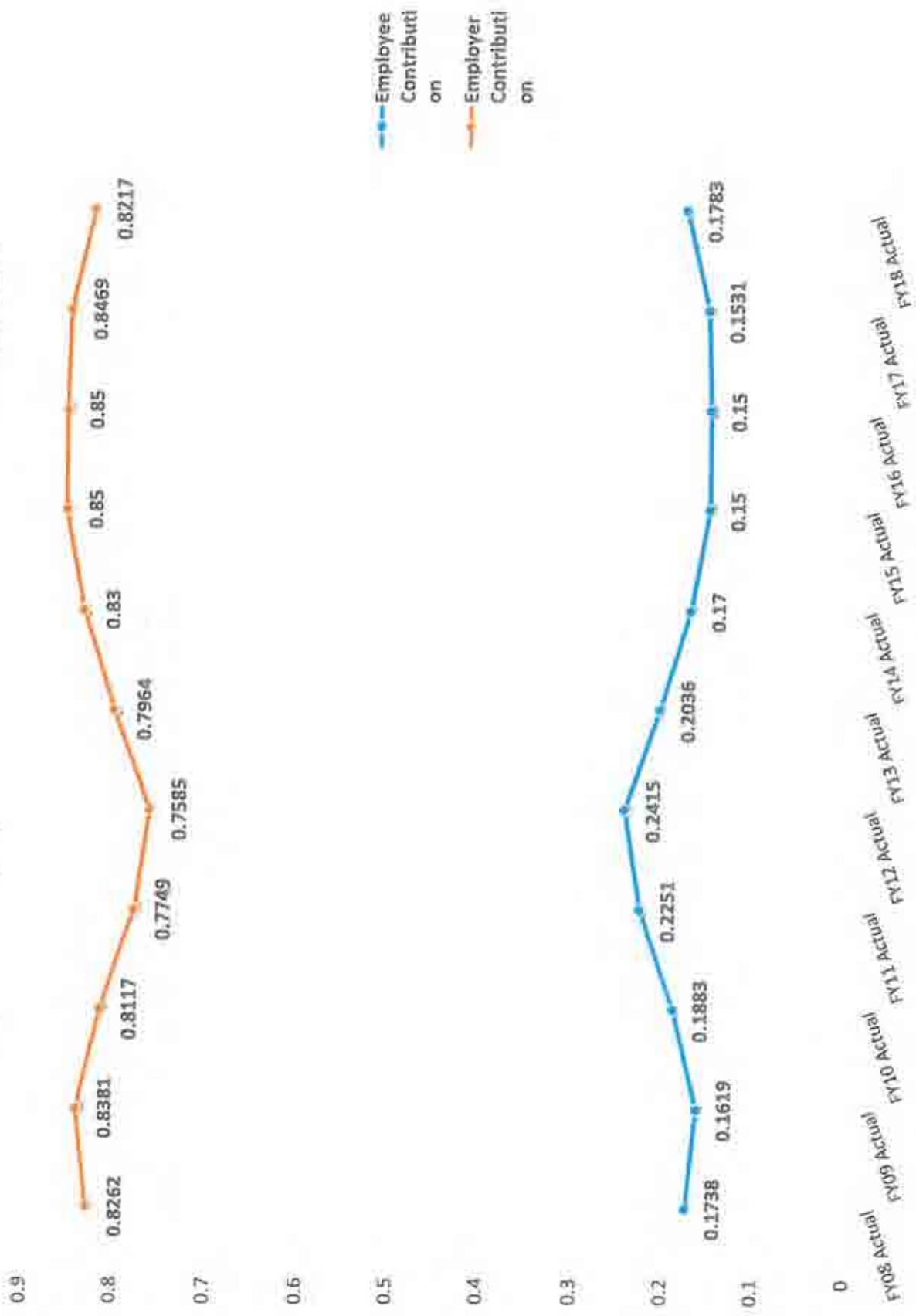




## Average Cost per Employee



Employee and Employer % Contribution to Health Care Plan Costs



EXH. B9



Anchorage School District

# 2018-19 Adopted Budget



*Educating All Students for Success in Life*



## LONG-TERM FINANCIAL PLANNING

The District received flat funding for fiscal year 2017-2018 with the Base Student Allocation (BSA) of \$5,930 staying the same as the previous year. No increases to the BSA for FY 2018-2019 were approved, however, during the 2018 legislative session, additional funding for K-12 education was approved for both fiscal years 2018-2019 and 2019-2020. For FY 2018-2019, \$20 million was funded as a one-time payment to be distributed to schools statewide and \$30 million was added as a one-time payment to be distributed to schools statewide for FY 2019-2020. For fiscal years 2020-2021 and beyond, funding reverts back to the same levels as fiscal year 2016-2017.

The District initially projected a budget shortfall of about \$13.2 million in fiscal year 2018-2019 and used a combination of budget cuts and additional use of fund balance to make up the difference. Additional revenues from the State have allowed the District to add back some of the services that were reduced in the original proposed budget. For fiscal years 2019-2020 through 2021-2022, the District expects to contend with the same current revenue challenges as well as medical, workers' compensation, and general liability cost increases above the rate of inflation, normal inflation on salaries, benefits, services and supplies, and excise taxes imposed on the District in accordance with the Affordable Care Act. The budget shortfall over the next three years is expected to be between \$30 and \$50 million and result in the elimination of up to 500 positions in order close the fiscal gap and balance the budgets.

## ENROLLMENT

The majority of the District's funding is derived from the State of Alaska Public School Foundation Program, which provides formula funding based on the District's average daily membership (ADM). The District's ADM decreased by 721 students (1.5 percent) from the prior fiscal year to 46,964 for fiscal year 2017-2018. Projections for fiscal years 2018-2019 and 2019-2020, anticipate slight decreases in ADM to 46,748 and 46,679 respectively.

## FACILITIES

Under Alaska law, the District cannot legally hold title to real property, therefore, all constructed or purchased school facilities are owned by the Municipality of Anchorage. The Municipality has delegated the construction management of school projects to the District.



KPBSD Health Care Costs Increase From KPEA/KPESA Proposal

EXHIBIT 70

1. FY18 Cap Related Information

	FY18 Cap Amount <u>Traditional</u>	FY18 Cap Amount <u>HDHP</u>
District (85% Traditional - 90% HDHP)	\$ 1,731.45	\$ 1,645.61
Employee (15% Traditional - 10% HDHP)	<u>\$ 305.55</u>	<u>\$ 182.85</u>
Monthly Total	\$ 2,037.00	\$ 1,828.46

2. FY19 Contribution Amounts Based On Subcommittee 9/24/2018 Rate Determination

	FY19 Contributions <u>Traditional</u>	FY19 Contributions <u>HDHP</u>
FY19 Subcommittee Determined Monthly Amount	\$ 2,421.08	\$ 2,078.17
Amount above/below Cap	\$ 384.08	\$ 249.71
50% of Excess/Reduction	\$ 192.04	\$ 124.86
District	\$ 1,923.49	\$ 1,770.47
Employee	<u>\$ 497.59</u>	<u>\$ 307.70</u>
Total FY19 Monthly Amounts	\$ 2,421.08	\$ 2,078.17

3. Yearly Cost Based On Subcommittee 9/24/2018 Rate Determination

	<u>Traditional</u>	<u>HDHP</u>	<u>Both Plans</u>
Employees enrolled	522	560	1,082
Monthly District Cost Per Employee	\$ 1,923.49	\$ 1,770.47	
Monthly Employee Cost	\$ 497.59	\$ 307.70	
Monthly District Cost For All Employees	\$ 1,004,061.78	\$ 991,463.20	\$ 1,995,524.98
Monthly Employee Cost For All Employees	\$ 259,741.98	\$ 172,312.00	\$ 432,053.98
Yearly District Cost For All Employees	\$ 12,048,741.36	\$ 11,897,558.40	\$ 23,946,299.76
Yearly Employee Cost For All Employees	\$ 3,116,903.76	\$ 2,067,744.00	\$ 5,184,647.76



#### 4. FY19 Contribution Amounts Based On KPEA & KPESA Proposals

	FY19 Contributions <u>Traditional</u>	FY19 Contributions <u>HDHP</u>
FY19 Subcommittee Determined Monthly Amount	\$ 2,421.08	\$ 2,078.17
District	\$ 2,057.92	\$ 1,870.35
Employee	<u>\$ 363.16</u>	<u>\$ 207.82</u>
Total FY19 Monthly Amounts	\$ 2,421.08	\$ 2,078.17

#### 5. Yearly Cost Based On KPEA & KPESA Proposals

	<u>Traditional</u>	<u>HDHP</u>	<u>Both Plans</u>
Employees enrolled	522	560	1,082
Monthly District Cost Per Employee	\$ 2,057.92	\$ 1,870.35	
Monthly Employee Cost	\$ 363.16	\$ 207.82	
Monthly District Cost For All Employees	\$ 1,074,233.20	\$ 1,047,397.68	\$ 2,121,630.88
Monthly Employee Cost For All Employees	\$ 189,570.56	\$ 116,377.52	\$ 305,948.08
Yearly District Cost For All Employees	\$ 12,890,798.35	\$ 12,568,772.16	\$ 25,459,570.51
Yearly Employee Cost For All Employees	\$ 2,274,846.77	\$ 1,396,530.24	\$ 3,671,377.01
Yearly Increased Cost To District	\$ 842,056.99	\$ 671,213.76	\$ 1,513,270.75
Yearly Decreased Cost To Employees	\$ (842,056.99)	\$ (671,213.76)	\$ (1,513,270.75)

the 1990s, the number of people with a mental health problem has increased by 50% (Mental Health Foundation 2000).

There is a growing awareness of the need to address the needs of people with mental health problems in the community. The Department of Health (1999) has set out a vision for the future of mental health services, which includes a focus on preventing mental health problems, supporting people with mental health problems in the community, and providing specialist services for people with severe mental health problems. The vision is based on the principles of recovery, which is a process of achieving a meaningful life and a sense of purpose, and of self-help, which is a process of taking control of one's own life and making decisions about one's own care.

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# DISTRICT 41

Employee Contributions - Traditional	4,715,055.09		
Employee Contributions - HDHP	323,482.09		
Total EE Repayment for reserves	46,069.63		
Cobra Payments - Traditional	52,822.76		
Cobra Payments - HDHP	23,198.41		
Total Employee Contributions	5,160,627.98		
ER Contribution - Traditional	21,640,748.64		
ER Contribution - HDHP	2,136,326.09		
Total Employer Share Contributions	23,777,074.73		
Total Contributions (EE + ER)	28,937,702.71		
Interest Income	14,232.03		
Total Contributions and Other Income	28,951,934.74		
Expenditure - Traditional	27,970,083.26		
Expenditure - HDHP	993,491.22		
FY18 Expenditures	28,963,574.48		(25,871.77)
Excess(Decrease) of Revenues over Expenditures	(11,639.74)		(71,941.40)
Prior Year Reserve	2,055,113.17		
Total Health Care Reserve	2,043,473.43		
ER Health Care Reserve Increase	207,743.45		
EE Health Care Reserve Increase - HDHP	247,331.38		
EE Health Care Reserve Decrease - Traditional	(527,016.23)		
	(71,941.40)		
Traditional Plan			
ER Share 21,104,644.05+1,570,545.13	22,675,189.18		(1,034,440.54)
EE Share 3,724,348.95+1,570,545.13	5,294,894.08		(527,016.23)
	27,970,083.26		
HDHP			
ER Share up to cap 894,142.10	894,142.10		1,242,183.99
EE Share up to cap 99,349.12	99,349.12		247,331.38
	993,491.22		
ER Share			207,743.45
EE Share HDHP			247,331.38
EE Share Traditional			(527,016.23)
			(71,941.40)



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Kenai Peninsula Borough School District  
Health Care Committee Monthly recap  
as of January 31, 2019

Reserve Account	As of 6-30-17	As of 6-30-18	FY19 Monthly Contribution - Traditional
Employee Share	701,399.69	471,065.27	Employee Share *
Employer Share	1,353,713.48	1,572,408.17	Employer Share
			2,421.49

FY19 Monthly Contribution - HDHP
Employee Share *
Employer Share
2,078.47

This document is provided to the Health Care Committee as a work paper to recap the contributions to and expenditures from the Health Care Plan each month. It is to be used primarily as an aid in estimating costs of the plan to determine if changes should be made in employee contribution amounts. Every effort is made to provide current and accurate information, but this information is not audited until after the end of the fiscal year.

	Number of Employees	YTD Employees	Current Month Obligations	YTD Obligations	Contributions Current Month Collected	Contributions YTD Collected
<b>Employees</b>						
KPEA Employees	302	2,547	150,396.00	1,268,406.00	199,955.47	1,009,242.50
KPEA Employees - HDHP	301	1,676	92,708.00	516,208.00	135,361.88	659,870.14
KPEA Repay EE Reserve					16,654.74	84,346.65
KPESA Employees	188	1,647	93,624.00	820,206.00	121,396.76	647,148.87
KPESA Employees - HDHP	203	1,095	62,524.00	337,260.00	89,310.03	427,623.50
KPESA Repay EE Reserve					10,746.30	54,166.20
Administrators	20	206	9,960.00	102,588.00	12,819.96	76,318.46
Administrators - HDHP	38	197	11,704.00	60,676.00	16,171.31	76,234.99
Admin Repay EE Reserve					1,600.80	8,004.00
Board Members	1	14	498.00	6,972.00	275.00	5,070.48
Board Members - HDHP	3	19	924.00	5,852.00	1,849.40	6,514.39
Board Repay EE Reserve					-	476.10
Exempt Employees	10	83	4,980.00	41,334.00	5,158.46	38,064.44
Exempt Employees - HDHP	15	90	4,620.00	27,720.00	5,089.38	28,065.31
Exempt Repay EE Reserve					690.00	3,422.40
Affordable Care Act **	-	-	0.00	0.00		
ACA Empl Repay EE Reserve						
<b>Total Employees on Payroll</b>	<b>1,081</b>	<b>7,574</b>	<b>431,938.00</b>	<b>3,187,222.00</b>	<b>617,079.49</b>	<b>3,124,568.43</b>
COBRA Payers (FY19 = \$2215.88)	1	13	2,215.88	28,806.44	112.59	27,226.96
COBRA HD Payers (FY19 = \$1960.28)	-	6	-	11,761.68	-	11,687.46
<b>Total Employees</b>	<b>1,082</b>	<b>7,593</b>	<b>434,153.88 *</b>	<b>3,227,790.12</b>	<b>617,192.08</b>	<b>3,163,482.85</b>

\* Current month employee obligations are a calculation of "Number of Employees" eligible for health care coverage during that month times the "Employee Share" (shown in the upper right corner of the sheet).

\*\* Affordable Care Act (ACA) coverage is offered to employees once eligibility is determined. Eligibility is based on number of hours worked during the measurement period.

<b>Employer</b>						
Employer share	522	4,510	1,004,061.78	8,674,939.90	1,322,005.78	6,841,284.37
Employer share - HDHP	560	3,082	991,463.20	5,456,588.54	1,311,877.90	6,566,589.74
<b>Total</b>			<b>2,429,678.86</b>	<b>17,359,318.56</b>	<b>3,251,075.76</b>	<b>16,571,356.96</b>

<b>+ Employee Share Split</b>	<b>FY19 Contribution Traditional</b>	<b>498.00</b>	<b>Subtotal</b>	<b>339,605.65</b>	<b>1,775,844.75</b>
	<b>Cobra</b>	<b>2,215.88</b>	<b>Subtotal</b>	<b>112.59</b>	<b>27,226.96</b>
				<b>339,718.24</b>	<b>1,803,071.71</b>
	<b>FY19 Contribution HDHP</b>	<b>308.00</b>	<b>Subtotal</b>	<b>247,782.00</b>	<b>1,198,308.33</b>
	<b>Cobra HD</b>	<b>1,960.28</b>	<b>Subtotal</b>	<b>-</b>	<b>11,687.46</b>
				<b>247,782.00</b>	<b>1,209,995.79</b>
	<b>Prior Year Reserve Repayment</b>	<b>20.70</b>	<b>Subtotal</b>	<b>29,691.84</b>	<b>150,415.35</b>



## Expenditures

Since the health care plan is self-funded, both employee and employer contributions are collected and bills are paid from the accumulated funds.

	TRADITIONAL		HDHP	
	Current Month	Year-To-Date	Current Month	Year-To-Date
<b>Claims</b>				
Health Care Claims paid by TPA (Rehn)	1,530,097.28	10,434,201.80	602,383.31	1,951,259.62
Prescription Claims paid by Caremark	376,802.59	2,912,159.62	95,502.35	408,395.71
HRA	-	-	26,983.09	129,233.36
<b>Total Claims Paid</b>	<b>1,906,899.87</b>	<b>13,346,361.42</b>	<b>724,868.75</b>	<b>2,488,888.69</b>
<b>Administration</b>				
TPA (Rehn) fees and costs	10,453.95	137,602.48	-	-
TPA (Rehn) HRA fees and costs	-	-	12,163.67	76,117.06
Aetna Administration Fees	9,997.00	85,581.05	10,724.76	59,142.66
Consultant Fees	2,380.04	16,478.83	2,553.29	18,054.48
Stop Loss Premiums	146,629.90	913,149.36	157,304.10	651,662.83
Affordable Care Act Fee	-	46,691.32	-	20,266.51
<b>Total Administration</b>	<b>169,460.89</b>	<b>1,199,503.04</b>	<b>182,745.82</b>	<b>825,243.54</b>
<b>Total Claims plus Administration</b>	<b>2,076,360.76</b>	<b>14,545,864.46</b>	<b>907,614.57</b>	<b>3,314,132.23</b>
<b>Adjustments</b>				
Stop Loss reimbursements	-	(2,334,291.02)	-	-
Prescription Rebates	-	(298,143.59)	-	(63,680.97)
Health Care Claims refund	-	-	-	-
Claims reimbursements	(50.00)	(300.00)	-	-
Other adjustments	-	(25.00)	-	-
<b>Total Adjustments</b>	<b>(50.00)</b>	<b>(2,632,759.61)</b>	<b>-</b>	<b>(63,680.97)</b>
<b>Total Expenditures</b>	<b>2,076,310.76</b>	<b>11,913,104.85</b>	<b>907,614.57</b>	<b>3,250,451.26</b>

## Obligations/Contributions

Health care obligations and contributions provide employee and employer amounts of health care contributions using different calculation methods.

Obligations are estimates of funds that employees and the district will be obligated to contribute, based on the plan year (July through June).

Returning employees are covered by the health care plan for the entire plan year, meaning the 12 month period July through June; both employee and employer are obligated to pay for 12 months of coverage. New employees pay for coverage from date of hire through June, the end of the plan year. If an employee works at all during a month, both employee and employer pay for the entire month of coverage.

Actual Contributions made by employees and benefits paid by the employer during the payroll process are shown on the sheet in the columns labeled "Collected." The division of payments is governed by the Collective Bargaining Agreements and Memorandums of Understanding between the district and the employee groups.

Employee-paid contributions are deductions from payroll checks. Employees who work 12 months make contributions each pay period. Many school district employees do not work 12 months, so contributions are collected for those employees during the 9 month period from September through May.

For this reason, contributions are generally larger than obligations for September through May and contributions are generally smaller than obligations for June, July and August.

The "Collected" columns show what is actually available for paying health care costs. The "Obligations" show what is estimated to be available by month, based on number of employees at the current rate of contributions.

Kenai Peninsula Borough School District  
Healthcare Expenditures Split  
as of January 31, 2019

Traditional Plan				HDHP			
YTD Participants	4,510	YTD Participants	3,082	YTD Participants	3,082	YTD Participants	3,082
Net Expenditures	11,913,104.85	Net Expenditures	3,250,451.26	Net Expenditures	3,250,451.26	Net Expenditures	3,250,451.26
ER - Employer Cap \$1731.45	7,808,839.50	ER - Employer Cap \$1645.61	5,071,770.02	ER - Employer Cap \$1645.61	5,071,770.02	ER - Employer Cap \$1645.61	5,071,770.02
EE - Employee Cap \$305.55	1,378,030.50	EE - Employee Cap \$182.85	563,543.70	EE - Employee Cap \$182.85	563,543.70	EE - Employee Cap \$182.85	563,543.70
Total Cap Expenditure EE/ER	9,186,870.00	Total Cap Expenditure EE/ER	5,635,313.72	Total Cap Expenditure EE/ER	5,635,313.72	Total Cap Expenditure EE/ER	5,635,313.72
Expenditures over Cap	2,726,234.85	Expenditures over Cap	-	Expenditures over Cap	-	Expenditures over Cap	-
50/50 Split of Expenditures over Cap	1,363,117.43	50/50 Split of Expenditures over Cap	-	50/50 Split of Expenditures over Cap	-	50/50 Split of Expenditures over Cap	-
ER Expenditures Up To Cap	7,808,839.50	ER Expenditures Up To Cap	2,925,406.13	ER Expenditures Up To Cap	2,925,406.13	ER Expenditures Up To Cap	2,925,406.13
ER Expenditures Above Cap	1,363,117.43	ER Expenditures Above Cap	-	ER Expenditures Above Cap	-	ER Expenditures Above Cap	-
Total ER Expenditures	9,171,956.93	Total ER Expenditures	2,925,406.13	Total ER Expenditures	2,925,406.13	Total ER Expenditures	2,925,406.13
EE Expenditures Up To Cap	1,378,030.50	EE Expenditures Up To Cap	325,045.13	EE Expenditures Up To Cap	325,045.13	EE Expenditures Up To Cap	325,045.13
EE Expenditures Above Cap	1,363,117.43	EE Expenditures Above Cap	-	EE Expenditures Above Cap	-	EE Expenditures Above Cap	-
Total EE Expenditures	2,741,147.93	Total EE Expenditures	325,045.13	Total EE Expenditures	325,045.13	Total EE Expenditures	325,045.13
Total ER & EE Expenditures	11,913,104.85	Total ER & EE Expenditures	3,250,451.26	Total ER & EE Expenditures	3,250,451.26	Total ER & EE Expenditures	3,250,451.26
Traditional Summary				HDHP Summary			
Through January 2019	YTD	YTD	REV Less EXP	Through January 2019	YTD	YTD	REV Less EXP
Employer	9,171,956.93	6,841,284.37	(2,330,672.56)	Employer	2,925,406.13	6,566,589.74	3,641,183.61
Employee	2,741,147.93	1,803,071.71	(938,076.22)	Employee	325,045.13	1,209,995.79	884,950.66
Totals	11,913,104.86	8,644,356.08	(3,268,748.78)	Totals	3,250,451.26	7,776,585.53	4,526,134.27
Obligation per Employee FY19	498.00 EE/1923.49 ER Split	Year-to-date		Obligation per Employee FY19	308.00 EE/1770.47 ER Split	Year-to-date	
	2,421.49	2,421.49			2,078.47	2,078.47	
Monthly Cost per Employee - ER		2033.69		Monthly Cost per Employee - ER		949.19	
Monthly Cost per Employee - EE + Cobra		607.79		Monthly Cost per Employee - EE + Cobra		105.47	
		2641.49				1054.66	
Current Variance		(220.00)		Current Variance		1,023.81	

Obligations indicate the funds that will be accumulated per employee per month. Expenditures are amounts that have been paid through the plan.

A positive number for "current variance" represents the amount per employee per month that is estimated to be collected above the amount spent year-to-date. A negative number represents the amount of expenditures (per employee per month) that are more than what is estimated to be collected for payment of those expenditures.

9







Juneau Empire reporters Kevin Baird, left, and Mollie Barnes interview Gov. Mike Dunleavy at the Capitol on Tuesday, Feb. 26, 2019. (Michael Penn | Juneau Empire)

## A conversation with the governor

Gov. says businesses will come back to Alaska if budget is balanced.

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015T. EXH. 42

By Mollie Barnes

Tuesday, February 26, 2019 10:32pm | NEWS STATE & LEGISLATURE

*Legislators have been speaking about it. Alaskans have been speaking about it, and now Gov. Mike Dunleavy is speaking about it. The governor sat down to talk about his budget and the proposals to cut expenditures in it. Read the full interview below. The interview has been edited for length and clarity.*

**Juneau Empire reporter Kevin Baird:** Governor, when you campaigned, you voiced some support for the ferry system, even calling it the 'backbone' of the Southeast. (This is in reference to an [article in the Ketchikan Daily News](#)). There's [concern over the closure after October](#), and whether or not the ferry system would be able to open afterward without funding to do so. How do you justify the campaign message with the proposal to Alaskans in the Southeast?

**Gov. Mike Dunleavy:** During the campaign we were told we were looking at \$75 a barrel oil. Obviously that wasn't the case. We're down at \$64 barrel oil, and we're hoping that stays in the neighborhood of \$60-64 a barrel. Even at that, we have a \$1.6 billion deficit. This is a budget we put together that was [an open budget, an honest budget for all Alaskans](#) to look at in terms of what really are the fiscal realities we're looking at. We're also talking about the fact that we only have \$2 billion left in our CBR, and the problems that will occur if we start to go into the earnings reserve at any great length or any depth, how that's going to impact the fund going forward. Again, during the campaign we were told \$75 barrel oil. We even had people tell us \$80-85 barrel oil. That's been revised, as a result we've had to revise this budget. And it's a budget that's going to impact all Alaskans. There's going to be no group that is not going to be touched by the fiscal deficit that we're looking at.

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**Empire reporter Mollie Barnes:** You said that Alaska's open for business. Do you have anything to say to business owners who are maybe scared of the ferry system closing down who rely on this?

**Dunleavy:** Once we get our structural deficit deficit dealt with, our \$1.6 billion deficit dealt with, then we'll have fiscal certainty moving forward. When we have that fiscal certainty moving forward, I've been told by many businesses that investment that's been sitting on the sideline will start to come into Alaska — large amounts I've been told. What businesses are concerned about now, investors are concerned about now, is if we don't get our fiscal house in order, we're going to impose a predatory tax on these businesses, existing businesses and new businesses. So the biggest issue facing us right now is this gap, how we're going to deal with it, and do we eliminate it moving forward. But the businesses I've talked to said, barring that, they're hesitant to invest in the state of Alaska.

**Barnes:** I don't know if you heard anything about the Senate Finance meeting this morning, but earlier today David Teal speculated that maybe your budget was a way to create chaos and force the Legislature to make the hard decisions and have this conversation about what is really worth it. Was that your intention?

**Dunleavy:** The first part, chaos — that wasn't the intent that was to sow chaos, but certainly the budget is a conversation to have with the people of Alaska and the Legislature as to what we value, what we want to fund, what we can fund and how we fund it. This was a budget that was a balanced budget. We proposed a balanced budget. And part of that balancing act is the reductions of \$1.6 billion. There are those that will propose we use the PFD, there will be those that propose we use taxes. I just think that causes more problems moving forward. Alaska with 730,000 people, high unemployment rate, lack of investment in the state of Alaska, I think if we start going down the road of taxing or taking money out of the pockets of Alaskans, we'll see more of an exodus out of the state. New York, New Jersey, Illinois, California, Connecticut — there was a report this morning that says that's exactly what's happening in those states. There's an exodus of individuals that are part of the tax base that make money, and they are leaving those states, net out-migration. We can't afford that in Alaska, we're already a high cost state. If we start taking more money out of the pockets of Alaskans, it's going to force more people to decide if they want to stay or go, and I believe that more and more people will leave. We just went through a period of four years of spending an excess of \$2 billion a year out of the CBR roughly, actually it was more than that. And yet, we're still in a recession, and we still have individuals leaving the state of Alaska. We've got to get our fiscal house in order. We've got to get the structural deficit taken care of, and we have to do it sooner than later.

**Baird:** Going back to revenue for the state, so one of the things you've called your budget proposal is "predictable" and "sustainable," and it heavily relies upon oil and gas revenue. Oil, we've already seen the fluctuations of per barrel oil price. Do you think it's as predictable, do you think this budget formula that you're working with is as predictable as you've sold it to Alaskans?

**Dunleavy:** If we close the \$1.6 billion gap, and our expenditures and revenues meet, that's a predictable budget. If we allow the people of Alaska to vote on the constitutional amendments that hem us in through an appropriation and savings limit as to the growth of this budget, that will help with predictability. If we allow the people of Alaska to decide if they want their PFD taken or any changes in the permanent fund, that will help with predictability. Another one of the amendments was if we contemplate a tax, do we ask the people of Alaska if they agree with that tax? That will help with predictability. You know the question is, what happens if oil goes to \$5

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a barrel, then that blows a hole through almost any program. And that's a hypothetical, and we'd have to deal with that when that occurs. But I can tell you now, if we don't reduce our spending, what is predictable is we're going to spend down our CBR, constitutional budget reserve, that has \$2 billion dollars left in it, we'll spend that down in a little more than a year. If we don't reduce our spending after that, we'll go into the earnings reserve, and we'll start to spend that down. That's predictable. But that's something that's predictable that I hope we don't want to have happen. So by reducing our expenditures, we get in line with revenues at \$64 a barrel. If oil drops after that we'll have to have that discussion on how we're going to deal with it.

**Baird:** While we're on this topic, do you plan on introducing any more budget related bills?

**Dunleavy:** We do, we're working on that. As we start to roll them out, we'll let you folks know.

**Barnes:** So is it predictable in the sense that, if oil prices do go down next year, that then your plan would be to just cut again. Or is there going to be any sort of minimum point?

**Dunleavy:** We'll cross that bridge when we come to it. Again, we're dealing with a hypothetical, we have to see what that is. We'd have to cross that bridge when we come to it.

**Baird:** Yesterday, Sen. Bill Wielechowski, D-Anchorage, sent out a press release about a legal opinion he'd got concerning some language giving OMB power to transfer funds across appropriations. I reached out to your press secretary for a comment on that. So here we are, and I was curious what your thought process behind that was.

**Dunleavy:** I'm not sure of the question.

**Baird:** So Bill Wielechowski sent out a press release yesterday that he'd gotten a legal opinion regarding some language in the budget bill that under each department it says something to the effect of the OMB would have the ability to move funds around within the department, and he called it a power grab. I talked to Senator Bert Stedman and he said he wasn't worried about it. I was just kind of curious if you knew why that language was in there, and kind of what the thought process was.

**Dunleavy:** We've got two folks over here that can answer that.

**Office of Budget and Management Policy Director Mike Barnhill:** So there's precedent for this. The most recent precedence ... we call it rolling up the budget. The university's budget, so it used to have several appropriations and now it's rolled up, or at least last year it was rolled up, into one appropriation. And the idea, the budget rationale behind rolling up a budget is to give the department, or in this case the university, more budgeting flexibility to move money across component lines. And that's the reason why the university proposed it. And that's the reason why the OMB proposed that for all departments, so in times where we're reducing the amount of revenues available for all departments, we're giving them enhanced flexibility, so they can meet those challenges that are posed in the current budget environment. In terms of the legality of it, the Department of Law has looked at this. Attorney General may want to comment.

**Attorney General Designee Kevin Clarkson:** The Legislature fully has the power to delegate that authority if they so choose. And that's the point of the appropriation bill, the Legislature would have to pass it. If they delegate that authority to the executive branch, they can do that.

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**Barnes:** Earlier today, also, David Teal said that your proposals to [repeal the oil/gas property taxes](#) and some of the fish business taxes would simply be shifting the burden [from the state to local municipalities and other governments](#). Do you think it was misleading to say that there would be no tax hikes?

**Dunleavy:** When I ran for office?

**Barnes:** Yes.

**Dunleavy:** No I don't think it was misleading. Again, we have no intention of imposing taxes at the state level on Alaskans. Local municipalities are going to have to decide, as we are right now. They're going to have to have the same conversation, what is important to them, what are the programs and services that they wish to fund and how do they wish to fund them? That's their decision at the local level. So no, I don't think it was misleading at all. We're sticking with our campaign promises to deal with this fiscal issue.

**Baird:** Switching over to some crime-related stuff, there's a [national shortage of police officers](#). Departments all over the country are having trouble filling positions. I was curious with the public safety initiatives if your administration was taking an approach to maybe attract more law enforcement officers to this state.

**Dunleavy:** That was one of our campaign promises, as well, that we're going to improve the public safety outcomes for Alaskans. We understand that that means we will be putting more money into public safety, which we are. We're in conversations with the corrections officers' associations, as well as the Troopers and others, on how do we recruit and retain individuals to be part of this public safety approach, Troopers, corrections officers and others. So we're having those conversations, and we're fully prepared to put more resources into that, because we need to.

**Baird:** Does that mean higher salary compensation packages for State Troopers or?

**Dunleavy:** There's all kinds of possibilities.

**Governor Spokesman Matt Shuckerow:** And we can get you the specifics.

**Barnes:** Switching topics a little bit, [proposing to eliminate the Marijuana Control Board](#), how do you see that functioning then under the Department of Commerce, the regulation of that industry?

**Dunleavy:** I'm hoping that it streamlines the process, and that decisions can be made quicker for that industry. That's the hope.

**Barnes:** Can you elaborate on that? What types of decisions and who would be involved with that?

**Dunleavy:** The commissioners, the commissioner that's overseeing that department. Again, we're trying to streamline government across the board, and this is one approach that we're hoping helps streamline the process so that any regulations that come out, come out in a manner that's going to support any of these industries or all of these industries.

**Shuckerow:** In addition, there's legislation forthcoming, so some of those details will be contained in the bill. Other states regulate marijuana at an agency level. Colorado does it. There is a rule making process that things would follow. So I'm happy to send you information on that, as well.

**Barnes:** OK, thank you.

**Baird:** How soon might we expect more crime bills to come forth?

**Dunleavy:** General?

**Clarkson:** I think you've got the package.

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# KENAI PENINSULA BOROUGH SCHOOL DISTRICT STRATEGIC PLAN 2017 - 2022

District  
43

## OUR MISSION

Empower all learners to positively shape their futures.

## OUR VISION

KPBSD will inspire all learners to pursue their dreams in a rigorous, relevant and responsive environment.

## GUIDING PRINCIPLES

Every KPBSD student will graduate prepared for their future.

A strong, positive relationship with all students is the foundation of a quality education in KPBSD.

A KPBSD diploma guarantees a student is ready for life, college, and career.



## READY

- ♦ **Life:** KPBSD students will demonstrate life readiness skills by possessing resiliency, grit, and perseverance to achieve their goals with a growth mindset that empowers them to approach their future with confidence.
- ♦ **College:** KPBSD students will demonstrate college readiness by meeting rigorous academic indicators and, or post-secondary assessment scores.
- ♦ **Career:** KPBSD students will demonstrate career readiness by identifying a career interest and meeting employability or experiential benchmarks.

## RIGOR *All Students will achieve high levels of academic growth*

- ♦ Students will learn in a performance-based instructional model.
- ♦ Student growth and success will be determined through multiple measures of learning.
- ♦ Students will have "accessible anywhere" curriculum without dependencies on particular technologies.

## RELEVANCE *Experience a personalized learning system*

- ♦ Students will learn in a flexible instructional model that is fluid and developmentally appropriate for all.
- ♦ Students will experience varied instructional strategies that target individual strengths and interests of each learner.
- ♦ Students will develop a personalized learner profile as demonstrated in their portfolio.
- ♦ Students will be given opportunities to develop healthy lifestyles and make healthy choices.
- ♦ Students will be provided instructional opportunities in partnership with parents and community that extend growth, exploration and learning beyond the classroom.

## RESPONSIVE *Be immersed in a high quality instructional environment*

- ♦ Prioritize strong, positive relationships with all students to support their social and emotional needs.
- ♦ Teachers will utilize a repertoire of high-yield instructional strategies that are research-based, high quality instructional strategies, within the instructional environment.
- ♦ Develop a culture of continuous innovation within all schools across the district.
- ♦ Professional learning is embedded and ongoing, resulting in continuous growth and innovation.
- ♦ Develop a highly reliable and efficient organization through online and concurrent collaboration tools.



# KENAI PENINSULA BOROUGH SCHOOL DISTRICT STRATEGIC PLAN 2017 - 2022

## KEY PERFORMANCE INDICATORS (KPI)



KPBSD students should be able to demonstrate their readiness in multiple ways beyond a standardized test score. While test scores are one key readiness indicator often used in schools, they do not always show the whole picture.

KPBSD KPI's are not intended to be used as a "checklist." Certain indicators may or may not apply to each student's personalized life, career and, or college pathway choice. Rather, the KPI indicators are a wide variety of snapshots intended to give a general view of a student's preparedness for life, career and, or college choices. Research indicates that the more indicators students attain, the more chance they may have to be successful citizens in an ever-changing world.

ELEMENTARY SCHOOL	MIDDLE SCHOOL	HIGH SCHOOL
<ul style="list-style-type: none"> <li>• 90% attendance rate</li> <li>• Proficiency on the content standards (Report Card)</li> <li>• Proficiency on math and reading academic assessments (i.e. PEAKS, AimsWeb, PerformanceSeries)</li> <li>• Student Social-Emotional wellbeing                             <ul style="list-style-type: none"> <li>○ Community &amp; Connectedness</li> <li>○ School Climate</li> <li>○ Social-Emotional Learning</li> <li>○ Growth Mindset; Grit</li> </ul> </li> <li>• Community Service Awareness</li> </ul>	<ul style="list-style-type: none"> <li>• 90% attendance rate</li> <li>• No F's</li> <li>• Proficiency on math and reading academic assessments (i.e. PEAKS, PerformanceSeries)</li> <li>• Student Social-Emotional wellbeing                             <ul style="list-style-type: none"> <li>○ Community &amp; Connectedness</li> <li>○ School Climate</li> <li>○ Social-Emotional Learning</li> <li>○ Growth Mindset; Grit</li> </ul> </li> <li>• Community Service Hours</li> <li>• Participation in two or more organized Co-Curricular Activities</li> <li>• GPA of 2.8 or higher</li> </ul>	<ul style="list-style-type: none"> <li>• 90% attendance rate</li> <li>• No F's</li> <li>• Proficiency on math and reading academic assessments (i.e. PEAKS, PerformanceSeries)</li> <li>• Earns a high school diploma</li> <li>• Student Social-Emotional wellbeing                             <ul style="list-style-type: none"> <li>○ Community &amp; Connectedness</li> <li>○ School Climate</li> <li>○ Social-Emotional Learning</li> <li>○ Growth Mindset; Grit</li> </ul> </li> <li>• Participation in two or more organized Co-Curricular Activities</li> <li>• GPA of 2.8 or higher</li> <li>• "On track" credit acquisition for a High School Diploma within 4 years</li> <li>• 25+ hours of Community Service by 12<sup>th</sup> grade</li> <li>• Workplace/Experiential Learning Experiences</li> <li>• Earn Industry Credential</li> <li>• Career Pathway/Concentrator</li> <li>• Advanced Placement; Exam (3+) and/or grade of C (or higher)</li> <li>• Dual college/high school credit with grade of C or higher</li> <li>• Algebra II or beyond with grade of C or higher</li> <li>• SAT Exam: Math (530+) / Reading and Writing (480+)</li> <li>• ACT Exam: Math (22+) / Reading (22+) / English (18+) / Science (23+)</li> </ul>

The mission of the Kenai Peninsula Borough School District is to empower all learners to positively shape their futures.

[www.KPBSD.org](http://www.KPBSD.org)



DISTRICT 44

John O'Brien

**From:** John O'Brien  
**Sent:** Wednesday, October 17, 2018 12:16 PM  
**To:** Saul Friedman  
**Cc:** Christine Ermold; Dave Jones; Sean Dusek; John O'Brien  
**Subject:** Personalized Learning Information  
**Attachments:** Talking points for Personalized Learning Budget meeting Oct 2017.pdf

Funding for our work with Education Elements has not added to the budget or required new or additional monies. Funding has come from a reduction in the curriculum budget supply/materials line in the amount of \$460,000(FY17), \$460,000(FY18), and \$460,000(FY19). Final payment to Education Elements for FY19 has been made and our formal work with Education Elements is done at the conclusion of this school year (June 2019).

Attached is a document that was shared district wide to all site based councils, principals, and stakeholders that attended our October 17<sup>th</sup> 2017 Budget Meetings throughout the KPBSD. Thank you!

Wishing you success and positive impact,

John O'Brien  
Assistant Superintendent of Instruction  
Kenai Peninsula Borough School District  
(907)-714-8888



*"The two most important days in your life are the day you were born and the day you find out why."*  
-Mark Twain



## Personalized Learning in KPBSD



- Personalized Learning (PL) is not a “program”. Rather, it is a mindset that moves away from expecting students to fit the current mold or adapt to a one-size-fits-all model. PL is a means of responding to every student’s individualized needs by adapting the structure of schools, classrooms, and instruction.
- Although KPBSD has been working toward pieces of personalized learning for years (i.e. differentiation and blended learning), KPBSD’s five-year strategic plan places an emphasis on moving the entire district forward on a solid foundation of personalized learning for all students, in every classroom.
- This significant instructional shift will require a focused multi-year professional development (PD) investment in our teachers. Therefore, we have partnered with professionals at Education Elements (EE). EE has the experience and expertise to help guide and lead our district to full-scale implementation of personalized learning.
- Along with the professional development and training that our teachers will receive from working with Education Elements, part of the district’s work with EE will include analyzing the content and materials teachers use with students. We will be supplementing our current instructional materials with various digital resources and Open Educational Resources (OER’s). Because many of these new types of resources are either free and less costly than traditional textbooks or other materials we currently purchase, we anticipate a reoccurring cost savings in our curriculum budget in the future.
- The total cost of our three year contracted work with Education Elements is \$1.38 million. This total cost is spread out over three fiscal years:
  - \$460,000 paid in FY17; \$460,000 paid in FY18; and a final \$460,000 to be paid in FY19.
- It is important to note that no additional funds were budgeted to pay for our work with Education Elements. The entire amount of \$1.38 million came from, or will come from, the curriculum line item in the district’s budget.
- **Important notes about the curriculum budget:**
  - The district typically budgets about 1 million dollars per year to pay for books and other instructional materials. Over FY17, FY18, and FY19 the district has, and will continue to reduce textbook and materials purchases by at least the \$460,000 budgeted to pay for our work with Education Elements.
  - In future budget years the district will realize annual budget savings by utilizing flexible Open Educational Resources materials and digital resources.
  - This is an important shift from buying books and “things” to investing in our teachers’ professional learning and development. Our work with Education Elements will give our teachers a broader and deeper “tool box” to effectively work with, and meet the individual needs of all students in our district.

**The mission of the KPBSD is to empower all learners to positively shape their futures.**

**KPBSD will inspire all learners to pursue their dreams in a rigorous, relevant and responsive environment.**

# KENAI PENINSULA BOROUGH SCHOOL DISTRICT STRATEGIC PLAN 2017 - 2022

## OUR MISSION

Empower all learners to positively shape their futures.

## OUR VISION

KPBSD will inspire all learners to pursue their dreams in a rigorous, relevant and responsive environment.

## GUIDING PRINCIPLES

Every KPBSD student will graduate prepared for their future.

A strong, positive relationship with all students is the foundation of a quality education in KPBSD.

A KPBSD diploma guarantees a student is ready for life, college, and career.



## READY

- ♦ **Life:** KPBSD students will demonstrate life readiness skills by possessing resiliency, grit, and perseverance to achieve their goals with a growth mindset that empowers them to approach their future with confidence.
- ♦ **College:** KPBSD students will demonstrate college readiness by meeting rigorous academic indicators and, or post-secondary assessment scores.
- ♦ **Career:** KPBSD students will demonstrate career readiness by identifying a career interest and meeting employability or experiential benchmarks.

## RIGOR *All Students will achieve high levels of academic growth*

- ♦ Students will learn in a performance-based instructional model.
- ♦ Student growth and success will be determined through multiple measures of learning.
- ♦ Students will have "accessible anywhere" curriculum without dependencies on particular technologies.

## RELEVANCE *Experience a personalized learning system*

- ♦ Students will learn in a flexible instructional model that is fluid and developmentally appropriate for all.
- ♦ Students will experience varied instructional strategies that target individual strengths and interests of each learner.
- ♦ Students will develop a personalized learner profile as demonstrated in their portfolio.
- ♦ Students will be given opportunities to develop healthy lifestyles and make healthy choices.
- ♦ Students will be provided instructional opportunities in partnership with parents and community that extend growth, exploration and learning beyond the classroom.

## RESPONSIVE *Be immersed in a high quality instructional environment*

- ♦ Prioritize strong, positive relationships with all students to support their social and emotional needs.
- ♦ Teachers will utilize a repertoire of high-yield instructional strategies that are research-based, high quality instructional strategies, within the instructional environment.
- ♦ Develop a culture of continuous innovation within all schools across the district.
- ♦ Professional learning is embedded and ongoing, resulting in continuous growth and innovation.
- ♦ Develop a highly reliable and efficient organization through online and concurrent collaboration tools.

Kenai Peninsula Borough School District

148 N. Binkley Street, Soldotna, Alaska 99669 | 907.714.8888 | [www.KPBSD.org](http://www.KPBSD.org)



# KENAI PENINSULA BOROUGH SCHOOL DISTRICT STRATEGIC PLAN 2017 - 2022

## KEY PERFORMANCE INDICATORS (KPI)



KPBSD students should be able to demonstrate their readiness in multiple ways beyond a standardized test score. While test scores are one key readiness indicator often used in schools, they do not always show the whole picture.

KPBSD KPI's are not intended to be used as a "checklist." Certain indicators may or may not apply to each student's personalized life, career and, or college pathway choice. Rather, the KPI indicators are a wide variety of snapshots intended to give a general view of a student's preparedness for life, career and, or college choices. Research indicates that the more indicators students attain, the more chance they may have to be successful citizens in an ever-changing world.

ELEMENTARY SCHOOL	MIDDLE SCHOOL	HIGH SCHOOL
<ul style="list-style-type: none"> <li>• 90% attendance rate</li> <li>• Proficiency on the content standards (Report Card)</li> <li>• Proficiency on math and reading academic assessments (i.e. PEAKS, AimsWeb, PerformanceSeries)</li> <li>• Student Social-Emotional wellbeing                             <ul style="list-style-type: none"> <li>◦ Community &amp; Connectedness</li> <li>◦ School Climate</li> <li>◦ Social-Emotional Learning</li> <li>◦ Growth Mindset; Grit</li> </ul> </li> <li>• Community Service Awareness</li> </ul>	<ul style="list-style-type: none"> <li>• 90% attendance rate</li> <li>• No F's</li> <li>• Proficiency on math and reading academic assessments (i.e. PEAKS, PerformanceSeries)</li> <li>• Student Social-Emotional wellbeing                             <ul style="list-style-type: none"> <li>◦ Community &amp; Connectedness</li> <li>◦ School Climate</li> <li>◦ Social-Emotional Learning</li> <li>◦ Growth Mindset; Grit</li> </ul> </li> <li>• Community Service Hours</li> <li>• Participation in two or more organized Co-Curricular Activities</li> <li>• GPA of 2.8 or higher</li> </ul>	<ul style="list-style-type: none"> <li>• 90% attendance rate</li> <li>• No F's</li> <li>• Proficiency on math and reading academic assessments (i.e. PEAKS, PerformanceSeries)</li> <li>• Earns a high school diploma</li> <li>• Student Social-Emotional wellbeing                             <ul style="list-style-type: none"> <li>◦ Community &amp; Connectedness</li> <li>◦ School Climate</li> <li>◦ Social-Emotional Learning</li> <li>◦ Growth Mindset; Grit</li> </ul> </li> <li>• Participation in two or more organized Co-Curricular Activities</li> <li>• GPA of 2.8 or higher</li> <li>• "On track" credit acquisition for a High School Diploma within 4 years</li> <li>• 25+ hours of Community Service by 12<sup>th</sup> grade</li> <li>• Workplace/Experiential Learning Experiences</li> <li>• Earn Industry Credential</li> <li>• Career Pathway/Concentrator</li> <li>• Advanced Placement; Exam (3+ and/or grade of C (or higher)</li> <li>• Dual college/high school credit with grade of C or higher</li> <li>• Algebra II or beyond with grade of C or higher</li> <li>• SAT Exam: Math (530+) / Reading and Writing (480+)</li> <li>• ACT Exam: Math (22+) / Reading (22+) / English (18+) / Science (23+)</li> </ul>

The mission of the Kenai Peninsula Borough School District is to empower all learners to positively shape their futures.

[www.KPBSD.org](http://www.KPBSD.org)



the 1990s, the number of people in the UK with a long-term condition has increased by 50% (Department of Health 2000).

There is a growing emphasis on the need to improve the quality of life of people with long-term conditions. The Department of Health (2000) has set out a vision of a 'new paradigm' of care for people with long-term conditions, which is based on the following principles:

- People with long-term conditions should be able to live full and active lives.
- People with long-term conditions should be able to manage their condition and take control of their own lives.
- People with long-term conditions should be able to live in their own homes and communities.

These principles are reflected in the following objectives of the Department of Health (2000):

- To ensure that people with long-term conditions are able to live full and active lives.
- To ensure that people with long-term conditions are able to manage their condition and take control of their own lives.
- To ensure that people with long-term conditions are able to live in their own homes and communities.

The Department of Health (2000) has also set out a number of key priorities for the new paradigm of care for people with long-term conditions:

- To ensure that people with long-term conditions are able to live full and active lives.
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# DISTRICT EXH. 45

## COMPARISON OF PUPIL-TEACHER RATIO

2017-18	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	23	23.6	24.2	24.75	26.5
Middle	19.1	27	28	22	30
High School	19.4	29	30.5	24.5	32

2016-17	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	22.8	24.2	24.2	24.75	25.5
Middle	19.9	27.8	26.5	22	27
High School	19.3	30.5	28.5	24.5	28

2015-16	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	22.8	23.2	24.2	24.75	25
Middle	20	26.8	26.5	24.5	27.1
High School	18.9	29.5	28.5	29.25	26.3

2014-15	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	22	23.2	23.3	24.25	23.5
Middle	20.3	26.8	22.6	23.5	25.6
High School	19.1	29.41	23.5	28.25	28.7

2013-14	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	20.7	23.2	23.6	24.25	23.5
Middle	19	26.8	22	23.5	25.6
High School	18.9	29.41	23	28.25	23.8

# KPBSD Annual Class Size Enrollment Report - 2016-17

SCHOOL	Cert. FTE*	Enrollment	Class Size Average	Pupil/Teacher Ratio
<b>Large High Schools</b>				
Homer High	18.20	379	22.6	20.8
Kenai Central High	25.80	445	19.6	17.2
Nikiski High	11.70	214	18.0	18.3
Seward High	8.00	190	17.7	23.8
Soldotna Prep	10.00	193	23.0	19.3
Soldotna High	28.40	547	20.1	19.3
<b>TOTAL</b>	<b>102.10</b>	<b>1,968.0</b>	<b>20.2</b>	<b>19.3</b>
<b>Middle Schools</b>				
Homer Middle	9.75	195	24.8	20.0
Kenai Middle	18.00	372	21.8	20.7
Nikiski Middle	7.90	156	20.5	17.6
Seward Middle	7.05	125	19.6	17.7
Skyview Middle	20.50	409	19.7	20.0
<b>TOTAL</b>	<b>63.20</b>	<b>1,257.0</b>	<b>21.3</b>	<b>19.9</b>
<b>Elementary K-8</b>				
Chapman	7.50	134	17.4	17.9
K-Beach	19.00	404	20.7	21.3
McNeil Canyon	6.50	124	20.5	19.1
Mt. View	19.00	439	20.2	23.1
Nikiski North Star El	16.00	379	22.1	23.7
Paul Banks	9.00	223	21.6	24.8
Redoubt	14.00	366	24.7	26.1
Seward Elementary	13.00	305	21.5	23.5
Soldotna Elementary	13.00	330	20.6	25.4
Sterling	11.00	236	19.2	21.5
Tustumena	8.00	181	21.0	22.6
West Homer Elementary	12.00	253	20.6	21.1
<b>TOTAL</b>	<b>148.00</b>	<b>3,374</b>	<b>21.3</b>	<b>22.8</b>
<b>Small Schools</b>				
Cooper Landing	1.00	18	5.0	18.0
Hope	1.50	17	4.9	11.3
Kachemak Selo	3.50	48	13.9	13.7
Moose Pass	1.00	11	11.0	11.0
Nanwalek	5.50	80	14.4	14.5
Nikolaevsk	3.00	64	15.4	21.3
Ninilchik	8.50	130	17.6	15.3
Port Graham	2.00	37	11.5	18.5
Razdolna	4.50	86	15.7	19.1
Susan B. English	2.00	32	8.4	16.0
Tebughna	2.00	36	8.8	18.0
Voznesenka	6.50	109	13.9	16.8
<b>TOTAL</b>	<b>41.00</b>	<b>668</b>	<b>12.7</b>	<b>16.3</b>
<b>Charter Schools</b>				
Aurora Borealis	10.75	194	22.4	18.0
Fireweed	6.00	104	17.3	17.3
Kaleidoscope	13.00	253	21.1	19.5
Soldotna Montessori	7.00	164	23.4	23.4
<b>TOTAL</b>	<b>36.75</b>	<b>715</b>	<b>19.4</b>	<b>19.5</b>
<b>Other Schools</b>				
Homer Flex	2.50	36	11.8	14.4
Kenai Alternative	4.50	72	16.1	16.0
River City	4.00	79	14.8	19.8
<b>TOTAL</b>	<b>11.00</b>	<b>187</b>	<b>17.1</b>	<b>17.0</b>

\* FTE = Full Time Equivalent

Class Size Average = sum of the # of students enrolled in classes divided by the # of classes

Pupil/Teacher Ratio (PTR) = total of school enrollment divided by the FTE

Numbers taken from first day of OASIS Count, October 3, 2016



# KPBSD Annual Class Size Enrollment Report - 2017-18

SCHOOL	Cert. FTE*	Enrollment	Class Size Average	Pupil/Teacher Ratio
<b>Large High Schools</b>				
Homer High	20.20	395	21.0	19.6
Kenai Central High	24.60	456	20.8	18.5
Nikiski High	11.60	199	18.0	17.2
Seward High	8.50	183	16.3	21.5
Soldotna Prep	10.00	191	20.9	19.1
Soldotna High	26.90	553	21.2	20.6
<b>TOTAL</b>	<b>101.80</b>	<b>1,977</b>	<b>19.7</b>	<b>19.4</b>
<b>Middle Schools</b>				
Homer Middle	9.30	188	24.1	20.2
Kenai Middle	18.00	339	20.1	18.8
Nikiski Middle	8.70	165	21.1	19.0
Seward Middle	7.00	118	20.4	16.9
Skyview Middle	19.50	405	20.3	20.8
<b>TOTAL</b>	<b>62.50</b>	<b>1,215</b>	<b>21.2</b>	<b>19.1</b>
<b>Elementary K-8</b>				
Chapman	8.50	138	21.9	16.2
K-Beach	17.00	396	22.5	23.3
McNeil Canyon	6.00	124	20.5	20.7
Mt. View	20.00	486	22.0	24.3
Nikiski North Star El	16.00	367	21.3	22.9
Paul Banks	9.00	216	20.4	24.0
Redoubt	15.00	360	22.0	24.0
Seward Elementary	11.50	300	22.9	26.1
Soldotna Elementary	12.00	322	22.8	26.8
Sterling	11.00	232	18.8	21.1
Tustumena	8.00	186	21.5	23.3
West Homer Elementary	11.00	255	23.2	23.2
<b>TOTAL</b>	<b>145.00</b>	<b>3,382</b>	<b>21.7</b>	<b>23.0</b>
<b>Small Schools</b>				
Cooper Landing	1.00	15	11.0	15.0
Hope	1.00	17	11.0	17.0
Kachemak Selo	3.50	46	14.2	13.1
Moose Pass	1.00	13	13.0	13.0
Nanwalek	5.50	76	15.4	13.8
Nikolaevsk	3.00	76	17.3	25.3
Ninilchik	7.00	109	14.6	15.6
Port Graham	2.00	33	12.5	16.5
Razdolna	5.50	90	18.6	16.4
Susan B. English	1.80	35	13.5	19.4
Tebughna	2.00	30	6.4	15.0
Voznesenka	6.50	108	16.7	16.6
<b>TOTAL</b>	<b>39.80</b>	<b>648</b>	<b>13.7</b>	<b>16.4</b>
<b>Charter Schools</b>				
Aurora Borealis	10.75	197	20.1	18.3
Fireweed	6.00	122	20.3	20.3
Kaleidoscope	13.00	260	20.0	20.0
Soldotna Montessori	7.00	167	23.9	23.9
<b>TOTAL</b>	<b>36.75</b>	<b>746</b>	<b>21.1</b>	<b>20.6</b>
<b>Other Schools</b>				
Homer Flex	2.50	29	7.9	11.6
Kenai Alternative	4.50	70	13.3	15.6
River City	4.00	83	20.7	20.8
<b>TOTAL</b>	<b>11.00</b>	<b>182</b>	<b>14.0</b>	<b>16.0</b>

\* FTE = Full Time Equivalent

Class Size Average = sum of the # of students enrolled in classes divided by the # of classes

Pupil/Teacher Ratio (PTR) = total of school enrollment divided by the FTE

Numbers taken from first day of OASIS Count, October 2, 2017

ASD

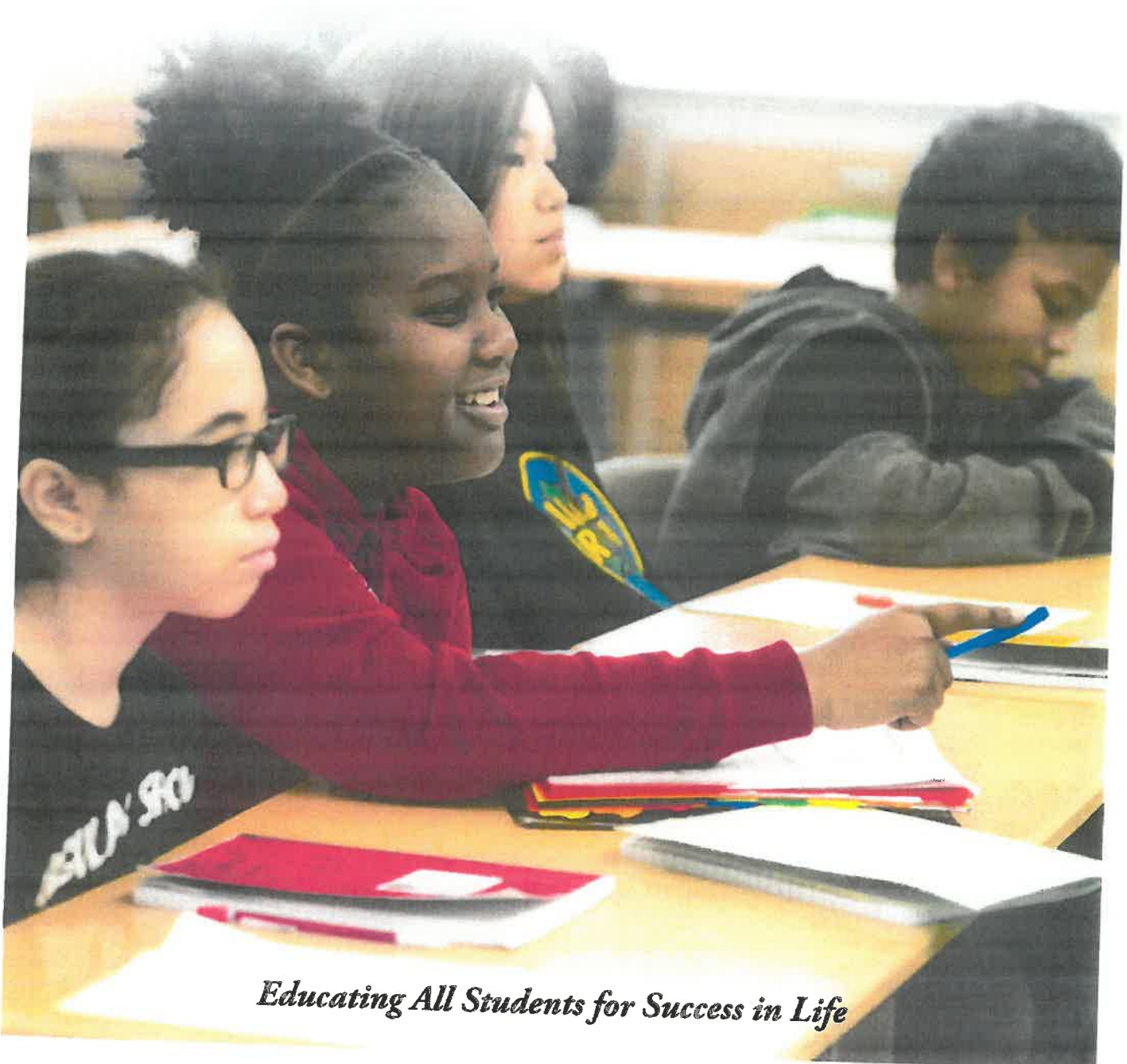
Appendix 3. Pupil-Teacher Ratio (PTR) History

	K	1	2	3	4	5	6	7	8	9	10	11	12
FY 1994-95	20.50	24.00	24.00	26.00	27.00	27.00	27.00	26.25	26.25	27.00	27.00	27.00	27.00
FY 1995-96	20.50	24.00	24.00	26.00	27.00	27.00	27.00	26.25	26.25	27.00	27.00	27.00	27.00
FY 1996-97	20.50	24.00	24.00	26.00	27.00	27.00	27.00	26.25	26.25	27.00	27.00	27.00	27.00
FY 1997-98	20.50	24.00	24.00	26.00	27.00	27.00	27.00	26.25	26.25	27.00	27.00	27.00	27.00
FY 1998-99	20.50	21.00	24.00	24.00	27.00	27.00	27.00	26.25	26.25	27.00	27.00	27.00	27.00
FY 1999-00	20.50	21.00	24.00	24.00	27.00	27.00	27.00	26.25	26.25	27.00	27.00	27.00	27.00
FY 2000-01	20.50	21.00	25.00	25.00	28.00	28.00	28.00	26.25	26.25	27.91	27.91	27.91	27.91
FY 2001-02	20.50	21.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2002-03	20.50	21.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2003-04	20.50	21.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2004-05	20.50	20.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2005-06	20.75	21.25	24.25	24.25	27.25	27.25	27.25	25.79	25.79	27.33	27.33	27.33	27.33
FY 2006-07	20.75	21.25	24.25	24.25	27.25	27.25	27.25	25.79	25.79	27.33	27.33	27.33	27.33
FY 2007-08	20.50	21.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2008-09	20.50	21.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2009-10	20.50	21.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2010-11	20.50	21.00	24.00	24.00	27.25	27.25	27.25	26.25	26.25	27.91	27.91	27.91	27.91
FY 2011-12	20.50	21.00	24.00	24.00	27.25	27.25	27.25	26.25	26.25	27.91	27.91	27.91	27.91
FY 2012-13	20.50	21.00	24.25	24.75	25.25	25.25	26.25	27.25	27.25	29.41	29.41	29.41	29.41
FY 2013-14	20.00	21.00	24.00	24.00	25.00	25.00	26.00	27.25	27.25	29.41	29.41	29.41	29.41
FY 2014-15	20.00	21.00	24.00	24.00	25.00	25.00	26.00	27.25	27.25	29.41	29.41	29.41	29.41
FY 2015-16	20.00	21.00	24.00	24.00	25.00	25.00	26.00	27.25	27.25	29.50	29.50	29.50	29.50
FY 2016-17 Prelim	21.00	22.00	25.00	25.00	25.00	25.00	26.00	27.25	27.25	29.50	29.50	29.50	29.50



Anchorage School District

# 2018-19 Adopted Budget



*Educating All Students for Success in Life*



## Community Feedback

During the budget development process, reductions were made across the District, however, no area was eliminated completely. The administration made every effort to honor the community's priorities as reflected in the most recent survey.

The table below reflects the feedback from the community budget survey which valued class size, clean and safe schools, and effective and rigorous course offerings.

Valued School Functions	Overall Ranking	# rating as most important
Class Size	1	1090
Clean and Safe Schools and Facilities	2	944
Effective and rigorous course offerings	3	591
Options and choice in schools and programs	5	224
Co-curricular activities and sports	7	94

## Personnel Reductions

Nearly 90 percent of the District's budget is used to pay salaries and benefits for employees. As a result, budget cuts of over \$7 million required a reduction of personnel along with efforts to increase revenue. The pupil-teacher ratio (PTR)

staffing formula was adjusted to meet budget goals. The PTR formula divides the total number of students in the school by a ratio (e.g. 1 teacher to 25 students); this determines the total number of teachers allocated per school.

School Type	FY 2018 PTR—Grade Level Groupings							
	K	1	2	3	4-5	6	7-8	9-12
Secondary Schools								29
Middle Schools						27	27	
Elementary Schools	21	22	24	25	26	27		

School Type	FY 2019 PTR—Grade Level Groupings							
	K	1	2	3	4-5	6	7-8	9-12
Secondary Schools								30
Middle Schools						27	27	
Elementary Schools	21	22	24	25	26	27		



Sandy Weaver, Budget Analyst – Fairbanks School District

2016-17

K – 22.5

1-3 24

4-6 26

7-8 26.5

9-12 – 28.5

2017-18

K – 22.5

1-3 24

4-6 26

7-8 – 28

9-12 30.5



About Our District ([https://www.juneauschools.org/about-our-district-](https://www.juneauschools.org/about-our-district-4606f9a4)

4606f9a4) Facts and Figures (<https://www.juneauschools.org/about-our-district-4606f9a4/facts-and-figures-61c938df>)

## 2017 Facts and Figures

### OUR STUDENTS

Projected Enrollment for 2017-18 4,801

#### Ethnicity

Alaska Native	17%
American Indian	1%
Asian	6%
Black	1%
Hispanic	6%
Multi-Ethnic	16%
Hawaiian/Pacific Islander	3%
White	50%

English Language Learners	7%
Free/Reduced Lunch	28%
Special Education	18%
Talent Enrichment & Development	9%
Student Attendance Rate	93%
Graduation Rate	85%

### OUR SCHOOLS

The District has six elementary schools, two middle schools, two high schools, one alternative high school, one alternative K - 8 school, one charter school (K - 8), a school in a residential youth facility and a correspondence program.

### OUR STAFF

Total employees	684
Number of teachers	352
Teachers in classroom	295
Staff Attendance Rate	87%

#### Current Pupil Teacher Ratio:

K-2 1 Teacher : 22.5 Students

3-5 1 Teacher : 27.0 Students

6-8 1 Teacher : 22.0 Students

9-12 1 Teacher : 24.5 Students

### OUR BUDGET

- Total Expenditure Budget, All Funds = \$87,267,271
- Total Operating Fund Expenditure Budget = \$72,020,753
- Ninety-two percent of the operating budget is spent on salaries and benefits.
- Seventy-nine percent of the budget is spent on instruction

### OUR MISSION STATEMENT

In Juneau we are all partners in providing each student with the skill, knowledge, and attitudes to be a contributing citizen in a changing world.

## JUNEAU SCHOOL DISTRICT

1208 GLACIER AVE  
JUNEAU, AK 99801

907-523-1700 (tel:907-523-1700)

### DISTRICT

(<https://www.juneauschools.org>)

#### School Board

(<https://www.juneauschools.org/board-of-education-ddebe663>)

#### Staff

Directory

(<https://www.juneauschools.org/staff>)

#### Contact Us

### FOLLOW US

(<https://www.juneauschools.org>)

#### Twitter

(<https://twitter.com/juneauschools>)

#### Facebook

(<https://www.facebook.com/pages/juneau-school-district/102871879799494>)

#### Privacy Policy

(<https://www.schoolblocks.com/privacy.html>)

#### Login (/login)

The City and Borough of Juneau School District complies with all federal and State of Alaska laws, statutes, and regulations, and does not discriminate on the basis of sex, race, color, creed, religion, national origin, age, disability, marital status, sexual orientation, gender identity and expression, veteran or military status, or the use of a service animal by a person with a disability, and provided equal access to the Boy Scouts and other designated youth groups. This holds true for all students who are interested in participating in education programs and/or extracurricular school activities. Inquiries regarding compliance and/or grievance procedures may be directed to the District's Title IX Coordinator Darryl Smith, 523-1710 [darryl.smith@juneauschools.org](mailto:darryl.smith@juneauschools.org) and Section 504/ADA Coordinator Frank Coenraad, 780-2050, [frank.coenraad@juneauschools.org](mailto:frank.coenraad@juneauschools.org) 10014 Crazy Horse Dr. Juneau, AK 99801.





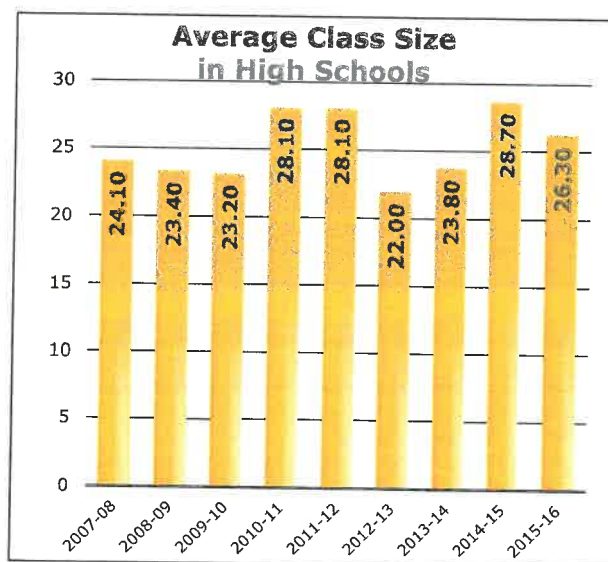
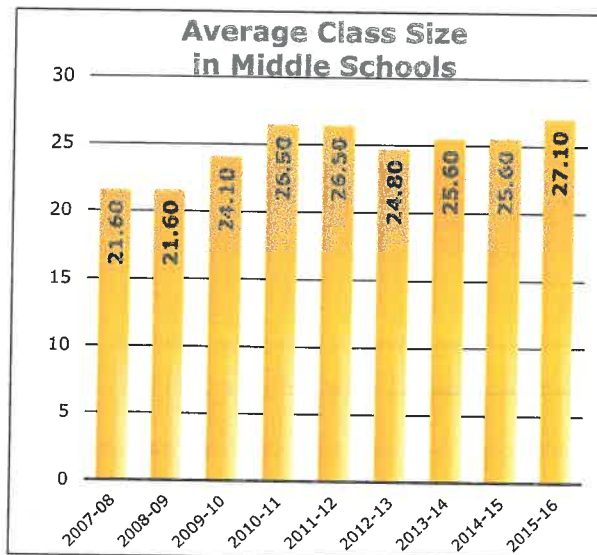
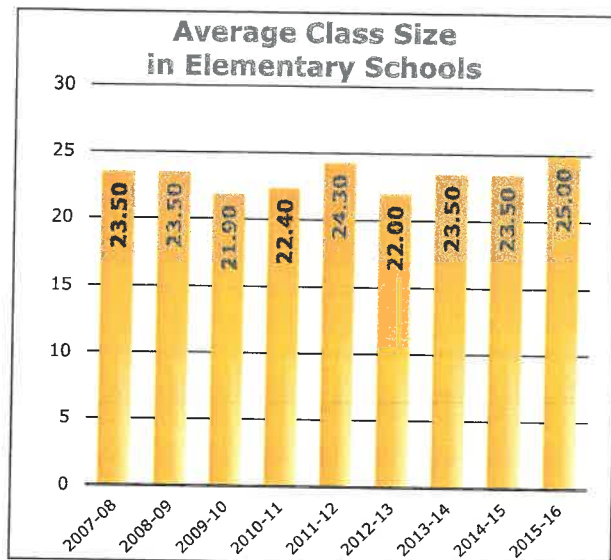
2017-18 numbers from

Kristin Bartlett, Chief of Staff

# **HISTORIC AVERAGE CLASS SIZE \***

Last Ten School Years

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Elementary	23.50	23.50	21.90	22.40	24.30	22.00	23.50	23.50	25.00	23.40
Middle	21.60	21.60	24.10	26.50	26.50	24.80	25.60	25.60	27.10	24.80
Senior High	24.10	23.40	23.20	28.10	28.10	22.00	23.80	28.70	26.30	28.50



\* Each year the Matanuska-Susitna Borough School District reports the average number of students enrolled in elementary, middle, and high school classes. Average class size for FY10-FY17 reflects the number of students enrolled in all classes throughout the district except correspondence study. FY07-FY09 calculations are as above and do not include self-contained special education classes.

# COMPARISON OF PUPIL-TEACHER RATIO

2017-18	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	23	23.6		24.75	26.5
Middle	19.1	27		22	30
High School	19.4	29		24.5	32
2016-17	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	22.8	24.2		24.75	25.5
Middle	19.9	27.8		22	27
High School	19.3	30.5		24.5	28
2015-16	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	22.8	23.2	24.2	24.75	25
Middle	20	26.8	26.5	24.5	27.1
High School	18.9	29.5	28.5	29.25	26.3
2014-15	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	22	23.2	23.3	24.25	23.5
Middle	20.3	26.8	22.6	23.5	25.6
High School	19.1	29.41	23.5	28.25	28.7
2013-14	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	20.7	23.2	23.6	24.25	23.5
Middle	19	26.8	22	23.5	25.6
High School	18.9	29.41	23	28.25	23.8

523-1715  
 Phil Losby  
 523-1721  
 Kristen Butler  
 523-1707





District 46

# **Kenai Peninsula Borough School District**

## **COMMUNITY BUDGET MEETINGS**



February 2019

# Introductions

Mr. Dave Jones, Assistant Superintendent of Instructional Support

Ms. Elizabeth Hayes, Director of Finance



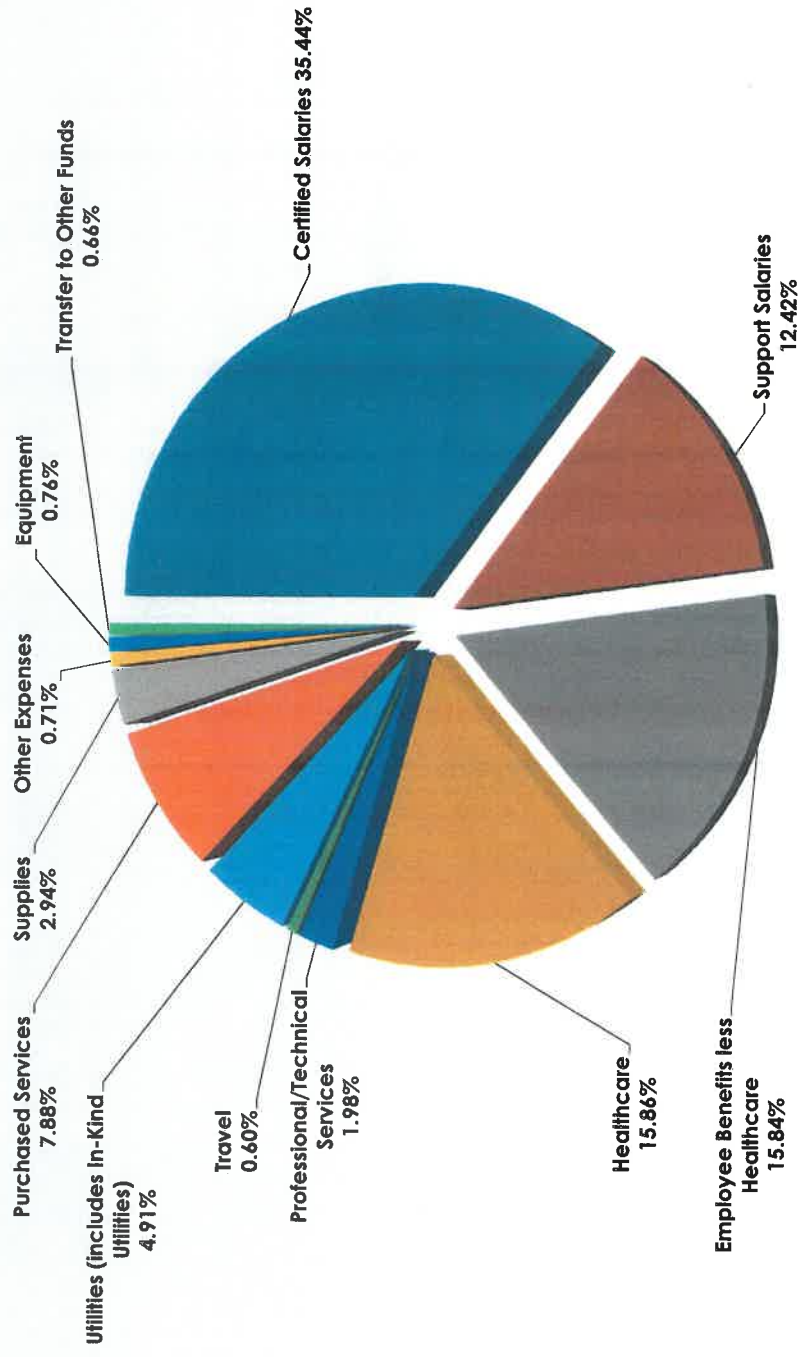
# Agenda

## I. Budget

- a. Expenditures and Reductions History FY15 – FY19
- b. Fund Balance Usage FY12 – FY18
- c. Revenue Review
- d. FY19 Budget Review
- e. FY20 Budget Information
- f. State Legislative Process
- g. KPB Process

## II. Questions

# FY19 Budgeted Expenditures by Object



# Expenditure Reductions since FY15 (\$8,457,924)

## • FY15 Budget Reductions

(\$1,254,000)

- Increase certified PTR .5 FTE and reduce unallocated for school size by 3.0 FTE
- Reduce District Office staffing
- Technology expenditures
- Supplies expenditures
- Software expenditures
- Utilities (convert to natural gas)
- School Board Travel

## • FY16 Budget Reductions

(\$1,375,000)

- Restructuring pool operations & Distance Ed – 2.0 FTE
- PTR reductions – Elementary shift 2.50 FTE and secondary PTR increase .5 FTE
- Curriculum
- Utilities
- Student Travel

## • FY17 Budget Reductions

(\$3,436,829)

- District Office staffing
- District Office Supplies, Travel, Pro-tech, Software and Equipment
- 12.15 FTE Certified teachers (due to enrollment), 1.0 FTE Counselor, 2.0 FTE Administration
- Reduce transfer to Student Nutrition Services
- 2% Reduction in estimated salary and benefits due to change in budgeting



# Expenditure Reductions since FY15, continued

• <b>FY18 Budget Reductions</b>	
• Reduce unallocated for school size adjustment 5.0 FTE	
• Pupil services coordinator 1.0 FTE	
• Accounting Specialist	
• Extra Curricular Safety money	
• ELL Tutors	
• Custodial	
	( \$1,869,308)
• <b>FY19 Budget Reductions</b>	
• District Office travel 10% reduction	
• School/Administration travel 10% reduction	
• State Tournament travel	
• Extra Curricular travel	
• Connection supplies	
• Extra Curricular safety equipment	
• Art Specialist	
• Purchasing Supervisor	
• School/Administration	
• Extra Curricular stipends	
	( \$522,787)
• <b>Total Budget Expenditure Reductions</b>	
	(\$8,457,924)

Kenai Peninsula Borough School District	
Budget Reductions Details	
<b>FY15</b>	
Increase Cert PTR +.5 and Reduce Unallocated for School Size by 3.0 FTE	\$ 639,426
Reduce District Office Staffing	160,574
Technology Expenditures	50,000
Supplies Expenditures	50,000
Software Expenditures	100,000
Utilities (convert to natural gas)	250,000
School Board Travel	4,000
	1,254,000
<b>FY16</b>	
Student Travel	25,000
Curriculum Supplies	50,000
Utilities	550,000
Restructuring Pool Operations & Distance Ed - 2.0FTE	200,000
PTR Reductions - Elementary Shift 2.50 FTE and Secondary PTR Increase +.50 for	550,000
	1,375,000
<b>FY17</b>	
District Office Staffing	642,348
D/O Supplies, Travel, Pro-Tech, Software and Equipment	415,050
12.15 FTE Certified Teachers (due to enrollment) 1.0 FTE Counselor and 2.0 FTE Administration	1,376,995
Reduce transfer to Student Nutrition services	100,000
2% Reduction in Estimated salary and benefits due to change in budgeting	902,436
	3,436,829
<b>FY18</b>	
Reduce Unallocated for School Size adjustment 5.0 FTE	500,000
Pupil Services coordinator 1.0 FTE	140,696
Accounting Specialist	59,703
Extra Curricular Safety Money	10,000
ELL Tutors	620,076
Custodial	538,833
	1,869,308
<b>FY19</b>	
District Office Travel 10% reduction	60,000
School Admin Travel 10% reduction	9,184
State Tournament Travel	15,000
Extra Curricular Travel	35,000
Connections Supplies	100,000
Extra-Curricular Safety Equipment	15,000
Art Specialist	120,034
Purchasing Supervisor	115,485
School Administration	29,419
Extra -Curricular Stipends	23,665
	\$ 522,787
<b>Total Cuts FY15 - FY9</b>	<b>\$ 8,457,924</b>

# Fund Balance FY12 through FY18

	<u>FY12 Actual</u>	<u>FY13 Actual</u>	<u>FY14 Actual</u>	<u>FY15 Actual</u>	<u>FY16 Actual</u>	<u>FY17 Actual</u>	<u>FY18 Actual</u>
Nonspendable	\$1,978,610	\$1,715,712	\$1,687,933	\$707,220	\$2,064,255	\$2,212,284	\$2,074,756
Restricted	\$1,629,245	\$2,042,326	\$2,471,131	\$2,988,996	\$3,307,934	\$2,612,510	\$3,361,630
Assigned	\$9,947,905	\$9,574,744	\$8,120,850	\$5,655,347	\$3,625,958	\$1,618,721	\$2,802,979
Unassigned	\$6,808,518	\$6,290,517	\$6,116,952	\$7,897,978	\$2,671,214	\$3,954,326	\$1,671,218
Committed	=	=	=	=	\$4,200,580	\$4,157,085	\$4,289,271
Total	\$20,364,278	\$19,623,299	\$18,396,866	\$17,249,541	\$15,869,941	\$14,554,926	\$14,199,854

# Fund Balance - History

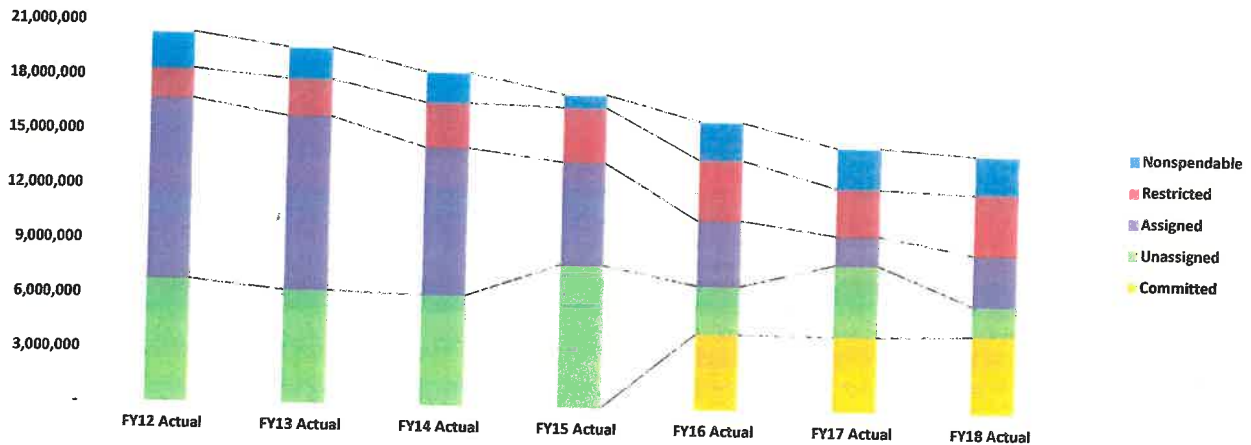
	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>
Total Fund Balance	\$20,364,278	\$19,623,299	\$18,396,866	\$17,249,541	\$15,869,941	\$14,554,926	\$14,199,854
Change in Fund Balance	\$(2,994,764)	\$(740,979)	\$(1,226,433)	\$(1,147,325)	\$(1,379,600)	\$(1,315,015)	\$(355,072)

Unassigned Fund Balance	\$6,808,518	\$6,290,517	\$6,116,952	\$7,897,978	\$2,671,214	\$3,954,326	\$1,671,218
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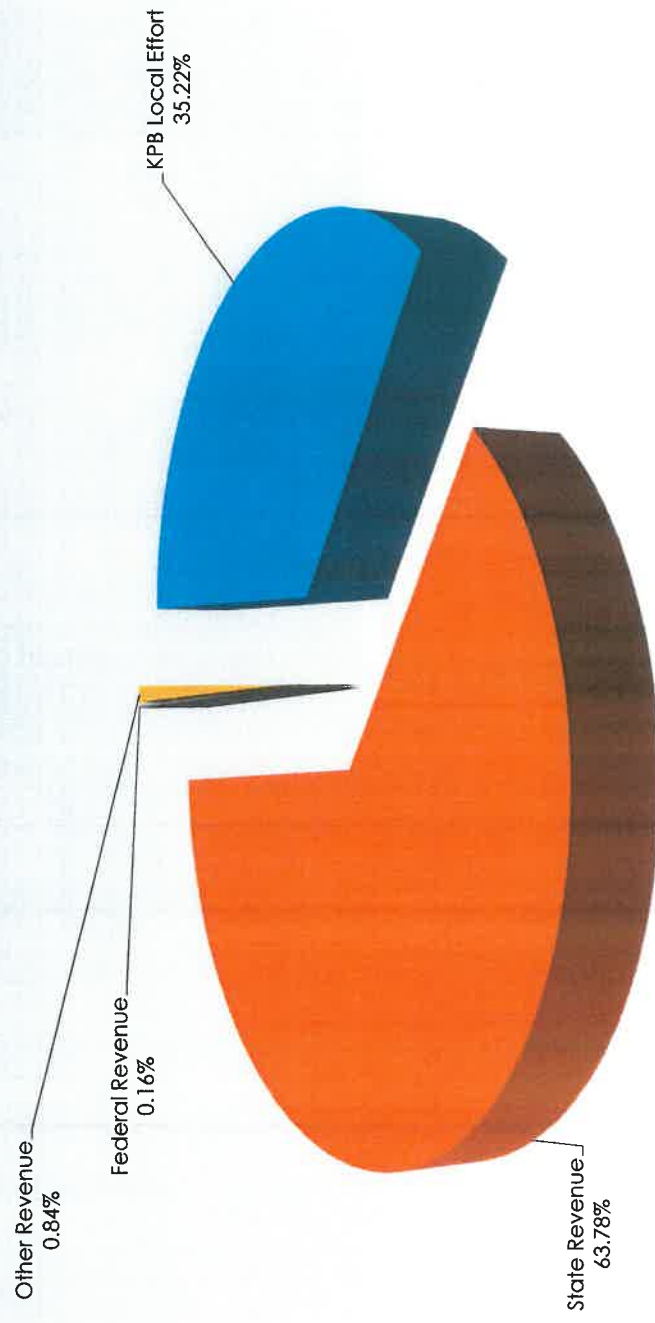


**Kenai Peninsula Borough School District  
Fund Balance FY12 through FY18**

	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	Change from FY17 to FY18
<b>Fund Balance</b>								
Nonspendable:								
Inventories	\$ 721,310	\$ 698,412	\$ 737,933	\$ 707,220	\$ 801,755	\$ 777,779	\$ 781,784	4,005
Prepaid Items	1,257,300	1,017,300	950,000	-	1,262,500	1,434,505	1,292,972	(141,533)
Restricted for:								
Charter Schools	645,261	556,395	625,619	664,091	626,097	741,273	894,618	153,345
Home School Carry-over	-	-	-	281,975	393,338	549,790	675,503	125,713
Facilities Maintenance	983,984	1,485,931	1,845,512	2,042,930	2,288,499	1,321,447	1,791,509	470,062
Committed:								
Minimum Fund Balance Policy	-	-	-	-	4,200,580	4,157,085	4,289,271	132,186
Assigned to:								
School Incentive Purchases	561,469	453,462	466,992	474,474	524,610	649,676	659,068	9,392
Self-Insurance Health Care	5,994,173	4,284,173	2,611,341	814,978	-	-	-	-
Professional-Technical Services	2,974	41,645	105,081	690,403	927,451	468,196	452,400	(15,796)
Staff Travel	2,852	2,309	17,341	12,037	18,195	2,306	8,080	5,774
Student Travel	-	-	-	218	-	484	-	(484)
Utility Services	-	14,450	1,652	-	-	-	3,662	3,662
Purchased Services	189,931	119,820	70,738	31,026	7,245	45,278	27,813	(17,465)
Supplies	280,919	181,724	469,649	93,802	137,147	85,791	116,106	30,315
Other Expenses	-	-	-	-	-	960	-	(960)
Equipment	153,467	700,441	329,492	110,450	43,882	44,052	105,628	61,576
Subsequent Year Operations	2,762,120	3,776,720	4,048,564	3,427,959	1,967,428	321,978	1,430,222	1,108,244
Unassigned	6,808,518	6,290,517	6,116,952	7,897,978	2,671,214	3,954,326	1,671,218	(2,283,108)
<b>Total Fund Balance</b>	\$ 20,364,278	\$ 19,623,299	\$ 18,396,866	\$ 17,249,541	\$ 15,869,941	\$ 14,554,926	\$ 14,199,854	(355,072)
<b>Change in Fund Balance</b>	\$ (2,994,764)	\$ (740,979)	\$ (1,226,433)	\$ (1,147,325)	\$ (1,379,600)	\$ (1,315,015)	\$ (355,072)	



# FY19 Revenue by Source



# State Revenue History

Fiscal Year	Base Student Allocation (BSA)	Statewide One-Time Funding	KPBSD Share of One-Time Funding
FY16	\$5,880	\$0	\$0
FY17	\$5,930	\$0	\$0
FY18	\$5,930	\$0	\$0
FY19	\$5,930	<b>\$20,000,000</b>	<b>\$1,398,898</b>
FY20	<b>?</b>	<b>\$30,000,000</b>	<b>\$2,100,012</b>

# KPB Revenue History

	Actual FY16	Actual FY17	Actual FY18	Actual FY19	Actual FY20
Appropriation	\$37,908,561	\$37,583,417	\$38,883,797	\$38,883,797	
In-Kind	<u>\$10,329,871</u>	<u>\$10,655,015</u>	<u>\$10,854,635</u>	<u>\$10,854,635</u>	
Total GF Support	\$48,238,432	\$48,238,432	\$49,738,432	\$49,738,432	?



# FY19 Preliminary General Fund

Revenue		\$138,479,490
Expenditures	140,887,651	
Transfer to Other Fund – Student Nutrition	<u>950,000</u>	
Total GF expenditures and transfers		<u>141,837,651</u>
GF deficit		(3,358,161)
Use of 1/3 Unassigned Fund Balance		<u>1,318,109</u>
Remaining FY19 GF Deficit		(\$2,040,052)

Administration recommended \$1,869,892 in budget reductions.

# FY19 Preliminary General Fund

## (Continued)

State one-time funding	\$1,405,152
Remaining deficit	(634,900)
Actual cuts made	522,787
Remaining deficit	(112,113)
Final fund balance usage	\$1,430,222

## FY19 KPBSD General Fund Budget Information

### 1. Original FY19 GF Budget Projections Assuming State & Borough Flat Funding: 1-15-2018

GF Revenue		\$ 138,479,490
GF Expenditures	\$ 140,887,651	
Transfer To SNS	<u>\$ 950,000</u>	
Total GF Expenditures and Transfers		<u>\$ 141,837,651</u>
GF Deficit		\$ (3,358,161)
Use of 1/3 Unassigned Fund Balance		<u>\$ 1,318,109</u>
Remaining FY19 GF Deficit		\$ (2,040,052)

### 2. List of Administrative Recommended Potential GF Expenditure Reductions

#### Personnel Related Potential Reductions

Purchasing Supervisor	\$ 115,485	
School Administration	29,419	
Extra -Curricular Stipends	23,665	
Art Specialist	120,034	
High School 7.50 FTE	750,000	
Middle School 1.00 FTE	100,000	
Grades 4-6 2.50 FTE	250,000	
Small Schools .50 FTE	50,000	
Support Staff	<u>98,492</u>	
Total Personnel Related Reductions		\$ 1,537,095

#### Non-Personnel Related Potential Reductions

District Office Travel	\$ 60,000	
School Administration Travel	9,184	
State Tournament Travel	15,000	
Extra-Curricular Travel	35,000	
Connections Supplies	100,000	
Extra-Curricular Safety Equipment	15,000	
School Instructional/Office Supplies	48,613	
Curriculum Supplies	<u>50,000</u>	
Total Non-Personnel Related Reductions		<u>\$ 332,797</u>

<b>Total Potential GF Expenditure Reductions</b>	<b>\$ 1,869,892</b>
--	---------------------

### 3. FY19 GF Budget Projections Assuming Increased State Funding With Borough Flat Funding: 6-28-2018

Initial GF Flat Funding Revenue Estimate	\$ 138,479,490
Additional One-Time State Funding	<u>\$ 1,405,152</u>
Total GF Revised Revenue 6-28-2018	\$ 139,884,642
Initial GF Expenditures and Transfers	<u>\$ 141,837,651</u>
GF Deficit Revised	\$ (1,953,009)
Use of 1/3 Unassigned Fund Balance	<u>\$ 1,318,109</u>
Remaining FY19 GF Deficit Revised	\$ (634,900)
Administration Recommended GF Expenditure Reductions	

Purchasing Supervisor	\$ 115,485
School Administration	29,419
Extra -Curricular Stipends	23,665
Art Specialist	120,034
District Office Travel	60,000
School Administration Travel	9,184
State Tournament Travel	15,000
Extra-Curricular Travel	35,000
Connections Supplies	100,000
Extra-Curricular Safety Equipment	<u>15,000</u>

Total Recommended GF Expenditure Reductions \$ 522,787

Remaining FY19 GF Deficit after Reductions \$ (112,113)

### 4. Administrative Recommended FY19 Budget: 6-28-2018

Initial GF Flat Funding Revenue Estimate	\$ 138,479,490
Additional One-Time State Funding	<u>\$ 1,405,152</u>
Total GF Revised Revenue 6-28-2018	\$ 139,884,642
Initial GF Expenditures and Transfers	\$ 141,837,651
Administration Recommended Reductions (Item 3 above)	<u>\$ (522,787)</u>
Total GF Revised Expenditures and Transfers 6-28-2018	<u>\$ 141,314,864</u>
GF Deficit Revised	\$ (1,430,222)
Use of Fund Balance Revised	<u>\$ 1,430,222</u>
Remaining FY19 GF Deficit	\$0.00



**5. Administrative Recommendation If Additional \$652,609 In Borough Funding Is Provided**

Additional KPB Borough Funding	\$	652,609
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Additional Administrative Recommended FY19 GF Expenditures

Three Itinerent Elementary Counselors	\$	300,000
One Clinical Psychologist	\$	100,000
Safety Specialist Contracted Services	\$	80,000
Safety Specialist Supplies & Travel	\$	25,000
Grant Support Specialist .5 FTE	\$	<u>50,000</u>
	\$	<u>555,000</u>

Revenue and Expenditure Difference	\$	97,609
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**6. Administrative Recommended FY19 Budget With Additional \$652,609 In Borough Funding**

Initial GF Flat Funding Revenue Estimate	\$	138,479,490
Additional One-Time State Funding	\$	1,405,152
Additional Borough Funding	\$	<u>652,609</u>

Total GF Revised Revenue 6-28-2018	\$	140,537,251
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Initial GF Expenditures and Transfers	\$	141,837,651
Administration Recommended Expenditure Reductions (Item 3 above)	\$	(522,787)
Administration Recommended Expenditure Additions (Item 5 above)	\$	<u>555,000</u>

Total GF Revised Expenditures and Transfers 6-28-2018	\$	<u>141,869,864</u>
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GF Deficit Revised	\$	(1,332,613)
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Use of Fund Balance Revised	\$	<u>1,332,613</u>
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Remaining FY19 GF Deficit		\$0.00
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- I. JANUARY 2019 KPBSD BUDGET REVISIONS –** The FY19 Budget revisions passed at the January 14, 2019 School Board meeting have recently been a topic of discussion by many. The information below is offered to provide further detail, and clarify the revisions in light of previous and ongoing negotiations.

**A. EXPENDITURES**

On the expenditure side of the revisions, a reduction of \$381,153 was made to salary line items in the budget. However, \$334,459 of those funds were added to contracted services for physical therapy, occupational therapy and speech services. This resulted from the lack of qualified certificated individuals able to perform those duties as salaried employees. However, in order provide the services to students as mandated by state and federal law, the District had to contract for those services. In short, the reduction of those funds did not constitute "savings."

Benefit line items were reduced by \$1,246,620.

PERS/TRS, FICA/Medicare, and Unemployment benefit reductions accounted for \$76,591. A reduction of \$1,170,029 for District health care contributions resulted from the transition of employees from the Traditional Plan to the HDHP Plan, and employees opting out of health care coverage, relying instead upon available alternative health insurance.

The employees switching to the HDHP Plan will collectively save approximately \$849,300; funds that may pay for deductible and out of pocket costs if health care needs arise. Employees opting out of the District's health care program will collectively see approximately \$74,700 less in premium payments from their paychecks.

**B. REVENUES**

On the revenue side of the revisions, the District experienced a significant drop in student enrollment, which resulted in a loss of \$322,997 in State funding.

**C. Budget Balance**

The FY19 KPBSD Budget, as originally passed, had a deficit of \$1,450,222 between revenues and expenditures. The School Board chose to use fund balance to pay for this deficit and not make additional budget cuts. After all the January 2019 revisions, expenditures still exceed revenues. A remaining deficit of \$675,755 still requires the use of fund balance to achieve the legally mandated balanced budget.

**D. Negotiations FY16-FY18**

During the negotiations process relevant to the FY16-FY18 school years, the District stated concerns throughout that they were being asked to commit to salary schedule and benefit cost increases without any new corresponding revenue from either the State or Borough to pay for those increases. If the District agreed to the increased expenditures without new revenues, the District would need to find internal expenditure decreases to pay for the salary and benefit increases, or it would need to significantly reduce the number of personnel working for the District.

The District ultimately agreed to salary and benefit increases in the FY16-FY18 Negotiated Agreement because the HDHP Plan and the Opt-Out provisions were included and would provide a way to make internal decreases that would fiscally allow for the salary and benefit increases given. This is precisely what occurred in the January 2019 Budget Revisions. Unfortunately, the entire deficit was not erased and fund balance usage continues to be necessary as expenditures exceed revenues for the eighth year in a row.

**E. Negotiations FY19**

Once again, KPBSD is being asked by KPEA and KPESA to commit to salary schedule and benefit cost increases despite the absence of new revenue from the State and Borough, the District's primary revenue sources. The District has not been able to find further internal expenditure decreases to allow for salary and benefit increases, and does not want to reduce the number of personnel working for the District. Therefore, the District has not agreed to such increases.

# FY19 Preliminary General Fund

January 14, 2019 FY19 Budget Revision reduced fund balance usage to \$675,755

Governor Dunleavy supplemental budget proposed deleting the one-time funding for FY19. Which is \$1,398,898

If deleted, fund balance usage would go to \$2,074,653

# FY19 KPB Funding Request

- April 2, 2018 BOE approved the FY19 GF budget, requesting maximum funding from KPB in the amount of \$51,796,193.
- May 1, 2018 ~~KPB Resolution 2018-022~~ was passed proposing school funding for FY19 be \$49,738,432. *FLAT FUNDING*
- June 5, 2018, KPB Assembly passed a budget amendment increasing funding by \$652,609.
- June 19, 2018 KPB Mayor Pierce vetoed the additional funding approved by the Assembly.
- July 6, 2018 A special meeting was held to override the Mayor's veto, but failed 5 – 4. One vote short of overriding the Mayor's veto.
- KPB Borough funding for FY19, was the same as the prior year which was \$2,057,761 under the cap.



## Negotiations – Cost of KPEA and KPESA Proposals \*\*

Total KPEA Cumulative Salary Schedule	\$2,822,808
Total KPESA Cumulative Salary Schedule	1,277,678
Total Healthcare Proposal – KPEA & KPESA *	1,876,456
Total Other Proposal Items	<u>1,451,649</u>
Total 3 year proposal cost	\$7,428,591

\*\* Additional Information on the handouts and on website:

<http://www.kpbsd.k12.ak.us/departments.aspx?id=23343>

**Kenai Peninsula Borough School District - Collective Bargaining**  
*Cost of KPESA and KPEA Proposals, October 8, 2018*

<b>KPESA Proposal to the District</b>	<b>Cost - Year 1 FY19</b>	<b>Cost - Year 2 FY20</b>	<b>Cost - Year 3 FY21</b>	<b>Total Cost</b>
Article 10 P. Pay Warrants	AK Statute Sec 39.35.160, 39.35.170 & 39.35.270			
* Article 12 D Resignation - 3/1/18 revised proposal to KPBSD	103,251			103,251
Article 16 Salary Schedule	112,578	340,587	824,513	1,277,678
Article 17 G. Longevity	138,898	182,615	205,368	526,881
Article 17 A. Shift Differential	30,692	30,692	30,692	92,076
Article 20 Personal Leave	35,839			35,839
<b>Total KPESA Cost less Health Care</b>	<b>421,258</b>	<b>553,894</b>	<b>1,060,573</b>	<b>2,035,725</b>
<b>KPEA Proposal to the District</b>				
Section 105 Teachers' Salary Schedule	247,903	759,560	1,815,345	2,822,808
Section 105 Longevity	53,338	66,559	72,779	192,676
Section 110 E Salary Conditions	84,000	84,000	84,000	252,000
Section 320 Personal Leave	248,926			248,926
Section 340 M. Sick Leave		4 AAC 15.40 (a) (5)		
**Section 475 Teacher Preparation Periods				0
<b>Total KPEA Cost less Health Care</b>	<b>634,167</b>	<b>910,119</b>	<b>1,972,124</b>	<b>3,516,410</b>
<b>Health Care Proposal to the District</b>				
***KPESA Article 27 and KPEA Section 210	1,513,271	121,062	242,123	1,876,456
<b>Total Cost Proposals KPESA, KPEA and Health Care</b>	<b>2,568,696</b>	<b>1,585,075</b>	<b>3,274,820</b>	<b>7,428,591</b>

\*Article 12 D Resignation - 3/1/18 revised proposal This proposal is booked as an expenditure and held in a liability account until used or paid to KPBSD

\*\*Section 475 Teacher Preparation Periods The cost of this proposal is currently being determined, as it will likely require additional staffing.

\*\*\*KPESA Article 27 and KPEA Section 210 This assumes a budget reduction was made to support this increased cost in year 1 and subsequent years at an 8% annual increase related to the \$1,513,271 increase. As an example, such a reduction could require the elimination of approximately 15 teaching positions.

To view Tentative Agreements (TA), proposals, and counterproposals, go to <http://bit.ly/CollectiveBargainingTA>

## **+3 PTR (Pupil Teacher Ratio) Adjustments**

**HS = 10.5 FTE Teachers**

**MS = 4.0 FTE Teachers**

**Elementary Schools K-6 >= 250 = 12.5 FTE Teachers**

**Elementary Small Schools K-6 100-250 = 5.0 FTE Teachers**

**Small Schools <200 = 5.0 FTE Teachers**

**Connections Homeschool = .5 FTE Teachers**

**Total FTE Reductions due to a PTR increase of 3 = 37.5 FTE**

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**Total FTE Reductions due to a PTR increase of 3 = 37.5 FTE**



## Teacher FTE Equivalent and Budget

1 FTE Teacher = \$100,000 salaries and benefits (average)

+3 PTR = 37.5 FTE

37.5 FTE = \$3,750,000 in budget reductions.

What about +5 or +7?

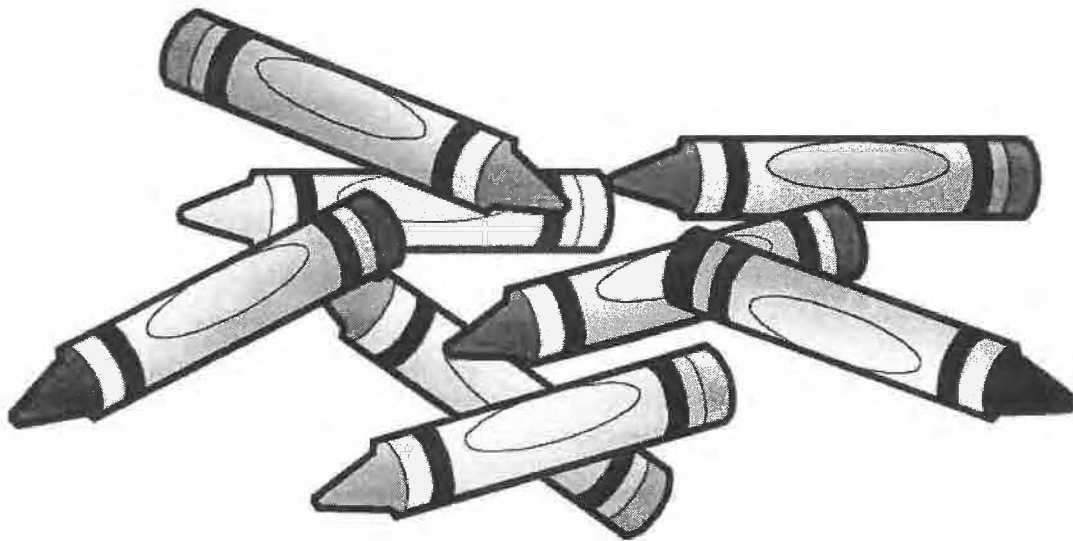
+5 = 56.0 FTE

+7 = 74.5 FTE

**KENAI PENINSULA BOROUGH  
SCHOOL DISTRICT**

**Annual Budget**

**2018-19**



**Soldotna, Alaska  
99669  
[www.kpbsd.k12.ak.us](http://www.kpbsd.k12.ak.us)**

## **General Fund Revenues and Expenditures**

### **Revenue Budget**

The revenue budget of \$141,545,488 based on the enrollment projection of 8,778 students; along with fund balance usage from the General Fund in the amount of \$1,430,222 for a total of \$142,975,710. State funding through the foundation formula remains at the FY17 and FY18 BSA level of \$5,930.

The Kenai Peninsula Borough funding, also known as local effort, brings the total local funding to \$49,738,432 for FY19. A portion of the local effort is provided as In-Kind Services and this portion is projected at the same level as FY18 at \$10,854,635.

In FY19, the BSA remained at the FY17 and FY18 BSA level of \$5,930, additional funding was provided outside of the BSA, as a one-time amount of \$1,405,152 based on the district's average daily membership (ADM).

Federal funding, from historical sources, is expected to continue at reduced levels; the budget was prepared with the most current information available from the Department of Education and Early Development. Costs of labor, retirement benefits, health care, property and liability insurance, and energy continue to increase.

The District hopes to receive continued legislative assistance through "on-behalf" payments made directly to the Division of Retirement on behalf of the District to cover part of the District's Teachers' Retirement System (TRS) and Public Employees' Retirement System (PERS) unfunded liability. However, as this assistance is awarded annually; there is concern about the State's long term ability to continue this assistance.

### **Expenditure Budget**

The expenditure budget of \$142,975,710 is based on the enrollment projection of 8,778 students and other consideration noted below.

Accounts not under site administrator control include salary, benefit, and utility (water, sewer, garbage, electricity, fuel for heating, and telephone) accounts. These budgets were developed by district office staff.

The FY19 budget was developed based on the following significant elements:

- Collective bargaining began in January 2018 and agreements expired June 30, 2018. This budget was developed based on "Status Quo" with no changes to salaries, benefits and healthcare from prior agreements.
- Change to salary and benefit budgeting process to account for more of the anticipated reductions from year to year due to hiring less experienced employees to replace retirees.
- Reductions at District Office include 1.00 FTE Purchasing Supervisor, and 1.00 Arts Specialist for a total reduction of \$235,519.
- Additional reductions in travel, extra-curricular and supply budgets were made, these reductions totaled \$287,268.

- Salary and benefit accounts have been adjusted for staffing needed according to the enrollment projection. Employees have been stepped on the salary schedules and employer-paid benefits include 22% for PERS and 12.56% for TRS. Salary and benefit costs comprise just over 80% of this budget.
- The FY19 Budget reflects employer-paid amount per covered employee of \$22,870. Because of high claims experience at the end of FY18, we may need to revise the amount per covered employee again. The Health Care Plan Committee, through the collective bargaining agreements, is tasked with overseeing cost containment of the health care program. Employer-paid health care benefits comprise approximately 17% of the budget and 21% of the total salary and benefit amount.
- Schools are staffed based on staffing formulas that fit their size and configuration as follows:

### **CERTIFIED FORMULAS:**

#### **ELEMENTARY SCHOOLS GRADES K-6 >=250**

Elementary Classroom	Kindergarten 1:20.5 pupil/teacher ratio Grades 1-3 1:22.5 pupil/teacher ratio Grades 4-6 1:24.5 pupil/teacher ratio
Elementary Specialists	1.5 FTE if enrollment <270 2.0 FTE if enrollment 270-345 2.5 FTE if enrollment 346-409 3.0 FTE if enrollment >=410
Elementary Intervention	.50 FTE if enrollment 200-350 1.00FTE if enrollment >350

#### **ELEMENTARY SCHOOLS GRADES K-6 100-249**

Elementary Classroom	1:19.5 pupil/teacher ratio
Elementary Specialists	1.0 FTE per school
Elementary Intervention	.50 FTE per school

#### **HIGH SCHOOL/MIDDLE SCHOOL**

Secondary Classroom	1:25 pupil/teacher ratio Grades 9-12 1:25 pupil/teacher ratio Grades 7-8
Secondary Program Staffing	15% of classroom allocation
Secondary Counseling	1:250 pupil/teacher ratio Grades 9-12 1:350 pupil/teacher ratio Grades 7-8
Secondary Library	.50 FTE if enrollment >=200 1.0 FTE if enrollment >=600



Secondary AD	.50 FTE if enrollment >250 (High Schools only)
Secondary Read 180	.50 FTE if Grades 7-8 enrollment 80-150 1.0 FTE if Grades 7-8 enrollment >150
Secondary Intervention	.50 FTE if Grades 7-8 enrollment 80-150 1.0 FTE if Grades 7-8 enrollment >150
<b><u>SMALL SCHOOLS&lt;200</u></b>	
Small Schools Elementary Classroom	1:17.5 pupil/teacher ratio Grades K-6 (1.0 FTE minimum) if ADM <25
Small Schools Elementary Specialists	1.0 FTE if Grade K-6 enrollment >100
Small Schools Secondary Program Staffing	1.0 FTE if Grades 7-12 enrollment 8-20 2.0 FTE if Grades 7-12 enrollment 21-40 1:20.5 pupil/teacher ratio if Grades 7-12 enrollment > 40
Small Schools Intervention	.50 FTE if enrollment >= 75 (K-6 and K-8 schools only)

### **SUPPORT FORMULAS:**

#### **ELEMENTARY SCHOOLS GRADES K-8**

Elementary Custodian	Average of 1.0 FTE/20,000 Square Feet and 1:125 pupil/custodian ratio
Elementary Secretary	1.0 FTE if enrollment < =275 1:275 pupil/secretary ratio if enrollment >275
Elementary Library Aide	.38 FTE if Grades K-6 enrollment < =275 .44 FTE if Grades K-6 enrollment > =276

#### **HIGH SCHOOL**

High School Custodian	Average of 1.0 FTE/22,000 Square Feet and 1:200 pupil/custodian ratio
High School Secretary	1:250 pupil/secretary ratio
High School Bookkeeper	1.0 FTE per school
High School Counseling Assistant	.50 FTE if enrollment 200-400 1.0 FTE if enrollment >400
High School Library Aide	.44 FTE per school

### MIDDLE SCHOOL

Middle School Custodian	Average of 1.0 FTE/22,000 Square Feet and 1:200 pupil/custodian ratio
Middle School Secretary	1:200 pupil/secretary ratio, .88 FTE minimum
Middle School Counseling Assistant	.50 FTE if enrollment 200-400 1.0 FTE if enrollment >400
Middle School Library Aide	.44 FTE per school

### SMALL SCHOOLS <100

Small School Custodian	Average of 1.0 FTE/18,000 Square Feet and 1:100 pupil/custodian ratio, .25 FTE minimum
Small School Secretary	.88 FTE per school

### SMALL SCHOOLS >100 WITH HIGH SCHOOL

Small School Custodian	Average of 1.0 FTE/18,000 Square Feet and 1:100 pupil/custodian ratio
Small School Secretary	1.0 FTE if enrollment <225 1.5 FTE if enrollment >= 225

- Supply and copy budgets have been adjusted based on the enrollment projection.
- Utility budgets have been rolled forward with few adjustments. With recent decreases in oil prices, those budgets will be monitored for possible changes during the budget revision cycle. Utilities comprise approximately 5% of the budget.
- Budgets for property, liability, stop-loss insurance and worker's compensation costs, which are received as In-Kind Services from the Kenai Peninsula Borough, include the most recent insurance premium estimates.
- Fund transfers are included for the Student Nutrition program in the amount of \$950,000.
- Equipment budgets for FY19 include:
  - Equipment to support Connections program.
  - Equipment to maintain technology infrastructure through the Technology Plan.
  - Equipment for students with special needs and compliance with ADA.

# Preliminary FY20 General Fund Budget – Status Quo

Revenue: Flat State and KPB Funding	\$142,588,810
Expenditures Before Negotiations	141,421,983
Transfer to Other Fund – Student Nutrition	<u>950,000</u>
Total Expenditures and Transfers	<u>142,371,983</u>
Excess (Deficiency) of Revenues over Expenditures	\$216,827

# FY20 GOVERNOR'S BUDGET – IMPACT

Statewide Basic funding for the K-12 foundation is:

- \$916,462,994 for the foundation formula, a cut of \$269,396,937 from the statutory amount of \$1,185,859,931, a 22.7 percent decrease
- \$0 of the \$30 million in one-time funding outside the BSA, bringing the total decrease of the statutory amount plus the one-time funding up to a total of a 25.3 percent decrease in foundation funding.



# FY20 GOVERNOR'S BUDGET – KPBSD IMPACT

FY20 Projected \$5,930 Basic Need	\$106,502,207
FY20 Projected State AID	\$79,009,719
Quality Schools	<u>287,358</u>
FY20 Projected Total State Entitlement	\$79,297,077
FY20 Projected Governor's Amended	\$60,439,182
<b>FY20 Projected Foundation Reduction</b>	<b>(\$18,857,895)</b>
<b>FY20 One-Time Funding</b>	<b>(\$2,100,012)</b>
<b>FY20 Projected Combined Reduction</b>	<b>(\$20,957,907)</b>

**What should we do?**  
**Where will the cuts come from?**

## Areas to be Considered for Cuts

- Certified and Support Staff (PTR increases)
- Extra Curricular Activities
- Consolidating/Closing Schools
- Pools
- Theaters
- Other

# Legislative Process

90 Day Session – Statute

120 Day Session – Constitution

Possible Special Session

School Funding Passed

Possible Governor's Veto

Legislature Override of Veto 3/4's vote needed.

45 Votes needed comprised from both the Senate and the House



# KPB Process

April – BOE approves budget, submits a formal request to KPB for funding

30 days after formal request is received, KPB is required to approve funding for the School District.

Mayor has line item veto power over Assembly's approved budget.

6 of the 9 member assembly is needed to override a veto by the Mayor.

# Questions/Discussion.....

# Contact your State Legislators

Senator Peter Micciche, District O

[Senator.Peter.Micciche@akleg.gov](mailto:Senator.Peter.Micciche@akleg.gov)

Senator Gary Stevens, District P

[Senator.Gary.Stevens@akleg.gov](mailto:Senator.Gary.Stevens@akleg.gov)

Representative Ben Carpenter, District 29

[Representative.Ben.Carpenter@akleg.gov](mailto:Representative.Ben.Carpenter@akleg.gov)

Representative Gary Knopp, District 30

[Representative.Gary.Knopp@akleg.gov](mailto:Representative.Gary.Knopp@akleg.gov)

Representative Sarah Vance, District 31

[Representative.Sarah.Vance@akleg.gov](mailto:Representative.Sarah.Vance@akleg.gov)

Representative Louise Stutes, District 32

[Representative.Louise.Stutes@akleg.gov](mailto:Representative.Louise.Stutes@akleg.gov)

# Budget Calendar

March 4, 2019 FY20 Budget Discussion

March 21, 2019 FY20 Budget Recommendation

April 1, 2019 FY20 Budget – Presented for Approval

April 2, 2019 FY20 Budget Information provided to the Kenai Peninsula Borough Assembly

May 7, 2019 FY20 Budget Ordinance Introduced at Borough Assembly (possible date)

May 21, 2019 FY20 Budget KPB Resolution (possible date)

June 4, 2019 FY20 KPB Assembly Ordinance vote (possible date)



# Kenai Peninsula Borough School District



[www.kpbsd.org](http://www.kpbsd.org)

the 1990s, the number of people with a mental health problem has increased by 50% (Mental Health Foundation 2000). The prevalence of mental health problems has increased in the general population, and the incidence of mental health problems has increased in the prison population.

There is a growing awareness of the need to address the mental health needs of prisoners. The Department of Health (2000) has published a strategy for mental health services, which includes a commitment to improve the mental health of prisoners. The Department of Health (2000) has also published a strategy for mental health services, which includes a commitment to improve the mental health of prisoners. The Department of Health (2000) has also published a strategy for mental health services, which includes a commitment to improve the mental health of prisoners.

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## LIO DIRECTORY

<b>Anchorage LIO</b> 716 W 4th Ave Ste 200, Anchorage 99501-2133	<b>269-0111</b>
<b>Barrow LIO</b> 119 Bank Bldg, PO Box 830, Barrow 99723-0830	<b>852-7111</b>
<b>Bethel LIO</b> 301 Willow St, PO Box 886, Bethel 99559-0886	<b>543-3541</b>
<b>Cordova LIO</b> 705 2nd St, PO Box 2248, Cordova 99574-2248	<b>424-5461</b>
<b>Delta Junction LIO</b> Jarvis Office Center, PO Box 1189, Delta Jct 99737-1189	<b>895-4236</b>
<b>Dillingham LIO</b> Kangiqituaq Bldg, PO Box 829, Dillingham 99576-0829	<b>842-5319</b>
<b>Fairbanks LIO</b> 119 N Cushman Ste 101, Fairbanks 99701-2879	<b>452-4448</b>
<b>Glennallen LIO</b> Mile 186 Glenn Hwy, PO Box 68, Glennallen 99588-0068	<b>822-5588</b>
<b>Homer LIO</b> 345 W Sterling Hwy Ste 102A, Homer 99603-7524	<b>235-7878</b>
<b>Juneau LIO</b> Rm 111 Terry Miller Bldg, State Capitol, Juneau 99801	<b>465-4648</b>
<b>Kenai LIO</b> 145 Main St Loop Ste 217, Kenai 99611	<b>283-2030</b>
<b>Ketchikan LIO</b> 50 Front St Ste 203, Ketchikan 99901	<b>225-9675</b>
<b>Kodiak LIO</b> 112 Mill Bay Rd, Kodiak 99615	<b>486-8116</b>
<b>Kotzebue LIO</b> 373 2nd St Pillautaq Centre, PO Box 650, Kotzebue 99752	<b>442-3880</b>
<b>Mat-Su LIO</b> 600 E Railroad Ave, Wasilla 99654	<b>376-3704</b>
<b>Nome LIO</b> 103 E Front St State Office Bldg, PO Box 1630, Nome 99762	<b>443-5555</b>
<b>Petersburg LIO</b> 11B Gjoa St., PO Box 1470, Petersburg 99833	<b>772-3741</b>
<b>Seward LIO</b> 2001 Seward Hwy, PO Box 1769, Seward 99664	<b>224-5066</b>
<b>Sitka LIO</b> 201 Katlian St, Ste 200A, Sitka 99835	<b>747-6276</b>
<b>Tok LIO</b> PO Box 845, Tok 99780	<b>883-5020</b>
<b>Valdez LIO</b> Rm 13 State Office Bldg, PO Box 1969, Valdez 99686	<b>835-2111</b>
<b>Wrangell Teleconference Center</b> 223 Front St, PO Box 1514, Wrangell 99929	<b>874-3013</b>

## Separation of Powers

Alaska state government is made up of three separate branches: legislative, executive and judicial. Each branch has its own specific powers and duties, but also serves to 'check and balance' the other two branches. This constitutional separation of powers ensures that each branch of government fulfills its responsibilities without exceeding its power.

The people have the constitutional right to enact laws through the **initiative** process and to approve or reject acts of the Legislature by **referendum**. When the application and certification process is complete, the Lieutenant Governor places an **initiative** on the ballot for the first statewide election held more than one hundred-twenty days after adjournment of the legislative session following the filing of the petition. If the Legislature enacts 'substantially the same measure,' the initiative is void and the measure does not appear on the ballot. **Referendum** petitions must be filed within 90 days after adjournment of the session in which the law was enacted. The referendum is placed on the ballot for the first statewide election held more than 180 days after that session adjourned.

An initiative or referendum is approved or rejected by a majority of the votes cast. An initiative cannot be vetoed by the Governor nor repealed by the Legislature for two years. It may, however, be amended.





## LEGISLATIVE

**The Legislative Branch is responsible for enacting the laws of the State of Alaska and appropriating the money necessary to operate the government.**

Alaska has a bicameral Legislature composed of the House of Representatives and the Senate. The House is composed of forty members elected from forty election districts for two-year terms. The Senate has twenty members elected from twenty Senate districts for four-year terms, with one-half of the membership standing for election every two years. House and Senate election districts are determined on the basis of population. Under the State Constitution, redistricting is accomplished every ten years after the reporting of the decennial federal census. An advisory reapportionment board is appointed by and assists the Governor in redistricting the state. A **Legislature** consists of two regular sessions, which convene annually on the second Monday in January or on the third Tuesday in January following the election of a governor. A Legislature must adjourn from a regular session no later than 120 consecutive calendar days from the day it convenes, except the session may be extended once for up to ten days by a two-thirds vote of each house. Special sessions can be called by the Governor or by the Legislature and are limited to thirty calendar days. Procedures for convening and organizing the first and second sessions of a Legislature are provided for by law and rule.

Legislative bills must refer to only one subject, unless the bill is to appropriate funds or to revise existing laws. Appropriation bills must include only money matters and cannot create law. When a bill has been approved by a majority vote of each house, it goes to the Governor for his approval or veto. The Governor may veto or reduce items in appropriation bills. This is commonly called the power of "line item veto," because the Governor can veto any line item of an appropriation bill and approve the balance. The Legislature, meeting in a joint session of both houses, can overturn the veto if two-thirds of the membership (three-quarters for revenue and appropriation bills) votes to do so.

The Legislature reviews major appointments made by the Governor, including the heads of departments and members of certain boards and commissions, and decides whether to confirm or deny these appointments. All civil officers of the state are subject to impeachment by the Legislature. Each house of the Legislature, however, is the judge of the election and qualifications of its own members and may expel a member with the concurrence of two-thirds of its members.

## JUDICIAL

**The Judicial Branch is responsible for applying the laws to controversies brought before it.**

The Alaska Court System, the Judicial Council, and the Commission on Judicial Conduct comprise Alaska's judicial branch. The courts hear and decide issues of law and fact and determine the penalty, punishment, or remedy that should be applied.

**Alaska Court System** There are four levels of state court in Alaska: supreme court, court of appeals, superior court and district court.

The Alaska Supreme Court is the highest level of state court in Alaska. The Alaska Constitution grants the supreme court power to establish rules governing the administration of all courts in the state and rules governing practice and procedure in civil and criminal cases.

The court of appeals hears appeals from both superior and district courts in criminal matters. The superior court is the trial court for major civil cases and severe criminal cases (felonies). It also hears appeals from the district court from administrative agencies. The district court is a trial court for lesser civil and criminal (misdemeanor) offenses.

**The Judicial Council** is a constitutionally created nine-member body that operates independently of the court system. The council was created to perform three primary functions: solicit, screen, and nominate judicial applicants for gubernatorial appointment; conduct studies for the improvement of the judicial system and to report the findings to the legislature and the supreme court; and conduct evaluations of justices and judges for each retention election and to provide information and recommendations to the public prior to the elections.

**The Commission on Judicial Conduct** is a constitutionally created nine-member body that operates independently of the court system. The commission has the power to investigate complaints of judicial misconduct and to recommend that the supreme court sanction a justice or judge.

For more detailed information refer to the following publication: **Handbook on State Government**, available at your local Legislative Information Office (LIO). In addition, your LIO has the following publications:

Constitution of the State of Alaska  
Uniform Rules of the Alaska State Legislature  
The Legislative Process (pamphlet)  
Directory of State Officials  
Alaska State Legislature Directory

## EXECUTIVE

**The Executive Branch is responsible for implementing and administering the public policy enacted and funded by the Legislative Branch.**

The Executive Branch of government is headed by the Governor and the Lieutenant Governor. They are the only elected officials in the executive branch.

All offices, divisions, agencies, boards and commissions of state government fall under the supervision of one of 15 major departments: Administration, Community, Commerce, & Economic Development, Corrections, Education & Early Development, Environmental Conservation, Fish & Game, Health & Social Services, Labor & Workforce Development, Law, Military & Veterans Affairs, Natural Resources, Public Safety, Revenue, Transportation & Public Facilities, and the Office of the Governor, according to their major purpose.

**The Governor** appoints an attorney general to head the Department of Law, an adjutant general to head the Department of Military Affairs, and a commissioner to head all other departments except Education & Early Development (whose commissioner is chosen by the State Board of Education and approved by the Governor) and the Department of Fish & Game (whose commissioner is chosen by the Governor from names submitted by the Boards of Fish & Game). All appointments must be confirmed by the Legislature except the commissioner of Education & Early Development.

**The Lieutenant Governor** performs the duties prescribed by law and delegated by the Governor. These include administration of the state election laws, appointment of notaries public, custody of the state seal, convening the Legislature, custody of original copies of all state laws, and administration of the Administrative Procedures Act. The Lieutenant Governor serves as acting governor when the Governor is temporarily absent.



the 1990s, the number of people in the world who are undernourished has increased from 600 million to 800 million (FAO 1996).

There is a growing awareness of the need to improve the nutritional status of the world's population, and the World Health Organization (WHO) has set a goal of halving the number of undernourished people in the world by the year 2015 (WHO 1996).

There is a need to develop strategies to improve the nutritional status of the world's population, and this paper reviews the current state of knowledge on the topic and discusses some of the challenges that must be overcome.

## Background

The World Health Organization (WHO) defines malnutrition as a condition in which the body is deprived of essential nutrients, either by lack of food or by lack of ability to absorb and use nutrients. Malnutrition can be caused by a number of factors, including poor diet, lack of access to food, and disease.

Malnutrition is a global problem, affecting more than 800 million people in the world. It is a leading cause of death and disability, and it can have serious long-term effects on health and development.

There are a number of different types of malnutrition, including undernutrition, overnutrition, and micronutrient deficiencies. Undernutrition is the most common type of malnutrition, and it is caused by a lack of food or by a lack of ability to absorb and use nutrients.

Overnutrition is caused by a diet that is too high in calories and fat, and it can lead to obesity and other health problems. Micronutrient deficiencies are caused by a lack of essential vitamins and minerals, and they can lead to a variety of health problems.

Malnutrition is a complex problem, and it requires a multi-sectoral approach to address it. This paper reviews the current state of knowledge on the topic and discusses some of the challenges that must be overcome.

## Current state of knowledge

There is a growing awareness of the need to improve the nutritional status of the world's population, and the World Health Organization (WHO) has set a goal of halving the number of undernourished people in the world by the year 2015 (WHO 1996).

There is a need to develop strategies to improve the nutritional status of the world's population, and this paper reviews the current state of knowledge on the topic and discusses some of the challenges that must be overcome.

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# Public School Funding Program Overview

Update January 2019

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## **STUDENT BASED FORMULA**

### **District Adjusted Average Daily Membership (ADM)**

- Step 1. Adjust: ADM for School Size
  - Step 2. Apply: District Cost Factor
  - Step 3. Apply: Special Needs Factor
  - Step 4. Apply: Vocational & Technical Funding
  - Step 5. Add: Intensive Services Count
  - Step 6. Add: Correspondence Student Counts
- = District Adjusted (ADM)**

### **ADM Reporting Requirements**

ADM – is the average number of enrolled students during the 20-school day count period. The 20-school day count ends the fourth Friday of October. Reports are due within two weeks after the end of the 20-school day count period.

### **School Size Adjustment [Step 1]**

For each school in the district subtract from the ADM **all** correspondence counts. Adjust the remaining ADM of each school using the school size factor table, on page 4.

1. A community with an ADM under 10:  
Added to the smallest school with an ADM greater than 10.
2. A community with an ADM from 10 - 100:  
Grades K-12 ADM combined and adjusted once, adjusted as one school.
3. A community with an ADM from 101 – 425:  
ADM for grades K-6 and 7-12 are adjusted separately; adjusted as two schools.
4. A community with an ADM greater than 425:  
ADM is adjusted once for each facility administered as a separate school;  
unless it's the only school in the community then it's adjusted as two schools.

\* Alternative school with an ADM of 175 or greater *and* administered as a separate facility the ADM will be adjusted separately, unless:

- A. It's new and the 1<sup>st</sup> year of service with ADM between 120 to 175 receives an adjustment of 1.33; OR
- B. It had an ADM of 175 or greater in the prior year but drops below 175 in the current fiscal year receives an adjustment of 1.33; OR
- C. It has an ADM of less than 175 shall be counted as a part of the school in the district with the *highest* ADM.

\* Charter school with an ADM of 150 or greater is adjusted as a separate facility unless:

- A. It's new and the 1<sup>st</sup> year of service with ADM between 75 to 150 receives an adjustment of 1.45; OR
- B. It had an ADM of at least 75 in the prior year the current fiscal year receives an adjustment of 1.45; OR
- C. It continues to stay below 75 ADM then it receives an adjustment of 1.18.



Select the appropriate formula from the school size factor table to calculate the adjusted ADM for each school.

### School Size Table

Reference:	School Size:	Formula:
1.	10-19.99	39.60
2.	20-29.99	$39.60 + (1.62 * (ADM - 20))$
3.	30-74.99	$55.80 + (1.49 * (ADM - 30))$
4.	75-149.99	$122.85 + (1.27 * (ADM - 75))$
5.	150-249.99	$218.10 + (1.08 * (ADM - 150))$
6.	250-399.99	$326.10 + (.97 * (ADM - 250))$
7.	400-749.99	$471.60 + (.92 * (ADM - 400))$
8.	Over 750	$793.60 + (.84 * (ADM - 750))$

*Correspondence student counts are not adjusted for size (see step 5).*

### Hold Harmless Provision [Step 1a]

The Hold Harmless [HH] provision was established for those districts experiencing a reduction in enrollment. To determine eligibility for this provision the district's sum total of the adjusted ADM for school size is compared against the prior fiscal year [FY], or base year, to see if a decrease of 5% or greater has occurred. The HH provision is available to eligible districts for up to three years provided the total school size adjusted ADM continues to stay below the base year. The district uses the FY before the decrease as a base FY to offset the decrease, according to the following method:

- 75% of school size adjusted ADM difference between the current FY to the base FY.
- 50% of school size adjusted ADM difference between the second FY to the base FY.
- 25% of school size adjusted ADM difference between the third FY to the base FY.

### District Cost Factors [Step 2]

- Cost factors are specific to each school district and will range from 1.000 to 2.116.
- The department monitors the district cost factors and submits a report to the legislature on January 15 every other fiscal year, beginning in FY01.

*The district's school size adjusted ADM is multiplied by the district cost factor.*

### Special Needs Funding [Step 3]

Vocational education, special education (except intensive special education), gifted/talented education, and bilingual/bicultural education are block funded. A district must file a plan with the department indicating the special needs services that will be provided, per AS 14.17.420 (b), to qualify for special needs funding.

*The districts' previously adjusted ADM is now multiplied by the Special Needs factor of 1.20.*

### Vocational & Technical Funding [Step 4]

*(Now referred to as Career & Technical Education or CTE)*

These funds are intended to assist districts in providing vocational and technical instruction for students enrolled in grades 7 through 12. This excludes costs associated with administrative expenses; and instruction in general literacy, math, and job readiness skills, AS 14.17.420(a)(3). (*Enacted in 2011*)

*The districts' previously adjusted ADM is now multiplied by the Career & Technical Education factor of 1.015.*

#### **Intensive Services Funding [Step 5]**

A school district receives funding for intensive special education students that:

- Are receiving intensive services;
- Are enrolled on the last day of the 20-school day count period, and;
- Have an established Individual Education Plan (IEP).

The districts intensive student count is multiplied by 13.

*The district's intensive calculation is added to the previously adjusted ADM.*

#### **Correspondence Programs [Step 6]**

Funding for correspondence programs is calculated by multiplying the correspondence ADM by 90%.

*The district's correspondence count calculation is now added to the previously adjusted ADM to arrive at the Final Adjusted ADM.*

#### **Basic Need**

Multiply the district Final Adjusted ADM by the Base Student Allocation [BSA] to determine Basic Need. The BSA is \$5,930 for FY2020.

## **PUBLIC SCHOOL FUNDING ELEMENTS**

The components of Public School Funding are *State Aid*, *Required Local Contribution*, and *Title VII Impact Aid*.

### **Required Local Contribution**

The local requirement is the equivalent of 2.65 mill tax levy on the full and true value of the taxable real and personal property in the district; and not to exceed 45% of the district's basic need for the preceding fiscal year.

### **Title VII Impact Aid**

Federal Impact Aid provides funds to school districts for children of parents living and/or working on federal property "in-lieu of local tax revenues." After deductions, 90% of the eligible funds are used in the calculation of state aid.

### **State Aid Entitlement**

Basic Need minus a Required Local Contribution minus 90% eligible Federal Impact Aid plus the amount of funding 'Floor' plus Quality School Grants equals State Aid Entitlement.

## **ADDITIONAL FUNDS ABOVE BASIC NEED**

### **Maximum Local Contribution**

The City or Borough can contribute more than is required but may not exceed the maximum local contribution. To calculate this use the required local contribution plus 23% of basic need and those state funds calculated on adjusted ADM **or** a 2-mill equivalent of the full and true value of the taxable and real property within the district; whichever is *greater*. The additional amount is added to the required local effort to reach the maximum local contribution.

For Example:

Nome:

*23% of Basic Need & additional funding distributed on AADM = \$2,345,253 OR*  
*.002 of Full & True Value = \$840,910*

RESULT:

Required Local Effort:	\$1,114,206
<u>Additional Local Contribution:</u>	<u>+ 2,345,253</u>
<i>Maximum Local Contribution:</i>	<i>\$3,459,459</i>

### **Quality School Grants**

The district's adjusted ADM multiplied by \$16 generates the amount the school district is eligible to receive.

**Example:** Nome Public Schools projected average daily membership or ADM is 674.00 and 15 correspondence for a total of 689 ADM.

Determining School Size Adjustment using the table from page 4.

<u>School Name</u>	<u>Projected ADM</u>	<u>School Size Calculation</u>	<u>Result of School Size Calculation</u>
<i>Nome Elementary School</i>	<i>380</i>	<i><math>326.10 + (.97 \times (380 - 250))</math></i>	<i>452.20</i>
<i>Nome/Beltz Jr. &amp; Senior High School</i>	<i>220</i>	<i><math>218.10 + (1.08 \times (220 - 150))</math></i>	<i>293.70</i>
<i>Anvil City Science Academy</i>	<i>60</i>	<i><math>1.18 \times 60</math></i>	<i>70.80</i>
<i>Nome Youth Facility</i>	<i>14</i>	<i>Less than 20 ADM</i>	<i>39.60</i>
<b>TOTAL School Size ADM</b>			<b>856.30</b>

Is District eligible for Hold Harmless Provision based on a 5% reduction school size adjustment to the prior year? No.

FY2020: **856.30** less FY2019: **856.30** Equals **(0)**

School Size Adjustment of 856.30 continues below.

(Click the [Foundation Report](#) for FY2020 for coordinating Tab and Column Identifiers.)

<b>FOUNDATION FORMULA PROCESS</b>	<b>Data &amp; Calculation</b>	<b>Tab &amp; Column Identifier</b>
School Size Adjusted ADM	856.30	Tab 2 Col. F
Apply District Cost Factor	1.450	Tab 2 Col. G
<b>Subtotal</b>	<b>1,241.64</b>	Tab 2 Col. H
Apply Special Needs Factor	1.20	
<b>Subtotal</b>	<b>1,489.97</b>	Tab 2 Col. I
Apply the Career Technical Education Factor	1.015	
<b>Subtotal</b>	<b>1,512.32</b>	Tab 2 Col. J
Add Intensive Service Counts (Intensive student × 13) Nome has 12.	156	Tab 2 Col. K
<b>Subtotal</b>	<b>1,668.32</b>	Tab 2 Col. M
Add Correspondence at 90% of ADM. Nome has 15 correspondence ADM.	13.50	Tab 2 Col. N
<b>Total District Adjusted ADM</b>	<b>1,681.82</b>	Tab 2 Col. O
Multiply by \$5,930 base student allocation	\$5,930	
<b>Nome's BASIC NEED:</b>	<b>\$9,973,193</b>	Tab 1 Col. B
Deduct Required Local Contribution	(\$1,114,206)	Tab 1 Col. C
Deduct Eligible Federal Impact Aid	(\$39,163)	Tab 1 Col. F
<b>Total State Aid for Nome School District</b>	<b>\$8,819,824</b>	Tab 1 Col. G



<b>FOUNDATION FORMULA PROCESS</b>	<b>Data &amp; Calculation</b>	<b>Tab &amp; Column Identifier</b>
Additional funds: Quality Schools Grant is Adjusted ADM x \$16	\$26,909	Tab 1 Col. H
<b>State Aid + Quality Schools = TOTAL Entitlement</b>	<b>\$8,846,733</b>	<b>Tab 1 Col. I</b>

the 1990s, the number of people in the world who are undernourished has increased from 600 million to 800 million (FAO 1996).

There are a number of reasons why the world's population is becoming more undernourished. First, the world's population is growing rapidly. The world population is projected to increase from 5.5 billion in 1990 to 7.5 billion in 2020 (United Nations 1994). Second, the world's population is becoming more urbanized. The world's population is projected to increase from 29% urban in 1990 to 55% urban in 2020 (United Nations 1994). Third, the world's population is becoming more dependent on food imports. The world's population is projected to increase from 10% dependent on food imports in 1990 to 25% dependent on food imports in 2020 (United Nations 1994).

There are a number of reasons why the world's population is becoming more dependent on food imports. First, the world's population is becoming more dependent on food imports because of the increasing demand for food. The world's population is projected to increase from 5.5 billion in 1990 to 7.5 billion in 2020 (United Nations 1994). Second, the world's population is becoming more dependent on food imports because of the increasing demand for food. The world's population is projected to increase from 5.5 billion in 1990 to 7.5 billion in 2020 (United Nations 1994).

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Alaska Department of Education & Early Development

FY2019 Foundation Formula PROJECTION

Prepared by School Finance 11/14/2017

46.3

School District	\$5,930 Basic Need	Minimum Required Local Effort	Eligible Federal Impact Aid Total prior to applying %	Impact AID Percent	Eligible Federal Impact AID * Impact AID % * 90% = Deductible Impact AID	State AID	Quality Schools	FY19 PROJECTE D Total State Entitlement
Alaska Gateway	8,902,768	-	258,998	100.00%	233,098	8,669,670	24,021	8,693,691
Aleutian Region	1,286,039	-	60,398	100.00%	54,358	1,231,681	3,470	1,235,151
Aleutians East	5,676,255	514,502	1,914,493	33.05%	569,466	4,592,287	15,315	4,607,602
Anchorage	438,085,629	106,802,206	17,123,512	50.15%	7,728,697	323,554,726	1,182,019	324,736,745
Annette Island	5,206,896	-	2,469,965	100.00%	2,222,969	2,983,927	14,049	2,997,976
Bering Strait	42,306,458	-	10,775,099	100.00%	9,697,589	32,608,869	114,149	32,723,018
Bristol Bay	2,038,438	976,516	87,522	57.13%	45,001	1,016,921	5,500	1,022,421
Chatham	3,846,672	-	116,089	100.00%	104,480	3,742,192	10,379	3,752,571
Chugach	3,471,778	-	88,234	100.00%	79,411	3,392,367	9,367	3,401,734
Copper River	6,710,981	-	341,931	100.00%	307,738	6,403,243	18,107	6,421,350
Cordova	5,065,110	863,144	49,190	59.88%	26,509	4,175,457	13,666	4,189,123
Craig	4,980,904	412,931	428,315	51.93%	200,182	4,367,791	13,439	4,381,230
Delta/Greely	10,138,640	-	291,225	100.00%	262,103	9,876,537	27,356	9,903,893
Denali	8,225,562	955,797	5,386	35.85%	1,738	7,268,027	22,194	7,290,221
Dillingham	7,237,862	656,661	608,885	48.64%	266,545	6,314,656	19,529	6,334,185
Fairbanks	153,014,874	30,065,921	12,356,710	58.23%	6,475,781	116,473,172	412,856	116,886,028
Galena	24,477,617	98,703	297,692	11.29%	30,248	24,348,666	66,044	24,414,710
Haines	3,359,819	1,092,067	-	69.89%	-	2,267,752	9,065	2,276,817
Hoonah	2,572,493	214,603	112,125	80.54%	81,275	2,276,615	6,941	2,283,556
Hydaburg	1,922,032	49,628	-	36.13%	-	1,872,404	5,186	1,877,590
Iditarod Area	6,753,440	-	350,297	100.00%	315,267	6,438,173	18,222	6,456,395
Juneau	50,923,045	14,350,765	-	54.82%	-	36,572,280	137,398	36,709,678
Kake	2,432,071	95,217	385,095	66.12%	229,162	2,107,692	6,562	2,114,254
Kashunamiut	6,044,686	-	2,126,619	100.00%	1,913,957	4,130,729	16,309	4,147,038
Kenai Peninsula	106,637,589	27,203,358	-	54.17%	-	79,434,231	287,724	79,721,955
Ketchikan Gateway	29,390,325	4,689,240	-	57.31%	-	24,701,085	79,299	24,780,384
Klawock	2,745,531	176,224	690,943	79.02%	491,385	2,077,922	7,408	2,085,330
Kodiak Island	30,282,019	4,255,475	1,889,535	45.11%	767,132	25,259,412	81,705	25,341,117
Kuspuk	8,636,156	-	3,147,061	100.00%	2,832,355	5,803,801	23,302	5,827,103
Lake & Peninsula	9,640,757	448,555	667,612	23.66%	142,161	9,050,041	26,012	9,076,053
Lower Kuskokwim	80,153,497	-	14,073,417	100.00%	12,666,075	67,487,422	216,266	67,703,688
Lower Yukon	42,768,227	-	14,212,683	100.00%	12,791,415	29,976,812	115,395	30,092,207
Mat-Su	198,816,474	31,044,783	-	55.11%	-	167,771,691	536,436	168,308,127
Nenana	8,745,979	82,132	-	72.27%	-	8,663,847	23,598	8,687,445
Nome	9,329,788	1,052,851	145,327	37.70%	49,309	8,227,628	25,173	8,252,801
North Slope	34,645,906	15,479,061	5,491,094	39.47%	1,950,601	17,216,244	93,480	17,309,724
Northwest Arctic	41,553,645	2,031,341	7,975,590	42.37%	3,041,332	36,480,972	112,118	36,593,090
Pelican	576,633	36,413	-	94.00%	-	540,220	1,556	541,776
Petersburg	7,226,654	1,187,467	-	62.38%	-	6,039,187	19,499	6,058,686
Pribilof	1,637,036	-	708,614	100.00%	637,753	999,283	4,417	1,003,700
Saint Mary's	3,510,738	88,297	-	56.78%	-	3,422,441	9,472	3,431,913
Sitka	16,112,877	3,493,854	51,334	56.23%	25,979	12,593,044	43,475	12,636,519
Skagway	1,641,246	785,793	-	55.29%	-	855,453	4,428	859,881
Southeast Island	5,853,147	-	-	100.00%	-	5,853,147	15,793	5,868,940
Southwest Region	13,529,947	-	3,909,620	100.00%	3,518,658	10,011,289	36,506	10,047,795
Tanana	1,085,427	38,975	16,154	94.30%	13,710	1,032,742	2,929	1,035,671
Unalaska	6,120,116	1,723,995	23,443	57.13%	12,054	4,384,067	16,513	4,400,580
Valdez	8,840,622	3,752,712	12,465	44.06%	4,943	5,082,967	23,853	5,106,820
Wrangell	4,412,513	574,661	3,540	82.73%	2,636	3,835,216	11,906	3,847,122
Yakutat	1,163,644	228,641	12,335	38.11%	4,231	930,772	3,140	933,912
Yukon Flats	7,730,585	-	1,514,630	100.00%	1,363,167	6,367,418	20,858	6,388,276
Yukon/Koyukuk	16,348,714	-	1,359,841	100.00%	1,223,857	15,124,857	44,111	15,168,968
Yupit	9,722,650	-	3,606,030	100.00%	3,245,427	6,477,223	26,233	6,503,456
Mt. Edgecumbe	4,269,007	-	1,080,080	100.00%	972,072	3,296,935	11,518	3,308,453
<b>TOTALS:</b>	<b>1,517,807,518</b>	<b>255,522,489</b>	<b>110,839,128</b>	<b>0</b>	<b>76,601,826</b>	<b>1,185,683,203</b>	<b>4,095,266</b>	<b>1,215,805,769</b>

NOTE: FY19 Projected Total State Entitlement includes Military/Other costs at \$26,027,300 in the Totals row.

**Alaska Department of Education & Early Development**

FY2019 Foundation Formula PROJECTION - Average Daily Membership

Prepared by School Finance 11/14/2017

School District	FY19 Average Daily Membership (ADM)	FY19 Corresp. ADM	FY19 PROJECTE D Total ADM	Before School Size Adjust Hold Harmless (HH)	School Size ADM; HH included where eligb.	District Cost Factor	Adjusted for Cost Factor	Special Needs Factor 1.20	Career & Technical Ed Factor 1.015	SPED Intensive	Adjust for SPED Intensive * 13.00	Students + Intensive Special Education	District Correspon dence @ 90%	District Adjusted ADM
Alaska Gateway	347.00	50.00	397.00	622.88	622.88	1.594	992.87	1,191.44	1,209.31	19	247	1,456.31	45.00	1,501.31
Aleutian Region	25.00	-	25.00	79.20	80.82	1.939	156.71	188.05	190.87	2	26	216.87	-	216.87
Aleutians East	208.00	-	208.00	354.46	384.00	1.991	764.54	917.45	931.21	2	26	957.21	-	957.21
Anchorage	45,646.50	1,101.00	46,747.50	50,661.13	50,661.13	1.000	50,661.13	60,793.36	61,705.26	860	11,180	72,885.26	990.90	73,876.16
Annette Island	325.00	-	325.00	459.02	459.02	1.338	614.17	737.00	748.06	10	130	878.06	-	878.06
Bering Strait	1,751.00	-	1,751.00	2,808.77	2,808.77	1.998	5,611.92	6,734.30	6,835.31	23	299	7,134.31	-	7,134.31
Bristol Bay	101.00	3.00	104.00	172.69	189.45	1.478	280.01	336.01	341.05	-	-	341.05	2.70	343.75
Chatham	164.00	9.00	173.00	276.57	286.31	1.576	451.22	541.46	549.58	7	91	640.58	8.10	648.68
Chugach	53.00	351.00	404.00	126.90	140.80	1.496	210.64	252.77	256.56	1	13	269.56	315.90	585.46
Copper River	342.25	82.75	425.00	533.34	562.25	1.316	739.92	887.90	901.22	12	156	1,057.22	74.48	1,131.70
Cordova	340.00	4.00	344.00	479.40	479.40	1.234	591.58	709.90	720.55	10	130	850.55	3.60	854.15
Craig	259.00	234.00	493.00	384.13	401.90	1.206	484.69	581.63	590.35	3	39	629.35	210.60	839.95
Delta/Greely	735.00	84.00	819.00	969.29	969.29	1.241	1,202.89	1,443.47	1,465.12	13	169	1,634.12	75.60	1,709.72
Denali	225.50	750.00	975.50	382.84	382.84	1.332	509.94	611.93	621.11	7	91	712.11	675.00	1,387.11
Dillingham	484.00	4.00	488.00	631.29	631.29	1.346	849.72	1,019.66	1,034.95	14	182	1,216.95	3.60	1,220.55
Fairbanks	13,348.00	295.00	13,643.00	15,455.87	15,455.87	1.070	16,537.78	19,845.34	20,143.02	415	5,395	25,538.02	265.50	25,803.52
Galena	301.00	3,800.00	4,101.00	410.07	410.07	1.391	570.41	684.49	694.76	1	13	707.76	3,420.00	4,127.76
Haines	233.00	16.00	249.00	351.11	351.11	1.200	421.33	505.60	513.18	3	39	552.18	14.40	566.58
Hoonah	115.00	-	115.00	193.55	193.55	1.399	270.78	324.94	329.81	8	104	433.81	-	433.81
Hydaburg	77.00	15.00	92.00	125.39	126.98	1.504	190.98	229.18	232.62	6	78	310.62	13.50	324.12
Iditarod Area	195.00	130.00	325.00	375.23	390.88	1.846	721.56	865.87	878.86	11	143	1,021.86	117.00	1,138.86
Juneau	4,568.00	45.00	4,613.00	5,373.44	5,373.44	1.145	6,152.59	7,383.11	7,493.86	81	1,053	8,546.86	40.50	8,587.36
Kake	104.00	-	104.00	177.16	179.58	1.459	262.01	314.41	319.13	7	91	410.13	-	410.13
Kashunamiut	335.00	-	335.00	470.77	470.77	1.619	762.18	914.62	928.34	7	91	1,019.34	-	1,019.34
Kenai Peninsula	8,043.00	735.00	8,778.00	10,330.55	10,330.55	1.171	12,097.07	14,516.48	14,734.23	199	2,587	17,321.23	661.50	17,982.73
Ketchikan Gateway	2,220.00	65.00	2,285.00	2,707.05	2,707.05	1.170	3,167.25	3,800.70	3,857.71	80	1,040	4,897.71	58.50	4,956.21
Klawock	118.00	-	118.00	198.02	209.98	1.302	273.39	328.07	332.99	10	130	462.99	-	462.99
Kodiak Island	2,208.00	110.00	2,318.00	2,734.12	2,734.12	1.289	3,524.28	4,229.14	4,292.58	55	715	5,007.58	99.00	5,106.58
Kuspuk	354.00	-	354.00	634.16	634.16	1.734	1,099.63	1,319.56	1,339.35	9	117	1,456.35	-	1,456.35
Lake & Peninsula	304.00	6.00	310.00	620.59	635.06	1.994	1,266.31	1,519.57	1,542.36	6	78	1,620.36	5.40	1,625.76
Lower Kuskokwii	4,108.00	-	4,108.00	6,089.07	6,089.07	1.663	10,126.12	12,151.34	12,333.61	91	1,183	13,516.61	-	13,516.61
Lower Yukon	2,011.00	-	2,011.00	3,026.95	3,026.95	1.861	5,633.15	6,759.78	6,861.18	27	351	7,212.18	-	7,212.18
Mat-Su	16,721.00	2,319.00	19,040.00	19,216.52	19,216.52	1.070	20,561.68	24,674.02	25,044.13	492	6,396	31,440.13	2,087.10	33,527.23
Nenana	190.00	1,040.00	1,230.00	290.78	290.78	1.338	389.06	466.87	473.87	5	65	538.87	936.00	1,474.87
Nome	674.00	10.00	684.00	856.30	856.30	1.450	1,241.64	1,489.97	1,512.32	4	52	1,564.32	9.00	1,573.32
North Slope	1,891.00	-	1,891.00	2,582.92	2,582.92	1.791	4,626.01	5,551.21	5,634.48	16	208	5,842.48	-	5,842.48
Northwest Arctic	1,982.00	27.00	2,009.00	2,893.18	2,893.18	1.823	5,274.27	6,329.12	6,424.06	43	559	6,983.06	24.30	7,007.36
Pelican	13.00	-	13.00	39.60	39.60	1.477	58.49	70.19	71.24	2	26	97.24	-	97.24
Petersburg	449.00	-	449.00	641.44	667.02	1.244	829.77	995.72	1,010.66	16	208	1,218.66	-	1,218.66
Pribilof	57.00	8.00	65.00	96.03	117.91	1.691	199.39	239.27	242.86	2	26	268.86	7.20	276.06
Saint Mary's	179.00	-	179.00	281.43	292.73	1.624	475.39	570.47	579.03	1	13	592.03	-	592.03
Sitka	1,225.00	19.00	1,244.00	1,515.67	1,515.67	1.195	1,811.23	2,173.48	2,206.08	38	494	2,700.08	17.10	2,717.18
Skagway	115.00	-	115.00	193.55	193.55	1.174	227.23	272.68	276.77	-	-	276.77	-	276.77
Southeast Island	192.00	3.00	195.00	446.70	446.70	1.403	626.72	752.06	763.34	17	221	984.34	2.70	987.04
Southwest Region	604.00	-	604.00	1,016.70	1,016.70	1.685	1,713.14	2,055.77	2,086.61	15	195	2,281.61	-	2,281.61
Tanana	41.00	-	41.00	72.19	72.19	1.786	128.93	154.72	157.04	2	26	183.04	-	183.04
Unalaska	420.00	-	420.00	565.80	565.80	1.441	815.32	978.38	993.06	3	39	1,032.06	-	1,032.06
Valdez	632.75	29.00	661.75	845.39	845.39	1.170	989.11	1,186.93	1,204.73	20	260	1,464.73	26.10	1,490.83
Wrangell	304.00	-	304.00	435.01	435.01	1.159	504.18	605.02	614.10	10	130	744.10	-	744.10
Yakutat	60.00	16.00	76.00	100.50	105.72	1.412	149.28	179.14	181.83	-	-	181.83	14.40	196.23
Yukon Flats	245.00	-	245.00	465.67	470.51	2.116	995.60	1,194.72	1,212.64	7	91	1,303.64	-	1,303.64
Yukon/Koyukuk	305.00	1,445.00	1,750.00	599.30	599.30	1.835	1,099.72	1,319.66	1,339.45	9	117	1,456.45	1,300.50	2,756.95
Yupit	441.00	-	441.00	712.47	762.68	1.723	1,314.10	1,576.92	1,600.57	3	39	1,639.57	-	1,639.57
Mt. Edgecumbe	425.00	-	425.00	494.60	494.60	1.195	591.05	709.26	719.90	-	-	719.90	-	719.90
<b>TOTALS:</b>	<b>116,814.00</b>	<b>12,805.75</b>	<b>129,619.75</b>	<b>142,576.76</b>	<b>142,860.12</b>	<b>79.70</b>	<b>171,820.08</b>	<b>206,184.11</b>	<b>209,276.87</b>	<b>2,704</b>	<b>35,152</b>	<b>244,428.87</b>	<b>11,525.18</b>	<b>255,954.05</b>



**Alaska Department of Education & Early Development**  
**FY2019 Foundation Formula PROJECTION - Required Local Contribution**  
 Prepared by School Finance 11/14/2017

<b>School District</b>	<b>2017 Full Values</b>	<b>FY18 prior year Basic Need</b>	<b>.00265 x 2017 Full Value</b>	<b>45% of PY Basic Need</b>	<b>Required Minimum Local Effort [Lesser of .00265 or 45%]</b>
Alaska Gateway	-	7,752,467	-	-	-
Aleutian Region	-	1,308,751	-	-	-
Aleutians East	194,151,700	5,740,714	514,502	2,583,321	<b>514,502</b>
Anchorage	40,302,719,290	439,932,409	106,802,206	197,969,584	<b>106,802,206</b>
Annette Island	-	5,253,980	-	-	-
Bering Strait	-	42,432,293	-	-	-
Bristol Bay	368,496,600	2,221,615	976,516	999,727	<b>976,516</b>
Chatham	-	3,654,303	-	-	-
Chugach	-	3,292,277	-	-	-
Copper River	-	6,434,109	-	-	-
Cordova	325,714,890	4,776,022	863,144	2,149,210	<b>863,144</b>
Craig	155,823,200	5,234,708	412,931	2,355,619	<b>412,931</b>
Delta/Greely	-	10,018,320	-	-	-
Denali	360,678,200	7,293,307	955,797	3,281,988	<b>955,797</b>
Dillingham	247,796,600	7,215,446	656,661	3,246,951	<b>656,661</b>
Fairbanks	11,345,630,550	152,908,430	30,065,921	68,808,794	<b>30,065,921</b>
Galena	37,246,600	23,794,896	98,703	10,707,703	<b>98,703</b>
Haines	412,100,700	3,387,216	1,092,067	1,524,247	<b>1,092,067</b>
Hoonah	80,982,200	2,361,800	214,603	1,062,810	<b>214,603</b>
Hydaburg	18,727,600	1,861,131	49,628	837,509	<b>49,628</b>
Iditarod Area	-	6,575,718	-	-	-
Juneau	5,415,382,900	51,817,407	14,350,765	23,317,833	<b>14,350,765</b>
Kake	35,930,900	2,087,360	95,217	939,312	<b>95,217</b>
Kashunamiut	-	5,976,313	-	-	-
<b>Kenai Peninsula</b>	<b>10,265,418,090</b>	<b>106,015,235</b>	<b>27,203,358</b>	<b>47,706,856</b>	<b>27,203,358</b>
Ketchikan Gateway	1,769,524,600	28,211,560	4,689,240	12,695,202	<b>4,689,240</b>
Klawock	66,499,600	2,629,955	176,224	1,183,480	<b>176,224</b>
Kodiak Island	1,605,839,600	32,177,544	4,255,475	14,479,895	<b>4,255,475</b>
Kuspuk	-	8,641,611	-	-	-
Lake & Peninsula	169,265,900	10,158,742	448,555	4,571,434	<b>448,555</b>
Lower Kuskokwim	-	79,980,934	-	-	-
Lower Yukon	-	41,596,756	-	-	-
Mat-Su	11,715,012,530	198,759,842	31,044,783	89,441,929	<b>31,044,783</b>
Nenana	30,993,300	8,107,022	82,132	3,648,160	<b>82,132</b>
Nome	397,302,400	9,553,289	1,052,851	4,298,980	<b>1,052,851</b>
North Slope	22,231,069,010	34,397,914	58,912,333	15,479,061	<b>15,479,061</b>
Northwest Arctic	766,543,800	41,339,097	2,031,341	18,602,594	<b>2,031,341</b>
Pelican	13,740,700	393,930	36,413	177,269	<b>36,413</b>
Petersburg	448,100,900	7,303,329	1,187,467	3,286,498	<b>1,187,467</b>
Pribilof	-	1,901,751	-	-	-
Saint Mary's	33,319,500	3,632,066	88,297	1,634,430	<b>88,297</b>
Sitka	1,318,435,400	16,124,441	3,493,854	7,255,998	<b>3,493,854</b>
Skagway	384,713,200	1,746,207	1,019,490	785,793	<b>785,793</b>
Southeast Island	-	5,792,187	-	-	-
Southwest Region	-	12,700,933	-	-	-
Tanana	14,707,700	1,109,622	38,975	499,330	<b>38,975</b>
Unalaska	650,564,100	5,965,936	1,723,995	2,684,671	<b>1,723,995</b>
Valdez	2,378,267,670	8,339,359	6,302,409	3,752,712	<b>3,752,712</b>
Wrangell	216,853,100	3,979,564	574,661	1,790,804	<b>574,661</b>
Yakutat	86,279,600	1,311,479	228,641	590,166	<b>228,641</b>
Yukon Flats	-	7,715,879	-	-	-
Yukon/Koyukuk	-	15,479,198	-	-	-
Yupiit	-	10,008,061	-	-	-
Mt. Edgecumbe	-	4,229,276	-	-	-
<b>TOTALS:</b>	<b>113,863,832,630</b>	<b>1,512,633,711</b>	<b>301,739,155</b>	<b>554,349,870</b>	<b>255,522,489</b>

**Alaska Department of Education & Early Development**

**FY2019 Foundation Formula PROJECTION - Additional Local Contribution**

Prepared by School Finance 9/21/2018

School District	FY2019 Basic Need	Additional Local .002 Mills of Current Full Value	One-time Grant using Adjusted ADM x 23%	Quality Schools (\$16 x Adjusted ADM)	Quality Schools x 23%	23% of Basic Need & Grants using Adjusted ADM Subtotal	Additional Local Contribution [Greater of .002 or 23% subtotal]	MAXIMUM LOCAL: Required plus additional Local Contribution
Alaska Gateway	8,902,768	-	-	24,021	-	-	-	-
Aleutian Region	1,286,039	-	-	3,470	-	-	-	-
Aleutians East	5,676,255	388,303	-	15,315	3,522	1,309,061	1,309,061	1,823,563
Anchorage	438,085,629	80,605,439	-	1,182,019	271,864	101,031,559	101,031,559	207,833,765
Annette Island	5,206,896	-	-	14,049	-	-	-	-
Bering Strait	42,306,458	-	-	114,149	-	-	-	-
Bristol Bay	2,038,438	736,993	-	5,500	1,265	470,106	736,993	1,713,509
Chatham	3,846,672	-	-	10,379	-	-	-	-
Chugach	3,471,778	-	-	9,367	-	-	-	-
Copper River	6,710,981	-	-	18,107	-	-	-	-
Cordova	5,065,110	651,430	-	13,666	3,143	1,168,118	1,168,118	2,031,262
Craig	4,980,904	311,646	-	13,439	3,091	1,148,699	1,148,699	1,561,630
Delta/Greely	10,138,640	-	-	27,356	-	-	-	-
Denali	8,225,562	721,356	-	22,194	5,105	1,896,984	1,896,984	2,852,781
Dillingham	7,237,862	495,593	-	19,529	4,492	1,669,200	1,669,200	2,325,861
Fairbanks	153,014,874	22,691,261	-	412,856	94,957	35,288,378	35,288,378	65,354,299
Galena	24,477,617	74,493	-	66,044	15,190	5,645,042	5,645,042	5,743,745
Haines	3,359,819	824,201	-	9,065	2,085	774,843	824,201	1,916,268
Hoonah	2,572,493	161,964	-	6,941	1,596	593,270	593,270	807,873
Hydaburg	1,922,032	37,455	-	5,186	1,193	443,260	443,260	492,888
Iditarod Area	6,753,440	-	-	18,222	-	-	-	-
Juneau	50,923,045	10,830,766	-	137,398	31,602	11,743,902	11,743,902	26,094,667
Kake	2,432,071	71,862	-	6,562	1,509	560,886	560,886	656,103
Kashunamiut	6,044,686	-	-	16,309	-	-	-	-
Kenai Peninsula	106,637,589	20,530,836	-	287,724	66,177	24,592,822	24,592,822	51,796,180
Ketchikan Gateway	29,390,325	3,539,049	-	79,299	18,239	6,778,014	6,778,014	11,467,254
Klawock	2,745,531	132,999	-	7,408	1,704	633,176	633,176	809,400
Kodiak Island	30,282,019	3,211,679	-	81,705	18,792	6,983,657	6,983,657	11,239,132
Kuspuk	8,636,156	-	-	23,302	-	-	-	-
Lake & Peninsula	9,640,757	338,532	-	26,012	5,983	2,223,357	2,223,357	2,671,912
Lower Kuskokwim	80,153,497	-	-	216,266	-	-	-	-
Lower Yukon	42,768,227	-	-	115,395	-	-	-	-
Mat-Su	198,816,474	23,430,025	-	536,436	123,380	45,851,169	45,851,169	76,895,952
Nenana	8,745,979	61,987	-	23,598	5,428	2,017,003	2,017,003	2,099,135
Nome	9,329,788	794,605	-	25,173	5,790	2,151,641	2,151,641	3,204,492
North Slope	34,645,906	44,462,138	-	93,480	21,500	7,990,059	44,462,138	59,941,199
Northwest Arctic	41,553,645	1,533,088	-	112,118	25,787	9,583,125	9,583,125	11,614,466
Pelican	576,633	27,481	-	1,556	358	132,983	132,983	169,396
Petersburg	7,226,654	896,202	-	19,499	4,485	1,666,615	1,666,615	2,854,082
Pribilof	1,637,036	-	-	4,417	-	-	-	-
Saint Mary's	3,510,738	66,639	-	9,472	2,179	809,648	809,648	897,945
Sitka	16,112,877	2,636,871	-	43,475	9,999	3,715,961	3,715,961	7,209,815
Skagway	1,641,246	769,426	-	4,428	1,018	378,505	769,426	1,555,219
Southeast Island	5,853,147	-	-	15,793	-	-	-	-
Southwest Region	13,529,947	-	-	36,506	-	-	-	-
Tanana	1,085,427	29,415	-	2,929	674	250,322	250,322	289,297
Unalaska	6,120,116	1,301,128	-	16,513	3,798	1,411,425	1,411,425	3,135,420
Valdez	8,840,622	4,756,535	-	23,853	5,486	2,038,829	4,756,535	8,509,247
Wrangell	4,412,513	433,706	-	11,906	2,738	1,017,616	1,017,616	1,592,277
Yakutat	1,163,644	172,559	-	3,140	722	268,360	268,360	497,001
Yukon Flats	7,730,585	-	-	20,858	-	-	-	-
Yukon/Koyukuk	16,348,714	-	-	44,111	-	-	-	-
Yup'it	9,722,650	-	-	26,233	-	-	-	-
Mt. Edgecumbe	4,269,007	-	-	11,518	-	-	-	-
<b>TOTALS:</b>	<b>1,517,807,518</b>	<b>227,727,662</b>	<b>-</b>	<b>4,095,266</b>	<b>764,851</b>	<b>284,237,595</b>	<b>324,134,546</b>	<b>579,657,035</b>



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# ANCHORAGE DAILY NEWS

WEDNESDAY, JANUARY 30, 2019

ALASKA'S NEWSPAPER

\$1.00

## EDUCATION

### How a \$20 million education cut could affect schools

School district officials say funds for the current year have already been allocated.

Tegan Hanlon  
Anchorage Daily News

Gov. Mike Dunleavy's proposal Monday to cut \$20 million in education funding in the middle of the school year sent shock waves through Alaska's education community, in part because that money is already being spent in school districts' current budgets.

The cut was revealed in a supplemental budget proposal introduced in the Alaska Senate. The state House

and Senate must approve the funding cut before it would take effect. It's unclear if there's any appetite among state legislators to reverse last year's funding decision.

Several school district officials said in interviews Tuesday that they were surprised by the proposed cut. While they brace for year-to-year changes to state funding, they said, they didn't expect a proposal to re-move funding mid-year. That money is already allocated to costs in the current school year's budget such as teacher salaries, district officials said.

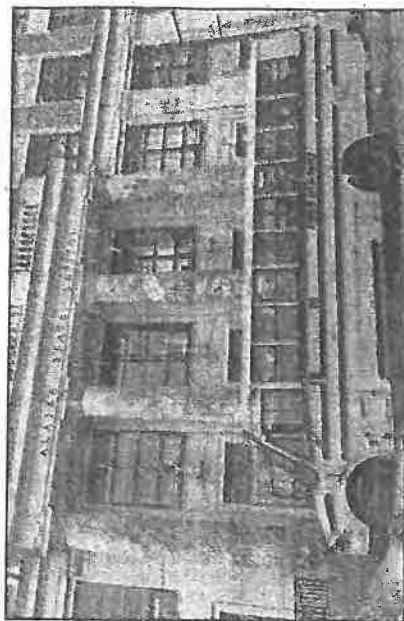
"I think it was a surprise to everyone," said Dan Walker, superintendent of the Lower Kuskokwim School

District headquartered in Bethel. "I had texts from a number of colleagues from around the state saying, 'Hey, what's going on here?'"

The Dunleavy administration wants to follow the state's school funding formula, Donna Arduin, director of the state Office of Management and Budget, told members of the Senate Finance Committee on Tuesday.

That \$20 million is above what that formula requires, she said. It has not yet been paid to school districts, according to Lacey Sanders, budget director in the Office of Management

See **SCHOOLS**, A5



A school bus picks up kids after they toured the Alaska State Capitol on Tuesday.

JAMES BROOKS / ADN

D-46. 14



## SCHOOLS

and Budget. It was scheduled to be distributed in late January or early February.

But school district officials said they budgeted for their portion of the \$20 million last year, after the state lawmakers agreed to the funding. The current budget year started July 1, 2018.

The \$20 million stems from a budget compromise in May 2018, months before voters elected Dunleavy, a Republican, as Alaska governor. State lawmakers agreed to House Bill 287, which included a one-time, \$20 million increase to school funding for the current budget year and a one-time, \$30 million increase to school funding the following year.

The \$20 million is on top of the \$1.2 billion in state money allocated to the schools under the state funding formula.

The proposal to cut the \$20 million undercuts bipartisan work by last year's Legislature, said Lisa Parady, executive director of the Alaska Council of School Administrators. It also strips away the stability lawmakers tried to create by forward funding schools, she said.

"The school year is over halfway through, and pulling the rug out from school districts at this point really undermines the compromise that the Legislature put in place to do just the opposite, which was to support stability in school districts," she said.

School district officials in Anchorage, Fairbanks, Bethel and on the Kenai Peninsula said losing their slice of the \$20 million would equate to roughly 1 percent of their operating funds in the current school year.

"It doesn't seem like a lot,"

***"It took me a couple conversations to realize they were talking about this year. It makes no sense, especially coming from somebody who was an educator himself, it makes no sense to me. I mean, he knows how school districts work."***

— Karen Gaborik, Fairbanks North Star Borough School District superintendent

Walker said. But, he said, "It's money that's already appropriated. It's already been budgeted and we're paying teacher salaries and things like that out of it. So it would leave us hanging in a pretty precarious spot."

If the Legislature approved the cut, the Anchorage School District would lose nearly \$5.8 million this school year, said Jim Anderson, district chief financial officer.

The Anchorage School Board had already put about half of the money toward a new three-year contract with the local teachers union. It used the rest to bring back 25 classroom teaching jobs, said board president Starr Marsett.

Anchorage school leadership was meeting Tuesday and Wednesday to discuss potential options if state lawmakers approve the cut, Anderson said. By state law, the school district can't lay off teachers in the middle of the school year.

Marsett, Walker and Tim Parker, president of the NEA-Alaska teachers union, also said Tuesday they were concerned about how the proposal would affect teachers' decisions to stay in Alaska.

"Teachers have this very small window where they are deciding what job to get for the next year, and the window just started right now and it goes for about another two or three months," Parker said.

"If the message from the state is, 'We're not sure we're going to be able to fund education in the

future,' if you were in your first couple years of teaching, why would you stay? That's a really difficult prospect, to think you could easily get a pink slip," he said.

Sen. Gary Stevens, R-Kodiak, chairman of the Senate Education Committee, said Tuesday it'd be "really, really hard" to cut the \$20-million.

"They've already spent some of the money and hired people," he said.

Senate Democrats criticized the proposed education cut in a statement on Tuesday.

"School districts throughout the state plan their budget in the spring and finalize those budgets after we conclude our budget process, and this is a direct threat to Alaskans' trust in government," Sen. Scott Kawasaki, D-Fairbanks, said in the statement.

Dunleavy proposed two supplemental budget bills on Monday: One devoted to disasters, primarily the Nov. 30 earthquake, and the other to items including the education funding cut. The increases in the proposals "are offset by savings from efficiencies and reductions to appropriations that the State cannot afford," said a statement from the Dunleavy administration on Monday.

"I took office with a promise to reduce State spending, put public safety first, and renew trust in government. To that end, I am presenting a supplemental bill for the Legislature's consideration that returns money to the general fund," Dunleavy said in the

statement. Dunleavy's press secretary did not respond to a question Tuesday about why the governor decided to propose the \$20 million school funding cut.

At the Matanuska-Susitna Borough School District, the cut would mean a loss of roughly \$2.6 million, according to information from the Alaska Department of Education and Early Development.

The local school board and assembly approved the district's current operating budget in spring 2018, and then contracts were issued to teachers for a full year of work, Monica Goyette, district superintendent, said in a statement on Tuesday.

"These contracts must be fulfilled regardless of mid-year revenue changes," Goyette said. "Beyond the budget reductions that would need to occur for this school year, these cuts will have ramifications moving forward by creating fiscal uncertainty in future years."

At the Kenai Peninsula Borough School District, the cut would mean a loss of about \$1.4 million. The district has already used that money to bring back 11.5 full-time teachers and pay support staff this school year, said Pegge Erkeneff, district spokeswoman.

At the Fairbanks North Star Borough School District, the cut would mean a reduction of about \$2 million. Fairbanks Superintendent Karen Gaborik said she would wait until the budget

conversations moved forward in Juneau before planning for a possible cut. She didn't want to pass stress onto schools and teachers for a proposed cut that, she said, she never expected.

"It took me a couple conversations to realize they were talking about this year," Gaborik said. "It makes no sense, especially coming from somebody who was an educator himself, it makes no sense to me. I mean, he knows how school districts work."

Dunleavy has worked as a teacher, principal and superintendent in Alaska.

District officials are currently working on their budgets for next school year.

The Anchorage School District has to present its 2019-20 school year budget to the Anchorage Assembly by the first Monday in March, Anderson said.

Anderson said he was building next school year's budget proposal based on the assumption that the district would receive its portion of the \$30 million in state funding because that's what's in state law. Gaborik said the Fairbanks school district was also factoring the number into its budget planning.

"You have to go with the numbers you have," she said.

Some district officials also expressed concern Tuesday about state funding for next school year. Feb. 13 is the deadline for the governor to deliver his final budget proposal to the Legislature for the next budget year.

"My fear is what Feb. 13 is going to bring when the governor announces his budget," Marsett said. "I really feel like this might be a prelude, really preparing us for more budget cuts."

Daily News reporter James Brooks in Juneau contributed to this report.



BUDGET CUTS AT A GLANCE

## Rundown of how governor's budget cuts would affect Alaskans

James Brooks  
Anchorage Daily News

JUNE 14 — Gov. Mike Dunleavy warned Alaskans on Wednesday that his proposed budget cuts will affect every Alaskan, and an initial look at details offered by the Office of Management and Budget reveals the truth of that statement.

Under the governor's proposal to cut \$1.8 billion in state spending (not counting a \$900 million increase in spending on the Permanent Fund dividend), seniors would lose \$24 million in longevity payments. Pioneer Home residents would pay more. Coastal residents would find it more difficult to get around. Farmers would have less marketing and inspection support from the state.

Here's a rundown:

### Health care

By dollar amount, the Department of Health and Social Services received the

largest cut in the governor's proposal from \$3.25 billion to \$2.47 billion. Medicaid spending would drop from \$2.27 billion to \$1.55 billion.

The governor proposes eliminating the \$20 million-per-year senior benefits program and \$17 million per year in tribal assistance programs.

Adult public assistance would be cut by \$14.7 million. The budget for the Alaska Psychiatric Institute would be reduced by \$3 million, and a privatization effort is already underway.

State support for the Pioneer Homes is reduced, and rates for residents will go up to compensate. A subsidy program may offset part of that cost for eligible residents.

### Education

The Department of Education and

See GLANCE, A19



# GLANCE

Early Development would see the second-largest dollar-amount decline. Funding would fall by \$220 million, from \$1.66 billion to \$1.34 billion.

The biggest cut would come in the foundation formula that pays school districts for each student. Funding to the formula drops from \$1.2 billion to \$942 million in the governor's plan.

Funding for the Alaska State Council on the Arts is eliminated, as is a program that allows Alaskans to attend out-of-state medical schools at in-state tuition rates.

Funding for pre-kindergarten programs drops from \$8 million to zero, and funding for Head Start grants is also eliminated.

Funding for other programs, including Mt. Edgecumbe High School, and state support for museums and libraries is reduced.

## Transportation

The governor's budget proposal pre-serves most funding for hard-surface roads. The Alaska Marine Highway, however, would see its budget fall from \$140 million to \$44 million, and an effort to examine privatization of what remains is underway. The ferry system's budget for fuel would be cut from \$20.6 million to \$4 million. Long routes, such as the one from Kodiak to Unalaska, and from Washington state to Alaska, would be eliminated entirely.

Some state-owned rural airports are

also being considered for closure.

## Public safety

Funding for the Department of Public Safety is up by more than \$6 million in the governor's proposal (to \$204 million), but that increase is less than what was proposed by former Gov. Bill Walker.

Dunleavy's budget cancels a proposed raise for Alaska State Troopers and cuts \$3 million in funding for the Village Public Safety Officer program. Funding for the Civil Air Patrol is eliminated entirely.

## Prisons

The budget for the Alaska Department of Corrections is \$314 million, about what it was in 2018. Dunleavy is proposing to reverse increases approved by the Legislature last year and proposed by Walker.

The governor's proposal to repeal the criminal justice reform effort known as Senate Bill 91 is expected to increase the state's prison population if the move is accepted by the Legislature.

According to OMB documents, the state would partially offset that increase by shipping 500 inmates to prisons outside the state.

"DOC estimates that can (it) contract with an out-of-state facility with a bed rate at \$95.00 per prisoner, per day, with an anticipated transfer of 500 prisoners," OMB documents state.

OMB estimates that would save the state \$12.8 million per year, but the department's budget includes another \$18 million "unallocated" reduction with no indication of what might be cut to reduce spending.

## Law

Spending in the Department of Law would be cut by \$1 million, to \$86 million. Most cuts are in the department's civil division — the proposal keeps spending in the criminal division mostly flat. (Former Gov. Walker had proposed increases there as a crime-fighting measure.)

In a consolidation move, Dunleavy has ordered that various state investigative agencies be put within the Department of Law.

## Court system

The budget for the Alaska court system would rise by \$3.5 million, to \$112.6 million, under Dunleavy's plan. The governor has said he wants to reopen courthouses on Friday afternoons. They were closed under a cost-cutting move by Walker.

## Natural resources

The budget for the Department of Natural Resources is down \$4 million to \$157 million, with the governor's proposal almost entirely eliminating programs intended to aid agriculture.

A loan program for farmers would end, as would agriculture marketing efforts and veterinary inspections.

Two-thirds of the division of Agriculture would be laid off.

## University of Alaska

State support for the University of Alaska would fall by \$134 million (41 percent) under the governor's plan, from \$327 million to \$193 million. The university would have the ability to make up that shortfall

by raising tuition or finding more grants, but in a presentation Wednesday, university officials said they would have to double tuition to make ends meet under that scenario.

## Environmental conservation

A smaller department by budget, the Department of Environmental Conservation would see its budget fall from \$81.3 million to \$76.6 million. The governor is proposing the elimination of the Ocean Ranger program, which monitors cruise ships for pollution with fees paid by the ships, and ending inspections of the state's sole dairy farm.

## Fish and Game

Spending in the Alaska Department of Fish and Game is down about \$5 million, to \$197 million, in the governor's proposal. Among the cuts in the department is a decision that Fish and Game will no longer manage "special areas."

According to OMB's explanation, "Special Areas are wildlife refuges, sanctuaries and habitat areas, including freshwater and coastal wetlands, marine environments, boreal forests, alpine and maritime tundra."

## Legislature/governor

The Legislature's budget rises from \$66 million to \$67 million in the governor's budget. The budget for the Office of the Governor is higher by \$2 million than the figure requested by former Gov. Walker but is almost the same as what was authorized by the Legislature this year: \$29 million.



the 1990s, the number of people with a diagnosis of schizophrenia has increased in the United Kingdom (Meltzer 1997). The prevalence of schizophrenia in the United Kingdom is estimated to be 1.2% (Meltzer 1997). The prevalence of schizophrenia in the United States is estimated to be 1.1% (Meltzer 1997). The prevalence of schizophrenia in the United States is estimated to be 1.1% (Meltzer 1997).

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# ANCHORAGE DAILY NEWS

TUESDAY, JANUARY 29, 2019

ALASKA'S NEWSPAPER

## LEGISLATURE

### Governor seeks \$131M to fund quake recovery, suggests \$20M cut for schools

Lawmakers approved K-12 boost last year in budget compromise and might not reverse decision.

**James Brooks**  
Anchorage Daily News

**JUNEAU** — Gov. Mike Dunleavy has proposed spending \$131 million, mostly from the federal government, for rebuilding after the Nov. 30 Southcentral Alaska earthquake.

The figure was revealed Monday in a draft supplemental budget introduced in the Alaska Senate. It's believed to represent a

basement: Additional surveys and the arrival of spring are expected to reveal additional earthquake damage.

"It is anticipated that as spring comes, more and more roads will be identified with damage," said Lacey Sanders, budget director in the Office of Management and Budget.

In a separate but related move, the governor is proposing the elimination of a planned \$20 million one-time boost to K-12 public schools. Last year, lawmakers approved the boost as part of a budget compromise at the end of the legislative session.

It isn't clear whether there will be support in the Legislature for reversing that compromise.

"I was under no intention of doing that," said Sen. Gary Stevens, R-Kodiak, chairman of the Senate Education Committee, on Monday morning.

"For a guy who said he was going to be the education governor, this is not the right way to start that," said Senate Minority Leader Tom Begich, D-Anchorage.

Rep. Lance Pruitt, R-Anchorage, said he was expecting this kind of move from a governor who has promised to balance the state's budget.

"I think that if people are surprised with this \$20 million, then they're going to have a heart attack on Feb. 13," he said.

Feb. 13 is the deadline for the governor to deliver his final budget proposal to the Legislature. That document covers

## INSIDE

State extends the deadline to apply for earthquake recovery funds by 30 days. **A5**

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See SPENDING, A5

FROM PAGE A1

## SPENDING

spending in the budget starting July 1.

Monday's legislation covers changes to the current budget, which runs through June 30. There are supplemental budgets each year to reconcile the state budget approved by lawmakers in the spring with events that have taken place since then, such as the Nov. 30 earthquake.

This year, the governor has proposed two supplemental budget bills. One is devoted to disasters, primarily the earthquake, and the other is devoted to other items, including the education funding cut.

Within the disaster budget bill is \$65 million in federal funding and \$6.5 million in state funding for road and highway reconstruction. A legislative committee had voted in December to allow the state to accept up to \$55 million in federal aid; the governor's bill would increase that cap to \$65 million.

The bill also allows the state to spend up to \$1 million to repair state buildings. Insurance is expected to pay for the bulk of repair costs, Sanders said, and the funding within the supplemental budget covers what insurance does not.

The bill calls for spending \$21.9 million from state coffers on disaster relief. The state will also be able to distribute up to \$46 million in federally funded disaster relief, up from \$9 million in the budget passed by lawmakers last year.

"I anticipate that this will change, again, shortly," Sanders said. "There are some costs that won't be covered by FEMA, and that's covered in that \$21 million."

With the state spending on disaster reconstruction and aid, Donna Arduin, the director of the Office of Management and Budget, said the goal in the non-disaster bill was to reduce state spending to limit the need to take from the state's savings accounts.

"Not only did we inherit a budget that had supplemental needs built in, but we had an earthquake," Arduin said in a Monday morning talk with reporters.

The nonpartisan Legislative Finance Division has repeatedly warned lawmakers that the state's Medicaid program was underfunded by the budget approved last year. In a report published in August, the division warned that the shortfall was as much as \$50 million.

According to OMB, the shortfall is \$37 million, but the Department of Health and Social Services has been able to find ways to cover most of that amount. The remainder, \$15 million, is included in the supplemental.

In total, according to the plan provided by OMB and the governor, the non-disaster supplemental budget would cut \$5.8 million in state spending from the budget approved by lawmakers last year. Overall spending would rise, however, because of greater federal contributions.

In addition, the savings identified by the governor's office include money that was unlikely to be spent. For example, the supplemental budget cuts \$3 million from the Village Public Safety Officer program, but many fewer VPSOs have been hired than were planned for, and that money was scheduled to return to the state general fund anyway.

The spending plans will have their first hearing at 9 a.m. Tuesday in the Senate Finance Committee.

Contact James Brooks  
at jbrooks@adn.com.





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# ANCHORAGE DAILY NEWS

THURSDAY, FEBRUARY 14, 2019

ALASKA'S NEWSPAPER

\$1.00

POLITICS

## Governor launches broad plan to deeply cut Alaska state spending

Funding for education and health care, among other services, would be reduced.

James Brooks  
Anchorage Daily News

JUNEAU — Alaska Gov. Mike Dunleavy is proposing broad cuts to health care, education and many other state services in order to pay a larger Permanent Fund dividend without new taxes.

"This budget is going to impact all Alaskans. It's too massive not to," the governor said Wednesday morning in a televised news conference from Juneau.

### INSIDE

Plan would end local tax authority over petroleum property, A20

The governor's proposal has already drawn a storm of comment, with the promise of even more as Alaskans learn its details.

The state released a trove of documents detailing his proposal on the state Office of Management and Budget's website.

According to OMB figures, the state would spend \$1.8 billion less

in the fiscal year that begins July 1 under Dunleavy's proposal. That doesn't include the Permanent Fund dividend, which Dunleavy has proposed increasing. If dividend spending is included, the cut is about \$900 million.

The governor has said the state faces a \$1.6 billion deficit; Wednesday's cuts are larger than that figure because the state is forgoing some federal grants that require a certain amount of state spending.

The governor's proposal must be vetted and approved by the Alaska House and the Alaska Senate. That process is expected

to take months, and the timeline may be lengthened by the House's ongoing inability to elect a leader, a prerequisite to officially consider legislation.

"We know this is just the beginning. This is the beginning of the journey for this budget," Dunleavy said.

About 625 full-time state positions will be cut, OMB director Donna Arduin said, and that figure rises to more than 700 if part-time positions are included.

The Department of Education and Early Development and the Department of Health and Social Services, the most costly

state agencies, would receive the biggest cuts by dollar value. The Department of Education would be cut from \$1.66 billion to \$1.34 billion, according to OMB figures. Funding for the foundation formula, which pays school districts for each student who attends, would drop from \$1.2 billion to \$942 million. The governor would also reverse a planned \$30 million increase to the foundation formula that lawmakers approved last year.

"This is a sad day for Alaska public schools," said Tim Parker,

See DUNLEAVY, A20



# DUNLEAVY

President of NEA-Alaska, the state's largest union, in a prepared statement. "Gov. Dunleavy ran on his background as a teacher, principal, and superintendent. This budget makes a profound statement that our public schools, our educators, and most importantly, our students' futures are expendable."

Health and Social Services would be cut from \$3.25 billion this year to \$2.47 billion, according to OMB figures.

One of the biggest duties of Health and Social Services is overseeing the federal-state Medicaid program, which provides health care to more than 210,000 Alaskans, according to the latest figures from the state. Of those, almost 48,000 are covered by Medicaid expansion under an executive order signed by former Gov. Bill Walker.

Dunleavy will not reverse that order at this time, he said Wednesday, but the state will work with the federal Centers for Medicare and Medicaid Services to adjust benefits, he and Arduin said.

Medicaid spending, which stands at \$2.27 billion, would be cut by \$714 million, according to OMB

\$3.5

## Departments with the largest cuts in Dunleavy's operating budget

**\$1.66 billion**

FY2019 Management Plan

### Department of Education and Early Development

**\$1.34 billion**

FY2020 Governor Amended

**\$3.25 billion**

FY2019 Management Plan

### Department of Health and Social Services

**\$2.47 billion**

FY2020 Governor Amended

Source: Alaska Office of Management and Budget

KEVIN POWELL / Anchorage Daily News

**"Gov. Dunleavy's proposed budget, if enacted, would destabilize Alaska's health care system, eliminate access to health care for tens of thousands of Alaskans, and make Alaska less safe and less secure."**

— Becky Hultberg, president and CEO of the Alaska State Hospital and Nursing Home Association

figures. About one-third of that cut is state money; the remainder consists of federal dollars the state will forgo, according to OMB's analysis.

"Gov. Dunleavy's proposed budget, if enacted, would destabilize Alaska's health care system, eliminate access to health care for tens of thousands of

Alaskans, and make Alaska less safe and less secure," said Becky Hultberg, president and CEO of the Alaska State Hospital and Nursing Home Association, in a prepared statement.

State support for the University of Alaska would be cut 41 percent, the greatest proportion of any state agency.

supports the governor's budget.

"The Alaska Chamber applauds Gov. Dunleavy for proposing a spending plan that matches current revenues. This action will surely prompt necessary and critical conversations that must occur across Alaska in order to achieve a durable and sustainable fiscal plan," it said.

The governor entered office with a significant deficit, one exacerbated by his pledge to increase spending on the Permanent Fund dividend. With the governor opposed to tax increases and reluctant to spend additional money from state savings accounts, he was left with two choices: reduce services or reduce the dividend. He chose to reduce services.

The Alaska Senate's six Democrats sent a joint statement saying Dunleavy's proposal isn't a serious one.

"This is unacceptable, and quite frankly a dereliction of his constitutional duties," Senate Minority Leader Tom Begich, D-Anchorage, said about the budget in prepared remarks.

Sen. Bill Wielechowski, D-Anchorage, criticized the governor for cutting services while leaving the oil and gas industry unaffected. Wielechowski has suggested the state could save

up to \$1.2 billion per year by eliminating a certain type of tax credit received by oil producers.

"Gov. Dunleavy is declaring war on seniors, kids, and the most vulnerable among us while holding harmless the most profitable companies in the world," Wielechowski said in prepared remarks.

The Republican co-chairs of the Senate Finance Committee said in prepared remarks that they need time to examine the proposal.

"While it is too early to understand all the impacts today, we're committed to taking the time to fully analyze and thoroughly vet these proposals," said Sen. Natasha Von Imhof, R-Anchorage, in a prepared statement.

Groups and agencies affected by the budget cuts are also expected to spend Wednesday and the next few days examining the governor's proposal to see how it would affect them.

"I think next week, the building will be packed," said Sen. Bert Stedman, R-Sitka and co-chairman of the Senate Finance Committee.

Contact: James Brooks at jbrooks@adn.com.



# TEACHER SALARY SCHEDULE COMPARISONS 2018-2019

## KPBSD Compared To Mat-Su Borough School District 2018-2019

EXH. 47

Salary Schedule Placement	KPBSD	MSBSD	KPBSD Difference
Beginning Base Column	\$ 48,045	\$ 47,258	\$ 787
Max Base Column	\$ 67,616	\$ 61,776	\$ 5,840
Beginning Masters Column	\$ 51,851	\$ 53,479	\$ (1,628)
Max Beginning Masters Column	\$ 79,146	\$ 74,218	\$ 4,928
Max without Doctorate	\$ 91,274	\$ 86,662	\$ 4,612
Max with Doctorate	\$ 95,274	\$ 88,739	\$ 6,535

## KPBSD Compared To Anchorage School District 2018-2019

Salary Schedule Placement	KPBSD	ASD	KPBSD Difference
Beginning Base Column	\$ 48,045	\$ 50,213	\$ (2,168)
Max Base Column	\$ 67,616	\$ 63,492	\$ 4,124
Beginning Masters Column	\$ 51,851	\$ 55,674	\$ (3,823)
Max Beginning Masters Column	\$ 79,146	\$ 75,596	\$ 3,550
Max without Doctorate	\$ 91,274	\$ 89,536	\$ 1,738
Max with Doctorate	\$ 95,274	\$ 91,311	\$ 3,963

## KPBSD Compared To Juneau School District 2018-2019

Salary Schedule Placement	KPBSD	JSD	KPBSD Difference
Beginning Base Column	\$ 48,045	\$ 50,160	\$ (2,115)
Max Base Column	\$ 67,616	\$ 65,083	\$ 2,533
Beginning Masters Column	\$ 51,851	\$ 53,101	\$ (1,250)
Max Beginning Masters Column	\$ 79,146	\$ 78,957	\$ 189
Max without Doctorate	\$ 91,274	\$ 90,348	\$ 926
Max with Doctorate	\$ 95,274	\$ 90,348	\$ 4,926

## KPBSD Compared To Fairbanks North Star Borough School District 2018-2019

Salary Schedule Placement	KPBSD	FNSBSD	KPBSD Difference
Beginning Base Column	\$ 48,045	\$ 49,278.97	\$ (1,233.97)
Max Base Column	\$ 67,616	\$ 65,263.95	\$ 2,352.05
Beginning Masters Column	\$ 51,851	\$ 54,304.01	\$ (2,453.01)
Max Beginning Masters Column	\$ 79,146	\$ 83,988.92	\$ (4,842.92)
Max without Doctorate	\$ 91,274	\$ 95,401.77	\$ (4,127.77)
Max with Doctorate	\$ 95,274	\$ 98,047.93	\$ (2,773.93)



## THE KENAI PENINSULA EDUCATION ASSOCIATION

~~2017-2018 (1.5% increase)~~

2018-2019

Step	C	C+18	C+36 or M	C+54/M	C+72/M	C+90/M
(A)	48,045	49,466	51,851	53,549	55,247	56,950
(B)	49,466	51,852	53,549	55,247	56,950	58,650
(C)	51,851	53,550	55,247	56,950	58,650	60,351
(D)	53,549	55,248	56,950	58,650	60,351	62,053
(E)	55,247	56,950	58,650	60,351	62,053	63,752
(F)	56,950	58,650	60,351	62,053	63,752	65,450
(G)	58,648	60,375	62,053	63,752	65,450	67,147
(H)	61,148	62,053	63,752	65,450	67,147	68,852
(I)	62,814	63,752	65,450	67,147	68,852	70,549
(J)	64,445	66,247	67,147	68,852	70,549	72,250
(K)	66,048	67,913	68,852	70,549	72,250	73,947
(L)	67,616	69,547	71,347	72,250	73,947	75,648
(M)		71,146	72,678	73,947	75,648	77,348
(N)		72,716	74,343	75,648	77,348	79,052
(O)			75,977	78,146	79,848	81,552
(P)			77,577	79,810	81,514	83,083
(Q)			79,146	81,444	83,147	84,748
(R)				83,043	84,747	86,382
(S)				84,614	86,316	87,981
(T)						89,551

Step and column movement to all eligible employees

**LONGEVITY 91,274**

### 110 SALARY CONDITIONS

- E. PhD's will receive \$4000 added to annual salary. National Board of Professional Teaching Standards Certification or Certificate of Clinical Competency from the American Speech, Language and Hearing Association or National Certification of School Psychologists (NCSP) from the National Association of School Psychologists, or National Board Certification from the National Board for Certification of Occupational Therapy, or physical therapists with national certification will receive \$2000 added to annual salary. Only one PhD or one national certification will be recognized.

# MATANUSKA-SUSITNA EDUCATION ASSOCIATION

**Fiscal Year 2019**

18-19 school year

185 Contracted Days

STEP		B	B+15	B+30	M B+45	M+15 B+60	M+30	M+45	D
0	annual salary	\$ 47,256	\$ 49,332	\$ 51,405	\$ 53,478	\$ 55,552	\$ 57,627	\$ 59,703	\$ 61,776
	daily rate	\$ 255.45	\$ 268.66	\$ 277.87	\$ 289.07	\$ 300.28	\$ 311.50	\$ 322.72	\$ 333.92
1	annual salary	\$ 49,332	\$ 51,405	\$ 53,478	\$ 55,552	\$ 57,627	\$ 59,703	\$ 61,776	\$ 63,852
	daily rate	\$ 268.66	\$ 277.87	\$ 289.07	\$ 300.28	\$ 311.50	\$ 322.72	\$ 333.92	\$ 345.15
2	annual salary	\$ 51,405	\$ 53,478	\$ 55,552	\$ 57,627	\$ 59,703	\$ 61,776	\$ 63,852	\$ 65,924
	daily rate	\$ 277.87	\$ 289.07	\$ 300.28	\$ 311.50	\$ 322.72	\$ 333.92	\$ 345.15	\$ 356.35
3	annual salary	\$ 53,478	\$ 55,552	\$ 57,627	\$ 59,703	\$ 61,776	\$ 63,852	\$ 65,924	\$ 67,998
	daily rate	\$ 289.07	\$ 300.28	\$ 311.50	\$ 322.72	\$ 333.92	\$ 345.15	\$ 356.35	\$ 367.55
4	annual salary	\$ 55,552	\$ 57,627	\$ 59,703	\$ 61,776	\$ 63,852	\$ 65,924	\$ 67,998	\$ 70,072
	daily rate	\$ 300.28	\$ 311.50	\$ 322.72	\$ 333.92	\$ 345.15	\$ 356.35	\$ 367.55	\$ 378.77
5	annual salary	\$ 57,627	\$ 59,703	\$ 61,776	\$ 63,852	\$ 65,924	\$ 67,998	\$ 70,072	\$ 72,144
	daily rate	\$ 311.50	\$ 322.72	\$ 333.92	\$ 345.15	\$ 356.35	\$ 367.55	\$ 378.77	\$ 389.97
6	annual salary	\$ 59,703	\$ 61,776	\$ 63,852	\$ 65,924	\$ 67,998	\$ 70,072	\$ 72,144	\$ 74,218
	daily rate	\$ 322.72	\$ 333.92	\$ 345.15	\$ 356.35	\$ 367.55	\$ 378.77	\$ 389.97	\$ 401.18
7	annual salary	\$ 61,776	\$ 63,852	\$ 65,924	\$ 67,998	\$ 70,072	\$ 72,144	\$ 74,218	\$ 76,293
	daily rate	\$ 333.92	\$ 345.15	\$ 356.35	\$ 367.55	\$ 378.77	\$ 389.97	\$ 401.18	\$ 412.39
8	annual salary		\$ 65,924	\$ 67,998	\$ 70,072	\$ 72,144	\$ 74,218	\$ 76,293	\$ 78,367
	daily rate		\$ 356.35	\$ 367.55	\$ 378.77	\$ 389.97	\$ 401.18	\$ 412.39	\$ 423.61
9	annual salary			\$ 70,072	\$ 72,144	\$ 74,218	\$ 76,293	\$ 78,367	\$ 80,442
	daily rate			\$ 378.77	\$ 389.97	\$ 401.18	\$ 412.39	\$ 423.61	\$ 434.82
10	annual salary				\$ 74,218	\$ 76,293	\$ 78,367	\$ 80,442	\$ 82,515
	daily rate				\$ 401.18	\$ 412.39	\$ 423.61	\$ 434.82	\$ 446.03
11	annual salary					\$ 78,367	\$ 80,442	\$ 82,515	\$ 84,589
	daily rate					\$ 423.61	\$ 434.82	\$ 446.03	\$ 457.24
12	annual salary						\$ 82,515	\$ 84,589	\$ 86,662
	daily rate						\$ 446.03	\$ 457.24	\$ 468.44
13	annual salary						\$ 84,589	\$ 86,662	\$ 88,739
	daily rate						\$ 457.24	\$ 468.44	\$ 479.67

# ANCHORAGE EDUCATION ASSOCIATION

## 2018-2019 Salary Schedule

Step	B00	B18	B36	M54	M72	M90
0	50,213	52,649	55,084	-	-	-
1	51,543	53,978	56,412	-	-	-
2	52,870	55,305	57,739	-	-	-
3	54,198	56,633	59,067	-	-	-
4	55,527	57,960	60,394	-	-	-
5	56,853	59,288	61,723	64,158	66,591	69,026
6	58,183	60,616	63,051	65,485	67,919	70,354
7	59,511	61,945	64,379	66,812	69,247	71,682
8	60,838	63,272	65,707	68,140	70,575	73,012
9	62,165	64,600	67,034	69,469	71,905	74,338
10	63,492	65,928	68,363	70,796	73,232	75,666
11	-	67,255	69,690	72,125	74,560	76,993
12	-	68,582	71,017	73,452	75,887	78,322
13	-	-	72,345	74,780	77,214	79,648
14	-	-	73,673	76,109	78,543	80,978
15	-	-	-	77,436	79,872	82,306
16	-	-	-	78,763	81,198	83,634
17	-	-	-	-	82,524	84,960
18	-	-	-	-	-	86,286

## 2018-2019 Salary Schedule

Step	Masters	B54 w/ Masters	B72 w/ Masters	B90 w/ Masters	B90 w/ Doctorate
0	55,674	58,100	60,545	62,979	64,751
1	57,002	59,437	61,872	64,306	66,080
2	58,331	60,765	63,198	65,634	67,408
3	59,657	62,093	64,526	66,961	68,735
4	60,987	63,420	65,855	68,290	70,064
5	62,314	64,748	67,183	69,618	71,391
6	63,643	66,075	68,511	70,947	72,720
7	64,969	67,405	69,840	72,273	74,048
8	66,297	68,732	71,167	73,601	75,375
9	67,625	70,060	72,495	74,928	76,702
10	68,954	71,388	73,823	76,257	78,031
11	70,281	72,716	75,150	77,586	79,359
12	71,609	74,044	76,478	78,913	80,686
13	72,936	75,372	77,807	80,240	82,014
14	74,265	76,700	79,133	81,569	83,343
15	75,596	78,027	80,462	82,896	84,670
16	-	79,356	81,790	84,224	85,999
17	-	80,685	83,118	85,552	87,326
18	-	-	84,447	86,880	88,653
19	-	-	85,776	88,208	89,982
20	-	-	-	89,536	91,311

TA'd

*[Signature]*

AEA

11-14-2018

Date

TA'd

*[Signature]*

ASD

11-14-18

Date



# JUNEAU EDUCATION ASSOCIATION

Final

## Appendix D Juneau Education Association Salary Schedule 2018/2019 School Year

Hired	B+0		B+15		B+20		M+0		M+15	
Prior to 6/1/06 (JEA1)	B+0		B+15		B+20		M+0		M+15	
AFTER 6/1/06 (JEA2)	B+0		B+15		B+20		M+0		M+15	
Step	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily
0	50,100 274.10	51,002 278.70	53,101 290.17	55,301 302.19	58,576 309.16					
1	51,461 281.21	52,320 285.95	54,492 297.77	56,766 310.14	58,073 317.34					
2	52,801 288.53	53,695 293.42	55,824 305.60	58,257 318.34	58,612 325.75					
3	54,185 295.08	55,103 301.11	57,400 313.66	59,601 326.78	61,197 334.41					
4	55,607 303.86	56,553 309.03	58,918 321.96	61,391 335.47	62,831 343.34					
5	57,071 311.86	58,047 317.20	60,484 330.51	63,031 344.43	64,513 352.63					
6	58,581 320.11	59,584 325.60	62,083 339.32	64,716 353.65	66,245 361.99					
7	60,135 328.61	61,169 334.26	63,754 348.35	66,458 363.18	68,027 371.73					
8	61,734 337.34	62,801 343.17	65,484 357.73	68,248 372.94	69,864 381.77					
9	63,385 346.37	64,483 352.37	67,223 367.34	70,094 383.03	71,768 392.12					
10	63,385 346.37	66,215 361.53	68,037 377.25	71,893 389.40	73,708 402.77					
11	63,385 346.37	67,997 371.57	70,908 387.46	73,851 404.10	75,717 413.75					
12	63,385 346.37	68,835 381.61	72,832 397.89	75,893 416.10	77,782 425.04					
13	63,385 346.37	71,728 391.98	74,813 408.61	78,040 426.46	79,916 436.70					
14	63,385 346.37	71,728 391.98	76,855 419.87	80,178 436.13	82,109 446.68					
15	65,083 356.64	71,728 391.98	78,855 419.87	82,383 450.16	84,389 461.03					
16	65,083 356.64	73,677 402.61	78,857 431.46	84,649 462.56	86,695 473.74					
17	65,083 356.64	73,677 402.61	78,957 431.46	85,863 475.37	88,112 486.95					
18				88,189 481.96	90,346 493.70					

### Placement on Salary Scale:

1. The educational requirements for horizontal advancement of all teachers hired prior to May 1, 1988, are specified in Article 36, Section G.
2. Teachers newly hired for the Juneau School District effective with the 2006/07 school year may apply for an adjusted total of ten (10) creditable years of teaching experience toward initial placement on the salary schedule, of which a maximum eight(8) years may be out-of-state experience with a master's degree and a maximum two(2) years may be out-of-state experience with a bachelor's degree.



# FAIRBANKS EDUCATION ASSOCIATION

2018-2019 SALARY SCHEDULE						
STEP	B+0	B+18	M/B+36	M+18	M+36	M+Specified Certification
0	49,278.97	51,564.01	54,304.01	57,045.02	58,873.03	61,519.17
1	51,564.01	53,850.07	56,589.02	59,448.36	61,160.09	63,805.18
2	53,850.07	56,136.12	58,873.03	61,612.00	63,440.02	66,085.13
3	56,136.12	58,417.04	61,160.09	63,896.01	65,721.98	68,366.08
4	58,417.04	60,701.05	63,440.02	66,182.04	68,006.00	70,650.08
5	60,701.05	62,981.99	65,721.98	68,465.02	70,286.93	72,932.06
6	62,981.99	65,264.97	68,006.00	70,742.92	72,571.96	75,218.10
7	65,263.95	67,547.96	70,204.32	73,026.93	74,851.88	77,498.00
8		69,830.94	72,571.96	75,308.88	77,138.93	79,784.07
9		72,111.98	74,851.88	77,592.89	79,419.90	82,066.02
10		74,396.90	77,138.93	79,875.85	81,701.85	84,347.97
11			79,420.90	82,158.85	83,984.83	86,631.98
12			81,703.89	84,440.82	86,267.81	88,913.95
13			83,988.92*	86,724.79	88,551.80	91,195.90
14				89,009.85	90,834.80	93,479.91
15					93,116.77	95,762.91
16					95,401.77	98,047.93

\*Master's degree only

Step movement on the salary schedule shall be limited to one (1) step per year.

- I. One (1) step for each year of public or nonpublic school experience is allowed, not to exceed six (6) steps on the B columns and eight (8) steps on the M columns. In order for experience credit to be granted the teacher must have held a valid teaching certificate and taught in a school that is approved or accredited.
- II. A bachelor's degree is the minimum training required for all new professional faculty with the exception of the vocational education teachers and non-degreed JrROTC instructors.

Certified, enlisted, and officer JrROTC instructors shall be compensated consistent with the contractual agreement between the District and the federal government. JrROTC instructor positions are non-tenured teaching positions. JrROTC instructors are required to hold limited teaching certificates from the state of Alaska. Teaching salaries for JrROTC

Step	Staff	C	Staff	C+18	Staff	C+36orM	Staff	C+54/M	Staff	C+72/M	Staff	C+90/M	Experience
1	16.00	48,045	0.00	49,466	6.00	51,851	1.00	53,549	1.00	55,247	0.00	56,950	24.00
2	8.00	49,466	0.00	51,852	5.00	53,549	0.00	55,247	0.00	56,950	0.00	58,650	13.00
3	12.75	51,851	0.00	53,550	6.00	55,247	1.00	56,950	1.00	58,650	0.00	60,351	20.75
4	9.00	53,549	1.75	55,248	7.05	56,950	4.00	58,650	0.00	60,351	0.00	62,053	21.80
5	14.00	55,247	0.50	56,950	14.00	58,650	0.25	60,351	2.00	62,053	2.00	63,752	32.75
6	10.70	56,950	3.00	58,650	9.00	60,351	3.00	62,053	5.00	63,752	0.00	65,450	30.70
7	20.50	58,648	4.00	60,375	16.00	62,053	7.00	63,752	3.00	65,450	5.00	67,147	55.50
8	15.00	61,148	3.00	62,053	15.00	63,752	5.00	65,450	2.00	67,147	3.00	68,852	43.00
9	5.50	62,814	1.00	63,752	8.00	65,450	5.00	67,147	3.00	68,852	3.00	70,549	25.50
10	3.75	64,445	5.00	66,247	15.50	67,147	7.00	68,852	8.00	70,549	5.00	72,250	44.25
11	4.50	66,048	4.00	67,913	16.00	68,852	3.00	70,549	4.00	72,250	3.00	73,947	34.50
12	14.00	67,616	3.00	69,547	15.00	71,347	1.00	72,250	4.00	73,947	3.00	75,648	40.00
13	0.00		1.00	71,146	10.00	72,678	2.00	73,947	2.00	75,648	3.00	77,348	18.00
14	0.00		21.00	72,716	14.00	74,343	7.00	75,648	3.00	77,348	5.00	79,052	50.00
15	0.00		0.00		8.00	75,977	4.20	78,146	5.00	79,848	2.00	81,552	19.20
16	0.00		0.00		6.00	77,577	2.00	79,810	2.00	81,514	7.00	83,083	17.00
17	0.00		0.00		39.81	79,146	4.00	81,444	1.00	83,147	8.00	84,748	52.81
18	0.00		0.00		0.00		8.00	83,043	1.00	84,747	3.00	86,382	12.00
19	0.00		0.00		0.00		13.00	84,614	18.80	86,316	8.00	87,981	39.80
20	0.00		0.00		0.00		0.00		0.00		7.00	89,551	7.00
21	0.00		0.00		0.00		0.00		0.00		38.00	91,274	38.00

Staff	C	Staff	C+18	Staff	C+36 or M	Staff	C+54/M	Staff	C+72/M	Staff	C+90/M
133.70	7,640,802	47.25	3,202,230	210.36	14,353,095	77.45	5,676,821	65.80	4,979,386	105.00	8,799,713

Total Staff 639,560  
 Total Base Salary 44,652,047  
 Base Average 69,817  
 Total Average 69,788  
 Total Salary 44,633,413

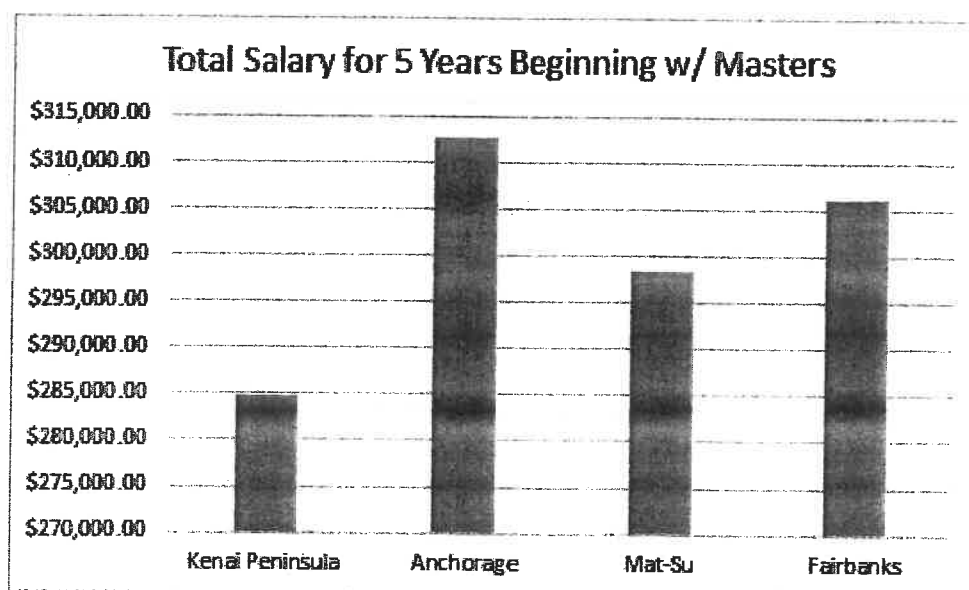
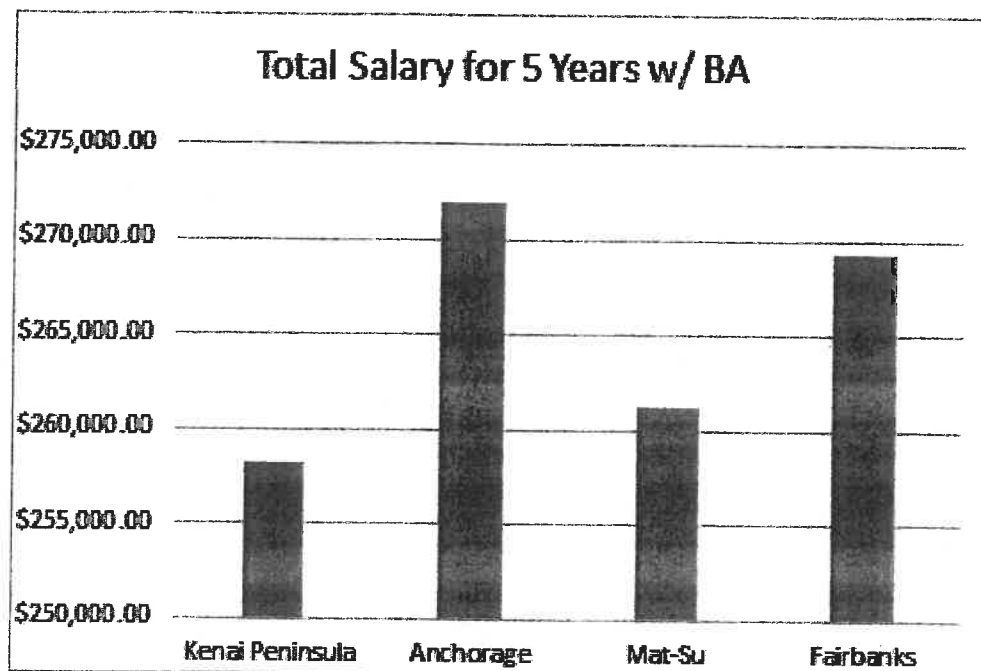
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 44,633,413

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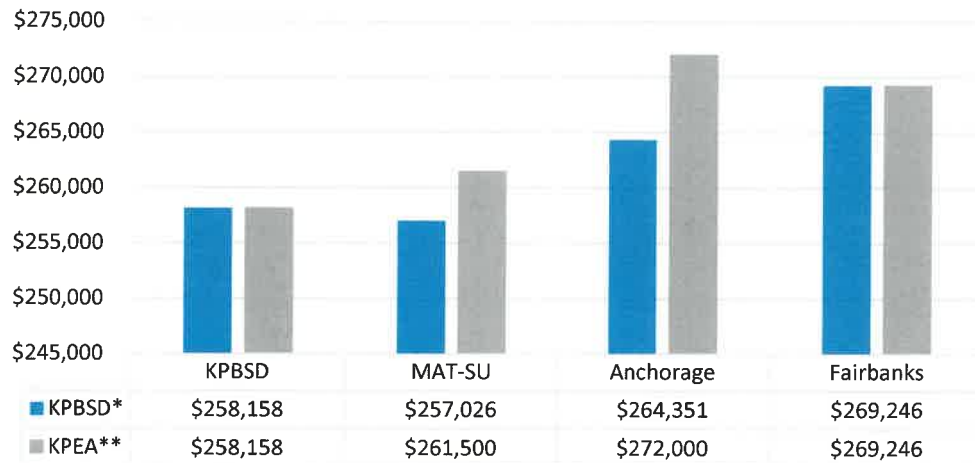
EXH. 48

Factual Comparison of Teacher Pay

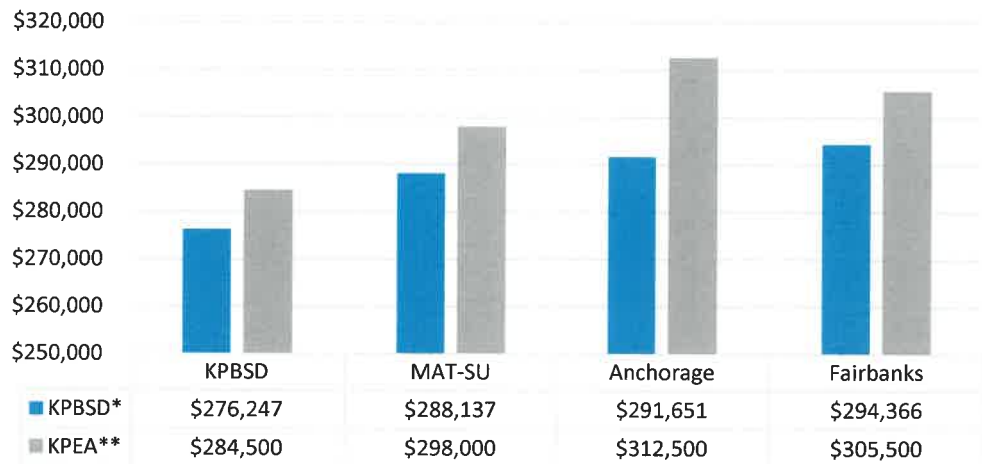




### BA First 5 Years



### MA First 5 Years



#### BA First 5 Years

	KPBSD	MAT-SU	Anchorage	Fairbanks
	\$ 48,045	\$ 47,258	\$ 50,213	\$ 49,279
	\$ 49,466	\$ 49,332	\$ 51,543	\$ 51,564
	\$ 51,851	\$ 51,405	\$ 52,870	\$ 53,850
	\$ 53,549	\$ 53,479	\$ 54,198	\$ 56,136
	\$ 55,247	\$ 55,552	\$ 55,527	\$ 58,417
KPBSD*	\$ 258,158	\$ 257,026	\$ 264,351	\$ 269,246
KPEA**	\$ 258,158	\$ 261,500	\$ 272,000	\$ 269,246

#### MA First 5 Years

	KPBSD	MAT-SU	Anchorage	Fairbanks
	\$ 51,851	\$ 53,479	\$ 55,674	\$ 54,304
	\$ 53,549	\$ 55,552	\$ 57,002	\$ 56,589
	\$ 55,247	\$ 57,627	\$ 58,331	\$ 58,873
	\$ 56,950	\$ 59,703	\$ 59,657	\$ 61,160
	\$ 58,650	\$ 61,776	\$ 60,987	\$ 63,440
KPBSD*	\$ 276,247	\$ 288,137	\$ 291,651	\$ 294,366
KPEA**	\$ 284,500	\$ 298,000	\$ 312,500	\$ 305,500

\*KPBSD figures are taken from the FY18-19 salary schedules for each district.

\*\* KPEA's graph does not provide specific dollar amounts or a source document. The dollars amounts used are an estimate based on each columns appearance on the graph.



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Kenai Peninsula Borough School District  
FY18 KPEA Salary Schedule with % increase between steps

Step	C		C+18		C+36orM		C+54/M		C+72/M		C+90/M	
1	48,045		49,466		51,851		53,549		55,247		56,950	
2	49,466	2.96%	51,852	4.82%	53,549	3.27%	55,247	3.17%	56,950	3.08%	58,650	2.99%
3	51,851	4.82%	53,550	3.27%	55,247	3.17%	56,950	3.08%	58,650	2.99%	60,351	2.90%
4	53,549	3.27%	55,248	3.17%	56,950	3.08%	58,650	2.99%	60,351	2.90%	62,053	2.82%
5	55,247	3.17%	56,950	3.08%	58,650	2.99%	60,351	2.90%	62,053	2.82%	63,752	2.74%
6	56,950	3.08%	58,650	2.99%	60,351	2.90%	62,053	2.82%	63,752	2.74%	65,450	2.66%
7	58,648	2.98%	60,375	2.94%	62,053	2.82%	63,752	2.74%	65,450	2.66%	67,147	2.59%
8	61,148	4.26%	62,053	2.78%	63,752	2.74%	65,450	2.66%	67,147	2.59%	68,852	2.54%
9	62,814	2.72%	63,752	2.74%	65,450	2.66%	67,147	2.59%	68,852	2.54%	70,549	2.46%
10	64,445	2.60%	66,247	3.91%	67,147	2.59%	68,852	2.54%	70,549	2.46%	72,250	2.41%
11	66,048	2.49%	67,913	2.51%	68,852	2.54%	70,549	2.46%	72,250	2.41%	73,947	2.35%
12	67,616	2.37%	69,547	2.41%	71,347	3.62%	72,250	2.41%	73,947	2.35%	75,648	2.30%
13			71,146	2.30%	72,678	1.87%	73,947	2.35%	75,648	2.30%	77,348	2.25%
14			72,716	2.21%	74,343	2.29%	75,648	2.30%	77,348	2.25%	79,052	2.20%
15					75,977	2.20%	78,146	3.30%	79,848	3.23%	81,552	3.16%
16					77,577	2.11%	79,810	2.13%	81,514	2.09%	83,083	1.88%
17					79,146	2.02%	81,444	2.05%	83,147	2.00%	84,748	2.00%
18							83,043	1.96%	84,747	1.92%	86,382	1.93%
19							84,614	1.89%	86,316	1.85%	87,981	1.85%
20											89,551	1.78%
21											91,274	1.92%

Total % by column	34.72%	39.13%	42.87%	46.34%	45.18%	47.73%
Count by column	11	13	16	18	18	20

Total % of Schedule	255.97%
Total Count	96

Average schedule % increase 2.67%





Kenai Peninsula Borough School District  
FY18 KPESA Salary Schedule with % Increase between steps

RANGE	Initial	A	% Increase	B	% Increase	C	% Increase	D	% Increase	E	% Increase	F	% Increase	G	% Increase	H	% Increase
1	\$14.39	\$16.00	11.19%	\$16.59	3.69%	\$17.18	3.56%	\$17.97	4.60%	\$18.58	3.39%	\$19.32	3.98%	\$20.08	3.93%	\$20.88	3.98%
2	\$15.16	\$16.84	11.08%	\$17.48	3.80%	\$18.16	3.89%	\$18.98	4.52%	\$19.66	3.58%	\$20.42	3.87%	\$21.23	3.97%	\$22.10	4.10%
3	\$15.48	\$17.19	11.05%	\$17.87	3.96%	\$18.53	3.69%	\$19.39	4.64%	\$20.08	3.56%	\$20.84	3.78%	\$21.69	4.08%	\$22.55	3.96%
4	\$16.05	\$17.83	11.09%	\$18.51	3.81%	\$19.27	4.11%	\$20.15	4.57%	\$20.86	3.52%	\$21.67	3.88%	\$22.53	3.97%	\$23.45	4.08%
5	\$16.56	\$18.41	11.17%	\$19.14	3.97%	\$19.89	3.92%	\$20.83	4.73%	\$21.58	3.60%	\$22.40	3.80%	\$23.30	4.02%	\$24.24	4.03%
6	\$17.11	\$19.01	11.10%	\$19.76	3.95%	\$20.57	4.10%	\$21.53	4.67%	\$22.31	3.62%	\$23.17	3.85%	\$24.10	4.01%	\$25.08	4.07%
7	\$17.68	\$19.65	11.14%	\$20.46	4.12%	\$21.29	4.06%	\$22.29	4.70%	\$23.09	3.59%	\$23.98	3.85%	\$24.96	4.09%	\$25.96	4.01%
8	\$18.32	\$20.34	11.03%	\$21.19	4.18%	\$22.09	4.25%	\$23.15	4.80%	\$23.98	3.59%	\$24.90	3.84%	\$25.91	4.06%	\$26.95	4.01%
9	\$18.99	\$21.10	11.11%	\$22.00	4.27%	\$22.92	4.18%	\$24.01	4.76%	\$24.88	3.62%	\$25.85	3.90%	\$26.89	4.02%	\$27.97	4.02%
10	\$19.72	\$22.79	11.11%	\$23.77	4.24%	\$24.84	4.47%	\$24.99	4.74%	\$25.91	3.68%	\$26.91	3.86%	\$28.00	4.05%	\$29.11	3.96%
11	\$21.01	\$22.91	8.47%	\$23.77	4.30%	\$24.84	4.50%	\$26.00	4.67%	\$26.96	3.69%	\$28.01	3.89%	\$29.14	4.03%	\$30.33	4.08%
12	\$21.34	\$23.73	11.20%	\$24.75	4.30%	\$25.86	4.48%	\$27.12	4.87%	\$28.13	3.72%	\$29.23	3.91%	\$30.40	4.00%	\$31.63	4.05%
13	\$22.22	\$24.69	11.12%	\$25.83	4.62%	\$26.98	4.45%	\$28.30	4.89%	\$29.36	3.75%	\$30.50	3.88%	\$31.73	4.03%	\$33.02	4.07%
14	\$23.22	\$25.80	11.11%	\$26.97	4.53%	\$28.23	4.67%	\$29.61	4.89%	\$30.72	3.75%	\$31.92	3.91%	\$33.20	4.01%	\$34.54	4.04%
15	\$24.27	\$26.96	11.08%	\$28.21	4.64%	\$29.53	4.68%	\$30.97	4.88%	\$32.13	3.75%	\$33.38	3.89%	\$34.73	4.04%	\$36.13	4.03%
16	\$23.22	\$25.80	11.11%	\$26.97	4.53%	\$28.23	4.67%	\$29.50	4.50%	\$30.51	3.42%	\$31.69	3.87%	\$32.98	4.07%	\$34.31	4.03%
17	\$24.32	\$27.01	11.06%	\$28.28	4.70%	\$29.54	4.46%	\$30.84	4.40%	\$31.89	3.40%	\$33.12	3.86%	\$34.46	4.05%	\$35.84	4.00%
18	\$25.66	\$28.25	10.09%	\$29.58	4.71%	\$30.96	4.67%	\$32.84	6.07%	\$34.44	4.87%	\$35.77	3.86%	\$37.21	4.03%	\$38.71	4.03%
19	\$28.27	\$31.76	12.35%	\$33.14	4.35%	\$34.61	4.44%	\$36.23	4.68%	\$37.50	3.51%	\$38.89	3.71%	\$40.35	3.75%	\$41.90	3.84%

208.66% 19.00 80.67% 19.00 81.25% 19.00 90.58% 19.00 69.61% 19.00 73.39% 19.00 76.39% 19.00

756.76%

152.00

4.98% Avg. Incr.



# 50

**District Information re: KPEA Proposal for Section 475, Teacher Preparation Periods**

**Assumptions:**

Elementary classroom teachers receive preparation time during the student contact day when responsibility for their students is assumed by an elementary specialist (P.E., music, library)

FY18 Elementary Specialists = 22.91

Current elementary prep time = 30 minutes, KPEA has requested a 50% increase

Not all schools with elementary teachers have elementary specialists

Some schools have part-time positions that would be increased to meet this need

Other schools would need positions added to meet this need

The newly added teachers would also have to receive the same amount of prep time as their elementary colleagues

The average teacher salary + benefit package = \$100,000

**Formula:**

Elementary Specialists x 1.75 = Total FTE Needed

$22.91 \times 1.75 = 40.09$

$40.09 - 22.91 = 17.18$  Total *Additional* FTE Needed

$17.18 \times 100,000 = \$1,718,000.00$

**Conclusion:**

The cost incurred by increasing the prep time of all elementary teachers would be \$1,718,000.00.



the 1990s, the number of people with a mental health problem has increased by 50% (Mental Health Foundation 2000).

There is a growing awareness of the need to address the needs of people with mental health problems, and a number of initiatives have been developed to improve the lives of people with mental health problems. The Mental Health Act 1983 was amended in 1997 to give people with mental health problems more control over their own lives. The Mental Health Act 1997 was introduced to give people with mental health problems more control over their own lives. The Mental Health Act 1997 was introduced to give people with mental health problems more control over their own lives.

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**Kenai Peninsula Borough School District - Collective Bargaining**  
*Cost of KPESA and KPEA Proposals*

D 51

<b>KPESA Proposal to the District</b>	<b>Cost - Year 1 FY19</b>	<b>Cost - Year 2 FY20</b>	<b>Cost - Year 3 FY21</b>	<b>Total Cost</b>
Article 10 P. Pay Warrants	AK Statute Sec 39.35.160, 39.35.170 & 39.35.270			
* Article 12 D Resignation - 3/1/18 revised proposal to KPBSD	103,251			103,251
Article 16 Salary Schedule	112,578	340,587	824,513	1,277,678
Article 17 G. Longevity	138,898	182,615	205,368	526,881
Article 17 A. Shift Differential	30,692	30,692	30,692	92,076
Article 20 Personal Leave	35,839			35,839
<b>Total KPESA Cost less Health Care</b>	<b>421,258</b>	<b>553,894</b>	<b>1,060,573</b>	<b>2,035,725</b>
<b>KPEA Proposal to the District</b>				
Section 105 Teachers' Salary Schedule	247,903	759,560	1,815,345	2,822,808
Section 105 Longevity	53,338	66,559	72,779	192,676
Section 110 E Salary Conditions	84,000	84,000	84,000	252,000
Section 320 Personal Leave	248,926			248,926
Section 340 M. Sick Leave		4 AAC 15.40 (a) (5)		
Section 475 Teacher Preparation Periods	1,718,000	1,718,000	1,718,000	5,154,000
<b>Total KPEA Cost less Health Care</b>	<b>2,352,167</b>	<b>2,628,119</b>	<b>3,690,124</b>	<b>8,670,410</b>
<b>Health Care Proposal to the District</b>				
<b>***KPESA Article 27 and KPEA Section 210</b>	<b>1,513,271</b>	<b>121,062</b>	<b>242,123</b>	<b>1,876,456</b>
<b>Total Cost Proposals KPESA, KPEA and Health Care</b>	<b>4,286,696</b>	<b>3,303,075</b>	<b>4,992,820</b>	<b>12,582,591</b>

\*Article 12 D Resignation - 3/1/18 revised proposal This proposal is booked as an expenditure and held in a liability account until used or paid to KPBSD

\*\*\*KPESA Article 27 and KPEA Section 210

This assumes a budget reduction was made to support this increased cost in year 1 and subsequent years at an 8% annual increase related to the \$1,513,271 increase. As an example, such a reduction could require the elimination of approximately 15 teaching positions.

To view Tentative Agreements (TA), proposals, and counterproposals, go to <http://bit.ly/CollectiveBargainingTA>



## NBCC and NBPTS: Comparison of Costs and Benefits

	NBCC	NBPTS
Activities of organization	The National Board for Certified Counselors and Affiliates Inc. provides counselor certification as well as association and board management services, examination services, and credential review and management services for career development facilitators, clinical supervisors, distance credentialed counselors, art therapists, state counseling boards and residential interior designers.	The National Board for Professional Teaching Standards offers certification for 25 professions and specialties in K-12 education.
Board make up	Nine members, two of whom are school counselors	63 educators and political appointees, including one school counselor
Philosophy of certification	NCC and NCSC assess knowledge, skills and abilities viewed as important to provide effective counseling services.	To recognize accomplished school counselors.
Process for certification	NCC applicants must meet all educational and experience requirements for the NCC credential and must pass the National Counselor Examination for Licensure and Certification (NCE). NCSC applicants must hold the NCC credential, must meet all educational and experience requirements for the NCSC credential and pass the National Certified School Counselor Examination (NCSC). The NCSC format includes seven simulated cases and 40 multiple-choice questions. The simulations assess specific school counselor knowledge and the ability to make critical decisions on the spot. Applicants using the combination NCC/NCSC application are only required to pass the NCSC.	Applicants complete an extensive two- to three-year process of performance-based assessments, including portfolios, and demonstrate (in writing) content knowledge in human growth/development, diverse populations, school counseling programs, theories, data and change and collaboration.
Who developed certification	Originally NCSC was developed by practicing or retired counselors/counselor educators, including five ASCA board members or former board members. Current NCSC was developed by a Standards Review Committee and Test Development Committee, both consisting of counselors and counselor educators, with one former ASCA board member on the Standards Review Committee.	Standards Development Committee: Consisted solely of practicing or recently retired school counselors/counselor educators, including one ASCA board member and two former board members. Assessment Committee: All practicing school counselors, including one ASCA board member.
Who reviews portfolios/assessments	Computer scored	Active, practicing school counselors who have at least three years school counseling experience, successfully complete assessor training and qualify to evaluate early childhood/young adult school counselor candidates.
Educational/experience requirements	Master's degree (or higher) in counseling; two years of supervised counseling experience for the NCC; three years of school counseling experience for the NCSC. Counseling supervisors are required to hold a minimum of a master's degree in a mental health field.	Degree required for state certification (41 of 50 states require master's degree in school counseling); three years as practicing school counselor.
Waivers/exceptions	Experience requirements waived for graduates of CACREP-accredited programs (for the NCC credential only). All NCSC applicants must have three years of school counseling experience, except counselor educators.*	None
Year certification began	NCC started in 1982-83; NCSC first awarded in 1991.	Teacher certification began in 1993; first credential for school counselors awarded in November 2004.
Number who have received certification	38,000 counselors currently hold NCC certification; 1,900 are certified as NCSC.	40,200 educators certified since 1993; 350 certified in school counseling/childhood through young adult.
Length of initial certification	Five years for both NCC and NCSC	10 years
Cost for certification	\$277 to \$317 each to apply for NCC or NCSC separately; \$361 to \$426 for NCC and NCSC at the same time.	\$2,300; will be \$2,500 in 2006.
Cost/requirements to renew	No fee; NCCs must document 100 contact hours from approved content areas (10 percent are selected for audit) or retake NCE before certification expires.	\$1,150; must complete profile of professional growth.
Financial support for application process and fee	At least one state (Mississippi) reimburses for application fee for both NCC and NCSC.	29 states and the District of Columbia pay all or part of certification fee; five states and the District of Columbia provide release time for applicants to complete application.
Other outside support for application process and fee	Eligible veterans reimbursed for testing cost. Veterans taking NBCC test to obtain NCC reimbursed for exam portion of application fees.	Eligible veterans reimbursed up to \$2,000 of certification cost; special loans are available to NEA and AFT members.
Annual fee once certified	\$48 maintenance fee annually for NCC; \$30 annually for NCSC	None
State benefits once certified	At least four states provide financial incentives to NCSC-certified counselors; at least one state offers additional step on state salary schedule.	30 states provide financial incentives through additional salary or stipend (in some cases up to 12 percent of salary).

Web sites: [www.nbcc.org](http://www.nbcc.org), [www.nbpts.org](http://www.nbpts.org)

\*Waivers/Exceptions: For the NCSC - Counselor educators must pass the NCSC exam but don't have to document the required counseling supervision and school counseling work experience. They still must submit a colleague's endorsement form, a transcript and meet educational requirements. For just the NCC, for counselor educators, "in lieu of the work experience and counselor supervisor forms, counselor educators may submit a letter from their department chair on university letterhead verifying that they have spent three years or longer in full-time employment as a counselor educator. The letter, a sealed official transcript, a colleague's endorsement and the application fee are the only materials required for counselor educators to apply."

Note: Information last updated 2/1/05; Sources: NBPTS, NBCC





# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

February 12, 2019

**SUBJECT:** Proposed education funding cut  
(Work Order No. 31-LS0518)

**TO:** Senator Scott Kawasaki  
Attn: Mercedes Colbert

**FROM:** Meera Caouette *MC*  
Legislative Counsel

You have asked if the governor's proposal to cut the \$20 million in education funding appropriated for the current fiscal year in sec. 21(c), ch. 19, SLA 2018, is legal.

In short, it is legal for the governor to propose repealing the \$20 million previously appropriated for the current fiscal year and for the legislature to include such a repeal in an appropriation bill. The \$20 million appropriation will not be repealed unless the legislature passes an appropriation bill containing the repeal of sec. 21(c), ch. 19, SLA 2018. If the legislature does not do so, the original appropriation will continue to be authorized by law. Article II, sec. 13, Constitution of the State of Alaska, requires that "[b]ills for appropriations shall be confined to appropriations." A repeal of an appropriation can be accomplished in any appropriation bill.

Repealing the previous appropriation in an appropriation bill will end the authority to expend money in accordance with that appropriation. However, the Attorney General has opined that "[u]ntil an appropriation is obligated or lapses, the legislature retains the ability to exercise its legislative powers with respect to the appropriation."<sup>1</sup> Thus, if the appropriation that the governor aims to restrict has already been "obligated," the legislature's ability to amend the appropriation may be limited.

An attempt by the governor to withhold the previously appropriated \$20 million as proposed in the supplemental budget before its passage by the legislature presents a separate legal issue. The Alaska Supreme Court has held that the governor has limited authority to withhold expenditures of or reduce an appropriation during the fiscal year. In 1986, when the state faced a \$400 million deficit due to reduced oil prices, Governor William Sheffield acted under the authority of AS 37.07.080(g)(2) to order the reduction of state spending by restricting the expenditure of different classes of appropriations by different percentages. Expenditure of some appropriations deemed by the governor as

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<sup>1</sup> 1983 Op. Att'y Gen. No. 72 (Apr. 19).

necessary to fund critical governmental activities were left unrestricted. AS 37.07.080(g)(2), which has since been repealed, read:

(g) The governor may direct the withholding or reduction of appropriations to a state agency at any time during the fiscal year only if the governor determines that

(1) the planned expenditures can no longer be made due to factors outside the control of the state which make the expenditure factually impossible; or

(2) estimated receipts and surpluses will be insufficient to provide for appropriations.

In the lawsuit challenging the governor's impoundment plan, the court held that AS 37.07.080(g)(2) was an unconstitutional delegation of the legislative power of appropriation to the governor.<sup>2</sup> In support of its decision that AS 37.07.080(g)(2) was an unconstitutional delegation of legislative power to the executive branch, the Alaska Supreme Court found that the statute would permit the governor to cut the entire budget for a particular department or project and the governor could effectively veto a project by using the process in AS 37.07.080(g)(2) even when the legislature had overridden the governor's veto.<sup>3</sup> After the court's ruling, the legislature responded to the impending fiscal crisis by adopting curative legislation with the express intent of validating the governor's impoundment orders, which had become void under the court decision.<sup>4</sup> On remand, the trial court held that these curative legislative actions successfully reduced the state budget and the Alaska Supreme Court affirmed the ruling on appeal.<sup>5</sup> The *Fairbanks North Star Borough* case demonstrates that, while the governor undoubtedly has some latitude to withhold expenditure of appropriations, the extent of this latitude is limited. AS 37.07.080(g)(2) was subsequently repealed and AS 37.07.080(g) now reads as follows:

(g) The governor may direct the withholding or reduction of appropriations to a state agency at any time during the fiscal year only if the governor determines that the planned expenditures can no longer be made due to factors outside the control of the state which make the expenditure factually impossible.

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<sup>2</sup> *State v. Fairbanks North Star Borough*, 736 P.2d 1140 (Alaska 1987).

<sup>3</sup> *Id.* at 1143.

<sup>4</sup> The "curative legislation" referenced is ch. 9, SLA 1987 (HB 132), which ratified the governor's specific expenditure reductions.

<sup>5</sup> *Fairbanks North Star Borough v. State*, 753 P.2d 1158 (Alaska 1988).

Senator Scott Kawasaki  
February 12, 2019  
Page 3

I am not aware whether the governor has directed that expenditures be withheld as proposed in the supplemental budget before its passage by the legislature. If he does so, he may seek to rely on the current version of AS 37.07.080(g) for authority, however, current subsection (g) requires a determination that making the expenditure is factually impossible due to factors outside of the state's control. This provision has not been tested by a court since 1986. Until more facts become available, it is difficult to predict how a court might decide if the governor attempts to withhold this education expenditure.

If I may be of further assistance, please advise.

MBC:boo  
19-080.boo



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<sup>1</sup> 1983 Op. Att'y Gen. No. 72 (Apr. 19).



# ALLOWANCES FOR PROFESSIONAL PERSONNEL

4 AAC 15.040

applicant completed the program or earned the credits required for a certificate or endorsement;

(13) "sexual conduct" means "sexual penetration" and "sexual contact" as those terms are defined in AS 11.81.900;

(14) "special services area" means school nurse, social worker, speech therapist, psychologist, librarian, and other areas as approved as special service areas by the state board.

(b) In AS 14.20, "standard certificate" means a professional teacher certificate under 4 AAC 12.305(b).

(c) As used in AS 14.20 and this chapter, "teacher"

(1) means a person who, for compensation, instructs or teaches students in any grade from preschool - 12th grade, and who is not supervised by another person in the same room, classroom, or other location;

(2) includes

(A) an administrator who supervises a teacher or an educational program provided by a teacher;

(B) a provider of special education and related services who is not regularly supervised by another person in the same room, classroom, or other location; and

(C) a school counselor, nurse, or psychologist; and

(3) does not include

(A) a student teacher authorized under 4 AAC 30.020;

(B) a volunteer not working for compensation; or

(C) an administrator, such as a business manager, who does not supervise students or teachers. (Eff. 5/30/71, Register 38; am 10/4/73, Register 47; am 8/12/82, Register 83; am 6/9/85, Register 94; am 4/9/87, Register 102; am 7/1/90, Register 114; am 8/8/91, Register 119; am 7/2/93, Register 126; am 6/9/95, Register 134; am 4/4/96, Register 138; am 6/28/98, Register 146; am 3/31/2002, Register 161; am 9/29/2005, Register 175; am 10/21/2007, Register 184; am 4/24/2016, Register 218)

Authority: AS 14.07.060  
AS 14.20.010

AS 14.20.020

**Editor's note:** As of Register 151 (October 1999), the regulations attorney made technical revisions under AS 44.62.125(b)(6) to reflect the name change of the Department of Education to the Department of Education and Early Development made by ch. 58, SLA 1999, and the corresponding title change of the commissioner of education.

## CHAPTER 15

### ALLOWANCES FOR PROFESSIONAL PERSONNEL.

#### Section

- 10. (Repealed)
- 20. Creditable teaching experience
- 30. (Repealed)

#### Section

- 40. Sick leave
- 900. Definitions

4 AAC 15.010. Salaries: general. Repealed 1/22/81.

4 AAC 15.020. Creditable teaching experience. (a) Certificated teachers serving a school term of 140 instructional days or more shall be credited with a year of teaching service.

(b) Fractional years of teaching, either through teaching full days under a contract for less than a full term, or through teaching part of a day under a full-term contract, or part of an instructional day under a contract of less than a full term may be converted to full school terms to determine creditable service. No part-time teaching may be credited for placement on the district salary schedule unless the terms for the part-time teaching are specifically stated in the contract.

(c) Teaching days less than a full instructional day shall be given a fractional value. This value times the number of days actually taught shall give the number of equivalent instructional days.

(d) Repealed 1/22/81.

(e) No creditable year may be counted until July 1, following the completion of the creditable year.

(f) The provisions of (b) — (d) of this section are not retroactive and become effective July 1, 1971.

(g) For salary purposes, credit shall be given for military service in cases where the teacher's actual service in Alaska has been interrupted and the teacher immediately returns to teaching in an Alaska public school upon completion of such service. One year of creditable service shall be granted for each year of military service up to a maximum of five years. (In effect before 7/28/59; am 6/9/61, Register 3; am 9/8/66, Register 24; am 10/14/68, Register 27; am 5/30/71, Register 38; am 1/22/81, Register 77)

Authority: AS 14.03.030  
AS 14.07.060

AS 14.20

4 AAC 15.030. Chief school administrators. Repealed 5/10/78.

4 AAC 15.040. Sick leave. (a) Districts shall credit, without limit, sick leave with pay to all regularly contracted, certificated personnel in a manner consistent with the following provisions:

(1) sick leave is accrued at the rate of one and one-third days for each calendar month or each major portion of each calendar month of actual service;

(2) cumulative sick leave earned by a teacher in a school district is transferable to any other school district if the teacher's service is continuous; however, a teacher who is on an approved leave of absence may retain cumulative sick leave for the duration of the approved leave;



(3) a teacher may use accrued sick leave for leave due to personal injury or illness without limitation concerning the duration of usage;

(4), subject to limitations concerning the duration of usage established by the district, a teacher may use accrued sick leave for the death, illness, or welfare of a person in the teacher's immediate family; and

(5) a teacher is not entitled to reimbursement for accumulated sick leave except as service credit toward retirement.

(b) A false statement by a teacher regarding sick leave is sufficient grounds for cancellation of the contract and revocation of the certificate.

(c) In this section, "immediate family" includes at least the following:

(1) husband and wife;

(2) father and son, or daughter;

(3) mother and son, or daughter;

(4) brother and sister. (In effect before 7/28/59; am 4/28/64, Register 16; am 9/8/66, Register 27; am 5/30/71, Register 38; am 1/11/79, Register 69)

Authority: AS 14.07.060

AS 14.14.107

**4 AAC 15.900. Definitions.** As used in this chapter, unless the context requires otherwise

(1) "teacher" means a regularly certificated person employed on a teacher's or administrator's contract as defined in 4 AAC 18;

(2) "continuous service" means service up to the last day of a school term and beginning within 30 days of the start of the next school term. (Eff. 1/11/79, Register 69)

Authority: AS 14.07.060

AS 14.14.107

## CHAPTER 18

### EMPLOYMENT OF PROFESSIONAL PERSONNEL.

#### Section

05. Application for employment in certificated position

10. Teachers' and administrators' contracts

20. (Repealed)

21. Employment of substitute teachers

25. (Repealed)

27. Acquisition of tenure rights: less than full-time teachers

30. (Relocated)

31. Employment of members of immediate families of school board members

900. Definitions.

**4 AAC 18.005. Application for employment in certificated position.** A district shall include on the district's application for employment for all positions requiring a certificate under 4 AAC 12

(1) an inquiry into whether the applicant has ever been employed in the public schools of this state in a position requiring a teacher or an administrator certificate issued by the department;

(2) if the applicant has been employed in a certificated position in the state, a requirement that the applicant provide the dates, places, and job titles for the employment; and

(3) a statement that failure to provide truthful and complete information on this application would be a violation of the code of ethics adopted by the Professional Teaching Practices Commission under 20 AAC 10.020. (Eff. 9/2/2011, Register 199)

Authority: AS 14.07.060

**4 AAC 18.010. Teachers' and administrators' contracts.** (a) All teachers' and administrators' contracts for Alaska public schools must contain at least the following provisions:

#### Minimum Standard Contract Conditions

(1) date, name of school, and name of teacher employed;

(2) date salary is to start and the length of service in school days, including legal holidays;

(3) annual salary and the number of payments;

(4) repealed 1/1/76;

(5) oath of allegiance as prescribed by AS 39.05.045 or, if the teacher is not a U.S. citizen, the following:

"I do solemnly swear (or affirm) that I do not advocate the overthrow of the constitutional form of government of the United States or Alaska, and that I will faithfully discharge my duties as \_\_\_\_\_ to the best of my ability."

(6) statement authorizing deductions for the Teachers' Retirement System if eligible, or Social Security if applicable;

(7) contract to show clearly that each teacher in a public school must file a medical certificate with the chief school administrator;

(8) contract to be terminated without liability to the employing board

(A) if the teacher fails to discharge the duties imposed, either through incapacity or disability, or

(B) for cause, as defined in AS 14.20.170;

(9) contract to be terminated without penalty to the employing board if it becomes necessary to eliminate the position because of a decreased enrollment if at least 30 days' written notice is given; in addition, in hardship cases, the employing board may, in its discretion, afford such compensation as it considers necessary, but not more than payment for 20 days of service at the regular contract per diem rate;

(10) contract to be terminated without penalty to the employing board if the teacher fails to obtain a valid certificate in accordance with 4 AAC 12;

(11) contract to be made in duplicate and signed by at least two members of the school board and the teacher;





D-55

In the Matter of the Arbitration

between

KENAI PENINSULA EDUCATIONAL  
SUPPORT ASSOCIATION  
(Association)

and

KENAI PENINSULA BOROUGH  
SCHOOL DISTRICT  
(Employer)

AAA Case 01-14-000-6205  
OPINION AND AWARD  
PATTY SIROIS GRIEVANCE

BEFORE:

Kathryn T. Whalen, Arbitrator

APPEARANCES:

For the Association:

Keri Clark  
NEA-Alaska Uniserv Director  
4100 Spenard Road  
Anchorage, AK 99517

For the Employer:

Andrena L. Stone  
Khalial L. Withen  
Jermain Dunnagan & Owens  
3000 A. Street, Suite 300  
Anchorage, AK 99503

HEARING:

January 22, 2015

RECORD CLOSED:

February 27, 2015

AWARD ISSUED:

April 3, 2015

## **I. INTRODUCTION**

Kenai Peninsula Educational Support Association (Association or KPESA) filed a grievance claiming Kenai Peninsula Borough School District (Employer or District) violated the parties' Collective Bargaining Agreement when it stopped payment of wages and benefits to Association President Patty Sirois (Grievant) and removed her from District payroll and changed her contractual benefits. The Association also claims the District interfered with internal Association governance and engaged in related efforts to circumvent Grievant's role as elected representative of the Association. The District denied the grievance. The parties were unable to resolve this dispute and the Association submitted it to arbitration.

This case is administered by the American Arbitration Association (AAA). The Arbitrator was selected by the parties pursuant to AAA procedures. A hearing was held on January 22, 2015, in Kenai, Alaska. The parties were accorded a full opportunity to present evidence and argument in support of their respective positions.

The District raised a timeliness issue with respect to the Association's interference claim. Otherwise, the parties agreed this dispute is properly before the Arbitrator. The parties agreed the Arbitrator could retain jurisdiction for 60 days to resolve any remedy disputes, if a remedy is awarded.

The parties elected to file post-hearing briefs. The Arbitrator closed the record upon receipt of those briefs. The parties agreed the Arbitrator could have until April 6, 2015, to issue her decision.

## **II. ISSUES**

The parties did not agree on a statement of the issues. They agreed the Arbitrator could determine the issues based upon their submissions and the evidence.

KPESA states the issues as:

1. Did the District violate the Negotiated Agreement when it unilaterally removed Patty Sirois from District payroll? If so, what is the appropriate remedy?
2. Did the District violate the Negotiated Agreement through its interference in the business of the Association? If so, what is the appropriate remedy?

The District offers the following issue statement:

Is the portion of the Association's grievance on behalf of Patricia Sirois concerning Article 5 and 11 non-arbitrable as untimely filed under Article 34 of the Agreement?<sup>1</sup>

To the extent the grievance is arbitrable, did the District violate Article 21? If so, what is the appropriate remedy?

The Arbitrator determines the issues are:

Did the District violate Article 21 of the parties' Agreement when it ceased processing payroll for Grievant? If so, what is the appropriate remedy?

Was the Association's Article 5 claim timely filed? If so, did the District interfere in the business of the Association in violation of Article 5 of the Agreement? If it did, what is the appropriate remedy?

## **III. CONTRACT PROVISIONS**

### **ARTICLE 5 MEMBERSHIP RIGHTS**

A. The District agrees that it shall not directly or indirectly impede, restrain, or attempt to restrain any employee from belonging to the Association, taking an active part in Association affairs, or discriminate against any employee because of her/his Association membership or lawful Association activity.

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<sup>1</sup> Although Article 11, Discipline and Discharge, was identified at Level II of the grievance procedure, the Association no longer relies on that contract article.



## **ARTICLE 21 ASSOCIATION LEAVE**

The Board shall provide the Association sixty (60) days per year for Association leave for Association business. All Association leave shall have prior approval of the KPESA president, building administrator, and Human Resources. Days beyond the sixty (60) if approved, shall be done so with the understanding that the Association will pay the substitute costs, if any. The unused leave will be allowed to accumulate from year to year to facilitate negotiation years.

A maximum of fourteen (14) days, to be used for official NEA State or National business, at District expense, shall be approved for employees elected to State or National NEA office.

Whenever any representative of the Association or any support employee is mutually scheduled by the School Board or the Administration and the Association to participate during the working hours for grievance proceedings, conferences or meetings, he/she shall suffer no loss in pay. Nor shall there be any leave charged to the employee or the Association.

The District agrees to grant a leave time request for the President of the Kenai Peninsula Education Support Association for each year of the current contract, if requested. The President's release time shall be granted by the District, provided that the following conditions are met: (a) the Association shall pay the salary and benefits equal to the amount of the release time; (b) the President shall not be released until the District has found an acceptable substitute who can perform the President's professional duties and responsibilities; (c) the request must be made in writing prior to April 15 of each year for the following year; (d) should the Association choose to have .50 or more release time for the President, the Association will bear 100% of the annual benefit package for the President. At the conclusion of the President's release, the employee shall be returned to her/his building position held prior to the leave. Joint Exhibit 1.

### **IV. DECISION**

The Arbitrator finds the Employer did not violate Article 21 of the Agreement. The Arbitrator further finds that the Association's Article 5 claim was timely filed, but that the District did not violate Article 5 of the Agreement. In the discussion that follows I set forth my factual findings, reasoning and conclusions. .

**A. Overview: Article 21 Dispute**

By letter dated April 9, 2013 then-KPESA President Margie Warner notified HR Director Tim Peterson that KPESA intended to have Grievant serve as a full-time, release time President for the 2013-2014 school year. Association Exhibit C, p.1.

Prior to 2013-2014, Warner had served as KPESA President for seven years. She received Association release time for .25 time and worked in her District secretary position for .75 time. At hearing, Warner explained how the District and Association handled payroll procedures for her release time.

At the beginning of the school year, the District calculated the total number of days and regular hours Warner was expected to work for the District. Peterson asked Warner to submit a calendar estimate of the hours she anticipated for Association duties, which she did.

During the year, Warner filled out her District time sheet as usual and it was approved by her District administrator. Her time sheet then went through HR and District payroll. At the end of the school year, the District sent KPESA a bill for 1/4 of Warner's salary and benefits. KPESA then reimbursed the District for that amount.

Warner did not ask for overtime or compensatory time off. If she worked more than eight hours in a given day as President, she did so as a volunteer. She stuck to her pre-approved 8-hour schedule.

Other than herself, Warner was not aware of any other KPESA President who used release time. Grievant is the first full-time, release KPESA President.

By memorandum dated May 22, 2013, Peterson notified Warner and Grievant that if Grievant was working for the District her salary would be \$49,639.20 (based on

an 8-hour day) and her work calendar would be 215 days beginning July 29, 2013 and ending June 12, 2014. Association Exhibit C, p. 2.

In that same letter, Peterson advised that the District had been directed by the State of Alaska that for PERS (retirement) purposes, while working for KPESA, Grievant would not be considered a direct employee of the District and must be placed into leave status with PERS.<sup>2</sup> Association Exhibit C, p. 2; District Exhibits 5-7.

At about this time, JoAnn Riener became HR Director for the District. In August 2013, Riener began communicating with Grievant about her time sheet and hours submitted to District payroll. The District requires all employees to have their time sheets verified to ensure accuracy of hours worked. Other than Grievant, no one was approving her time sheet.

The District had policies to effectuate overtime and compensatory time-off which required employees to complete a daily time record of all hours worked as required by the Fair Labor Standards Act (FLSA). District Exhibit 11. According to the parties' Agreement, the District may provide for compensatory time off consistent with the FLSA. Joint Exhibit 1, Article 10 L.

Commencing in August of 2013, Grievant began reporting compensatory time off for hours worked in excess of eight hours. District Exhibit 12. The District questioned whether the KPESA E-Board would approve any overtime now that Grievant was on full-time release from the District. The District was concerned about its responsibilities under the FLSA. The District also raised the question of Grievant's employment status;

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<sup>2</sup> The District had received a letter from the State of Alaska, Department of Administration, Division of Revenue and Benefits. District Exhibit 6. There is dispute between these parties about Grievant's PERS status/contributions that is the subject of a separate grievance. That matter is not before me. Minimal evidence about the PERS dispute was introduced for background purposes.

that is, who is her employer for FLSA and other purposes under state and federal law. The parties had discussions about these matters and numerous emails were sent back and forth between Riener and Grievant, with others copied at times. Association Exhibit C; District Exhibits 13-18.

For example, a September 7, 2013 email from Riener included the following comments, among others, to Grievant:

Thanks for sending your time sheet. I just want to confirm that you are "officially" caught up with all of your hours worked since the end of the last school year. I thought you would have had more hours listed. How will the hours for the Ninilchik fair be compensated? I just want to make sure that we are on the same page. With that said, we'll expect for all future time sheets to accurately actual (sic) reflect hours worked. You'll need to indicate when you are going to "cash in" on your comp time. As I've mentioned, the District is looking at the whole set up of comp time, to be sure we are consistent, in line with FLSA and with KPESA's CBA. With that said, when can we expect an answer on the question of who is your employer? We really need to get this resolved before the next time sheets are due. As I mentioned, I feel KPESA should be authorizing your hours worked. \* \* \* District Exhibit 17, p. 2.

The parties continued to have discussions and exchanged emails/letters to each other about these and other related matters.

In a September 2013 letter, Grievant advised the District that the parties' Agreement required the District to continue the President's compensation and benefits subject to KPESA reimbursing the District for the costs associated with full-time release. Association C, pp.16-18.

In that letter, Grievant further informed the District that the KPESA Executive Board had not in the past been required to authorize, verify, or sign-off on time cards; nor had the District required KPESA to certify authorized release time work hours. Grievant advised the District she was authorized to certify her hours for release time,



and the demand that a higher level of governance within KPESA sign her time card was an unwarranted intrusion into the internal affairs of the Association. Exhibit C, p. 17. District Exhibit 19.

The parties continued to communicate about these matters but were not successful in resolving the problems between them. Association Exhibit D; District Exhibit 32. By letter dated January 28, 2014, from its legal counsel, the District notified KPESA/NEA-Alaska that it would no longer process payroll for Grievant effective February 1, 2014. Association Exhibit G.

On February 26, 2014, KPESA and Grievant filed the instant grievance. The grievance sets forth the issue as:

On January 28, 2014 the District issued a letter regarding the leave with pay status of KPESA's full time release president, Patty Sirois. The District advised that it intended to stop paying wages and benefits to President Sirois on February 1, 2014. Three days later the District removed the President from payroll, changing her health insurance coverage and other contractual benefits.

KPESA and President Sirois have been harmed by the District's unilateral, unexcused reversal of the District's position regarding its contractual obligations. The District's decision was issued after weeks of interference with internal Association governance and related efforts to circumvent President Sirois' role as elected representative of the Association. Association Exhibit H.

The parties were unable to resolve this dispute at prior levels of the grievance process. It is now properly before me for decision.

**B. Discussion: Article 21**

*1. Parties' Positions*

KPESA argues that the contract requires the District to provide leave with pay. Until January 28, 2014 both HR Directors (Peterson and Riener) understood, as

demonstrated by their actions, that the president was entitled to remain on District leave with pay, not "leave of absence." The parties bargained this language "the Association shall pay the salary and benefits equal to the amount of release time" to mean something rational. The parties' undisputed past practice supports the most rational interpretation which is reimbursable release time.

The District contends it fulfilled its Article 21 obligations. The relevant language is plain and establishes two core obligations. That is, the District has the obligation to grant Association release time and the Association has the obligation to pay the salary and benefits equal to the release time. The contract does not contain any language that requires the District to process payroll or act as a pass-through for the Association's full-time President. It does not mandate a reimbursement process. The Association cannot unilaterally impose such a restriction. The Arbitrator cannot rewrite the contract. There was no binding past practice--Grievant was the first time full-time release President.

## *2. Analysis*

The basic goal of contract interpretation is to determine and give effect to the intent of the parties as expressed in the written contract. Other relevant, extrinsic evidence is considered as necessary if the contract language is ambiguous. Elkouri & Elkouri, *How Arbitration Works*, 9-8 to 9-12 (7th Edition, 2012).

Article 21 provides in relevant part:

The District agrees to a grant leave time request for the President of the Kenai Peninsula Education Support Association for each year of the current contract, if requested. The President's release time shall be granted by the District, provided that the following conditions are met: (a) the Association shall pay the salary and benefits equal to the amount of the release time; (b) the President shall not be released until the District has found an acceptable substitute who can perform the President's professional duties and responsibilities; (c) the request must be made in

writing prior to April 15 of each year for the following year; (d) should the Association choose to have .50 or more release time for the President, the Association will bear 100% of the annual benefit package for the President. At the conclusion of the President's release, the employee shall be returned to her/his building position held prior to the leave.

The above language requires the District to grant release time if certain conditions are met. Those conditions are specifically listed. Among them is the mandate that the Association pay the salary and benefits equal to the amount of the release time. Article 21 also spells out that if the Association chooses to have a .50 or more release for President, the Association will bear 100% of the annual benefit package for the President. Finally, at the conclusion of the President's release, the District is required to return the employee to her/his building position prior to the leave.

The above language is plain and straightforward in its requirements. It does not, however, specify how this language is to be administered and/or put into effect. Reimbursable release time is a common method for doing so, but the above language--on its face--does not require it.

The Association relies on the prior conduct of the parties to show the parties intended to use reimbursable release time. The Association refers to the practice with Warner, and Grievant as well--prior to January 28, 2014.

In order to be binding, a past practice must be clear in its nature and scope. Warner was not a full-time President. She remained in the District's employ for .75 of the time during her tenure as President. She did not request compensatory time off. Warner's situation was not the same as Grievant's full-time release. I agree with the District that its conduct with Warner does not establish a binding past practice.

Similarly, the District's conduct toward Grievant prior to January 28, 2014 fails to demonstrate mutual intent for reimbursable release time for a full-time President. Grievant's work year began on July 29, 2013. As early as August 2013, the District raised questions about how her full-time release was to be handled. The parties have been locked in a vigorous dispute ever since.

To summarize, the express language of Article 21 controls the outcome of the issue before me. The parties agreed to certain specific requirements but did not spell out procedures for administering release time for a full-time President. No extrinsic evidence establishes a clear, mutual intent and/or binding past practice of reimbursable release time. As a result, I must conclude that the District did not violate Article 21 when it ceased processing payroll for Grievant.

The parties submitted other arguments concerning, for example, Grievant's status as an "employee" of the District for FLSA overtime and other purposes. Such matters are not directly before me. It is neither necessary nor appropriate for me to decide other legal questions in the context of this limited contract interpretation issue.

**C. Timeliness of Article 5 Claim**

According to the District, the Association's Article 5 claim was not properly grieved and therefore is not procedurally arbitrable. The District contends that the Association failed to articulate an Article 5 claim in its initial grievance. Rather, KPESA raised it only in its Level II grievance. As a result, asserts the District, the Association did not comply with the parties' stated intent to resolve grievances at the lowest possible level. Joint Exhibit 1, Article 34 C (Level I).



KPESA's Level I grievance makes no specific reference to Article 5. In explaining the harm suffered it does, however, mention District interference with internal Association governance and related efforts to circumvent Grievant's role as elected representative of the Association. Association Exhibit H, p. 1.

At Level II, KPESA specifically identified Article 5 and claimed that the District interfered with internal Association governance. Exhibit H, p. 5.

In the initial grievance, the District was placed on notice that KPESA believed the District had interfered with the governance of the Association. That allegation was reiterated, and more specifically identified, at Level II. The District had ample opportunity to respond to this claim.

There is a presumption in favor of arbitrability. *Elkouri & Elkouri*, at 5-11. Under the circumstances presented here, I find that KPESA substantially complied with the procedural requirements of Article 34 and the District was not prejudiced by the Association's failure to identify Article 5 at Level I. I conclude the Article 5 claim was timely filed and is arbitrable.

**D. Discussion: Article 5**

*1. Parties' Positions*

According to the Association, the District's decision to terminate Grievant from payroll was not driven by contract language or a desire to avoid legal violations. Rather, the major reason was animosity--it is unclear whether personal or because the District did not want to deal with a strong union advocate. What is clear, argues KPESA, is that from the onset, the District interfered with Grievant's role as KPESA President and it continued by the entire course of its conduct.

The Association asserts that the District: altered its practices and took the position that Grievant was no longer a District employee; misrepresented her hours and repeatedly questioned and gave her directives about her time sheet; sought to meet with the KPESA Executive Board and to have the Board approve Grievant's time sheets. Aside from costs, disruption and labor in setting up payroll and accounting, the Association contends there also was intangible harm to Association interests in terms of derogatory critiques and refusal to accept Grievant as KPESA President.

The District argues that its conversations and letters were an attempt to resolve issues with the President and Association; that is, they were efforts at cooperation. This evidence does not establish interference.

## *2. Analysis*

At the time the District was notified of the KPESA's intent to have Grievant serve as a full-time release President, the District had policies for overtime and compensatory time-off which required employees to complete a daily time record of all hours worked as required by the FLSA. District Exhibit 11. The District also required all employee hours to be verified by an administrator and/or another District employee. For example, in Warner's case, her administrator verified her hours.

The District also had received letters (April 2012/May 2013) from the State of Alaska, Department of Administration, Division of Retirement and Benefits which informed the District that a full-time union president is not a direct employee of the District for retirement system purposes. District Exhibits 5, 6. In May of 2013, Peterson alerted Warner and Grievant of the State's conclusion. Association Exhibit C, pp. 2, 3.

As explained above in Section B, the parties' Agreement does not set forth procedures for the administration of a full-time release president. Grievant is the first. Grievant also was the first President to use compensatory time-off.

It is in this context that the District communicated with Grievant and KPESA about how to handle Grievant's hours, time sheets and other related full-time release matters. The District had legitimate reasons for asking questions of Grievant and the Association, and for seeking to establish procedures for Grievant's full-time release.

Grievant and KPESA have objected to and raised concerns about District questions and the manner in which District representatives have interacted with Grievant.

I have reviewed all of the written correspondence submitted by the parties as well as witness testimony. I also have listened to the entirety of the recorded meeting held on September 27, 2013 between the parties. District Exhibit 32. In that meeting, Assistant Superintendent Dave Jones detailed the District's questions and concerns about Grievant's employment status and told the Association the basis for District's concerns.

Based upon the record, I am not convinced that the District acted with anti-union motivation in its course of conduct towards toward Grievant and KPESA; nor am I convinced that the District acted in order to interfere, or for the purpose of interfering, in the governance of the Association. Consequently, I conclude that the District did not violate Article 5.

## **V. CONCLUSION**

For the foregoing reasons, I conclude the District did not violate Article 21 of the parties' Agreement when it ceased processing payroll for Grievant. The District also did

not interfere in the business of the Association in violation of Article 5. In arriving at my decision, I have carefully reviewed all testimonial and documentary evidence. Even if not mentioned, I have considered all of the facts, arguments and authorities submitted by the parties. I have focused my opinion on matters that I believe needed to be addressed and those which were crucial to my decision.

I will enter an award that dismisses the Association's grievance. Pursuant to Article 34 C, I will order the parties to share equally my fees and expenses.



In the Matter of the Arbitration	)	
	)	
between	)	
	)	
KENAI PENINSULA EDUCATIONAL	)	
SUPPORT ASSOCIATION	)	
(Association)	)	AAA Case 01-14-000-6205
	)	AWARD
	)	PATTY SIROIS GRIEVANCE
and	)	
	)	
KENAI PENINSULA BOROUGH	)	
SCHOOL DISTRICT	)	
(Employer)	)	

Having carefully considered all evidence and arguments submitted by the parties concerning this matter, the Arbitrator concludes that:

1. The District did not violate Article 21 of the parties' Agreement when it ceased processing payroll for Grievant.
2. The Association's Article 5 claim was timely filed.
3. The District did not interfere in the business of the Association in violation of Article 5 of the parties' Agreement.
4. The Association's grievance is denied and dismissed in its entirety.
5. Pursuant to Article 34 C the parties will equally share the Arbitrator's fees and expenses.

Respectfully submitted,



Kathryn T. Whalen  
Arbitrator  
Date: April 3, 2015



# District 56

District	Accrual	Cash In	Carry Over	Cash In Value
ASD	5	5	5	Per Diem
MSBSD	4	3	4	Per Diem
FBNSBSD	5	100%	11	Per Diem up to \$300
KPBSD*	4	4	8	Per Diem
JSD	4	100%	10	Rate of \$150 per day

\*No agreement for FY 2019

the 1990s, the number of people with a mental health problem has increased by 50% (Mental Health Foundation 2000).

There is a growing awareness of the need to address the needs of people with mental health problems in the community. The Department of Health (1999) has set out a vision for the future of mental health services, which includes a focus on preventing mental health problems, supporting people with mental health problems in the community, and providing specialist services for people with severe mental health problems. The Department of Health (1999) also states that the future of mental health services should be based on a partnership between the NHS, local authorities, and the voluntary sector.

The Department of Health (1999) has also set out a number of key principles for the future of mental health services, which include: a focus on preventing mental health problems, supporting people with mental health problems in the community, and providing specialist services for people with severe mental health problems. The Department of Health (1999) also states that the future of mental health services should be based on a partnership between the NHS, local authorities, and the voluntary sector.

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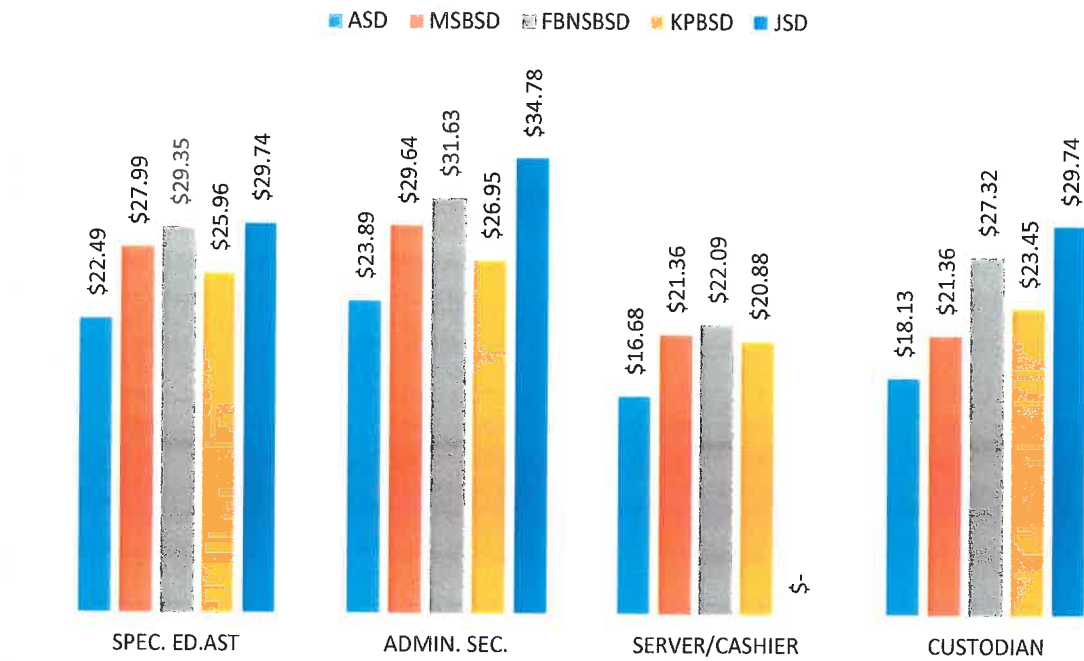
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0-57

## FY19 BIG 5 CLASSIFIED SALARY COMPARISONS



\$- JSD does not have server/cashier employees

the 1990s, the number of people with a diagnosis of schizophrenia has increased in the United Kingdom (Meltzer 1998). The prevalence of schizophrenia in the United Kingdom is estimated to be 1.2% (Meltzer 1998).

There is a growing awareness of the need to improve the lives of people with mental health problems. The United Kingdom has a number of government departments and agencies that are responsible for the care of people with mental health problems. The Department of Health is responsible for the overall policy and strategy for mental health care. The Department of Social Security is responsible for the provision of social security benefits to people with mental health problems. The Department of the Environment is responsible for the provision of housing and other services to people with mental health problems. The Department of Transport is responsible for the provision of transport services to people with mental health problems.

The National Health Service (NHS) is responsible for the provision of mental health care. The NHS is a public body that provides a range of services to people with mental health problems. The NHS is funded by the government and the public. The NHS is responsible for the provision of a range of services, including: assessment, diagnosis, treatment, and rehabilitation. The NHS is also responsible for the provision of support and advice to people with mental health problems.

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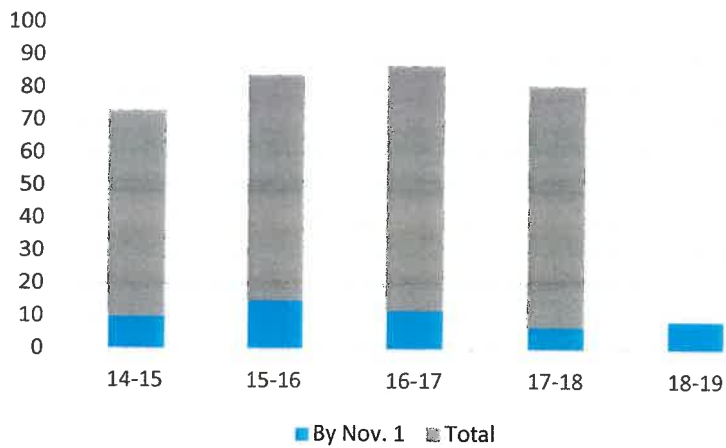
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EXH. 58

**KPBSD Annual Certified Resignation Data**

	By Nov. 1	Total
14-15	10	63
15-16	15	69
16-17	12	75
17-18	7	74
18-19	9	

**Annual Retire/Resign Data for Certificated  
Employees in KPBSD**







CLASSIFIED 59

#### ARTICLE 25A: DONATIONS OF SICK LEAVE

Members shall be allowed to donate sick leave to and receive donations of sick leave from leave eligible members subject to the following conditions:

- A. Each member wishing to donate sick leave will fill out, date and sign a leave slip showing the amount of leave to be donated. The leave slip will have written along the bottom, or in the space provided, "Leave donation to (employee name)." Members must maintain a balance of 12 days of accrued leave in order to donate.
- B. The Association will be responsible for gathering all leave donations to be forwarded to the District. Leave donations will become available during the pay period in which the Association approved donation is received by the HR department.
- C. The total amount of leave credited to the recipient's donated leave account shall not exceed 20 days during the life of the current Agreement. Donated leave may not be used until all accrued annual, personal, sick leave and sick leave bank appropriations have been exhausted.
- D. The donation cannot be withdrawn, modified or otherwise returned to the donor's leave account.
- E. Coercion of members to donate sick leave to another member is prohibited.
- F. Any unused leave by a member who has received donated sick leave, shall be forwarded to the sick leave bank.
- G. The District shall provide, on an annual basis, a donated leave report to the Association reflecting donated leave activity.



KPEA 59

### 343 DONATIONS OF SICK LEAVE

Members shall be allowed to donate sick leave to and receive donations of sick leave from leave eligible members subject to the following conditions:

- A. Each member wishing to donate sick leave will fill out, date and sign a leave slip showing the amount of leave to be donated. The leave slip will have written along the bottom, or in the space provided, "Leave donated to (employee name)." Members must maintain a balance of 12 days of accrued sick leave in order to donate.
- B. The Association will be responsible for gathering all leave donations to be forwarded to the District. Leave donations will become available during the pay period in which the Association approved donation is received by the HR department.
- C. The total amount of leave credited to the recipient's donated leave account shall not exceed 20 days during the life of the current Agreement. Donated leave may not be used until all accrued personal, sick leave and sick leave bank appropriations have been exhausted.
- D. The donation cannot be withdrawn, modified or otherwise returned to the donor's leave account.
- E. Coercion of members to donate sick leave to another member is prohibited.
- F. Any unused leave by a member who has received donated sick leave, shall be forwarded to the sick leave bank.
- G. The District shall provide, on an annual basis, a donated leave report to the Association reflecting donated leave activity.

EXH. B9



Anchorage School District

# 2018-19 Adopted Budget



*Educating All Students for Success in Life*



## LONG-TERM FINANCIAL PLANNING

The District received flat funding for fiscal year 2017-2018 with the Base Student Allocation (BSA) of \$5,930 staying the same as the previous year. No increases to the BSA for FY 2018-2019 were approved, however, during the 2018 legislative session, additional funding for K-12 education was approved for both fiscal years 2018-2019 and 2019-2020. For FY 2018-2019, \$20 million was funded as a one-time payment to be distributed to schools statewide and \$30 million was added as a one-time payment to be distributed to schools statewide for FY 2019-2020. For fiscal years 2020-2021 and beyond, funding reverts back to the same levels as fiscal year 2016-2017.

The District initially projected a budget shortfall of about \$13.2 million in fiscal year 2018-2019 and used a combination of budget cuts and additional use of fund balance to make up the difference. Additional revenues from the State have allowed the District to add back some of the services that were reduced in the original proposed budget. For fiscal years 2019-2020 through 2021-2022, the District expects to contend with the same current revenue challenges as well as medical, workers' compensation, and general liability cost increases above the rate of inflation, normal inflation on salaries, benefits, services and supplies, and excise taxes imposed on the District in accordance with the Affordable Care Act. The budget shortfall over the next three years is expected to be between \$30 and \$50 million and result in the elimination of up to 500 positions in order close the fiscal gap and balance the budgets.

## ENROLLMENT

The majority of the District's funding is derived from the State of Alaska Public School Foundation Program, which provides formula funding based on the District's average daily membership (ADM). The District's ADM decreased by 721 students (1.5 percent) from the prior fiscal year to 46,964 for fiscal year 2017-2018. Projections for fiscal years 2018-2019 and 2019-2020, anticipate slight decreases in ADM to 46,748 and 46,679 respectively.

## FACILITIES

Under Alaska law, the District cannot legally hold title to real property, therefore, all constructed or purchased school facilities are owned by the Municipality of Anchorage. The Municipality has delegated the construction management of school projects to the District.

the 1990s, the number of people in the UK who are employed in the public sector has increased by 1.5 million, from 2.5 million in 1980 to 4 million in 1995 (Department of Health 1996).

There is a growing emphasis on the need to improve the efficiency of the public sector, and to ensure that the public sector is able to deliver the services that are required by the public.

The public sector is a large and complex organisation, and it is difficult to ensure that it is able to deliver the services that are required by the public. There are a number of factors that can contribute to this, including:

- The size and complexity of the organisation.
- The lack of clear objectives and priorities.
- The lack of effective communication and coordination between different parts of the organisation.
- The lack of adequate resources.

These factors can all contribute to the public sector's inability to deliver the services that are required by the public. It is therefore essential that the public sector is able to overcome these challenges, and to ensure that it is able to deliver the services that are required by the public.

There are a number of ways in which the public sector can overcome these challenges, and ensure that it is able to deliver the services that are required by the public. These include:

- Improving the size and complexity of the organisation.
- Establishing clear objectives and priorities.
- Improving communication and coordination between different parts of the organisation.
- Ensuring that adequate resources are available.

By implementing these measures, the public sector can ensure that it is able to deliver the services that are required by the public, and that it is able to do so in a cost-effective and efficient manner.

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There are a number of ways in which the public sector can overcome these challenges, and ensure that it is able to deliver the services that are required by the public. These include:

KPBSD Health Care Costs Increase From KPEA/KPESA Proposal

EXHIBIT 70

1. FY18 Cap Related Information

	FY18 Cap Amount <u>Traditional</u>	FY18 Cap Amount <u>HDHP</u>
District (85% Traditional - 90% HDHP)	\$ 1,731.45	\$ 1,645.61
Employee (15% Traditional - 10% HDHP)	<u>\$ 305.55</u>	<u>\$ 182.85</u>
Monthly Total	\$ 2,037.00	\$ 1,828.46

2. FY19 Contribution Amounts Based On Subcommittee 9/24/2018 Rate Determination

	FY19 Contributions <u>Traditional</u>	FY19 Contributions <u>HDHP</u>
FY19 Subcommittee Determined Monthly Amount	\$ 2,421.08	\$ 2,078.17
Amount above/below Cap	\$ 384.08	\$ 249.71
50% of Excess/Reduction	\$ 192.04	\$ 124.86
District	\$ 1,923.49	\$ 1,770.47
Employee	<u>\$ 497.59</u>	<u>\$ 307.70</u>
Total FY19 Monthly Amounts	\$ 2,421.08	\$ 2,078.17

3. Yearly Cost Based On Subcommittee 9/24/2018 Rate Determination

	<u>Traditional</u>	<u>HDHP</u>	<u>Both Plans</u>
Employees enrolled	522	560	1,082
Monthly District Cost Per Employee	\$ 1,923.49	\$ 1,770.47	
Monthly Employee Cost	\$ 497.59	\$ 307.70	
Monthly District Cost For All Employees	\$ 1,004,061.78	\$ 991,463.20	\$ 1,995,524.98
Monthly Employee Cost For All Employees	\$ 259,741.98	\$ 172,312.00	\$ 432,053.98
Yearly District Cost For All Employees	\$ 12,048,741.36	\$ 11,897,558.40	\$ 23,946,299.76
Yearly Employee Cost For All Employees	\$ 3,116,903.76	\$ 2,067,744.00	\$ 5,184,647.76

#### 4. FY19 Contribution Amounts Based On KPEA & KPESA Proposals

	FY19 Contributions <u>Traditional</u>	FY19 Contributions <u>HDHP</u>
FY19 Subcommittee Determined Monthly Amount	\$ 2,421.08	\$ 2,078.17
District	\$ 2,057.92	\$ 1,870.35
Employee	<u>\$ 363.16</u>	<u>\$ 207.82</u>
Total FY19 Monthly Amounts	\$ 2,421.08	\$ 2,078.17

#### 5. Yearly Cost Based On KPEA & KPESA Proposals

	<u>Traditional</u>	<u>HDHP</u>	<u>Both Plans</u>
Employees enrolled	522	560	1,082
Monthly District Cost Per Employee	\$ 2,057.92	\$ 1,870.35	
Monthly Employee Cost	\$ 363.16	\$ 207.82	
Monthly District Cost For All Employees	\$ 1,074,233.20	\$ 1,047,397.68	\$ 2,121,630.88
Monthly Employee Cost For All Employees	\$ 189,570.56	\$ 116,377.52	\$ 305,948.08
Yearly District Cost For All Employees	\$ 12,890,798.35	\$ 12,568,772.16	\$ 25,459,570.51
Yearly Employee Cost For All Employees	\$ 2,274,846.77	\$ 1,396,530.24	\$ 3,671,377.01
Yearly Increased Cost To District	\$ 842,056.99	\$ 671,213.76	\$ 1,513,270.75
Yearly Decreased Cost To Employees	\$ (842,056.99)	\$ (671,213.76)	\$ (1,513,270.75)





# DISTRICT 41

Employee Contributions - Traditional	4,715,055.09		
Employee Contributions - HDHP	323,482.09		
Total EE Repayment for reserves	46,069.63		
Cobra Payments - Traditional	52,822.76		
Cobra Payments - HDHP	23,198.41		
Total Employee Contributions	5,160,627.98		
ER Contribution - Traditional	21,640,748.64		
ER Contribution - HDHP	2,136,326.09		
Total Employer Share Contributions	23,777,074.73		
Total Contributions (EE + ER)	28,937,702.71		
Interest Income	14,232.03		
Total Contributions and Other Income	28,951,934.74		
Expenditure - Traditional	27,970,083.26		
Expenditure - HDHP	993,491.22		
FY18 Expenditures	28,963,574.48		(25,871.77)
Excess(Decrease) of Revenues over Expenditures	(11,639.74)		(71,941.40)
Prior Year Reserve	2,055,113.17		
Total Health Care Reserve	2,043,473.43		
ER Health Care Reserve Increase	207,743.45		
EE Health Care Reserve Increase - HDHP	247,331.38		
EE Health Care Reserve Decrease - Traditional	(527,016.23)		
	(71,941.40)		
Traditional Plan			
ER Share 21,104,644.05+1,570,545.13	22,675,189.18		(1,034,440.54)
EE Share 3,724,348.95+1,570,545.13	5,294,894.08		(527,016.23)
	27,970,083.26		
HDHP			
ER Share up to cap 894,142.10	894,142.10		1,242,183.99
EE Share up to cap 99,349.12	99,349.12		247,331.38
	993,491.22		
ER Share			207,743.45
EE Share HDHP			247,331.38
EE Share Traditional			(527,016.23)
			(71,941.40)

[illegible]

[illegible]



## Kenai Peninsula Borough School District

Health Care Committee Monthly recap  
as of January 31, 2019Reserve Account  
Employee Share  
Employer ShareAs of 6-30-17  
701,399.69  
1,353,713.48As of 6-30-18  
471,065.27  
1,572,408.17FY19 Monthly Contribution - Traditional  
Employee Share \* 498.00  
Employer Share 1,923.49  
2,421.49FY19 Monthly Contribution - HDHP  
Employee Share \* 308.00  
Employer Share 1,770.47  
2,078.47

This document is provided to the Health Care Committee as a work paper to recap the contributions to and expenditures from the Health Care Plan each month. It is to be used primarily as an aid in estimating costs of the plan to determine if changes should be made in employee contribution amounts. Every effort is made to provide current and accurate information, but this information is not audited until after the end of the fiscal year.

	Number of Employees	YTD Employees	Current Month Obligations	YTD Obligations	Contributions Current Month Collected	Contributions YTD Collected
<b>Employees</b>						
KPEA Employees	302	2,547	150,396.00	1,268,406.00	199,955.47	1,009,242.50
KPEA Employees - HDHP	301	1,676	92,708.00	516,208.00	135,361.88	659,870.14
KPEA Repay EE Reserve					16,654.74	84,346.65
KPESA Employees	188	1,647	93,624.00	820,206.00	121,396.76	647,148.87
KPESA Employees - HDHP	203	1,095	62,524.00	337,260.00	89,310.03	427,623.50
KPESA Repay EE Reserve					10,746.30	54,166.20
Administrators	20	206	9,960.00	102,588.00	12,819.96	76,318.46
Administrators - HDHP	38	197	11,704.00	60,676.00	16,171.31	76,234.99
Admin Repay EE Reserve					1,600.80	8,004.00
Board Members	1	14	498.00	6,972.00	275.00	5,070.48
Board Members - HDHP	3	19	924.00	5,852.00	1,849.40	6,514.39
Board Repay EE Reserve					-	476.10
Exempt Employees	10	83	4,980.00	41,334.00	5,158.46	38,064.44
Exempt Employees - HDHP	15	90	4,620.00	27,720.00	5,089.38	28,065.31
Exempt Repay EE Reserve					690.00	3,422.40
Affordable Care Act **	-	-	0.00	0.00		
ACA Empl Repay EE Reserve						
<b>Total Employees on Payroll</b>	<b>1,081</b>	<b>7,574</b>	<b>431,938.00</b>	<b>3,187,222.00</b>	<b>617,079.49</b>	<b>3,124,568.43</b>
COBRA Payers (FY19 = \$2215.88)	1	13	2,215.88	28,806.44	112.59	27,226.96
COBRA HD Payers (FY19 = \$1960.28)	-	6	-	11,761.68	-	11,687.46
<b>Total Employees</b>	<b>1,082</b>	<b>7,593</b>	<b>434,153.88 *</b>	<b>3,227,790.12</b>	<b>617,192.08</b>	<b>3,163,482.85</b>

\* Current month employee obligations are a calculation of "Number of Employees" eligible for health care coverage during that month times the "Employee Share" (shown in the upper right corner of the sheet).

\*\* Affordable Care Act (ACA) coverage is offered to employees once eligibility is determined. Eligibility is based on number of hours worked during the measurement period.

**Employer**

Employer share	522	4,510	1,004,061.78	8,674,939.90	1,322,005.78	6,841,284.37
Employer share - HDHP	560	3,082	991,463.20	5,456,588.54	1,311,877.90	6,566,589.74
<b>Total</b>			<b>2,429,678.86</b>	<b>17,359,318.56</b>	<b>3,251,075.76</b>	<b>16,571,356.96</b>

**+ Employee Share Split**

<b>FY19 Contribution Traditional</b>	<b>498.00</b>	<b>Subtotal</b>	<b>339,605.65</b>	<b>1,775,844.75</b>
<b>Cobra</b>	<b>2,215.88</b>	<b>Subtotal</b>	<b>112.59</b>	<b>27,226.96</b>
			<b>339,718.24</b>	<b>1,803,071.71</b>
<b>FY19 Contribution HDHP</b>	<b>308.00</b>	<b>Subtotal</b>	<b>247,782.00</b>	<b>1,198,308.33</b>
<b>Cobra HD</b>	<b>1,960.28</b>	<b>Subtotal</b>	<b>-</b>	<b>11,687.46</b>
			<b>247,782.00</b>	<b>1,209,995.79</b>
<b>Prior Year Reserve Repayment</b>	<b>20.70</b>	<b>Subtotal</b>	<b>29,691.84</b>	<b>150,415.35</b>

## Expenditures

Since the health care plan is self-funded, both employee and employer contributions are collected and bills are paid from the accumulated funds.

	TRADITIONAL		HDHP	
	Current Month	Year-To-Date	Current Month	Year-To-Date
<b>Claims</b>				
Health Care Claims paid by TPA (Rehn)	1,530,097.28	10,434,201.80	602,383.31	1,951,259.62
Prescription Claims paid by Caremark	376,802.59	2,912,159.62	95,502.35	408,395.71
HRA	-	-	26,983.09	129,233.36
<b>Total Claims Paid</b>	<b>1,906,899.87</b>	<b>13,346,361.42</b>	<b>724,868.75</b>	<b>2,488,888.69</b>
<b>Administration</b>				
TPA (Rehn) fees and costs	10,453.95	137,602.48	-	-
TPA (Rehn) HRA fees and costs	-	-	12,163.67	76,117.06
Aetna Administration Fees	9,997.00	85,581.05	10,724.76	59,142.66
Consultant Fees	2,380.04	16,478.83	2,553.29	18,054.48
Stop Loss Premiums	146,629.90	913,149.36	157,304.10	651,662.83
Affordable Care Act Fee	-	46,691.32	-	20,266.51
<b>Total Administration</b>	<b>169,460.89</b>	<b>1,199,503.04</b>	<b>182,745.82</b>	<b>825,243.54</b>
<b>Total Claims plus Administration</b>	<b>2,076,360.76</b>	<b>14,545,864.46</b>	<b>907,614.57</b>	<b>3,314,132.23</b>
<b>Adjustments</b>				
Stop Loss reimbursements	-	(2,334,291.02)	-	-
Prescription Rebates	-	(298,143.59)	-	(63,680.97)
Health Care Claims refund	-	-	-	-
Claims reimbursements	(50.00)	(300.00)	-	-
Other adjustments	-	(25.00)	-	-
<b>Total Adjustments</b>	<b>(50.00)</b>	<b>(2,632,759.61)</b>	<b>-</b>	<b>(63,680.97)</b>
<b>Total Expenditures</b>	<b>2,076,310.76</b>	<b>11,913,104.85</b>	<b>907,614.57</b>	<b>3,250,451.26</b>

## Obligations/Contributions

Health care obligations and contributions provide employee and employer amounts of health care contributions using different calculation methods.

Obligations are estimates of funds that employees and the district will be obligated to contribute, based on the plan year (July through June).

Returning employees are covered by the health care plan for the entire plan year, meaning the 12 month period July through June; both employee and employer are obligated to pay for 12 months of coverage. New employees pay for coverage from date of hire through June, the end of the plan year. If an employee works at all during a month, both employee and employer pay for the entire month of coverage.

Actual Contributions made by employees and benefits paid by the employer during the payroll process are shown on the sheet in the columns labeled "Collected." The division of payments is governed by the Collective Bargaining Agreements and Memorandums of Understanding between the district and the employee groups.

Employee-paid contributions are deductions from payroll checks. Employees who work 12 months make contributions each pay period. Many school district employees do not work 12 months, so contributions are collected for those employees during the 9 month period from September through May.

For this reason, contributions are generally larger than obligations for September through May and contributions are generally smaller than obligations for June, July and August.

The "Collected" columns show what is actually available for paying health care costs. The "Obligations" show what is estimated to be available by month, based on number of employees at the current rate of contributions.

Kenai Peninsula Borough School District  
Healthcare Expenditures Split  
as of January 31, 2019

Traditional Plan				HDHP			
YTD Participants	4,510	YTD Participants	3,082	YTD Participants	3,082	YTD Participants	3,082
Net Expenditures	11,913,104.85	Net Expenditures	3,250,451.26	Net Expenditures	3,250,451.26	Net Expenditures	3,250,451.26
ER - Employer Cap \$1731.45	7,808,839.50	ER - Employer Cap \$1645.61	5,071,770.02	ER - Employer Cap \$1645.61	5,071,770.02	ER - Employer Cap \$1645.61	5,071,770.02
EE - Employee Cap \$305.55	1,378,030.50	EE - Employee Cap \$182.85	563,543.70	EE - Employee Cap \$182.85	563,543.70	EE - Employee Cap \$182.85	563,543.70
Total Cap Expenditure EE/ER	9,186,870.00	Total Cap Expenditure EE/ER	5,635,313.72	Total Cap Expenditure EE/ER	5,635,313.72	Total Cap Expenditure EE/ER	5,635,313.72
Expenditures over Cap	2,726,234.85	Expenditures over Cap	-	Expenditures over Cap	-	Expenditures over Cap	-
50/50 Split of Expenditures over Cap	1,363,117.43	50/50 Split of Expenditures over Cap	-	50/50 Split of Expenditures over Cap	-	50/50 Split of Expenditures over Cap	-
ER Expenditures Up To Cap	7,808,839.50	ER Expenditures Up To Cap	2,925,406.13	ER Expenditures Up To Cap	2,925,406.13	ER Expenditures Up To Cap	2,925,406.13
ER Expenditures Above Cap	1,363,117.43	ER Expenditures Above Cap	-	ER Expenditures Above Cap	-	ER Expenditures Above Cap	-
Total ER Expenditures	9,171,956.93	Total ER Expenditures	2,925,406.13	Total ER Expenditures	2,925,406.13	Total ER Expenditures	2,925,406.13
EE Expenditures Up To Cap	1,378,030.50	EE Expenditures Up To Cap	325,045.13	EE Expenditures Up To Cap	325,045.13	EE Expenditures Up To Cap	325,045.13
EE Expenditures Above Cap	1,363,117.43	EE Expenditures Above Cap	-	EE Expenditures Above Cap	-	EE Expenditures Above Cap	-
Total EE Expenditures	2,741,147.93	Total EE Expenditures	325,045.13	Total EE Expenditures	325,045.13	Total EE Expenditures	325,045.13
Total ER & EE Expenditures	11,913,104.85	Total ER & EE Expenditures	3,250,451.26	Total ER & EE Expenditures	3,250,451.26	Total ER & EE Expenditures	3,250,451.26
Traditional Summary				HDHP Summary			
Through January 2019	YTD	YTD	REV Less EXP	Through January 2019	YTD	YTD	REV Less EXP
Employer	9,171,956.93	6,841,284.37	(2,330,672.56)	Employer	2,925,406.13	6,566,589.74	3,641,183.61
Employee	2,741,147.93	1,803,071.71	(938,076.22)	Employee	325,045.13	1,209,995.79	884,950.66
Totals	11,913,104.86	8,644,356.08	(3,268,748.78)	Totals	3,250,451.26	7,776,585.53	4,526,134.27
Obligation per Employee FY19				Obligation per Employee FY19			
498.00 EE/1923.49 ER Split	2,421.49	Year-to-date	2,421.49	308.00 EE/1770.47 ER Split	2,078.47	Year-to-date	2,078.47
Monthly Cost per Employee - ER	2033.69	Monthly Cost per Employee - ER	2033.69	Monthly Cost per Employee - ER	949.19	Monthly Cost per Employee - ER	949.19
Monthly Cost per Employee - EE + Cobra	607.79	Monthly Cost per Employee - EE + Cobra	607.79	Monthly Cost per Employee - EE + Cobra	105.47	Monthly Cost per Employee - EE + Cobra	105.47
	2641.49		2641.49		1054.66		1054.66
Current Variance	(220.00)	Current Variance	(220.00)	Current Variance	1,023.81	Current Variance	1,023.81

Obligations indicate the funds that will be accumulated per employee per month. Expenditures are amounts that have been paid through the plan.

A positive number for "current variance" represents the amount per employee per month that is estimated to be collected above the amount spent year-to-date. A negative number represents the amount of expenditures (per employee per month) that are more than what is estimated to be collected for payment of those expenditures.

9







Juneau Empire reporters Kevin Baird, left, and Mollie Barnes interview Gov. Mike Dunleavy at the Capitol on Tuesday, Feb. 26, 2019. (Michael Penn | Juneau Empire)

## A conversation with the governor

Gov. says businesses will come back to Alaska if budget is balanced.

ADVERTISEMENT

015T. EXH. 42

By Mollie Barnes

Tuesday, February 26, 2019 10:32pm | NEWS STATE & LEGISLATURE

*Legislators have been speaking about it. Alaskans have been speaking about it, and now Gov. Mike Dunleavy is speaking about it. The governor sat down to talk about his budget and the proposals to cut expenditures in it. Read the full interview below. The interview has been edited for length and clarity.*

**Juneau Empire reporter Kevin Baird:** Governor, when you campaigned, you voiced some support for the ferry system, even calling it the 'backbone' of the Southeast. (This is in reference to an [article in the Ketchikan Daily News](#)). There's concern over the closure after October, and whether or not the ferry system would be able to open afterward without funding to do so. How do you justify the campaign message with the proposal to Alaskans in the Southeast?

**Gov. Mike Dunleavy:** During the campaign we were told we were looking at \$75 a barrel oil. Obviously that wasn't the case. We're down at \$64 barrel oil, and we're hoping that stays in the neighborhood of \$60-64 a barrel. Even at that, we have a \$1.6 billion deficit. This is a budget we put together that was an open budget, an honest budget for all Alaskans to look at in terms of what really are the fiscal realities we're looking at. We're also talking about the fact that we only have \$2 billion left in our CBR, and the problems that will occur if we start to go into the earnings reserve at any great length or any depth, how that's going to impact the fund going forward. Again, during the campaign we were told \$75 barrel oil. We even had people tell us \$80-85 barrel oil. That's been revised, as a result we've had to revise this budget. And it's a budget that's going to impact all Alaskans. There's going to be no group that is not going to be touched by the fiscal deficit that we're looking at.

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**Empire reporter Mollie Barnes:** You said that Alaska's open for business. Do you have anything to say to business owners who are maybe scared of the ferry system closing down who rely on this?

**Dunleavy:** Once we get our structural deficit deficit dealt with, our \$1.6 billion deficit dealt with, then we'll have fiscal certainty moving forward. When we have that fiscal certainty moving forward, I've been told by many businesses that investment that's been sitting on the sideline will start to come into Alaska — large amounts I've been told. What businesses are concerned about now, investors are concerned about now, is if we don't get our fiscal house in order, we're going to impose a predatory tax on these businesses, existing businesses and new businesses. So the biggest issue facing us right now is this gap, how we're going to deal with it, and do we eliminate it moving forward. But the businesses I've talked to said, barring that, they're hesitant to invest in the state of Alaska.

**Barnes:** I don't know if you heard anything about the Senate Finance meeting this morning, but earlier today David Teal speculated that maybe your budget was a way to create chaos and force the Legislature to make the hard decisions and have this conversation about what is really worth it. Was that your intention?

**Dunleavy:** The first part, chaos — that wasn't the intent that was to sow chaos, but certainly the budget is a conversation to have with the people of Alaska and the Legislature as to what we value, what we want to fund, what we can fund and how we fund it. This was a budget that was a balanced budget. We proposed a balanced budget. And part of that balancing act is the reductions of \$1.6 billion. There are those that will propose we use the PFD, there will be those that propose we use taxes. I just think that causes more problems moving forward. Alaska with 730,000 people, high unemployment rate, lack of investment in the state of Alaska, I think if we start going down the road of taxing or taking money out of the pockets of Alaskans, we'll see more of an exodus out of the state. New York, New Jersey, Illinois, California, Connecticut — there was a report this morning that says that's exactly what's happening in those states. There's an exodus of individuals that are part of the tax base that make money, and they are leaving those states, net out-migration. We can't afford that in Alaska, we're already a high cost state. If we start taking more money out of the pockets of Alaskans, it's going to force more people to decide if they want to stay or go, and I believe that more and more people will leave. We just went through a period of four years of spending an excess of \$2 billion a year out of the CBR roughly, actually it was more than that. And yet, we're still in a recession, and we still have individuals leaving the state of Alaska. We've got to get our fiscal house in order. We've got to get the structural deficit taken care of, and we have to do it sooner than later.

**Baird:** Going back to revenue for the state, so one of the things you've called your budget proposal is "predictable" and "sustainable," and it heavily relies upon oil and gas revenue. Oil, we've already seen the fluctuations of per barrel oil price. Do you think it's as predictable, do you think this budget formula that you're working with is as predictable as you've sold it to Alaskans?

**Dunleavy:** If we close the \$1.6 billion gap, and our expenditures and revenues meet, that's a predictable budget. If we allow the people of Alaska to vote on the constitutional amendments that hem us in through an appropriation and savings limit as to the growth of this budget, that will help with predictability. If we allow the people of Alaska to decide if they want their PFD taken or any changes in the permanent fund, that will help with predictability. Another one of the amendments was if we contemplate a tax, do we ask the people of Alaska if they agree with that tax? That will help with predictability. You know the question is, what happens if oil goes to \$5

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a barrel, then that blows a hole through almost any program. And that's a hypothetical, and we'd have to deal with that when that occurs. But I can tell you now, if we don't reduce our spending, what is predictable is we're going to spend down our CBR, constitutional budget reserve, that has \$2 billion dollars left in it, we'll spend that down in a little more than a year. If we don't reduce our spending after that, we'll go into the earnings reserve, and we'll start to spend that down. That's predictable. But that's something that's predictable that I hope we don't want to have happen. So by reducing our expenditures, we get in line with revenues at \$64 a barrel. If oil drops after that we'll have to have that discussion on how we're going to deal with it.

**Baird:** While we're on this topic, do you plan on introducing any more budget related bills?

**Dunleavy:** We do, we're working on that. As we start to roll them out, we'll let you folks know.

**Barnes:** So is it predictable in the sense that, if oil prices do go down next year, that then your plan would be to just cut again. Or is there going to be any sort of minimum point?

**Dunleavy:** We'll cross that bridge when we come to it. Again, we're dealing with a hypothetical, we have to see what that is. We'd have to cross that bridge when we come to it.

**Baird:** Yesterday, Sen. Bill Wielechowski, D-Anchorage, sent out a press release about a legal opinion he'd got concerning some language giving OMB power to transfer funds across appropriations. I reached out to your press secretary for a comment on that. So here we are, and I was curious what your thought process behind that was.

**Dunleavy:** I'm not sure of the question.

**Baird:** So Bill Wielechowski sent out a press release yesterday that he'd gotten a legal opinion regarding some language in the budget bill that under each department it says something to the effect of the OMB would have the ability to move funds around within the department, and he called it a power grab. I talked to Senator Bert Stedman and he said he wasn't worried about it. I was just kind of curious if you knew why that language was in there, and kind of what the thought process was.

**Dunleavy:** We've got two folks over here that can answer that.

**Office of Budget and Management Policy Director Mike Barnhill:** So there's precedent for this. The most recent precedence ... we call it rolling up the budget. The university's budget, so it used to have several appropriations and now it's rolled up, or at least last year it was rolled up, into one appropriation. And the idea, the budget rationale behind rolling up a budget is to give the department, or in this case the university, more budgeting flexibility to move money across component lines. And that's the reason why the university proposed it. And that's the reason why the OMB proposed that for all departments, so in times where we're reducing the amount of revenues available for all departments, we're giving them enhanced flexibility, so they can meet those challenges that are posed in the current budget environment. In terms of the legality of it, the Department of Law has looked at this. Attorney General may want to comment.

**Attorney General Designee Kevin Clarkson:** The Legislature fully has the power to delegate that authority if they so choose. And that's the point of the appropriation bill, the Legislature would have to pass it. If they delegate that authority to the executive branch, they can do that.

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**Barnes:** Earlier today, also, David Teal said that your proposals to repeal the oil/gas property taxes and some of the fish business taxes would simply be shifting the burden from the state to local municipalities and other governments. Do you think it was misleading to say that there would be no tax hikes?

**Dunleavy:** When I ran for office?

**Barnes:** Yes.

**Dunleavy:** No I don't think it was misleading. Again, we have no intention of imposing taxes at the state level on Alaskans. Local municipalities are going to have to decide, as we are right now. They're going to have to have the same conversation, what is important to them, what are the programs and services that they wish to fund and how do they wish to fund them? That's their decision at the local level. So no, I don't think it was misleading at all. We're sticking with our campaign promises to deal with this fiscal issue.

**Baird:** Switching over to some crime-related stuff, there's a national shortage of police officers. Departments all over the country are having trouble filling positions. I was curious with the public safety initiatives if your administration was taking an approach to maybe attract more law enforcement officers to this state.

**Dunleavy:** That was one of our campaign promises, as well, that we're going to improve the public safety outcomes for Alaskans. We understand that that means we will be putting more money into public safety, which we are. We're in conversations with the corrections officers' associations, as well as the Troopers and others, on how do we recruit and retain individuals to be part of this public safety approach, Troopers, corrections officers and others. So we're having those conversations, and we're fully prepared to put more resources into that, because we need to.

**Baird:** Does that mean higher salary compensation packages for State Troopers or?

**Dunleavy:** There's all kinds of possibilities.

**Governor Spokesman Matt Shuckerow:** And we can get you the specifics.

**Barnes:** Switching topics a little bit, proposing to eliminate the Marijuana Control Board, how do you see that functioning then under the Department of Commerce, the regulation of that industry?

**Dunleavy:** I'm hoping that it streamlines the process, and that decisions can be made quicker for that industry. That's the hope.

**Barnes:** Can you elaborate on that? What types of decisions and who would be involved with that?

**Dunleavy:** The commissioners, the commissioner that's overseeing that department. Again, we're trying to streamline government across the board, and this is one approach that we're hoping helps streamline the process so that any regulations that come out, come out in a manner that's going to support any of these industries or all of these industries.

**Shuckerow:** In addition, there's legislation forthcoming, so some of those details will be contained in the bill. Other states regulate marijuana at an agency level. Colorado does it. There is a rule making process that things would follow. So I'm happy to send you information on that, as well.

**Barnes:** OK, thank you.

**Baird:** How soon might we expect more crime bills to come forth?

**Dunleavy:** General?

**Clarkson:** I think you've got the package.

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# KENAI PENINSULA BOROUGH SCHOOL DISTRICT STRATEGIC PLAN 2017 - 2022

District  
43

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## OUR VISION

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## READY

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- ♦ Students will learn in a performance-based instructional model.
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- ♦ Students will learn in a flexible instructional model that is fluid and developmentally appropriate for all.
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DISTRICT 44

John O'Brien

**From:** John O'Brien  
**Sent:** Wednesday, October 17, 2018 12:16 PM  
**To:** Saul Friedman  
**Cc:** Christine Ermold; Dave Jones; Sean Dusek; John O'Brien  
**Subject:** Personalized Learning Information  
**Attachments:** Talking points for Personalized Learning Budget meeting Oct 2017.pdf

Funding for our work with Education Elements has not added to the budget or required new or additional monies. Funding has come from a reduction in the curriculum budget supply/materials line in the amount of \$460,000(FY17), \$460,000(FY18), and \$460,000(FY19). Final payment to Education Elements for FY19 has been made and our formal work with Education Elements is done at the conclusion of this school year (June 2019).

Attached is a document that was shared district wide to all site based councils, principals, and stakeholders that attended our October 17<sup>th</sup> 2017 Budget Meetings throughout the KPBSD. Thank you!

Wishing you success and positive impact,

John O'Brien  
Assistant Superintendent of Instruction  
Kenai Peninsula Borough School District  
(907)-714-8888



*"The two most important days in your life are the day you were born and the day you find out why."*  
-Mark Twain

## Personalized Learning in KPBSD



- Personalized Learning (PL) is not a “program”. Rather, it is a mindset that moves away from expecting students to fit the current mold or adapt to a one-size-fits-all model. PL is a means of responding to every student’s individualized needs by adapting the structure of schools, classrooms, and instruction.
- Although KPBSD has been working toward pieces of personalized learning for years (i.e. differentiation and blended learning), KPBSD’s five-year strategic plan places an emphasis on moving the entire district forward on a solid foundation of personalized learning for all students, in every classroom.
- This significant instructional shift will require a focused multi-year professional development (PD) investment in our teachers. Therefore, we have partnered with professionals at Education Elements (EE). EE has the experience and expertise to help guide and lead our district to full-scale implementation of personalized learning.
- Along with the professional development and training that our teachers will receive from working with Education Elements, part of the district’s work with EE will include analyzing the content and materials teachers use with students. We will be supplementing our current instructional materials with various digital resources and Open Educational Resources (OER’s). Because many of these new types of resources are either free and less costly than traditional textbooks or other materials we currently purchase, we anticipate a reoccurring cost savings in our curriculum budget in the future.
- The total cost of our three year contracted work with Education Elements is \$1.38 million. This total cost is spread out over three fiscal years:
  - \$460,000 paid in FY17; \$460,000 paid in FY18; and a final \$460,000 to be paid in FY19.
- It is important to note that no additional funds were budgeted to pay for our work with Education Elements. The entire amount of \$1.38 million came from, or will come from, the curriculum line item in the district’s budget.
- **Important notes about the curriculum budget:**
  - The district typically budgets about 1 million dollars per year to pay for books and other instructional materials. Over FY17, FY18, and FY19 the district has, and will continue to reduce textbook and materials purchases by at least the \$460,000 budgeted to pay for our work with Education Elements.
  - In future budget years the district will realize annual budget savings by utilizing flexible Open Educational Resources materials and digital resources.
  - This is an important shift from buying books and “things” to investing in our teachers’ professional learning and development. Our work with Education Elements will give our teachers a broader and deeper “tool box” to effectively work with, and meet the individual needs of all students in our district.

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# DISTRICT EXH. 45

## COMPARISON OF PUPIL-TEACHER RATIO

2017-18	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	23	23.6	24.2	24.75	26.5
Middle	19.1	27	28	22	30
High School	19.4	29	30.5	24.5	32
2016-17	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	22.8	24.2	24.2	24.75	25.5
Middle	19.9	27.8	26.5	22	27
High School	19.3	30.5	28.5	24.5	28
2015-16	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	22.8	23.2	24.2	24.75	25
Middle	20	26.8	26.5	24.5	27.1
High School	18.9	29.5	28.5	29.25	26.3
2014-15	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	22	23.2	23.3	24.25	23.5
Middle	20.3	26.8	22.6	23.5	25.6
High School	19.1	29.41	23.5	28.25	28.7
2013-14	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	20.7	23.2	23.6	24.25	23.5
Middle	19	26.8	22	23.5	25.6
High School	18.9	29.41	23	28.25	23.8

# KPBSD Annual Class Size Enrollment Report - 2016-17

SCHOOL	Cert. FTE*	Enrollment	Class Size Average	Pupil/Teacher Ratio
<b>Large High Schools</b>				
Homer High	18.20	379	22.6	20.8
Kenai Central High	25.80	445	19.6	17.2
Nikiski High	11.70	214	18.0	18.3
Seward High	8.00	190	17.7	23.8
Soldotna Prep	10.00	193	23.0	19.3
Soldotna High	28.40	547	20.1	19.3
<b>TOTAL</b>	<b>102.10</b>	<b>1,968.0</b>	<b>20.2</b>	<b>19.3</b>
<b>Middle Schools</b>				
Homer Middle	9.75	195	24.8	20.0
Kenai Middle	18.00	372	21.8	20.7
Nikiski Middle	7.90	156	20.5	17.6
Seward Middle	7.05	125	19.6	17.7
Skyview Middle	20.50	409	19.7	20.0
<b>TOTAL</b>	<b>63.20</b>	<b>1,257.0</b>	<b>21.3</b>	<b>19.9</b>
<b>Elementary K-8</b>				
Chapman	7.50	134	17.4	17.9
K-Beach	19.00	404	20.7	21.3
McNeil Canyon	6.50	124	20.5	19.1
Mt. View	19.00	439	20.2	23.1
Nikiski North Star El	16.00	379	22.1	23.7
Paul Banks	9.00	223	21.6	24.8
Redoubt	14.00	366	24.7	26.1
Seward Elementary	13.00	305	21.5	23.5
Soldotna Elementary	13.00	330	20.6	25.4
Sterling	11.00	236	19.2	21.5
Tustumena	8.00	181	21.0	22.6
West Homer Elementary	12.00	253	20.6	21.1
<b>TOTAL</b>	<b>148.00</b>	<b>3,374</b>	<b>21.3</b>	<b>22.8</b>
<b>Small Schools</b>				
Cooper Landing	1.00	18	5.0	18.0
Hope	1.50	17	4.9	11.3
Kachemak Selo	3.50	48	13.9	13.7
Moose Pass	1.00	11	11.0	11.0
Nanwalek	5.50	80	14.4	14.5
Nikolaevsk	3.00	64	15.4	21.3
Ninilchik	8.50	130	17.6	15.3
Port Graham	2.00	37	11.5	18.5
Razdolna	4.50	86	15.7	19.1
Susan B. English	2.00	32	8.4	16.0
Tebughna	2.00	36	8.8	18.0
Voznesenka	6.50	109	13.9	16.8
<b>TOTAL</b>	<b>41.00</b>	<b>668</b>	<b>12.7</b>	<b>16.3</b>
<b>Charter Schools</b>				
Aurora Borealis	10.75	194	22.4	18.0
Fireweed	6.00	104	17.3	17.3
Kaleidoscope	13.00	253	21.1	19.5
Soldotna Montessori	7.00	164	23.4	23.4
<b>TOTAL</b>	<b>36.75</b>	<b>715</b>	<b>19.4</b>	<b>19.5</b>
<b>Other Schools</b>				
Homer Flex	2.50	36	11.8	14.4
Kenai Alternative	4.50	72	16.1	16.0
River City	4.00	79	14.8	19.8
<b>TOTAL</b>	<b>11.00</b>	<b>187</b>	<b>17.1</b>	<b>17.0</b>

\* FTE = Full Time Equivalent

Class Size Average = sum of the # of students enrolled in classes divided by the # of classes

Pupil/Teacher Ratio (PTR) = total of school enrollment divided by the FTE

Numbers taken from first day of OASIS Count, October 3, 2016

# KPBSD Annual Class Size Enrollment Report - 2017-18

SCHOOL	Cert. FTE*	Enrollment	Class Size Average	Pupil/Teacher Ratio
<b>Large High Schools</b>				
Homer High	20.20	395	21.0	19.6
Kenai Central High	24.60	456	20.8	18.5
Nikiski High	11.60	199	18.0	17.2
Seward High	8.50	183	16.3	21.5
Soldotna Prep	10.00	191	20.9	19.1
Soldotna High	26.90	553	21.2	20.6
<b>TOTAL</b>	<b>101.80</b>	<b>1,977</b>	<b>19.7</b>	<b>19.4</b>
<b>Middle Schools</b>				
Homer Middle	9.30	188	24.1	20.2
Kenai Middle	18.00	339	20.1	18.8
Nikiski Middle	8.70	165	21.1	19.0
Seward Middle	7.00	118	20.4	16.9
Skyview Middle	19.50	405	20.3	20.8
<b>TOTAL</b>	<b>62.50</b>	<b>1,215</b>	<b>21.2</b>	<b>19.1</b>
<b>Elementary K-8</b>				
Chapman	8.50	138	21.9	16.2
K-Beach	17.00	396	22.5	23.3
McNeil Canyon	6.00	124	20.5	20.7
Mt. View	20.00	486	22.0	24.3
Nikiski North Star El	16.00	367	21.3	22.9
Paul Banks	9.00	216	20.4	24.0
Redoubt	15.00	360	22.0	24.0
Seward Elementary	11.50	300	22.9	26.1
Soldotna Elementary	12.00	322	22.8	26.8
Sterling	11.00	232	18.8	21.1
Tustumena	8.00	186	21.5	23.3
West Homer Elementary	11.00	255	23.2	23.2
<b>TOTAL</b>	<b>145.00</b>	<b>3,382</b>	<b>21.7</b>	<b>23.0</b>
<b>Small Schools</b>				
Cooper Landing	1.00	15	11.0	15.0
Hope	1.00	17	11.0	17.0
Kachemak Selo	3.50	46	14.2	13.1
Moose Pass	1.00	13	13.0	13.0
Nanwalek	5.50	76	15.4	13.8
Nikolaevsk	3.00	76	17.3	25.3
Ninilchik	7.00	109	14.6	15.6
Port Graham	2.00	33	12.5	16.5
Razdolna	5.50	90	18.6	16.4
Susan B. English	1.80	35	13.5	19.4
Tebughna	2.00	30	6.4	15.0
Voznesenka	6.50	108	16.7	16.6
<b>TOTAL</b>	<b>39.80</b>	<b>648</b>	<b>13.7</b>	<b>16.4</b>
<b>Charter Schools</b>				
Aurora Borealis	10.75	197	20.1	18.3
Fireweed	6.00	122	20.3	20.3
Kaleidoscope	13.00	260	20.0	20.0
Soldotna Montessori	7.00	167	23.9	23.9
<b>TOTAL</b>	<b>36.75</b>	<b>746</b>	<b>21.1</b>	<b>20.6</b>
<b>Other Schools</b>				
Homer Flex	2.50	29	7.9	11.6
Kenai Alternative	4.50	70	13.3	15.6
River City	4.00	83	20.7	20.8
<b>TOTAL</b>	<b>11.00</b>	<b>182</b>	<b>14.0</b>	<b>16.0</b>

\* FTE = Full Time Equivalent

Class Size Average = sum of the # of students enrolled in classes divided by the # of classes

Pupil/Teacher Ratio (PTR) = total of school enrollment divided by the FTE

Numbers taken from first day of OASIS Count, October 2, 2017

ENROLLMENT SUMMARY 2017



ASD

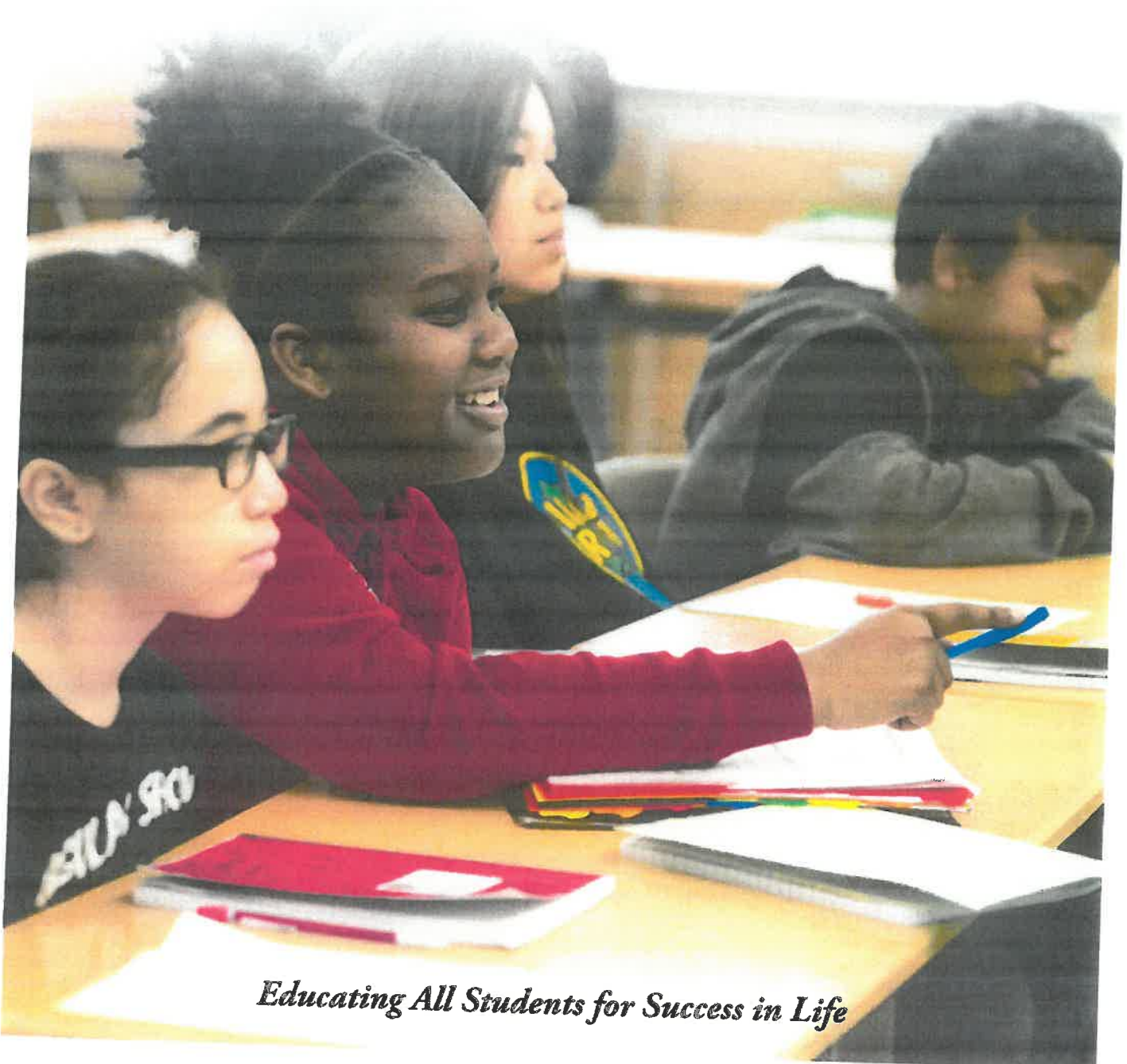
Appendix 3. Pupil-Teacher Ratio (PTR) History

	K	1	2	3	4	5	6	7	8	9	10	11	12
FY 1994-95	20.50	24.00	24.00	26.00	27.00	27.00	27.00	26.25	26.25	27.00	27.00	27.00	27.00
FY 1995-96	20.50	24.00	24.00	26.00	27.00	27.00	27.00	26.25	26.25	27.00	27.00	27.00	27.00
FY 1996-97	20.50	24.00	24.00	26.00	27.00	27.00	27.00	26.25	26.25	27.00	27.00	27.00	27.00
FY 1997-98	20.50	24.00	24.00	26.00	27.00	27.00	27.00	26.25	26.25	27.00	27.00	27.00	27.00
FY 1998-99	20.50	21.00	24.00	24.00	27.00	27.00	27.00	26.25	26.25	27.00	27.00	27.00	27.00
FY 1999-00	20.50	21.00	24.00	24.00	27.00	27.00	27.00	26.25	26.25	27.00	27.00	27.00	27.00
FY 2000-01	20.50	21.00	25.00	25.00	28.00	28.00	28.00	26.25	26.25	27.91	27.91	27.91	27.91
FY 2001-02	20.50	21.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2002-03	20.50	21.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2003-04	20.50	21.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2004-05	20.50	20.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2005-06	20.75	21.25	24.25	24.25	27.25	27.25	27.25	25.79	25.79	27.33	27.33	27.33	27.33
FY 2006-07	20.75	21.25	24.25	24.25	27.25	27.25	27.25	25.79	25.79	27.33	27.33	27.33	27.33
FY 2007-08	20.50	21.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2008-09	20.50	21.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2009-10	20.50	21.00	24.00	24.00	27.00	27.00	27.00	25.54	25.54	27.00	27.00	27.00	27.00
FY 2010-11	20.50	21.00	24.00	24.00	27.25	27.25	27.25	26.25	26.25	27.91	27.91	27.91	27.91
FY 2011-12	20.50	21.00	24.00	24.00	27.25	27.25	27.25	26.25	26.25	27.91	27.91	27.91	27.91
FY 2012-13	20.50	21.00	24.25	24.75	25.25	25.25	26.25	27.25	27.25	29.41	29.41	29.41	29.41
FY 2013-14	20.00	21.00	24.00	24.00	25.00	25.00	26.00	27.25	27.25	29.41	29.41	29.41	29.41
FY 2014-15	20.00	21.00	24.00	24.00	25.00	25.00	26.00	27.25	27.25	29.41	29.41	29.41	29.41
FY 2015-16	20.00	21.00	24.00	24.00	25.00	25.00	26.00	27.25	27.25	29.50	29.50	29.50	29.50
FY 2016-17 Prelim	21.00	22.00	25.00	25.00	25.00	25.00	26.00	27.25	27.25	29.50	29.50	29.50	29.50



Anchorage School District

# 2018-19 Adopted Budget



*Educating All Students for Success in Life*

## Community Feedback

During the budget development process, reductions were made across the District, however, no area was eliminated completely. The administration made every effort to honor the community's priorities as reflected in the most recent survey.

The table below reflects the feedback from the community budget survey which valued class size, clean and safe schools, and effective and rigorous course offerings.

Valued School Functions	Overall Ranking	# rating as most important
Class Size	1	1090
Clean and Safe Schools and Facilities	2	944
Effective and rigorous course offerings	3	591
Options and choice in schools and programs	5	224
Co-curricular activities and sports	7	94

## Personnel Reductions

Nearly 90 percent of the District's budget is used to pay salaries and benefits for employees. As a result, budget cuts of over \$7 million required a reduction of personnel along with efforts to increase revenue. The pupil-teacher ratio (PTR)

staffing formula was adjusted to meet budget goals. The PTR formula divides the total number of students in the school by a ratio (e.g. 1 teacher to 25 students); this determines the total number of teachers allocated per school.

School Type	FY 2018 PTR—Grade Level Groupings							
	K	1	2	3	4-5	6	7-8	9-12
Secondary Schools								29
Middle Schools						27	27	
Elementary Schools	21	22	24	25	26	27		

School Type	FY 2019 PTR—Grade Level Groupings							
	K	1	2	3	4-5	6	7-8	9-12
Secondary Schools								30
Middle Schools						27	27	
Elementary Schools	21	22	24	25	26	27		



Sandy Weaver, Budget Analyst – Fairbanks School District

2016-17

K – 22.5

1-3 24

4-6 26

7-8 26.5

9-12 – 28.5

2017-18

K – 22.5

1-3 24

4-6 26

7-8 – 28

9-12 30.5





About Our District ([https://www.juneauschools.org/about-our-district-](https://www.juneauschools.org/about-our-district-4606f9a4)

4606f9a4) Facts and Figures (<https://www.juneauschools.org/about-our-district-4606f9a4/facts-and-figures-61c938df>)

## 2017 Facts and Figures

### OUR STUDENTS

Projected Enrollment for 2017-18 4,801

#### Ethnicity

Alaska Native	17%
American Indian	1%
Asian	6%
Black	1%
Hispanic	6%
Multi-Ethnic	16%
Hawaiian/Pacific Islander	3%
White	50%

English Language Learners	7%
Free/Reduced Lunch	28%
Special Education	18%
Talent Enrichment & Development	9%
Student Attendance Rate	93%
Graduation Rate	85%

### OUR SCHOOLS

The District has six elementary schools, two middle schools, two high schools, one alternative high school, one alternative K - 8 school, one charter school (K - 8), a school in a residential youth facility and a correspondence program.

### OUR STAFF

Total employees	684
Number of teachers	352
Teachers in classroom	295
Staff Attendance Rate	87%

#### Current Pupil Teacher Ratio:

K-2 1 Teacher : 22.5 Students

3-5 1 Teacher : 27.0 Students

6-8 1 Teacher : 22.0 Students

9-12 1 Teacher : 24.5 Students

### OUR BUDGET

- Total Expenditure Budget, All Funds = \$87,267,271
- Total Operating Fund Expenditure Budget = \$72,020,753
- Ninety-two percent of the operating budget is spent on salaries and benefits.
- Seventy-nine percent of the budget is spent on instruction

### OUR MISSION STATEMENT

In Juneau we are all partners in providing each student with the skill, knowledge, and attitudes to be a contributing citizen in a changing world.

## JUNEAU SCHOOL DISTRICT

1208 GLACIER AVE  
JUNEAU, AK 99801

907-523-1700 (tel:907-523-1700)

### DISTRICT

(<https://www.juneauschools.org>)

#### School Board

(<https://www.juneauschools.org/board-of-education-ddebe663>)

#### Staff

Directory

(<https://www.juneauschools.org/staff>)

#### Contact Us

### FOLLOW US

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#### Facebook

(<https://www.facebook.com/pages/juneau-school-district/102871879799494>)

#### Privacy Policy

(<https://www.schoolblocks.com/privacy.html>)

#### Login (/login)

The City and Borough of Juneau School District complies with all federal and State of Alaska laws, statutes, and regulations, and does not discriminate on the basis of sex, race, color, creed, religion, national origin, age, disability, marital status, sexual orientation, gender identity and expression, veteran or military status, or the use of a service animal by a person with a disability, and provided equal access to the Boy Scouts and other designated youth groups. This holds true for all students who are interested in participating in education programs and/or extracurricular school activities. Inquiries regarding compliance and/or grievance procedures may be directed to the District's Title IX Coordinator Darryl Smith, 523-1710 [darryl.smith@juneauschools.org](mailto:darryl.smith@juneauschools.org) and Section 504/ADA Coordinator Frank Coenraad, 780-2050, [frank.coenraad@juneauschools.org](mailto:frank.coenraad@juneauschools.org) 10014 Crazy Horse Dr. Juneau, AK 99801.

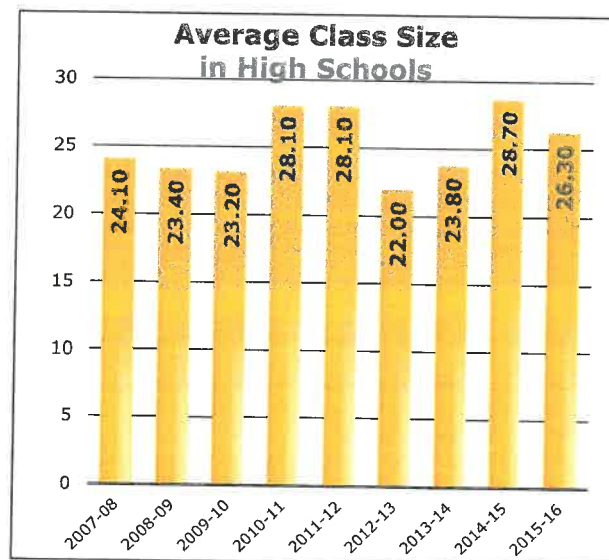
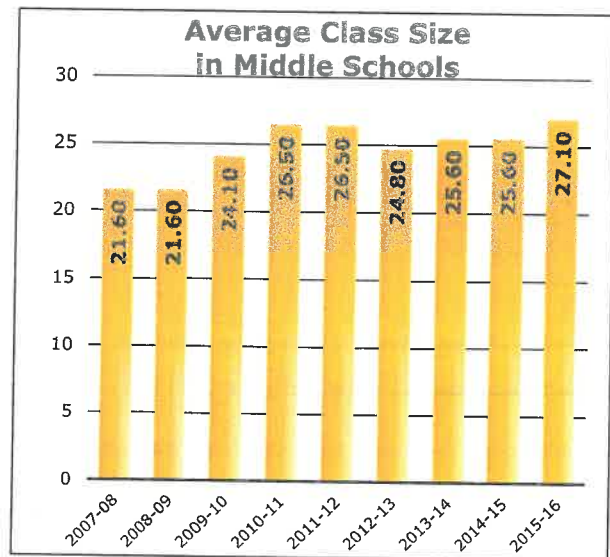
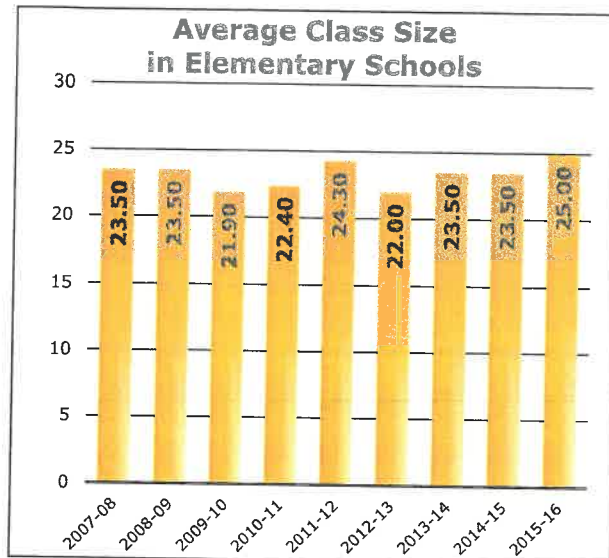
2017-18 numbers from

Kristin Bartlett, Chief of Staff

**HISTORIC AVERAGE CLASS SIZE \***

Last Ten School Years

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Elementary	23.50	23.50	21.90	22.40	24.30	22.00	23.50	23.50	25.00	23.40
Middle	21.60	21.60	24.10	26.50	26.50	24.80	25.60	25.60	27.10	24.80
Senior High	24.10	23.40	23.20	28.10	28.10	22.00	23.80	28.70	26.30	28.50



\* Each year the Matanuska-Susitna Borough School District reports the average number of students enrolled in elementary, middle, and high school classes. Average class size for FY10-FY17 reflects the number of students enrolled in all classes throughout the district except correspondence study. FY07-FY09 calculations are as above and do not include self-contained special education classes.

# COMPARISON OF PUPIL-TEACHER RATIO

2017-18	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	23	23.6		24.75	26.5
Middle	19.1	27		22	30
High School	19.4	29		24.5	32
2016-17	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	22.8	24.2		24.75	25.5
Middle	19.9	27.8		22	27
High School	19.3	30.5		24.5	28
2015-16	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	22.8	23.2	24.2	24.75	25
Middle	20	26.8	26.5	24.5	27.1
High School	18.9	29.5	28.5	29.25	26.3
2014-15	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	22	23.2	23.3	24.25	23.5
Middle	20.3	26.8	22.6	23.5	25.6
High School	19.1	29.41	23.5	28.25	28.7
2013-14	KPBSD	Anchorage	Fairbanks	Juneau	MatSu
Elementary	20.7	23.2	23.6	24.25	23.5
Middle	19	26.8	22	23.5	25.6
High School	18.9	29.41	23	28.25	23.8

523-1715  
 Phil Losby  
 523-1721  
 Kristen Butler  
 523-1707



the 1990s, the number of people in the world who are under 15 years of age has increased from 1.1 billion to 1.5 billion, and the number of people aged 65 and over has increased from 0.5 billion to 0.7 billion (United Nations 1999). The United Nations predicts that by the year 2025, the number of people under 15 years of age will be 1.2 billion, and the number of people aged 65 and over will be 1.1 billion. The United Nations also predicts that by the year 2025, the number of people aged 15–64 years will be 3.5 billion (United Nations 1999).

There are a number of factors that are likely to contribute to the increase in the number of people aged 65 and over. One factor is the increase in life expectancy. In 1990, the life expectancy at birth was 71 years for men and 76 years for women. By the year 2025, the life expectancy at birth is predicted to be 75 years for men and 80 years for women (United Nations 1999). Another factor is the decrease in fertility. In 1990, the fertility rate was 2.8 children per woman. By the year 2025, the fertility rate is predicted to be 1.5 children per woman (United Nations 1999).

The increase in the number of people aged 65 and over has a number of implications for society. One implication is the need for more social services. As the number of people aged 65 and over increases, the need for social services such as housing, food, and clothing will also increase. Another implication is the need for more health care services. As the number of people aged 65 and over increases, the need for health care services such as nursing homes, hospitals, and doctors will also increase.

There are a number of ways in which society can prepare for the increase in the number of people aged 65 and over. One way is to increase the number of social services. Another way is to increase the number of health care services. A third way is to increase the number of people who are able to support themselves. This can be done by increasing the number of people who are employed, and by increasing the number of people who are able to retire on a pension.

The increase in the number of people aged 65 and over is a challenge for society. However, it is a challenge that can be met. By increasing the number of social services, health care services, and people who are able to support themselves, society can prepare for the increase in the number of people aged 65 and over.

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District 46

# **Kenai Peninsula Borough School District**

## **COMMUNITY BUDGET MEETINGS**



February 2019

# Introductions

Mr. Dave Jones, Assistant Superintendent of Instructional Support

Ms. Elizabeth Hayes, Director of Finance

# Agenda

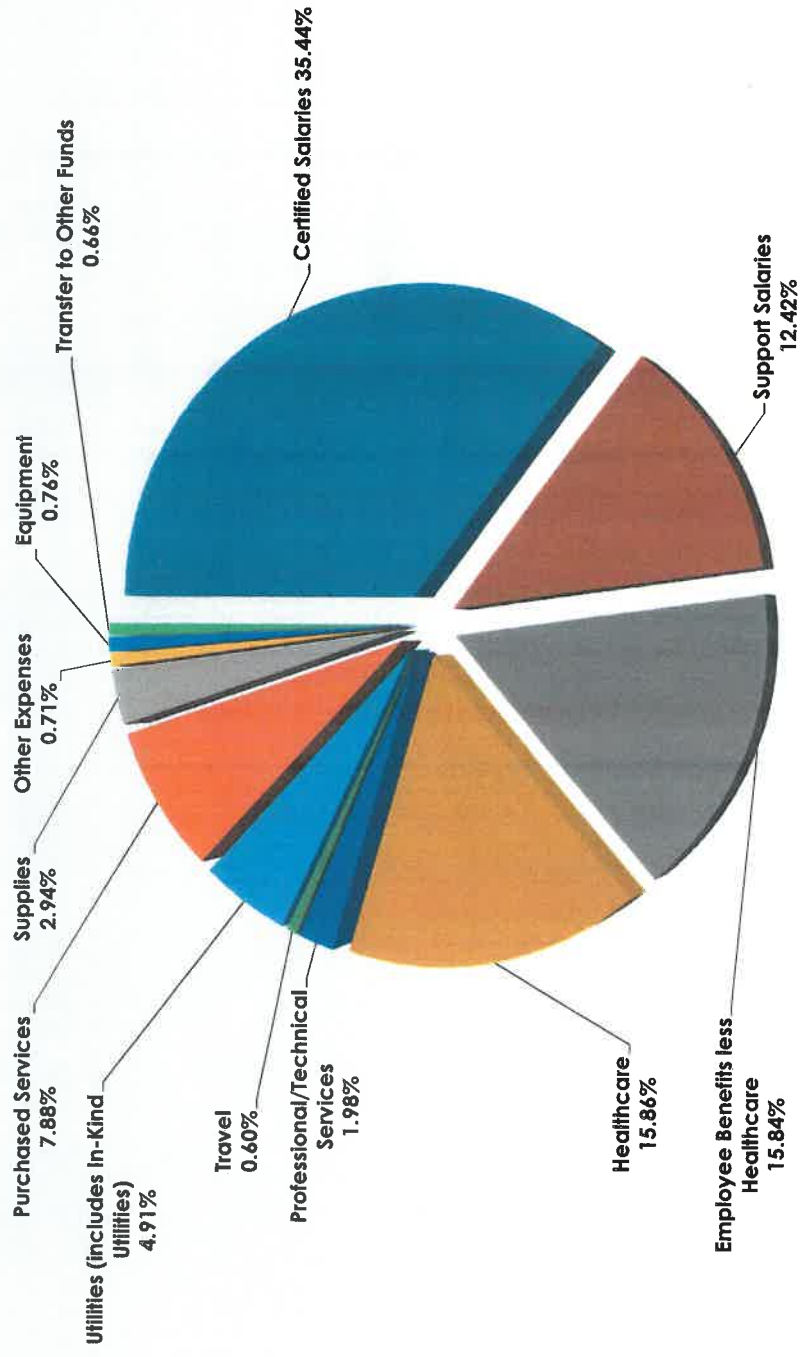
## I. Budget

- a. Expenditures and Reductions History FY15 – FY19
- b. Fund Balance Usage FY12 – FY18
- c. Revenue Review
- d. FY19 Budget Review
- e. FY20 Budget Information
- f. State Legislative Process
- g. KPB Process

## II. Questions



# FY19 Budgeted Expenditures by Object



# Expenditure Reductions since FY15 (\$8,457,924)

## • FY15 Budget Reductions

(\$1,254,000)

- Increase certified PTR .5 FTE and reduce unallocated for school size by 3.0 FTE
- Reduce District Office staffing
- Technology expenditures
- Supplies expenditures
- Software expenditures
- Utilities (convert to natural gas)
- School Board Travel

## • FY16 Budget Reductions

(\$1,375,000)

- Restructuring pool operations & Distance Ed – 2.0 FTE
- PTR reductions – Elementary shift 2.50 FTE and secondary PTR increase .5 FTE
- Curriculum
- Utilities
- Student Travel

## • FY17 Budget Reductions

(\$3,436,829)

- District Office staffing
- District Office Supplies, Travel, Pro-tech, Software and Equipment
- 12.15 FTE Certified teachers (due to enrollment), 1.0 FTE Counselor, 2.0 FTE Administration
- Reduce transfer to Student Nutrition Services
- 2% Reduction in estimated salary and benefits due to change in budgeting

# Expenditure Reductions since FY15, continued

• <b>FY18 Budget Reductions</b>	
• Reduce unallocated for school size adjustment 5.0 FTE	
• Pupil services coordinator 1.0 FTE	
• Accounting Specialist	
• Extra Curricular Safety money	
• ELL Tutors	
• Custodial	
	<b>( \$1,869,308 )</b>
• <b>FY19 Budget Reductions</b>	
• District Office travel 10% reduction	
• School/Administration travel 10% reduction	
• State Tournament travel	
• Extra Curricular travel	
• Connection supplies	
• Extra Curricular safety equipment	
• Art Specialist	
• Purchasing Supervisor	
• School/Administration	
• Extra Curricular stipends	
	<b>( \$522,787 )</b>
• <b>Total Budget Expenditure Reductions</b>	
	<b>( \$8,457,924 )</b>

Kenai Peninsula Borough School District	
Budget Reductions Details	
<b>FY15</b>	
Increase Cert PTR +.5 and Reduce Unallocated for School Size by 3.0 FTE	\$ 639,426
Reduce District Office Staffing	160,574
Technology Expenditures	50,000
Supplies Expenditures	50,000
Software Expenditures	100,000
Utilities (convert to natural gas)	250,000
School Board Travel	4,000
	1,254,000
<b>FY16</b>	
Student Travel	25,000
Curriculum Supplies	50,000
Utilities	550,000
Restructuring Pool Operations & Distance Ed - 2.0FTE	200,000
PTR Reductions - Elementary Shift 2.50 FTE and Secondary PTR Increase +.50 for	550,000
	1,375,000
<b>FY17</b>	
District Office Staffing	642,348
D/O Supplies, Travel, Pro-Tech, Software and Equipment	415,050
12.15 FTE Certified Teachers (due to enrollment) 1.0 FTE Counselor and 2.0 FTE Administration	1,376,995
Reduce transfer to Student Nutrition services	100,000
2% Reduction in Estimated salary and benefits due to change in budgeting	902,436
	3,436,829
<b>FY18</b>	
Reduce Unallocated for School Size adjustment 5.0 FTE	500,000
Pupil Services coordinator 1.0 FTE	140,696
Accounting Specialist	59,703
Extra Curricular Safety Money	10,000
ELL Tutors	620,076
Custodial	538,833
	1,869,308
<b>FY19</b>	
District Office Travel 10% reduction	60,000
School Admin Travel 10% reduction	9,184
State Tournament Travel	15,000
Extra Curricular Travel	35,000
Connections Supplies	100,000
Extra-Curricular Safety Equipment	15,000
Art Specialist	120,034
Purchasing Supervisor	115,485
School Administration	29,419
Extra -Curricular Stipends	23,665
	\$ 522,787
<b>Total Cuts FY15 - FY9</b>	<b>\$ 8,457,924</b>



# Fund Balance FY12 through FY18

	<u>FY12 Actual</u>	<u>FY13 Actual</u>	<u>FY14 Actual</u>	<u>FY15 Actual</u>	<u>FY16 Actual</u>	<u>FY17 Actual</u>	<u>FY18 Actual</u>
Nonspendable	\$1,978,610	\$1,715,712	\$1,687,933	\$707,220	\$2,064,255	\$2,212,284	\$2,074,756
Restricted	\$1,629,245	\$2,042,326	\$2,471,131	\$2,988,996	\$3,307,934	\$2,612,510	\$3,361,630
Assigned	\$9,947,905	\$9,574,744	\$8,120,850	\$5,655,347	\$3,625,958	\$1,618,721	\$2,802,979
Unassigned	\$6,808,518	\$6,290,517	\$6,116,952	\$7,897,978	\$2,671,214	\$3,954,326	\$1,671,218
Committed	=	=	=	=	<u>\$4,200,580</u>	<u>\$4,157,085</u>	<u>\$4,289,271</u>
Total	\$20,364,278	\$19,623,299	\$18,396,866	\$17,249,541	\$15,869,941	\$14,554,926	\$14,199,854

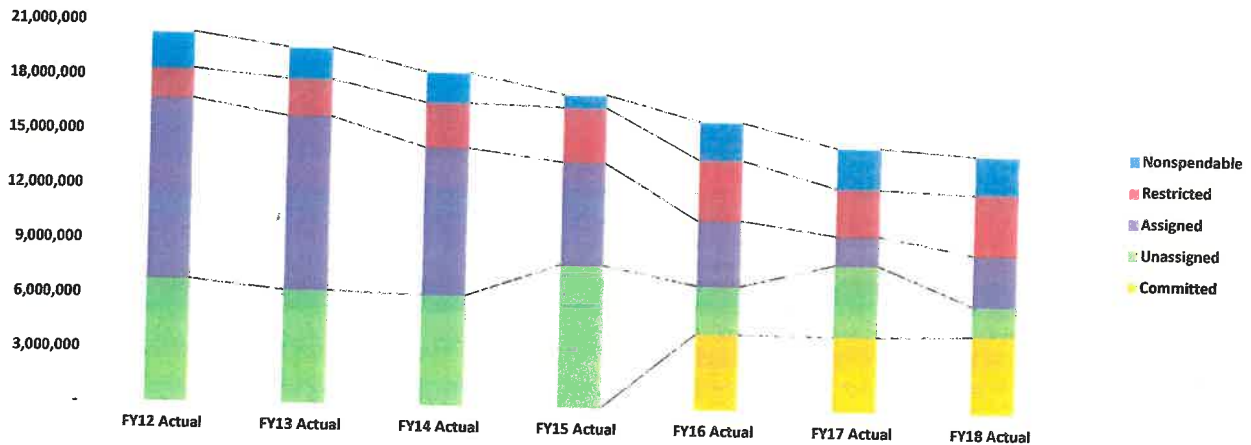
# Fund Balance - History

	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>
Total Fund Balance	\$20,364,278	\$19,623,299	\$18,396,866	\$17,249,541	\$15,869,941	\$14,554,926	\$14,199,854
Change in Fund Balance	\$(2,994,764)	\$(740,979)	\$(1,226,433)	\$(1,147,325)	\$(1,379,600)	\$(1,315,015)	\$(355,072)

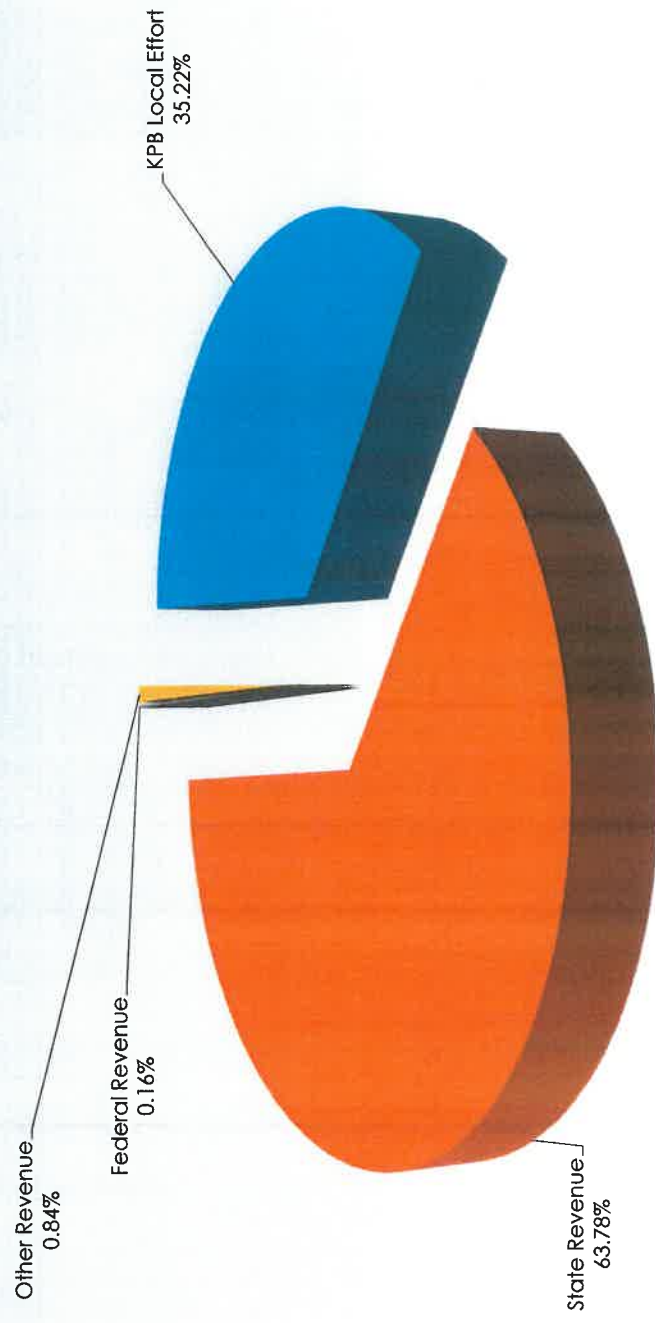
Unassigned Fund Balance	\$6,808,518	\$6,290,517	\$6,116,952	\$7,897,978	\$2,671,214	\$3,954,326	\$1,671,218
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**Kenai Peninsula Borough School District  
Fund Balance FY12 through FY18**

	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	Change from FY17 to FY18
<b>Fund Balance</b>								
Nonspendable:								
Inventories	\$ 721,310	\$ 698,412	\$ 737,933	\$ 707,220	\$ 801,755	\$ 777,779	\$ 781,784	4,005
Prepaid Items	1,257,300	1,017,300	950,000	-	1,262,500	1,434,505	1,292,972	(141,533)
Restricted for:								
Charter Schools	645,261	556,395	625,619	664,091	626,097	741,273	894,618	153,345
Home School Carry-over	-	-	-	281,975	393,338	549,790	675,503	125,713
Facilities Maintenance	983,984	1,485,931	1,845,512	2,042,930	2,288,499	1,321,447	1,791,509	470,062
Committed:								
Minimum Fund Balance Policy	-	-	-	-	4,200,580	4,157,085	4,289,271	132,186
Assigned to:								
School Incentive Purchases	561,469	453,462	466,992	474,474	524,610	649,676	659,068	9,392
Self-Insurance Health Care	5,994,173	4,284,173	2,611,341	814,978	-	-	-	-
Professional-Technical Services	2,974	41,645	105,081	690,403	927,451	468,196	452,400	(15,796)
Staff Travel	2,852	2,309	17,341	12,037	18,195	2,306	8,080	5,774
Student Travel	-	-	-	218	-	484	-	(484)
Utility Services	-	14,450	1,652	-	-	-	3,662	3,662
Purchased Services	189,931	119,820	70,738	31,026	7,245	45,278	27,813	(17,465)
Supplies	280,919	181,724	469,649	93,802	137,147	85,791	116,106	30,315
Other Expenses	-	-	-	-	-	960	-	(960)
Equipment	153,467	700,441	329,492	110,450	43,882	44,052	105,628	61,576
Subsequent Year Operations	2,762,120	3,776,720	4,048,564	3,427,959	1,967,428	321,978	1,430,222	1,108,244
Unassigned	6,808,518	6,290,517	6,116,952	7,897,978	2,671,214	3,954,326	1,671,218	(2,283,108)
<b>Total Fund Balance</b>	\$ 20,364,278	\$ 19,623,299	\$ 18,396,866	\$ 17,249,541	\$ 15,869,941	\$ 14,554,926	\$ 14,199,854	(355,072)
<b>Change in Fund Balance</b>	\$ (2,994,764)	\$ (740,979)	\$ (1,226,433)	\$ (1,147,325)	\$ (1,379,600)	\$ (1,315,015)	\$ (355,072)	



# FY19 Revenue by Source





# State Revenue History

Fiscal Year	Base Student Allocation (BSA)	Statewide One-Time Funding	KPBSD Share of One-Time Funding
FY16	\$5,880	\$0	\$0
FY17	\$5,930	\$0	\$0
FY18	\$5,930	\$0	\$0
FY19	\$5,930	<b>\$20,000,000</b>	<b>\$1,398,898</b>
FY20	<b>?</b>	<b>\$30,000,000</b>	<b>\$2,100,012</b>

# KPB Revenue History

	Actual FY16	Actual FY17	Actual FY18	Actual FY19	Actual FY20
Appropriation	\$37,908,561	\$37,583,417	\$38,883,797	\$38,883,797	
In-Kind	<u>\$10,329,871</u>	<u>\$10,655,015</u>	<u>\$10,854,635</u>	<u>\$10,854,635</u>	
Total GF Support	\$48,238,432	\$48,238,432	\$49,738,432	\$49,738,432	?

# FY19 Preliminary General Fund

Revenue		\$138,479,490
Expenditures	140,887,651	
Transfer to Other Fund – Student Nutrition	<u>950,000</u>	
Total GF expenditures and transfers		<u>141,837,651</u>
GF deficit		(3,358,161)
Use of 1/3 Unassigned Fund Balance		<u>1,318,109</u>
Remaining FY19 GF Deficit		(\$2,040,052)

Administration recommended \$1,869,892 in budget reductions.

# FY19 Preliminary General Fund

## (Continued)

State one-time funding	\$1,405,152
Remaining deficit	(634,900)
Actual cuts made	522,787
Remaining deficit	(112,113)
Final fund balance usage	\$1,430,222



## FY19 KPBSD General Fund Budget Information

### 1. Original FY19 GF Budget Projections Assuming State & Borough Flat Funding: 1-15-2018

GF Revenue		\$ 138,479,490
GF Expenditures	\$ 140,887,651	
Transfer To SNS	<u>\$ 950,000</u>	
Total GF Expenditures and Transfers		<u>\$ 141,837,651</u>
GF Deficit		\$ (3,358,161)
Use of 1/3 Unassigned Fund Balance		<u>\$ 1,318,109</u>
Remaining FY19 GF Deficit		\$ (2,040,052)

### 2. List of Administrative Recommended Potential GF Expenditure Reductions

#### Personnel Related Potential Reductions

Purchasing Supervisor	\$ 115,485	
School Administration	29,419	
Extra -Curricular Stipends	23,665	
Art Specialist	120,034	
High School 7.50 FTE	750,000	
Middle School 1.00 FTE	100,000	
Grades 4-6 2.50 FTE	250,000	
Small Schools .50 FTE	50,000	
Support Staff	<u>98,492</u>	
Total Personnel Related Reductions		\$ 1,537,095

#### Non-Personnel Related Potential Reductions

District Office Travel	\$ 60,000	
School Administration Travel	9,184	
State Tournament Travel	15,000	
Extra-Curricular Travel	35,000	
Connections Supplies	100,000	
Extra-Curricular Safety Equipment	15,000	
School Instructional/Office Supplies	48,613	
Curriculum Supplies	<u>50,000</u>	
Total Non-Personnel Related Reductions		<u>\$ 332,797</u>

<b>Total Potential GF Expenditure Reductions</b>	<b>\$ 1,869,892</b>
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### 3. FY19 GF Budget Projections Assuming Increased State Funding With Borough Flat Funding: 6-28-2018

Initial GF Flat Funding Revenue Estimate	\$ 138,479,490
Additional One-Time State Funding	<u>\$ 1,405,152</u>
Total GF Revised Revenue 6-28-2018	\$ 139,884,642
Initial GF Expenditures and Transfers	<u>\$ 141,837,651</u>
GF Deficit Revised	\$ (1,953,009)
Use of 1/3 Unassigned Fund Balance	<u>\$ 1,318,109</u>
Remaining FY19 GF Deficit Revised	\$ (634,900)
Administration Recommended GF Expenditure Reductions	

Purchasing Supervisor	\$ 115,485
School Administration	29,419
Extra -Curricular Stipends	23,665
Art Specialist	120,034
District Office Travel	60,000
School Administration Travel	9,184
State Tournament Travel	15,000
Extra-Curricular Travel	35,000
Connections Supplies	100,000
Extra-Curricular Safety Equipment	<u>15,000</u>

Total Recommended GF Expenditure Reductions \$ 522,787

Remaining FY19 GF Deficit after Reductions \$ (112,113)

### 4. Administrative Recommended FY19 Budget: 6-28-2018

Initial GF Flat Funding Revenue Estimate	\$ 138,479,490
Additional One-Time State Funding	<u>\$ 1,405,152</u>
Total GF Revised Revenue 6-28-2018	\$ 139,884,642
Initial GF Expenditures and Transfers	\$ 141,837,651
Administration Recommended Reductions (Item 3 above)	<u>\$ (522,787)</u>
Total GF Revised Expenditures and Transfers 6-28-2018	<u>\$ 141,314,864</u>
GF Deficit Revised	\$ (1,430,222)
Use of Fund Balance Revised	<u>\$ 1,430,222</u>
Remaining FY19 GF Deficit	\$0.00

**5. Administrative Recommendation If Additional \$652,609 In Borough Funding Is Provided**

Additional KPB Borough Funding	\$	652,609
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Additional Administrative Recommended FY19 GF Expenditures

Three Itinerent Elementary Counselors	\$	300,000
One Clinical Psychologist	\$	100,000
Safety Specialist Contracted Services	\$	80,000
Safety Specialist Supplies & Travel	\$	25,000
Grant Support Specialist .5 FTE	\$	<u>50,000</u>
	\$	<u>555,000</u>

Revenue and Expenditure Difference	\$	97,609
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**6. Administrative Recommended FY19 Budget With Additional \$652,609 In Borough Funding**

Initial GF Flat Funding Revenue Estimate	\$	138,479,490
Additional One-Time State Funding	\$	1,405,152
Additional Borough Funding	\$	<u>652,609</u>

Total GF Revised Revenue 6-28-2018	\$	140,537,251
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Initial GF Expenditures and Transfers	\$	141,837,651
Administration Recommended Expenditure Reductions (Item 3 above)	\$	(522,787)
Administration Recommended Expenditure Additions (Item 5 above)	\$	<u>555,000</u>

Total GF Revised Expenditures and Transfers 6-28-2018	\$	<u>141,869,864</u>
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GF Deficit Revised	\$	(1,332,613)
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Use of Fund Balance Revised	\$	<u>1,332,613</u>
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Remaining FY19 GF Deficit		\$0.00
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- I. JANUARY 2019 KPBSD BUDGET REVISIONS** – The FY19 Budget revisions passed at the January 14, 2019 School Board meeting have recently been a topic of discussion by many. The information below is offered to provide further detail, and clarify the revisions in light of previous and ongoing negotiations.

**A. EXPENDITURES**

On the expenditure side of the revisions, a reduction of \$381,153 was made to salary line items in the budget. However, \$334,459 of those funds were added to contracted services for physical therapy, occupational therapy and speech services. This resulted from the lack of qualified certificated individuals able to perform those duties as salaried employees. However, in order provide the services to students as mandated by state and federal law, the District had to contract for those services. In short, the reduction of those funds did not constitute "savings."

Benefit line items were reduced by \$1,246,620.

PERS/TRS, FICA/Medicare, and Unemployment benefit reductions accounted for \$76,591. A reduction of \$1,170,029 for District health care contributions resulted from the transition of employees from the Traditional Plan to the HDHP Plan, and employees opting out of health care coverage, relying instead upon available alternative health insurance.

The employees switching to the HDHP Plan will collectively save approximately \$849,300; funds that may pay for deductible and out of pocket costs if health care needs arise. Employees opting out of the District's health care program will collectively see approximately \$74,700 less in premium payments from their paychecks.

**B. REVENUES**

On the revenue side of the revisions, the District experienced a significant drop in student enrollment, which resulted in a loss of \$322,997 in State funding.

**C. Budget Balance**

The FY19 KPBSD Budget, as originally passed, had a deficit of \$1,450,222 between revenues and expenditures. The School Board chose to use fund balance to pay for this deficit and not make additional budget cuts. After all the January 2019 revisions, expenditures still exceed revenues. A remaining deficit of \$675,755 still requires the use of fund balance to achieve the legally mandated balanced budget.

**D. Negotiations FY16-FY18**

During the negotiations process relevant to the FY16-FY18 school years, the District stated concerns throughout that they were being asked to commit to salary schedule and benefit cost increases without any new corresponding revenue from either the State or Borough to pay for those increases. If the District agreed to the increased expenditures without new revenues, the District would need to find internal expenditure decreases to pay for the salary and benefit increases, or it would need to significantly reduce the number of personnel working for the District.

The District ultimately agreed to salary and benefit increases in the FY16-FY18 Negotiated Agreement because the HDHP Plan and the Opt-Out provisions were included and would provide a way to make internal decreases that would fiscally allow for the salary and benefit increases given. This is precisely what occurred in the January 2019 Budget Revisions. Unfortunately, the entire deficit was not erased and fund balance usage continues to be necessary as expenditures exceed revenues for the eighth year in a row.

**E. Negotiations FY19**

Once again, KPBSD is being asked by KPEA and KPESA to commit to salary schedule and benefit cost increases despite the absence of new revenue from the State and Borough, the District's primary revenue sources. The District has not been able to find further internal expenditure decreases to allow for salary and benefit increases, and does not want to reduce the number of personnel working for the District. Therefore, the District has not agreed to such increases.



# FY19 Preliminary General Fund

January 14, 2019 FY19 Budget Revision reduced fund balance usage to \$675,755

Governor Dunleavy supplemental budget proposed deleting the one-time funding for FY19. Which is \$1,398,898

If deleted, fund balance usage would go to \$2,074,653

# FY19 KPB Funding Request

- April 2, 2018 BOE approved the FY19 GF budget, requesting maximum funding from KPB in the amount of \$51,796,193.
- May 1, 2018 ~~KPB Resolution 2018-022~~ was passed proposing school funding for FY19 be \$49,738,432. *FLAT FUNDING*
- June 5, 2018, KPB Assembly passed a budget amendment increasing funding by \$652,609.
- June 19, 2018 KPB Mayor Pierce vetoed the additional funding approved by the Assembly.
- July 6, 2018 A special meeting was held to override the Mayor's veto, but failed 5 – 4. One vote short of overriding the Mayor's veto.
- KPB Borough funding for FY19, was the same as the prior year which was \$2,057,761 under the cap.

## Negotiations – Cost of KPEA and KPESA Proposals \*\*

Total KPEA Cumulative Salary Schedule	\$2,822,808
Total KPESA Cumulative Salary Schedule	1,277,678
Total Healthcare Proposal – KPEA & KPESA *	1,876,456
Total Other Proposal Items	<u>1,451,649</u>
Total 3 year proposal cost	\$7,428,591

\*\* Additional Information on the handouts and on website:

<http://www.kpbsd.k12.ak.us/departments.aspx?id=23343>

**Kenai Peninsula Borough School District - Collective Bargaining**  
*Cost of KPESA and KPEA Proposals, October 8, 2018*

<b>KPESA Proposal to the District</b>	<b>Cost - Year 1 FY19</b>	<b>Cost - Year 2 FY20</b>	<b>Cost - Year 3 FY21</b>	<b>Total Cost</b>
Article 10 P. Pay Warrants	AK Statute Sec 39.35.160, 39.35.170 & 39.35.270			
* Article 12 D Resignation - 3/1/18 revised proposal to KPBSD	103,251			103,251
Article 16 Salary Schedule	112,578	340,587	824,513	1,277,678
Article 17 G. Longevity	138,898	182,615	205,368	526,881
Article 17 A. Shift Differential	30,692	30,692	30,692	92,076
Article 20 Personal Leave	35,839			35,839
<b>Total KPESA Cost less Health Care</b>	<b>421,258</b>	<b>553,894</b>	<b>1,060,573</b>	<b>2,035,725</b>
<b>KPEA Proposal to the District</b>				
Section 105 Teachers' Salary Schedule	247,903	759,560	1,815,345	2,822,808
Section 105 Longevity	53,338	66,559	72,779	192,676
Section 110 E Salary Conditions	84,000	84,000	84,000	252,000
Section 320 Personal Leave	248,926			248,926
Section 340 M. Sick Leave		4 AAC 15.40 (a) (5)		
**Section 475 Teacher Preparation Periods				0
<b>Total KPEA Cost less Health Care</b>	<b>634,167</b>	<b>910,119</b>	<b>1,972,124</b>	<b>3,516,410</b>
<b>Health Care Proposal to the District</b>				
***KPESA Article 27 and KPEA Section 210	1,513,271	121,062	242,123	1,876,456
<b>Total Cost Proposals KPESA, KPEA and Health Care</b>	<b>2,568,696</b>	<b>1,585,075</b>	<b>3,274,820</b>	<b>7,428,591</b>

\*Article 12 D Resignation - 3/1/18 revised proposal This proposal is booked as an expenditure and held in a liability account until used or paid to KPBSD

\*\*Section 475 Teacher Preparation Periods The cost of this proposal is currently being determined, as it will likely require additional staffing.

\*\*\*KPESA Article 27 and KPEA Section 210 This assumes a budget reduction was made to support this increased cost in year 1 and subsequent years at an 8% annual increase related to the \$1,513,271 increase. As an example, such a reduction could require the elimination of approximately 15 teaching positions.

To view Tentative Agreements (TA), proposals, and counterproposals, go to <http://bit.ly/CollectiveBargainingTA>



## **+3 PTR (Pupil Teacher Ratio) Adjustments**

**HS = 10.5 FTE Teachers**

**MS = 4.0 FTE Teachers**

**Elementary Schools K-6 >= 250 = 12.5 FTE Teachers**

**Elementary Small Schools K-6 100-250 = 5.0 FTE Teachers**

**Small Schools <200 = 5.0 FTE Teachers**

**Connections Homeschool = .5 FTE Teachers**

**Total FTE Reductions due to a PTR increase of 3 = 37.5 FTE**

## **+3 PTR (Pupil Teacher Ratio) Adjustments**

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**Small Schools <200 = 5.0 FTE Teachers**

**Connections Homeschool = .5 FTE Teachers**

**Total FTE Reductions due to a PTR increase of 3 = 37.5 FTE**

## Teacher FTE Equivalent and Budget

1 FTE Teacher = \$100,000 salaries and benefits (average)

+3 PTR = 37.5 FTE

37.5 FTE = \$3,750,000 in budget reductions.

What about +5 or +7?

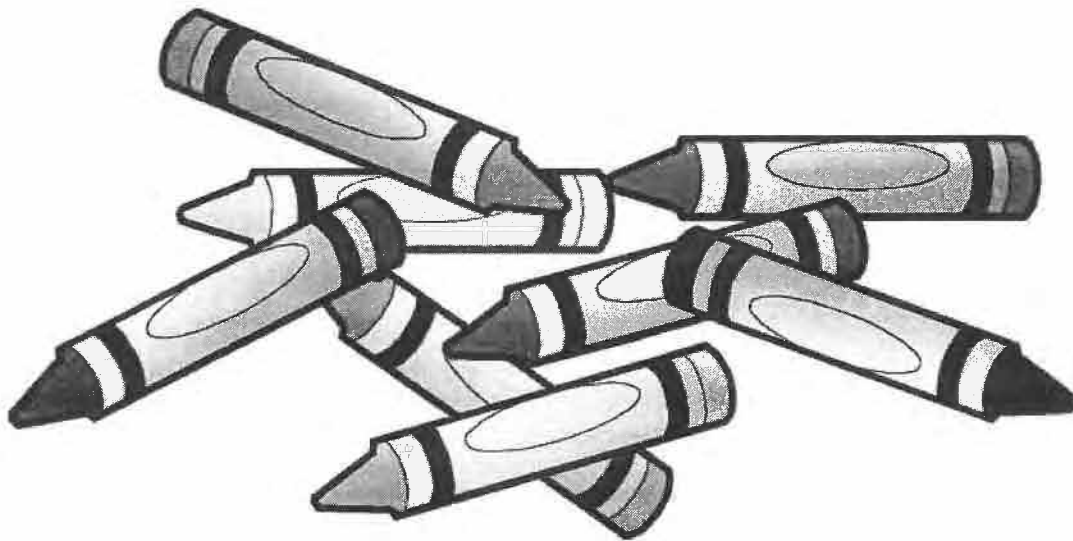
+5 = 56.0 FTE

+7 = 74.5 FTE

**KENAI PENINSULA BOROUGH  
SCHOOL DISTRICT**

**Annual Budget**

**2018-19**



**Soldotna, Alaska  
99669  
[www.kpbsd.k12.ak.us](http://www.kpbsd.k12.ak.us)**



## **General Fund Revenues and Expenditures**

### **Revenue Budget**

The revenue budget of \$141,545,488 based on the enrollment projection of 8,778 students; along with fund balance usage from the General Fund in the amount of \$1,430,222 for a total of \$142,975,710. State funding through the foundation formula remains at the FY17 and FY18 BSA level of \$5,930.

The Kenai Peninsula Borough funding, also known as local effort, brings the total local funding to \$49,738,432 for FY19. A portion of the local effort is provided as In-Kind Services and this portion is projected at the same level as FY18 at \$10,854,635.

In FY19, the BSA remained at the FY17 and FY18 BSA level of \$5,930, additional funding was provided outside of the BSA, as a one-time amount of \$1,405,152 based on the district's average daily membership (ADM).

Federal funding, from historical sources, is expected to continue at reduced levels; the budget was prepared with the most current information available from the Department of Education and Early Development. Costs of labor, retirement benefits, health care, property and liability insurance, and energy continue to increase.

The District hopes to receive continued legislative assistance through "on-behalf" payments made directly to the Division of Retirement on behalf of the District to cover part of the District's Teachers' Retirement System (TRS) and Public Employees' Retirement System (PERS) unfunded liability. However, as this assistance is awarded annually; there is concern about the State's long term ability to continue this assistance.

### **Expenditure Budget**

The expenditure budget of \$142,975,710 is based on the enrollment projection of 8,778 students and other consideration noted below.

Accounts not under site administrator control include salary, benefit, and utility (water, sewer, garbage, electricity, fuel for heating, and telephone) accounts. These budgets were developed by district office staff.

The FY19 budget was developed based on the following significant elements:

- Collective bargaining began in January 2018 and agreements expired June 30, 2018. This budget was developed based on "Status Quo" with no changes to salaries, benefits and healthcare from prior agreements.
- Change to salary and benefit budgeting process to account for more of the anticipated reductions from year to year due to hiring less experienced employees to replace retirees.
- Reductions at District Office include 1.00 FTE Purchasing Supervisor, and 1.00 Arts Specialist for a total reduction of \$235,519.
- Additional reductions in travel, extra-curricular and supply budgets were made, these reductions totaled \$287,268.

- Salary and benefit accounts have been adjusted for staffing needed according to the enrollment projection. Employees have been stepped on the salary schedules and employer-paid benefits include 22% for PERS and 12.56% for TRS. Salary and benefit costs comprise just over 80% of this budget.
- The FY19 Budget reflects employer-paid amount per covered employee of \$22,870. Because of high claims experience at the end of FY18, we may need to revise the amount per covered employee again. The Health Care Plan Committee, through the collective bargaining agreements, is tasked with overseeing cost containment of the health care program. Employer-paid health care benefits comprise approximately 17% of the budget and 21% of the total salary and benefit amount.
- Schools are staffed based on staffing formulas that fit their size and configuration as follows:

### **CERTIFIED FORMULAS:**

#### **ELEMENTARY SCHOOLS GRADES K-6 >=250**

Elementary Classroom	Kindergarten 1:20.5 pupil/teacher ratio Grades 1-3 1:22.5 pupil/teacher ratio Grades 4-6 1:24.5 pupil/teacher ratio
Elementary Specialists	1.5 FTE if enrollment <270 2.0 FTE if enrollment 270-345 2.5 FTE if enrollment 346-409 3.0 FTE if enrollment >=410
Elementary Intervention	.50 FTE if enrollment 200-350 1.00FTE if enrollment >350

#### **ELEMENTARY SCHOOLS GRADES K-6 100-249**

Elementary Classroom	1:19.5 pupil/teacher ratio
Elementary Specialists	1.0 FTE per school
Elementary Intervention	.50 FTE per school

#### **HIGH SCHOOL/MIDDLE SCHOOL**

Secondary Classroom	1:25 pupil/teacher ratio Grades 9-12 1:25 pupil/teacher ratio Grades 7-8
Secondary Program Staffing	15% of classroom allocation
Secondary Counseling	1:250 pupil/teacher ratio Grades 9-12 1:350 pupil/teacher ratio Grades 7-8
Secondary Library	.50 FTE if enrollment >=200 1.0 FTE if enrollment >=600

Secondary AD	.50 FTE if enrollment >250 (High Schools only)
Secondary Read 180	.50 FTE if Grades 7-8 enrollment 80-150 1.0 FTE if Grades 7-8 enrollment >150
Secondary Intervention	.50 FTE if Grades 7-8 enrollment 80-150 1.0 FTE if Grades 7-8 enrollment >150
<b><u>SMALL SCHOOLS&lt;200</u></b>	
Small Schools Elementary Classroom	1:17.5 pupil/teacher ratio Grades K-6 (1.0 FTE minimum) if ADM <25
Small Schools Elementary Specialists	1.0 FTE if Grade K-6 enrollment >100
Small Schools Secondary Program Staffing	1.0 FTE if Grades 7-12 enrollment 8-20 2.0 FTE if Grades 7-12 enrollment 21-40 1:20.5 pupil/teacher ratio if Grades 7-12 enrollment > 40
Small Schools Intervention	.50 FTE if enrollment >= 75 (K-6 and K-8 schools only)

### **SUPPORT FORMULAS:**

#### **ELEMENTARY SCHOOLS GRADES K-8**

Elementary Custodian	Average of 1.0 FTE/20,000 Square Feet and 1:125 pupil/custodian ratio
Elementary Secretary	1.0 FTE if enrollment < =275 1:275 pupil/secretary ratio if enrollment >275
Elementary Library Aide	.38 FTE if Grades K-6 enrollment < =275 .44 FTE if Grades K-6 enrollment > =276

#### **HIGH SCHOOL**

High School Custodian	Average of 1.0 FTE/22,000 Square Feet and 1:200 pupil/custodian ratio
High School Secretary	1:250 pupil/secretary ratio
High School Bookkeeper	1.0 FTE per school
High School Counseling Assistant	.50 FTE if enrollment 200-400 1.0 FTE if enrollment >400
High School Library Aide	.44 FTE per school

### MIDDLE SCHOOL

Middle School Custodian	Average of 1.0 FTE/22,000 Square Feet and 1:200 pupil/custodian ratio
Middle School Secretary	1:200 pupil/secretary ratio, .88 FTE minimum
Middle School Counseling Assistant	.50 FTE if enrollment 200-400 1.0 FTE if enrollment >400
Middle School Library Aide	.44 FTE per school

### SMALL SCHOOLS <100

Small School Custodian	Average of 1.0 FTE/18,000 Square Feet and 1:100 pupil/custodian ratio, .25 FTE minimum
Small School Secretary	.88 FTE per school

### SMALL SCHOOLS >100 WITH HIGH SCHOOL

Small School Custodian	Average of 1.0 FTE/18,000 Square Feet and 1:100 pupil/custodian ratio
Small School Secretary	1.0 FTE if enrollment <225 1.5 FTE if enrollment >= 225

- Supply and copy budgets have been adjusted based on the enrollment projection.
- Utility budgets have been rolled forward with few adjustments. With recent decreases in oil prices, those budgets will be monitored for possible changes during the budget revision cycle. Utilities comprise approximately 5% of the budget.
- Budgets for property, liability, stop-loss insurance and worker's compensation costs, which are received as In-Kind Services from the Kenai Peninsula Borough, include the most recent insurance premium estimates.
- Fund transfers are included for the Student Nutrition program in the amount of \$950,000.
- Equipment budgets for FY19 include:
  - Equipment to support Connections program.
  - Equipment to maintain technology infrastructure through the Technology Plan.
  - Equipment for students with special needs and compliance with ADA.



# Preliminary FY20 General Fund Budget – Status Quo

Revenue: Flat State and KPB Funding	\$142,588,810
Expenditures Before Negotiations	141,421,983
Transfer to Other Fund – Student Nutrition	<u>950,000</u>
Total Expenditures and Transfers	<u>142,371,983</u>
Excess (Deficiency) of Revenues over Expenditures	\$216,827

# FY20 GOVERNOR'S BUDGET – IMPACT

Statewide Basic funding for the K-12 foundation is:

- \$916,462,994 for the foundation formula, a cut of \$269,396,937 from the statutory amount of \$1,185,859,931, a 22.7 percent decrease
- \$0 of the \$30 million in one-time funding outside the BSA, bringing the total decrease of the statutory amount plus the one-time funding up to a total of a 25.3 percent decrease in foundation funding.

# FY20 GOVERNOR'S BUDGET – KPBSD IMPACT

FY20 Projected \$5,930 Basic Need	\$106,502,207
FY20 Projected State AID	\$79,009,719
Quality Schools	<u>287,358</u>
FY20 Projected Total State Entitlement	\$79,297,077
FY20 Projected Governor's Amended	\$60,439,182
<b>FY20 Projected Foundation Reduction</b>	<b>(\$18,857,895)</b>
<b>FY20 One-Time Funding</b>	<b>(\$2,100,012)</b>
<b>FY20 Projected Combined Reduction</b>	<b>(\$20,957,907)</b>

**What should we do?**  
**Where will the cuts come from?**



## Areas to be Considered for Cuts

- Certified and Support Staff (PTR increases)
- Extra Curricular Activities
- Consolidating/Closing Schools
- Pools
- Theaters
- Other

# Legislative Process

90 Day Session – Statute

120 Day Session – Constitution

Possible Special Session

School Funding Passed

Possible Governor's Veto

Legislature Override of Veto 3/4's vote needed.

45 Votes needed comprised from both the Senate and the House

# KPB Process

April – BOE approves budget, submits a formal request to KPB for funding

30 days after formal request is received, KPB is required to approve funding for the School District.

Mayor has line item veto power over Assembly's approved budget.

6 of the 9 member assembly is needed to override a veto by the Mayor.

# Questions/Discussion.....



# Contact your State Legislators

Senator Peter Micciche, District O

[Senator.Peter.Micciche@akleg.gov](mailto:Senator.Peter.Micciche@akleg.gov)

Senator Gary Stevens, District P

[Senator.Gary.Stevens@akleg.gov](mailto:Senator.Gary.Stevens@akleg.gov)

Representative Ben Carpenter, District 29

[Representative.Ben.Carpenter@akleg.gov](mailto:Representative.Ben.Carpenter@akleg.gov)

Representative Gary Knopp, District 30

[Representative.Gary.Knopp@akleg.gov](mailto:Representative.Gary.Knopp@akleg.gov)

Representative Sarah Vance, District 31

[Representative.Sarah.Vance@akleg.gov](mailto:Representative.Sarah.Vance@akleg.gov)

Representative Louise Stutes, District 32

[Representative.Louise.Stutes@akleg.gov](mailto:Representative.Louise.Stutes@akleg.gov)

# Budget Calendar

March 4, 2019 FY20 Budget Discussion

March 21, 2019 FY20 Budget Recommendation

April 1, 2019 FY20 Budget – Presented for Approval

April 2, 2019 FY20 Budget Information provided to the Kenai Peninsula Borough Assembly

May 7, 2019 FY20 Budget Ordinance Introduced at Borough Assembly (possible date)

May 21, 2019 FY20 Budget KPB Resolution (possible date)

June 4, 2019 FY20 KPB Assembly Ordinance vote (possible date)

# Kenai Peninsula Borough School District



[www.kpbsd.org](http://www.kpbsd.org)





## LIO DIRECTORY

### Separation of Powers

Alaska state government is made up of three separate branches: legislative, executive and judicial. Each branch has its own specific powers and duties, but also serves to 'check and balance' the other two branches. This constitutional separation of powers ensures that each branch of government fulfills its responsibilities without exceeding its power.

The people have the constitutional right to enact laws through the **initiative** process and to approve or reject acts of the Legislature by **referendum**. When the application and certification process is complete, the Lieutenant Governor places an **initiative** on the ballot for the first statewide election held more than one hundred-twenty days after adjournment of the legislative session following the filing of the petition. If the Legislature enacts 'substantially the same measure,' the initiative is void and the measure does not appear on the ballot. **Referendum** petitions must be filed within 90 days after adjournment of the session in which the law was enacted. The referendum is placed on the ballot for the first statewide election held more than 180 days after that session adjourned.

An initiative or referendum is approved or rejected by a majority of the votes cast. An initiative cannot be vetoed by the Governor nor repealed by the Legislature for two years. It may, however, be amended.

<b>Anchorage LIO</b> 716 W 4th Ave Ste 200, Anchorage 99501-2133	<b>269-0111</b>
<b>Barrow LIO</b> 119 Bank Bldg, PO Box 830, Barrow 99723-0830	<b>852-7111</b>
<b>Bethel LIO</b> 301 Willow St, PO Box 886, Bethel 99559-0886	<b>543-3541</b>
<b>Cordova LIO</b> 705 2nd St, PO Box 2248, Cordova 99574-2248	<b>424-5461</b>
<b>Delta Junction LIO</b> Jarvis Office Center, PO Box 1189, Delta Jct 99737-1189	<b>895-4236</b>
<b>Dillingham LIO</b> Kangiqituaq Bldg, PO Box 829, Dillingham 99576-0829	<b>842-5319</b>
<b>Fairbanks LIO</b> 119 N Cushman Ste 101, Fairbanks 99701-2879	<b>452-4448</b>
<b>Glennallen LIO</b> Mile 186 Glenn Hwy, PO Box 68, Glennallen 99588-0068	<b>822-5588</b>
<b>Homer LIO</b> 345 W Sterling Hwy Ste 102A, Homer 99603-7524	<b>235-7878</b>
<b>Juneau LIO</b> Rm 111 Terry Miller Bldg, State Capitol, Juneau 99801	<b>465-4648</b>
<b>Kenai LIO</b> 145 Main St Loop Ste 217, Kenai 99611	<b>283-2030</b>
<b>Ketchikan LIO</b> 50 Front St Ste 203, Ketchikan 99901	<b>225-9675</b>
<b>Kodiak LIO</b> 112 Mill Bay Rd, Kodiak 99615	<b>486-8116</b>
<b>Kotzebue LIO</b> 373 2nd St Pillautaq Centre, PO Box 650, Kotzebue 99752	<b>442-3880</b>
<b>Mat-Su LIO</b> 600 E Railroad Ave, Wasilla 99654	<b>376-3704</b>
<b>Nome LIO</b> 103 E Front St State Office Bldg, PO Box 1630, Nome 99762	<b>443-5555</b>
<b>Petersburg LIO</b> 11B Gjoa St., PO Box 1470, Petersburg 99833	<b>772-3741</b>
<b>Seward LIO</b> 2001 Seward Hwy, PO Box 1769, Seward 99664	<b>224-5066</b>
<b>Sitka LIO</b> 201 Katlian St, Ste 200A, Sitka 99835	<b>747-6276</b>
<b>Tok LIO</b> PO Box 845, Tok 99780	<b>883-5020</b>
<b>Valdez LIO</b> Rm 13 State Office Bldg, PO Box 1969, Valdez 99686	<b>835-2111</b>
<b>Wrangell Teleconference Center</b> 223 Front St, PO Box 1514, Wrangell 99929	<b>874-3013</b>



Part 4  
**SEPARATION  
OF  
POWERS**

## LEGISLATIVE

**The Legislative Branch is responsible for enacting the laws of the State of Alaska and appropriating the money necessary to operate the government.**

Alaska has a bicameral Legislature composed of the House of Representatives and the Senate. The House is composed of forty members elected from forty election districts for two-year terms. The Senate has twenty members elected from twenty Senate districts for four-year terms, with one-half of the membership standing for election every two years. House and Senate election districts are determined on the basis of population. Under the State Constitution, redistricting is accomplished every ten years after the reporting of the decennial federal census. An advisory reapportionment board is appointed by and assists the Governor in redistricting the state. A **Legislature** consists of two regular sessions, which convene annually on the second Monday in January or on the third Tuesday in January following the election of a governor. A Legislature must adjourn from a regular session no later than 120 consecutive calendar days from the day it convenes, except the session may be extended once for up to ten days by a two-thirds vote of each house. Special sessions can be called by the Governor or by the Legislature and are limited to thirty calendar days. Procedures for convening and organizing the first and second sessions of a Legislature are provided for by law and rule.

Legislative bills must refer to only one subject, unless the bill is to appropriate funds or to revise existing laws. Appropriation bills must include only money matters and cannot create law. When a bill has been approved by a majority vote of each house, it goes to the Governor for his approval or veto. The Governor may veto or reduce items in appropriation bills. This is commonly called the power of "line item veto," because the Governor can veto any line item of an appropriation bill and approve the balance. The Legislature, meeting in a joint session of both houses, can overturn the veto if two-thirds of the membership (three-quarters for revenue and appropriation bills) votes to do so.

The Legislature reviews major appointments made by the Governor, including the heads of departments and members of certain boards and commissions, and decides whether to confirm or deny these appointments. All civil officers of the state are subject to impeachment by the Legislature. Each house of the Legislature, however, is the judge of the election and qualifications of its own members and may expel a member with the concurrence of two-thirds of its members.

## JUDICIAL

**The Judicial Branch is responsible for applying the laws to controversies brought before it.**

The Alaska Court System, the Judicial Council, and the Commission on Judicial Conduct comprise Alaska's judicial branch. The courts hear and decide issues of law and fact and determine the penalty, punishment, or remedy that should be applied.

**Alaska Court System** There are four levels of state court in Alaska: supreme court, court of appeals, superior court and district court.

The Alaska Supreme Court is the highest level of state court in Alaska. The Alaska Constitution grants the supreme court power to establish rules governing the administration of all courts in the state and rules governing practice and procedure in civil and criminal cases.

The court of appeals hears appeals from both superior and district courts in criminal matters. The superior court is the trial court for major civil cases and severe criminal cases (felonies). It also hears appeals from the district court from administrative agencies. The district court is a trial court for lesser civil and criminal (misdemeanor) offenses.

**The Judicial Council** is a constitutionally created nine-member body that operates independently of the court system. The council was created to perform three primary functions: solicit, screen, and nominate judicial applicants for gubernatorial appointment; conduct studies for the improvement of the judicial system and to report the findings to the legislature and the supreme court; and conduct evaluations of justices and judges for each retention election and to provide information and recommendations to the public prior to the elections.

**The Commission on Judicial Conduct** is a constitutionally created nine-member body that operates independently of the court system. The commission has the power to investigate complaints of judicial misconduct and to recommend that the supreme court sanction a justice or judge.

For more detailed information refer to the following publication: **Handbook on State Government**, available at your local Legislative Information Office (LIO). In addition, your LIO has the following publications:

Constitution of the State of Alaska  
Uniform Rules of the Alaska State Legislature  
The Legislative Process (pamphlet)  
Directory of State Officials  
Alaska State Legislature Directory

## EXECUTIVE

**The Executive Branch is responsible for implementing and administering the public policy enacted and funded by the Legislative Branch.**

The Executive Branch of government is headed by the Governor and the Lieutenant Governor. They are the only elected officials in the executive branch.

All offices, divisions, agencies, boards and commissions of state government fall under the supervision of one of 15 major departments: Administration, Community, Commerce, & Economic Development, Corrections, Education & Early Development, Environmental Conservation, Fish & Game, Health & Social Services, Labor & Workforce Development, Law, Military & Veterans Affairs, Natural Resources, Public Safety, Revenue, Transportation & Public Facilities, and the Office of the Governor, according to their major purpose.

**The Governor** appoints an attorney general to head the Department of Law, an adjutant general to head the Department of Military Affairs, and a commissioner to head all other departments except Education & Early Development (whose commissioner is chosen by the State Board of Education and approved by the Governor) and the Department of Fish & Game (whose commissioner is chosen by the Governor from names submitted by the Boards of Fish & Game). All appointments must be confirmed by the Legislature except the commissioner of Education & Early Development.

**The Lieutenant Governor** performs the duties prescribed by law and delegated by the Governor. These include administration of the state election laws, appointment of notaries public, custody of the state seal, convening the Legislature, custody of original copies of all state laws, and administration of the Administrative Procedures Act. The Lieutenant Governor serves as acting governor when the Governor is temporarily absent.



# Public School Funding Program Overview

Update January 2019

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## **STUDENT BASED FORMULA**

### **District Adjusted Average Daily Membership (ADM)**

- Step 1. Adjust: ADM for School Size
  - Step 2. Apply: District Cost Factor
  - Step 3. Apply: Special Needs Factor
  - Step 4. Apply: Vocational & Technical Funding
  - Step 5. Add: Intensive Services Count
  - Step 6. Add: Correspondence Student Counts
- = District Adjusted (ADM)**

### **ADM Reporting Requirements**

ADM – is the average number of enrolled students during the 20-school day count period. The 20-school day count ends the fourth Friday of October. Reports are due within two weeks after the end of the 20-school day count period.

### **School Size Adjustment [Step 1]**

For each school in the district subtract from the ADM **all** correspondence counts. Adjust the remaining ADM of each school using the school size factor table, on page 4.

1. A community with an ADM under 10:  
Added to the smallest school with an ADM greater than 10.
2. A community with an ADM from 10 - 100:  
Grades K-12 ADM combined and adjusted once, adjusted as one school.
3. A community with an ADM from 101 – 425:  
ADM for grades K-6 and 7-12 are adjusted separately; adjusted as two schools.
4. A community with an ADM greater than 425:  
ADM is adjusted once for each facility administered as a separate school;  
unless it's the only school in the community then it's adjusted as two schools.

\* Alternative school with an ADM of 175 or greater *and* administered as a separate facility the ADM will be adjusted separately, unless:

- A. It's new and the 1<sup>st</sup> year of service with ADM between 120 to 175 receives an adjustment of 1.33; OR
- B. It had an ADM of 175 or greater in the prior year but drops below 175 in the current fiscal year receives an adjustment of 1.33; OR
- C. It has an ADM of less than 175 shall be counted as a part of the school in the district with the *highest* ADM.

\* Charter school with an ADM of 150 or greater is adjusted as a separate facility unless:

- A. It's new and the 1<sup>st</sup> year of service with ADM between 75 to 150 receives an adjustment of 1.45; OR
- B. It had an ADM of at least 75 in the prior year the current fiscal year receives an adjustment of 1.45; OR
- C. It continues to stay below 75 ADM then it receives an adjustment of 1.18.

Select the appropriate formula from the school size factor table to calculate the adjusted ADM for each school.

### School Size Table

Reference:	School Size:	Formula:
1.	10-19.99	39.60
2.	20-29.99	$39.60 + (1.62 * (ADM - 20))$
3.	30-74.99	$55.80 + (1.49 * (ADM - 30))$
4.	75-149.99	$122.85 + (1.27 * (ADM - 75))$
5.	150-249.99	$218.10 + (1.08 * (ADM - 150))$
6.	250-399.99	$326.10 + (.97 * (ADM - 250))$
7.	400-749.99	$471.60 + (.92 * (ADM - 400))$
8.	Over 750	$793.60 + (.84 * (ADM - 750))$

*Correspondence student counts are not adjusted for size (see step 5).*

### Hold Harmless Provision [Step 1a]

The Hold Harmless [HH] provision was established for those districts experiencing a reduction in enrollment. To determine eligibility for this provision the district's sum total of the adjusted ADM for school size is compared against the prior fiscal year [FY], or base year, to see if a decrease of 5% or greater has occurred. The HH provision is available to eligible districts for up to three years provided the total school size adjusted ADM continues to stay below the base year. The district uses the FY before the decrease as a base FY to offset the decrease, according to the following method:

- 75% of school size adjusted ADM difference between the current FY to the base FY.
- 50% of school size adjusted ADM difference between the second FY to the base FY.
- 25% of school size adjusted ADM difference between the third FY to the base FY.

### District Cost Factors [Step 2]

- Cost factors are specific to each school district and will range from 1.000 to 2.116.
- The department monitors the district cost factors and submits a report to the legislature on January 15 every other fiscal year, beginning in FY01.

*The district's school size adjusted ADM is multiplied by the district cost factor.*

### Special Needs Funding [Step 3]

Vocational education, special education (except intensive special education), gifted/talented education, and bilingual/bicultural education are block funded. A district must file a plan with the department indicating the special needs services that will be provided, per AS 14.17.420 (b), to qualify for special needs funding.

*The districts' previously adjusted ADM is now multiplied by the Special Needs factor of 1.20.*

### Vocational & Technical Funding [Step 4]

*(Now referred to as Career & Technical Education or CTE)*

These funds are intended to assist districts in providing vocational and technical instruction for students enrolled in grades 7 through 12. This excludes costs associated with administrative expenses; and instruction in general literacy, math, and job readiness skills, AS 14.17.420(a)(3). (*Enacted in 2011*)

*The districts' previously adjusted ADM is now multiplied by the Career & Technical Education factor of 1.015.*

#### **Intensive Services Funding [Step 5]**

A school district receives funding for intensive special education students that:

- Are receiving intensive services;
- Are enrolled on the last day of the 20-school day count period, and;
- Have an established Individual Education Plan (IEP).

The districts intensive student count is multiplied by 13.

*The district's intensive calculation is added to the previously adjusted ADM.*

#### **Correspondence Programs [Step 6]**

Funding for correspondence programs is calculated by multiplying the correspondence ADM by 90%.

*The district's correspondence count calculation is now added to the previously adjusted ADM to arrive at the Final Adjusted ADM.*

#### **Basic Need**

Multiply the district Final Adjusted ADM by the Base Student Allocation [BSA] to determine Basic Need. The BSA is \$5,930 for FY2020.



## **PUBLIC SCHOOL FUNDING ELEMENTS**

The components of Public School Funding are *State Aid*, *Required Local Contribution*, and *Title VII Impact Aid*.

### **Required Local Contribution**

The local requirement is the equivalent of 2.65 mill tax levy on the full and true value of the taxable real and personal property in the district; and not to exceed 45% of the district's basic need for the preceding fiscal year.

### **Title VII Impact Aid**

Federal Impact Aid provides funds to school districts for children of parents living and/or working on federal property "in-lieu of local tax revenues." After deductions, 90% of the eligible funds are used in the calculation of state aid.

### **State Aid Entitlement**

Basic Need minus a Required Local Contribution minus 90% eligible Federal Impact Aid plus the amount of funding 'Floor' plus Quality School Grants equals State Aid Entitlement.

## **ADDITIONAL FUNDS ABOVE BASIC NEED**

### **Maximum Local Contribution**

The City or Borough can contribute more than is required but may not exceed the maximum local contribution. To calculate this use the required local contribution plus 23% of basic need and those state funds calculated on adjusted ADM **or** a 2-mill equivalent of the full and true value of the taxable and real property within the district; whichever is *greater*. The additional amount is added to the required local effort to reach the maximum local contribution.

For Example:

Nome:

*23% of Basic Need & additional funding distributed on AADM = \$2,345,253 OR*  
*.002 of Full & True Value = \$840,910*

RESULT:

Required Local Effort:	\$1,114,206
<u>Additional Local Contribution:</u>	<u>+ 2,345,253</u>
<i>Maximum Local Contribution:</i>	<i>\$3,459,459</i>

### **Quality School Grants**

The district's adjusted ADM multiplied by \$16 generates the amount the school district is eligible to receive.

**Example:** Nome Public Schools projected average daily membership or ADM is 674.00 and 15 correspondence for a total of 689 ADM.

Determining School Size Adjustment using the table from page 4.

<u>School Name</u>	<u>Projected ADM</u>	<u>School Size Calculation</u>	<u>Result of School Size Calculation</u>
<i>Nome Elementary School</i>	<i>380</i>	<i><math>326.10 + (.97 \times (380 - 250))</math></i>	<i>452.20</i>
<i>Nome/Beltz Jr. &amp; Senior High School</i>	<i>220</i>	<i><math>218.10 + (1.08 \times (220 - 150))</math></i>	<i>293.70</i>
<i>Anvil City Science Academy</i>	<i>60</i>	<i><math>1.18 \times 60</math></i>	<i>70.80</i>
<i>Nome Youth Facility</i>	<i>14</i>	<i>Less than 20 ADM</i>	<i>39.60</i>
<b>TOTAL School Size ADM</b>			<b>856.30</b>

Is District eligible for Hold Harmless Provision based on a 5% reduction school size adjustment to the prior year? No.

FY2020: **856.30** less FY2019: **856.30** Equals **(0)**

School Size Adjustment of 856.30 continues below.

(Click the [Foundation Report](#) for FY2020 for coordinating Tab and Column Identifiers.)

<b>FOUNDATION FORMULA PROCESS</b>	<b>Data &amp; Calculation</b>	<b>Tab &amp; Column Identifier</b>
School Size Adjusted ADM	856.30	Tab 2 Col. F
Apply District Cost Factor	1.450	Tab 2 Col. G
<b>Subtotal</b>	<b>1,241.64</b>	Tab 2 Col. H
Apply Special Needs Factor	1.20	
<b>Subtotal</b>	<b>1,489.97</b>	Tab 2 Col. I
Apply the Career Technical Education Factor	1.015	
<b>Subtotal</b>	<b>1,512.32</b>	Tab 2 Col. J
Add Intensive Service Counts (Intensive student × 13) Nome has 12.	156	Tab 2 Col. K
<b>Subtotal</b>	<b>1,668.32</b>	Tab 2 Col. M
Add Correspondence at 90% of ADM. Nome has 15 correspondence ADM.	13.50	Tab 2 Col. N
<b>Total District Adjusted ADM</b>	<b>1,681.82</b>	Tab 2 Col. O
Multiply by \$5,930 base student allocation	\$5,930	
<b>Nome's BASIC NEED:</b>	<b>\$9,973,193</b>	Tab 1 Col. B
Deduct Required Local Contribution	(\$1,114,206)	Tab 1 Col. C
Deduct Eligible Federal Impact Aid	(\$39,163)	Tab 1 Col. F
<b>Total State Aid for Nome School District</b>	<b>\$8,819,824</b>	Tab 1 Col. G

<b>FOUNDATION FORMULA PROCESS</b>	<b>Data &amp; Calculation</b>	<b>Tab &amp; Column Identifier</b>
Additional funds: Quality Schools Grant is Adjusted ADM x \$16	\$26,909	Tab 1 Col. H
<b>State Aid + Quality Schools = TOTAL Entitlement</b>	<b>\$8,846,733</b>	<b>Tab 1 Col. I</b>





Alaska Department of Education & Early Development

FY2019 Foundation Formula PROJECTION

Prepared by School Finance 11/14/2017

46.3

School District	\$5,930 Basic Need	Minimum Required Local Effort	Eligible Federal Impact Aid Total prior to applying %	Impact AID Percent	Eligible Federal Impact AID * Impact AID % * 90% = Deductible Impact AID	State AID	Quality Schools	FY19 PROJECTE D Total State Entitlement
Alaska Gateway	8,902,768	-	258,998	100.00%	233,098	8,669,670	24,021	8,693,691
Aleutian Region	1,286,039	-	60,398	100.00%	54,358	1,231,681	3,470	1,235,151
Aleutians East	5,676,255	514,502	1,914,493	33.05%	569,466	4,592,287	15,315	4,607,602
Anchorage	438,085,629	106,802,206	17,123,512	50.15%	7,728,697	323,554,726	1,182,019	324,736,745
Annette Island	5,206,896	-	2,469,965	100.00%	2,222,969	2,983,927	14,049	2,997,976
Bering Strait	42,306,458	-	10,775,099	100.00%	9,697,589	32,608,869	114,149	32,723,018
Bristol Bay	2,038,438	976,516	87,522	57.13%	45,001	1,016,921	5,500	1,022,421
Chatham	3,846,672	-	116,089	100.00%	104,480	3,742,192	10,379	3,752,571
Chugach	3,471,778	-	88,234	100.00%	79,411	3,392,367	9,367	3,401,734
Copper River	6,710,981	-	341,931	100.00%	307,738	6,403,243	18,107	6,421,350
Cordova	5,065,110	863,144	49,190	59.88%	26,509	4,175,457	13,666	4,189,123
Craig	4,980,904	412,931	428,315	51.93%	200,182	4,367,791	13,439	4,381,230
Delta/Greely	10,138,640	-	291,225	100.00%	262,103	9,876,537	27,356	9,903,893
Denali	8,225,562	955,797	5,386	35.85%	1,738	7,268,027	22,194	7,290,221
Dillingham	7,237,862	656,661	608,885	48.64%	266,545	6,314,656	19,529	6,334,185
Fairbanks	153,014,874	30,065,921	12,356,710	58.23%	6,475,781	116,473,172	412,856	116,886,028
Galena	24,477,617	98,703	297,692	11.29%	30,248	24,348,666	66,044	24,414,710
Haines	3,359,819	1,092,067	-	69.89%	-	2,267,752	9,065	2,276,817
Hoonah	2,572,493	214,603	112,125	80.54%	81,275	2,276,615	6,941	2,283,556
Hydaburg	1,922,032	49,628	-	36.13%	-	1,872,404	5,186	1,877,590
Iditarod Area	6,753,440	-	350,297	100.00%	315,267	6,438,173	18,222	6,456,395
Juneau	50,923,045	14,350,765	-	54.82%	-	36,572,280	137,398	36,709,678
Kake	2,432,071	95,217	385,095	66.12%	229,162	2,107,692	6,562	2,114,254
Kashunamiut	6,044,686	-	2,126,619	100.00%	1,913,957	4,130,729	16,309	4,147,038
Kenai Peninsula	106,637,589	27,203,358	-	54.17%	-	79,434,231	287,724	79,721,955
Ketchikan Gateway	29,390,325	4,689,240	-	57.31%	-	24,701,085	79,299	24,780,384
Klawock	2,745,531	176,224	690,943	79.02%	491,385	2,077,922	7,408	2,085,330
Kodiak Island	30,282,019	4,255,475	1,889,535	45.11%	767,132	25,259,412	81,705	25,341,117
Kuspuk	8,636,156	-	3,147,061	100.00%	2,832,355	5,803,801	23,302	5,827,103
Lake & Peninsula	9,640,757	448,555	667,612	23.66%	142,161	9,050,041	26,012	9,076,053
Lower Kuskokwim	80,153,497	-	14,073,417	100.00%	12,666,075	67,487,422	216,266	67,703,688
Lower Yukon	42,768,227	-	14,212,683	100.00%	12,791,415	29,976,812	115,395	30,092,207
Mat-Su	198,816,474	31,044,783	-	55.11%	-	167,771,691	536,436	168,308,127
Nenana	8,745,979	82,132	-	72.27%	-	8,663,847	23,598	8,687,445
Nome	9,329,788	1,052,851	145,327	37.70%	49,309	8,227,628	25,173	8,252,801
North Slope	34,645,906	15,479,061	5,491,094	39.47%	1,950,601	17,216,244	93,480	17,309,724
Northwest Arctic	41,553,645	2,031,341	7,975,590	42.37%	3,041,332	36,480,972	112,118	36,593,090
Pelican	576,633	36,413	-	94.00%	-	540,220	1,556	541,776
Petersburg	7,226,654	1,187,467	-	62.38%	-	6,039,187	19,499	6,058,686
Pribilof	1,637,036	-	708,614	100.00%	637,753	999,283	4,417	1,003,700
Saint Mary's	3,510,738	88,297	-	56.78%	-	3,422,441	9,472	3,431,913
Sitka	16,112,877	3,493,854	51,334	56.23%	25,979	12,593,044	43,475	12,636,519
Skagway	1,641,246	785,793	-	55.29%	-	855,453	4,428	859,881
Southeast Island	5,853,147	-	-	100.00%	-	5,853,147	15,793	5,868,940
Southwest Region	13,529,947	-	3,909,620	100.00%	3,518,658	10,011,289	36,506	10,047,795
Tanana	1,085,427	38,975	16,154	94.30%	13,710	1,032,742	2,929	1,035,671
Unalaska	6,120,116	1,723,995	23,443	57.13%	12,054	4,384,067	16,513	4,400,580
Valdez	8,840,622	3,752,712	12,465	44.06%	4,943	5,082,967	23,853	5,106,820
Wrangell	4,412,513	574,661	3,540	82.73%	2,636	3,835,216	11,906	3,847,122
Yakutat	1,163,644	228,641	12,335	38.11%	4,231	930,772	3,140	933,912
Yukon Flats	7,730,585	-	1,514,630	100.00%	1,363,167	6,367,418	20,858	6,388,276
Yukon/Koyukuk	16,348,714	-	1,359,841	100.00%	1,223,857	15,124,857	44,111	15,168,968
Yupit	9,722,650	-	3,606,030	100.00%	3,245,427	6,477,223	26,233	6,503,456
Mt. Edgecumbe	4,269,007	-	1,080,080	100.00%	972,072	3,296,935	11,518	3,308,453
<b>TOTALS:</b>	<b>1,517,807,518</b>	<b>255,522,489</b>	<b>110,839,128</b>	<b>0</b>	<b>76,601,826</b>	<b>1,185,683,203</b>	<b>4,095,266</b>	<b>1,215,805,769</b>

NOTE: FY19 Projected Total State Entitlement includes Military/Other costs at \$26,027,300 in the Totals row.

**Alaska Department of Education & Early Development**

FY2019 Foundation Formula PROJECTION - Average Daily Membership

Prepared by School Finance 11/14/2017

School District	FY19 Average Daily Membership (ADM)	FY19 Corresp. ADM	FY19 PROJECTE D Total ADM	Before School Size Adjust Hold Harmless (HH)	School Size ADM; HH included where eligb.	District Cost Factor	Adjusted for Cost Factor	Special Needs Factor 1.20	Career & Technical Ed Factor 1.015	SPED Intensive	Adjust for SPED Intensive * 13.00	Students + Intensive Special Education	District Correspon dence @ 90%	District Adjusted ADM
Alaska Gateway	347.00	50.00	397.00	622.88	622.88	1.594	992.87	1,191.44	1,209.31	19	247	1,456.31	45.00	1,501.31
Aleutian Region	25.00	-	25.00	79.20	80.82	1.939	156.71	188.05	190.87	2	26	216.87	-	216.87
Aleutians East	208.00	-	208.00	354.46	384.00	1.991	764.54	917.45	931.21	2	26	957.21	-	957.21
Anchorage	45,646.50	1,101.00	46,747.50	50,661.13	50,661.13	1.000	50,661.13	60,793.36	61,705.26	860	11,180	72,885.26	990.90	73,876.16
Annette Island	325.00	-	325.00	459.02	459.02	1.338	614.17	737.00	748.06	10	130	878.06	-	878.06
Bering Strait	1,751.00	-	1,751.00	2,808.77	2,808.77	1.998	5,611.92	6,734.30	6,835.31	23	299	7,134.31	-	7,134.31
Bristol Bay	101.00	3.00	104.00	172.69	189.45	1.478	280.01	336.01	341.05	-	-	341.05	2.70	343.75
Chatham	164.00	9.00	173.00	276.57	286.31	1.576	451.22	541.46	549.58	7	91	640.58	8.10	648.68
Chugach	53.00	351.00	404.00	126.90	140.80	1.496	210.64	252.77	256.56	1	13	269.56	315.90	585.46
Copper River	342.25	82.75	425.00	533.34	562.25	1.316	739.92	887.90	901.22	12	156	1,057.22	74.48	1,131.70
Cordova	340.00	4.00	344.00	479.40	479.40	1.234	591.58	709.90	720.55	10	130	850.55	3.60	854.15
Craig	259.00	234.00	493.00	384.13	401.90	1.206	484.69	581.63	590.35	3	39	629.35	210.60	839.95
Delta/Greely	735.00	84.00	819.00	969.29	969.29	1.241	1,202.89	1,443.47	1,465.12	13	169	1,634.12	75.60	1,709.72
Denali	225.50	750.00	975.50	382.84	382.84	1.332	509.94	611.93	621.11	7	91	712.11	675.00	1,387.11
Dillingham	484.00	4.00	488.00	631.29	631.29	1.346	849.72	1,019.66	1,034.95	14	182	1,216.95	3.60	1,220.55
Fairbanks	13,348.00	295.00	13,643.00	15,455.87	15,455.87	1.070	16,537.78	19,845.34	20,143.02	415	5,395	25,538.02	265.50	25,803.52
Galena	301.00	3,800.00	4,101.00	410.07	410.07	1.391	570.41	684.49	694.76	1	13	707.76	3,420.00	4,127.76
Haines	233.00	16.00	249.00	351.11	351.11	1.200	421.33	505.60	513.18	3	39	552.18	14.40	566.58
Hoonah	115.00	-	115.00	193.55	193.55	1.399	270.78	324.94	329.81	8	104	433.81	-	433.81
Hydaburg	77.00	15.00	92.00	125.39	126.98	1.504	190.98	229.18	232.62	6	78	310.62	13.50	324.12
Iditarod Area	195.00	130.00	325.00	375.23	390.88	1.846	721.56	865.87	878.86	11	143	1,021.86	117.00	1,138.86
Juneau	4,568.00	45.00	4,613.00	5,373.44	5,373.44	1.145	6,152.59	7,383.11	7,493.86	81	1,053	8,546.86	40.50	8,587.36
Kake	104.00	-	104.00	177.16	179.58	1.459	262.01	314.41	319.13	7	91	410.13	-	410.13
Kashunamiut	335.00	-	335.00	470.77	470.77	1.619	762.18	914.62	928.34	7	91	1,019.34	-	1,019.34
Kenai Peninsula	8,043.00	735.00	8,778.00	10,330.55	10,330.55	1.171	12,097.07	14,516.48	14,734.23	199	2,587	17,321.23	661.50	17,982.73
Ketchikan Gateway	2,220.00	65.00	2,285.00	2,707.05	2,707.05	1.170	3,167.25	3,800.70	3,857.71	80	1,040	4,897.71	58.50	4,956.21
Klawock	118.00	-	118.00	198.02	209.98	1.302	273.39	328.07	332.99	10	130	462.99	-	462.99
Kodiak Island	2,208.00	110.00	2,318.00	2,734.12	2,734.12	1.289	3,524.28	4,229.14	4,292.58	55	715	5,007.58	99.00	5,106.58
Kuspuk	354.00	-	354.00	634.16	634.16	1.734	1,099.63	1,319.56	1,339.35	9	117	1,456.35	-	1,456.35
Lake & Peninsula	304.00	6.00	310.00	620.59	635.06	1.994	1,266.31	1,519.57	1,542.36	6	78	1,620.36	5.40	1,625.76
Lower Kuskokwii	4,108.00	-	4,108.00	6,089.07	6,089.07	1.663	10,126.12	12,151.34	12,333.61	91	1,183	13,516.61	-	13,516.61
Lower Yukon	2,011.00	-	2,011.00	3,026.95	3,026.95	1.861	5,633.15	6,759.78	6,861.18	27	351	7,212.18	-	7,212.18
Mat-Su	16,721.00	2,319.00	19,040.00	19,216.52	19,216.52	1.070	20,561.68	24,674.02	25,044.13	492	6,396	31,440.13	2,087.10	33,527.23
Nenana	190.00	1,040.00	1,230.00	290.78	290.78	1.338	389.06	466.87	473.87	5	65	538.87	936.00	1,474.87
Nome	674.00	10.00	684.00	856.30	856.30	1.450	1,241.64	1,489.97	1,512.32	4	52	1,564.32	9.00	1,573.32
North Slope	1,891.00	-	1,891.00	2,582.92	2,582.92	1.791	4,626.01	5,551.21	5,634.48	16	208	5,842.48	-	5,842.48
Northwest Arctic	1,982.00	27.00	2,009.00	2,893.18	2,893.18	1.823	5,274.27	6,329.12	6,424.06	43	559	6,983.06	24.30	7,007.36
Pelican	13.00	-	13.00	39.60	39.60	1.477	58.49	70.19	71.24	2	26	97.24	-	97.24
Petersburg	449.00	-	449.00	641.44	667.02	1.244	829.77	995.72	1,010.66	16	208	1,218.66	-	1,218.66
Pribilof	57.00	8.00	65.00	96.03	117.91	1.691	199.39	239.27	242.86	2	26	268.86	7.20	276.06
Saint Mary's	179.00	-	179.00	281.43	292.73	1.624	475.39	570.47	579.03	1	13	592.03	-	592.03
Sitka	1,225.00	19.00	1,244.00	1,515.67	1,515.67	1.195	1,811.23	2,173.48	2,206.08	38	494	2,700.08	17.10	2,717.18
Skagway	115.00	-	115.00	193.55	193.55	1.174	227.23	272.68	276.77	-	-	276.77	-	276.77
Southeast Island	192.00	3.00	195.00	446.70	446.70	1.403	626.72	752.06	763.34	17	221	984.34	2.70	987.04
Southwest Region	604.00	-	604.00	1,016.70	1,016.70	1.685	1,713.14	2,055.77	2,086.61	15	195	2,281.61	-	2,281.61
Tanana	41.00	-	41.00	72.19	72.19	1.786	128.93	154.72	157.04	2	26	183.04	-	183.04
Unalaska	420.00	-	420.00	565.80	565.80	1.441	815.32	978.38	993.06	3	39	1,032.06	-	1,032.06
Valdez	632.75	29.00	661.75	845.39	845.39	1.170	989.11	1,186.93	1,204.73	20	260	1,464.73	26.10	1,490.83
Wrangell	304.00	-	304.00	435.01	435.01	1.159	504.18	605.02	614.10	10	130	744.10	-	744.10
Yakutat	60.00	16.00	76.00	100.50	105.72	1.412	149.28	179.14	181.83	-	-	181.83	14.40	196.23
Yukon Flats	245.00	-	245.00	465.67	470.51	2.116	995.60	1,194.72	1,212.64	7	91	1,303.64	-	1,303.64
Yukon/Koyukuk	305.00	1,445.00	1,750.00	599.30	599.30	1.835	1,099.72	1,319.66	1,339.45	9	117	1,456.45	1,300.50	2,756.95
Yupit	441.00	-	441.00	712.47	762.68	1.723	1,314.10	1,576.92	1,600.57	3	39	1,639.57	-	1,639.57
Mt. Edgecumbe	425.00	-	425.00	494.60	494.60	1.195	591.05	709.26	719.90	-	-	719.90	-	719.90
<b>TOTALS:</b>	<b>116,814.00</b>	<b>12,805.75</b>	<b>129,619.75</b>	<b>142,576.76</b>	<b>142,860.12</b>	<b>79.70</b>	<b>171,820.08</b>	<b>206,184.11</b>	<b>209,276.87</b>	<b>2,704</b>	<b>35,152</b>	<b>244,428.87</b>	<b>11,525.18</b>	<b>255,954.05</b>

**Alaska Department of Education & Early Development**

FY2019 Foundation Formula PROJECTION - Required Local Contribution

Prepared by School Finance 11/14/2017

<b>School District</b>	<b>2017 Full Values</b>	<b>FY18 prior year Basic Need</b>	<b>.00265 x 2017 Full Value</b>	<b>45% of PY Basic Need</b>	<b>Required Minimum Local Effort [Lesser of .00265 or 45%]</b>
Alaska Gateway	-	7,752,467	-	-	-
Aleutian Region	-	1,308,751	-	-	-
Aleutians East	194,151,700	5,740,714	514,502	2,583,321	<b>514,502</b>
Anchorage	40,302,719,290	439,932,409	106,802,206	197,969,584	<b>106,802,206</b>
Annette Island	-	5,253,980	-	-	-
Bering Strait	-	42,432,293	-	-	-
Bristol Bay	368,496,600	2,221,615	976,516	999,727	<b>976,516</b>
Chatham	-	3,654,303	-	-	-
Chugach	-	3,292,277	-	-	-
Copper River	-	6,434,109	-	-	-
Cordova	325,714,890	4,776,022	863,144	2,149,210	<b>863,144</b>
Craig	155,823,200	5,234,708	412,931	2,355,619	<b>412,931</b>
Delta/Greely	-	10,018,320	-	-	-
Denali	360,678,200	7,293,307	955,797	3,281,988	<b>955,797</b>
Dillingham	247,796,600	7,215,446	656,661	3,246,951	<b>656,661</b>
Fairbanks	11,345,630,550	152,908,430	30,065,921	68,808,794	<b>30,065,921</b>
Galena	37,246,600	23,794,896	98,703	10,707,703	<b>98,703</b>
Haines	412,100,700	3,387,216	1,092,067	1,524,247	<b>1,092,067</b>
Hoonah	80,982,200	2,361,800	214,603	1,062,810	<b>214,603</b>
Hydaburg	18,727,600	1,861,131	49,628	837,509	<b>49,628</b>
Iditarod Area	-	6,575,718	-	-	-
Juneau	5,415,382,900	51,817,407	14,350,765	23,317,833	<b>14,350,765</b>
Kake	35,930,900	2,087,360	95,217	939,312	<b>95,217</b>
Kashunamiut	-	5,976,313	-	-	-
<b>Kenai Peninsula</b>	<b>10,265,418,090</b>	<b>106,015,235</b>	<b>27,203,358</b>	<b>47,706,856</b>	<b>27,203,358</b>
Ketchikan Gateway	1,769,524,600	28,211,560	4,689,240	12,695,202	<b>4,689,240</b>
Klawock	66,499,600	2,629,955	176,224	1,183,480	<b>176,224</b>
Kodiak Island	1,605,839,600	32,177,544	4,255,475	14,479,895	<b>4,255,475</b>
Kuspuk	-	8,641,611	-	-	-
Lake & Peninsula	169,265,900	10,158,742	448,555	4,571,434	<b>448,555</b>
Lower Kuskokwim	-	79,980,934	-	-	-
Lower Yukon	-	41,596,756	-	-	-
Mat-Su	11,715,012,530	198,759,842	31,044,783	89,441,929	<b>31,044,783</b>
Nenana	30,993,300	8,107,022	82,132	3,648,160	<b>82,132</b>
Nome	397,302,400	9,553,289	1,052,851	4,298,980	<b>1,052,851</b>
North Slope	22,231,069,010	34,397,914	58,912,333	15,479,061	<b>15,479,061</b>
Northwest Arctic	766,543,800	41,339,097	2,031,341	18,602,594	<b>2,031,341</b>
Pelican	13,740,700	393,930	36,413	177,269	<b>36,413</b>
Petersburg	448,100,900	7,303,329	1,187,467	3,286,498	<b>1,187,467</b>
Pribilof	-	1,901,751	-	-	-
Saint Mary's	33,319,500	3,632,066	88,297	1,634,430	<b>88,297</b>
Sitka	1,318,435,400	16,124,441	3,493,854	7,255,998	<b>3,493,854</b>
Skagway	384,713,200	1,746,207	1,019,490	785,793	<b>785,793</b>
Southeast Island	-	5,792,187	-	-	-
Southwest Region	-	12,700,933	-	-	-
Tanana	14,707,700	1,109,622	38,975	499,330	<b>38,975</b>
Unalaska	650,564,100	5,965,936	1,723,995	2,684,671	<b>1,723,995</b>
Valdez	2,378,267,670	8,339,359	6,302,409	3,752,712	<b>3,752,712</b>
Wrangell	216,853,100	3,979,564	574,661	1,790,804	<b>574,661</b>
Yakutat	86,279,600	1,311,479	228,641	590,166	<b>228,641</b>
Yukon Flats	-	7,715,879	-	-	-
Yukon/Koyukuk	-	15,479,198	-	-	-
Yupiit	-	10,008,061	-	-	-
Mt. Edgecumbe	-	4,229,276	-	-	-
<b>TOTALS:</b>	<b>113,863,832,630</b>	<b>1,512,633,711</b>	<b>301,739,155</b>	<b>554,349,870</b>	<b>255,522,489</b>



**Alaska Department of Education & Early Development**

**FY2019 Foundation Formula PROJECTION - Additional Local Contribution**

Prepared by School Finance 9/21/2018

School District	FY2019 Basic Need	Additional Local .002 Mills of Current Full Value	One-time Grant using Adjusted ADM x 23%	Quality Schools (\$16 x Adjusted ADM)	Quality Schools x 23%	23% of Basic Need & Grants using Adjusted ADM Subtotal	Additional Local Contribution [Greater of .002 or 23% subtotal]	MAXIMUM LOCAL: Required plus additional Local Contribution
Alaska Gateway	8,902,768	-	-	24,021	-	-	-	-
Aleutian Region	1,286,039	-	-	3,470	-	-	-	-
Aleutians East	5,676,255	388,303	-	15,315	3,522	1,309,061	1,309,061	1,823,563
Anchorage	438,085,629	80,605,439	-	1,182,019	271,864	101,031,559	101,031,559	207,833,765
Annette Island	5,206,896	-	-	14,049	-	-	-	-
Bering Strait	42,306,458	-	-	114,149	-	-	-	-
Bristol Bay	2,038,438	736,993	-	5,500	1,265	470,106	736,993	1,713,509
Chatham	3,846,672	-	-	10,379	-	-	-	-
Chugach	3,471,778	-	-	9,367	-	-	-	-
Copper River	6,710,981	-	-	18,107	-	-	-	-
Cordova	5,065,110	651,430	-	13,666	3,143	1,168,118	1,168,118	2,031,262
Craig	4,980,904	311,646	-	13,439	3,091	1,148,699	1,148,699	1,561,630
Delta/Greely	10,138,640	-	-	27,356	-	-	-	-
Denali	8,225,562	721,356	-	22,194	5,105	1,896,984	1,896,984	2,852,781
Dillingham	7,237,862	495,593	-	19,529	4,492	1,669,200	1,669,200	2,325,861
Fairbanks	153,014,874	22,691,261	-	412,856	94,957	35,288,378	35,288,378	65,354,299
Galena	24,477,617	74,493	-	66,044	15,190	5,645,042	5,645,042	5,743,745
Haines	3,359,819	824,201	-	9,065	2,085	774,843	824,201	1,916,268
Hoonah	2,572,493	161,964	-	6,941	1,596	593,270	593,270	807,873
Hydaburg	1,922,032	37,455	-	5,186	1,193	443,260	443,260	492,888
Iditarod Area	6,753,440	-	-	18,222	-	-	-	-
Juneau	50,923,045	10,830,766	-	137,398	31,602	11,743,902	11,743,902	26,094,667
Kake	2,432,071	71,862	-	6,562	1,509	560,886	560,886	656,103
Kashunamiut	6,044,686	-	-	16,309	-	-	-	-
Kenai Peninsula	106,637,589	20,530,836	-	287,724	66,177	24,592,822	24,592,822	51,796,180
Ketchikan Gateway	29,390,325	3,539,049	-	79,299	18,239	6,778,014	6,778,014	11,467,254
Klawock	2,745,531	132,999	-	7,408	1,704	633,176	633,176	809,400
Kodiak Island	30,282,019	3,211,679	-	81,705	18,792	6,983,657	6,983,657	11,239,132
Kuspuk	8,636,156	-	-	23,302	-	-	-	-
Lake & Peninsula	9,640,757	338,532	-	26,012	5,983	2,223,357	2,223,357	2,671,912
Lower Kuskokwim	80,153,497	-	-	216,266	-	-	-	-
Lower Yukon	42,768,227	-	-	115,395	-	-	-	-
Mat-Su	198,816,474	23,430,025	-	536,436	123,380	45,851,169	45,851,169	76,895,952
Nenana	8,745,979	61,987	-	23,598	5,428	2,017,003	2,017,003	2,099,135
Nome	9,329,788	794,605	-	25,173	5,790	2,151,641	2,151,641	3,204,492
North Slope	34,645,906	44,462,138	-	93,480	21,500	7,990,059	44,462,138	59,941,199
Northwest Arctic	41,553,645	1,533,088	-	112,118	25,787	9,583,125	9,583,125	11,614,466
Pelican	576,633	27,481	-	1,556	358	132,983	132,983	169,396
Petersburg	7,226,654	896,202	-	19,499	4,485	1,666,615	1,666,615	2,854,082
Pribilof	1,637,036	-	-	4,417	-	-	-	-
Saint Mary's	3,510,738	66,639	-	9,472	2,179	809,648	809,648	897,945
Sitka	16,112,877	2,636,871	-	43,475	9,999	3,715,961	3,715,961	7,209,815
Skagway	1,641,246	769,426	-	4,428	1,018	378,505	769,426	1,555,219
Southeast Island	5,853,147	-	-	15,793	-	-	-	-
Southwest Region	13,529,947	-	-	36,506	-	-	-	-
Tanana	1,085,427	29,415	-	2,929	674	250,322	250,322	289,297
Unalaska	6,120,116	1,301,128	-	16,513	3,798	1,411,425	1,411,425	3,135,420
Valdez	8,840,622	4,756,535	-	23,853	5,486	2,038,829	4,756,535	8,509,247
Wrangell	4,412,513	433,706	-	11,906	2,738	1,017,616	1,017,616	1,592,277
Yakutat	1,163,644	172,559	-	3,140	722	268,360	268,360	497,001
Yukon Flats	7,730,585	-	-	20,858	-	-	-	-
Yukon/Koyukuk	16,348,714	-	-	44,111	-	-	-	-
Yup'it	9,722,650	-	-	26,233	-	-	-	-
Mt. Edgecumbe	4,269,007	-	-	11,518	-	-	-	-
<b>TOTALS:</b>	<b>1,517,807,518</b>	<b>227,727,662</b>	<b>-</b>	<b>4,095,266</b>	<b>764,851</b>	<b>284,237,595</b>	<b>324,134,546</b>	<b>579,657,035</b>





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# ANCHORAGE DAILY NEWS

WEDNESDAY, JANUARY 30, 2019

ALASKA'S NEWSPAPER

\$1.00

## EDUCATION

### How a \$20 million education cut could affect schools

School district officials say funds for the current year have already been allocated.

Tegan Hanlon  
Anchorage Daily News

Gov. Mike Dunleavy's proposal Monday to cut \$20 million in education funding in the middle of the school year sent shock waves through Alaska's education community, in part because that money is already being spent in school districts' current budgets.

The cut was revealed in a supplemental budget proposal introduced in the Alaska Senate. The state House

and Senate must approve the funding cut before it would take effect. It's unclear if there's any appetite among state legislators to reverse last year's funding decision.

Several school district officials said in interviews Tuesday that they were surprised by the proposed cut. While they brace for year-to-year changes to state funding, they said, they didn't expect a proposal to re-move funding mid-year. That money is already allocated to costs in the current school year's budget such as teacher salaries, district officials said.

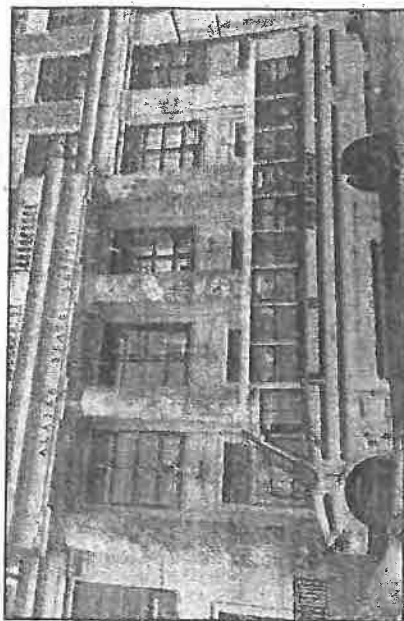
"I think it was a surprise to everyone," said Dan Walker, superintendent of the Lower Kuskokwim School

District headquartered in Bethel. "I had texts from a number of colleagues from around the state saying, 'Hey, what's going on here?'"

The Dunleavy administration wants to follow the state's school funding formula, Donna Arduin, director of the state Office of Management and Budget, told members of the Senate Finance Committee on Tuesday.

That \$20 million is above what that formula requires, she said. It has not yet been paid to school districts, according to Lacey Sanders, budget director in the Office of Management

See **SCHOOLS**, A5



A school bus picks up kids after they toured the Alaska State Capitol on Tuesday.

D-46. 14

## SCHOOLS

and Budget. It was scheduled to be distributed in late January or early February.

But school district officials said they budgeted for their portion of the \$20 million last year, after the state lawmakers agreed to the funding. The current budget year started July 1, 2018.

The \$20 million stems from a budget compromise in May 2018, months before voters elected Dunleavy, a Republican, as Alaska governor. State lawmakers agreed to House Bill 287, which included a one-time, \$20 million increase to school funding for the current budget year and a one-time, \$30 million increase to school funding the following year.

The \$20 million is on top of the \$1.2 billion in state money allocated to the schools under the state funding formula.

The proposal to cut the \$20 million undercuts bipartisan work by last year's Legislature, said Lisa Parady, executive director of the Alaska Council of School Administrators. It also strips away the stability lawmakers tried to create by forward funding schools, she said.

"The school year is over halfway through, and pulling the rug out from school districts at this point really undermines the compromise that the Legislature put in place to do just the opposite, which was to support stability in school districts," she said.

School district officials in Anchorage, Fairbanks, Bethel and on the Kenai Peninsula said losing their slice of the \$20 million would equate to roughly 1 percent of their operating funds in the current school year.

"It doesn't seem like a lot,"

***"It took me a couple conversations to realize they were talking about this year. It makes no sense, especially coming from somebody who was an educator himself, it makes no sense to me. I mean, he knows how school districts work."***

— Karen Gaborik, Fairbanks North Star Borough School District superintendent

Walker said. But, he said, "It's money that's already appropriated. It's already been budgeted and we're paying teacher salaries and things like that out of it. So it would leave us hanging in a pretty precarious spot."

If the Legislature approved the cut, the Anchorage School District would lose nearly \$5.8 million this school year, said Jim Anderson, district chief financial officer.

The Anchorage School Board had already put about half of the money toward a new three-year contract with the local teachers union. It used the rest to bring back 25 classroom teaching jobs, said board president Starr Marsett.

Anchorage school leadership was meeting Tuesday and Wednesday to discuss potential options if state lawmakers approve the cut, Anderson said. By state law, the school district can't lay off teachers in the middle of the school year.

Marsett, Walker and Tim Parker, president of the NEA-Alaska teachers union, also said Tuesday they were concerned about how the proposal would affect teachers' decisions to stay in Alaska.

"Teachers have this very small window where they are deciding what job to get for the next year, and the window just started right now and it goes for about another two or three months," Parker said.

"If the message from the state is, 'We're not sure we're going to be able to fund education in the

future,' if you were in your first couple years of teaching, why would you stay? That's a really difficult prospect, to think you could easily get a pink slip," he said.

Sen. Gary Stevens, R-Kodiak, chairman of the Senate Education Committee, said Tuesday it'd be "really, really hard" to cut the \$20-million.

"They've already spent some of the money and hired people," he said.

Senate Democrats criticized the proposed education cut in a statement on Tuesday.

"School districts throughout the state plan their budget in the spring and finalize those budgets after we conclude our budget process, and this is a direct threat to Alaskans' trust in government," Sen. Scott Kawasaki, D-Fairbanks, said in the statement.

Dunleavy proposed two supplemental budget bills on Monday: One devoted to disasters, primarily the Nov. 30 earthquake, and the other to items including the education funding cut. The increases in the proposals "are offset by savings from efficiencies and reductions to appropriations and that the State cannot afford," said a statement from the Dunleavy administration on Monday.

"I took office with a promise to reduce State spending, put public safety first, and renew trust in government. To that end, I am presenting a supplemental bill for the Legislature's consideration that returns money to the general fund," Dunleavy said in the

statement. Dunleavy's press secretary did not respond to a question Tuesday about why the governor decided to propose the \$20 million school funding cut.

At the Matanuska-Susitna Borough School District, the cut would mean a loss of roughly \$2.6 million, according to information from the Alaska Department of Education and Early Development.

The local school board and assembly approved the district's current operating budget in spring 2018, and then contracts were issued to teachers for a full year of work, Monica Goyette, district superintendent, said in a statement on Tuesday.

"These contracts must be fulfilled regardless of mid-year revenue changes," Goyette said. "Beyond the budget reductions that would need to occur for this school year, these cuts will have ramifications moving forward by creating fiscal uncertainty in future years."

At the Kenai Peninsula Borough School District, the cut would mean a loss of about \$1.4 million. The district has already used that money to bring back 11.5 full-time teachers and pay support staff this school year, said Pegge Erkeneff, district spokeswoman.

At the Fairbanks North Star Borough School District, the cut would mean a reduction of about \$2 million. Fairbanks Superintendent Karen Gaborik said she would wait until the budget

conversations moved forward in Juneau before planning for a possible cut. She didn't want to pass stress onto schools and teachers for a proposed cut that, she said, she never expected.

"It took me a couple conversations to realize they were talking about this year," Gaborik said. "It makes no sense, especially coming from somebody who was an educator himself, it makes no sense to me. I mean, he knows how school districts work."

Dunleavy has worked as a teacher, principal and superintendent in Alaska.

District officials are currently working on their budgets for next school year.

The Anchorage School District has to present its 2019-20 school year budget to the Anchorage Assembly by the first Monday in March, Anderson said.

Anderson said he was building next school year's budget proposal based on the assumption that the district would receive its portion of the \$30 million in state funding because that's what's in state law. Gaborik said the Fairbanks school district was also factoring the number into its budget planning.

"You have to go with the numbers you have," she said.

Some district officials also expressed concern Tuesday about state funding for next school year. Feb. 13 is the deadline for the governor to deliver his final budget proposal to the Legislature for the next budget year.

"My fear is what Feb. 13 is going to bring when the governor announces his budget," Marsett said. "I really feel like this might be a prelude, really preparing us for more budget cuts."

Daily News reporter James Brooks in Juneau contributed to this report.





BUDGET CUTS AT A GLANCE

## Rundown of how governor's budget cuts would affect Alaskans

James Brooks  
Anchorage Daily News

JUNE 14 — Gov. Mike Dunleavy warned Alaskans on Wednesday that his proposed budget cuts will affect every Alaskan, and an initial look at details offered by the Office of Management and Budget reveals the truth of that statement.

Under the governor's proposal to cut \$1.8 billion in state spending (not counting a \$900 million increase in spending on the Permanent Fund dividend), seniors would lose \$24 million in longevity payments. Pioneer Home residents would pay more. Coastal residents would find it more difficult to get around. Farmers would have less marketing and inspection support from the state.

Here's a rundown:

### Health care

By dollar amount, the Department of Health and Social Services received the

largest cut in the governor's proposal from \$3.25 billion to \$2.47 billion. Medicaid spending would drop from \$2.27 billion to \$1.55 billion.

The governor proposes eliminating the \$20 million-per-year senior benefits program and \$17 million per year in tribal assistance programs.

Adult public assistance would be cut by \$14.7 million. The budget for the Alaska Psychiatric Institute would be reduced by \$3 million, and a privatization effort is already underway.

State support for the Pioneer Homes is reduced, and rates for residents will go up to compensate. A subsidy program may offset part of that cost for eligible residents.

### Education

The Department of Education and

See GLANCE, A19



# GLANCE

Early Development would see the second-largest dollar-amount decline. Funding would fall by \$220 million, from \$1.66 billion to \$1.34 billion.

The biggest cut would come in the foundation formula that pays school districts for each student. Funding to the formula drops from \$1.2 billion to \$942 million in the governor's plan.

Funding for the Alaska State Council on the Arts is eliminated, as is a program that allows Alaskans to attend out-of-state medical schools at in-state tuition rates.

Funding for pre-kindergarten programs drops from \$8 million to zero, and funding for Head Start grants is also eliminated.

Funding for other programs, including Mt. Edgecumbe High School, and state support for museums and libraries is reduced.

## Transportation

The governor's budget proposal pre-serves most funding for hard-surface roads. The Alaska Marine Highway, however, would see its budget fall from \$140 million to \$44 million, and an effort to examine privatization of what remains is underway. The ferry system's budget for fuel would be cut from \$20.6 million to \$4 million. Long routes, such as the one from Kodiak to Unalaska, and from Washington state to Alaska, would be eliminated entirely.

Some state-owned rural airports are

also being considered for closure.

## Public safety

Funding for the Department of Public Safety is up by more than \$6 million in the governor's proposal (to \$204 million), but that increase is less than what was proposed by former Gov. Bill Walker.

Dunleavy's budget cancels a proposed raise for Alaska State Troopers and cuts \$3 million in funding for the Village Public Safety Officer program. Funding for the Civil Air Patrol is eliminated entirely.

## Prisons

The budget for the Alaska Department of Corrections is \$314 million, about what it was in 2018. Dunleavy is proposing to reverse increases approved by the Legislature last year and proposed by Walker.

The governor's proposal to repeal the criminal justice reform effort known as Senate Bill 91 is expected to increase the state's prison population if the move is accepted by the Legislature.

According to OMB documents, the state would partially offset that increase by shipping 500 inmates to prisons outside the state.

"DOC estimates that can (it) contract with an out-of-state facility with a bed rate at \$95.00 per prisoner, per day, with an anticipated transfer of 500 prisoners," OMB documents state.

OMB estimates that would save the state \$12.8 million per year, but the department's budget includes another \$18 million "unallocated" reduction with no indication of what might be cut to reduce spending.

## Law

Spending in the Department of Law would be cut by \$1 million, to \$86 million. Most cuts are in the department's civil division — the proposal keeps spending in the criminal division mostly flat. (Former Gov. Walker had proposed increases there as a crime-fighting measure.)

In a consolidation move, Dunleavy has ordered that various state investigative agencies be put within the Department of Law.

## Court system

The budget for the Alaska court system would rise by \$3.5 million, to \$112.6 million, under Dunleavy's plan. The governor has said he wants to reopen courthouses on Friday afternoons. They were closed under a cost-cutting move by Walker.

## Natural resources

The budget for the Department of Natural Resources is down \$4 million to \$157 million, with the governor's proposal almost entirely eliminating programs intended to aid agriculture.

A loan program for farmers would end, as would agriculture marketing efforts and veterinary inspections.

Two-thirds of the division of Agriculture would be laid off.

## University of Alaska

State support for the University of Alaska would fall by \$134 million (41 percent) under the governor's plan, from \$327 million to \$193 million. The university would have the ability to make up that shortfall

by raising tuition or finding more grants, but in a presentation Wednesday, university officials said they would have to double tuition to make ends meet under that scenario.

## Environmental conservation

A smaller department by budget, the Department of Environmental Conservation would see its budget fall from \$81.3 million to \$76.6 million. The governor is proposing the elimination of the Ocean Ranger program, which monitors cruise ships for pollution with fees paid by the ships, and ending inspections of the state's sole dairy farm.

## Fish and Game

Spending in the Alaska Department of Fish and Game is down about \$5 million, to \$197 million, in the governor's proposal. Among the cuts in the department is a decision that Fish and Game will no longer manage "special areas."

According to OMB's explanation, "Special Areas are wildlife refuges, sanctuaries and habitat areas, including freshwater and coastal wetlands, marine environments, boreal forests, alpine and maritime tundra."

## Legislature/governor

The Legislature's budget rises from \$66 million to \$67 million in the governor's budget. The budget for the Office of the Governor is higher by \$2 million than the figure requested by former Gov. Walker but is almost the same as what was authorized by the Legislature this year: \$29 million.





# ANCHORAGE DAILY NEWS

TUESDAY, JANUARY 29, 2019

ALASKA'S NEWSPAPER

## LEGISLATURE

### Governor seeks \$131M to fund quake recovery, suggests \$20M cut for schools

Lawmakers approved K-12 boost last year in budget compromise and might not reverse decision.

**James Brooks**  
Anchorage Daily News

**JUNEAU** — Gov. Mike Dunleavy has proposed spending \$131 million, mostly from the federal government, for rebuilding after the Nov. 30 Southcentral Alaska earthquake.

The figure was revealed Monday in a draft supplemental budget introduced in the Alaska Senate. It's believed to represent a

basement: Additional surveys and the arrival of spring are expected to reveal additional earthquake damage.

"It is anticipated that as spring comes, more and more roads will be identified with damage," said Lacey Sanders, budget director in the Office of Management and Budget.

In a separate but related move, the governor is proposing the elimination of a planned \$20 million one-time boost to K-12 public schools. Last year, lawmakers approved the boost as part of a budget compromise at the end of the legislative session.

It isn't clear whether there will be support in the Legislature for reversing that compromise.

"I was under no intention of doing that," said Sen. Gary Stevens, R-Kodiak, chairman of the Senate Education Committee, on Monday morning.

"For a guy who said he was going to be the education governor, this is not the right way to start that," said Senate Minority Leader Tom Begich, D-Anchorage.

Rep. Lance Pruitt, R-Anchorage, said he was expecting this kind of move from a governor who has promised to balance the state's budget.

"I think that if people are surprised with this \$20 million, then they're going to have a heart attack on Feb. 13," he said.

Feb. 13 is the deadline for the governor to deliver his final budget proposal to the Legislature. That document covers

## INSIDE

State extends the deadline to apply for earthquake recovery funds by 30 days. **A5**

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See SPENDING, A5



FROM PAGE A1

## SPENDING

spending in the budget starting July 1.

Monday's legislation covers changes to the current budget, which runs through June 30. There are supplemental budgets each year to reconcile the state budget approved by lawmakers in the spring with events that have taken place since then, such as the Nov. 30 earthquake.

This year, the governor has proposed two supplemental budget bills. One is devoted to disasters, primarily the earthquake, and the other is devoted to other items, including the education funding cut.

Within the disaster budget bill is \$65 million in federal funding and \$6.5 million in state funding for road and highway reconstruction. A legislative committee had voted in December to allow the state to accept up to \$55 million in federal aid; the governor's bill would increase that cap to \$65 million.

The bill also allows the state to spend up to \$1 million to repair state buildings. Insurance is expected to pay for the bulk of repair costs, Sanders said, and the funding within the supplemental budget covers what insurance does not.

The bill calls for spending \$21.9 million from state coffers on disaster relief. The state will also be able to distribute up to \$46 million in federally funded disaster relief, up from \$9 million in the budget passed by lawmakers last year.

"I anticipate that this will change, again, shortly," Sanders said. "There are some costs that won't be covered by FEMA, and that's covered in that \$21 million."

With the state spending on disaster reconstruction and aid, Donna Arduin, the director of the Office of Management and Budget, said the goal in the non-disaster bill was to reduce state spending to limit the need to take from the state's savings accounts.

"Not only did we inherit a budget that had supplemental needs built in, but we had an earthquake," Arduin said in a Monday morning talk with reporters.

The nonpartisan Legislative Finance Division has repeatedly warned lawmakers that the state's Medicaid program was underfunded by the budget approved last year. In a report published in August, the division warned that the shortfall was as much as \$50 million.

According to OMB, the shortfall is \$37 million, but the Department of Health and Social Services has been able to find ways to cover most of that amount. The remainder, \$15 million, is included in the supplemental.

In total, according to the plan provided by OMB and the governor, the non-disaster supplemental budget would cut \$5.8 million in state spending from the budget approved by lawmakers last year. Overall spending would rise, however, because of greater federal contributions.

In addition, the savings identified by the governor's office include money that was unlikely to be spent. For example, the supplemental budget cuts \$3 million from the Village Public Safety Officer program, but many fewer VPSOs have been hired than were planned for, and that money was scheduled to return to the state general fund anyway.

The spending plans will have their first hearing at 9 a.m. Tuesday in the Senate Finance Committee.

Contact James Brooks  
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# ANCHORAGE DAILY NEWS

THURSDAY, FEBRUARY 14, 2019

ALASKA'S NEWSPAPER

\$1.00

POLITICS

## Governor launches broad plan to deeply cut Alaska state spending

Funding for education and health care, among other services, would be reduced.

James Brooks  
Anchorage Daily News

JUNEAU — Alaska Gov. Mike Dunleavy is proposing broad cuts to health care, education and many other state services in order to pay a larger Permanent Fund dividend without new taxes.

"This budget is going to impact all Alaskans. It's too massive not to," the governor said Wednesday morning in a televised news conference from Juneau.

### INSIDE

Plan would end local tax authority over petroleum property, A20

The governor's proposal has already drawn a storm of comment, with the promise of even more as Alaskans learn its details.

The state released a trove of documents detailing his proposal on the state Office of Management and Budget's website.

According to OMB figures, the state would spend \$1.8 billion less

in the fiscal year that begins July 1 under Dunleavy's proposal. That doesn't include the Permanent Fund dividend, which Dunleavy has proposed increasing. If dividend spending is included, the cut is about \$900 million.

The governor has said the state faces a \$1.6 billion deficit; Wednesday's cuts are larger than that figure because the state is forgoing some federal grants that require a certain amount of state spending.

The governor's proposal must be vetted and approved by the Alaska House and the Alaska Senate. That process is expected

to take months, and the timeline may be lengthened by the House's ongoing inability to elect a leader, a prerequisite to officially consider legislation.

"We know this is just the beginning. This is the beginning of the journey for this budget," Dunleavy said.

About 625 full-time state positions will be cut, OMB director Donna Arduin said, and that figure rises to more than 700 if part-time positions are included.

The Department of Education and Early Development and the Department of Health and Social Services, the most costly

state agencies, would receive the biggest cuts by dollar value. The Department of Education would be cut from \$1.66 billion to \$1.34 billion, according to OMB figures. Funding for the foundation formula, which pays school districts for each student who attends, would drop from \$1.2 billion to \$942 million. The governor would also reverse a planned \$30 million increase to the foundation formula that lawmakers approved last year.

"This is a sad day for Alaska public schools," said Tim Parker,

See DUNLEAVY, A20



## DUNLEAVY

President of NEA-Alaska, the state's largest union, in a prepared statement. "Gov. Dunleavy ran on his background as a teacher, principal, and superintendent. This budget makes a profound statement that our public schools, our educators, and most importantly, our students' futures are expendable."

Health and Social Services would be cut from \$3.25 billion this year to \$2.47 billion, according to OMB figures.

One of the biggest duties of Health and Social Services is overseeing the federal-state Medicaid program, which provides health care to more than 210,000 Alaskans, according to the latest figures from the state. Of those, almost 48,000 are covered by Medicaid expansion under an executive order signed by former Gov. Bill Walker.

Dunleavy will not reverse that order at this time, he said Wednesday, but the state will work with the federal Centers for Medicare and Medicaid Services to adjust benefits, he and Arduin said.

Medicaid spending, which stands at \$2.27 billion, would be cut by \$714 million, according to OMB

\$3.5

## Departments with the largest cuts in Dunleavy's operating budget



Source: Alaska Office of Management and Budget

KEVIN POWELL / Anchorage Daily News

**"Gov. Dunleavy's proposed budget, if enacted, would destabilize Alaska's health care system, eliminate access to health care for tens of thousands of Alaskans, and make Alaska less safe and less secure."**

— Becky Hultberg, president and CEO of the Alaska State Hospital and Nursing Home Association

figures. About one-third of that cut is state money; the remainder consists of federal dollars the state will forgo, according to OMB's analysis.

"Gov. Dunleavy's proposed budget, if enacted, would destabilize Alaska's health care system, eliminate access to health care for tens of thousands of

Alaskans, and make Alaska less safe and less secure," said Becky Hultberg, president and CEO of the Alaska State Hospital and Nursing Home Association, in a prepared statement.

State support for the University of Alaska would be cut 41 percent, the greatest proportion of any state agency.

supports the governor's budget.

"The Alaska Chamber applauds Gov. Dunleavy for proposing a spending plan that matches current revenues. This action will surely prompt necessary and critical conversations that must occur across Alaska in order to achieve a durable and sustainable fiscal plan," it said.

The governor entered office with a significant deficit, one exacerbated by his pledge to increase spending on the Permanent Fund dividend. With the governor opposed to tax increases and reluctant to spend additional money from state savings accounts, he was left with two choices: reduce services or reduce the dividend. He chose to reduce services.

The Alaska Senate's six Democrats sent a joint statement saying Dunleavy's proposal isn't a serious one.

"This is unacceptable, and quite frankly a dereliction of his constitutional duties," Senate Minority Leader Tom Begich, D-Anchorage, said about the budget in prepared remarks.

Sen. Bill Wielechowski, D-Anchorage, criticized the governor for cutting services while leaving the oil and gas industry unaffected. Wielechowski has suggested the state could save

up to \$1.2 billion per year by eliminating a certain type of tax credit received by oil producers.

"Gov. Dunleavy is declaring war on seniors, kids, and the most vulnerable among us while holding harmless the most profitable companies in the world," Wielechowski said in prepared remarks.

The Republican co-chairs of the Senate Finance Committee said in prepared remarks that they need time to examine the proposal.

"While it is too early to understand all the impacts today, we're committed to taking the time to fully analyze and thoroughly vet these proposals," said Sen. Natasha Von Imhof, R-Anchorage, in a prepared statement.

Groups and agencies affected by the budget cuts are also expected to spend Wednesday and the next few days examining the governor's proposal to see how it would affect them.

"I think next week, the building will be packed," said Sen. Bert Stedman, R-Sitka and co-chairman of the Senate Finance Committee.

Contact: James Brooks at jbrooks@adn.com.





# TEACHER SALARY SCHEDULE COMPARISONS 2018-2019

## KPBSD Compared To Mat-Su Borough School District 2018-2019

EXH. 47

Salary Schedule Placement	KPBSD	MSBSD	KPBSD Difference
Beginning Base Column	\$ 48,045	\$ 47,258	\$ 787
Max Base Column	\$ 67,616	\$ 61,776	\$ 5,840
Beginning Masters Column	\$ 51,851	\$ 53,479	\$ (1,628)
Max Beginning Masters Column	\$ 79,146	\$ 74,218	\$ 4,928
Max without Doctorate	\$ 91,274	\$ 86,662	\$ 4,612
Max with Doctorate	\$ 95,274	\$ 88,739	\$ 6,535

## KPBSD Compared To Anchorage School District 2018-2019

Salary Schedule Placement	KPBSD	ASD	KPBSD Difference
Beginning Base Column	\$ 48,045	\$ 50,213	\$ (2,168)
Max Base Column	\$ 67,616	\$ 63,492	\$ 4,124
Beginning Masters Column	\$ 51,851	\$ 55,674	\$ (3,823)
Max Beginning Masters Column	\$ 79,146	\$ 75,596	\$ 3,550
Max without Doctorate	\$ 91,274	\$ 89,536	\$ 1,738
Max with Doctorate	\$ 95,274	\$ 91,311	\$ 3,963

## KPBSD Compared To Juneau School District 2018-2019

Salary Schedule Placement	KPBSD	JSD	KPBSD Difference
Beginning Base Column	\$ 48,045	\$ 50,160	\$ (2,115)
Max Base Column	\$ 67,616	\$ 65,083	\$ 2,533
Beginning Masters Column	\$ 51,851	\$ 53,101	\$ (1,250)
Max Beginning Masters Column	\$ 79,146	\$ 78,957	\$ 189
Max without Doctorate	\$ 91,274	\$ 90,348	\$ 926
Max with Doctorate	\$ 95,274	\$ 90,348	\$ 4,926

## KPBSD Compared To Fairbanks North Star Borough School District 2018-2019

Salary Schedule Placement	KPBSD	FNSBSD	KPBSD Difference
Beginning Base Column	\$ 48,045	\$ 49,278.97	\$ (1,233.97)
Max Base Column	\$ 67,616	\$ 65,263.95	\$ 2,352.05
Beginning Masters Column	\$ 51,851	\$ 54,304.01	\$ (2,453.01)
Max Beginning Masters Column	\$ 79,146	\$ 83,988.92	\$ (4,842.92)
Max without Doctorate	\$ 91,274	\$ 95,401.77	\$ (4,127.77)
Max with Doctorate	\$ 95,274	\$ 98,047.93	\$ (2,773.93)

## THE KENAI PENINSULA EDUCATION ASSOCIATION

~~2017-2018 (1.5% increase)~~

2018-2019

Step	C	C+18	C+36 or M	C+54/M	C+72/M	C+90/M
(A)	48,045	49,466	51,851	53,549	55,247	56,950
(B)	49,466	51,852	53,549	55,247	56,950	58,650
(C)	51,851	53,550	55,247	56,950	58,650	60,351
(D)	53,549	55,248	56,950	58,650	60,351	62,053
(E)	55,247	56,950	58,650	60,351	62,053	63,752
(F)	56,950	58,650	60,351	62,053	63,752	65,450
(G)	58,648	60,375	62,053	63,752	65,450	67,147
(H)	61,148	62,053	63,752	65,450	67,147	68,852
(I)	62,814	63,752	65,450	67,147	68,852	70,549
(J)	64,445	66,247	67,147	68,852	70,549	72,250
(K)	66,048	67,913	68,852	70,549	72,250	73,947
(L)	67,616	69,547	71,347	72,250	73,947	75,648
(M)		71,146	72,678	73,947	75,648	77,348
(N)		72,716	74,343	75,648	77,348	79,052
(O)			75,977	78,146	79,848	81,552
(P)			77,577	79,810	81,514	83,083
(Q)			79,146	81,444	83,147	84,748
(R)				83,043	84,747	86,382
(S)				84,614	86,316	87,981
(T)						89,551

Step and column movement to all eligible employees

**LONGEVITY 91,274**

### 110 SALARY CONDITIONS

- E. PhD's will receive \$4000 added to annual salary. National Board of Professional Teaching Standards Certification or Certificate of Clinical Competency from the American Speech, Language and Hearing Association or National Certification of School Psychologists (NCSP) from the National Association of School Psychologists, or National Board Certification from the National Board for Certification of Occupational Therapy, or physical therapists with national certification will receive \$2000 added to annual salary. Only one PhD or one national certification will be recognized.

# MATANUSKA-SUSITNA EDUCATION ASSOCIATION

**Fiscal Year 2019**

18-19 school year

185 Contracted Days

STEP		B	B+15	B+30	M B+45	M+15 B+60	M+30	M+45	D
0	annual salary	\$ 47,256	\$ 49,332	\$ 51,405	\$ 53,478	\$ 55,552	\$ 57,627	\$ 59,703	\$ 61,776
	daily rate	\$ 255.45	\$ 266.66	\$ 277.87	\$ 289.07	\$ 300.28	\$ 311.50	\$ 322.72	\$ 333.92
1	annual salary	\$ 49,332	\$ 51,405	\$ 53,478	\$ 55,552	\$ 57,627	\$ 59,703	\$ 61,776	\$ 63,852
	daily rate	\$ 266.66	\$ 277.87	\$ 289.07	\$ 300.28	\$ 311.50	\$ 322.72	\$ 333.92	\$ 345.15
2	annual salary	\$ 51,405	\$ 53,478	\$ 55,552	\$ 57,627	\$ 59,703	\$ 61,776	\$ 63,852	\$ 65,924
	daily rate	\$ 277.87	\$ 289.07	\$ 300.28	\$ 311.50	\$ 322.72	\$ 333.92	\$ 345.15	\$ 356.35
3	annual salary	\$ 53,478	\$ 55,552	\$ 57,627	\$ 59,703	\$ 61,776	\$ 63,852	\$ 65,924	\$ 67,998
	daily rate	\$ 289.07	\$ 300.28	\$ 311.50	\$ 322.72	\$ 333.92	\$ 345.15	\$ 356.35	\$ 367.55
4	annual salary	\$ 55,552	\$ 57,627	\$ 59,703	\$ 61,776	\$ 63,852	\$ 65,924	\$ 67,998	\$ 70,072
	daily rate	\$ 300.28	\$ 311.50	\$ 322.72	\$ 333.92	\$ 345.15	\$ 356.35	\$ 367.55	\$ 378.77
5	annual salary	\$ 57,627	\$ 59,703	\$ 61,776	\$ 63,852	\$ 65,924	\$ 67,998	\$ 70,072	\$ 72,144
	daily rate	\$ 311.50	\$ 322.72	\$ 333.92	\$ 345.15	\$ 356.35	\$ 367.55	\$ 378.77	\$ 389.97
6	annual salary	\$ 59,703	\$ 61,776	\$ 63,852	\$ 65,924	\$ 67,998	\$ 70,072	\$ 72,144	\$ 74,218
	daily rate	\$ 322.72	\$ 333.92	\$ 345.15	\$ 356.35	\$ 367.55	\$ 378.77	\$ 389.97	\$ 401.18
7	annual salary	\$ 61,776	\$ 63,852	\$ 65,924	\$ 67,998	\$ 70,072	\$ 72,144	\$ 74,218	\$ 76,293
	daily rate	\$ 333.92	\$ 345.15	\$ 356.35	\$ 367.55	\$ 378.77	\$ 389.97	\$ 401.18	\$ 412.39
8	annual salary		\$ 65,924	\$ 67,998	\$ 70,072	\$ 72,144	\$ 74,218	\$ 76,293	\$ 78,367
	daily rate		\$ 356.35	\$ 367.55	\$ 378.77	\$ 389.97	\$ 401.18	\$ 412.39	\$ 423.61
9	annual salary			\$ 70,072	\$ 72,144	\$ 74,218	\$ 76,293	\$ 78,367	\$ 80,442
	daily rate			\$ 378.77	\$ 389.97	\$ 401.18	\$ 412.39	\$ 423.61	\$ 434.82
10	annual salary				\$ 74,218	\$ 76,293	\$ 78,367	\$ 80,442	\$ 82,515
	daily rate				\$ 401.18	\$ 412.39	\$ 423.61	\$ 434.82	\$ 446.03
11	annual salary					\$ 78,367	\$ 80,442	\$ 82,515	\$ 84,589
	daily rate					\$ 423.61	\$ 434.82	\$ 446.03	\$ 457.24
12	annual salary						\$ 82,515	\$ 84,589	\$ 86,662
	daily rate						\$ 446.03	\$ 457.24	\$ 468.44
13	annual salary						\$ 84,589	\$ 86,662	\$ 88,739
	daily rate						\$ 457.24	\$ 468.44	\$ 479.67



# ANCHORAGE EDUCATION ASSOCIATION

## 2018-2019 Salary Schedule

Step	B00	B18	B36	M54	M72	M90
0	50,213	52,649	55,084	-	-	-
1	51,543	53,978	56,412	-	-	-
2	52,870	55,305	57,739	-	-	-
3	54,198	56,633	59,067	-	-	-
4	55,527	57,960	60,394	-	-	-
5	56,853	59,288	61,723	64,158	66,591	69,026
6	58,183	60,616	63,051	65,485	67,919	70,354
7	59,511	61,945	64,379	66,812	69,247	71,682
8	60,838	63,272	65,707	68,140	70,575	73,012
9	62,165	64,600	67,034	69,469	71,905	74,338
10	63,492	65,928	68,363	70,796	73,232	75,666
11	-	67,255	69,690	72,125	74,560	76,993
12	-	68,582	71,017	73,452	75,887	78,322
13	-	-	72,345	74,780	77,214	79,648
14	-	-	73,673	76,109	78,543	80,978
15	-	-	-	77,436	79,872	82,306
16	-	-	-	78,763	81,198	83,634
17	-	-	-	-	82,524	84,960
18	-	-	-	-	-	86,286

## 2018-2019 Salary Schedule

Step	Masters	B54 w/ Masters	B72 w/ Masters	B90 w/ Masters	B90 w/ Doctorate
0	55,674	58,100	60,545	62,979	64,751
1	57,002	59,437	61,872	64,306	66,080
2	58,331	60,765	63,198	65,634	67,408
3	59,657	62,093	64,526	66,961	68,735
4	60,987	63,420	65,855	68,290	70,064
5	62,314	64,748	67,183	69,618	71,391
6	63,643	66,075	68,511	70,947	72,720
7	64,969	67,405	69,840	72,273	74,048
8	66,297	68,732	71,167	73,601	75,375
9	67,625	70,060	72,495	74,928	76,702
10	68,954	71,388	73,823	76,257	78,031
11	70,281	72,716	75,150	77,586	79,359
12	71,609	74,044	76,478	78,913	80,686
13	72,936	75,372	77,807	80,240	82,014
14	74,265	76,700	79,133	81,569	83,343
15	75,596	78,027	80,462	82,896	84,670
16	-	79,356	81,790	84,224	85,999
17	-	80,685	83,118	85,552	87,326
18	-	-	84,447	86,880	88,653
19	-	-	85,776	88,208	89,982
20	-	-	-	89,536	91,311

TA'd

*[Signature]*

AEA

11-14-2018

Date

TA'd

*[Signature]*

ASD

11-14-18

Date

# JUNEAU EDUCATION ASSOCIATION

Final

## Appendix D Juneau Education Association Salary Schedule 2018/2019 School Year

Hired	B+0		B+15		B+20		M+0		M+15	
Prior to 6/1/06 (JEA1)	B+0		B+15		B+20		M+0		M+15	
AFTER 6/1/06 (JEA2)	B+0		B+15		B+20		M+0		M+15	
Step	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily	Annual/ Daily
0	50,100 274.10	51,002 278.70	53,101 290.17	55,301 302.19	58,576 309.16					
1	51,461 281.21	52,329 285.95	54,492 297.77	56,766 310.14	58,073 317.34					
2	52,801 288.53	53,695 293.42	55,824 305.60	58,257 318.34	58,612 325.75					
3	54,185 295.08	55,103 301.11	57,400 313.66	59,801 326.78	61,197 334.41					
4	55,607 303.86	56,553 309.03	58,918 321.96	61,391 335.47	62,831 343.34					
5	57,071 311.86	58,047 317.20	60,484 330.51	63,031 344.43	64,513 352.63					
6	58,581 320.11	59,584 325.60	62,093 339.32	64,716 353.65	66,245 361.99					
7	60,135 328.61	61,169 334.26	63,794 348.35	66,458 363.18	68,027 371.73					
8	61,734 337.34	62,801 343.17	65,484 357.73	68,248 372.94	69,864 381.77					
9	63,385 346.37	64,483 352.37	67,223 367.34	70,094 383.03	71,768 392.12					
10	63,385 346.37	66,215 361.53	69,037 377.25	71,893 389.40	73,708 402.77					
11	63,385 346.37	67,997 371.57	70,908 387.46	73,851 404.10	75,717 413.75					
12	63,385 346.37	69,835 381.61	72,832 397.89	75,893 416.10	77,782 425.04					
13	63,385 346.37	71,728 391.98	74,813 408.61	78,040 426.46	79,916 436.70					
14	63,385 346.37	71,728 391.98	76,855 419.87	80,178 436.13	82,109 446.68					
15	65,083 356.64	71,728 391.98	78,855 419.87	82,383 450.16	84,389 461.03					
16	65,083 356.64	73,677 402.61	78,857 431.46	84,649 462.56	86,695 473.74					
17	65,083 356.64	73,677 402.61	78,957 431.46	85,863 475.37	88,112 486.95					
18				88,189 481.96	90,346 493.70					

### Placement on Salary Scale:

1. The educational requirements for horizontal advancement of all teachers hired prior to May 1, 1988, are specified in Article 36, Section G.
2. Teachers newly hired for the Juneau School District effective with the 2006/07 school year may apply for an adjusted total of ten (10) creditable years of teaching experience toward initial placement on the salary schedule, of which a maximum eight(8) years may be out-of-state experience with a master's degree and a maximum two(2) years may be out-of-state experience with a bachelor's degree.



# FAIRBANKS EDUCATION ASSOCIATION

2018-2019 SALARY SCHEDULE						
STEP	B+0	B+18	M/B+36	M+18	M+36	M+Specified Certification
0	49,278.97	51,564.01	54,304.01	57,045.02	58,873.03	61,519.17
1	51,564.01	53,850.07	56,589.02	59,448.36	61,160.09	63,805.18
2	53,850.07	56,136.12	58,873.03	61,612.00	63,440.02	66,085.13
3	56,136.12	58,417.04	61,160.09	63,896.01	65,721.98	68,366.08
4	58,417.04	60,701.05	63,440.02	66,182.04	68,006.00	70,650.08
5	60,701.05	62,981.99	65,721.98	68,465.02	70,286.93	72,932.06
6	62,981.99	65,264.97	68,006.00	70,742.92	72,571.96	75,218.10
7	65,263.95	67,547.96	70,204.32	73,026.93	74,851.88	77,498.00
8		69,830.94	72,571.96	75,308.88	77,138.93	79,784.07
9		72,111.98	74,851.88	77,592.89	79,419.90	82,066.02
10		74,396.90	77,138.93	79,875.85	81,701.85	84,347.97
11			79,420.90	82,158.85	83,984.83	86,631.98
12			81,703.89	84,440.82	86,267.81	88,913.95
13			83,988.92*	86,724.79	88,551.80	91,195.90
14				89,009.85	90,834.80	93,479.91
15					93,116.77	95,762.91
16					95,401.77	98,047.93

\*Master's degree only

Step movement on the salary schedule shall be limited to one (1) step per year.

- I. One (1) step for each year of public or nonpublic school experience is allowed, not to exceed six (6) steps on the B columns and eight (8) steps on the M columns. In order for experience credit to be granted the teacher must have held a valid teaching certificate and taught in a school that is approved or accredited.
- II. A bachelor's degree is the minimum training required for all new professional faculty with the exception of the vocational education teachers and non-degreed JrROTC instructors.

Certified, enlisted, and officer JrROTC instructors shall be compensated consistent with the contractual agreement between the District and the federal government. JrROTC instructor positions are non-tenured teaching positions. JrROTC instructors are required to hold limited teaching certificates from the state of Alaska. Teaching salaries for JrROTC

Step	Staff	C	Staff	C+18	Staff	C+36orM	Staff	C+54/M	Staff	C+72/M	Staff	C+90/M
1	16.00	48,045	0.00	49,466	6.00	51,851	1.00	53,549	1.00	55,247	0.00	56,950
2	8.00	49,466	0.00	51,852	5.00	53,549	0.00	55,247	0.00	56,950	0.00	58,650
3	12.75	51,851	0.00	53,550	6.00	55,247	1.00	56,950	1.00	58,650	0.00	60,351
4	9.00	53,549	1.75	55,248	7.05	56,950	4.00	58,650	0.00	60,351	0.00	62,053
5	14.00	55,247	0.50	56,950	14.00	58,650	0.25	60,351	2.00	62,053	2.00	63,752
6	10.70	56,950	3.00	58,650	9.00	60,351	3.00	62,053	5.00	63,752	0.00	65,450
7	20.50	58,648	4.00	60,375	16.00	62,053	7.00	63,752	3.00	65,450	5.00	67,147
8	15.00	61,148	3.00	62,053	15.00	63,752	5.00	65,450	2.00	67,147	3.00	68,852
9	5.50	62,814	1.00	63,752	8.00	65,450	5.00	67,147	3.00	68,852	3.00	70,549
10	3.75	64,445	5.00	66,247	15.50	67,147	7.00	68,852	8.00	70,549	5.00	72,250
11	4.50	66,048	4.00	67,913	16.00	68,852	3.00	70,549	4.00	72,250	3.00	73,947
12	14.00	67,616	3.00	69,547	15.00	71,347	1.00	72,250	4.00	73,947	3.00	75,648
13	0.00		1.00	71,146	10.00	72,678	2.00	73,947	2.00	75,648	3.00	77,348
14	0.00		21.00	72,716	14.00	74,343	7.00	75,648	3.00	77,348	5.00	79,052
15	0.00		0.00		8.00	75,977	4.20	78,146	5.00	79,848	2.00	81,552
16	0.00		0.00		6.00	77,577	2.00	79,810	2.00	81,514	7.00	83,083
17	0.00		0.00		39.81	79,146	4.00	81,444	1.00	83,147	8.00	84,748
18	0.00		0.00		0.00		8.00	83,043	1.00	84,747	3.00	86,382
19	0.00		0.00		0.00		13.00	84,614	18.80	86,316	8.00	87,981
20	0.00		0.00		0.00		0.00		0.00		7.00	89,551
21	0.00		0.00		0.00		0.00		0.00		38.00	91,274

Experience

24.00
13.00
20.75
21.80
32.75
30.70
55.50
43.00
25.50
44.25
34.50
40.00
18.00
50.00
19.20
17.00
52.81
12.00
39.80
7.00
38.00

Staff	C	Staff	C+18	Staff	C+36 or M	Staff	C+54/M	Staff	C+72/M	Staff	C+90/M
133.70	7,640,802	47.25	3,202,230	210.36	14,353,095	77.45	5,676,821	65.80	4,979,386	105.00	8,799,713

Total Staff 639,560  
 Total Base Salary 44,652,047  
 Base Average 69,817  
 Total Average 69,788  
 Total Salary 44,633,413

Checksums  
 639,560  
 44,633,413

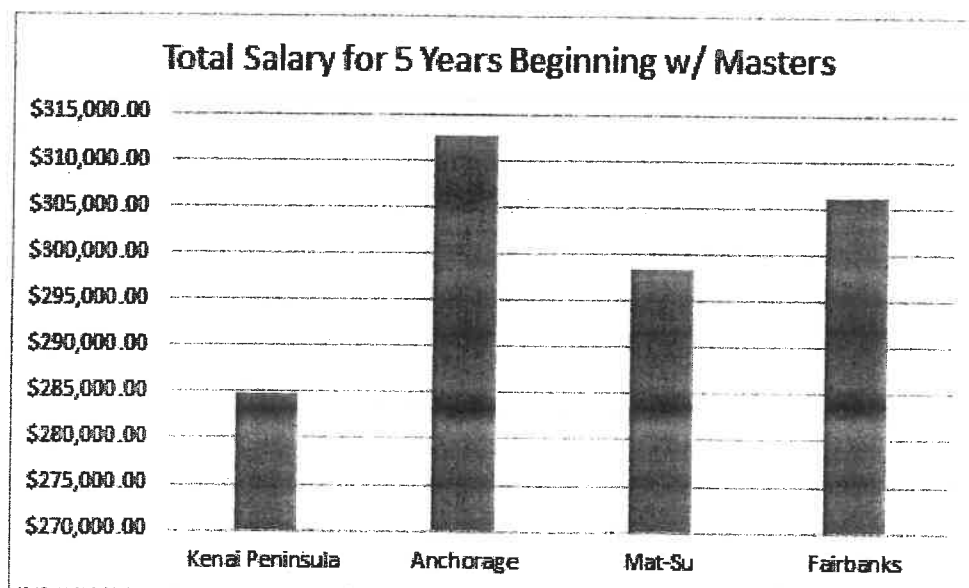
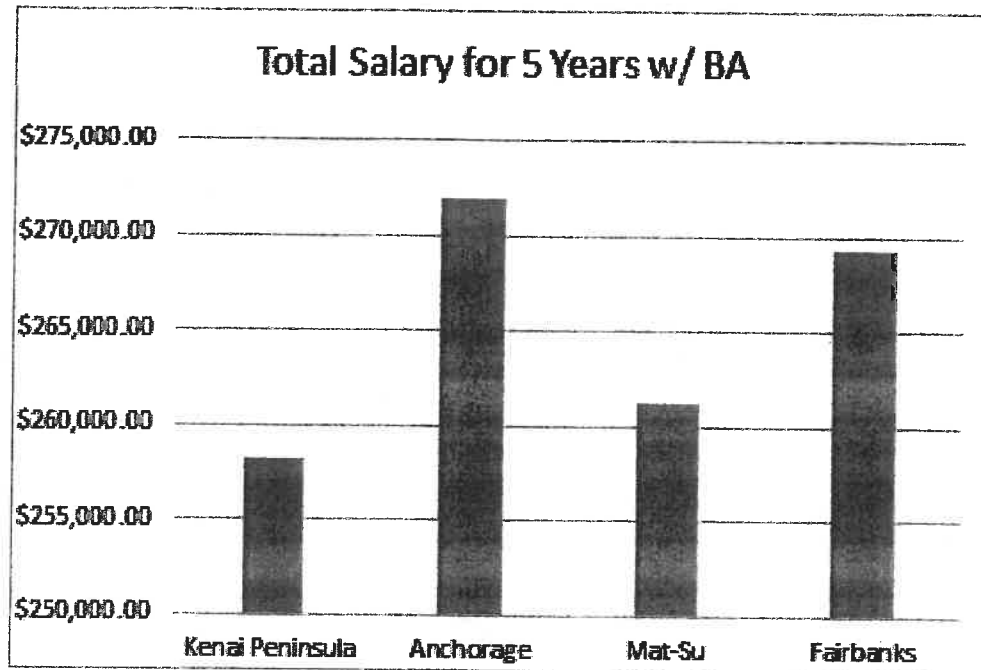
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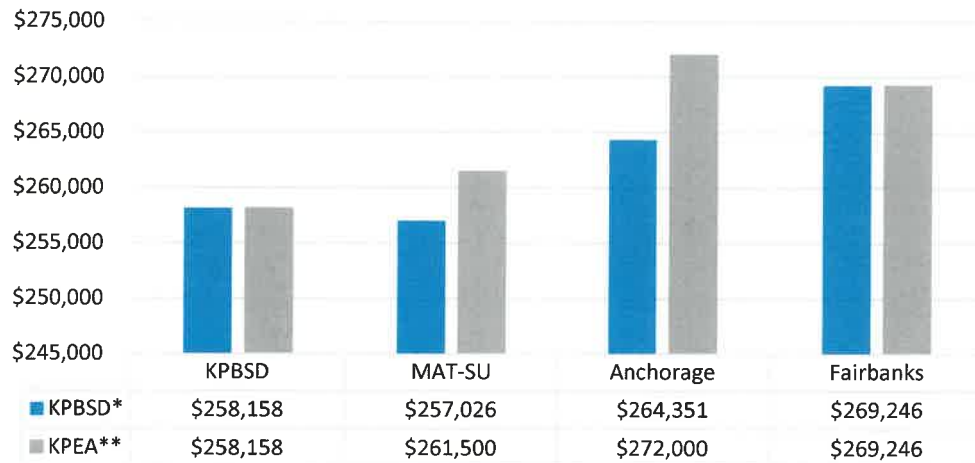


EXH. 48

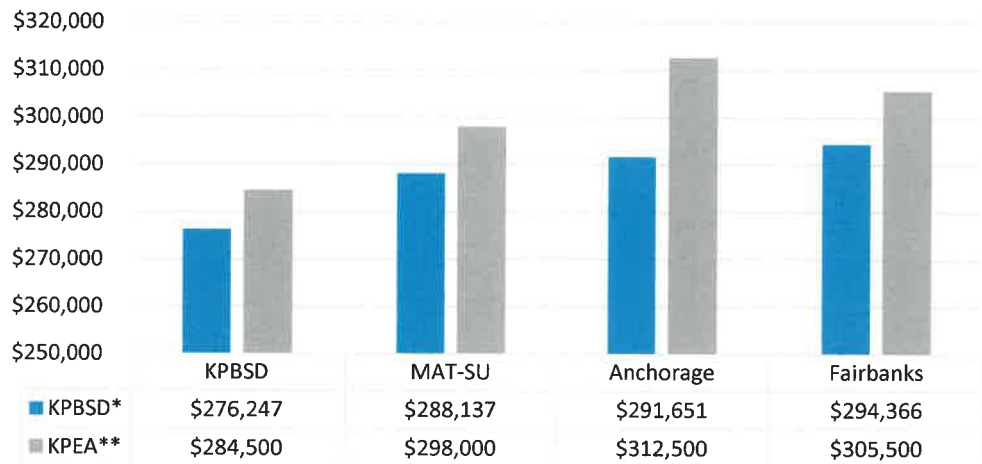
Factual Comparison of Teacher Pay



### BA First 5 Years



### MA First 5 Years



#### BA First 5 Years

	KPBSD	MAT-SU	Anchorage	Fairbanks
	\$ 48,045	\$ 47,258	\$ 50,213	\$ 49,279
	\$ 49,466	\$ 49,332	\$ 51,543	\$ 51,564
	\$ 51,851	\$ 51,405	\$ 52,870	\$ 53,850
	\$ 53,549	\$ 53,479	\$ 54,198	\$ 56,136
	\$ 55,247	\$ 55,552	\$ 55,527	\$ 58,417
KPBSD*	\$ 258,158	\$ 257,026	\$ 264,351	\$ 269,246
KPEA**	\$ 258,158	\$ 261,500	\$ 272,000	\$ 269,246

#### MA First 5 Years

	KPBSD	MAT-SU	Anchorage	Fairbanks
	\$ 51,851	\$ 53,479	\$ 55,674	\$ 54,304
	\$ 53,549	\$ 55,552	\$ 57,002	\$ 56,589
	\$ 55,247	\$ 57,627	\$ 58,331	\$ 58,873
	\$ 56,950	\$ 59,703	\$ 59,657	\$ 61,160
	\$ 58,650	\$ 61,776	\$ 60,987	\$ 63,440
KPBSD*	\$ 276,247	\$ 288,137	\$ 291,651	\$ 294,366
KPEA**	\$ 284,500	\$ 298,000	\$ 312,500	\$ 305,500

\*KPBSD figures are taken from the FY18-19 salary schedules for each district.

\*\* KPEA's graph does not provide specific dollar amounts or a source document. The dollars amounts used are an estimate based on each columns appearance on the graph.





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Kenai Peninsula Borough School District  
FY18 KPEA Salary Schedule with % increase between steps

Step	C		C+18		C+36orM		C+54/M		C+72/M		C+90/M	
1	48,045		49,466		51,851		53,549		55,247		56,950	
2	49,466	2.96%	51,852	4.82%	53,549	3.27%	55,247	3.17%	56,950	3.08%	58,650	2.99%
3	51,851	4.82%	53,550	3.27%	55,247	3.17%	56,950	3.08%	58,650	2.99%	60,351	2.90%
4	53,549	3.27%	55,248	3.17%	56,950	3.08%	58,650	2.99%	60,351	2.90%	62,053	2.82%
5	55,247	3.17%	56,950	3.08%	58,650	2.99%	60,351	2.90%	62,053	2.82%	63,752	2.74%
6	56,950	3.08%	58,650	2.99%	60,351	2.90%	62,053	2.82%	63,752	2.74%	65,450	2.66%
7	58,648	2.98%	60,375	2.94%	62,053	2.82%	63,752	2.74%	65,450	2.66%	67,147	2.59%
8	61,148	4.26%	62,053	2.78%	63,752	2.74%	65,450	2.66%	67,147	2.59%	68,852	2.54%
9	62,814	2.72%	63,752	2.74%	65,450	2.66%	67,147	2.59%	68,852	2.54%	70,549	2.46%
10	64,445	2.60%	66,247	3.91%	67,147	2.59%	68,852	2.54%	70,549	2.46%	72,250	2.41%
11	66,048	2.49%	67,913	2.51%	68,852	2.54%	70,549	2.46%	72,250	2.41%	73,947	2.35%
12	67,616	2.37%	69,547	2.41%	71,347	3.62%	72,250	2.41%	73,947	2.35%	75,648	2.30%
13			71,146	2.30%	72,678	1.87%	73,947	2.35%	75,648	2.30%	77,348	2.25%
14			72,716	2.21%	74,343	2.29%	75,648	2.30%	77,348	2.25%	79,052	2.20%
15					75,977	2.20%	78,146	3.30%	79,848	3.23%	81,552	3.16%
16					77,577	2.11%	79,810	2.13%	81,514	2.09%	83,083	1.88%
17					79,146	2.02%	81,444	2.05%	83,147	2.00%	84,748	2.00%
18							83,043	1.96%	84,747	1.92%	86,382	1.93%
19							84,614	1.89%	86,316	1.85%	87,981	1.85%
20											89,551	1.78%
21											91,274	1.92%

Total % by column	34.72%	39.13%	42.87%	46.34%	45.18%	47.73%
Count by column	11	13	16	18	18	20

Total % of Schedule	255.97%
Total Count	96

Average schedule % increase	2.67%
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Kenai Peninsula Borough School District  
FY18 KPESA Salary Schedule with % Increase between steps

RANGE	Initial	A	% Increase	B	% Increase	C	% Increase	D	% Increase	E	% Increase	F	% Increase	G	% Increase	H	% Increase
1	\$14.39	\$16.00	11.19%	\$16.59	3.69%	\$17.18	3.56%	\$17.97	4.60%	\$18.58	3.39%	\$19.32	3.98%	\$20.08	3.93%	\$20.88	3.98%
2	\$15.16	\$16.84	11.08%	\$17.48	3.80%	\$18.16	3.89%	\$18.98	4.52%	\$19.66	3.58%	\$20.42	3.87%	\$21.23	3.97%	\$22.10	4.10%
3	\$15.48	\$17.19	11.05%	\$17.87	3.96%	\$18.53	3.69%	\$19.39	4.64%	\$20.08	3.56%	\$20.84	3.78%	\$21.69	4.08%	\$22.55	3.96%
4	\$16.05	\$17.83	11.09%	\$18.51	3.81%	\$19.27	4.11%	\$20.15	4.57%	\$20.86	3.52%	\$21.67	3.88%	\$22.53	3.97%	\$23.45	4.08%
5	\$16.56	\$18.41	11.17%	\$19.14	3.97%	\$19.89	3.92%	\$20.83	4.73%	\$21.58	3.60%	\$22.40	3.80%	\$23.30	4.02%	\$24.24	4.03%
6	\$17.11	\$19.01	11.10%	\$19.76	3.95%	\$20.57	4.10%	\$21.53	4.67%	\$22.31	3.62%	\$23.17	3.85%	\$24.10	4.01%	\$25.08	4.07%
7	\$17.68	\$19.65	11.14%	\$20.46	4.12%	\$21.29	4.06%	\$22.29	4.70%	\$23.09	3.59%	\$23.98	3.85%	\$24.96	4.09%	\$25.96	4.01%
8	\$18.32	\$20.34	11.03%	\$21.19	4.18%	\$22.09	4.25%	\$23.15	4.80%	\$23.98	3.59%	\$24.90	3.84%	\$25.91	4.06%	\$26.95	4.01%
9	\$18.99	\$21.10	11.11%	\$22.00	4.27%	\$22.92	4.18%	\$24.01	4.76%	\$24.88	3.62%	\$25.85	3.90%	\$26.89	4.02%	\$27.97	4.02%
10	\$19.72	\$22.79	11.11%	\$23.77	4.24%	\$24.84	4.47%	\$24.99	4.74%	\$25.91	3.68%	\$26.91	3.86%	\$28.00	4.05%	\$29.11	3.96%
11	\$21.01	\$22.91	8.47%	\$23.77	4.30%	\$24.84	4.50%	\$26.00	4.67%	\$26.96	3.69%	\$28.01	3.89%	\$29.14	4.03%	\$30.33	4.08%
12	\$21.34	\$23.73	11.20%	\$24.75	4.30%	\$25.86	4.48%	\$27.12	4.87%	\$28.13	3.72%	\$29.23	3.91%	\$30.40	4.00%	\$31.63	4.05%
13	\$22.22	\$24.69	11.12%	\$25.83	4.62%	\$26.98	4.45%	\$28.30	4.89%	\$29.36	3.75%	\$30.50	3.88%	\$31.73	4.03%	\$33.02	4.07%
14	\$23.22	\$25.80	11.11%	\$26.97	4.53%	\$28.23	4.67%	\$29.61	4.89%	\$30.72	3.75%	\$31.92	3.91%	\$33.20	4.01%	\$34.54	4.04%
15	\$24.27	\$26.96	11.08%	\$28.21	4.64%	\$29.53	4.68%	\$30.97	4.88%	\$32.13	3.75%	\$33.38	3.89%	\$34.73	4.04%	\$36.13	4.03%
16	\$23.22	\$25.80	11.11%	\$26.97	4.53%	\$28.23	4.67%	\$29.50	4.50%	\$30.51	3.42%	\$31.69	3.87%	\$32.98	4.07%	\$34.31	4.03%
17	\$24.32	\$27.01	11.06%	\$28.28	4.70%	\$29.54	4.46%	\$30.84	4.40%	\$31.89	3.40%	\$33.12	3.86%	\$34.46	4.05%	\$35.84	4.00%
18	\$25.66	\$28.25	10.09%	\$29.58	4.71%	\$30.96	4.67%	\$32.84	6.07%	\$34.44	4.87%	\$35.77	3.86%	\$37.21	4.03%	\$38.71	4.03%
19	\$28.27	\$31.76	12.35%	\$33.14	4.35%	\$34.61	4.44%	\$36.23	4.68%	\$37.50	3.51%	\$38.89	3.71%	\$40.35	3.75%	\$41.90	3.84%

208.66% 19.00 80.67% 19.00 81.25% 19.00 90.58% 19.00 69.61% 19.00 73.39% 19.00 76.39% 19.00

756.76%

152.00

4.98% Avg. Incr.





# 50

**District Information re: KPEA Proposal for Section 475, Teacher Preparation Periods**

**Assumptions:**

Elementary classroom teachers receive preparation time during the student contact day when responsibility for their students is assumed by an elementary specialist (P.E., music, library)

FY18 Elementary Specialists = 22.91

Current elementary prep time = 30 minutes, KPEA has requested a 50% increase

Not all schools with elementary teachers have elementary specialists

Some schools have part-time positions that would be increased to meet this need

Other schools would need positions added to meet this need

The newly added teachers would also have to receive the same amount of prep time as their elementary colleagues

The average teacher salary + benefit package = \$100,000

**Formula:**

Elementary Specialists x 1.75 = Total FTE Needed

$22.91 \times 1.75 = 40.09$

$40.09 - 22.91 = 17.18$  Total *Additional* FTE Needed

$17.18 \times 100,000 = \$1,718,000.00$

**Conclusion:**

The cost incurred by increasing the prep time of all elementary teachers would be \$1,718,000.00.



**Kenai Peninsula Borough School District - Collective Bargaining**  
*Cost of KPESA and KPEA Proposals*

D 51

<b>KPESA Proposal to the District</b>	<b>Cost - Year 1 FY19</b>	<b>Cost - Year 2 FY20</b>	<b>Cost - Year 3 FY21</b>	<b>Total Cost</b>
Article 10 P. Pay Warrants	AK Statute Sec 39.35.160, 39.35.170 & 39.35.270			
* Article 12 D Resignation - 3/1/18 revised proposal to KPBSD	103,251			103,251
Article 16 Salary Schedule	112,578	340,587	824,513	1,277,678
Article 17 G. Longevity	138,898	182,615	205,368	526,881
Article 17 A. Shift Differential	30,692	30,692	30,692	92,076
Article 20 Personal Leave	35,839			35,839
<b>Total KPESA Cost less Health Care</b>	<b>421,258</b>	<b>553,894</b>	<b>1,060,573</b>	<b>2,035,725</b>
<b>KPEA Proposal to the District</b>				
Section 105 Teachers' Salary Schedule	247,903	759,560	1,815,345	2,822,808
Section 105 Longevity	53,338	66,559	72,779	192,676
Section 110 E Salary Conditions	84,000	84,000	84,000	252,000
Section 320 Personal Leave	248,926			248,926
Section 340 M. Sick Leave		4 AAC 15.40 (a) (5)		
Section 475 Teacher Preparation Periods	1,718,000	1,718,000	1,718,000	5,154,000
<b>Total KPEA Cost less Health Care</b>	<b>2,352,167</b>	<b>2,628,119</b>	<b>3,690,124</b>	<b>8,670,410</b>
<b>Health Care Proposal to the District</b>				
<b>***KPESA Article 27 and KPEA Section 210</b>	<b>1,513,271</b>	<b>121,062</b>	<b>242,123</b>	<b>1,876,456</b>
<b>Total Cost Proposals KPESA, KPEA and Health Care</b>	<b>4,286,696</b>	<b>3,303,075</b>	<b>4,992,820</b>	<b>12,582,591</b>

\*Article 12 D Resignation - 3/1/18 revised proposal This proposal is booked as an expenditure and held in a liability account until used or paid to KPBSD

\*\*\*KPESA Article 27 and KPEA Section 210

This assumes a budget reduction was made to support this increased cost in year 1 and subsequent years at an 8% annual increase related to the \$1,513,271 increase. As an example, such a reduction could require the elimination of approximately 15 teaching positions.

To view Tentative Agreements (TA), proposals, and counterproposals, go to <http://bit.ly/CollectiveBargainingTA>





## NBCC and NBPTS: Comparison of Costs and Benefits

	NBCC	NBPTS
Activities of organization	The National Board for Certified Counselors and Affiliates Inc. provides counselor certification as well as association and board management services, examination services, and credential review and management services for career development facilitators, clinical supervisors, distance credentialed counselors, art therapists, state counseling boards and residential interior designers.	The National Board for Professional Teaching Standards offers certification for 25 professions and specialties in K-12 education.
Board make up	Nine members, two of whom are school counselors	63 educators and political appointees, including one school counselor
Philosophy of certification	NCC and NCSC assess knowledge, skills and abilities viewed as important to provide effective counseling services.	To recognize accomplished school counselors.
Process for certification	NCC applicants must meet all educational and experience requirements for the NCC credential and must pass the National Counselor Examination for Licensure and Certification (NCE). NCSC applicants must hold the NCC credential, must meet all educational and experience requirements for the NCSC credential and pass the National Certified School Counselor Examination (NCSC). The NCSC format includes seven simulated cases and 40 multiple-choice questions. The simulations assess specific school counselor knowledge and the ability to make critical decisions on the spot. Applicants using the combination NCC/NCSC application are only required to pass the NCSC.	Applicants complete an extensive two- to three-year process of performance-based assessments, including portfolios, and demonstrate (in writing) content knowledge in human growth/development, diverse populations, school counseling programs, theories, data and change and collaboration.
Who developed certification	Originally NCSC was developed by practicing or retired counselors/counselor educators, including five ASCA board members or former board members. Current NCSC was developed by a Standards Review Committee and Test Development Committee, both consisting of counselors and counselor educators, with one former ASCA board member on the Standards Review Committee.	Standards Development Committee: Consisted solely of practicing or recently retired school counselors/counselor educators, including one ASCA board member and two former board members. Assessment Committee: All practicing school counselors, including one ASCA board member.
Who reviews portfolios/assessments	Computer scored	Active, practicing school counselors who have at least three years school counseling experience, successfully complete assessor training and qualify to evaluate early childhood/young adult school counselor candidates.
Educational/experience requirements	Master's degree (or higher) in counseling; two years of supervised counseling experience for the NCC; three years of school counseling experience for the NCSC. Counseling supervisors are required to hold a minimum of a master's degree in a mental health field.	Degree required for state certification (41 of 50 states require master's degree in school counseling); three years as practicing school counselor.
Waivers/exceptions	Experience requirements waived for graduates of CACREP-accredited programs (for the NCC credential only). All NCSC applicants must have three years of school counseling experience, except counselor educators.*	None
Year certification began	NCC started in 1982-83; NCSC first awarded in 1991.	Teacher certification began in 1993; first credential for school counselors awarded in November 2004.
Number who have received certification	38,000 counselors currently hold NCC certification; 1,900 are certified as NCSC.	40,200 educators certified since 1993; 350 certified in school counseling/childhood through young adult.
Length of initial certification	Five years for both NCC and NCSC	10 years
Cost for certification	\$277 to \$317 each to apply for NCC or NCSC separately; \$361 to \$426 for NCC and NCSC at the same time.	\$2,300; will be \$2,500 in 2006.
Cost/requirements to renew	No fee; NCCs must document 100 contact hours from approved content areas (10 percent are selected for audit) or retake NCE before certification expires.	\$1,150; must complete profile of professional growth.
Financial support for application process and fee	At least one state (Mississippi) reimburses for application fee for both NCC and NCSC.	29 states and the District of Columbia pay all or part of certification fee; five states and the District of Columbia provide release time for applicants to complete application.
Other outside support for application process and fee	Eligible veterans reimbursed for testing cost. Veterans taking NBCC test to obtain NCC reimbursed for exam portion of application fees.	Eligible veterans reimbursed up to \$2,000 of certification cost; special loans are available to NEA and AFT members.
Annual fee once certified	\$48 maintenance fee annually for NCC; \$30 annually for NCSC	None
State benefits once certified	At least four states provide financial incentives to NCSC-certified counselors; at least one state offers additional step on state salary schedule.	30 states provide financial incentives through additional salary or stipend (in some cases up to 12 percent of salary).

Web sites: [www.nbcc.org](http://www.nbcc.org), [www.nbpts.org](http://www.nbpts.org)

\*Waivers/Exceptions: For the NCSC - Counselor educators must pass the NCSC exam but don't have to document the required counseling supervision and school counseling work experience. They still must submit a colleague's endorsement form, a transcript and meet educational requirements. For just the NCC, for counselor educators, "in lieu of the work experience and counselor supervisor forms, counselor educators may submit a letter from their department chair on university letterhead verifying that they have spent three years or longer in full-time employment as a counselor educator. The letter, a sealed official transcript, a colleague's endorsement and the application fee are the only materials required for counselor educators to apply."

Note: Information last updated 2/1/05; Sources: NBPTS, NBCC



# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

February 12, 2019

**SUBJECT:** Proposed education funding cut  
(Work Order No. 31-LS0518)

**TO:** Senator Scott Kawasaki  
Attn: Mercedes Colbert

**FROM:** Meera Caouette *MC*  
Legislative Counsel

You have asked if the governor's proposal to cut the \$20 million in education funding appropriated for the current fiscal year in sec. 21(c), ch. 19, SLA 2018, is legal.

In short, it is legal for the governor to propose repealing the \$20 million previously appropriated for the current fiscal year and for the legislature to include such a repeal in an appropriation bill. The \$20 million appropriation will not be repealed unless the legislature passes an appropriation bill containing the repeal of sec. 21(c), ch. 19, SLA 2018. If the legislature does not do so, the original appropriation will continue to be authorized by law. Article II, sec. 13, Constitution of the State of Alaska, requires that "[b]ills for appropriations shall be confined to appropriations." A repeal of an appropriation can be accomplished in any appropriation bill.

Repealing the previous appropriation in an appropriation bill will end the authority to expend money in accordance with that appropriation. However, the Attorney General has opined that "[u]ntil an appropriation is obligated or lapses, the legislature retains the ability to exercise its legislative powers with respect to the appropriation."<sup>1</sup> Thus, if the appropriation that the governor aims to restrict has already been "obligated," the legislature's ability to amend the appropriation may be limited.

An attempt by the governor to withhold the previously appropriated \$20 million as proposed in the supplemental budget before its passage by the legislature presents a separate legal issue. The Alaska Supreme Court has held that the governor has limited authority to withhold expenditures of or reduce an appropriation during the fiscal year. In 1986, when the state faced a \$400 million deficit due to reduced oil prices, Governor William Sheffield acted under the authority of AS 37.07.080(g)(2) to order the reduction of state spending by restricting the expenditure of different classes of appropriations by different percentages. Expenditure of some appropriations deemed by the governor as

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<sup>1</sup> 1983 Op. Att'y Gen. No. 72 (Apr. 19).



necessary to fund critical governmental activities were left unrestricted. AS 37.07.080(g)(2), which has since been repealed, read:

(g) The governor may direct the withholding or reduction of appropriations to a state agency at any time during the fiscal year only if the governor determines that

(1) the planned expenditures can no longer be made due to factors outside the control of the state which make the expenditure factually impossible;

or

(2) estimated receipts and surpluses will be insufficient to provide for appropriations.

In the lawsuit challenging the governor's impoundment plan, the court held that AS 37.07.080(g)(2) was an unconstitutional delegation of the legislative power of appropriation to the governor.<sup>2</sup> In support of its decision that AS 37.07.080(g)(2) was an unconstitutional delegation of legislative power to the executive branch, the Alaska Supreme Court found that the statute would permit the governor to cut the entire budget for a particular department or project and the governor could effectively veto a project by using the process in AS 37.07.080(g)(2) even when the legislature had overridden the governor's veto.<sup>3</sup> After the court's ruling, the legislature responded to the impending fiscal crisis by adopting curative legislation with the express intent of validating the governor's impoundment orders, which had become void under the court decision.<sup>4</sup> On remand, the trial court held that these curative legislative actions successfully reduced the state budget and the Alaska Supreme Court affirmed the ruling on appeal.<sup>5</sup> The *Fairbanks North Star Borough* case demonstrates that, while the governor undoubtedly has some latitude to withhold expenditure of appropriations, the extent of this latitude is limited. AS 37.07.080(g)(2) was subsequently repealed and AS 37.07.080(g) now reads as follows:

(g) The governor may direct the withholding or reduction of appropriations to a state agency at any time during the fiscal year only if the governor determines that the planned expenditures can no longer be made due to factors outside the control of the state which make the expenditure factually impossible.

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<sup>2</sup> *State v. Fairbanks North Star Borough*, 736 P.2d 1140 (Alaska 1987).

<sup>3</sup> *Id.* at 1143.

<sup>4</sup> The "curative legislation" referenced is ch. 9, SLA 1987 (HB 132), which ratified the governor's specific expenditure reductions.

<sup>5</sup> *Fairbanks North Star Borough v. State*, 753 P.2d 1158 (Alaska 1988).

Senator Scott Kawasaki  
February 12, 2019  
Page 3

I am not aware whether the governor has directed that expenditures be withheld as proposed in the supplemental budget before its passage by the legislature. If he does so, he may seek to rely on the current version of AS 37.07.080(g) for authority, however, current subsection (g) requires a determination that making the expenditure is factually impossible due to factors outside of the state's control. This provision has not been tested by a court since 1986. Until more facts become available, it is difficult to predict how a court might decide if the governor attempts to withhold this education expenditure.

If I may be of further assistance, please advise.

MBC:boo  
19-080.boo

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<sup>1</sup> 1983 Op. Att'y Gen. No. 72 (Apr. 19).





# ALLOWANCES FOR PROFESSIONAL PERSONNEL

4 AAC 15.040

applicant completed the program or earned the credits required for a certificate or endorsement;

(13) "sexual conduct" means "sexual penetration" and "sexual contact" as those terms are defined in AS 11.81.900;

(14) "special services area" means school nurse, social worker, speech therapist, psychologist, librarian, and other areas as approved as special service areas by the state board.

(b) In AS 14.20, "standard certificate" means a professional teacher certificate under 4 AAC 12.305(b).

(c) As used in AS 14.20 and this chapter, "teacher"

(1) means a person who, for compensation, instructs or teaches students in any grade from preschool - 12th grade, and who is not supervised by another person in the same room, classroom, or other location;

(2) includes

(A) an administrator who supervises a teacher or an educational program provided by a teacher;

(B) a provider of special education and related services who is not regularly supervised by another person in the same room, classroom, or other location; and

(C) a school counselor, nurse, or psychologist; and

(3) does not include

(A) a student teacher authorized under 4 AAC 30.020;

(B) a volunteer not working for compensation; or

(C) an administrator, such as a business manager, who does not supervise students or teachers. (Eff. 5/30/71, Register 38; am 10/4/73, Register 47; am 8/12/82, Register 83; am 6/9/85, Register 94; am 4/9/87, Register 102; am 7/1/90, Register 114; am 8/8/91, Register 119; am 7/2/93, Register 126; am 6/9/95, Register 134; am 4/4/96, Register 138; am 6/28/98, Register 146; am 3/31/2002, Register 161; am 9/29/2005, Register 175; am 10/21/2007, Register 184; am 4/24/2016, Register 218)

Authority: AS 14.07.060  
AS 14.20.010

AS 14.20.020

**Editor's note:** As of Register 151 (October 1999), the regulations attorney made technical revisions under AS 44.62.125(b)(6) to reflect the name change of the Department of Education to the Department of Education and Early Development made by ch. 58, SLA 1999, and the corresponding title change of the commissioner of education.

## CHAPTER 15

### ALLOWANCES FOR PROFESSIONAL PERSONNEL.

#### Section

- 10. (Repealed)
- 20. Creditable teaching experience
- 30. (Repealed)

#### Section

- 40. Sick leave
- 900. Definitions

4 AAC 15.010. Salaries: general. Repealed 1/22/81.

4 AAC 15.020. Creditable teaching experience. (a) Certificated teachers serving a school term of 140 instructional days or more shall be credited with a year of teaching service.

(b) Fractional years of teaching, either through teaching full days under a contract for less than a full term, or through teaching part of a day under a full-term contract, or part of an instructional day under a contract of less than a full term may be converted to full school terms to determine creditable service. No part-time teaching may be credited for placement on the district salary schedule unless the terms for the part-time teaching are specifically stated in the contract.

(c) Teaching days less than a full instructional day shall be given a fractional value. This value times the number of days actually taught shall give the number of equivalent instructional days.

(d) Repealed 1/22/81.

(e) No creditable year may be counted until July 1, following the completion of the creditable year.

(f) The provisions of (b) — (d) of this section are not retroactive and become effective July 1, 1971.

(g) For salary purposes, credit shall be given for military service in cases where the teacher's actual service in Alaska has been interrupted and the teacher immediately returns to teaching in an Alaska public school upon completion of such service. One year of creditable service shall be granted for each year of military service up to a maximum of five years. (In effect before 7/28/59; am 6/9/61, Register 3; am 9/8/66, Register 24; am 10/14/68, Register 27; am 5/30/71, Register 38; am 1/22/81, Register 77)

Authority: AS 14.03.030  
AS 14.07.060

AS 14.20

4 AAC 15.030. Chief school administrators. Repealed 5/10/78.

4 AAC 15.040. Sick leave. (a) Districts shall credit, without limit, sick leave with pay to all regularly contracted, certificated personnel in a manner consistent with the following provisions:

(1) sick leave is accrued at the rate of one and one-third days for each calendar month or each major portion of each calendar month of actual service;

(2) cumulative sick leave earned by a teacher in a school district is transferable to any other school district if the teacher's service is continuous; however, a teacher who is on an approved leave of absence may retain cumulative sick leave for the duration of the approved leave;

(3) a teacher may use accrued sick leave for leave due to personal injury or illness without limitation concerning the duration of usage;

(4), subject to limitations concerning the duration of usage established by the district, a teacher may use accrued sick leave for the death, illness, or welfare of a person in the teacher's immediate family; and

(5) a teacher is not entitled to reimbursement for accumulated sick leave except as service credit toward retirement.

(b) A false statement by a teacher regarding sick leave is sufficient grounds for cancellation of the contract and revocation of the certificate.

(c) In this section, "immediate family" includes at least the following:

(1) husband and wife;

(2) father and son, or daughter;

(3) mother and son, or daughter;

(4) brother and sister. (In effect before 7/28/59; am 4/28/64, Register 16; am 9/8/66, Register 27; am 5/30/71, Register 38; am 1/11/79, Register 69)

Authority: AS 14.07.060

AS 14.14.107

**4 AAC 15.900. Definitions.** As used in this chapter, unless the context requires otherwise

(1) "teacher" means a regularly certificated person employed on a teacher's or administrator's contract as defined in 4 AAC 18;

(2) "continuous service" means service up to the last day of a school term and beginning within 30 days of the start of the next school term. (Eff. 1/11/79, Register 69)

Authority: AS 14.07.060

AS 14.14.107

## CHAPTER 18

### EMPLOYMENT OF PROFESSIONAL PERSONNEL.

#### Section

05. Application for employment in certificated position

10. Teachers' and administrators' contracts

20. (Repealed)

21. Employment of substitute teachers

25. (Repealed)

27. Acquisition of tenure rights: less than full-time teachers

30. (Relocated)

31. Employment of members of immediate families of school board members

900. Definitions.

**4 AAC 18.005. Application for employment in certificated position.** A district shall include on the district's application for employment for all positions requiring a certificate under 4 AAC 12

(1) an inquiry into whether the applicant has ever been employed in the public schools of this state in a position requiring a teacher or an administrator certificate issued by the department;

(2) if the applicant has been employed in a certificated position in the state, a requirement that the applicant provide the dates, places, and job titles for the employment; and

(3) a statement that failure to provide truthful and complete information on this application would be a violation of the code of ethics adopted by the Professional Teaching Practices Commission under 20 AAC 10.020. (Eff. 9/2/2011, Register 199)

Authority: AS 14.07.060

**4 AAC 18.010. Teachers' and administrators' contracts.** (a) All teachers' and administrators' contracts for Alaska public schools must contain at least the following provisions:

#### Minimum Standard Contract Conditions

(1) date, name of school, and name of teacher employed;

(2) date salary is to start and the length of service in school days, including legal holidays;

(3) annual salary and the number of payments;

(4) repealed 1/1/76;

(5) oath of allegiance as prescribed by AS 39.05.045 or, if the teacher is not a U.S. citizen, the following:

"I do solemnly swear (or affirm) that I do not advocate the overthrow of the constitutional form of government of the United States or Alaska, and that I will faithfully discharge my duties as \_\_\_\_\_ to the best of my ability."

(6) statement authorizing deductions for the Teachers' Retirement System if eligible, or Social Security if applicable;

(7) contract to show clearly that each teacher in a public school must file a medical certificate with the chief school administrator;

(8) contract to be terminated without liability to the employing board

(A) if the teacher fails to discharge the duties imposed, either through incapacity or disability, or

(B) for cause, as defined in AS 14.20.170;

(9) contract to be terminated without penalty to the employing board if it becomes necessary to eliminate the position because of a decreased enrollment if at least 30 days' written notice is given; in addition, in hardship cases, the employing board may, in its discretion, afford such compensation as it considers necessary, but not more than payment for 20 days of service at the regular contract per diem rate;

(10) contract to be terminated without penalty to the employing board if the teacher fails to obtain a valid certificate in accordance with 4 AAC 12;

(11) contract to be made in duplicate and signed by at least two members of the school board and the teacher;

the 1990s, the number of people with a mental health problem has increased by 50% (Mental Health Foundation 2000). The prevalence of mental health problems has increased in the general population, and the incidence of mental health problems has increased in the prison population (Mental Health Foundation 2000).

There is a growing awareness of the need to address the mental health needs of prisoners. The Prison Service has a duty to provide mental health services for prisoners (Prison Service 2000). The Prison Service has a duty to provide mental health services for prisoners who are at risk of self-harm or suicide (Prison Service 2000).

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D-55

In the Matter of the Arbitration

between

KENAI PENINSULA EDUCATIONAL  
SUPPORT ASSOCIATION  
(Association)

and

KENAI PENINSULA BOROUGH  
SCHOOL DISTRICT  
(Employer)

AAA Case 01-14-000-6205  
OPINION AND AWARD  
PATTY SIROIS GRIEVANCE

BEFORE:

Kathryn T. Whalen, Arbitrator

APPEARANCES:

For the Association:

Keri Clark  
NEA-Alaska Uniserv Director  
4100 Spenard Road  
Anchorage, AK 99517

For the Employer:

Andrena L. Stone  
Khalial L. Withen  
Jermain Dunnagan & Owens  
3000 A. Street, Suite 300  
Anchorage, AK 99503

HEARING:

January 22, 2015

RECORD CLOSED:

February 27, 2015

AWARD ISSUED:

April 3, 2015



## **I. INTRODUCTION**

Kenai Peninsula Educational Support Association (Association or KPESA) filed a grievance claiming Kenai Peninsula Borough School District (Employer or District) violated the parties' Collective Bargaining Agreement when it stopped payment of wages and benefits to Association President Patty Sirois (Grievant) and removed her from District payroll and changed her contractual benefits. The Association also claims the District interfered with internal Association governance and engaged in related efforts to circumvent Grievant's role as elected representative of the Association. The District denied the grievance. The parties were unable to resolve this dispute and the Association submitted it to arbitration.

This case is administered by the American Arbitration Association (AAA). The Arbitrator was selected by the parties pursuant to AAA procedures. A hearing was held on January 22, 2015, in Kenai, Alaska. The parties were accorded a full opportunity to present evidence and argument in support of their respective positions.

The District raised a timeliness issue with respect to the Association's interference claim. Otherwise, the parties agreed this dispute is properly before the Arbitrator. The parties agreed the Arbitrator could retain jurisdiction for 60 days to resolve any remedy disputes, if a remedy is awarded.

The parties elected to file post-hearing briefs. The Arbitrator closed the record upon receipt of those briefs. The parties agreed the Arbitrator could have until April 6, 2015, to issue her decision.

## **II. ISSUES**

The parties did not agree on a statement of the issues. They agreed the Arbitrator could determine the issues based upon their submissions and the evidence.

KPESA states the issues as:

1. Did the District violate the Negotiated Agreement when it unilaterally removed Patty Sirois from District payroll? If so, what is the appropriate remedy?
2. Did the District violate the Negotiated Agreement through its interference in the business of the Association? If so, what is the appropriate remedy?

The District offers the following issue statement:

Is the portion of the Association's grievance on behalf of Patricia Sirois concerning Article 5 and 11 non-arbitrable as untimely filed under Article 34 of the Agreement?<sup>1</sup>

To the extent the grievance is arbitrable, did the District violate Article 21? If so, what is the appropriate remedy?

The Arbitrator determines the issues are:

Did the District violate Article 21 of the parties' Agreement when it ceased processing payroll for Grievant? If so, what is the appropriate remedy?

Was the Association's Article 5 claim timely filed? If so, did the District interfere in the business of the Association in violation of Article 5 of the Agreement? If it did, what is the appropriate remedy?

## **III. CONTRACT PROVISIONS**

### **ARTICLE 5 MEMBERSHIP RIGHTS**

A. The District agrees that it shall not directly or indirectly impede, restrain, or attempt to restrain any employee from belonging to the Association, taking an active part in Association affairs, or discriminate against any employee because of her/his Association membership or lawful Association activity.

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<sup>1</sup> Although Article 11, Discipline and Discharge, was identified at Level II of the grievance procedure, the Association no longer relies on that contract article.

## **ARTICLE 21 ASSOCIATION LEAVE**

The Board shall provide the Association sixty (60) days per year for Association leave for Association business. All Association leave shall have prior approval of the KPESA president, building administrator, and Human Resources. Days beyond the sixty (60) if approved, shall be done so with the understanding that the Association will pay the substitute costs, if any. The unused leave will be allowed to accumulate from year to year to facilitate negotiation years.

A maximum of fourteen (14) days, to be used for official NEA State or National business, at District expense, shall be approved for employees elected to State or National NEA office.

Whenever any representative of the Association or any support employee is mutually scheduled by the School Board or the Administration and the Association to participate during the working hours for grievance proceedings, conferences or meetings, he/she shall suffer no loss in pay. Nor shall there be any leave charged to the employee or the Association.

The District agrees to grant a leave time request for the President of the Kenai Peninsula Education Support Association for each year of the current contract, if requested. The President's release time shall be granted by the District, provided that the following conditions are met: (a) the Association shall pay the salary and benefits equal to the amount of the release time; (b) the President shall not be released until the District has found an acceptable substitute who can perform the President's professional duties and responsibilities; (c) the request must be made in writing prior to April 15 of each year for the following year; (d) should the Association choose to have .50 or more release time for the President, the Association will bear 100% of the annual benefit package for the President. At the conclusion of the President's release, the employee shall be returned to her/his building position held prior to the leave. Joint Exhibit 1.

### **IV. DECISION**

The Arbitrator finds the Employer did not violate Article 21 of the Agreement. The Arbitrator further finds that the Association's Article 5 claim was timely filed, but that the District did not violate Article 5 of the Agreement. In the discussion that follows I set forth my factual findings, reasoning and conclusions. .

**A. Overview: Article 21 Dispute**

By letter dated April 9, 2013 then-KPESA President Margie Warner notified HR Director Tim Peterson that KPESA intended to have Grievant serve as a full-time, release time President for the 2013-2014 school year. Association Exhibit C, p.1.

Prior to 2013-2014, Warner had served as KPESA President for seven years. She received Association release time for .25 time and worked in her District secretary position for .75 time. At hearing, Warner explained how the District and Association handled payroll procedures for her release time.

At the beginning of the school year, the District calculated the total number of days and regular hours Warner was expected to work for the District. Peterson asked Warner to submit a calendar estimate of the hours she anticipated for Association duties, which she did.

During the year, Warner filled out her District time sheet as usual and it was approved by her District administrator. Her time sheet then went through HR and District payroll. At the end of the school year, the District sent KPESA a bill for 1/4 of Warner's salary and benefits. KPESA then reimbursed the District for that amount.

Warner did not ask for overtime or compensatory time off. If she worked more than eight hours in a given day as President, she did so as a volunteer. She stuck to her pre-approved 8-hour schedule.

Other than herself, Warner was not aware of any other KPESA President who used release time. Grievant is the first full-time, release KPESA President.

By memorandum dated May 22, 2013, Peterson notified Warner and Grievant that if Grievant was working for the District her salary would be \$49,639.20 (based on



an 8-hour day) and her work calendar would be 215 days beginning July 29, 2013 and ending June 12, 2014. Association Exhibit C, p. 2.

In that same letter, Peterson advised that the District had been directed by the State of Alaska that for PERS (retirement) purposes, while working for KPESA, Grievant would not be considered a direct employee of the District and must be placed into leave status with PERS.<sup>2</sup> Association Exhibit C, p. 2; District Exhibits 5-7.

At about this time, JoAnn Riener became HR Director for the District. In August 2013, Riener began communicating with Grievant about her time sheet and hours submitted to District payroll. The District requires all employees to have their time sheets verified to ensure accuracy of hours worked. Other than Grievant, no one was approving her time sheet.

The District had policies to effectuate overtime and compensatory time-off which required employees to complete a daily time record of all hours worked as required by the Fair Labor Standards Act (FLSA). District Exhibit 11. According to the parties' Agreement, the District may provide for compensatory time off consistent with the FLSA. Joint Exhibit 1, Article 10 L.

Commencing in August of 2013, Grievant began reporting compensatory time off for hours worked in excess of eight hours. District Exhibit 12. The District questioned whether the KPESA E-Board would approve any overtime now that Grievant was on full-time release from the District. The District was concerned about its responsibilities under the FLSA. The District also raised the question of Grievant's employment status;

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<sup>2</sup> The District had received a letter from the State of Alaska, Department of Administration, Division of Revenue and Benefits. District Exhibit 6. There is dispute between these parties about Grievant's PERS status/contributions that is the subject of a separate grievance. That matter is not before me. Minimal evidence about the PERS dispute was introduced for background purposes.

that is, who is her employer for FLSA and other purposes under state and federal law. The parties had discussions about these matters and numerous emails were sent back and forth between Riener and Grievant, with others copied at times. Association Exhibit C; District Exhibits 13-18.

For example, a September 7, 2013 email from Riener included the following comments, among others, to Grievant:

Thanks for sending your time sheet. I just want to confirm that you are "officially" caught up with all of your hours worked since the end of the last school year. I thought you would have had more hours listed. How will the hours for the Ninilchik fair be compensated? I just want to make sure that we are on the same page. With that said, we'll expect for all future time sheets to accurately actual (sic) reflect hours worked. You'll need to indicate when you are going to "cash in" on your comp time. As I've mentioned, the District is looking at the whole set up of comp time, to be sure we are consistent, in line with FLSA and with KPESA's CBA. With that said, when can we expect an answer on the question of who is your employer? We really need to get this resolved before the next time sheets are due. As I mentioned, I feel KPESA should be authorizing your hours worked. \* \* \* District Exhibit 17, p. 2.

The parties continued to have discussions and exchanged emails/letters to each other about these and other related matters.

In a September 2013 letter, Grievant advised the District that the parties' Agreement required the District to continue the President's compensation and benefits subject to KPESA reimbursing the District for the costs associated with full-time release. Association C, pp.16-18.

In that letter, Grievant further informed the District that the KPESA Executive Board had not in the past been required to authorize, verify, or sign-off on time cards; nor had the District required KPESA to certify authorized release time work hours. Grievant advised the District she was authorized to certify her hours for release time,

and the demand that a higher level of governance within KPESA sign her time card was an unwarranted intrusion into the internal affairs of the Association. Exhibit C, p. 17. District Exhibit 19.

The parties continued to communicate about these matters but were not successful in resolving the problems between them. Association Exhibit D; District Exhibit 32. By letter dated January 28, 2014, from its legal counsel, the District notified KPESA/NEA-Alaska that it would no longer process payroll for Grievant effective February 1, 2014. Association Exhibit G.

On February 26, 2014, KPESA and Grievant filed the instant grievance. The grievance sets forth the issue as:

On January 28, 2014 the District issued a letter regarding the leave with pay status of KPESA's full time release president, Patty Sirois. The District advised that it intended to stop paying wages and benefits to President Sirois on February 1, 2014. Three days later the District removed the President from payroll, changing her health insurance coverage and other contractual benefits.

KPESA and President Sirois have been harmed by the District's unilateral, unexcused reversal of the District's position regarding its contractual obligations. The District's decision was issued after weeks of interference with internal Association governance and related efforts to circumvent President Sirois' role as elected representative of the Association. Association Exhibit H.

The parties were unable to resolve this dispute at prior levels of the grievance process. It is now properly before me for decision.

**B. Discussion: Article 21**

*1. Parties' Positions*

KPESA argues that the contract requires the District to provide leave with pay. Until January 28, 2014 both HR Directors (Peterson and Riener) understood, as

demonstrated by their actions, that the president was entitled to remain on District leave with pay, not "leave of absence." The parties bargained this language "the Association shall pay the salary and benefits equal to the amount of release time" to mean something rational. The parties' undisputed past practice supports the most rational interpretation which is reimbursable release time.

The District contends it fulfilled its Article 21 obligations. The relevant language is plain and establishes two core obligations. That is, the District has the obligation to grant Association release time and the Association has the obligation to pay the salary and benefits equal to the release time. The contract does not contain any language that requires the District to process payroll or act as a pass-through for the Association's full-time President. It does not mandate a reimbursement process. The Association cannot unilaterally impose such a restriction. The Arbitrator cannot rewrite the contract. There was no binding past practice--Grievant was the first time full-time release President.

## *2. Analysis*

The basic goal of contract interpretation is to determine and give effect to the intent of the parties as expressed in the written contract. Other relevant, extrinsic evidence is considered as necessary if the contract language is ambiguous. Elkouri & Elkouri, *How Arbitration Works*, 9-8 to 9-12 (7th Edition, 2012).

Article 21 provides in relevant part:

The District agrees to a grant leave time request for the President of the Kenai Peninsula Education Support Association for each year of the current contract, if requested. The President's release time shall be granted by the District, provided that the following conditions are met: (a) the Association shall pay the salary and benefits equal to the amount of the release time; (b) the President shall not be released until the District has found an acceptable substitute who can perform the President's professional duties and responsibilities; (c) the request must be made in



writing prior to April 15 of each year for the following year; (d) should the Association choose to have .50 or more release time for the President, the Association will bear 100% of the annual benefit package for the President. At the conclusion of the President's release, the employee shall be returned to her/his building position held prior to the leave.

The above language requires the District to grant release time if certain conditions are met. Those conditions are specifically listed. Among them is the mandate that the Association pay the salary and benefits equal to the amount of the release time. Article 21 also spells out that if the Association chooses to have a .50 or more release for President, the Association will bear 100% of the annual benefit package for the President. Finally, at the conclusion of the President's release, the District is required to return the employee to her/his building position prior to the leave.

The above language is plain and straightforward in its requirements. It does not, however, specify how this language is to be administered and/or put into effect. Reimbursable release time is a common method for doing so, but the above language--on its face--does not require it.

The Association relies on the prior conduct of the parties to show the parties intended to use reimbursable release time. The Association refers to the practice with Warner, and Grievant as well--prior to January 28, 2014.

In order to be binding, a past practice must be clear in its nature and scope. Warner was not a full-time President. She remained in the District's employ for .75 of the time during her tenure as President. She did not request compensatory time off. Warner's situation was not the same as Grievant's full-time release. I agree with the District that its conduct with Warner does not establish a binding past practice.

Similarly, the District's conduct toward Grievant prior to January 28, 2014 fails to demonstrate mutual intent for reimbursable release time for a full-time President. Grievant's work year began on July 29, 2013. As early as August 2013, the District raised questions about how her full-time release was to be handled. The parties have been locked in a vigorous dispute ever since.

To summarize, the express language of Article 21 controls the outcome of the issue before me. The parties agreed to certain specific requirements but did not spell out procedures for administering release time for a full-time President. No extrinsic evidence establishes a clear, mutual intent and/or binding past practice of reimbursable release time. As a result, I must conclude that the District did not violate Article 21 when it ceased processing payroll for Grievant.

The parties submitted other arguments concerning, for example, Grievant's status as an "employee" of the District for FLSA overtime and other purposes. Such matters are not directly before me. It is neither necessary nor appropriate for me to decide other legal questions in the context of this limited contract interpretation issue.

**C. Timeliness of Article 5 Claim**

According to the District, the Association's Article 5 claim was not properly grieved and therefore is not procedurally arbitrable. The District contends that the Association failed to articulate an Article 5 claim in its initial grievance. Rather, KPESA raised it only in its Level II grievance. As a result, asserts the District, the Association did not comply with the parties' stated intent to resolve grievances at the lowest possible level. Joint Exhibit 1, Article 34 C (Level I).

KPESA's Level I grievance makes no specific reference to Article 5. In explaining the harm suffered it does, however, mention District interference with internal Association governance and related efforts to circumvent Grievant's role as elected representative of the Association. Association Exhibit H, p. 1.

At Level II, KPESA specifically identified Article 5 and claimed that the District interfered with internal Association governance. Exhibit H, p. 5.

In the initial grievance, the District was placed on notice that KPESA believed the District had interfered with the governance of the Association. That allegation was reiterated, and more specifically identified, at Level II. The District had ample opportunity to respond to this claim.

There is a presumption in favor of arbitrability. *Elkouri & Elkouri*, at 5-11. Under the circumstances presented here, I find that KPESA substantially complied with the procedural requirements of Article 34 and the District was not prejudiced by the Association's failure to identify Article 5 at Level I. I conclude the Article 5 claim was timely filed and is arbitrable.

**D. Discussion: Article 5**

*1. Parties' Positions*

According to the Association, the District's decision to terminate Grievant from payroll was not driven by contract language or a desire to avoid legal violations. Rather, the major reason was animosity--it is unclear whether personal or because the District did not want to deal with a strong union advocate. What is clear, argues KPESA, is that from the onset, the District interfered with Grievant's role as KPESA President and it continued by the entire course of its conduct.

The Association asserts that the District: altered its practices and took the position that Grievant was no longer a District employee; misrepresented her hours and repeatedly questioned and gave her directives about her time sheet; sought to meet with the KPESA Executive Board and to have the Board approve Grievant's time sheets. Aside from costs, disruption and labor in setting up payroll and accounting, the Association contends there also was intangible harm to Association interests in terms of derogatory critiques and refusal to accept Grievant as KPESA President.

The District argues that its conversations and letters were an attempt to resolve issues with the President and Association; that is, they were efforts at cooperation. This evidence does not establish interference.

## *2. Analysis*

At the time the District was notified of the KPESA's intent to have Grievant serve as a full-time release President, the District had policies for overtime and compensatory time-off which required employees to complete a daily time record of all hours worked as required by the FLSA. District Exhibit 11. The District also required all employee hours to be verified by an administrator and/or another District employee. For example, in Warner's case, her administrator verified her hours.

The District also had received letters (April 2012/May 2013) from the State of Alaska, Department of Administration, Division of Retirement and Benefits which informed the District that a full-time union president is not a direct employee of the District for retirement system purposes. District Exhibits 5, 6. In May of 2013, Peterson alerted Warner and Grievant of the State's conclusion. Association Exhibit C, pp. 2, 3.



As explained above in Section B, the parties' Agreement does not set forth procedures for the administration of a full-time release president. Grievant is the first. Grievant also was the first President to use compensatory time-off.

It is in this context that the District communicated with Grievant and KPESA about how to handle Grievant's hours, time sheets and other related full-time release matters. The District had legitimate reasons for asking questions of Grievant and the Association, and for seeking to establish procedures for Grievant's full-time release.

Grievant and KPESA have objected to and raised concerns about District questions and the manner in which District representatives have interacted with Grievant.

I have reviewed all of the written correspondence submitted by the parties as well as witness testimony. I also have listened to the entirety of the recorded meeting held on September 27, 2013 between the parties. District Exhibit 32. In that meeting, Assistant Superintendent Dave Jones detailed the District's questions and concerns about Grievant's employment status and told the Association the basis for District's concerns.

Based upon the record, I am not convinced that the District acted with anti-union motivation in its course of conduct towards toward Grievant and KPESA; nor am I convinced that the District acted in order to interfere, or for the purpose of interfering, in the governance of the Association. Consequently, I conclude that the District did not violate Article 5.

## **V. CONCLUSION**

For the foregoing reasons, I conclude the District did not violate Article 21 of the parties' Agreement when it ceased processing payroll for Grievant. The District also did

not interfere in the business of the Association in violation of Article 5. In arriving at my decision, I have carefully reviewed all testimonial and documentary evidence. Even if not mentioned, I have considered all of the facts, arguments and authorities submitted by the parties. I have focused my opinion on matters that I believe needed to be addressed and those which were crucial to my decision.

I will enter an award that dismisses the Association's grievance. Pursuant to Article 34 C, I will order the parties to share equally my fees and expenses.

In the Matter of the Arbitration	)	
	)	
between	)	
	)	
KENAI PENINSULA EDUCATIONAL	)	
SUPPORT ASSOCIATION	)	
(Association)	)	AAA Case 01-14-000-6205
	)	AWARD
	)	PATTY SIROIS GRIEVANCE
and	)	
	)	
KENAI PENINSULA BOROUGH	)	
SCHOOL DISTRICT	)	
(Employer)	)	

Having carefully considered all evidence and arguments submitted by the parties concerning this matter, the Arbitrator concludes that:

1. The District did not violate Article 21 of the parties' Agreement when it ceased processing payroll for Grievant.
2. The Association's Article 5 claim was timely filed.
3. The District did not interfere in the business of the Association in violation of Article 5 of the parties' Agreement.
4. The Association's grievance is denied and dismissed in its entirety.
5. Pursuant to Article 34 C the parties will equally share the Arbitrator's fees and expenses.

Respectfully submitted,



Kathryn T. Whalen  
Arbitrator  
Date: April 3, 2015

the 1990s, the number of people with a mental health problem has increased by 50% (Mental Health Foundation 2000). The prevalence of mental health problems in the UK is estimated to be 10% (Mental Health Foundation 2000).

There is a growing awareness of the need to address the needs of people with mental health problems in the workplace. The Mental Health Foundation (2000) has estimated that the cost to the UK economy of mental health problems is £10 billion per year. The cost to the UK economy of mental health problems is estimated to be £10 billion per year. The cost to the UK economy of mental health problems is estimated to be £10 billion per year.

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# District 56

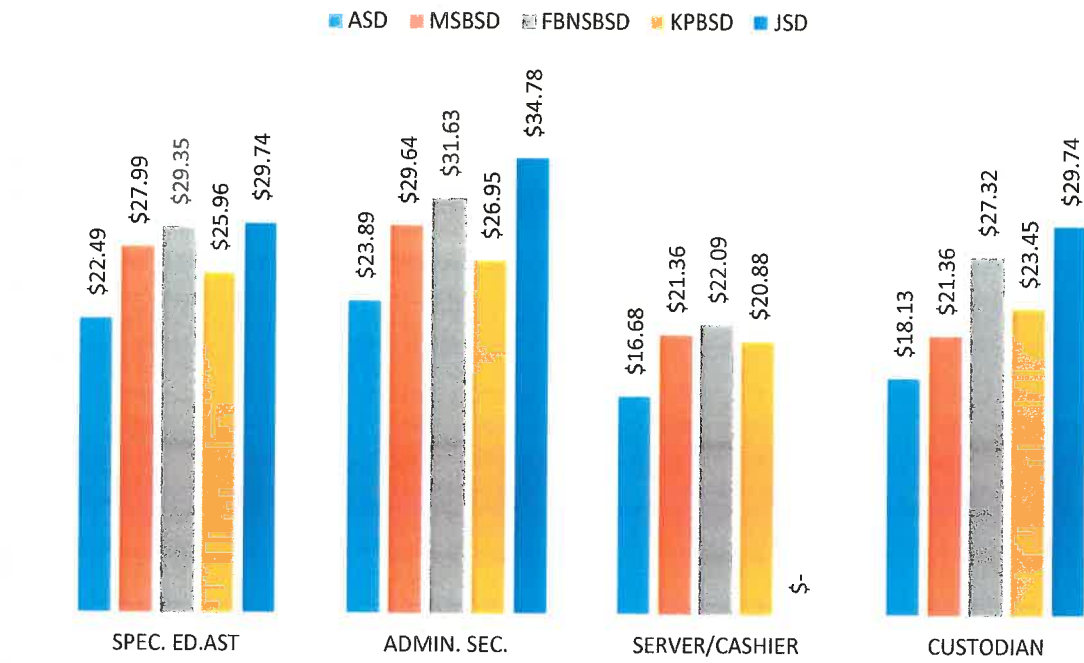
District	Accrual	Cash In	Carry Over	Cash In Value
ASD	5	5	5	Per Diem
MSBSD	4	3	4	Per Diem
FBNSBSD	5	100%	11	Per Diem up to \$300
KPBSD*	4	4	8	Per Diem
JSD	4	100%	10	Rate of \$150 per day

\*No agreement for FY 2019



0-57

## FY19 BIG 5 CLASSIFIED SALARY COMPARISONS



\$- JSD does not have server/cashier employees



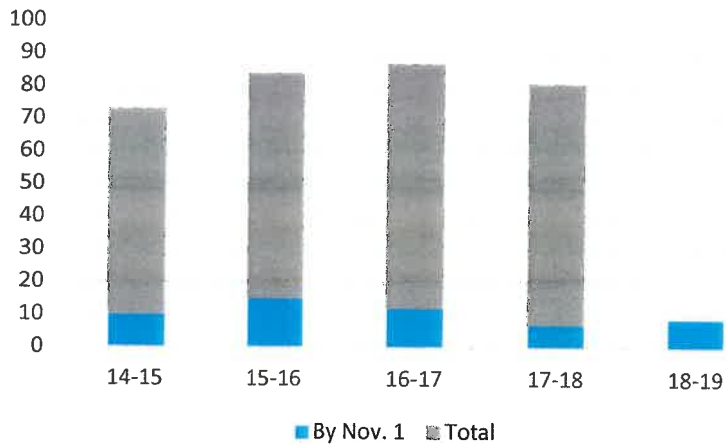


EXH. 58

**KPBSD Annual Certified Resignation Data**

	By Nov. 1	Total
14-15	10	63
15-16	15	69
16-17	12	75
17-18	7	74
18-19	9	

**Annual Retire/Resign Data for Certificated  
Employees in KPBSD**





CLASSIFIED 59

#### ARTICLE 25A: DONATIONS OF SICK LEAVE

Members shall be allowed to donate sick leave to and receive donations of sick leave from leave eligible members subject to the following conditions:

- A. Each member wishing to donate sick leave will fill out, date and sign a leave slip showing the amount of leave to be donated. The leave slip will have written along the bottom, or in the space provided, "Leave donation to (employee name)." Members must maintain a balance of 12 days of accrued leave in order to donate.
- B. The Association will be responsible for gathering all leave donations to be forwarded to the District. Leave donations will become available during the pay period in which the Association approved donation is received by the HR department.
- C. The total amount of leave credited to the recipient's donated leave account shall not exceed 20 days during the life of the current Agreement. Donated leave may not be used until all accrued annual, personal, sick leave and sick leave bank appropriations have been exhausted.
- D. The donation cannot be withdrawn, modified or otherwise returned to the donor's leave account.
- E. Coercion of members to donate sick leave to another member is prohibited.
- F. Any unused leave by a member who has received donated sick leave, shall be forwarded to the sick leave bank.
- G. The District shall provide, on an annual basis, a donated leave report to the Association reflecting donated leave activity.





KPEA 59

### 343 DONATIONS OF SICK LEAVE

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