

9/12/2019

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

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

- A change to the duration for July 1, 2019-June 30, 2021.
- Salary schedule increases in the amounts of .5 percent in FY19, 1 percent in FY20, and 2 percent in FY21. See exhibit A.4. These percent increases are in addition to automatic annual step increases for eligible employees averaging 2.67% on the FY18 salary schedule. For illustrative purposes see exhibit A.1.
- KPEA employees at C+90/M-T not receiving a step increase will receive an additional .5 percent in FY19, 1 percent in FY20, and 2 percent in FY21 based on the same year's salary in C+90/M-T.
- KPBSD offers to increase the District's portion of the current High Deductible Health Care Plan Cap from \$1,645.61/month to \$1,945.61/month. This equates to an increase of \$3,600.00 per employee plan member per year. KPBSD offers the two separate HDHCP designs proposed by the Associations on September 5, 2019. See attached health care plan document A.3.
- In addition, for FY20, the District will replenish the Employee Health Care Reserve Account for all employees to \$750,000.00. This equates to a District contribution of \$668,748.17, equaling \$618.07 per employee plan member for the year. This means that employees will not have to pay the reserve repayment of \$68.67 per month (over 9 months).
- For FY20 the District will pay an additional \$250,000.00 to the Employee Health Care Reserve Account to assist with any transition cost deficits.
- The District will issue a Request for Proposal (RFP) for health care insurance to private and public insurance providers for change effective January 1, 2021. The need for future RFPs will be considered annually.

Kenai Peninsula Borough School District

September 12, 2019 Offer to KPEA and KPESA based on Association's HDHCP designs

KPBSD Cap Related Information	District Portion of Cap Increase By <u>\$300</u> Per Month	
	HRA HDHP 90/10	HSA HDHP 90/10
District	\$ 1,945.61	\$ 1,945.61
Employee	\$ 216.18	\$ 216.18
Monthly Total	\$ 2,161.79	\$ 2,161.79
100% Migration 50% to HRA and 50% to HSA FY20 - Broker Recommended Rate	\$ 2,412.34	\$ 2,403.35
Amount above/below Cap	\$ 250.55	\$ 241.56
50% of Excess District	\$ 125.28	\$ 120.78
50% of Excess Employees	\$ 125.28	\$ 120.78
District per Month	\$ 2,070.89	\$ 2,066.39
Employee per Month	\$ 341.45	\$ 336.96
Total FY20 Monthly Amounts	\$ 2,412.34	\$ 2,403.35
Monthly District Cost For All Employees	\$ 1,112,065.54	\$ 1,109,651.73
Monthly Employee Cost For All Employees	\$ 183,361.04	\$ 180,947.22
Yearly District Cost For All Employees	\$ 13,344,786.52	\$ 13,315,820.74
Yearly Employee Cost For All Employees	\$ 2,200,332.44	\$ 2,171,366.66
Yearly Cost	\$ 4,097.45	\$ 4,043.51
12 Month Co-Pay	\$ 341.45	\$ 336.96
9 Month Co-Pay	\$ 455.27	\$ 449.28