



KENAI PENINSULA BOROUGH

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**DAVID R. CAREY
BOROUGH MAYOR**

MEMORANDUM

TO: Gary Knopp, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: David R. Carey, Kenai Peninsula Borough Mayor *DR Carey*

DATE: June 7, 2011

SUBJECT: KPB Resolution 2011-063, approving an agreement between the Kenai Peninsula Employees Association and the Kenai Peninsula Borough amending the Collective Bargaining Agreement to approve an increase in the employees' contributions to health care costs

KPB Resolution 2011-063 was submitted for inclusion in the packet before the final agreement with the Kenai Peninsula Employees Association (KPEA) was finalized. The KPEA voted and approved the following:

I agree to have \$21.9446 deducted from my paycheck each pay period for wages earned beginning July 1, 2011 until the final payroll check has been issued for wages earned through June 30, 2012 contingent upon the following circumstance:

The Kenai Peninsula Borough Assembly adopts a budget that contains the same KBEA positions listed in the Mayor's Proposed budget that was presented to the Borough Assembly on May 17, 2011, and that there will be no reduction in work schedules (hours) for KBEA-represented positions to offset the 2010 healthcare costs incurred by the Borough.

Section 1 of Resolution 2011-063 must be amended to be consistent with the terms voted on by the KPEA, namely that the deduction of \$21.9446 from each employee per pay period will be from the period of July 1, 2011 through June 30, 2012.

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- Amend Section 1 by inserting the new language as shown below in bold:

SECTION 1. The Assembly approves the following proposed amendment to the Collective Bargaining Agreement:

Article 31
Insurances, Retirement

Section 1. Health, Life, and Travel Insurance

...

- h. The Employer agrees to continue to maintain its defined benefit health insurance in subsection a. above. The Borough will ~~continue to~~ pay the monthly costs of healthcare for all Employees excepting the amounts required to be contributed by Employees. ~~However, the~~ Employees will be required to contribute to the cost of the healthcare for Employees, spouses and or children ~~effective January 1, 2011,~~ in accordance with the following schedule:
- Spouse - \$80 per month, effective January 1, 2011
 - Children - \$28 per child, per month, effective January 1, 2011
 - Employees - \$21.9446 per Employee per pay period, effective July 1, 2011 through June 30, 2012.