Alameda County Office of Education

Sheila Jordan
Superintendent

Damon Smith
Associate Superintendent
of Business

L. Karen Monroe
Associate Superintendent
of Education

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December 20, 2013

Diana J. Prola, President
Board of Education
San Leandro Unified School District
14735 Juniper Street
San Leandro, CA 94579-1299

RE: Public Disclosure of Collective Bargaining Agreements between the San Lorenzo Unified School District and:
(1) The California School Employees Association, Chapter 94 (CSEA) from July 1, 2013 through June 30, 2015 and
(2) The San Leandro Teachers' Association (SLTA) from July 1, 2013 through June 30, 2015

Dear President Prola:

We have reviewed the Public Disclosure of Collective Bargaining Agreements for CSEA and SLTA employees at San Lorenzo USD covering the period beginning July 1, 2013 and ending June 30, 2015. The purpose of our review is to determine whether these agreements will have a material impact on the financial condition of the District in the current and subsequent two fiscal years.

Based on the Multi-Year Projection (MYP) submitted with the 2013-14 First Interim Report and including the additional expenditures associated with the agreements, it appears that the District will be able to maintain a reserve for economic uncertainties of at least three percent for 2013-14 and the subsequent two fiscal years.

Should any other tentative agreements be made, please submit new Public Disclosure documents to our office 10 days prior to the date the Governing Board will take action.

If you have any questions or concerns regarding our review, please feel free to call me at (510) 670-4270, or contact Jeff Potter at (510) 670-4277.

313 W. Winton Ave.
Hayward, California
94544-1136

(510) 887-0152

www.acoe.org

Sincerely,

Damon R. Smith, Associate Superintendent of Business Services, ACOE
Alameda County Office of Education

DRS:sm

cc: Board of Education, San Leandro USD
Dr. Mike McLaughlin, Superintendent, San Leandro USD
Song Chin-Bendib, Assistant Superintendent, San Leandro USD
Sheila Jordan, Superintendent, ACOE
Jeffrey B. Potter, Executive Director, ACOE

San Leandro Unified School District
Public Disclosure of Collective Bargaining Agreement
In Accordance with AB 1200 (Chapter 1213/1991), GC 3547.5

Name of Bargaining Unit: **San Leandro Teachers' Association** Certificated x Classified____

The proposed agreement covers the period beginning **July 1, 2013** and ending **June 30 , 2014**

and will be acted on by the Governing Board at its meeting on January 14, 2014 (Date).

Note: This form, along with a copy of the proposed agreement, must be submitted to the County Office at least ten (10) working days prior to the date the Governing Board will take action.

A. Proposed Change in Compensation

	Compensation Unrestricted and Restricted General Fund	Annual Cost Prior to Proposed Agreement 1st Interim Budget FY2013-14	Fiscal Impact of Proposed Agreement Year 1 Increase/(Decrease) FY 2013-14	Year 2 Increase/(Decrease) FY2014-15	Year 3 Increase/(Decrease) FY 2015-16
1.	**Salary Schedule** (This is to include Step & Column, which is also reported separately in item 6)	$ 34,993,489	$ 1,399,740	$ 1,399,740	$ 1,399,740
			4.00%	4.00%	4.00%
2.	**Other Compensation** Stipends, Bonuses, Longevity, Overtime Differential, Callback or Standby Pay, etc.		$ 23,081	$ 23,081	$ 23,081
			0.07%	1.65%	1.65%
2a.	**Description of Other Compensation** In Lieu payments and Hourly payments		$ -	$ -	$ -
3.	**Statutory Benefits** - STRS, PERS, FICA, WC, UI, Medicare, etc.	$ 4,353,291	$ 174,296	$ 174,296	$ 174,296
			4.00%	4.00%	4.00%
4.	**Health/Welfare Plans**	$ -	$ 80,341	$ 133,902	$ 133,902
			#DIV/0!	166.67%	100.00%
5.	**Total Compensation** - Add Items 1 through 4 to equal 5	$ 39,346,780	$ 1,677,458	$ 1,731,018	$ 1,731,018
			4.26%	4.40%	4.40%
6.	**Step & Column** - Due to movement plus any changes due to settlement. This is a subset of item No. 1.	$ -	$ -	$ -	$ -
7.	**Total number of represented Employees** (Use FTEs)	446.34	446.34	446.34	446.34
8.	**Total Compensation Average Cost per Employee**	$ 88,154	$ 3,758	$ 3,878	$ 3,878
			0.00%	0.00%	0.00%

9. What was the negotiated percentage increase approved? For example, if the increase in "Year 1" was for less than a full year, what is the annualized percentage of that increase for "Year 1"?

4% increase on the salary schedule. Additionally, $300 per FTE increase towards Health & Welfare, effective January 2014 onwards.

10. Were any additional steps, columns or ranges added to the schedules? (If yes, please explain.)

No

11. Please Include comments and explanations as necessary. (If more room is necessary, please attach additional sheet.)

None

B. Proposed Negotiated Changes in Non-compensation Items (e.g. class size adjustments, staff development days, teacher prep time, classified staffing ratios, etc.)

Please see attached Tentative Agreement. There are multiple changes.

C. What are the Specific Impacts (Positive or Negative) on Instructional and Support Programs to Accommodate the Settlement? Include the impact of changes such as staff reductions or increases, program reductions or increases, elimination or expansion of other services or programs (e.g. counselors, librarians, custodial staff, etc.).

Please see attached Tentative Agreement. There are multiple changes.

D. What Contingency Language is Included in the Proposed Agreement (e.g. reopeners, etc.)?

During 2014-15 school year, either party may reopen Article XV Salaries plus two (2) additional articles.

E. Will this Agreement Create, Increase, or Decrease Deficit Financing in the Current or Subsequent Year(s)? "Deficit Financing" is defined to exist when a fund's expenditures and other financing uses exceed its revenues and other financing sources in a given year. If yes, explain the amounts and justification for doing so.

This settlement will increase deficit spending during 2013-14 and 2014-15, however 2015-16 won't have deficit spending due to LCFF gap funding inflow.

F. Identify Other Major Provisions that do not Directly Affect the District's Costs; such as Binding Arbitration, Grievances Procedures, etc.

Please see attached Tentative Agreement. There are multiple changes.

G. Source of Funding for Proposed Agreement

1. Current Year

General fund.

2. If this is a single year agreement, how will the ongoing cost of the proposed agreement be funded in subsequent years (I.e., what will allow the district to afford this contract)?

LCFF Gap funding will support this increase in the current and out years.

3. If this is a multiyear agreement, what is the source of funding, including assumptions used, to fund these obligations in subsequent years? (Remember to include compounding effects in meeting obligations.)

General Fund

San Leandro Unified School District
Public Disclosure of Collective Bargaining Agreement
In Accordance with AB 1200 (Chapter 1213/1991), GC 3547.5

H. Impact of Proposed Agreement on Current Year Operating Budget (Ed. Code 42142)

Draft of General fund Proposed Budget for FY 2013-14	Column 1 1st Interim Budget as of 31-Oct-13 Before Settlement	Column 2 Cost of Adjustments as a Result of Settlement	Column 3 Other Revisions Costs Increases (Decreases)	Column 4 Total New Budget (Col 1+2+3)
Revenues				
Revenue Limit Sources (8010-8099)	$ 54,377,139	$ -	$ -	$ 54,377,139
Remaining Revenues (8100-8799)	$ 15,796,737	$ -	$ -	$ 15,796,737
Total Revenues	$ 70,173,876	$ -	$ -	$ 70,173,876
Expenditures				
1000 Certificated Salaries	$ 40,232,056	$ 1,422,821	$ -	$ 41,654,877
2000 Classified Salaries	$ 9,584,064	$ -	$ -	$ 9,584,064
3000 Employee Benefits	$ 7,999,736	$ 254,637	$ -	$ 8,254,373
4000 Books and Supplies	$ 5,202,275	$ -	$ -	$ 5,202,275
5000 Services and Operating Expenses	$ 9,517,058	$ -	$ -	$ 9,517,058
6000 Capital Outlay	$ 54,844	$ -	$ -	$ 54,844
7000 Other Outgo	$ 1,014,561	$ -	$ -	$ 1,014,561
Total Expenditures	$ 73,604,594	$ 1,677,458	$ -	$ 75,282,052
Operating Surplus (Deficit)	$ (3,430,718)	$ (1,677,458)	$ -	$ (5,108,176)
Other Sources and Transfers In	$ 1,537,205	$ -	$ -	$ 1,537,205
Other Uses and Transfers Out	$ (1,352,388)	$ -	$ -	$ (1,352,388)
Current Year Increase (Decrease) In Fund Balance	$ (3,245,901)	$ (1,677,458)	$ -	$ (4,923,359)
Beginning Balance	$ 9,135,240			$ 9,135,240
Current Year Ending Balance	$ 5,889,339	$ (1,677,458)	$ -	$ 4,211,881
Components of Ending Balance				
Nonspendable and Restricted 9711-9740	$ 40,000	$ -	$ -	$ 40,000
Reserved for Economic Uncertainties 9789 **(3%)**	$ 2,215,987	$ 50,324		$ 2,266,311
Committed and Assigned 9770-9780	$ 857,700	$ -		$ 857,700
Unassigned/Unappropriated 9790	$ 2,775,652			$ 1,047,871

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If the total amount of the adjustment in Column 2 on page 4 does not agree with the amount of the Total Compensation Increase in Section A, line 5, page 1 (e.g. increase was partially budgeted), explain the variance below:

Please include any additional comments and explanations of page 4 as necessary:

San Leandro Unified School District
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In Accordance with AB 1200 (Chapter 1213/1991), GC 3547.5

I. Impact of Proposed Agreement on Current Year Unrestricted Reserves

1. State Reserve Standard

a.	Total Expenditures, Transfers Out, and Uses (Page 4, Column 4, total Expense & Other Uses and Transfers Out *(Must include restricted and unrestricted expenditures)*	$ 76,634,440
b.	State Standard Minimum Reserve Percentage for this District	3.00%
c.	State Standard Minimum Reserve Amount for this District (For districts with less than 1,001 ADA, this is the greater of Line a. times Line b. **or** $50,000.	$ 2,299,033

2. Budgeted Unrestricted Reserve (After Impact of Proposed Agreement)

a.	General Fund Budgeted Unrestricted Reserve for Economic Uncertainties	
b.	General Fund Budgeted Unrestricted Unassigned/Unappropriated Amount	$ 1,047,871
c.	Special Reserve Fund 17-Budgeted Reserve for Economic Uncertainties	$ 2,266,311
d.	Special Reserve Fund 17-Budgeted Unassigned/Unappropriated Amount	$ -
e.	Article XIII-B Fund 72-Budgeted Reserve for Economic Uncertainties	$ -
f.	Article XIII-B Fund 72-Budgeted Unassigned/Unappropriated Amount	$ -
g.	Total District Budgeted Unrestricted Reserves	$ 3,314,181

3. Do unrestricted reserves meet the state standard minimum reserve amount? YES ___x___ NO _____

If NO, how do you plan to restore your reserves?

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Revised MYP Including the Effects of Collective Bargaining

District Name: San Leandro Unified School District
Unrestricted and Restricted General Fund
Multi-Year Projections
Budget Year:

	[illegible]	[illegible]	[illegible]
	COLA: 1.58%	COLA: 1.80%	COLA: 2.20%
Revenues	**Year: 2013-14**	**Year: 2014-15**	**Year: 2015-16**
Revenue Limit Sources	54,341,672	55,919,639	58,102,505
Federal Revenue	5,535,010	5,504,538	5,504,538
Other State Revenue	5,661,529	5,661,529	5,691,528
Local Revenue	4,635,665	4,720,783	4,793,384
Total Revenue	[illegible]	[illegible]	[illegible]
Expenditures			
Certificated Salaries	40,232,056	41,518,915	42,022,433
Step & Column Adjustment			
Cost-of-Living Adjustment			
Other Adjustments	1,422,821	1,422,821	1,422,821
Classified Salaries	9,584,064	9,670,696	9,708,308
Step & Column Adjustment			
Cost-of-Living Adjustment			
Other Adjustments			
Employee Benefits	8,254,373	9,090,031	9,192,693
Books & Supplies	5,202,275	2,664,084	2,671,711
Services, Other Operating Exp	9,517,058	7,778,295	7,761,614
Capital Outlay	54,844	54,844	54,844
Other Outgo	1,165,938	1,165,938	1,165,938
Direct Support/Indirect Costs	(151,377)	(227,972)	(143,888)
Total Expenditures	[illegible]	[illegible]	[illegible]
Operating Surplus (Deficit)	[illegible]	[illegible]	[illegible]
Other Financing Sources & Transfers In(Positive figure)	1,537,205	775,088	775,088
Other Financing Uses & Transfers Out (Neg Figure)	590,271	590,271	592,471
Current Yr Inc(Dec) in Fund Balance	[illegible]	[illegible]	[illegible]
Beginning Fund Balance	**6,157,138**	**4,974,000**	**3,827,655**
Audit Adjustments/Restatements			
Ending Balance	**1,995,896**	**3,827,655**	**4,245,753**
Restricted Balance (In Fund 17) *	2,978,104		
Total GF and Fund 17 reserve	[illegible]	[illegible]	[illegible]
Required Reserve	3,835,804	2,439,751	2,385,611
Unrestricted Balance (Incl Revolving)	**1,138,196**	**1,387,904**	**1,860,142**

Comments (Major changes): * The District designates the required Reserve for Economic Uncertainties under Fund 17.

San Leandro Unified School District
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In Accordance with AB 1200 (Chapter 1213/1991), GC 3547.5

J. Salary Notification Requirement

The following section is applicable and should be completed when any Salary/Benefit Negotiations are settled after the district's final budget has been adopted.

Comparison of Proposed Agreement to Change in District Base Revenue Limit

(a) Current Year Base Revenue Limit (BRL) per ADA:
(obtain from the FY__2013-14_____ County Office-provided Revenue Limit or+B263 Form RL, Line 3 — NA (Estimated)

(b) Prior Year Base Revenue Limit per ADA:
(Form RL, Line 1) — $ 6,733.05 (Actual)

(c) Amount of Current Year Increase: (a) minus (b) — NA

(d) Percentage Increase in BRL per ADA: (c) divided by (b) — NA

(e) Indicate Total Settlement Percentage Increase from Section A, line 5, Page 1 for current year — 4.26%

K. Certification

The disclosure document must be signed by the district Superintendent or designee at the time of public disclosure and by the President or Clerk of the Governing Board at the time of formal board action on the proposed agreement.

The information provided in this document summarizes the financial implications of the proposed agreement and is submitted to the Governing Board for public disclosure of the major provisions of the agreement (as provided in the "Public Disclosure of Proposed Collective Bargaining Agreement") in accordance with the requirements of AB 1200 and Government Code 3547.5.

District Superintendent (or Designee) (Signature)	Date

After public disclosure of the major provisions contained in this summary, the Governing Board, at its meeting on _____, took action to approve the proposed Agreement with the _____ Bargaining Unit.

President (or Clerk), Governing Board (Signature)	Date

Special Note: The Alameda County Office of Education reserves the right to ask any additional questions or request any additional information we feel is necessary to review the district properly under AB 1200, including a copy of the Tentative Agreement.

Certification of the Districts Ability to Meet the Costs of Collective Bargaining Agreement

This disclosure document must be signed by the District Superintendent and Chief Business Official prior to the public disclosure.

In accordance with the requirements of Government Code Section 3547.5, the Superintendent and Chief Business Official of San Leandro Unified School District, hereby certify that the District can meet the costs incurred under the Collective Bargaining Agreement between the District and the San Leandro Teachers' Association (SLTA), during the term of the agreement from July 1, 2013 to June 30, 2015.

The budget revisions necessary to meet the costs of the agreement in each year of its term are itemized below. If the District does not adopt all of the revisions in the current fiscal year, the County Superintendent is required to issue a qualified or negative certification on the next Interim Report per Government Code (GC) 3547.5(c)

Budget Adjustment Categories	Increase(Decrease) Year 1 (2013-14)	Increase(Decrease) Year 2 (2014-15)	Increase(Decrease) Year 3 (2015-16)
Revenues/Other Financing Sources			
The current proposed budget and MYP projections are going to sustain the proposed salary increase. With a large low income and English learner students, the District is going to benefit from LCFF funding model which generates more money than the previous year's Revenue Limits. This additional income has been used to pay for the salary increase.			
Expenditures/Other Financing Uses			
Ending Balance Increase (Decrease)	**(1,677,458)**	**($1,731,018)**	**($1,731,018)**

N/A __x__ (No budget revisions necessary)

_____*These projections are based on the attached assumptions, which become an integral part of this document.*

Michael McLaughlin: 12/17/13
District Superintendent (Signature and Date)

Song Chin -Bendib: 12/17/13
Chief Business Official (Signature and Date)