Certification of the District's Ability to Afford the Costs of a Collective Bargaining Agreement

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

The District projects the total monetary cost of the settlement to be as follows:

Year 1:	**$ 2,669,100**
Year 2:	**$ 2,752,667**
Year 3:	**$ 2,821,235**

Please check one of the following:

X **No budget revisions are necessary for the District to afford this settlement.**

____ **Budget revisions are necessary for the District to afford this settlement. These revisions are itemized below. The District's budget assumptions are attached, which become an integral part of this document.**

Note that 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	Increase (Decrease) Year 2	Increase (Decrease) Year 3
Revenues/Other Financing Sources			
Expenditures/Other Financing Uses			
Ending Balance Increase (Decrease)			

In accordance with the requirements of Government Code Section 3547.5, the Superintendent and Chief Business Official of the ____San Leandro_____ 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, California Schools Employee Association – CSEA, San Leandro Management Association – SLMA and Confidential** Bargaining Unit(s), during the term of the agreement, from __**07/01/2018 to 06/30/2019** _____.

_____ **7/10/2018** 7/10/18

District Superintendent (Signature) **Date**

Dr. Michael McLaughlin

_____

District Superintendent (Type Name)

_____ **7/10/2018**

Chief Business Official (Signature) **Date**

Dr. Kevin Collins

_____

Chief Business Official (Type Name)

School District: San Leandro Unified

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

Name of Bargaining Unit: **SLTA - San Leandro Teachers Association, CSEA - California School Employees Association, Management & Confidential, Certificated X Classified X**

The proposed agreement covers the period beginning **July 1, 2018** and ending **June 30, 2021**

and will be acted on by the Governing Board at its meeting on **July 31, 2018.**

Letter requested from Alameda County Office of Education? (Check Box if Letter Needed) **Yes, letter is requested**

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	Annual Cost Prior to Proposed Agreement FY 2018-19	Fiscal Impact of Proposed Agreement Year 1 Increase/(Decrease) FY 2018-19	Year 2 Increase/(Decrease) FY 2019-20	Year 3 Increase/(Decrease) FY 2020-21
1.	**Salary Schedule** (This is to include Step & Column, which is also reported separately in item 6)	$ 61,927,490	$ 2,167,462	$ 2,199,974	$ 2,232,974
			3.50%	3.55%	3.61%
2.	**Other Compensation** Stipends, Bonuses, Longevity, Overtime Differential, Callback or Standby Pay, etc.			$ -	$ -
			0.00%	0.00%	0.00%
2a.	**Description of Other Compensation**		$ -	$ -	$ -
3.	**Statutory Benefits** - STRS, PERS, FICA, WC, UI, Medicare, etc.	$ 2,419,682	$ 501,638	$ 552,693	$ 588,261
			20.73%	22.84%	24.31%
4.	**Health/Welfare Plans**	$ -	$ -	$ -	$ -
			0.00%	0.00%	0.00%
5.	**Total Compensation** - Add Items 1 through 4 to equal 5	$ 64,347,172	$ 2,669,100	$ 2,752,667	$ 2,821,235
			4.15%	4.28%	4.38%
6.	**Step & Column** - Due to movement plus any changes due to settlement. This is a subset of item No. 1.	$ 915,185	$ 915,185	$ 928,912	$ 942,846
7.	**Total number of represented Employees** (Use FTEs)	757.85	757.85	757.85	757.85
8.	**Total Compensation Average Cost per Employee**	$ 84,908	$ 3,522	$ 3,632	$ 3,723
			0.00%	0.00%	0.00%

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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"?

The negotiated percent increase was 3.50% (less than the 3.7% COLA applied to LCFF)

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

NO

11. Please Include a summary of the proposed agreement, and when the settlement will be implemented, and any comments or explanations as necessary. (If more room is necessary, please attach additional sheet.)

3.5% Increase for CSEA, Confidential and SLMA effective 07/01/18 - no other monetary changes to the contract.

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

N/A

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.).

N/A

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

Reopeners for Salaries and Fringe Benefits for fiscal years 2019-20 and 2020-21.

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.

The full cost of the agreement was included in the district's 2018-19 budget that was adopted by the Governing Board in June. No additional changes are required. The 3.5% increase was included in the MYP (for all groups)

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

N/A

G. Source of Funding for Proposed Agreement

1. Current Year

General Fund Unrestricted and associated Restricted funds where applicable.

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)?

The 3.5% salary increase has been set aside and included in the current year budget. In addition, the 3.5% salary increase is reflected in the projected base salary identified in the subsequent years budgets and covered by on going revenues sources.

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.)

N/A

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

	Column 1 Latest Board-Approved Budget Before Settlement As of:	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)	$ 85,582,866	$ -	$ -	$ 85,582,866
Remaining Revenues (8100-8799)	$ 19,390,220	$ -	$ -	$ 19,390,220
Total Revenues	**$ 104,973,086**	**$ -**	**$ -**	**$ 104,973,086**
Expenditures				
1000 Certificated Salaries	$ 52,920,174	$ -	$ -	$ 52,920,174
2000 Classified Salaries	$ 12,931,866	$ -	$ -	$ 12,931,866
3000 Employee Benefits	$ 20,508,129	$ -	$ -	$ 20,508,129
4000 Books and Supplies	$ 2,945,321	$ -	$ -	$ 2,945,321
5000 Services and Operating Expenses	$ 13,689,956	$ -	$ -	$ 13,689,956
6000 Capital Outlay	$ 43,269	$ -	$ -	$ 43,269
7000 Other Outgo	$ 862,778	$ -	$ -	$ 862,778
Total Expenditures	**$ 103,901,493**	**$ -**	**$ -**	**$ 103,901,493**
Operating Surplus (Deficit)	$ 1,071,593	$ -	$ -	$ 1,071,593
Other Sources and Transfers In	$ -	$ -	$ -	$ -
Other Uses and Transfers Out	$ (130,000)	$ -	$ -	$ (130,000)
Current Year Increase (Decrease) In Fund Balance	$ 941,593	$ -	$ -	$ 941,593
Beginning Balance	$ 7,380,775			$ 7,380,775
Current Year Ending Balance	$ 8,322,368	$ -	$ -	$ 8,322,368
Components of Ending Balance				
Nonspendable and Restricted 9711-9740	$ 3,987,121	$ -	$ -	$ 3,987,121
Reserved for Economic Uncertainties 9789 **(3%)**	$ 3,120,945	$ -	$ -	$ 3,120,945
Committed and Assigned 9770-9780	$ 40,000	$ -	$ -	$ 40,000
Unassigned/Unappropriated 9790	$ 1,174,302			$ 1,174,302

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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:

The cost of the salary settlement is included and has been set aside in the total projected budget for salaries and benefits. There are no additional costs.

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

The 3.5% salary increase for all groups was included in the 2018-19 adopted budget and MYP.

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I. Impact of Proposed Agreement on Current Year Unrestricted Reserves
No Impact

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)*	$ 104,031,493
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.	$ 3,120,945

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

a.	General Fund Budgeted Unrestricted Reserve for Economic Uncertainties	$ 3,120,945
b.	General Fund Budgeted Unrestricted Unassigned/Unappropriated Amount	$ 1,174,302
c.	Special Reserve Fund 17-Budgeted Reserve for Economic Uncertainties	$ -
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	$ 4,295,246

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
General Fund
Multi-Year Projections
Budget Year: 2018-19

	8,439.05	8,439.05	8,439.05
	COLA: 3.70%	COLA: 2.57%	COLA: 2.67%
	Deficit:	Deficit:	Deficit:
Revenues	Year: 2017-18	Year: 2018-19	Year: 2019-20
Revenue Limit Sources	85,582,866	88,150,480	90,491,384
Federal Revenue	4,373,411	4,373,411	4,373,411
Other State Revenue	9,732,899	8,528,846	8,756,566
Local Revenue	5,283,910	5,004,506	5,138,127
Total Revenue	**104,973,086**	**106,057,243**	**108,759,488**
Expenditures			
Certificated Salaries	52,138,102	52,920,174	53,549,653
Step & Column Adjustment	782,072	629,479	803,245
Cost-of-Living Adjustment			
Other Adjustments			
Classified Salaries	12,740,755	12,931,866	13,045,498
Step & Column Adjustment	191,111	113,632	195,682
Cost-of-Living Adjustment			
Other Adjustments			
Employee Benefits	20,508,129	21,882,507	22,884,935
Books & Supplies	2,945,321	2,999,008	3,095,876
Services, Other Operating Exp	13,689,956	13,832,520	14,279,310
Capital Outlay	43,269	44,723	46,167
Other Outgo	1,204,913	1,388,403	1,421,401
Direct Support/Indirect Costs	(342,135)	(507,372)	(520,919)
Other Adjustments			(600,000)
Total Expenditures	**103,901,493**	**106,234,940**	**108,200,848**
Operating Surplus (Deficit)	**1,071,593**	**(177,697)**	**558,640**
Other Financing Sources & Transfers In(Positive figure)			
Other Financing Uses & Transfers Out (Neg Figure)	(130,000)	(140,000)	(150,000)
Current Yr Inc(Dec) in Fund Balance	**941,593**	**(317,697)**	**408,640**
Beginning Fund Balance	**7,380,775**	**8,322,368**	**8,004,671**
Audit Adjustments/Restatements			
Ending Balance	**8,322,368**	**8,004,671**	**8,413,311**
Restricted Balance	3,987,121	4,505,850	5,107,536
Required Reserve	3,120,945	3,191,248	3,250,525
Unrestricted Balance (Incl Revolving)	1,214,302	307,573	55,250

Comments (Major changes):

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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 2018-19 LCFF Calculator County Office-provided Revenue Limit or+B263 Form RL, Line 3	$ 8,266.70	(Estimated)
(b)	Prior Year Base Revenue Limit per ADA: (Form RL, Line 1)	$ 7,991.85	(Actual)
(c)	Amount of Current Year Increase: (a) minus (b)	$ 274.85	
(d)	Percentage Increase in BRL per ADA: (c) divided by (b)	3.44%	
(e)	Indicate Total Settlement Percentage Increase from Section A, line 5, Page 1 for current year	4.15%	

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** 7/10/18

After public disclosure of the major provisions contained in this summary, the Governing Board, at its meeting on **July 31, 2018** took action to approve the proposed Agreement with the __SLTA/CSEA/SLMA and Unrepresented_____ 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.