

UBA

# Board Item

# County Documentation

## 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 Berkeley Unified District, hereby certify that the District can meet the costs incurred under the Collective Bargaining Agreement between the District and the Union of Berkeley Administrators during the term of the agreement from July 1, 2015 to June 30, 2016.

*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	Increase(Decrease) Year 2	Increase(Decrease) Year 3
Revenues/Other Financing Sources			
Adult Education Revenue not transf'd	2,723,819		
Additional LCFF funding	2,700,499		
Expenditures/Other Financing Uses			
General Fund	219,738		
Ending Balance Increase (Decrease)	5,204,580		

N/A \_\_\_\_\_ (No budget revisions necessary)

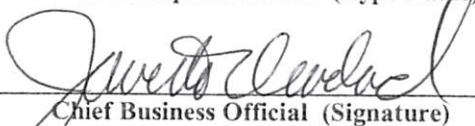
\_\_\_\_\_ These projections are based on the attached assumptions, which become an integral part of this document.



\_\_\_\_\_  
District Superintendent (Signature)

Donald Evans

\_\_\_\_\_  
District Superintendent (Type Name)



\_\_\_\_\_  
Chief Business Official (Signature)

Javetta Cleveland

\_\_\_\_\_  
Chief Business Official (Type Name)

\_\_\_\_\_  
Date

9/1/15  
\_\_\_\_\_  
Date

**In Accordance with AB 1200 (Chapter 1213/1991), GC 3547.5**

Name of Bargaining Unit: The Union of Berkeley Administrators Certificated     X     Classified                     

The proposed agreement covers a 4% salary increase effective July 1, 2015, and effective January 1, 2016, the District will increase its contribution to health benefits by the equivalent of 1%, which the parties agree equates to \$112/month increase (\$1,344 annual) to the District's contribution for Employee only, Employee plus One and Employee plus Two or More.

**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 2014-15	Fiscal Impact of Proposed Agreement		
			Year 1	Year 2	Year 3
			Increase/(Decrease) FY 2015-16	Increase/(Decrease) FY 2016-17	Increase/(Decrease) FY 2017-18
1.	<b>Salary Schedule</b> (This is to include Step & Column, which is also reported separately in item 6)	\$ 61,576,660	\$ 163,740	\$ -	
			0.27%	0.00%	0.00%
2.	<b>Other Compensation</b> Stipends, Bonuses, Longevity, Overtime Differential, Callback or Standby Pay, etc.				\$ -
			0.00%	0.00%	0.00%
2a.	<b>Description of Other Compensation</b> One-time bonus		\$ -		\$ -
3.	<b>Statutory Benefits - STRS, PERS, FICA, WC, UI, Medicare, etc. include increase in strs</b>	\$ 10,500,180	\$ 25,278		
			0.24%	0.00%	0.00%
4.	<b>Health/Welfare Plans</b>	\$ 6,489,530	\$ 30,720		
			0.47%	0.00%	0.00%
5.	<b>Total Compensation - Add Items 1 through 4 to equal 5</b>	\$ 78,566,370	\$ 219,738	\$ -	\$ -
			0.28%	0.00%	0.00%
6.	<b>Step &amp; Column - Due to movement plus any changes due to settlement. This is a subset of item No. 1.</b>	\$ -	\$ 1,621	\$ -	\$ -
7.	<b>Total number of represented Employees</b> (Use FTEs including hourly)	1179.08	39.5		
8.	<b>Total Compensation Average Cost per Employee</b>	\$ 66,634	\$ 5,563	\$ -	\$ -
			8.35%	0.00%	0.00%

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**In Accordance with AB 1200 (Chapter 1213/1991), GC 3547.5**

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"?

100%

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10. Were any additional steps, columns or ranges added to the schedules? (If yes, please explain.)  
No

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

The proposed agreement covers a 4% salary increase effective July 1, 2015, and effective January 1, 2016, the District will increase its contribution to health benefits by the equivalent of 1%, which the parties agree equates to \$112/month increase (\$1,344 annual) to the District's contribution for Employee only, Employee plus One and Employee plus Two or More.

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

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- 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.).  
Increase to provide salary increases, and no impact on staff or programs

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

Contract effective through June 30, 2106

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- 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 will increase deficit spending in the general fund, but there is sufficient fund balance to absorb the increase.**

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***In Accordance with AB 1200 (Chapter 1213/1991), GC 3547.5***

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

Changes to the evaluation procedure including clarification regarding evaluation references, and tools for evaluation.

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**G. Source of Funding for Proposed Agreement**

**1. Current Year**

For FY 2015-16 the district will be using the increase in gap funding

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**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)?**

Multi-year projections show that fund balances and current year revenues will offset the ongoing increase on the salary schedule

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**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.)**

see above

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*In Accordance with AB 1200 (Chapter 1213/1991), GC 3547.5*

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

	Column 1 Latest Board- Approved Budget Before Settlement As of: 01-31-2015	Column 2 Cost of Adjustments as a Result of Settlement	Column 3 Other Revisions Costs Increases (Decreases) lcff gap and onetime	Column 4 Total New Budget (Col 1+2+3)
<b>Revenues</b>				
LCFF/Revenue Limit Sources (8010-8099)	\$ 74,563,412	\$ -	\$ 6,541,087	\$ 81,104,499
Remaining Revenues (8100-8799)	\$ 35,594,118	\$ -	\$ 4,970,817	\$ 40,564,935
<b>Total Revenues</b>	<b>\$ 110,157,530</b>	<b>\$ -</b>	<b>\$ 11,511,904</b>	<b>\$ 121,669,434</b>
<b>Expenditures</b>				
1000 Certificated Salaries	\$ 46,954,924	\$ 145,072		\$ 47,099,996
2000 Classified Salaries	\$ 14,621,733		\$ -	\$ 14,621,733
3000 Employee Benefits	\$ 16,989,710	\$ 53,116	\$ -	\$ 17,042,826
4000 Books and Supplies	\$ 3,356,020	\$ -	\$ -	\$ 3,356,020
5000 Services and Operating Expenses	\$ 10,506,949	\$ -	\$ -	\$ 10,506,949
6000 Capital Outlay	\$ 78,719		\$ -	\$ 78,719
7000 Other Outgo	\$ (1,270,061)	\$ 21,550	\$ -	\$ (1,248,511)
<b>Total Expenditures</b>	<b>\$ 91,237,994</b>	<b>\$ 219,738</b>	<b>\$ -</b>	<b>\$ 91,457,732</b>
Operating Surplus (Deficit)	\$ 18,919,536	\$ (219,738)	\$ 11,511,904	\$ 30,211,702
Other Sources and Transfers In		\$ -	\$ -	\$ -
Other Uses and Transfers Out	\$ (21,281,029)		\$ -	\$ (21,281,029)
Current Year Increase (Decrease) In Fund Balance	\$ (2,361,493)	\$ (219,738)	\$ 11,511,904	\$ 8,930,673
Beginning Balance	\$ 10,377,149			\$ 8,593,066
Current Year Ending Balance	\$ 8,015,656	\$ (219,738)	\$ 11,511,904	\$ 17,523,739
<b>Components of Ending Balance</b>				
Nonspendable and Restricted 9711-9740	\$ -	\$ -	\$ -	\$ -
Reserved for Economic Uncertainties 9789 (3%)	\$ 2,552,428	\$ 6,592	\$ -	\$ 12,929,657
Committed and Assigned 9770-9780	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated 9790	\$ 5,463,228			\$ 4,594,082

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***In Accordance with AB 1200 (Chapter 1213/1991), GC 3547.5***

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:

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

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**TABLE 1**

**Table 1**

### **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 <i>(Must include restricted and unrestricted expenditures)</i>	\$ 112,738,761
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.	\$ 3,382,163

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

a. General Fund Budgeted Unrestricted Reserve for Economic Uncertainties	\$ 3,382,163
b. General Fund Budgeted Unrestricted Unassigned/Unappropriated Amount	\$ 4,594,082
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	\$ 7,976,245

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

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

[illegible]

**In Accordance with AB 1200 (Chapter 1213/1991), GC 3547.5**

**Revised MYP Including the Effects of Collective Bargaining**

District Name: Berkeley Unified School District			
Unrestricted General Funds 01-08			
Multi-Year Projections			
Budget Year: 2015-16 - raises included for all Unions			
	ADA: 9839	ADA: 9883	ADA: 9883
	COLA:	COLA:	COLA:
	Deficit:	Deficit:	Deficit:
	Year: 2015-16	Year: 2016-17	Year: 2017-18
<b>Revenues</b>			
LCFF/ Revenue Limit Sources	81,104,499	83,632,842	85,982,426
Other State Revenue	7,210,532	1,249,984	1,249,984
Local Revenue	33,354,403	33,814,510	34,701,871
<b>Total Revenue</b>	<b>121,669,434</b>	<b>118,697,336</b>	<b>121,934,281</b>
<b>Expenditures</b>			
Certificated Salaries	50,019,503	50,019,503	52,082,057
Step & Column Adjustment		500,195	525,649
Cost-of-Living Adjustment			
Other Adjustments		1,562,359	
TA impact included 2% not in mypp		0	
Classified Salaries	15,611,025	15,611,025	16,101,332
Step & Column Adjustment		234,165	241,520
Cost-of-Living Adjustment			
Other Adjustments		256,141	(122,868)
TA impact Included	0	0	0
Employee Benefits	19,279,408	21,462,466	22,023,367
TA Benefits included		0	0
Books & Supplies	3,209,483	3,163,741	2,403,741
Services, Other Operating Exp	10,488,816	10,064,001	8,312,419
Capital Outlay	64,450	31,125	31,125
Other Outgo		0	
TA contribution included		0	0
Direct Support/Indirect Costs	(1,106,625)	(1,172,959)	(1,072,290)
<b>Total Expenditures</b>	<b>97,566,060</b>	<b>101,731,762</b>	<b>100,526,052</b>
<b>Operating Surplus (Deficit)</b>	<b>24,103,374</b>	<b>16,965,574</b>	<b>21,408,229</b>
Other Financing Sources & Transfers In(Positive figure)			
Other Financing Uses & Transfers Out (Neg Figure)	(21,978,255)	(19,180,439)	(19,200,439)
<b>Current Yr Inc(Dec) in Fund Balance</b>	<b>2,125,119</b>	<b>(2,214,865)</b>	<b>2,207,790</b>
<b>Beginning Fund Balance</b>	<b>8,593,066</b>	<b>10,718,185</b>	<b>8,503,320</b>
Audit Adjustments/Restatements			
<b>Ending Balance</b>	<b>10,718,185</b>	<b>8,503,320</b>	<b>10,711,110</b>
Restricted Balance			
Required Reserve			
Unrestricted Balance (Incl Revolving)			
Comments (Major changes):			

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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 County Office-provided Revenue Limit or +B263 Form RL, Line 3	<u>\$ 6,907.83</u> (Estimated)
(b) Prior Year Base Revenue Limit per ADA: (Form RL, Line 1)	<u>\$ 6,695.83</u> (Actual)
(c) Amount of Current Year Increase: (a) minus (b)	<u>\$ 212.00</u>
(d) Percentage Increase in BRL per ADA: (c) divided by (b)	<u>3.17%</u>
(e) Indicate Total Settlement Percentage Increase from Section A, line 5, Page 1 for current year	<u>0.28%</u>

**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 September 9, 2015 took action to approve the proposed Agreement with the Union of Berkeley Administrators (UBA) 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.