



Santa Clara County Office of Education

Mary Ann Dewan, Ph.D.  
County Superintendent of Schools

March 23, 2021

Mark W. Good, Board President  
Gilroy Unified School District  
7810 Arroyo Circle  
Gilroy, CA 95020

Subject: Public Disclosure of the Collective Bargaining between the Gilroy Unified School District and the Gilroy Unified School District Management and Confidential Employees

Dear Board President Mark Good,

We have reviewed the public disclosure of the collective bargaining agreement between the Gilroy Unified School District and the Gilroy Unified School District management and confidential employees. We appreciate the district submitting the disclosure to our office for review prior to the board meeting scheduled on April 1, 2021. The purpose of our review is to determine whether this agreement will materially impact the financial condition of the district in the current and two subsequent fiscal years.

The agreement represents an on-going increase of 4.25% to the management and confidential employees' salary schedules, effective July 1, 2020. It also represents an increase to the health benefit cap effective January 1, 2021. The estimated total cost of the benefit cap increase is \$30,969 in fiscal year 2020-21, with future years increasing \$61,937 per year over the total cost of the current cap.

Based on the multiyear projection submitted with the 2020-21 second interim report and adjusted for the expenditures outlined in this agreement, it appears the district will be able to maintain its state-required minimum reserves of 3% for the current and two subsequent fiscal years.

We appreciate and recognize the diligent work of the district staff during our review of the public disclosure. Please submit a copy of the certified final disclosure, complete with the board president's signature. If I can be of further assistance, please call me at (408) 453-6957.

Sincerely,

Susan Ady, Advisor  
District Business and Advisory Services

cc: Deborah A. Flores, Ph.D., Superintendent, Gilroy Unified School District  
Alvaro Meza, Assistant Superintendent/CBO, Gilroy Unified School District  
Kimberly Smith, Director of Fiscal Services, Gilroy Unified School District  
David Wu, Interim Chief Business Officer, Santa Clara County Office of Education  
Shanny Yam, Director – District Business Services, Santa Clara County Office of Education