

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 **Berkeley Federation of Teachers** during the term of the agreement from July 1, 2017 to June 30, 2019.

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			
Additional contribution BSEP CSR	\$135,900	\$135,900	\$137,259
Additional LCFF funding			
Expenditures/Other Financing Uses			
General Funds 01-08	\$(671,143)	\$(1,238,596)	\$(1,290,252)
Ending Balance Increase (Decrease)	\$(535,243)	\$1,102,696	\$1,152,993


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



Date

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

Name of Bargaining Unit: **The Berkeley Federation of Teachers, AFT Local 1078 AFL-CIO** Certificated X Classified

The proposed agreement is effective July 1, 2017 through June 30, 2019, and covers a one-time lump sum bonus equal to one percent 1% of unit members salary for FY 2017-18.

Unit members employed for the 2018-19 school year shall receive an on schedule increase to all rates and schedules of one percent (1%) effective July 1, 2018. The agreement also contains raises which are in the event the District receives State one-time discretionary funds in 2017-18 or 2018-19, which are not included in these calculations.

Effective July 1, 2018, classroom teachers in grades 1-5 shall be provided the equivalent of four (4) periods of preparation time per week during the student day. It will cost the District \$618,157, which is reflected in the Multi-Year projections below.

In addition, class sizes are increasing in accordance with the new BSEP Measure E1. It is expected that the savings from increases in class size will be offset by reduced contribution from BSEP in the out years, and are not included in these calculations.

The tentative agreement (TA) also includes an increase in compensation for Speech Language Pathologists. It is expected that this increase will be offset by the required increased caseload, and are not included in these calculations.

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 2017-18 (P)	Fiscal Impact of Proposed Agreement on General Funds 01 -08		
			Year 1 Increase/(Decrease) FY 2017-18	Year 2 Increase/(Decrease) FY 2018-19	Year 3 Increase/(Decrease) FY 2019-20
1.	Salary Schedule (This is to include Step & Column, which is also reported separately in item 6)	\$ 87,054,923		\$ 458,737	\$ 457,617
			0.00%	0.53%	0.53%
2.	Other Compensation Stipends, Bonuses, Longevity, Overtime Differential, Callback or Standby Pay, etc.		\$ 514,107		\$ -
			0.59%	0.00%	0.00%
2a.	Description of Other Compensation One-time bonus		\$ -		\$ -
3.	Statutory Benefits - STRS, PERS, FICA, WC, UI, Medicare, etc. include increase in strs	\$ 22,423,307	\$ 104,599	\$ 93,334	\$ 93,037
			0.47%	0.42%	0.41%
4.	Health/Welfare Plans	\$ 9,068,299			
			0.00%	0.00%	0.00%
5.	Total Compensation - Add Items 1 through 4 to equal 5	\$ 118,546,529	\$ 618,706	\$ 552,071	\$ 550,654
			0.52%	0.47%	0.46%
6.	Step & Column - Due to movement plus any changes due to settlement. This is a subset of item No. 1.	\$ -	\$ 5,090	\$ 4,542	\$ 4,531
7.	Total number of represented Employees (Use FTEs including hourly)	675.7	675.7	676.7	675.5
8.	Total Compensation <u>Average Cost</u> per Employee	\$ 175,443	\$ 916	\$ 816	\$ 815
			0.52%	0.47%	0.46%

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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"?

100%

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

Yes - for Speech Language Pathologists (SLP). As indicated earlier, the increase for SLP is offset by the required increased workload, which reduces the increase for SLP.

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

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In addition, class sizes are increasing in accordance with the new BSEP Measure E1. It is expected that the savings from increases in class size will be offset by reduced contribution from BSEP in the out years, and are not included in these calculations.

The tentative agreement (TA) also includes an increase in compensation for Speech Language Pathologists. It is expected that this increase will be offset by the required increased caseload, and are not included in these calculations.

- 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 not increase or decrease in staff or programs

Additional contribution of \$135,900 from BSEP for teacher transfer as a result of increase in teacher salaries

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

Conditional increases depending on the level of one-time State funding the District receives

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

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- G. Source of Funding for Proposed Agreement**
1. Current Year

For FY 2017-18 and 2018-19 the district will be using the increase in gap funding and fund balance

- 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

This is a multi-year agreement

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

	Column 1 Latest Board- Approved Budget Before Settlement As of: 06-14-2017	Column 2 Cost of Adjustments as a Result of Settlement Salary	Column 3 Other Revisions Costs Increases (Decreases)	Column 4 Total New Budget (Col 1+2+3)
Revenues				
LCFF/Revenue Limit Sources (8010-8099)	\$ 84,884,072	\$ -		\$ 84,884,072
Remaining Revenues (8100-8799)	\$ 61,306,308	\$ -		\$ 61,306,308
Total Revenues	\$ 146,190,380	\$ -	\$ -	\$ 146,190,380
Expenditures			-1	
1000 Certificated Salaries	\$ 60,862,906	\$ 445,393		\$ 61,308,299
2000 Classified Salaries	\$ 26,192,019	\$ -	\$ -	\$ 26,192,019
3000 Employee Benefits	\$ 31,491,606	\$ 90,653	\$ -	\$ 31,582,259
4000 Books and Supplies	\$ 5,179,847	\$ -	\$ -	\$ 5,179,847
5000 Services and Operating Expenses	\$ 19,471,024	\$ -	\$ -	\$ 19,471,024
6000 Capital Outlay	\$ 2,403,158	\$ -	\$ -	\$ 2,403,158
7000 Other Outgo	\$ (716,185)	\$ 82,660	\$ -	\$ (633,525)
Total Expenditures	\$ 144,884,375	\$ 618,706	\$ -	\$ 145,503,081
Operating Surplus (Deficit)	\$ 1,306,005	\$ (618,706)	\$ -	\$ 687,299
Other Sources and Transfers In		\$ -	\$ -	\$ -
Other Uses and Transfers Out	\$ (1,358,442)		\$ -	\$ (1,358,442)
Current Year Increase (Decrease) In Fund Balance	\$ (52,437)	\$ (618,706)	\$ -	\$ (671,143)
Beginning Balance	\$ 9,708,185			\$ 9,708,185
Current Year Ending Balance	\$ 9,655,748	\$ (618,706)	\$ -	\$ 9,037,042
Components of Ending Balance				
Nonspendable and Restricted 9711-9740	\$ -	\$ -	\$ -	\$ -
Reserved for Economic Uncertainties 9789 (3%)	\$ 4,387,285	\$ 18,561	\$ -	\$ 4,405,846
Committed and Assigned 9770-9780	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated 9790	\$ 5,268,463			\$ 4,631,196

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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:

Berkeley Unified School District
Public Disclosure of Collective Bargaining Agreement
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Revised MYP Including the Effects of Collective Bargaining

District Name: Berkeley Unified School District			
General Funds 01-08			
Multi-Year Projections			
Budget Year: 2017-18			
	ADA: 9259	ADA: 9259	ADA: 9259
	COLA: 1.56%	COLA: 2.15%	COLA: 2.35%
	Gap: 43.97%	Gap: 71.53%	Gap: 73.51%
Revenues	Year: 2017-18	Year: 2018-19	Year: 2019-20
LCFF	84,884,072	87,371,319	89,597,952
Federal	3,846,202	3,846,202	3,846,202
Other State Revenue	11,111,891	9,080,519	9,080,519
Local Revenue	46,348,215	45,950,933	47,568,120
Total Revenue	146,190,380	146,248,973	150,092,793
Expenditures			
Certificated Salaries	60,862,908	60,862,908	63,748,722
Step & Column Adjustment		608,629	615,894
TA impact		0	9,593
Other Changes/ Adjustment MYPP		1,317,903	(142,281)
TA impact prep time and 1% on sal sched 2018-19		445,393	
TA impact prep time		513,889	
TA impact - one time	\$ 445,393		
Classified Salaries	26,192,017	26,192,017	26,888,725
Step & Column Adjustment		696,708	715,240
Cost-of-Living Adjustment			
Other Adjustments			
TA impact	0	0	0
Employee Benefits	31,491,606	34,267,637	36,459,294
TA Benefits	90,653	195,828	203,661
Books & Supplies	5,179,847	6,132,134	5,536,830
Services, Other Operating Exp	19,471,024	18,691,822	17,700,353
Capital Outlay	2,403,158	159,416	146,871
Other Outgo		0	
TA contribution one time 17-18 , ongoing 18-19	82,660	83,487	117,716
Direct Support/Indirect Costs	(716,185)	(727,867)	(727,867)
Total Expenditures	145,503,081	149,439,903	151,272,751
Operating Surplus (Deficit)	687,299	(3,190,930)	(1,179,958)
Other Financing Sources & Transfers In(Positive figure)	135,900	135,900	137,259
Other Financing Uses & Transfers Out (Neg Figure)	(1,358,442)	(1,198,442)	(1,138,442)
Current Yr Inc(Dec) in Fund Balance	(535,243)	(4,253,472)	(2,181,141)
Beginning Fund Balance	9,708,185	9,172,942	4,919,470
Audit Adjustments/Restatements			
Ending Balance	9,172,942	4,919,470	2,738,329
Restricted Balance			
Required Reserve			
Unrestricted Balance (Incl Revolving)		1,238,596	1,290,252
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 LCFF per ADA: (obtain from the FY 2013 County Office-provided Revenue Limit or+B263 Form RL, Line 3	\$ <u>9,167.74</u> (Estimated)
(b) Prior Year Base LCFF per ADA: (Form RL, Line 1)	\$ <u>9,107.73</u> (Actual)
(c) Amount of Current Year Increase: (a) minus (b)	\$ <u>60.00</u>
(d) Percentage Increase in BRL per ADA: (c) divided by (b)	<u>0.66%</u>
(e) Indicate Total Settlement Percentage Increase from Section A, line 5, Page 1 for current year	<u>0.52%</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 **June 28, 2017** took action to approve the proposed Agreement with the **Berkeley Federation of Teachers, AFT Local 1078 AFL-CIO** 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.