Kathy Northington
County Superintendent of Schools

185 South Main Street
P.O. Box 760
Angels Camp, CA 95221
209.736.4662
Fax 209.736.2138
ccoe@ccoe.k12.ca.us

Calaveras County Office of Education

April 30, 2013

Mark Campbell, Superintendent
Calaveras Unified School District
PO Box 788
San Andreas, CA 95249

Dear Mark:

In accordance with Government Code 3540.2 (a), Calaveras Unified School District has provided our office with the opportunity to review and comment on the financial impact of the proposed agreement between the Calaveras Unified Educators Association and the District to take effect July 1, 2013. The focus of our review is the on-going impact of the agreement relative to sustained fiscal health of the District.

Our last review of the financial health of the District was based on the information provided at your 2nd Interim report. In that report, the District projected spending down over $3.2 million in available reserves by June 30, 2015 and ending that year with a reserve balance of 3.45% of total expenditures. The projections provided at that time included the fiscal impact of this agreement with the exception of approximately $60,000 in health and welfare benefit costs. With that additional amount included, it would appear that the district will be able to sustain the proposed increases for the fiscal years 2013/14 and 2014/15 given current projections which include reductions in expenditures of over $2.4 million. However, this agreement will require ***additional expenditure reductions*** beyond those already planned of approximately $548,000 in 2014/15 in order for the District to be able to maintain its required reserve in 2015/16. In spite of these significant expenditure reductions, the District's projections continue to reflect deficit spending of more than $1 million dollars annually.

While the District has identified the reductions it will implement, it is evident that many of those reductions will be difficult to achieve both politically and programmatically. Our office believes that this agreement exacerbates what is already a financially tenuous situation for the District, and strongly recommends that the District does not make any further increases to on-going costs until some of the proposed reductions can be realized. Additionally, the District must prepare for additional reductions in order to eliminate the on-going operational deficit it currently faces.

We anticipate that your 2013/14 budget preparation will include detailed plans for addressing these issues in each of the three years of the projection period. Our office will work directly with your Director of Fiscal Services as to the format and level of information we will need to assist in our review of the budget, and will provide any assistance needed in its preparation.

Respectfully,

Claudia C. Davis
Associate Superintendent/Business Services

cc: Kathy Northington, Calaveras County Superintendent of Schools
Titia Ashby, CUSD Director of Fiscal Services
Julia Brunson, CCOE Director of Fiscal Services (AB1200 file)

Summary of Proposed Collective Bargaining/Salary Agreement
Between

Section 1:

Calaveras Unified School District
and
Name of Bargaining/Represented Unit: Calaveras Unified Educators Association

The proposed agreement covers the period beginning: 7/1/2013 and ending: 6/30/2014 and

will be acted upon by the Governing Board at its meeting on: May 14, 2013

TO THE GOVERNING BOARD AND THE COUNTY SUPERINTENDENT OF SCHOOLS: In compliance with the Public Disclosure requirements of AB-1200 (Statutes 1991, Chapter 1213), GC 3547.5 (Statutes of 2004, Chapter 25) as well as the Salary Settlement Notification requirements of SB-1677 when Teachers Salary/Benefit Negotiations are finalized after the final budget is adopted.

PUBLIC DISCLOSURE

The agreement was publicly disclosed on: May 14, 2013 Date: 5/8/2013

The agreement was [posted at / advertised in]: District Web Site, School Sites, District Office, faxed to local paper
Location / Newspaper: Calaveras Enterprise

GENERAL

Section 2: STATUS OF BARGAINING UNIT AGREEMENTS

If this Public Disclosure is not applicable to all of the District's bargaining units, indicate the current status.

		Circle One	# of Employees Represented
Certificated	X	~~Settled~~ / Pending Settlement	142
Classified		Settled / Pending Settlement	

Section 3: Proposed Change in Compensation

	Compensation	Costs prior to Proposed Agreement	Fiscal Impact of Proposed Agreement: Year 1 Increase/Decrease 2013-2014	Year 2 Increase/Decrease N/A	Year 3 Increase/Decrease N/A
1	**Salary Schedule** (This is to include Step and Column, which is also reported separately in Item 6)	$ 8,919,219.88	$151,626.74	$0.00	$0.00
			0.00%	0.00%	0.00%
2	**Other Compensation** Stipends, Bonuses, Longevity Overtime, Differential, etc.	$0.00	$0.00	$0.00	$0.00
	Description of other compensation				
3	**Statutory Benefits** STRS, PERS, FICA,WC,UI, Medicare	$1,557,264.67	$26,019.15	$0.00	$0.00
4	**Health/Welfare Plans**	$906,145.20	$170,400.00	$0.00	$0.00
5	**Total Compensation,** Add Items 1 thru 4 to equal 5	$ 11,382,629.75	$348,045.89	$0.00	$0.00
6	**Step and Column** Due to movement plus any changes due to settlement. This is a subset of Item No. 1	$ 91,062.68			
7	**Total Number of Represented Employees** (Use FTEs if appropriate)		142	0	0
8	**Total Compensation Cost for Average Employee**		$2,451.03	#DIV/0!	#DIV/0!

Section 4: Questions Regarding Proposal

1. **What was the negotiated percentage increase approved?** For example, if the increase in "Year 1" was for less than a full year, what was the percentage increase given, what is the effective date of the increase, and what is the annualized percentage increase for "Year 1"?
   Year 1: 1.7% on salary schedule
   Year 2: 0
   Year 3: 0

2. **Were any additional steps, columns, or ranges added to the schedules? (If yes, explain)**
   Year 1: No additional Steps, Columns or Ranges
   Year 2: No additional Steps, Columns or Ranges
   Year 3: No additional Steps, Columns or Ranges

3. **Proposed Negotiated Changes in Non-Compensation Items** (class size adjustments, staff development days, teacher prep time)
   Adjunct Duties and Elementary Prep time, Calendar Core Day, Evaluations, Waiver Language and Units for Advancement (Time of Year -STRS)
   No other negotiated changes in Year 2
   No other negotiated changes in Year 3

4. **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
   Year 1: One less student contact day, one more District Directed collaboration day to prepare for Common Core Standards
   Year 2: None
   Year 3: None

5. **What contingency language is included in the proposed agreement?**
   Year 1: None
   Year 2: None
   Year 3: None

6. **Identify other major provisions that do not directly affect the district's costs such as binding arbitration, grievance procedures, etc.**
   None

Section 5: Source of Funding

1. **Current Year**
   Year 1: Projected 2013/14 COLA of 1.65% and use of Tier III Flexibility $
   Year 2: Projected 2014/15 COLA of 2.0% and use of Tier III Flexibility $ plus reduction of $548,000 in expenses
   Year 3: Projected 2015/16 COLA of 2.4%

2. **Is this a single year agreement, how will the ongoing cost of the proposed agreement be funded in future years**
   (What will allow the district to afford this contract?)
   Single Year Agreement - Additional reductions to expenses will be obtained through consolidation of upcountry schools with reductions of both certificated and classified staff and the reduction of two vice principals.

3. **If multi-year agreement, what is the source of funding, including assumptions used, to fund these obligations in future years?**
   Year 1: None
   Year 2: None
   Tear 3: None

IMPACT OF THE PROPOSED AGREEMENT ON CURRENT YEAR

SECTION 6:

General Fund	Latest Brd Apprvd Budget	Agreement Adjustments	Other Budget Adjustments		New Revised Budget
OPERATING REVENUES					
Revenue Limit Sources (8010-8099)	16,515,999	0	0		16,515,999
Remaining Revenues	6,967,919	0	0		6,967,919
TOTAL	23,483,918	0	0		23,483,918
OPERATING EXPENDITURES					
1000 CERTIFICATED SALARY	11,132,037	151,627	0		11,283,664
2000 CLASSIFIED SALARY	4,523,243	0	0		4,523,243
3000 BENEFITS	6,133,045	196,419	0		6,329,464
4000 INSTRUCTIONAL SUPPLIES	1,179,424	0	0		1,179,424
5000 CONTRACTED SERVICES	2,182,561	0	0		2,182,561
6000 CAPITAL OUTLAY	0	0	0		0
7000 OTHER	519,671	0	0		519,671
TOTAL	25,669,982	348,046	0		26,018,028
OPERATING SURPLUS (DEFICIT)	(2,186,064)	0	0		(2,534,110)
OTHER SOURCES AND TRANSFERS IN	0	0	0		0
OTHER USES AND TRANSFERS OUT	0	0	0		0
CURRENT YEAR INCREASE (DECREASE) TO FUND BALANCE	(2,186,064)	0	0		(2,534,110)
BEGINNING BALANCE	5,479,375	0	0		5,479,375
ENDING BALANCE	3,293,311	0	0		2,945,265
COMPONENTS OF ENDING BALANCE:					
REVOLVING CASH	20,000	0	0		20,000
RESTRICTED AMOUNTS 9740	885,539	0	0		885,539
COMMITTED AMOUNTS 9750	0	0	0		0
ASSIGNED 9780	0	0	0		0
RESERVED FOR ECONOMIC UNCERTAINTIES 9789	2,447,412	0	0		2,099,367
UNAPPROPRIATED AMOUNTS 9790	(59,640)	0	0		(59,640)

IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR UNRESTRICTED RESERVES

SECTION 7:

1. State Reserve Standard

Total Expenditures, Transfers Out and Uses	$	26,018,028
State Standard Minimum Reserve Percentage For District		3%
State Standard Minimum Reserve Amount	$	780,541

2. Budgeted Unrestricted Reserved

1. General Fund Budgeted Assigned Amount (9780)	$	0
2. General Fund Budgeted Unrestricted Other Designated Amounts (9789)	$	2,099,367
3. General Fund Budgeted Unrestricted Unappropriated Amount (9790)	$	(59,640)
4. Special Reserve Fund (17) Budgeted Designated for Economic Uncertainties	$	0
Total District Budgeted Unrestricted Reserves (sum lines 1 - 6)	$	2,039,727

3. Do unrestricted reserves meet the state standard minimum reserve amount?

Yes [X] No [0]

CERTIFICATION

SECTION 8:

In accordance with the requirements of Government Code Section 3547.5, the Superintendent and Chief Business Officer hereby certify that the District can meet the costs incurred under the Collective Bargaining Agreement .

District Superintendent (Signature) — Date: 5/14/13

District Chief Business Officer (Signature) — Date: 5/15/13

After public disclosure of the major provisions contained in this Summary, the Governing Board, at its meeting on, May 14, 2013 took action to approve the proposed Agreement with the Calaveras Unified Educators Association bargaining Unit and will adopted the new budget figures as calculated per the agreement.

President, Governing Board (Signature) — Date: 5/14/13

Kathy Northington
County Superintendent of Schools

185 South Main Street
P.O. Box 760
Angels Camp, CA 95221
209.736.4662
Fax 209.736.2138
ccoe@ccoe.k12.ca.us

Calaveras County Office of Education

May 10, 2013

Mark Campbell, Superintendent
Calaveras Unified School District
PO Box 788
San Andreas, CA 95249

Dear Mark:

In accordance with Government Code 3540.2 (a), Calaveras Unified School District has provided our office with the opportunity to review and comment on the financial impact of the proposed agreement between the Calaveras Area Substitute Teachers Association and the District to take effect July 1, 2013. The focus of our review is the on-going impact of the agreement relative to sustained fiscal health of the District.

As this agreement comes shortly after the agreement made with the Calaveras Unified Educators Association, our review and analysis continues to be focused on the large expenditure reductions that must occur in order to sustain on-going salary increases. While the financial impact of this agreement is not as great as with your permanent teacher group, any increase exacerbates the deficit spending that must be overcome by the District. We reiterate our strong recommendation that the District not make any further increases to on-going costs until some of the proposed reductions can be realized.

Again, we anticipate that your 2013/14 budget preparation will include detailed plans for addressing these issues in each of the three years of the projection period. Our office will work directly with your Director of Fiscal Services as to the format and level of information we will need to assist in our review of the budget, and will provide any assistance needed in its preparation.

Respectfully,

Claudia C. Davis
Associate Superintendent/Business Services

cc: Kathy Northington, Calaveras County Superintendent of Schools
Titia Ashby, CUSD Director of Fiscal Services
Julia Brunson, CCOE Director of Fiscal Services (AB1200 file)

Summary of Proposed Collective Bargaining/Salary Agreement
Between

Section 1:

Calaveras Unified School District
and
Name of Bargaining/Represented Unit: Calaveras Area Substitute Teachers Association

The proposed agreement covers the period beginning 7/1/2013 and ending 6/30/2014 and

will be acted upon by the Governing Board at its meeting on June 25, 2013

TO THE GOVERNING BOARD AND THE COUNTY SUPERINTENDENT OF SCHOOLS: In compliance with the Public Disclosure requirements of AB-1200 (Statutes 1991, Chapter 1213), GC 3547.5 (Statutes of 2004, Chapter 25) as well as the Salary Settlement Notification requirements of SB-1677 when Teachers Salary/Benefit Negotiations are finalized after the final budget is adopted.

PUBLIC DISCLOSURE

The agreement was publicly disclosed on : June 25, 2013

Date 6/19/2013

The agreement was [posted at / advertised in] : District Web Site, School Sites, District Office, faxed to local paper

Location / Newspaper Calaveras Enterprise

GENERAL

Section 2: STATUS OF BARGAINING UNIT AGREEMENTS

If this Public Disclosure is not applicable to all of the District's bargaining units, indicate the current status.

	Circle One		# of Employees Represented
Certificated	X	~~Settled~~ / Pending Settlement	73
Classified		Settled / Pending Settlement	

Section 3: Proposed Change in Compensation

Compensation	Costs prior to Proposed Agreement	Fiscal Impact of Proposed Agreement: Year 1 Increase/Decrease 2013-2014	Year 2 Increase/Decrease N/A	Year 3 Increase/Decrease N/A
1 **Salary Schedule** (This is to include Step and Column, which is also reported separately in Item 6)	$ 9,070,846.62	$10,382.00	$0.00	$0.00
		0.00%	0.00%	0.00%
2 **Other Compensation** Stipends, Bonuses, Longevity Overtime, Differential, etc.	$0.00	$0.00	$0.00	$0.00
Description of other compensation				
3 **Statutory Benefits** STRS, PERS, FICA,WC,UI, Medicare	$1,583,283.82	$1,069.56	$0.00	$0.00
4 **Health/Welfare Plans**	$1,076,545.20	$0.00	$0.00	$0.00
5 **Total Compensation,** Add Items 1 thru 4 to equal 5	$ 11,730,675.64	$11,451.56	$0.00	$0.00
6 **Step and Column** Due to movement plus any changes due to settlement. This is a subset of Item No. 1	$ 91,062.68			
7 **Total Number of Represented Employees** (Use FTEs if appropriate)		73	0	0
8 **Total Compensation Cost for Average Employee**		$156.87	#DIV/0!	#DIV/0!

Titia Ashby
F:\accounting\AB1200\201314 AB1200 Certification

Section 4: Questions Regarding Proposal

1. **What was the negotiated percentage increase approved?** For example, if the increase in "Year 1" was for less than a full year, what was the percentage increase given, what is the effective date of the increase, and what is the annualized percentage increase for "Year 1"?
   Increase full day rate by $3 for all pay levels, decrease day count from 55 to 50 in order to obtain $15 increase to daily average in subsequent year; increase of $10 per day for CASTA members with more than 22 years of service to the district; increase long term sub rate to $140 per day.

2. **Were any additional steps, columns, or ranges added to the schedules? (If yes, explain)**
   No additional Steps, Columns or Ranges

3. **Proposed Negotiated Changes in Non-Compensation Items** (class size adjustments, staff development days, teacher prep time)
   No other negotiated changes

4. **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
   Quality substitute teachers

5. **What contingency language is included in the proposed agreement?**
   None

6. **Identify other major provisions that do not directly affect the district's costs such as binding arbitration, grievance procedures, etc.**
   None

Section 5: Source of Funding

1. **Current Year**
   Year 1: Projected 2013/14 COLA of 1.65% and use of Tier III Flexibility $
   Year 2: Projected 2014/15 COLA of 2.0% and use of Tier III Flexibility $ plus reduction of $548,000 in expenses
   Year 3: Projected 2015/16 COLA of 2.4%

2. **Is this a single year agreement, how will the ongoing cost of the proposed agreement be funded in future years**
   (What will allow the district to afford this contract?)
   Single Year Agreement - Additional reductions to expenses will be obtained through consolidation of upcountry schools with reductions of both certificated and classified staff and the reduction of two vice principals.

3. **If multi-year agreement, what is the source of funding, including assumptions used, to fund these obligations in future years?**
   None

IMPACT OF THE PROPOSED AGREEMENT ON CURRENT YEAR

SECTION 6:

General Fund	Latest Brd Apprvd Budget	Agreement Adjustments	Other Budget Adjustments		New Revised Budget
OPERATING REVENUES					
Revenue Limit Sources (8010-8099)	16,515,999	0	0		16,515,999
Remaining Revenues	6,967,919	0	0		6,967,919
TOTAL	23,483,918	0	0		23,483,918
OPERATING EXPENDITURES					
1000 CERTIFICATED SALARY	11,283,664	10,382	0		11,294,046
2000 CLASSIFIED SALARY	4,523,243	0	0		4,523,243
3000 BENEFITS	6,329,464	1,070	0		6,330,534
4000 INSTRUCTIONAL SUPPLIES	1,179,424	0	0		1,179,424
5000 CONTRACTED SERVICES	2,182,561	0	0		2,182,561
6000 CAPITAL OUTLAY	0	0	0		0
7000 OTHER	519,671	0	0		519,671
TOTAL	26,018,028	11,452	0		26,029,479
OPERATING SURPLUS (DEFICIT)	(2,534,110)	0	0		(2,545,561)
OTHER SOURCES AND TRANSFERS IN	0	0	0		0
OTHER USES AND TRANSFERS OUT	0	0	0		0
CURRENT YEAR INCREASE (DECREASE) TO FUND BALANCE	(2,534,110)	0	0		(2,545,561)
BEGINNING BALANCE	5,479,375	0	0		5,479,375
ENDING BALANCE	2,945,265	0	0		2,933,814
COMPONENTS OF ENDING BALANCE:					
REVOLVING CASH	20,000	0	0		20,000
RESTRICTED AMOUNTS 9740	885,539	0	0		885,539
COMMITTED AMOUNTS 9750	0	0	0		0
ASSIGNED 9780	0	0	0		0
RESERVED FOR ECONOMIC UNCERTAINTIES 9789	2,447,412	0	0		2,099,367
UNAPPROPRIATED AMOUNTS 9790	(407,686)	0	0		(71,092)

IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR UNRESTRICTED RESERVES

SECTION 7:

1. State Reserve Standard

Total Expenditures, Transfers Out and Uses	$	26,029,479
State Standard Minimum Reserve Percentage For District		3%
State Standard Minimum Reserve Amount	$	780,884

2. Budgeted Unrestricted Reserved

1. General Fund Budgeted Assigned Amount (9780)	$	0
2. General Fund Budgeted Unrestricted Other Designated Amounts (9789)	$	2,099,367
3. General Fund Budgeted Unrestricted Unappropriated Amount (9790)	$	(71,092)
4. Special Reserve Fund (17) Budgeted Designated for Economic Uncertainties	$	0
Total District Budgeted Unrestricted Reserves (sum lines 1 - 6)	$	2,028,275

3. Do unrestricted reserves meet the state standard minimum reserve amount?

Yes [X] No [0]

Tilia Ashby
F:\accounting\AB1200\201314 AB1200 Certification

CERTIFICATION

SECTION 8:

In accordance with the requirements of Government Code Section 3547.5, the Superintendent and Chief Business Officer hereby certify that the District can meet the costs incurred under the Collective Bargaining Agreement.

District Superintendent
(Signature)

Date

District Chief Business Officer
(Signature)

Date

After public disclosure of the major provisions contained in this Summary, the Governing Board, at its meeting on, June 25, 2013 took action to approve the proposed Agreement with the Calaveras Unified Educators Association bargaining Unit and will adopted the new budget figures as calculated per the agreement.

President, Governing Board
(Signature)

Date

Section 9: Optional
MULTI YEAR PROJECTION - GENERAL FUND

A. REVENUES			2013-14 Proposed	2014-15	2015-16	2016-17
1. Revenue Limit Sources		8010-8099	16,515,999	16,585,260	16,817,770	0
2. Federal Revenues		8100-8299	998,540	998,540	998,540	0
3. Other State Revenues		8300-8599	4,218,313	3,628,666	3,628,666	0
4. Other Local Revenues		8600-8799	1,751,066	1,751,066	1,751,066	0
5. Other Financing Sources		8900-8999	0	0	0	
6. TOTAL REVENUES			23,483,918	22,963,532	23,196,042	0
B. EXPENDITURES						
1. Certificated Salaries		1000-1999	11,294,046	10,346,209	10,397,888	0
2. Classified Salaries		2000-2999	4,523,243	4,420,085	4,450,085	0
3. Employee Benefits		3000-3999	6,330,534	5,368,877	5,368,878	0
4. Books and Supplies		4000-4999	1,179,424	1,208,910	1,240,342	0
5. Services, Other Operating Expenses		5000-5999	2,182,561	2,184,800	2,241,605	0
6. Capital Outlay		6000-6599	0	0	0	0
7. Other Outgo		7100-7299	594,671	596,752	596,752	0
8. Direct Support/Indirect Costs		7300-7399	(75,000)	(99,631)	(50,000)	0
9. Other Financing Uses		7600-7699	0	0	0	
9. TOTAL EXPENDITURES			26,029,479	24,026,002	24,245,549	0
C. NET INCREASE (DECREASE) IN FUND BALANCE			(2,545,561)	(1,062,470)	(1,049,507)	0
D. FUND BALANCE, RESERVES						
1. Beginning Balances a) As of July 1 - Estimated			5,479,375	2,933,814	1,871,344	0
2. Ending Balance, June 30			2,933,814	1,871,344	821,837	0
Total Expenditures			26,029,479	24,026,002	24,245,549	0
Components of EFB						
Nonspendable		9710-9719	20,000	20,000	20,000	0
Restricted		9740	885,539	585,539	70,000	0
Committed		9750-9760	0	0	0	
Assigned		9780	0	0	0	
Reserve foe Economic Uncertainties		9789	2,039,726	731,111	796,050	
Unassigned/Unappropriated		9790	0	0	0	0
Total Reserves Available			2,028,275	1,266,805	731,837	0
Reserve amount required by State (3%)			780,884	720,780	727,366	0
% of Total Reserves			7.79%	5.27%	3.02%	#DIV/0!
Meets Reserve Requirement?			YES	YES	YES	#DIV/0!

PERSONNEL – CONTINUED

e. Certificated Personnel

1). Proclamation: Day of Teacher

Each year the State Legislature proclaims a day in May to recognize California's teachers. We will honor our staff with Staff Appreciation Night on Wednesday, May 22, at 6:00 p.m. at the District Office.

2) Approve Job Share at Calaveras High School

It is recommended the Board approve a 50/50 job share with Angie Jones at Calaveras High School for the 2013/14 school year. Her job share partner has not yet been determined.

Motion: Garamendi **Second: Reusche** **Vote: 5-0**

3) Tentative Agreement (TA) between the District and the Calaveras Unified Educators' Association

Requested Action: That the Board of Education of the Calaveras Unified School District conducts a public hearing and adopts the tentative agreement and the related public disclosure documents **(AB1200 Fiscal Disclosure).**

Background: On April 10, 2013 the District and CUEA reached a Tentative Agreement for salary and benefits and language changes for the **2013/14 CUEA Successor Agreement.**
On April 24, 2013 CUEA ratified the Tentative Agreement.

PUBLIC HEARING OPENED AT 6:54 P.M.

Any citizen may appear before the Board to provide comment on the ratification of the agreement and/or approval of the AB1200 Fiscal Disclosure.

Questions from Board members were posed about Employee Benefits reduced from $6.3 down to $5.3 in the 15/16 school year. Ms. Ashby said it is based on 13 less staff, and we will end our PARs retirement and our payments for the Golden Handshake. Why are Other State revenues showing a reduction? Ms. Ashby said because we will no longer receive Class Size Reduction revenue. CCOE approved the AB1200 with hesitation, why? Ms. Ashby said that over the past several years we have identified cuts but have not implemented them to eliminate our deficit. During the time the projections are prepared and the actuals are in, things change. Our 12/13 school year all of the cuts identified did not become necessary, and we passed them on to the next year. The concern is we have not made these cuts and CCOE is concerned about whether or not we can maintain these programs. We must pay very close attention to the numbers. Each year we start the process all over again. At the June 25 Board meeting we will look at them again. We have projected a reduction in our reserve account. There was concern that we are giving salaries and benefits, although well-deserved, but may have to end up cutting programs.

CLOSED PUBLIC HEARING AT 6:55 P.M.

Motion to Certify the AB 1200: Reusche
Second: McDaniel
Vote: 5-0

Motion to Ratify the TA between CUSD and CUEA for the 2013/14 Successor Agreement: Garamendi
Second: McDaniel
Vote: 4-1 (Gustafson Nay)

f. **Management/Confidential/Supervisory**

The Board of Trustees welcomes and congratulates:

1) **Approve New Hire Administrators for the 2013/14 School Year**
- Kristie Starkovich, West Point Elementary, Teaching Principal
- Angela Howard, Jenny Lind Elementary, Teaching Vice-Principal

Motion: Reusche **Second: Garamendi** **Vote: 5-0**

Management/Confidential/Supervisory – Continued

The Board recognizes and congratulates:

2) **Administrators Changing Positions**
- Amy Hasselwander, New Principal at Toyon Middle School (from JLE)
- Kathy Griggs, New Vice Principal at Toyon Middle School (from JLE)
- Maria Ortner, New Principal at Jenny Lind Elementary (from SAE)
- Tierra Crothers, New Principal at San Andreas Elementary (from WPE & MHE)
- Michelle Besmer, New Teaching Principal at Mokelumne Hill Elementary (from TMS)
- Lisa McInturf, New Curriculum and Instruction Director (from Principal at TMS)

16. **CURRICULUM AND INSTRUCTION** – No item presented

17. **BUSINESS**

OPENED PUBLIC HEARING AT 7:08 P.M.

2008/09 Through 2013/14 Tier III Flexibility Categorical Programs
It is required the Tier III Flexibility Categorical Programs be open for discussion in a Public Hearing.

Public Hearing Relating to the Use of 2013/14 Tier III State Categorical Funds Education Code §42605 grants districts flexibility in Tier III categorical programs and authorizes districts to use these funds for any educational purpose. The Tier III funds will be used as needed for district operating expenses, employee salaries and benefits, books and supplies. For the 2008-09 fiscal year through the 2013-14 fiscal year, inclusive, local educational agencies that use the flexibility provision of this section shall be deemed to be in compliance with the program and funding

3. **Approval of the Management, Supervisor, and Confidential Salary Schedule**
   Board approval is recommended for the Management, Supervisor and Confidential Salary Schedule effective July 1, 2013. Two updates have been made adding back the Director of Curriculum and Instruction position, Range 2 (a), and the Food Services Supervisor position, Range 22.

   Motion: McDaniel Second: Garamendi Vote: 5-0

4. **Approval, Superintendent's Contract for 2013-2016**
   It is requested the Board approve the Superintendent's Contract for an additional three years effective July 1, 2013 through June 30, 2016.

   Motion: Garamendi Second: McDaniel Vote: 5-0

16. CURRICULUM AND INSTRUCTION

a. **Approval, Single Plan for Student Achievement**
   All schools in conjunction with the School Site Councils, have completed their Single Plan for Student Achievement for the 2013/14 school year. These are revisions only; not new plans.
   (A copy is electronically linked to the agenda at www.calaveras.k12.ca.us.)
   Alt Ed MHE TMS CHS RRF VSE JLE SAE WPE

   Motion: Gustafson Second: Reusche Vote: 5-0

b. **Approval, Spring 2013 Consolidated Application for Funding, Categorical Aid Programs**
   Approval is requested for the Application for Consolidated Funding for Categorical Aid, Spring 2013. *(A copy is electronically linked to the agenda at www.calaveras.k12.ca.us.)*

   Motion: Garamendi Second: Reusche Vote: 5-0

17. BUSINESS

OPEN PUBLIC HEARING AT: 6:40 p.m.

1. **AB1200 for CASTA**
   Any citizen may appear before the Board to provide comment on the approval of the AB1200 Fiscal Disclosure.

   Approve a salary and benefit agreement with the Calaveras Unified School District and the Calaveras Area Substitute Teachers' Association.

2. **2013/2014 Calaveras Unified School District Budget**
   It is required in the budget adoption process that we open the 2012/2013 budget to a public hearing.

Titia Ashby, Director of Fiscal Services, gave a Powerpoint presentation on the 2013/14 budget. We are in declining enrollment and have been for the past 5 years. CUSD is paid by each student who attends, per day, or ADA, average daily attendance. The state is holding a deficit factor back due to the economic conditions which is about 19 cents on the dollar. Our budget is $23,891,605 in revenues. The largest portion of our budget goes to teachers' salaries, then support staff and then employee benefits. Other expenses are books and supplies, services, COP payments. Our Special Education expense has gone up. The pass-through for our SPED funds has been reduced by 54% by the county and has been filled with our general fund. Our Child Development fund ran short. We are losing our federal funding for Preschool and have to work closely to revamp the Preschool program to make sure it is self-funding. Our board has decided to fund Deferred Maintenance, which is flexible. We continue to deficit spend. We are looking at increase class size in 2014/15. The state requires a reserve of 3%. In 2013/14 we will have 6.3% in reserve, and if we make the cuts planned in 2014/15 we estimate a reserve of 6.15% in 2014/15. The Governor will most likely pass a budget in July that will introduce the Local Control Funding Formula (LCFF). This may give us more money but it will take away all categorical funding, so in the end, we made lose funding. The budget is a fluid document and we will have to wait to see what the impact will be once the budget is approved by the Governor. We still continue to maintain a list of reductions that will need to be implemented in future years, including music and sports as well as staff reductions. We hope the economy is improving and families move back to Calaveras County so we can begin experiencing a growth in our enrollment. There are many unknowns, so we must prepare for the worst and hope for the best. The PowerPoint presentation will be posted on our website.

Mr. Campbell said we've done a tremendous job to hang onto our programs. If conditions change for the better, our list of reductions will get smaller. If things do not improve, we must implement reductions. We have to show that we are compliant 3 years out. Of course we are hoping our list of cuts gets significantly shorter.

Mr. Spellman, Supervisor/Calaveras County, said the county passed a reserve of 2.2% by a 4 to 1 vote because they wanted to preserve programs and jobs. He believes that CUSD should reduce our reserve to the state-mandated 3% to preserve programs and jobs.

CLOSE PUBLIC HEARING AT: 7:15 p.m.

a. Certify the AB1200 for the Calaveras Area Substitute Teachers' Assocation

Motion to Certify the AB1200: Reusche
Second: Garamendi
Vote: 5-0

Kathy Northington
County Superintendent of Schools

185 South Main Street
P.O. Box 760
Angels Camp, CA 95221
209.736.4662
Fax 209.736.2138
ccoe@ccoe.k12.ca.us

Calaveras County Office of Education

May 1, 2014

Mark Campbell, Superintendent
Calaveras Unified School District
PO Box 788
San Andreas, CA 95249

Dear Mark:

In accordance with Government Code 3540.2 (a), Calaveras Unified School District has provided our office with the opportunity to review and comment on the financial impact of the proposed agreement between the Calaveras Unified Educators Association and the District to take effect July 1, 2014. The focus of our review is the on-going impact of the agreement relative to sustained fiscal health of the District.

Our last review of the financial health of the District was based on the information provided at your 2nd Interim report. In that report, the District projected spending over $4.6 million in available unrestricted reserves by June 30, 2016 and ending that year with a reserve balance of 2.8% of total expenditures. The projections provided at that time included all but $114,635 of the fiscal impact of this agreement, and included over $190,000 in expenditure reductions as compared to the current year. Based on the information provided, this agreement will require an additional $436,000 in expenditure reductions in order for the District to be able to meet reserve requirements for the three year projection period, and in spite of these significant expenditure reductions, annual deficit spending will continue.

While the District has identified the reductions it will implement, it is evident that many of those reductions will be difficult to achieve both politically and programmatically. Our office believes that this agreement exacerbates what is already a financially tenuous situation for the District, and strongly recommends that the District does not make any further increases to on-going costs until some of the proposed reductions can be realized. Additionally, the District must prepare for additional reductions in order to eliminate the on-going operational deficit it currently faces.

We anticipate that your 2014/15 budget preparation will include detailed plans for addressing these issues in each of the three years of the projection period. Our office will work directly with your Director of Fiscal Services as to the format and level of information we will need to assist in our review of the budget, and will provide any assistance needed in its preparation.

Respectfully,

Claudia C. Davis
Associate Superintendent/Business Services

cc: Kathy Northington, Calaveras County Superintendent of Schools
Titia Ashby, CUSD Director of Fiscal Services
Julia Brunson, CCOE Director of Fiscal Services (AB1200 file)

Summary of Proposed Collective Bargaining/Salary Agreement
Between

Section 1:

Calaveras Unified **School District**
and
Name of Bargaining/Represented Unit Calaveras Unified Educators Association

The proposed agreement covers the period beginning 7/1/2014 and ending 6/30/2015 and

will be acted upon by the Governing Board at its meeting on May 13, 2014

TO THE GOVERNING BOARD AND THE COUNTY SUPERINTENDENT OF SCHOOLS: In compliance with the Public Disclosure requirements of AB-1200 (Statutes 1991, Chapter 1213), GC 3547.5 (Statutes of 2004, Chapter 25) as well as the Salary Settlement Notification requirements of SB-1677 when Teachers Salary/Benefit Negotiations are finalized after the final budget is adopted.

PUBLIC DISCLOSURE

The agreement was publicly disclosed on : May 7, 2013
Date 5/7/2013

The agreement was [posted at / advertised in] : District Web Site, School Sites, District Office, faxed to local paper
Location / Newspaper Calaveras Enterprise

GENERAL

Section 2: STATUS OF BARGAINING UNIT AGREEMENTS

If this Public Disclosure is not applicable to all of the District's bargaining units, indicate the current status.

		Circle One	# of Employees Represented
Certificated	X	Settled / ~~Pending Settlement~~	146
Classified		Settled / Pending Settlement	

Section 3: Proposed Change in Compensation

	Compensation	Costs prior to Proposed Agreement	Fiscal Impact of Proposed Agreement Year 1 Increase/Decrease 2014-15	Year 2 Increase/Decrease 2015-16	Year 3 Increase/Decrease N/A
1	**Salary Schedule** (This is to include Step and Column, which is also reported separately in Item 6)	$ 9,209,049.00	$465,977.88	$0.00	$0.00
			0.00%	0.00%	0.00%
2	**Other Compensation** Stipends, Bonuses, Longevity Overtime, Differential, etc.	$45,317.58	$1,359.53	$0.00	$0.00
	Description of other compensation				
3	**Statutory Benefits** STRS, PERS, FICA,WC,UI, Medicare	$1,598,718.87	$76,783.54	$0.00	$0.00
4	**Health/Welfare Plans**	$1,100,188.80	$175,200.00	$175,200.00	$0.00
5	**Total Compensation,** Add Items 1 thru 4 to equal 5	$ 11,953,274.25	$719,320.94	$175,200.00	$0.00
6	**Step and Column** Due to movement plus any changes due to settlement. This is a subset of Item No. 1	$ 74,764.21			
7	**Total Number of Represented Employees** (Use FTEs if appropriate)		146	146	0
8	**Total Compensation Cost for Average Employee**		$4,926.86	$1,200.00	#DIV/0!

Titia Ashby
\\cusd-fs1\staff$\tashby\My Documents\Book2

Section 4: Questions Regarding Proposal

1 **What was the negotiated percentage increase approved?** For example, if the increase in "Year 1" was for less than a full year, what was the percentage increase given, what is the effective date of the increase, and what is the annualized percentage increase for "Year 1"?

Year 1: 3% on salary schedule; 1 time 2% off schedule payable in November 2014; Step 1 Column 1 increase of 1.7%; effective July 1, 2014

Year 2: 0

Year 3: 0

2 **Were any additional steps, columns, or ranges added to the schedules? (If yes, explain)**

Year 1: No additional Steps, Columns or Ranges

Year 2: No additional Steps, Columns or Ranges

Year 3: No additional Steps, Columns or Ranges

3 **Proposed Negotiated Changes in Non-Compensation Items** (class size adjustments, staff development days, teacher prep time)

Equetable Prep time, Calendar, Additional Core Days, Transfer and Assignmant language

No other negotiated changes in Year 2

No other negotiated changes in Year 3

4 **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

Year 1: Four less student contact days, four more collaboration days to prepare for Common Core Standards

Year 2: None

Year 3: None

5 **What contingency language is included in the proposed agreement?**

Year 1: None

Year 2: None

Year 3: None

6 **Identify other major provisions that do not directly affect the district's costs such as binding arbitration, grievance procedures, etc.**

None

Section 5: Source of Funding

1 **Current Year**

Year 1: Projected 2014/15 LCFF base funding plus reduction of $436,650 in expenses

2 **Is this a single year agreement, how will the ongoing cost of the proposed agreement be funded in future years**

(What will allow the district to afford this contract?)

Single Year Agreement for salary schedule increase and 1 time off schedule payment; two year agreement for Health and Welfare increases; funding will come from increased revenues through LCFF.

3 **If multi-year agreement, what is the source of funding, including assumptions used, to fund these obligations in future years?**

Year 2: Projected 2015/16 LCFF base funding

IMPACT OF THE PROPOSED AGREEMENT ON CURRENT YEAR

SECTION 6:

General Fund	2014-15 Brd Apprvd Projection	Agreement Adjustments	Other Budget Adjustments		New Revised Budget
OPERATING REVENUES					
Revenue Limit Sources (8010-8099)	22,943,847	0	0		22,943,847
Remaining Revenues	3,607,154	0	0		3,607,154
TOTAL	26,551,001	0	0		26,551,001
OPERATING EXPENDITURES					
1000 CERTIFICATED SALARY	12,590,650	94,210	0		12,684,860
2000 CLASSIFIED SALARY	4,536,860	0	0		4,536,860
3000 BENEFITS	5,730,408	20,425	0		5,750,833
4000 INSTRUCTIONAL SUPPLIES	2,033,418	0	0		2,033,418
5000 CONTRACTED SERVICES	2,128,241	0	0		2,128,241
6000 CAPITAL OUTLAY	155,000	0	0		155,000
7000 OTHER	387,815	0	0		387,815
TOTAL	27,562,392	114,635	0		27,677,027
OPERATING SURPLUS (DEFICIT)	(1,011,392)	0	0		(1,126,027)
OTHER SOURCES AND TRANSFERS IN	0	0	0		0
OTHER USES AND TRANSFERS OUT	(245,230)	0	0		(245,230)
CURRENT YEAR INCREASE (DECREASE) TO FUND BALANCE	(1,256,622)	0	0		(1,371,257)
BEGINNING BALANCE	3,154,163	0	0		3,154,163
ENDING BALANCE	1,897,541	0	0		1,782,906
COMPONENTS OF ENDING BALANCE:					
REVOLVING CASH	20,000	0	0		20,000
RESTRICTED AMOUNTS 9740	617,076	0	0		617,076
COMMITTED AMOUNTS 9750	0	0	0		0
ASSIGNED 9780	0	0	0		0
RESERVED FOR ECONOMIC UNCERTAINTIES 9789	842,519	0	0		727,884
UNAPPROPRIATED AMOUNTS 9790	417,946	0	0		417,946

IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR UNRESTRICTED RESERVES

SECTION 7:

1. State Reserve Standard

Total Expenditures, Transfers Out and Uses	$	27,431,797
State Standard Minimum Reserve Percentage For District		3%
State Standard Minimum Reserve Amount	$	822,954

2. Budgeted Unrestricted Reserved

1. General Fund Budgeted Assigned Amount (9780)	$	0
2. General Fund Budgeted Unrestricted Other Designated Amounts (9789)	$	727,884
3. General Fund Budgeted Unrestricted Unappropriated Amount (9790)	$	417,946
4. Special Reserve Fund (17) Budgeted Designated for Economic Uncertainties	$	0
Total District Budgeted Unrestricted Reserves (sum lines 1 - 6)	$	1,145,830

3. Do unrestricted reserves meet the state standard minimum reserve amount?

Yes [X] No [0]

CERTIFICATION

SECTION 8:

In accordance with the requirements of Government Code Section 3547.5, the Superintendent and Chief Business Officer hereby certify that the District can meet the costs incurred under the Collective Bargaining Agreement .

District Superintendent (Signature)	Date
District Chief Business Officer (Signature)	Date

After public disclosure of the major provisions contained in this Summary, the Governing Board, at its meeting on, May 13, 2014 took action to approve the proposed Agreement with the ***Calaveras Unified Educators Association*** *bargaining Unit and will adopted the new budget figures as calculated per the agreement.*

President, Governing Board (Signature)	Date

Section 9: Optional
MULTI YEAR PROJECTION - GENERAL FUND

A. REVENUES			2013-14 Proposed	2014-15	2015-16	2016-17
1. Revenue Limit Sources		8010-8099	20,846,148	22,943,847	24,534,390	0
2. Federal Revenues		8100-8299	1,008,175	944,967	944,967	0
3. Other State Revenues		8300-8599	1,232,328	1,236,586	1,247,172	0
4. Other Local Revenues		8600-8799	1,425,601	1,425,601	741,938	0
5. Other Financing Sources		8900-8999	0	0	0	
5. TOTAL REVENUES			24,512,252	26,551,001	27,468,467	0

B. EXPENDITURES						
1. Certificated Salaries		1000-1999	11,800,713	12,590,650	12,300,184	0
2. Classified Salaries		2000-2999	4,530,854	4,536,860	4,504,389	0
3. Employee Benefits		3000-3999	5,962,295	5,730,408	5,913,487	0
4. Books and Supplies		4000-4999	2,364,097	2,033,418	2,033,418	0
5. Services, Other Operating Expenses		5000-5999	2,856,867	2,128,241	2,128,291	0
6. Capital Outlay		6000-6599	157,405	155,000	158,770	0
7. Other Outgo		7100-7299	597,105	477,490	480,090	0
8. Direct Support/Indirect Costs		7300-7399	(89,675)	(89,675)	(89,675)	0
9. Other Financing Uses		7600-7699	238,645	245,230	257,562	
9. TOTAL EXPENDITURES			28,418,307	27,807,622	27,686,516	0

C. NET INCREASE (DECREASE) IN FUND BALANCE			(3,906,055)	(1,256,622)	(218,049)	0

D. FUND BALANCE, RESERVES

1. Beginning Balances a) As of July 1 - Estimated			7,060,218	3,154,163	1,479,595	0
2. Ending Balance, June 30			3,154,163	1,897,541	1,261,545	0

Total Expenditures			28,418,307	27,807,622	27,686,516	0
Components of EFB						
Nonspendable		9710-9719	20,000	20,000	20,000	0
Restricted		9740	1,234,151	617,076	0	0
Committied		9750-9760	0	0	0	0
Assigned		9780	743,217	0	0	0
Reserve foe Economic Uncertanties		9789	1,156,794	1,459,595	768,860	0
Unassigned/Unappropriated		9790	0		0	0
Total Reserves Available			1,156,794	1,459,595	1,241,545	0
Reserve amount required by State (3%)			852,549	834,229	830,595	0
% of Total Reserves			4.07%	5.25%	4.48%	#DIV/0!
Meets Reserve Requirement?			YES	YES	YES	#DIV/0!

Kathy Northington
County Superintendent of Schools

185 South Main Street
P.O. Box 760
Angels Camp, CA 95221
209.736.4662
Fax 209.736.2138
ccoe@ccoe.k12.ca.us

Calaveras County Office of Education

May 1, 2014

Mark Campbell, Superintendent
Calaveras Unified School District
PO Box 788
San Andreas, CA 95249

Dear Mark:

In accordance with Government Code 3540.2 (a), Calaveras Unified School District has provided our office with the opportunity to review and comment on the financial impact of the proposed agreement between the ROP Teachers and the District to take effect July 1, 2014. The focus of our review is the on-going impact of the agreement relative to sustained fiscal health of the District.

Based on the information provided, this agreement will be funded through the use of ROP reserves, which is a one-time source of funding. While the financial impact of this agreement will not directly impact the District's unrestricted reserves in the near term, it must be presumed that ROP reserves will not be able to sustain such increases in perpetuity. We strongly recommend that the District not continue to incur on-going expenditure increases unless they can be funded through on-going sources of revenue or on-going expenditure reductions.

Respectfully,

Claudia C. Davis
Associate Superintendent/Business Services

cc: Kathy Northington, Calaveras County Superintendent of Schools
Titia Ashby, CUSD Director of Fiscal Services
Julia Brunson, CCOE Director of Fiscal Services (AB1200 file)

Summary of Proposed Collective Bargaining/Salary Agreement
Between

Section 1:

Calaveras Unified **School District**
and
Name of Bargaining/Represented Unit ROP Teacher, an unrepresented group

The proposed agreement covers the period beginning 7/1/2014 and ending 6/30/2015 and

will be acted upon by the Governing Board at its meeting on May 13, 2014

TO THE GOVERNING BOARD AND THE COUNTY SUPERINTENDENT OF SCHOOLS: In compliance with the Public Disclosure requirements of AB-1200 (Statutes 1991, Chapter 1213), GC 3547.5 (Statutes of 2004, Chapter 25) as well as the Salary Settlement Notification requirements of SB-1677 when Teachers Salary/Benefit Negotiations are finalized after the final budget is adopted.

PUBLIC DISCLOSURE

The agreement was publicly disclosed on : May 7, 2013
Date 5/7/2013

The agreement was [posted at / advertised in] : District Web Site, School Sites, District Office, faxed to local paper
Location / Newspaper Calaveras Enterprise

GENERAL

Section 2: STATUS OF BARGAINING UNIT AGREEMENTS

If this Public Disclosure is not applicable to all of the District's bargaining units, indicate the current status.

		Circle One	# of Employees Represented
Certificated	X	Settled / ~~Pending Settlement~~	9
Classified		Settled / Pending Settlement	

Section 3: Proposed Change in Compensation

	Compensation	Costs prior to Proposed Agreement	Fiscal Impact of Proposed Agreement: Year 1 Increase/Decrease 2014-15	Year 2 Increase/Decrease 2015-16	Year 3 Increase/Decrease N/A
1	**Salary Schedule** (This is to include Step and Column, which is also reported separately in item 6)	$ 431,372.48	$21,827.45	$0.00	$0.00
			0.00%	0.00%	0.00%
2	**Other Compensation** Stipends, Bonuses, Longevity Overtime, Differential, etc.	$0.00	$0.00	$0.00	$0.00
	Description of other compensation				
3	**Statutory Benefits** STRS, PERS, FICA,WC,UI, Medicare	$80,571.47	$3,586.25	$0.00	$0.00
4	**Health/Welfare Plans**	$58,680.00	$9,000.00	$9,000.00	$0.00
5	**Total Compensation,** Add Items 1 thru 4 to equal 5	$ 570,623.95	$34,413.70	$9,000.00	$0.00
6	**Step and Column** Due to movement plus any changes due to settlement. This is a subset of Item No. 1	$ 19,413.60			
7	**Total Number of Represented Employees** (Use FTEs if appropriate)		9	9	0
8	**Total Compensation Cost for Average Employee**		$3,823.74	$1,000.00	#DIV/0!

Titia Ashby
F:\accounting\AB1200\201415\201415 AB1200 Certification

Section 4: Questions Regarding Proposal

1 **What was the negotiated percentage increase approved?** For example, if the increase in "Year 1" was for less than a full year, what was the percentage increase given, what is the effective date of the increase, and what is the annualized percentage increase for "Year 1"?
Year 1: 3% on salary schedule; 1 time 2% off schedule payable in November 2014.
Year 2: 0
Year 3: 0

2 **Were any additional steps, columns, or ranges added to the schedules? (If yes, explain)**
Year 1: No additional Steps, Columns or Ranges
Year 2: No additional Steps, Columns or Ranges
Year 3: No additional Steps, Columns or Ranges

3 **Proposed Negotiated Changes in Non-Compensation Items** (class size adjustments, staff development days, teacher prep time)
Calendar, Additional Core Days,
No other negotiated changes in Year 2
No other negotiated changes in Year 3

4 **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
Year 1: Four less student contact days, four more collaboration days to prepare for Common Core Standards
Year 2: None
Year 3: None

5 **What contingency language is included in the proposed agreement?**
Year 1: None
Year 2: None
Year 3: None

6 **Identify other major provisions that do not directly affect the district's costs such as binding arbitration, grievance procedures, etc.**
None

Section 5: Source of Funding

1 **Current Year**
Year 1: Reduction of ROP Restricted Ending Fund Balance

2 **Is this a single year agreement, how will the ongoing cost of the proposed agreement be funded in future years**
(What will allow the district to afford this contract?)
Single Year Agreement for salary schedule increase and 1 time off schedule payment; two year agreement for Health and Welfare increases; funding will come from ROP Restricted Ending Fund Balance.

3 **If multi-year agreement, what is the source of funding, including assumptions used, to fund these obligations in future years?**
Year 2: Reduction of ROP Restricted Ending Fund Balance

IMPACT OF THE PROPOSED AGREEMENT ON CURRENT YEAR

SECTION 6:

General Fund	2014-15 Brd Apprvd Projection	Agreement Adjustments	Other Budget Adjustments		New Revised Budget
OPERATING REVENUES					
Revenue Limit Sources (8010-8099)	22,943,847	0	0		22,943,847
Remaining Revenues	3,607,154	0	0		3,607,154
TOTAL	26,551,001	0	0		26,551,001
OPERATING EXPENDITURES					
1000 CERTIFICATED SALARY	12,684,860	21,827	0		12,706,687
2000 CLASSIFIED SALARY	4,536,860	0	0		4,536,860
3000 BENEFITS	5,750,833	12,586	0		5,763,419
4000 INSTRUCTIONAL SUPPLIES	2,033,418	0	0		2,033,418
5000 CONTRACTED SERVICES	2,128,241	0	0		2,128,241
6000 CAPITAL OUTLAY	155,000	0	0		155,000
7000 OTHER	387,815	0	0		387,815
TOTAL	27,677,027	34,413	0		27,711,440
OPERATING SURPLUS (DEFICIT)	(1,126,027)	0	0		(1,160,440)
OTHER SOURCES AND TRANSFERS IN	0	0	0		0
OTHER USES AND TRANSFERS OUT	(245,230)	0	0		(245,230)
CURRENT YEAR INCREASE (DECREASE) TO FUND BALANCE	(1,371,257)	0	0		(1,405,670)
BEGINNING BALANCE	3,154,163	0	0		3,154,163
ENDING BALANCE	1,782,906	0	0		1,748,493
COMPONENTS OF ENDING BALANCE:					
REVOLVING CASH	20,000	0	0		20,000
RESTRICTED AMOUNTS 9740	617,076	0	0		617,076
COMMITTED AMOUNTS 9750	0	0	0		0
ASSIGNED 9780	0	0	0		0
RESERVED FOR ECONOMIC UNCERTAINTIES 9789	842,519	0	0		727,884
UNAPPROPRIATED AMOUNTS 9790	303,311	0	0		383,533

IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR UNRESTRICTED RESERVES

SECTION 7:

1. State Reserve Standard

Total Expenditures, Transfers Out and Uses	$	27,466,210
State Standard Minimum Reserve Percentage For District		3%
State Standard Minimum Reserve Amount	$	823,986

2. Budgeted Unrestricted Reserved

1. General Fund Budgeted Assigned Amount (9780)	$	0
2. General Fund Budgeted Unrestricted Other Designated Amounts (9789)	$	727,884
3. General Fund Budgeted Unrestricted Unappropriated Amount (9790)	$	383,533
4. Special Reserve Fund (17) Budgeted Designated for Economic Uncertainties	$	0
Total District Budgeted Unrestricted Reserves (sum lines 1 - 6)	$	1,111,417

3. Do unrestricted reserves meet the state standard minimum reserve amount?

Yes [X] No [0]

Titia Ashby
F:\accounting\AB1200\201415\201415 AB1200 Certification

CERTIFICATION

SECTION 8:

In accordance with the requirements of Government Code Section 3547.5, the Superintendent and Chief Business Officer hereby certify that the District can meet the costs incurred under the Collective Bargaining Agreement .

District Superintendent (Signature)	Date
District Chief Business Officer (Signature)	Date

After public disclosure of the major provisions contained in this Summary, the Governing Board, at its meeting on, May 13, 2014 took action to approve the proposed Agreement with the ***Calaveras Unified Educators Association*** *bargaining Unit and will adopted the new budget figures as calculated per the agreement.*

President, Governing Board (Signature)	Date

Section 9: Optional
MULTI YEAR PROJECTION - GENERAL FUND

A. REVENUES		2013-14 Proposed	2014-15	2015-16	2016-17
1. Revenue Limit Sources	8010-8099	20,846,148	22,943,847	24,534,390	0
2. Federal Revenues	8100-8299	1,008,175	944,967	944,967	0
3. Other State Revenues	8300-8599	1,232,328	1,236,586	1,247,172	0
4. Other Local Revenues	8600-8799	1,425,601	1,425,601	741,938	0
5. Other Financing Sources	8900-8999	0	0	0	
5. TOTAL REVENUES		24,512,252	26,551,001	27,468,467	0

B. EXPENDITURES					
1. Certificated Salaries	1000-1999	11,800,713	12,612,477	12,322,011	0
2. Classified Salaries	2000-2999	4,530,854	4,536,860	4,504,389	0
3. Employee Benefits	3000-3999	5,962,295	5,742,994	5,935,073	0
4. Books and Supplies	4000-4999	2,364,097	2,033,418	2,033,418	0
5. Services, Other Operating Expenses	5000-5999	2,856,867	2,128,241	2,128,291	0
6. Capital Outlay	6000-6599	157,405	155,000	158,770	0
7. Other Outgo	7100-7299	597,105	477,490	480,090	0
8. Direct Support/Indirect Costs	7300-7399	(89,675)	(89,675)	(89,675)	0
9. Other Financing Uses	7600-7699	238,645	245,230	257,562	
9. TOTAL EXPENDITURES		28,418,307	27,842,035	27,729,929	0

C. NET INCREASE (DECREASE) IN FUND BALANCE	(3,906,055)	(1,291,035)	(261,462)	0

D. FUND BALANCE, RESERVES

1. Beginning Balances a) As of July 1 - Estimated		7,060,218	3,154,163	1,479,595	0
2. Ending Balance, June 30		3,154,163	1,863,128	1,218,133	0

Total Expenditures		28,418,307	27,842,035	27,729,929	0
Components of EFB					
Nonspendable	9710-9719	20,000	20,000	20,000	0
Restricted	9740	1,234,151	617,076	0	0
Committed	9750-9760	0	0	0	0
Assigned	9780	743,217	0	0	0
Reserve foe Economic Uncertanties	9789	1,156,794	1,459,595	768,860	0
Unassigned/Unappropriated	9790	0		0	0
Total Reserves Available		1,156,794	1,459,595	1,198,133	0
Reserve amount required by State (3%)		852,549	835,261	831,898	0
% of Total Reserves		4.07%	5.24%	4.32%	#DIV/0!
Meets Reserve Requirement?		YES	YES	YES	#DIV/0!

CONSENT AGENDA – CONTINUED

k) **Approval of Bus Routes for the 2014/15 School Year**
The bus routes for the 2014/15 school year are being submitted for Board approval based upon student transportation needs. *(Routes will be available at the Board meeting.)*

15. PERSONNEL

a) **Certificated Report** (Lorraine Angel)
Mrs. Angel is excited that the Governor's budget was released today. Education is one of his priorities. They are looking at having another meeting in a couple of weeks. They were glad to see the TA on the agenda. She thanked Ms. Stanko. They are winding down the year. All the retirees are wonderful teachers and will be missed.

b) **Classified Report** - No report
c) **All Personnel**
d) **Classified Personnel**

1. Adoption, Resolution 2013/14-20, Classified School Employees' Week
The California Legislature adopted the third full week of May each year as Classified Employee Week. Calaveras Unified School District Board of Trustees wish to recognize our school district employees with the adoption of Resolution No. 2013/14-20, declaring May 18-24, 2014 as Classified School Employee Week.

e) **Certificated Personnel**

1. AB1200 Fiscal Disclosure for CUEA
The AB1200 is the financial document required to demonstrate fiscal solvency prior to any salary increase. A Public Hearing is also required.

PUBLIC HEARING OPENS: 6:49 P.M.

Any citizen may appear before the Board to provide comment on the ratification of the agreement and/or approval of the AB1200 Fiscal Disclosure for CUEA.

Fiscal Director Titia Ashby gave an overview of the AB1200 and answered questions.

Mrs. Angel shared how important it was to be competitive and continue to have the ability to recruit highly qualified teachers.

CLOSE PUBLIC HEARING: 6:58 P.M.

Motion to Certify the AB1200 for CUEA: McDaniel
Second: Bowsher
Vote: 5-0

2. **Agreement Between the District and the Calaveras Unified Educators' Association**

Background: On March 7, 2014 the District and CUEA reached a Tentative Agreement for salary, benefits and language changes for the 2014/15 CUEA Successor Agreement. It was ratified by CUEA on April 16, 2014.

Requested Action: Board approval of the 2014/15 CUEA Successor Agreement.

Motion: Bowsher Second: Reusche Vote: 5-0

3. AB1200 Fiscal Disclosure for ROP Teachers
The AB1200 is the financial document required to demonstrate fiscal solvency prior to any salary increase. A Public Hearing is also required.

PUBLIC HEARING OPENS: 6:59P.M.

Any citizen may appear before the Board to provide comment on the ratification of the agreement and/or approval of the AB1200 Fiscal for the ROP teachers.

Fiscal Director Titia Ashby gave an overview and answered questions.

CLOSE PUBLIC HEARING: 7:02 P.M.

Motion to Certify the AB1200 for ROP Teachers: McDaniel
Second: Reusche
Vote: 5-0

4. **Agreement Between the District and the ROP Teachers, a Non-represented Group**

Background: The district proposes salary and benefit changes for the 2014/15 school year for the ROP teachers. A 3% increase to every step of the salary schedule effective July 1, 2014 and a 2% one-time compensation (off schedule) for teaching contract salary payable in November 2014. An ongoing increase to the district contribution for the medical benefit cap to $8,100 in 2014-15 and to $9,300 in 2015-16.

Requested Action: Board approval of the 2014-15 salary/benefits increase for ROP teachers.

Motion: McDaniel Second: Bowsher Vote: 5-0

f) **Management/Confidential/Supervisory** - No item presented

5. **Public Comments**

At this time, visitors may comment on closed session items appearing on the agenda. This is not the time for discussion or deliberation nor can action be taken by the Trustees or Superintendent unless the matter is placed on a subsequent agenda. Individual speakers shall be allowed three minutes to address the Board on each closed agenda item (BB 9323). The Board shall limit the total time for public input on each item to 20 minutes. If visitors wish to address issues listed on the agenda, they may do so at the time the item is addressed by the Board. Conduct of Hearing Session/Public Forum will be as follows, per Calaveras Unified School District Board Bylaw #9322.

6. **Closed Session**

7. **Reconvene to Open Session**

8. **Pledge of Allegiance/Roll Call**
The Pledge of Allegiance was led by Acting Board President Sherri Reusche.
Evan Garamendi was absent. A quorum was formed.

9. **Report of Action taken in Closed Session**
It was reported the Board took action to uphold the Administrative Hearing Panel's recommendation for expulsion on AHP 13/14-0003.

Motion: McDaniel Second: Bowsher Vote: 4-0 (Garamendi absent)

10. **Celebrations, Recognition and Announcements**

11. **Superintendent's Comments**
Superintendent Campbell said we will talk about the budget tonight. You can't talk about budget without referencing LCAP, and right now you can't talk about either one without referencing a lot of painful things budgetary. There will be no decisions made tonight. Over the last weeks there have been some things coming to fruition that have us in a very challenging situation. The decisions we will be making next week and over the next year will be done collectively. He holds himself personally responsible for the position we are in today and personally responsible for getting us out of this position. We will work as a team to protect people, programs and kids.

12. **Public Comments**
At this time, visitors may address issues that do not appear on the agenda. This is not the time for discussion or deliberation nor can action be taken by the Trustees or Superintendent unless the matter is placed on a subsequent agenda. Individual speakers shall be allowed three minutes to address the Board on each agenda or non-agenda item (BB 9323). The Board shall limit the total time for public input on each item to 20 minutes. If visitors wish to address issues listed on the agenda, they may do so at the time the item is addressed by the Board. Conduct of Hearing Session/Public Forum will be as follows, per Calaveras Unified School District Board Bylaw #9322.

Citizen Allen Lujan does not believe last week's Board meeting was engaging. He believes the governance piece was left out and the handouts were not clear. He would like the Superintendent to come back to discussion about his evaluation. The board elected to censure Trustee Gustafson but not Trustee Reusche because he believes the Board protects her as a "friend."

BUSINESS – CONTINUED

d. **Approval of Donation to the Humane Society of Calaveras**
Board approval is requested to donate two portable buildings located at the non-operational Jenny Lind Alternative High School. The Humane Society of Calaveras will incur all the costs for moving the buildings to their site.

A representative of the Humane Society was present and informed us they would only be taking one of the portable buildings.

Motion: Bowsher Second: McDaniel Vote: 4-0

e. **Adoption of Resolution 2013/14-34, Certifying Governing Board Approval to Enter Into a Transaction with the California Department of Education for the Purpose of Providing Child Care and Development Services (pp 77-87)**
This Resolution names the Superintendent, Director of Fiscal Services and Preschool Coordinator to sign documents with the California Department of Education for the Preschools located in the Calaveras Unified School District. This agreement provides for $284,264 for Child Development Services for the 2014-15 school year.

Motion: Bowsher Second: McDaniel Vote: 4-0

OPEN PUBLIC HEARING AT: 6:35 P.M.

2014/15 Calaveras Unified School District Budget
It is required in the budget adoption process that we open the 2014/15 budget to a public hearing. *(A copy of the budget will be presented at the Board meeting and will be available for the public at the District Office.)*

Fiscal Director Titia Ashby thanked Calaveras County Office of Education Superintendent Kathy Northington and Associate Superintendent Claudia Davis for attending our meeting and for the support they have provided. Ms. Ashby gave an overview of the budget, several sample versions of possible outcomes, and the board followed along with handouts. CUSD is looking at a $1.8 million deficit in 14/15. We added a significant amount of class size reduction staff and granted increases in salary and benefits to staff, at the time projecting we could absorb this based upon projected increases in funding and projected ending fund balance. Our Special Education costs increased by $350,000 to create a $3.4 million general fund contribution along with a decrease in SPED funding a decrease in projected funding for class size reduction and continued declining enrollment.

We will address areas of reductions and work collaboratively to make difficult decisions. Some of the same decisions that have been discussed with the Board over the past few years will be considered.

Associate Superintendent of CCOE Claudia Davis stated that CUSD has been in a deficient spending mode and our structural deficit is "huge," and it needs to be addressed. We are projecting to be deficit spending for several years and erode our fund balance. Our fund

PUBLIC HEARING - CONTINUED

balance is at the point where it's gone and we can't erode it any more. Even if we take out all of our assumptions, we are still deficit spending by $1.5 million. The first order of business is how we balance that budget before we look at what news things can we do. We are not operating in a vacuum so we have to be prepared to operate our business of educating children and we need a reserve fund. Even if we sweep ROP funds, it's only going to take a year to use up our fund balance if we continue spending at this level. Numerous times when we've looked at your budget presentations and looked at that multi-year and we've said you've got to be focusing on those big ticket items that you are going to address to resolve the structural deficit. Those decisions have to begin now because they don't happen overnight. Our Board has been receiving interim reports of this status and qualified budget projections. We will be faced with making some difficult decisions.

Superintendent Campbell stated we will be looking at some of the things that we've being discussing along the way – sports, music, closing small schools. Our budget is over 90% staff. Now that list is much greater; looking at Transportation, our bargaining unit contracts and what type of relief might we see there; it's reducing staff, classified and certificated; it's looking at every department; looking at large programs –reducing the size or eliminating them; it's looking at payroll and decreasing it.

Ms. Davis said a qualified status is a budget problem. You are projecting that you are going to spend more than you actually receive – deficient spending. A negative certification is a cash problem. You will run out of cash and you cannot pay your bills. Fund balance helps maintain your cash balance. The CCOE's goal is to help keep us fiscally sound. Ultimately the buck does stop with the Board in terms of making the decisions that are going to truly impact the structural deficit. Right now our target is $27 million in 7 years, and when we reach that target we can cover current year expenditures, and our expenditures are going to grow in that 7 years, and we are in declining enrollment. There is no new revenue sufficient to cover this deficit.

Citizen Allen Lujan said they have trusted us but here we are. Can they trust us to get us out of this?

CLOSE PUBLIC HEARING AT: 7:49 P.M.

BUSINESS - CONTINUED

f. **Routine Personnel Report – Certificated Staff**
The Board would like to table this item until the June 30, 2014 Board Meeting.

Motion: McDaniel Second: Bowsher Vote: 4-0 (Garamendi absent)