

**Orange County Department of Education
District Fiscal Services**

**PUBLIC DISCLOSURE OF COLLECTIVE BARGAINING AGREEMENT
in Accordance with AB 1200 (Chapter 1213/1991), GC 3547.5, and CCR, Title V, Section 15449**

Newport-Mesa Unified School District - Newport-Mesa Federation of Teachers

School District - Bargaining Unit: (NMFT)

Certificated, Classified, Other: Certificated

The proposed agreement covers the period beginning: July 1, 2020 and ending: June 30, 2021
(date) (date)

The Governing Board will act upon this agreement on: September 15, 2020
(date)

A. Proposed Change in Compensation

	Compensation	Annual Cost Prior to Proposed Agreement FY	Fiscal Impact of Proposed Agreement		
			Year 1 Increase/(Decrease) FY	Year 2 Increase/(Decrease) FY	Year 3 Increase/(Decrease) FY
1	Salary Schedule Increase (Decrease)	\$ 107,915,046	\$ 1,079,150	\$ -	\$ -
			1.00%	0.00%	0.00%
2	Step and Column Increase (Decrease) Due to movement plus any changes due to settlement	\$ -	\$ -	\$ -	\$ -
			0.00%	0.00%	0.00%
3	Other Compensation - Increase (Decrease) (Stipends, Bonuses, Longevity, Overtime, etc.) Description of other compensation: support for use of personal technology equipment and materials associated with COVID19	\$ -	\$ 512,087	\$ -	\$ -
			0.00%	0.00%	0.00%
4	Statutory Benefits - STRS, PERS, FICA, WC, UI, Medicare etc.	\$ 20,946,310	\$ 308,859	\$ -	\$ -
			1.47%	0.00%	0.00%
5	Health/Welfare Plans	\$ 20,935,059	\$ -	\$ -	\$ -
			0.00%	0.00%	0.00%
6	Total Compensation - Increase (Decrease) (Total Lines 1-5)	\$ 149,796,415	\$ 1,900,096.00	\$ -	\$ -
7	Total Number of Represented Employees (Use FTEs if appropriate)	1,024.17	1024.17		
8	Total Compensation <u>Average</u> Cost per Employee	\$ 146,261	\$ 1,855	\$ -	\$ -
			1.27%	0.00%	0.00%

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"?

For the 2020-21 school year, unit members will receive an additional 1.0% one time off schedule payment utilizing the 2019-20 salary schedule. In addition, each full-time member will also receive a \$500 stipend, part-time members will receive a prorated percentage amount, to support increased use of personal technology equipment and materials resulting from COVID19, payable in September 2020.

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

N/A

11. Please include comments and explanations as necessary.

N/A

12. Does this bargaining unit have a negotiated cap for Health and Welfare benefits? Yes No

If yes, please describe the cap amount.

The district funded health and welfare benefit unit cap will remain unchanged as a maximum of up to \$20,441.

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

- August 18, 2020, will be a preparation day for teachers. Any teacher unable to perform preparation related duties on this date will have the option of providing one additional day of preparation or utilizing one day of personal necessity to cover the absence.
- August 19, 2020 will remain a professional development day.
- August 20, 2020 will be a professional development day.
- August 21, 2020 will be a preparation day.
- Service Providers will provide one additional preparation day that will be scheduled prior to June 18,

C. What are the specific impacts 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 (i.e., counselors, librarians, custodial staff, etc.)

N/A

D. What contingency language is included in the proposed agreement? Include specific areas identified reopeners, applicable fiscal years, and specific contingency language.

The Parties agree to negotiate the effects of the Level 2 Instructional Model involving the return of students to campus during the 2020-21 school year.

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.

Yes. Deficit spending is corrected in 2021-22.

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

Various expectations associated with distance learning and role and recompense are established.

G. Source of Funding for Proposed Agreement

1. Current Year

Property taxes

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)?

Property taxes

3. If this is a multiyear agreement, what is the source of funding, including assumptions used, to fund these obligations in subsequent years? (Remember to include compounding effects in meeting obligations.)

N/A

H. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Unrestricted General Fund

Enter Bargaining Unit: **Newport-Mesa Federation of Teachers (NMFT)**

	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 06/24/2020)	Adjustments as a Result of Settlement	Other Revisions	Total Current Budget (Columns 1+2+3)
REVENUES				
Local Control Funding Formula Sources (8010-8099)	\$ 287,159,282	\$ -	\$ -	\$ 287,159,282
Remaining Revenues (8100-8799)	\$ 10,875,077	\$ -	\$ -	\$ 10,875,077
TOTAL REVENUES	\$ 298,034,359	\$ -	\$ -	\$ 298,034,359
EXPENDITURES				
Certificated Salaries (1000-1999)	\$ 106,689,243	\$ 1,122,617	\$ -	\$ 107,811,860
Classified Salaries (2000-2999)	\$ 36,591,705	\$ -	\$ -	\$ 36,591,705
Employee Benefits (3000-3999)	\$ 62,852,783	\$ 217,900	\$ -	\$ 63,070,683
Books and Supplies (4000-4999)	\$ 9,625,678	\$ -	\$ -	\$ 9,625,678
Services, Other Operating Expenses (5000-5999)	\$ 17,983,155	\$ -	\$ -	\$ 17,983,155
Capital Outlay (6000-6599)	\$ 1,403,312	\$ -	\$ -	\$ 1,403,312
Other Outgo (7100-7299) (7400-7499)	\$ 1,748,244	\$ -	\$ -	\$ 1,748,244
Direct Support/Indirect Cost (7300-7399)	\$ (5,025,071)	\$ -	\$ -	\$ (5,025,071)
Other Adjustments				
TOTAL EXPENDITURES	\$ 231,869,049	\$ 1,340,517	\$ -	\$ 233,209,566
OPERATING SURPLUS (DEFICIT)	\$ 66,165,310	\$ (1,340,517)	\$ -	\$ 64,824,793
TRANSFERS IN & OTHER SOURCES (8910-8979)	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000
TRANSFERS OUT & OTHER USES (7610-7699)	\$ 4,742,404	\$ -	\$ -	\$ 4,742,404
CONTRIBUTIONS (8980-8999)	\$ (64,025,490)	\$ -	\$ -	\$ (64,025,490)
CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE	\$ (1,102,584)	\$ (1,340,517)	\$ -	\$ (2,443,101)
BEGINNING BALANCE	\$ 35,371,473			\$ 35,371,473
Prior-Year Adjustments/Restatements (9793/9795)	\$ -			\$ -
CURRENT-YEAR ENDING BALANCE	\$ 34,268,889	\$ 32,928,372	\$ 32,928,372	\$ 32,928,372
COMPONENTS OF ENDING BALANCE:				
Nonspendable Reserves (9711-9719)	\$ 301,574	\$ -	\$ -	\$ 301,574
Restricted Reserves (9740)	\$ -	\$ -	\$ -	\$ -
Stabilization Arrangements (9750)	\$ -	\$ -	\$ -	\$ -
Other Commitments (9760)	\$ -	\$ -	\$ -	\$ -
Other Assignments (9780)	\$ 18,964,715	\$ (1,440,517)	\$ -	\$ 17,524,198
Reserve for Economic Uncertainties (9789)	\$ 15,002,600	\$ 100,000	\$ -	\$ 15,102,600
Unassigned/Unappropriated (9790)	\$ -	\$ -	\$ -	\$ -

* Please see question on page 7.

H. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Restricted General Fund

Enter Bargaining Unit: **Newport-Mesa Federation of Teachers (NMFT)**

	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 06/24/2020)	Adjustments as a Result of Settlement	Other Revisions	Total Current Budget (Columns 1+2+3)
REVENUES				
Local Control Funding Formula Sources (8010-8099)	\$ -	\$ -	\$ -	\$ -
Remaining Revenues (8100-8799)	\$ 31,985,784	\$ -	\$ -	\$ 31,985,784
TOTAL REVENUES	\$ 31,985,784	\$ -	\$ -	\$ 31,985,784
EXPENDITURES				
Certificated Salaries (1000-1999)	\$ 29,306,477	\$ 468,620	\$ -	\$ 29,775,097
Classified Salaries (2000-2999)	\$ 18,533,890	\$ -	\$ -	\$ 18,533,890
Employee Benefits (3000-3999)	\$ 23,266,378	\$ 90,959	\$ -	\$ 23,357,337
Books and Supplies (4000-4999)	\$ 4,749,796	\$ -	\$ -	\$ 4,749,796
Services, Other Operating Expenses (5000-5999)	\$ 12,035,957	\$ -	\$ -	\$ 12,035,957
Capital Outlay (6000-6599)	\$ 3,323,036	\$ -	\$ -	\$ 3,323,036
Other Outgo (7100-7299) (7400-7499)	\$ 1,260,000	\$ -	\$ -	\$ 1,260,000
Direct Support/Indirect Cost (7300-7399)	\$ 4,306,795	\$ -	\$ -	\$ 4,306,795
Other Adjustments				
TOTAL EXPENDITURES	\$ 96,782,329	\$ 559,579	\$ -	\$ 97,341,908
OPERATING SURPLUS (DEFICIT)	\$ (64,796,545)	\$ (559,579)	\$ -	\$ (65,356,124)
TRANSFERS IN & OTHER SOURCES (8910-8979)	\$ -	\$ -	\$ -	\$ -
TRANSFERS OUT & OTHER USES (7610-7699)	\$ -	\$ -	\$ -	\$ -
CONTRIBUTIONS (8980-8999)	\$ 64,025,490	\$ -	\$ -	\$ 64,025,490
CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE	\$ (771,055)	\$ (559,579)	\$ -	\$ (1,330,634)
BEGINNING BALANCE	\$ 2,892,281			\$ 2,892,281
Prior-Year Adjustments/Restatements (9793/9795)	\$ -			\$ -
CURRENT-YEAR ENDING BALANCE	\$ 2,121,226	\$ 1,561,647	\$ 1,561,647	\$ 1,561,647
COMPONENTS OF ENDING BALANCE:				
Nonspendable Reserves (9711-9719)	\$ -	\$ -	\$ -	\$ -
Restricted Reserves (9740)	\$ 2,121,226	\$ (559,579)	\$ -	\$ 1,561,647
Stabilization Arrangements (9750)	\$ -	\$ -	\$ -	\$ -
Other Commitments (9760)	\$ -	\$ -	\$ -	\$ -
Other Assignments (9780)	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties (9789)	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated (9790)	\$ -	\$ -	\$ -	\$ -

* Please see question on page 7.

H. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Combined General Fund

Enter Bargaining Unit: **Newport-Mesa Federation of Teachers (NMFT)**

	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 06/24/2020)	Adjustments as a Result of Settlement	Other Revisions	Total Current Budget (Columns 1+2+3)
REVENUES				
Local Control Funding Formula Sources (8010-8099)	\$ 287,159,282	\$ -	\$ -	\$ 287,159,282
Remaining Revenues (8100-8799)	\$ 42,860,861	\$ -	\$ -	\$ 42,860,861
TOTAL REVENUES	\$ 330,020,143	\$ -	\$ -	\$ 330,020,143
EXPENDITURES				
Certificated Salaries (1000-1999)	\$ 135,995,720	\$ 1,591,237	\$ -	\$ 137,586,957
Classified Salaries (2000-2999)	\$ 55,125,595	\$ -	\$ -	\$ 55,125,595
Employee Benefits (3000-3999)	\$ 86,119,161	\$ 308,859	\$ -	\$ 86,428,020
Books and Supplies (4000-4999)	\$ 14,375,474	\$ -	\$ -	\$ 14,375,474
Services, Other Operating Expenses (5000-5999)	\$ 30,019,112	\$ -	\$ -	\$ 30,019,112
Capital Outlay (6000-6599)	\$ 4,726,348	\$ -	\$ -	\$ 4,726,348
Other Outgo (7100-7299) (7400-7499)	\$ 3,008,244	\$ -	\$ -	\$ 3,008,244
Direct Support/Indirect Cost (7300-7399)	\$ (718,276)	\$ -	\$ -	\$ (718,276)
Other Adjustments				
TOTAL EXPENDITURES	\$ 328,651,378	\$ 1,900,096	\$ -	\$ 330,551,474
OPERATING SURPLUS (DEFICIT)	\$ 1,368,765	\$ (1,900,096)	\$ -	\$ (531,331)
TRANSFERS IN & OTHER SOURCES (8910-8979)	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000
TRANSFERS OUT & OTHER USES (7610-7699)	\$ 4,742,404	\$ -	\$ -	\$ 4,742,404
CONTRIBUTIONS (8980-8999)	\$ -	\$ -	\$ -	\$ -
CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE	\$ (1,873,639)	\$ (1,900,096)	\$ -	\$ (3,773,735)
BEGINNING BALANCE	\$ 38,263,754			\$ 38,263,754
Prior-Year Adjustments/Restatements (9793/9795)	\$ -			\$ -
CURRENT-YEAR ENDING BALANCE	\$ 36,390,115	\$ 34,490,019	\$ 34,490,019	\$ 34,490,019
COMPONENTS OF ENDING BALANCE:				
Nonspendable Reserves (9711-9719)	\$ 301,574	\$ -	\$ -	\$ 301,574
Restricted Reserves (9740)	\$ 2,121,226	\$ (559,579)	\$ -	\$ 1,561,647
Stabilization Arrangements (9750)	\$ -	\$ -	\$ -	\$ -
Other Commitments (9760)	\$ -	\$ -	\$ -	\$ -
Other Assignments (9780)	\$ 18,964,715	\$ (1,440,517)	\$ -	\$ 17,524,198
Reserve for Economic Uncertainties (9789)	\$ 15,002,600	\$ 100,000	\$ -	\$ 15,102,600
Unassigned/Unappropriated (9790)	\$ -	\$ -	\$ -	\$ -

* Please see question on page 7.

I. IMPACT OF PROPOSED AGREEMENT ON SUBSEQUENT YEARS

Combined General Fund

Enter Bargaining Unit: **Newport-Mesa Federation of Teachers (NMFT)**

	2020-21	2021-22	2022-23
	Total Current Budget After Settlement	First Subsequent Year After Settlement	Second Subsequent Year After Settlement
REVENUES			
Local Control Funding Formula Sources (8010-8099)	\$ 287,159,282	\$ 310,799,285	\$ 319,779,441
Remaining Revenues (8100-8799)	\$ 42,860,861	\$ 41,676,386	\$ 42,048,192
TOTAL REVENUES	\$ 330,020,143	\$ 352,475,671	\$ 361,827,633
EXPENDITURES			
Certificated Salaries (1000-1999)	\$ 137,586,957	\$ 135,578,168	\$ 137,340,684
Classified Salaries (2000-2999)	\$ 55,125,595	\$ 55,351,083	\$ 56,070,647
Employee Benefits (3000-3999)	\$ 86,428,020	\$ 94,685,732	\$ 100,366,876
Books and Supplies (4000-4999)	\$ 14,375,474	\$ 18,136,436	\$ 18,040,756
Services, Other Operating Expenses (5000-5999)	\$ 30,019,112	\$ 31,263,336	\$ 30,938,689
Capital Outlay (6000-6999)	\$ 4,726,348	\$ 4,329,626	\$ 4,718,074
Other Outgo (7100-7299) (7400-7499)	\$ 3,008,244	\$ 3,241,822	\$ 3,274,240
Direct Support/Indirect Cost (7300-7399)	\$ (718,276)	\$ (684,191)	\$ (694,303)
Other Adjustments		\$	\$
TOTAL EXPENDITURES	\$ 330,551,474	\$ 341,902,012	\$ 350,055,663
OPERATING SURPLUS (DEFICIT)	\$ (531,331)	\$ 10,573,659	\$ 11,771,970
TRANSFERS IN & OTHER SOURCES (8910-8979)	\$ 1,500,000	\$ -	\$ -
TRANSFERS OUT & OTHER USES (7610-7699)	\$ 4,742,404	\$ 9,046,935	\$ 9,046,935
CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE	\$ (1,873,639)	\$ 1,526,724	\$ 2,725,035
BEGINNING BALANCE	\$ 38,263,754	\$ 34,490,019	\$ 36,016,743
CURRENT-YEAR ENDING BALANCE	\$ 34,490,019	\$ 36,016,743	\$ 38,741,778
COMPONENTS OF ENDING BALANCE:			
Nonspendable Reserves (9711-9719)	\$ 301,574	\$ 304,605	\$ 307,697
Restricted Reserves (9740)	\$ 1,561,647	\$ 423,200	\$ 867,561
Stabilization Arrangements (9750)	\$ -	\$ -	\$ -
Other Commitments (9760)	\$ -	\$ -	\$ -
Other Assignments (9780)	\$ 17,524,198	\$ 19,502,048	\$ 21,411,490
Reserve for Economic Uncertainties (9789)	\$ 15,102,600	\$ 15,786,890	\$ 16,155,030
Unassigned/Unappropriated (9790)	\$ -	\$ -	\$ -

J. IMPACT OF PROPOSED AGREEMENT ON UNRESTRICTED RESERVES

1. State Reserve Standard

		2020-21	2021-22	2022-23
a.	Total Expenditures, Transfers Out, and Uses (Including Cost of Proposed Agreement)	\$ 335,293,878	\$ 350,948,947	\$ 359,102,598
b.	State Standard Minimum Reserve Percentage for this District enter percentage:	3.00%	3.00%	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)	\$ 10,058,816	\$ 10,528,468	\$ 10,773,078

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

a.	General Fund Budgeted Unrestricted Reserve for Economic Uncertainties (9789)	\$ 15,102,600	\$ 15,786,890	\$ 16,155,030
b.	General Fund Budgeted Unrestricted Unassigned/Unappropriated Amount (9790)	\$ -	\$ -	\$ -
c.	Special Reserve Fund (Fund 17) Budgeted Reserve for Economic Uncertainties (9789)	\$	\$	\$
d.	Special Reserve Fund (Fund 17) Budgeted Unassigned/Unappropriated Amount (9790)	\$	\$	\$
g.	Total Available Reserves	\$ 15,102,600	\$ 15,786,890	\$ 16,155,030
h.	Reserve for Economic Uncertainties Percentage	4.50%	4.50%	4.50%

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

2020-21	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
2021-22	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
2022-23	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

4. If no, how do you plan to restore your reserves?

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 6, Page 1 (i.e., increase was partially budgeted), explain the variance below:

N/A

6. Please include any additional comments and explanations of Page 4 as necessary:

K. CERTIFICATION NO. 1: CERTIFICATION OF THE DISTRICT'S ABILITY TO MEET THE COSTS OF COLLECTIVE BARGAINING AGREEMENT

The disclosure document must be signed by the District Superintendent and Chief Financial Officer at the time of public disclosure.

In accordance with the requirements of Government Code Section 3547.5, the Superintendent and Chief Business Officer of the Newport-Mesa Unified School District, hereby certify that the District can meet the costs incurred under the Collective Bargaining Agreement between the District and the Newport-Mesa Federation of Teachers Bargaining Unit, during the term of the agreement from July 1, 2020 to June 30, 2021.

The budget revisions necessary to meet the costs of the agreement in each year of its term are as follows:

<u>Budget Adjustment Categories:</u>	<u>Budget Adjustment Increase (Decrease)</u>
<u>Revenues/Other Financing Sources</u>	<u>-</u>
<u>Expenditures/Other Financing Uses</u>	<u>1,900,096.00</u>
<u>Ending Balance Increase (Decrease)</u>	<u><u>(1,900,096.00)</u></u>

Budget revisions necessary)



District Superintendent
(Signature)

1-Sep-20

Date



Chief Financial Officer
(Signature)

1-Sep-20

Date

L. CERTIFICATION NO. 2

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 Bargaining Agreement") in accordance with the requirements of AB 1200 and Government Code Section 3547.5.

District Superintendent (or Designee)
(Signature)

15-Sep-20
Date

President or Clerk of Governing Board
(Signature)

15-Sep-20
Date

Jeff Trader

Contact Person

714-424-5003

Phone