

**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**

Lowell Joint School District - California School Employees Association, Chapter  
**School District - Bargaining Unit:** 294 (CSEA)  
**Certificated, Classified, Other:** Classified

The proposed agreement covers the period beginning: July 1, 2023 and ending: June 30, 2026  
 (date) (date)

The Governing Board will act upon this agreement on: May 6, 2024  
 (date)

**A. Proposed Change in Compensation**

Compensation	Annual Cost Prior to Proposed Agreement FY	Fiscal Impact of Proposed Agreement		
		Year 1 Increase/(Decrease) 2023-24	Year 2 Increase/(Decrease) 2024-25	Year 3 Increase/(Decrease) 2025-26
1 Salary Schedule Increase (Decrease)	\$ 5,914,173.00	\$ 648,643 10.97%	\$ - 0.00%	\$ - 0.00%
2 Step and Column Increase (Decrease) Due to movement plus	\$ 106,455.11	\$ 1,916 1.80%	\$ 1,951 1.83%	\$ 1,986 1.87%
3 Other Compensation - Increase (Decrease) (Stipends, Bonuses, Longevity, Overtime, etc.)  Description of other compensation:	\$ -	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%
4 Statutory Benefits - STRS, PERS, FICA, WC, UI, Medicare etc.	\$ 2,129,575	\$ 234,253 11.00%	\$ - 0.00%	\$ - 0.00%
5 Health/Welfare Plans	\$ 1,259,132	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%
6 Total Compensation - Increase (Decrease) (Total Lines 1-5)	\$ 9,409,335.53	\$ 884,812	\$ 1,951	\$ 1,986
7 Total Number of Represented Employees	146.70	146.70	146.70	146.70
8 Total Compensation Average Cost per Employee	\$ 64,140	\$ 6,031 9.40%	\$ 13 0.02%	\$ 14 0.02%

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"?

Year 1 (2023-24) the negotiated percentage increase is 11.0%, beginning July 1, 2023.

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

No

11. Please include comments and explanations as necessary.

Contract is closed for 2024-25. Reopeners for four (4) articles in the 2025-26 fiscal year.

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

If yes, please describe the cap amount.

Soft Cap equal to the CalPERS Kaiser Family rate.

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

N/A

- 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.)

This settlement will necessitate staff reductions in the 2024-25, 2025-26, and 2026-27 school years.

- D. What contingency language is included in the proposed agreement?** Include specific areas identified reopeners, applicable fiscal years, and specific contingency language.  
Either side may open up to 4 Articles in the 2025-26 fiscal year. No other contingency or trigger language.

- 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.

The increase in settlement cost will create deficit spending in the current and out years. The school district will spend down a portion of the Ending Fund Balance while making the necessary reductions in the out years.

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

N/A

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

1. Current Year

\$20 Million Ending Fund Balance (approximately 45% of expenditures)

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)?

N/A

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.)

This agreement will reduce the Ending Fund Balance to an appropriate level while management utilizes assumptions that reduce FTE's where necessary. In addition, Board Assignments and Commitments are being deferred.

**H. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET**

**Unrestricted General Fund**

Enter Bargaining Unit: **California School Employees Association, Chapter 294 (CSEA)**

	<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
	Latest Board- Approved Budget Before Settlement (As of 1/31/2024 )	Adjustments as a Result of Settlement	Other Revisions	Total Current Budget (Columns 1+2+3)
<b>REVENUES</b>				
Local Control Funding Formula Sources (8010-8099)	\$ 35,660,397	\$ -	\$ -	\$ 35,660,397
Remaining Revenues (8100-8799)	\$ 1,280,640	\$ -	\$ -	\$ 1,280,640
<b>TOTAL REVENUES</b>	\$ 36,941,037	\$ -	\$ -	\$ 36,941,037
<b>EXPENDITURES</b>				
Certificated Salaries (1000-1999)	\$ 15,545,629	\$ -	\$ -	\$ 15,545,629
Classified Salaries (2000-2999)	\$ 3,734,653	\$ 391,660	\$ -	\$ 4,126,313
Employee Benefits (3000-3999)	\$ 8,367,184	\$ 141,029	\$ -	\$ 8,508,213
Books and Supplies (4000-4999)	\$ 2,514,365	\$ -	\$ -	\$ 2,514,365
Services, Other Operating Expenses (5000-5999)	\$ 2,285,758	\$ -	\$ -	\$ 2,285,758
Capital Outlay (6000-6599)	\$ 212,199	\$ -	\$ -	\$ 212,199
Other Outgo (7100-7299) (7400-7499)	\$ 21,525	\$ -	\$ -	\$ 21,525
Direct Support/Indirect Cost (7300-7399)	\$ (199,455)	\$ -	\$ -	\$ (199,455)
Other Adjustments				
<b>TOTAL EXPENDITURES</b>	\$ 32,481,858	\$ 532,690	\$ -	\$ 33,014,548
<b>OPERATING SURPLUS (DEFICIT)</b>	\$ 4,459,179	\$ (532,690)	\$ -	\$ 3,926,489
<b>TRANSFERS IN &amp; OTHER SOURCES (8910-8979)</b>	\$ -	\$ -	\$ -	\$ -
<b>TRANSFERS OUT &amp; OTHER USES (7610-7699)</b>	\$ -	\$ -	\$ -	\$ -
<b>CONTRIBUTIONS (8980-8999)</b>	\$ (5,028,099)	\$ -	\$ -	\$ (5,028,099)
<b>CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE</b>	\$ (568,920)	\$ (532,690)	\$ -	\$ (1,101,610)
<b>BEGINNING BALANCE</b>	\$ 13,575,989			\$ 13,575,989
Prior-Year Adjustments/Restatements (9793/9795)				\$ -
<b>CURRENT-YEAR ENDING BALANCE</b>	\$ 13,007,069	\$ (532,690)	\$ -	\$ 12,474,379
<b>COMPONENTS OF ENDING BALANCE:</b>				
Nonspendable Reserves (9711-9719)	\$ 30,000	\$ -	\$ -	\$ 30,000
Restricted Reserves (9740)	\$ -	\$ -	\$ -	\$ -
Stabilization Arrangements (9750)	\$ -	\$ -	\$ -	\$ -
Other Commitments (9760)	\$ 10,555,088	\$ (532,690)		\$ 10,022,398
Other Assignments (9780)				\$ -
Reserve for Economic Uncertainties (9789)	\$ 1,446,053			\$ 1,446,053
Unassigned/Unappropriated (9790)	\$ 975,928			\$ 975,928

\* Please see question on page 7.

**H. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET**

**Restricted General Fund**

Enter Bargaining Unit: **California School Employees Association, Chapter 294 (CSEA)**

	<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
	Latest Board- Approved Budget Before Settlement (As of 1/31/2024 )	Adjustments as a Result of Settlement	Other Revisions	Total Current Budget (Columns 1+2+3)
<b>REVENUES</b>				
Local Control Funding Formula Sources (8010-8099)	\$ -	\$ -	\$ -	\$ -
Remaining Revenues (8100-8799)	\$ 8,243,824	\$ -	\$ -	\$ 8,243,824
<b>TOTAL REVENUES</b>	\$ 8,243,824	\$ -	\$ -	\$ 8,243,824
<b>EXPENDITURES</b>				
Certificated Salaries (1000-1999)	\$ 5,155,429	\$ -	\$ -	\$ 5,155,429
Classified Salaries (2000-2999)	\$ 3,108,422	\$ 258,899	\$ -	\$ 3,367,321
Employee Benefits (3000-3999)	\$ 3,036,858	\$ 93,224	\$ -	\$ 3,130,082
Books and Supplies (4000-4999)	\$ 2,548,781	\$ -	\$ -	\$ 2,548,781
Services, Other Operating Expenses (5000-5999)	\$ 1,110,177	\$ -	\$ -	\$ 1,110,177
Capital Outlay (6000-6599)	\$ 242,681	\$ -	\$ -	\$ 242,681
Other Outgo (7100-7299) (7400-7499)	\$ 474,397	\$ -	\$ -	\$ 474,397
Direct Support/Indirect Cost (7300-7399)	\$ 43,155	\$ -	\$ -	\$ 43,155
Other Adjustments				
<b>TOTAL EXPENDITURES</b>	\$ 15,719,900	\$ 352,123	\$ -	\$ 16,072,023
<b>OPERATING SURPLUS (DEFICIT)</b>	\$ (7,476,076)	\$ (352,123)	\$ -	\$ (7,828,199)
<b>TRANSFERS IN &amp; OTHER SOURCES (8910-8979)</b>	\$ -	\$ -	\$ -	\$ -
<b>TRANSFERS OUT &amp; OTHER USES (7610-7699)</b>	\$ -	\$ -	\$ -	\$ -
<b>CONTRIBUTIONS (8980-8999)</b>	\$ 5,028,099	\$ -	\$ -	\$ 5,028,099
<b>CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE</b>	\$ (2,447,977)	\$ (352,123)	\$ -	\$ (2,800,100)
<b>BEGINNING BALANCE</b>	\$ 6,407,917			\$ 6,407,917
Prior-Year Adjustments/Restatements (9793/9795)	\$ -			\$ -
<b>CURRENT-YEAR ENDING BALANCE</b>	\$ 3,959,940	\$ (352,123)	\$ -	\$ 3,607,817
<b>COMPONENTS OF ENDING BALANCE:</b>				
Nonspendable Reserves (9711-9719)	\$ -	\$ -		\$ -
Restricted Reserves (9740)	\$ 3,959,940	\$ -	\$ -	\$ 3,959,940
Stabilization Arrangements (9750)	\$ -	\$ -	\$ -	\$ -
Other Commitments (9760)	\$ -	\$ (352,123)	\$ -	\$ (352,123)
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: **California School Employees Association, Chapter 294 (CSEA)**

	<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
	Latest Board- Approved Budget Before Settlement (As of 1/31/2024 )	Adjustments as a Result of Settlement	Other Revisions	Total Current Budget (Columns 1+2+3)
<b>REVENUES</b>				
Local Control Funding Formula Sources (8010-8099)	\$ 35,660,397	\$ -	\$ -	\$ 35,660,397
Remaining Revenues (8100-8799)	\$ 9,524,464	\$ -	\$ -	\$ 9,524,464
<b>TOTAL REVENUES</b>	\$ 45,184,861	\$ -	\$ -	\$ 45,184,861
<b>EXPENDITURES</b>				
Certificated Salaries (1000-1999)	\$ 20,701,058	\$ -	\$ -	\$ 20,701,058
Classified Salaries (2000-2999)	\$ 6,843,075	\$ 650,559	\$ -	\$ 7,493,634
Employee Benefits (3000-3999)	\$ 11,404,042	\$ 234,253	\$ -	\$ 11,638,295
Books and Supplies (4000-4999)	\$ 5,063,146	\$ -	\$ -	\$ 5,063,146
Services, Other Operating Expenses (5000-5999)	\$ 3,395,935	\$ -	\$ -	\$ 3,395,935
Capital Outlay (6000-6599)	\$ 454,880	\$ -	\$ -	\$ 454,880
Other Outgo (7100-7299) (7400-7499)	\$ 495,922	\$ -	\$ -	\$ 495,922
Direct Support/Indirect Cost (7300-7399)	\$ (156,300)	\$ -	\$ -	\$ (156,300)
Other Adjustments				
<b>TOTAL EXPENDITURES</b>	\$ 48,201,758	\$ 884,812	\$ -	\$ 49,086,570
<b>OPERATING SURPLUS (DEFICIT)</b>	\$ (3,016,897)	\$ (884,812)	\$ -	\$ (3,901,709)
<b>TRANSFERS IN &amp; OTHER SOURCES (8910-8979)</b>	\$ -	\$ -	\$ -	\$ -
<b>TRANSFERS OUT &amp; OTHER USES (7610-7699)</b>	\$ -	\$ -	\$ -	\$ -
<b>CONTRIBUTIONS (8980-8999)</b>	\$ -	\$ -	\$ -	\$ -
<b>CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE</b>	\$ (3,016,897)	\$ (884,812)	\$ -	\$ (3,901,709)
<b>BEGINNING BALANCE</b>	\$ 19,983,906			\$ 19,983,906
Prior-Year Adjustments/Restatements (9793/9795)	\$ -			\$ -
<b>CURRENT-YEAR ENDING BALANCE</b>	\$ 16,967,009	\$ (884,812)	\$ -	\$ 16,082,197
<b>COMPONENTS OF ENDING BALANCE:</b>				
Nonspendable Reserves (9711-9719)	\$ 30,000	\$ -	\$ -	\$ 30,000
Restricted Reserves (9740)	\$ 3,959,940	\$ -	\$ -	\$ 3,959,940
Stabilization Arrangements (9750)	\$ -	\$ -	\$ -	\$ -
Other Commitments (9760)	\$ 10,555,088	\$ (884,813)	\$ -	\$ 9,670,275
Other Assignments (9780)	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties (9789)	\$ 1,446,053	\$ -	\$ -	\$ 1,446,053
Unassigned/Unappropriated (9790)	\$ 975,928	\$ -	\$ -	\$ 975,928

\* Please see question on page 7.

**I. IMPACT OF PROPOSED AGREEMENT ON SUBSEQUENT YEARS**

**Combined General Fund**

Enter Bargaining Unit: **California School Employees Association, Chapter 294 (CSEA)**

	2023-24	2024-25	2025-26
	Total Current Budget After Settlement	First Subsequent Year After Settlement	Second Subsequent Year After Settlement
<b>REVENUES</b>			
Local Control Funding Formula Sources (8010-8099)	\$ 35,660,397	\$ 35,404,177	\$ 36,019,527
Remaining Revenues (8100-8799)	\$ 9,524,464	\$ 6,776,119	\$ 6,877,610
<b>TOTAL REVENUES</b>	\$ 45,184,861	\$ 42,180,296	\$ 42,897,137
<b>EXPENDITURES</b>			
Certificated Salaries (1000-1999)	\$ 20,701,058	\$ 20,480,179	\$ 20,497,382
Classified Salaries (2000-2999)	\$ 7,493,634	\$ 6,835,053	\$ 6,958,084
Employee Benefits (3000-3999)	\$ 11,638,295	\$ 11,450,805	\$ 11,742,715
Books and Supplies (4000-4999)	\$ 5,063,146	\$ 4,224,046	\$ 3,774,462
Services, Other Operating Expenses (5000-5999)	\$ 3,395,935	\$ 3,545,935	\$ 3,425,975
Capital Outlay (6000-6999)	\$ 454,880	\$ 460,588	\$ 466,341
Other Outgo (7100-7299) (7400-7499)	\$ 495,922	\$ 495,922	\$ 495,922
Direct Support/Indirect Cost (7300-7399)	\$ (156,300)	\$ (162,159)	\$ (162,159)
Other Adjustments		\$ -	\$ -
<b>TOTAL EXPENDITURES</b>	\$ 49,086,570	\$ 47,330,369	\$ 47,198,722
<b>OPERATING SURPLUS (DEFICIT)</b>	\$ (3,901,709)	\$ (5,150,073)	\$ (4,301,585)
TRANSFERS IN & OTHER SOURCES (8910-8979)	\$ -	\$ -	\$ -
TRANSFERS OUT & OTHER USES (7610-7699)		\$ -	\$ -
<b>CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE</b>	\$ (3,901,709)	\$ (5,150,073)	\$ (4,301,585)
<b>BEGINNING BALANCE</b>	\$ 19,983,906	\$ 16,082,197	\$ 10,932,124
<b>CURRENT-YEAR ENDING BALANCE</b>	\$ 16,082,197	\$ 10,932,124	\$ 6,630,539
<b>COMPONENTS OF ENDING BALANCE:</b>			
Nonspendable Reserves (9711-9719)	\$ 30,000	\$ 30,000	\$ 30,000
Restricted Reserves (9740)	\$ 3,959,940	\$ 3,000,000	\$ 3,000,000
Stabilization Arrangements (9750)	\$ -		
Other Commitments (9760)	\$ 9,670,275	\$ 5,509,661	\$ 2,033,703
Other Assignments (9780)	\$ -		
Reserve for Economic Uncertainties (9789)	\$ 1,472,597	\$ 1,419,911	\$ 1,415,962
Unassigned/Unappropriated (9790)	\$ 949,384	\$ 972,552	\$ 150,874

**J. IMPACT OF PROPOSED AGREEMENT ON UNRESTRICTED RESERVES**

1. State Reserve Standard

		2023-24	2024-25	2025-26
a.	Total Expenditures, Transfers Out, and Uses (Including Cost of Proposed Agreement)	\$ 49,086,570	\$ 47,330,369	\$ 47,198,722
b.	State Standard Minimum Reserve Percentage for this District <u>enter</u> 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	\$ 1,472,597	\$ 1,419,911	\$ 1,415,962

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

a.	General Fund Budgeted Unrestricted Reserve for Economic Uncertainties (9789)	\$ 1,472,597	\$ 1,419,911	\$ 1,415,962
b.	General Fund Budgeted Unrestricted Unassigned/Unappropriated Amount (9790)	\$ 949,384	\$ 972,552	\$ 150,874
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	\$ 2,421,981	\$ 2,392,463	\$ 1,566,836
h.	Reserve for Economic Uncertainties Percentage	3.00%	3.00%	3.00%

2023-24	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
2024-25	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
2025-26	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:

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

Although there are no budget adjustments necessary to meet the costs of the agreement in the 2023/24-2025/26 school years due to the fund balance, the District will make reductions over the course of that time to bring the ongoing structural deficit under control. The District will spend down the fund balance to an appropriate level during the term of this 3 year agreement.

**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 Business 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 Lowell Joint School District, hereby certify that the District can meet the costs incurred under the Collective Bargaining Agreement between the District and the California School Employees Association Bargaining Unit, during the term of the agreement from July 1, 2023 to June 30, 2026.

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

<u><b>Budget Adjustment Categories:</b></u>	<u><b>Budget Adjustment Increase (Decrease)</b></u>
<u>Revenues/Other Financing Sources</u>	<u>0</u>
<u>Expenditures/Other Financing Uses</u>	<u>884,812.00</u>
<u>Ending Balance Increase (Decrease)</u>	<u><u>(884,812.00)</u></u>

N/A X (No budget revisions necessary)

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<b>District Superintendent</b>	<b>April 15, 2024</b>
<b>(Signature)</b>	<b>Date</b>

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<b>Chief Business Officer</b>	<b>April 15, 2024</b>
<b>(Signature)</b>	<b>Date</b>

**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.

_____ <b>District Superintendent (or Designee)</b> <b>(Signature)</b>	_____ May 6, 2024 <b>Date</b>
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_____ <b>President or Clerk of Governing Board</b> <b>(Signature)</b>	_____ May 6, 2024 <b>Date</b>
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_____ David Bennett <b>Contact Person</b>	_____ 562-902-4202 <b>Phone</b>
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