



Santa Clara County Office of Education

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

January 31, 2019

Mr. James Pace, Board President
Gilroy Unified School District
7810 Arroyo Circle
Gilroy, CA 95020

Dear Board President Pace,

In accordance with the provisions of AB1200, Government Code Section 3547.5, and the California Code of Regulations Title V, Section 15449, the Santa Clara County Office of Education has reviewed the public disclosure and salary settlement analysis (disclosure), indicating that labor contract negotiations between the Gilroy Unified School District (District) and the Gilroy Federation of Paraeducators bargaining unit is tentatively settled for the period July 1, 2017 to June 30, 2020. It is our understanding that the tentative agreement will be acted on by the governing board on February 14, 2019.

According to the District's financial analysis provided with the disclosure, the tentative agreement includes the following:

- 2.0% salary schedule increase effective July 1, 2017 for fiscal year 2017-18
- 2.0% salary schedule increase effective January 1, 2018 for fiscal year 2017-18
- 2.0 % salary schedule increase effective January 1, 2019 for fiscal year 2018-19
- Effective January 1, 2020, an increase in the District's maximum annual contribution to Health & Welfare benefits. The hard cap does vary based on FTE. The lowest annual contribution is \$7,210 and the highest annual contribution is \$18,745.99

Based on our analysis, of the District's projected 3-year Multi-Year Projection Report for fiscal year 2018-19, submitted for review on January 31, 2019 indicates the District's General Fund is projected to maintain State's standard minimum reserve percentage of 3% in the current and two subsequent fiscal years. Reserves are expected to remain above the threshold after accounting for the impact of this agreement.

We would like to express our appreciation to District staff for their cooperation during the review of the AB 1200 public disclosure and salary settlement analysis. If our office can be of further assistance, please call me at (408) 453-6594.

Sincerely,

A handwritten signature in blue ink that reads "Anita Maharaj".

Anita Maharaj, Advisor
District Business and Advisory Services

Board President
January 15, 2019
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cc: Members of the Board, Gilroy Unified School District
Alvaro Mesa, Assistant Superintendent, Business, Gilroy Unified School District
Judy Lee Kershaw, Director - District Business Services, Santa Clara County Office of Education
Anita Maharaj, District Business Advisor, Santa Clara County Office of Education