

# REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015



## **General Information**

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The District's Budget is formed around a set of basic assumptions and formulas. Redlands Unified School District includes elementary and secondary levels of education under a single Board of Education. The District consists of sixteen elementary schools, four middle schools, three comprehensive high schools, one continuation high school, one independent study center, one on-line school, one adult education school, preschools and centralized administration.

### **Elementary Schools (Grades K-5)**

Arroyo Verde Elementary  
Crafton Elementary  
Franklin Elementary  
Judson & Brown Elementary  
Kingsbury Elementary  
Mariposa Elementary  
Mentone Elementary  
Smiley Elementary

Bryn Mawr Elementary  
Cram Elementary  
Highland Grove Elementary  
Kimberly Elementary  
Lugonia Elementary  
McKinley Elementary  
Mission Elementary  
Victoria Elementary

### **Middle School (Grades 6-8)**

Beattie Middle  
Cope Middle

Clement Middle  
Moore Middle

### **High Schools (Grades 9-12)**

Redlands East Valley High  
Redlands High  
Citrus Valley High

### **Alternative/Continuation/Adult Schools**

Orangewood Continuation High (Grades 9-12)  
R.I.S.E. (Grades K-12)  
Adult Education  
Redlands eAcademy

# REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015

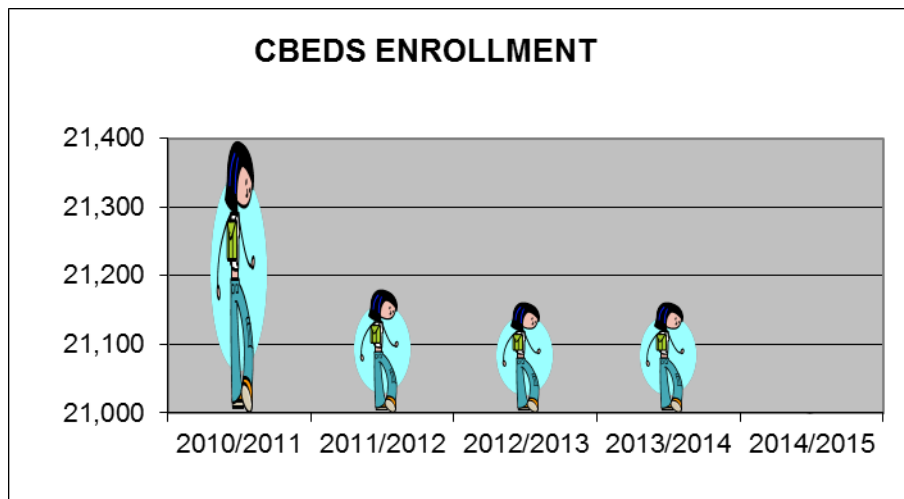
The District encompasses approximately 147 square miles of the south-eastern region of San Bernardino County. Population centers include the cities of Redlands, Highland, Loma Linda, a portion of San Bernardino and the community of Mentone.

The District's governing board consists of five elected members. Members are elected at-large to serve four-year terms. Members of the Board elect a president each year. The day-to-day affairs of the District are the responsibility of the Superintendent.

## **Enrollment Projections**

The California Basic Educational Data System (CBEDS) is an annual data collection administered in October. The purpose of CBEDS is to collect information on student and staff demographics including student enrollment, graduates, dropouts, course enrollment, enrollment in alternative education, gifted and talented education, and more.

The addition of the Redlands eAcademy is expected to add modestly to our enrollment and we should see the effects of this in 2014/2015 and 2015/2016. Projected enrollment for mid-October is 20,867 which is lower than the previous year.

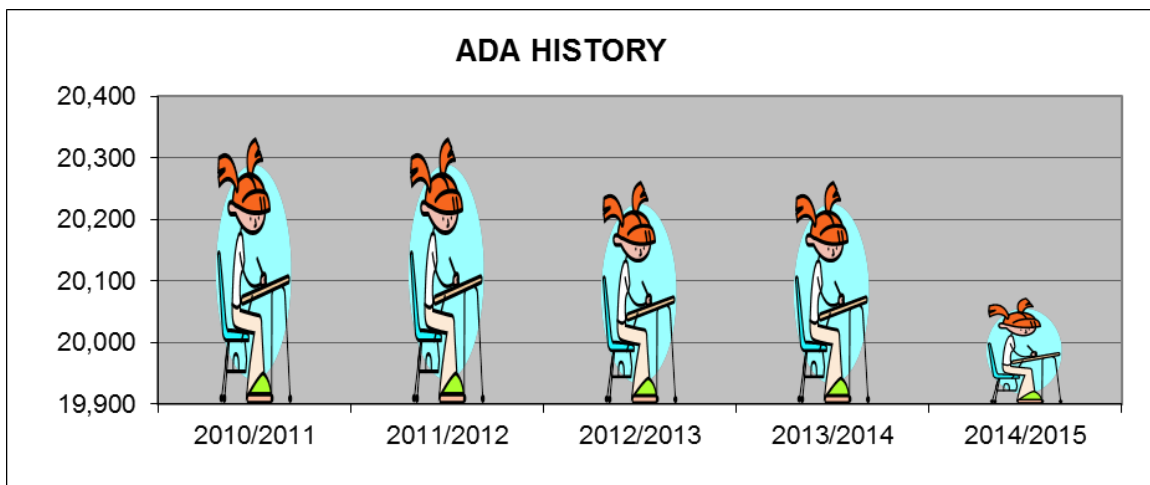


Although enrollment projections are used to estimate the facilities and staffing needs, state funding is provided to the District based on average daily attendance.

# REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015

## Average Daily Attendance (ADA)

The most significant characteristic for determining district income is the calculation of the average number of students that are in school and in attendance on a daily basis. The average daily attendance or ADA is multiplied by the District's LCFF Grant Entitlement per ADA to determine the total LCFF income for the District. Redlands has projected that the ADA for 2014/2015 will be 20,073.32 or 96.20% of projected CBEDS. This number is based on our prior year P-2 ADA for minimum funding and is approximately 191.07 ADA less than projected at this time in 2012/2013.



ADA projections are for all TK-12 regular education and special education programs. Since ADA is such an important part of the District's income base, the attendance records are monitored weekly and ADA is updated throughout the year to ensure that the projected revenue limit income matches the District's projections.

Public schools are the only public agencies that receive income based on the population they serve. Because we receive most of our income based on attendance, if a student misses even one day, the District loses approximately \$60.24. This number is calculated by dividing the Annual LCFF funding per ADA by 120 student days. The State's recent increases in per student funding has increased this amount by \$5.66 over 2013/14.

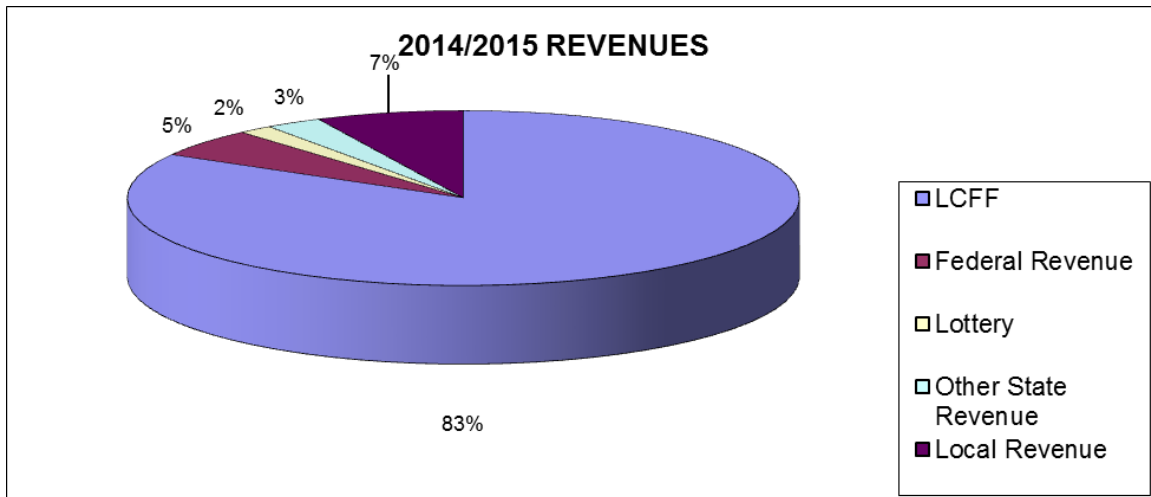
# REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015

## General Fund Revenue Sources

83% of the District's General Fund revenue is generated from the Local Control Funding Formula which yields funds based on a state-determined dollar amount multiplied by the average number of students who are in attendance throughout the school year.

The second largest source of revenue was previously state categorical income that had requirements to be spent for selected state-determined programs. Since most of the categorical monies are now rolled into the LCFF Other Local Revenues is now the District's second largest revenue source.

Federal income is a small portion of the entire District income. Again, most of the federal income is restricted since it must be expended for purposes that are determined by the grantor, not the local Board of Education.



## Local Control Funding Formula (LCFF)

Public education—unlike any other public agency—receives most of its revenue based on the population it serves. Approximately 83% of the General Fund's revenues are generated by student attendance and accounted for as LCFF funds. Student attendance is the average daily attendance of pupils for attendance months one through seven. This number is multiplied by the District's LCFF Grant Funding calculation for determining the anticipated revenue to be apportioned.

LCFF is funded by property tax receipts, with the balance provided to the District as a state apportionment netted against Prop 98 State funding for TK-14 education. Redlands Unified School District receives approximately 12% of its state funding from property tax receipts.

# REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015

## LCFF Factors

LCFF is an eight year plan to bring California's public schools (TK-12) back to the funding level of 2007/2008. With 2012-2013 as the Base year the formula creates a "fully funded" total due to each district in the 2020-2021 year (the GAP). Each year a portion of the GAP is to be funded to reach the eight year goal.

*Factors* – The Base Grant is funded on ADA by Grade Span with additional dollars provided for K-3, 9-12, Supplemental, and Concentration grants. The Supplemental and Concentration Grants are a function of how many unduplicated English Language Learners, Free and Reduced Lunch and Foster Youth as a percentage of the District's enrollment. This means that every district in the state is funded differently and districts with a higher proportional share of the 'targeted' students will receive greater per pupil funding.

*COLA* – (*Cost of Living Adjustment*) - The annual inflation percentage for K-12 revenue limits was established by statutory law. For 2014/2015, this is implied to be a portion of the GAP. So, any realization of the COLA will only be met at the point in time that the GAP is fully funded. For the Budget year the index is anticipated to be 0.85%.

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If every student attended school one additional day prior to the P-2 cutoff, an additional \$1,257,028 in unrestricted funding would be provided by the State.



LCFF funding is projected to generate **\$145.1 million** in 2014/2015 based on the information provided above. Unfortunately, Redlands' revenues lag behind when compared to districts throughout the state. The average Statewide LCFF funding increase for 2014/15 is 10.7% while RUSD's increase is 9.35%. This represents a differential of approximately \$97.59 per funded ADA. This difference will continue to grow as the LCFF GAP continues to be funded.

The District would receive an additional \$1,958,955 in unrestricted revenue limit funding if we were funded at the statewide average rate for unified school districts.

## Lottery Revenue

Lottery provides approximately 2% of the General Fund total revenues. Lottery is not a stable source of income for the District, but instead has ranged from a low of \$77 per ADA in 1991-92 to a high of \$176 per ADA in 1988-89. Lottery funding is projected to be \$154 per ADA in 2014/2015.

## **REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015**

Since 1997-98, school districts have been required to use 50% of the growth in Lottery allocations for the purchase of instructional materials. In 2014/2015, it is projected that Redlands will receive \$126.00 per ADA for unrestricted Lottery revenues and \$30.00 per ADA for Lottery funding restricted to the purchase of instructional materials.

In our district, unrestricted Lottery revenues are committed to the Elementary Enrichment Program that provides access to music, art and PE for grades 1-5 students. The balance supports the cost of the District's class size reduction program.



### **Mandated Cost Reimbursements**

State Mandated revenues for cost reimbursements are NOT projected to be distributed to school districts once again this year. The following table provides the receipts for mandate claims over the last few years:

<b><u>Fiscal Year</u></b>	<b><u>Revenue</u></b>
2007/2008	\$80,602
2008/2009	\$80,602
2009/2010	\$80,602
2010/2011	\$876,058
2011/2012	0
2012/2013	\$35,591
2013/2014	0
2014/2015	0

As an alternative to the Mandated Cost program process the State started funding a Mandated Cost Block Grant in 2012-13 for districts choosing to forego the claim process in-lieu of a discounted per ADA amount. The District received \$561,757 in 2012-13 and \$759,172 in 2013-14. The State had not finalized the Block Grant for 2014/15 but the District is budgeting for the same amount as 2013/14.

# REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015

## **Expenditure Budget Summary**

Most of the expenditures of the District are committed to the salaries and benefits for employees of the District. It takes people to teach students, and in Redlands, 84% of the District's budgeted expenditures are for the services of District employees.

Employee salaries are divided into three groups—certificated, management, and classified employees. Certificated employees include teachers, counselors, nurses, librarians, psychologists, and others who provide services that require credentials from the State of California. Management employees include principals, assistant principals, instructional leaders, classified management personnel, and district superintendents. Classified employees include all of the support personnel in the district, including secretaries, accountants, bus drivers, mechanics, painters, food service, and custodial personnel.

## **Textbooks**

The 2014/2015 budget has allocated \$532,624 towards the purchase of textbooks and an additional \$2,602,379 for purchase of new common core curricula materials and classroom computers. This funding is provided by Common Core monies provided in 2013/14 carried over to 2014/15.

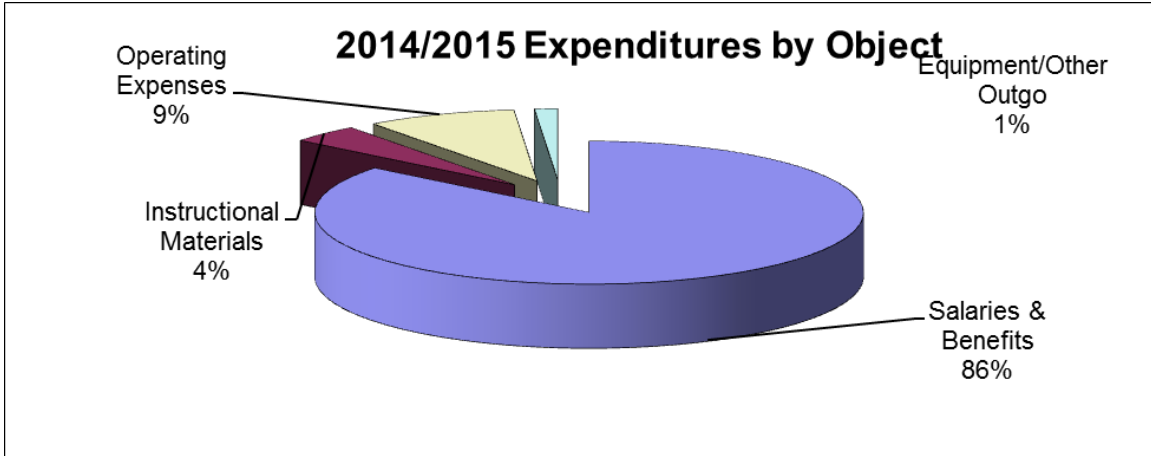


## **Overall Expenditures**

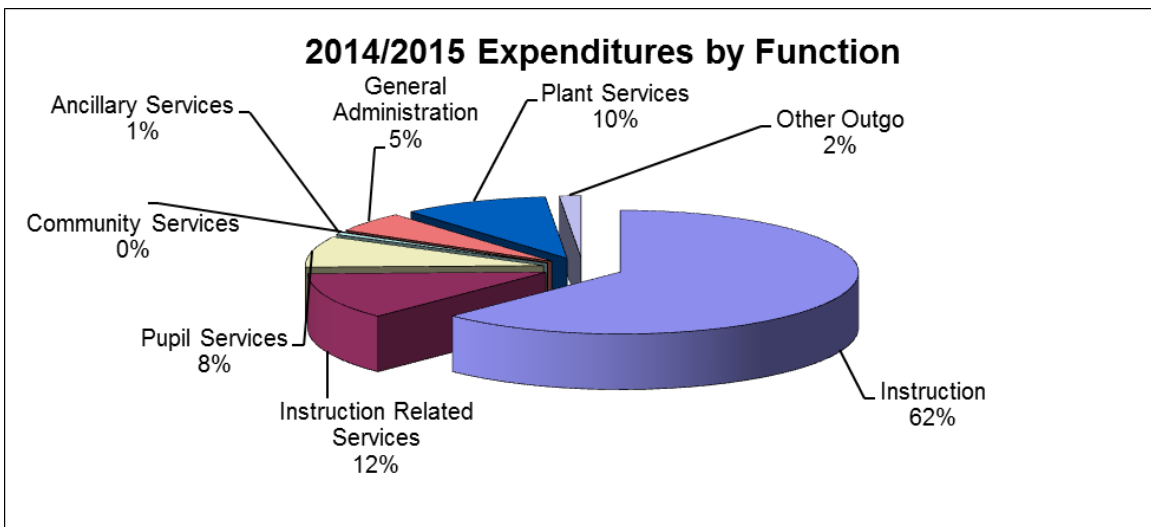
The severe impact of prior budget reductions still limits the District's ability to address even basic support: such as text books and maintenance. As a service provider to the students, the largest single expense is people. That expense, on a proportional basis, takes a larger percentage of the available resources as other items were reduced.

The Governor's May Revise has promoted a State budget that looks to provide more money to schools. This will be addressed in more detail under State Budget update.

**REDLANDS UNIFIED SCHOOL DISTRICT  
BUDGET ASSUMPTIONS 2014/2015**



<u>Description</u>	<u>Unrestricted</u>	<u>Restricted</u>
Salaries, Benefits & Fixed Charges	86.53%	74.63%
Instructional Materials & Supplies	3.77%	5.13%
Services, Operating Expenses, Indirect	6.47%	17.93%
Capital Outlay/Other Outgo	<u>3.23%</u>	<u>2.30</u>
Total, Adopted Budget	100%	100%



<u>Description</u>	<u>Unrestricted</u>	<u>Restricted</u>
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**REDLANDS UNIFIED SCHOOL DISTRICT  
BUDGET ASSUMPTIONS 2014/2015**

Instruction	61.88%	64.48%
Instruction Related Services	12.39%	11.38%
Pupil Services	7.27%	10.99%
Ancillary Services	0.75%	0.01%
Community Services	.10%	0.24%
General Administration	6.27%	1.29%
Plant Services	9.58%	11.25%
Other Outgo	<u>1.76%</u>	<u>0.34%</u>
Total, Adopted Budget	100%	100%

**Employees**

The certificated bargaining unit employees are represented by Redlands Teachers Association/CTA/NEA (RTA). The District and the Association are not currently in contract negotiations.

The classified bargaining unit employees are represented by Redlands Education Support Professionals Association/CTA/NEA (RESPA). The District and the Association are not currently in contract negotiations.

***Salary and Fringe Benefit History:***

<u>Year</u>	<u>Salary Increase</u>	<u>Fringe Benefits</u>	<u>Increase</u>
2007/08	3.72%	\$10,087	5.98%
2008/09	N/A	\$10,641	5.54%
2009/10	N/A	\$10,641	0.00%
2010/11	N/A	\$10,641	0.00%
2011/12	N/A	\$10,641	0.00%
2012/13	N/A	\$10,641	0.00%
**2013/14	2.0%	\$10,641	0.00%
**2013/14	\$1,275	-	0.00%
++2014/15	N/A	\$11,916	12.00%

\*\*Negotiations included a 2% Salary increase and a one-time payment of \$1,275

++Negotiations included a one-time District contribution of \$1,275 to H&W

**REDLANDS UNIFIED SCHOOL DISTRICT  
BUDGET ASSUMPTIONS 2014/2015**



**Health & Welfare Benefits (Health/Dental/Vision)**

As part of an employee’s total compensation, the District provides health (including behavioral health and chiropractic services), dental, vision, and life insurance coverage for the employee and all eligible family members. The District makes a maximum contribution of \$10,641 plus a one-time contribution in the Budget year of \$1,275 towards Benefits of full time employees. Part-time employees are provided District paid benefits based on the number of hours worked.

District contributions toward this benefit will rise in the budget year based on the negotiated one-time contribution increase from the District. Public education is not immune to the high cost escalation of health benefits and funding these benefits has become increasingly challenging. The cost increase per ADA for health benefits is projected to absorb a higher percentage of the district’s revenues.

The budgeted cost for the employee health & welfare benefit package is **\$16,944,154.**

**Cost per ADA: \$844.11**

The budgeted cost for the retiree health and welfare benefit package is **\$1,323,009.**

**Cost per ADA: \$65.91.**

**History of Health & Welfare Annual Costs for Employees:**

<b>Year</b>	<b>Total Cost</b>	<b>Cost per ADA</b>	<b>%Increase/ ADA</b>
2008/2009	\$16,174,618	\$796.32	8.05%
2009/2010*	\$15,708,641	\$773.08	<2.92%>
2010/2011*	\$15,428,216	\$757.59	<2.00%>
2011/2012*	\$14,807,972	\$728.26	<3.87%>
2012/2013	\$15,142,826	\$743.64	2.1%
2013/2014	\$15,241,619	\$752.14	1.14%
2014/2015+	\$16,944,154	\$844.11	12.23%

\*Represents drop in active employees due to reduction in force (RIF)

+Represents negotiated one-time per employee payment of \$1,275

## REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015

### History of Health & Welfare Annual Costs for Retirees:

Year	Total Cost	Cost per ADA	%Increase/ ADA
2007/2008	\$ 831,236	\$41.37	6.55%
2008/2009	\$ 946,077	\$46.58	12.59%
2009/2010*	\$1,110,248	\$56.64	9.96%
2010/2011*	\$1,163,359	\$57.13	0.87%
2011/2012*	\$1,361,246	\$66.95	17.19%
2012/2013	\$1,350,737	\$66.33	<0.9%>
2013/2014	\$1,385,696	\$68.38	3.1%
2014/2015	\$1,323,009	\$65.91	<3.61>

\*Anticipated increase in retirees due to SERP

### Certificated Staffing Formulas

Currently, classroom teachers are staffed at the noted ratios:



TK-K	One classroom teacher for each 25 students enrolled
1-3	One classroom teacher for each 25 students enrolled
4-5	One Classroom teacher for each 32 students enrolled
6-8	One classroom teacher for each 30 students enrolled
9-12	One classroom teacher for each 30 students enrolled

### Step/Column Increases

The 2014/2015 Budget includes the negotiated cost of step and column advancement for certificated and classified salaries in the amount of \$1,563,147 including benefits.

### GASB 43 and 45

The Governmental Accounting Standards Board (GASB) has issued standards for reporting and funding Other Post Employment Benefits, including the liability associated with providing post-retirement health benefits to employees.

The regulations are GASB 43 and GASB 45. GASB 43 requires planning for funding of Other Post-Retirement Benefits (OPEB). GASB 45 requires OPEB be recognized as an expense on the Local Educational Agencies financial statements.

## REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015

Total Compensation Systems, Inc. conducted an actuarial study on the District’s liability for retiree health benefits. The report dated September 25, 2012, shows the actuarial accrued liability (AAL) to be \$35.1 million. The District will provide an updated actuarial study every two years as required by law.

Funding this liability will be addressed as the District prepares for the future.



### K-12 Site Summary

Elementary Schools (K-5).....	16
Middle Schools (6-8) .....	4
High Schools (9-12).....	3
Continuation School (9-12).....	1
Alternative Education School .....	1
Redlands eAcademy.....	1
<b>TOTAL K-12 SCHOOLS.....</b>	<b>26</b>

### School Site Formulas

In response to the State budget crisis, school site formulas for discretionary funds were reduced 20% in 2008/2009. The following rates are distributed per CBEDS enrollment:

Elementary Schools	\$12.00 GF plus \$13.00 Lottery per CBEDS
Middle Schools	\$22.40 GF plus \$13.00 Lottery per CBEDS
Continuation	\$52.60 GF plus \$13.00 Lottery per CBEDS
RISE	\$59.40 GF plus \$13.00 Lottery per CBEDS
High Schools	\$28.40 GF plus \$13.00 Lottery per CBEDS

In addition to the discretionary allocations listed above middle schools receives \$5,506 for music and instructional media supplies and \$8,900 for extra-curricular programs. Each comprehensive high school receives \$3,956 for instructional media supplies; \$13,200 for athletic and co-curricular supplies; \$400,594 for athletic and co-curricular stipends and transportation; and \$10,000 for custodial/security overtime.

A total of **\$1,373,299** has been allocated to the school sites for discretionary use in the 2014/2015 fiscal year. This amount equates to an average cost of **\$68.41 per ADA**.

**REDLANDS UNIFIED SCHOOL DISTRICT  
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**Special Education**

Redlands is proud of the special education support provided to approximately 2,551 special education students throughout the district.



School districts throughout the state face a continuing challenge in funding the costs for serving special education students. State and federal Special Education income is significantly less than the mandated costs of these services. Therefore, the District must use unrestricted or general-purpose income to address the full obligation of special education. The difference between the restricted income and the expenditures in special education is described as “encroachment.” The General Fund cost for “encroachment” in 2014/2015 is projected to be **\$4,322,913**, or an additional **\$1,979.28** per special education student or **\$242.90 per ADA**.

*Summary of Revenues and Expenditures:*

**Revenues:**

Revenue Apportionment .....	3,317,657
Federal IDEA & other Fed.....	4,317,982
AB602 SELPA Pass-thru .....	10,450,172
Other State Revenue .....	1,581,550
Contribution from General Fund .....	4,322,913
<b>TOTAL REVENUES:.....</b>	<b>23,990,274</b>

**Expenditures:**

Certificated Salaries .....	10,848,254
Classified Salaries .....	4,725,344
Employee Benefits .....	4,920,414
Books and Supplies .....	137,460
Services, Operational Expenses .....	2,376,474
Other Outgo .....	982,328
<b>TOTAL EXPENDITURES:.....</b>	<b>23,990,274</b>

In addition to the Special Education funding sources listed above, the General Fund and LEA MediCare Reimbursement funds provide additional funding for staffing and material support of special education and health related programs.

**REDLANDS UNIFIED SCHOOL DISTRICT  
BUDGET ASSUMPTIONS 2014/2015**



**Home-to-School Transportation**

Home-to-School Transportation is an encroaching program on the District’s General Fund. The District’s contribution from the General Fund for both Home-to-School Transportation and Special Education Transportation is budgeted at \$2,552,108, or about 67% of the entire district transportation expense. This equates to **\$69.51** per ADA.

*Summary of Revenues and Expenditures:*

**Revenues:**

State Transportation Entitlement .....	1,014,008
Inter-Agency Agreements .....	68,400
Parent Fees .....	200,000
General Fund Contribution .....	2,894,651
<b>TOTAL REVENUES.....</b>	<b>4,177,059</b>

**Expenditures:**

Classified Salaries .....	2,425,539
Employee Benefits .....	1,178,507
Maintenance Supplies .....	631,013
Fuel .....	352,000
Services, Operational Expenses .....	115,000
Charge-backs.....	<525,000>
Capital Outlay .....	0
Excess Costs to SBCSS .....	0
Inter-program Indirect Costs.....	0
Debt Service.....	0
<b>TOTAL EXPENDITURES:.....</b>	<b>4,177,059</b>

The Redlands Unified School District transports an average of 2,400 students (including 500 special needs students) daily each way to/from school. The total number of miles driven to/from school in 2013/2014 was 301,100 miles. Beginning in 2011/2012 the district took back transportation services for special needs students currently served by San Bernardino County Superintendent of Schools. By consolidating and maximizing existing routes, equipment, and personnel, the District realized savings of approximately \$300,000 in 2011/2012. These savings are expected to continue in the budget year.

# REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015

## State Budget Update

The Governor and State Legislature are currently in negotiations on the final budget act and are working hard to meet the June 15<sup>th</sup> deadline. The Governor's May Revision had no substantive changes to K-12 education from the Governor's Proposed Budget in January. It is worth noting that the Governor has proposed a Local Control Funding Formula that replaces the current Revenue Limit formula and Categorical program matrix into a

### **May Revision Features:**

- Governor acknowledges \$2.4B additional General Fund revenues
- Buy back of apportionment deferrals
- Rainy Day Fund and Prop 98 reserve
- No change in LCFF funding
- Employer STRS contribution to increase by 1.25%
- Streamlined Independent Study requirements
- Minimal increase to Mandated Costs Block Grant

### **For the District:**

- COLA is funded at 0.85%.
- STRS contribution increase by approx. \$1,078,000 for 14/15 and will increase by more than \$10M by 20/21.
- Lottery funding is flat at \$154 per ADA.
- Elimination of Cash Deferrals expected to minimize any need for inter-fund borrowing. Note: This constitutes a one-time payment of cash, NOT additional revenue.
- Approx. 35% of additional State revenue to be expended for targeted pupils (Supplemental and Concentration Grants). Budget aligned Local Control Accountability Plan.

Revenue projections for the two subsequent fiscal years are usually budgeted using the School Services of California (SSC) 'Dartboard'. In this Budget cycle SSC and the Department of Finance (DoF) are showing great disparity in their projected GAP funding percentages for the two out years. The District has chosen to take an average of the two factors to appropriately account for the State's improving economic condition without unnecessarily imputing volatility into the projections.

# REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015



## What's Next?

The Governor and legislature are likely to continue to place the burden of fixing the CalSTRS crisis on the backs of local agencies. Look for PERS to follow a similar pattern starting in 15/16. This will have a significant impact on collective bargaining with significant portions of any new revenue already restricted to employer contributions. This issue will be in front of all negotiating parties for the next seven years. The Affordable Care Act still presents many known and unknown consequences that will still require close monitoring.

## Expenditure Classifications

### Certificated Personnel Salaries

Certificated salaries are salaries that require a credential or permit issued by the Commission on Teacher Credentialing. Examples of certificated personnel:

Teachers	Principals	Librarians	Counselors
Nurses	Psychologists	Coordinators	Superintendent

### Classified Personnel Salaries

Classified salaries are salaries that do not require a credential or permit. Examples of classified personnel:

Paraprofessionals	Accountants	Supervisors	Cafeteria Workers
Admin Assistants	Clerks	Plumbers	Carpenters
Electricians	Custodians	Security Agents	Delivery Drivers
Bus Drivers	Mechanics	Computer Techs	

### Employee Benefits

This classification is used to account for contributions to employee retirement plans, health and welfare benefits, state unemployment insurance, social security, Medicare and workers' compensation associated with certificated and classified personnel salaries.



# REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015

## **Books & Supplies**

Expenditures for the purchase of instructional materials, books, encyclopedias, paper, pencils, audiovisual materials, and magazine subscriptions are recorded in this category.



## **Services & Other Operating Expenditures**

This classification is used to record expenditures for services, rents, leases, maintenance contracts, dues, travel, insurance, utilities, and legal expenses.

## **Expenditure Classifications**

### **Capital Outlay**

Expenditures for the purchase of sites, buildings, and capitalized equipment are recorded in this classification.



### **Program/Fund Support**

This classification is used to account for the indirect cost that can be charged to categorical programs or other funds for the support provided by the General Fund. The indirect cost rate for 2014/2015 will be 4.68%.

### **Interfund Transfers In/Out**

This classification is used to account for contributions in or out of the General Fund (restricted or unrestricted) to another fund maintained by the District.

One example of this classification is the transfer for the deferred maintenance match from the General Fund into the Deferred Maintenance Fund. Due to the State's financial crisis and the cuts to Proposition 98 funding levels, the State has exempted K-12 districts from the matching fund requirements for the Deferred Maintenance Program. Districts will receive the equivalent of their 2008/2009 allocation less 19.84%. The Deferred Maintenance Program has been classified as a Tier III program and all revenues received through this funding source are considered unrestricted revenues, through fiscal year 2014/2015, and may be spent at the District's discretion.

# REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015

## Flexibility Transfers / Local Control Accountability Plan (LCAP)

The implementation of the LCFE and the LCAP has removed most State required spending programs and placed the control of how to most effectively service at risk students in the hands of the local educational agency. The District Budget for 2014/2015 reflects the expenditures delineated in the LCAP document.

### *Criteria & Standards*

- ✓ Based upon current projections, the cash balance will be **positive** at the end of the current and two subsequent fiscal years.
- ✓ Based upon current projections, the fund balance will be **positive** at the end of the current and two subsequent fiscal years.

- ✓ The district's required percentage reserve is 3%. The recommended minimum reserve amount is **\$5,375,000** from the General Fund. *The recommended minimum reserve level has been met.*



- ✓ Salary and benefit negotiations are not settled for the employee bargaining units for 2015/2014. The cost of a 1% salary increase is:

▪ RTA	\$1,013,483
▪ RESPA	292,784
▪ Management	<u>99,725</u>
<b>Total Cost of 1% Increase</b>	<b>\$1,405,992</b>

- ✓ Total FTE's included in the 2014/2015 district budget: **1,681.50**

Superintendents	4.00
Certificated	998.40
Classified	601.10
Management	78.00

**REDLANDS UNIFIED SCHOOL DISTRICT  
BUDGET ASSUMPTIONS 2014/2015**

**Multi-year Commitments:**

<b><u>Type of Commitment</u></b>	<b><u>#Years</u></b>	<b><u>Principal Balance</u></b>	<b><u>Payable 2014/2015</u></b>
GO Bonds – 1993 Series A	5 Years	6,997,634	1,403,060
GO Bonds – Measure R	15 Years	47,928,512	3,952,306
GO Bonds – Measure J	20 Years	43,594,221	2,860,381
Qualified Zone Academy Bond	9 Years	2,491,992	276,888
CFD Facilities Bonds	24 Years	14,230,000	788,525
Capital Leases	3 Years	7,918,848	2,663,109
SERP for Employees	1 Years	235,122	235,122

**REDLANDS UNIFIED SCHOOL DISTRICT  
BUDGET ASSUMPTIONS 2014/2015**

***Child Nutrition Services***

***General Information***

Child Nutrition Services (CNS) offers breakfast and lunch each day at all district school sites as well as Fallsvale Elementary. The Barbara Phelps Center and Valley Star High School also receive lunch meals daily, during the school year. CNS is staffed with over 100 Classified Employees which includes five Account Clerks. The CNS Management Team is one Field Supervisor and the CNS Manager.



***Funding & Participation***

The Child Nutrition Program receives its operating funds from the Federal Government, USDA and the Students by serving reimbursable meals and snacks daily. Additional revenues are received from catering functions and vending sales. Below is our estimated funding and participation for 2014/15:

<b><u>Program</u></b>	<b><u>\$ Revenue Projection</u></b>	<b><u>Participation</u></b>
School Breakfast	1,060,000	580,000
School Lunch	5,200,000	1,800,000
Afternoon Snacks	75,600	94,500
Supper Meals	85,500	29,000

***Projects and Goals***

In 2014/15 CNS will be marketing the healthy meal patterns mandated by the USDA according to the Healthy, Hunger-Free Kids Act of 2010, through new menu boards and digital displays at the secondary level. CNS will continue to replace equipment and improve the service areas to promote a work friendly environment and to encourage students to F.U.E.L. up in the cafeteria. We will also continue to improve the quality of fresh fruits and vegetables and offer healthy, great tasting entrées daily.

**REDLANDS UNIFIED SCHOOL DISTRICT  
BUDGET ASSUMPTIONS 2014/2015**

***Early Childhood Education Programs (ECE)***

***Revenue Funding***

The Redlands Unified School District offers Early Childhood Education Programs (ECE) at four elementary schools: Franklin, Lugonia, Mentone, and Victoria schools. The ECE programs receive state and federal funding and provides up to 192 children, ages 3-5 years of age, preschool services.



Below is the estimated funding for 2014/2015:

<u>Program</u>	<u>Max. Funding Per Child</u>	<u>Max. number of Children Served</u>
State Preschool	\$2,656.62*	192**

\* Based on 178 days of enrollment, amount may vary depending on actual days of attendance.

\*\* 24 students per session, 2 sessions at each site, 4 preschool sites

***Staffing Ratio:***

Licensing requires 1:8 adult to child ratio. The following staff meets this requirement\*:

<u>Program</u>	<u>Position</u>
State Preschool	1 Para Educator (lead)
	1 Para Educator
	1 Support Staff/Clerk**

Total teaching and support staff employed by ECE Programs will be 12 for 2014-2015.

\* At least 1 parent is signed up to volunteer in the classroom each day

\*\* Clerical support staff is a multi-funded position paid for through State Preschool and other categorical programs.

**REDLANDS UNIFIED SCHOOL DISTRICT  
BUDGET ASSUMPTIONS 2014/2015**

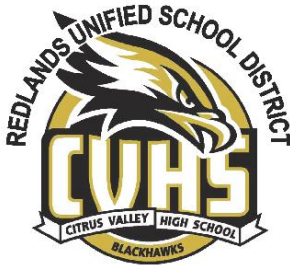
***Capital Facilities Funds***

**MEASURE J GENERAL OBLIGATION BOND**

On February 5, 2008, the electorate approved Measure J, the Redlands Unified School District Overcrowding Relief and School Safety Measure to fund the completion of Citrus Valley High School and school safety and security projects throughout the school district.



**Citrus Valley High School:** The Redlands Unified School District Community has supported the construction of CVHS by approving two general obligation bond measures, Measure R and Measure J.



Measure R, along with state matching funds, paid for the construction of the first phase of construction at CVHS, which included two classroom buildings, the administration/library building, and the cafeteria. The fields and grading were also included in this first phase. The first phase was opened to students in grades 9-10, in August of 2009.

Measure J provided the funds to complete the construction of CVHS, including a classroom building with 30 teaching stations, student restrooms, the gymnasium and related indoor PE facilities and locker rooms, the stadium, and the theatre, music, and media arts building.

**School Safety & Security Projects:** Measure J also provided funds for the installation or replacement of safety and security items at schools throughout the district:

- Security fencing
- Exterior/security lighting
- Campus security & safety camera communication systems

The same oversight requirements for the establishment of a citizens' committee are in effect for Measure J as with Measure R. This committee is charged with overseeing the expenditure of bond funds and providing annual reports to the Board of Education.

**Sale of Measure J Bonds:** The first bond sale took place on July, 2008, in the amount of \$46,096,272. The remaining \$15 million in bond authorization has not been sold.

# REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015

## MEASURE R GENERAL OBLIGATION BOND



The Redlands Unified School District School Improvement and Construction School Bond of 2002 (“Measure R”) was passed by the electorate of the Redlands Unified School District in November 2002, providing \$60 million for modernization of fourteen older schools and

construction of one new elementary school (Judson & Brown) and one new high school (CVHS). All funds were used as matching funds to gain state construction and modernization funds. The district received \$ 65,397,331 in state funds with Measure R matching funds.

**Sale of Measure R Bonds:** The first series of bonds were sold in June 2003; the final amount available to the district after financing and related expenses was \$29,998,512, and these funds have been expended. The district issued the remaining \$30 million in July, 2005. Just over \$3 million remained in savings after completion of the projects.

**Modernization Projects:** All modernization projects are complete and have finished the audit process by the Office of Public School Construction. The following sites were specifically listed in Measure R to be funded with the general obligation bond funds:

Crafton Elementary	Mariposa Elementary	Clement Middle School
Franklin Elementary	McKinley Elementary	Cope Middle School
Kimberly Elementary	Mentone Elementary	Moore Middle School
Kingsbury Elementary	Smiley Elementary	Orangewood High School
Lugonia Elementary	Victoria Elementary	

The savings in these projects in the amount of \$2.7 million is now being held for upcoming project needs on these same sites to backfill areas which were previously cut due to budget constraints or to meet critical modernization needs.

**Judson & Brown Elementary School:** An addition to Judson and Brown Elementary school was completed in June, 2008. This four-classroom project was funded through the State School Facilities Program (50/50) using local developer fees as the district’s match.



# REDLANDS UNIFIED SCHOOL DISTRICT BUDGET ASSUMPTIONS 2014/2015

## STATE CONSTRUCTION FUNDING

The district continues to pursue state construction and modernization funds with eligibility based on enrollment, projections and existing facilities.

### State School Construction Fund Summary (All Projects)

- \$8.3 million received in fiscal year 1999-2000
- \$3.5 million received in fiscal year 2000-01
- \$9.2 million received in fiscal year 2001-02
- \$24 million received in fiscal year 2002-03
- \$15 million received in fiscal year 2003-04
- \$11.9 million received in fiscal year 2004-05
- \$2.5 million received in fiscal year 2005-06
- \$35 million received in fiscal year 2007-08
- \$5.1 million received in fiscal year 2011-12
- \$2.3 million received in fiscal year 2012-13

## RECENTLY COMPLETED PROJECTS

**Mission Elementary School:** The District opened the entire Mission Elementary School site for the 2012/13 school year. The site serves approximately 550 K-5 students. Phase II of construction included the restoration of the Buildings B and C as well as additional outdoor and open space modifications. Total project costs for Phases I and II are estimated to be approximately \$17,000,000. This project was funded by Community Facilities District's 2001-1, 2006-1 and State School Construction Funds available for school modernization.

## ANTICIPATED PROJECTS IN 2014/15

**Completion of Security Fencing:** The District is anticipating the completion of the fencing project at Redlands High School as a part of the Measure J "School Safety and Security Projects" commitment.

**Campus Security Retrofit:** The District is anticipating the completion of the lock retrofit project which is funded under Measure J funds to address the project under the "School Safety and Security Projects" commitment.