2015-2016 Adopted Budget Assumptions

Board of Trustees Meeting
August 17, 2015
Adopted Budget Assumptions

Agreed upon Budget Assumptions used to prepare Adopted Budget

- Prepared and reviewed separately for Tentative and Adopted Budgets

Latest revenue and expenditure estimates for Adopted Budget

- Chancellor’s Office “Blue Book” revenue estimates from July 30th budget workshop based on enacted state budget
- RSCCD year-end closing actual prior year costs and ending balances
Adopted Budget Assumptions
Planning Process

- RSCCD Planning Model process
  - Fiscal Resources Committee
    - Reviewed and unanimously recommended to District Council
  - District Council
    - Reviewed and unanimously recommended to Chancellor
    - Also, with participatory input from Planning and Organizational Effectiveness (POE) Committee and Human Resources Committee (HRC)

Adopted Budget will be presented to the Board of Trustees at the September 14th meeting
Adopted Budget Assumptions

Revenues

- **Base allocation increase** - $6,763,458 estimate
  - Unrestricted
  - “to increase base allocation funding in recognition of increased community college operating expenses in the areas of facilities, retirement benefits, professional development, converting part-time faculty to full-time, and other general expenses”

- **CDCP Funding Enhancement** - $7,908,849 estimate
  - CDCP per FTES rate now equal with credit rate - $4,723.59 from $3,310.71 per FTES

- **COLA (cost of living allowance)** - $1,468,618
  - 1.02%

- **Growth funding** - $0
  - RSCCD constrained growth rate under new growth formula = 1.47% based on 3.0% growth funding statewide
  - RSCCD not budgeting any growth funding at this time
Adopted Budget Assumptions

Revenues

- Full Time Faculty hires - $1,537,621
  - Program funding to hire 16.19 FTE
  - 3rd Quintile - $95,000 provided for each FT hire
  - All funds are to be used only on FT and PT faculty

- Reduced state apportionment deficit to 1% - $847,663
  - From 1.72% to 1%

- Increase in Apprenticeship - $521,029

- Increase in unrestricted revenues - $19 million
Adopted Budget Assumptions

Expenditures

- Personnel accounts properly budgeted
- Contract accounts (ISA’s) properly budgeted
- Utility accounts properly budgeted

- Approximately $7 million in increased appropriations for these accounts
Chancellor’s Office Cautions and Concerns

“Once in a lifetime funding increase"
“Proposition 30 is temporary”
Increasing costs of PERS and STRS
  – Overall effect of increases will be over $400 million statewide
  – Base allocation increase $266.7 million statewide to assist with PERS/STRS increases
  – Don’t expect anymore
  – Plan ahead

Asking districts how we will be preparing for the increased costs of PERS and STRS over next 5 years
Adopted Budget Assumptions

2015-2016 Adopted Budget will be presented at the September 14th Board of Trustees meeting for approval

– More detailed budget presentation to review more on the new state funding