

Rancho Santiago Community College District

2012-13 Tentative Budget Assumptions

These assumptions are for use in development of the 2012-13 budget centers tentative budgets. As more detailed information is received in the coming months from the Offices of the Governor and the State Chancellor, the assumptions will be adjusted accordingly.

General Assumptions

1. The 2012-13 Tentative Budget will be balanced by using a portion of the 2011-12 unrestricted ending balance in excess of the 5% Restricted Reserve (Budget Stabilization Fund)
2. The 2012-13 Tentative Budget will have a Restricted Reserve of no less than 5%
3. Budgeting for 2012-13 will utilize the new SB 361 Funding Model
4. The budget centers will use plans, planning documents, and planning processes as a basis for the development of their expenditure budgets

Revenue Assumptions

5. The Cost of Living Adjustment (COLA) of 0.00% for 2012-13
6. No Growth (Restoration) for 2012-13
7. Assumes Governor's Tax Proposal passed by voters in November 2012
8. All reductions to Categorical Programs will be borne by those Categorical Programs
9. The lottery revenue will be calculated at the rate projected by School Services of California. The current estimate is \$117.25 per FTES for unrestricted revenue and \$23.25 per FTES for restricted revenue in accordance with Proposition 20. Lottery revenues are reduced in proportion to workload measures reductions (loss of FTES)

Expenditure Assumptions

10. The District intends to meet all negotiated contractual obligations
11. Step and Column movement is an additional cost of approximately \$1.1 million
12. CalPERS-Employer Contribution rate increases by 1.20% (10.923% to 12.123%) is an additional cost of approximately \$500,000
13. Health and Welfare benefit premium cost increase of 10.00% is an additional cost of approximately \$2 million
14. Contribution of 1% of total salaries to the Retiree Benefit Fund with an additional \$500,000
15. Unrestricted general fund expenditure reduction of \$5 million by Budget Centers

Reviews

BAPRC recommends budget assumptions to the Chancellor (3-28-2012)
Chancellor's Cabinet review of recommended budget assumptions (4-17-2012)
District Council review of recommended budget assumptions (4-23-2012)
Board of Trustees to review and approve (4-23-2012)