

**UNRESTRICTED GENERAL PURPOSE GENERAL FUND 10**

**2006-07 PRELIMINARY BUDGET**

**MAJOR EXPENDITURE ASSUMPTIONS**

All 2006-07 and 2005-06 negotiated salary and benefit adjustments are included for regular, hourly and student workers. All step, column, and longevity adjustments are included.

The regular adjunct faculty budget is based on projected 2005-06 expenditures plus negotiated salary increases. Within the regular budget allocation there are allocations related to large class loads, summer school, new program development, the public safety consortium and high school programs.

Salary savings of \$200,000 are included.

The District will more than meet its full-time faculty obligation. The obligation will be 144.2. The budget is built on 150 FFE.

Mandatory benefits are budgeted as follows:

- STRS 8.25%
- PERS 9.116%
- OASDI 6.20%
- Medicare 1.45%
- SUI .45%
- Workers Compensation 1.926%

Health and Welfare benefits (medical, dental, life insurance, vision) are budgeted on actual cost per employee for classified staff. An assumed medical premium inflationary increase of 9 % effective January 2007 is included.

Supplies and operating expenses (discretionary budget items) as well as service contracts are budgeted at the 2005-06 Final Budget level. Utilities in total have been increased by \$300,000 because the District is expecting rate increases.

The District matches are:

- |   |           |
|---|-----------|
| • Scheduled maintenance*                              | \$ 0      |
| • College Work Study                                  | 25,222    |
| • Instructional Equipment/Library Materials (ongoing) | 62,306    |
| • Supplemental Education Opportunity Grant(SEOG)      | 24,500    |
| Total Matching Funds                                  | \$112,028 |

\*A match for scheduled maintenance will be budgeted from Bond Funds if scheduled maintenance funding is available.

The District has included \$22,000 in support of instructional performances in the Smith Center.

A capital lease payment for the upgrade of the Datatel system will be included at \$171,055.

A District Wide Capital Planning Budget of \$100,000 is included.

Service Contracts are under review and have not been updated in this draft.

In order to address the current unfunded employer retiree benefit liability, an amount of \$80,544 will be transferred to the Retiree Benefit Fund. In addition, an amount of \$138,400 will be transferred to cover the costs related to current retiree medical premiums.

Strategic plan support initiatives of \$42,000 is included and funded by reducing the District's legal budget. Legal costs are expected to decline since the District has already completed 2006-07 negotiations.

Board of Trustees' election expenses of \$50,000 are included.