

***Victor Valley Community College District  
2016-2017 Adopted Budget Assumptions  
Unrestricted General Fund***

**General Assumptions:**

1. The District shall maintain legal compliance with the 50% law.
2. The District will develop a budget with a minimum 5% ending fund balance (reserve).
3. The Program Review, Planning, and Budget Development Process will guide the allocation of resources.
4. Vacancies due to retirement or resignation will not automatically be filled.
5. Based upon assumptions from the Chancellor's Office 2016-17 Advance Principal Apportionment Exhibit, known and anticipated changes to the FY 2016-17 budget, including negotiated items from the employee groups, an Adopted Operating Budget has been prepared which includes estimated revenues and expenditures for 2016-17 fiscal year.

**Revenue Assumptions:**

6. The 2016-17 Adopted Budget will draw down on Irrevocable Trust set aside for CalSTRS / CalPERS increases.
7. When permitted, revenues generated from all sources will be deposited into the general fund.
8. Access/Growth Funds Statewide projected to be 2%. Revised Funding Formula indicates VVC to receive up to 3.3% for Fiscal Year 2016-17. Fiscal years 2017-18 and 2018-19 are estimated at 1%.
9. Allocation of \$75 million system-wide was added in support of district general operating expenses.

**Expense Assumptions:**

10. Budget Augmentation funds of \$300,000 have been allocated to fulfill requests prioritized and approved through the Program Review process.
11. Public Employee Retirement System (PERS) district contribution increase to 13.888%, an increase of 2.04%, estimated at an additional ongoing annual cost of \$218,000.
12. State Teachers Retirement System (STRS) increased to 12.58%, an increase of 1.85%, estimated at an additional annual ongoing cost of \$462,000.
13. Increase in Medical premiums to the District estimated at \$600,000. This represents increase in premium plans from 14.89% to 18.5%.