



Kern Community College District

2024-25 Adopted Budget

September 12, 2024

**BAKERSFIELD
COLLEGE**

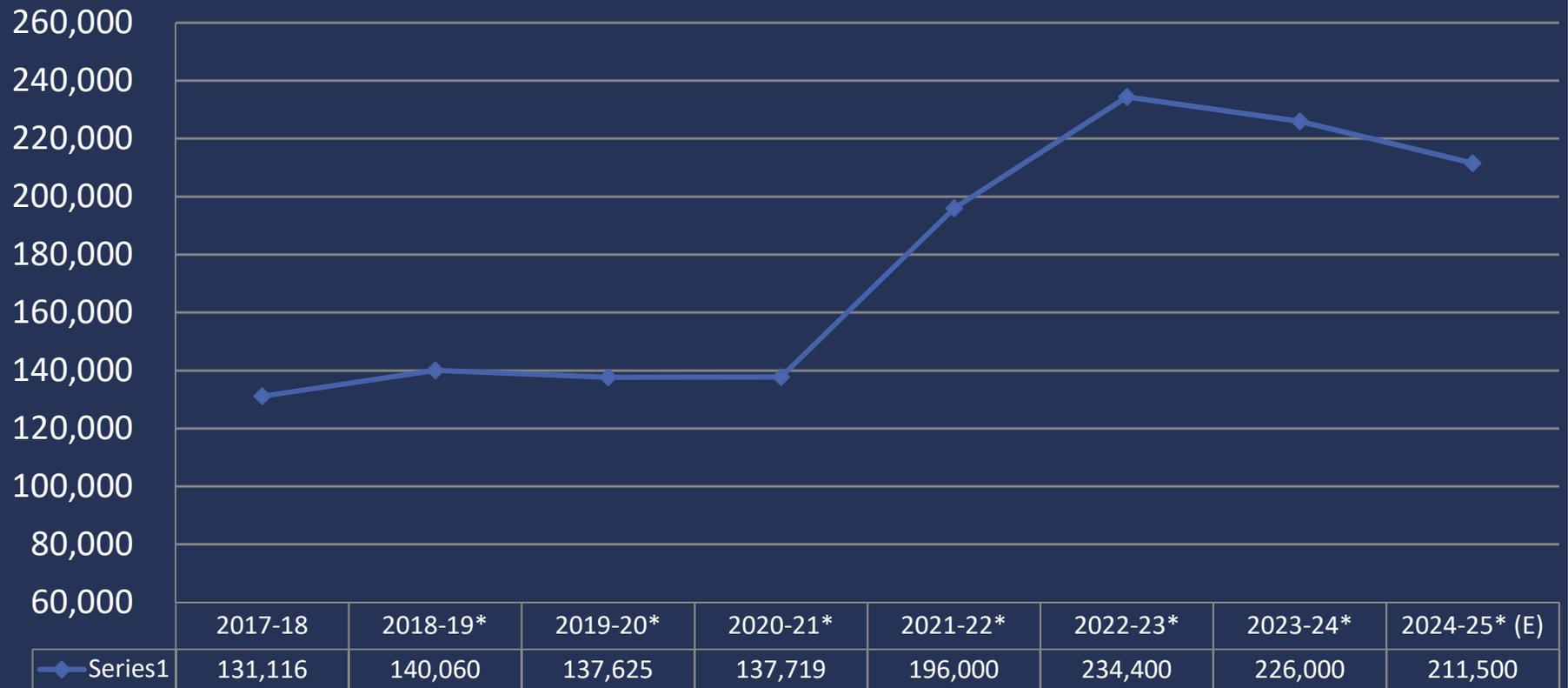


**PORTERVILLE
COLLEGE**



Kern Community College District

State General Fund Revenues & Transfers (\$ in millions)

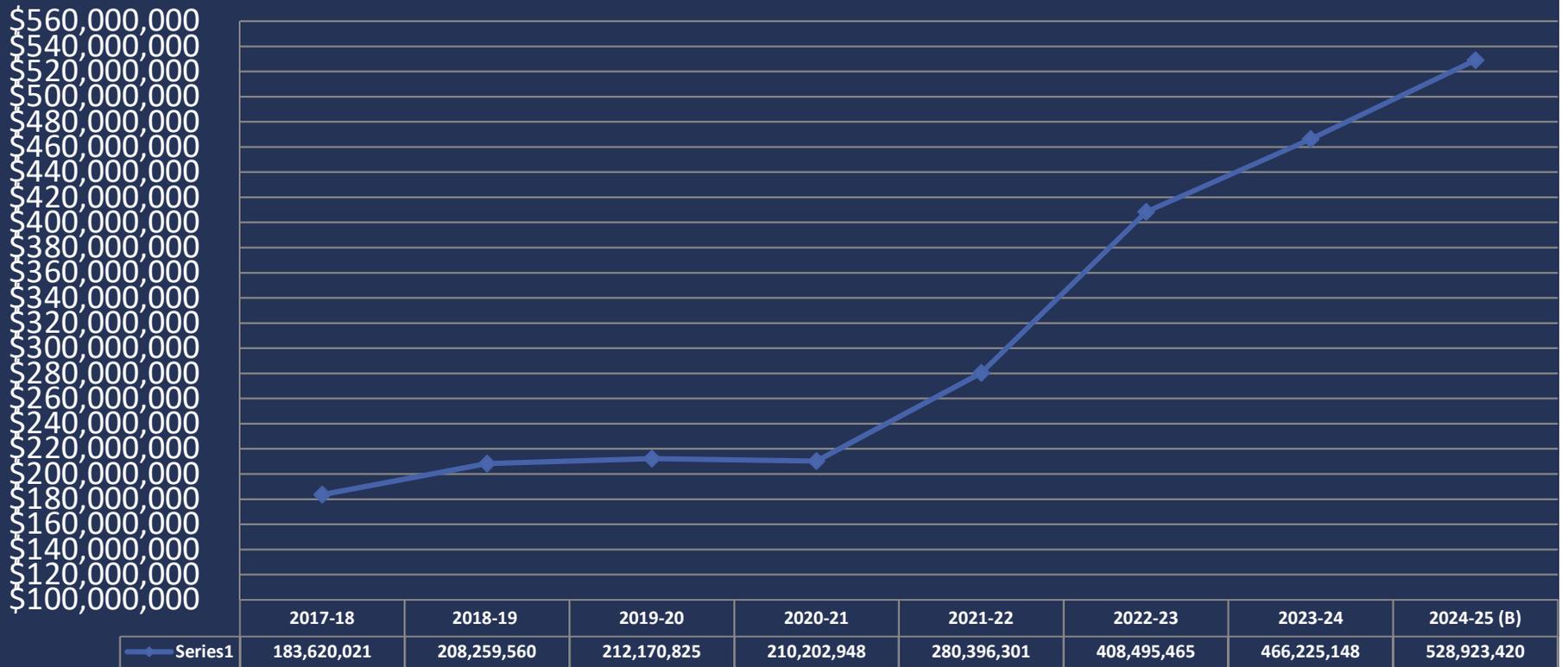


Source: Department of Finance

* Net of transfers to the Budget Stabilization Account "Rainy Day Fund"

Kern Community College District

Total KCCD General Fund Revenues



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- On June 26, 2024, Governor Newsom signed the Budget Act of 2024.
- The budget reflects total state expenditures of approximately \$298 billion, a 4.2% decrease from the 2023-24 enacted budget.
- The enacted budget for the CA Community Colleges focuses on stability. There are no major core reductions to programs or services.
- There are funding deferrals and reductions from the 2022-23 and 2023-24 budgets and PSSSA funds are being utilized to balance the state budget.
- The budget reappropriates unspent 2020 Strong Workforce funds and 2022 Student Success Completion Grant funds.

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Apportionments

- Starting in 2025-26, districts will be funded at their SCFF generated amount that year or their floor (2024-25 funding amount), whichever is higher. This revised hold harmless provision will no longer include adjustments to reflect cumulative COLAS over time.
- The enacted budget uses a cost-of-living adjustment (COLA) of 1.07 percent on the SCFF and enrollment growth of 0.5 percent.

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Major Policy Decisions Framed Around Multi-Year “Road Map”

- Expects Improved Student Educational Outcomes
- Seeks to Advance Equity
- Expects Increased Intersegmental Collaboration
- Seeks Improved Workforce Preparedness

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CAPITAL OUTLAY

- Nothing new funding for KCCD.

DEFERRED MAINTENNACE

- No deferred maintenance funding in 2024-25

OTHER ONE TIME ITEMS

- Expand eTranscripts
- Mapping Pathways for Credit for Prior Learning
- Nursing Infrastructure Grant Program
- Pathways for Low Income Workers
- Financial Aid Assistance related to FAFSA delays

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CalPERS/CalSTRS

- California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) rates in 2024–25. CalSTRS remains flat for the third year, while CalPERS increases another 2.9%.

	2020-21	2021-22	2022-23	2023-24	2024-25
CalPERS	20.70%	22.91%	25.37%	26.28%	27.05%
CalSTRS	16.15%	16.92%	19.10%	19.10%	19.10%

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Kern Community College District
2024-25 General Fund Budget Summary
Adopted Budget

Location: District Total

General Unrestricted (GU001 & CE)

Description	2023-24 Adopted Budget	2024-25 Adopted Budget	Change Inc./ (Dec.)	Pct. Change
Beginning Balance	120,465,806	145,268,691	24,802,885	20.59%
Revenues				
<i>Federal</i>	349,046	426,000	76,954	22.05%
<i>State</i>	161,193,290	172,497,587	11,304,297	7.01%
<i>Local</i>	76,334,151	83,711,097	7,376,946	9.66%
<i>Other Financing Sources</i>	3,590,363	2,074,350	(1,516,013)	-42.22%
<i>Total Revenue</i>	241,466,850	258,709,034	17,242,184	7.14%
Expenditures				
<i>Academic Salaries</i>	81,304,028	89,822,964	8,518,936	10.48%
<i>Classified & Other Non-academic Salaries</i>	40,740,094	47,907,409	7,167,315	17.59%
<i>Employee Benefits</i>	60,157,326	67,019,705	6,862,379	11.41%
<i>Supplies & Materials</i>	3,166,649	3,562,796	396,147	12.51%
<i>Service/Utilities/Operating Exps.</i>	34,209,636	39,329,849	5,120,213	14.97%
<i>Capital Outlay</i>	10,712,983	12,249,963	1,536,980	14.35%
<i>Other Outgo</i>	6,245,737	6,099,646	(146,091)	-2.34%
<i>Transfers Out</i>	14,468,111	10,399,345	(4,068,766)	-28.12%
<i>Total Expenditures and Other Outgo</i>	251,004,564	276,391,676	25,387,112	10.11%
Ending Balance (Reserves)	110,928,092	127,586,048	16,657,956	15.02%
Projected Change in Fund Balance (Reserves)	(9,537,714)	(17,682,642)	(8,144,928)	85.40%

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2024-25 General Fund – Unrestricted Fund Balances

Unrestricted Reserve Analysis (GU & CE)	Beg Balance	End Balance	Net Change
GU001 Unrestricted			
Bakersfield College	56,226,587	50,038,409	(6,188,178)
Cerro Coso Community College	16,124,658	12,194,901	(3,929,757)
Porterville College	13,143,263	10,006,154	(3,137,109)
District Wide	59,774,181	55,346,584	(4,427,597)
Total GU001	145,268,689	127,586,048	(17,682,641)
Contract Education Unrestricted			
Bakersfield College			-
Cerro Coso Community College			-
Porterville College			-
District Operations			-
Total Contract Education	-	-	-
Total Unrestricted Fund Balances	145,268,689	127,586,048	(17,682,641)

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**Projected Unrestricted Ending Fund Balance
\$127.5 million or 46.92%**

- **Unallocated District Wide = \$55.3 million**
- **Colleges = \$72.2 million**

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Compliance Tests

- General Unrestricted Fund Salaries and Benefits
 - > Goal less than 80%; Projected 2024-25 = 74.84%
- Goal 20% Unallocated District wide Reserve (Does not include 5% per College Reserve)
 - > Projected 2024-25 = 20.35%

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Compliance Tests

• Projected 50% Law Calculation	50.27%
• Projected Fall 2024 Full Time Faculty	513.00
Less FON*	<u>- 437.80</u>
Over(Under) FON 2024	<u><u>75.20</u></u>

**The compliance FON is the lower of the FON calculated at Advance or at the second principal apportionment.*

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Potential Threats to KCCD Budget **Assumptions**

The continued rise in inflation, interest rates remaining high could have a potential negative impacts on spending, hiring and earnings resulting in a future negative impact on State revenues and therefore the amounts available for community colleges.