KERN COMMUNITY COLLEGE DISTRICT

2026-27 Tentative Budget

June 11, 2026

BAKERSFIELD COLLEGE

CERRO COSO COMMUNITY COLLEGE

PORTERVILLE COLLEGE

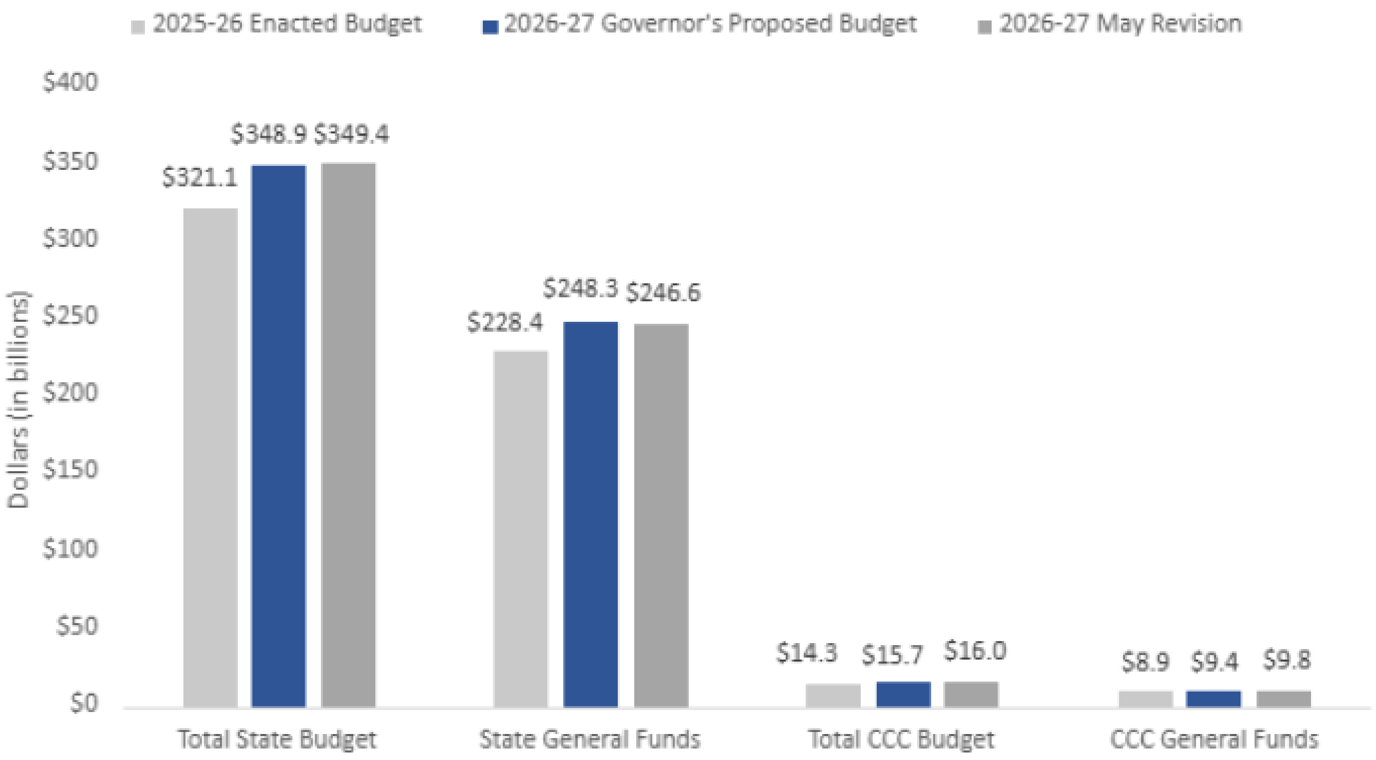
Governor’s Budget 2026-27 – May Revision

- The Governor’s May budget proposal for 2026–27 indicates the overall state budget is slightly higher than proposed in January, and higher than the 2025–26 enacted budget, increasing 8.8% to $349.4 billion, with higher-than-expected State revenues supporting a balanced budget.

- General Fund spending is expected to increase by approximately $18 billion (about 8%) over the current year of $246.6 billion.

- In comparison, overall funding shows mild growth. The budget proposal for the California Community Colleges reflects a focus on maintaining base funding and continued investment in priorities toward achieving Vision 2030 and Road map goals.

State & CCC Budgets & General Funds



Proposition 98 & Apportionment

- A Cost-of-Living Adjustment (COLA) of approximately 4.31% for Community Colleges apportionments, of which 1.44% is a discretionary COLA, above the authorized COLA of 2.87%. The “super COLA” is to support the required implementation of AB 65 and provide employees with up to 14-weeks of paid pregnancy disability leave.

- The proposal continues to include funding for statewide growth of 1.5% over two years that was previously proposed.

- 2021 Budget Act’s hold harmless provision for the Student-Centered Funding Formula (SCFF) expired at the end of 2024-25. The modified revenue protections included in the 2022 Budget Act took effect in the current year. Under that provision, Districts will be funded at their SCFF generated amount for the year or their "floor” (2024-25 funding amount), whichever is higher. This funding protection does not include adjustments to reflect cumulative COLAs over time, as was the case with the hold harmless provision in effect through 2024-25, so a district’s hold harmless amount will not grow. Per trailer bill language from the Administration, the funding protection also does not include the discretionary COLA provided for paid family leave implementation.

Proposition 98 & Apportionment

- The May Revision projects that the minimum guarantee will increase by about $28 billion over a three-year window. The minimum guarantee for 2026-27 is now estimated at $127.1 billion, higher than what was expected in January ($125.5 billion).

- The May Revision proposes to pay off the $1.9 billion of the settle-up created in 2024-25 but continues to create a new settle-up obligation of $3.96 billion for 2025-26, an amount that is reduced from the $5.6 billion that was proposed in January.

- The revised proposal maintains the one-time spending proposals included in the January budget and adds one-time funds to continue and scale an adult learner demonstration project.

Significant KCCD Categorical Programs

The May Revision proposes a 2.87% COLA for FY 2026–27, up from the 2.30% COLA provided in FY 2025–26 and the 1.07% COLA provided in FY 2024–25

Adult Education Program	2.87% increase
Student equity and Achievement Program	No Change, 4th Year in a row
Strong Workforce	No Change, 4th Year in a row
Extended Opportunity Programs and Services (EOPS)	2.87% increase
Disables Student Programs and Services (DSPS)	2.87% increase
Apprenticeships	2.81% increase
CalWORKS Student Services	2.87% increase

Capital Outlay

The Governor's May Revision proposes the same capital outlay funding as outlined in the Governor's Budget. The proposed $736.9 million from Proposition 2 is considerably more than the $68.5 million provided in the 2025 Budget Act. The funding is to support the construction phase for 29 projects and the preliminary plans and working drawings of 10 new projects. Listed below are the projects for Kern Community College District.

2026-27 Porterville College
Career Technology Building:
State Cost: ~$26,067,000
<u>College Cost: ~$24,877,000</u>
Total Cost: ~$50,944,000

2026-27 Bakersfield College
Fine Arts Replacement:
State Cost: ~$40,278,000
<u>College Cost: ~$12,647,000</u>
Total Cost: ~$52,925,000

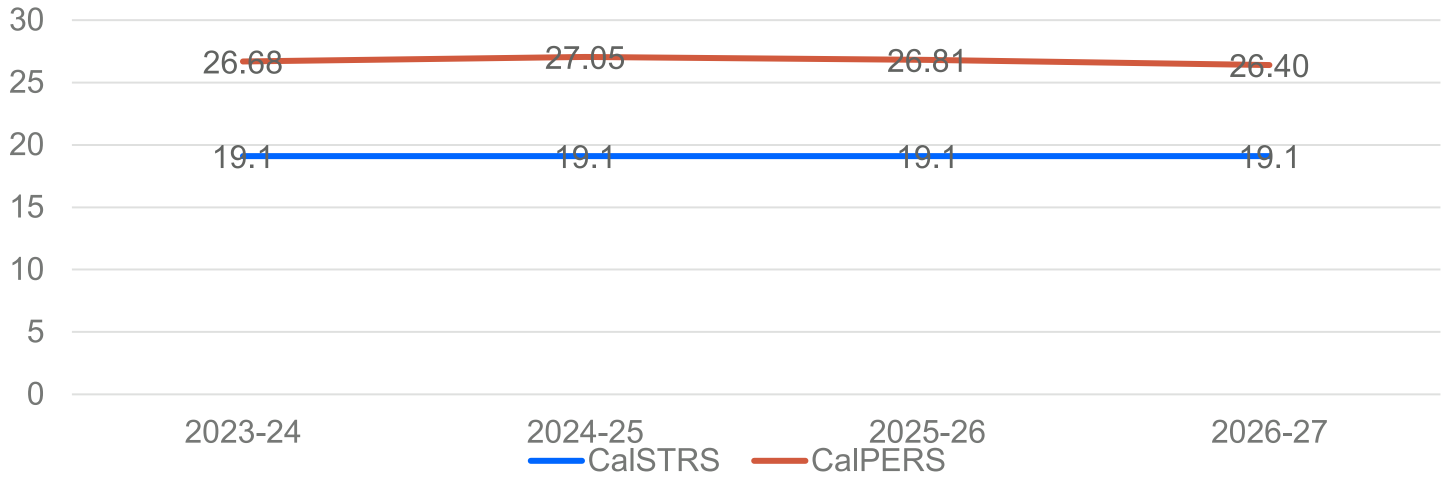
Center for Student Success – Continuing:
State Cost: ~$26,363,000
<u>College Cost: ~$25,104,000</u>
Total Cost: ~$51,467,000

CalSTRS & CalPERS

California State Teachers Retirement System (CalSTRS) and California Public employees' Retirement System (CalPERS) rates in 2026-27:

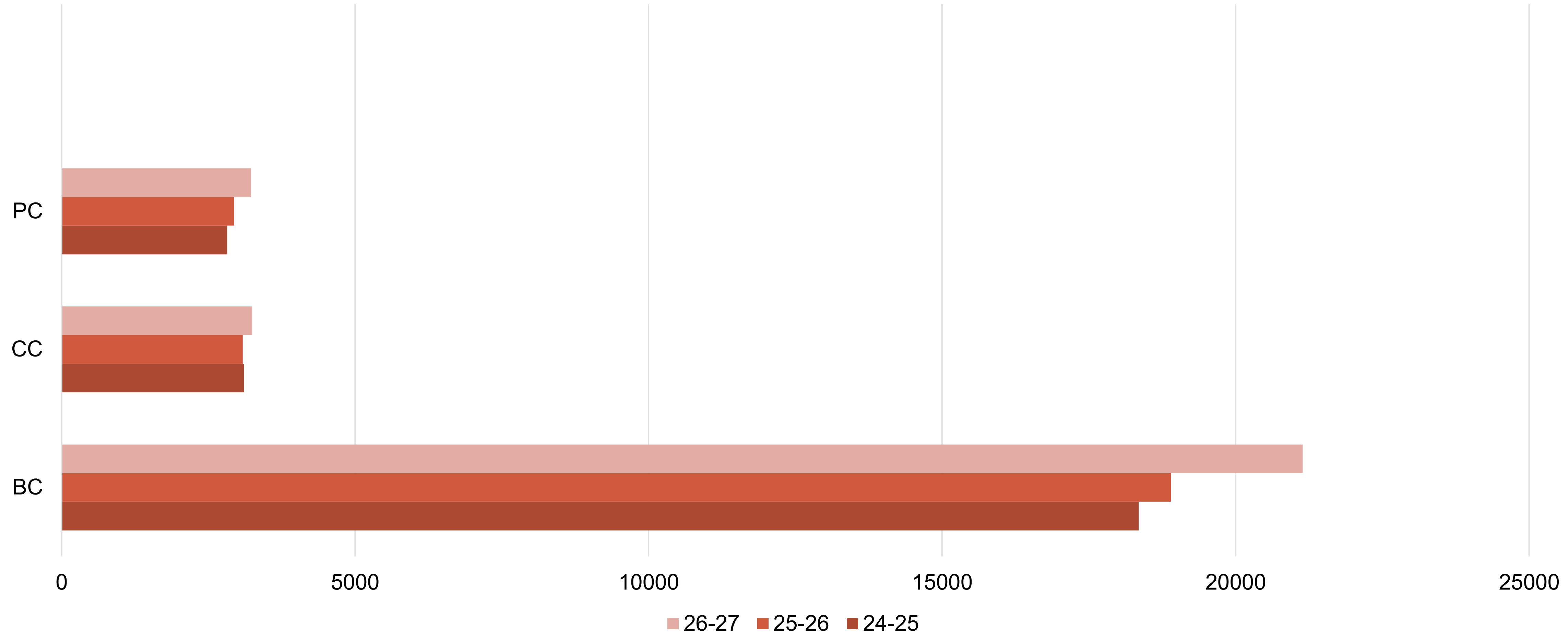
CalSTRS remains flat for the fifth year, while CalPERS decreases 0.41%.

CATEGORY	2023-24	2024-25	2025-26	2026-27
CalPERS	26.68%	27.05%	26.81%	26.40%
CalSTRS	19.10%	19.10%	19.10%	19.10%



Student Centered Funding Formula

2025-26 FTES with P1 Apportionment was used to Establish 2026-27 Adopted Allocation
(*resident, includes credit/non-credit, CDCP, Incarcerated & Special Admit)



KCCD KERN COMMUNITY COLLEGE DISTRICT BAKERSFIELD COLLEGE CERRO COSO COMMUNITY COLLEGE PORTERVILLE COLLEGE

Kern Community College District
Income to be Allocated - Unrestricted GU001

P1 - v1

	2025-26	2026-27						
Income Description	**PY Adopted Allocation**	**Bakersfield College**	**Cerro Coso Community College**	**Porterville College**	**District Office**	**District Wide Reserves**	**Tentative Allocation**	**Variance**
SCFF	**265,530,178**	187,747,385	39,291,601	36,509,947			**263,548,933**	(1,981,245)
Stabilization - KCCD	-	-	-	-		-	-	-
Part-Time Faculty Support (Adjunct)	**632,931**	482,004	74,036	73,578			**629,618**	(3,313)
Full-Time Faculty Hiring	**3,488,843**	2,670,884	410,247	407,712			**3,488,843**	-
Lottery Revenue	**4,890,036**	4,224,474	664,888	647,228			**5,536,590**	646,554
Mandated Costs	**858,378**	700,714	107,630	106,964			**915,308**	56,930
Interest Income	**6,000,000**	4,578,792	716,118	705,090			**6,000,000**	-
Miscellaneous Income	**175,000**	157,954	24,704	24,323			**206,981**	31,981
Total GU001 Income to be Allocated	**281,575,367**	**200,562,207**	**41,289,222**	**38,474,843**		-	**280,326,273**	(1,249,094)
PY Allocated Income		203,695,804	40,122,751	37,756,812				
Increase (Decrease) from PY		(3,133,597)	1,166,471	718,032				
Increase (Decrease) from PY - %		-1.5%	2.9%	1.9%				
District Office Budget (Chargebacks)	41,878,240	34,986,698	6,025,853	6,010,091	(48,502,642)	1,480,000	-	5,144,402
CY Allocation - After Chargebacks		**165,575,509**	**35,263,370**	**32,464,752**			**233,303,631**	
PY Allocated - After Chargebacks		170,587,706	34,732,129	32,317,892				
Increase (Decrease) from PY		(5,012,197)	531,240	146,860				
Increase (Decrease) from PY - %		-2.9%	1.5%	0.5%				

2026-27 General Fund Budget Summary

Kern Community College District
2025-26 General Fund Budget Summary
Tentative Budget

Location: District Total

General Unrestricted(GU001 & CE)

Description		2025-26 Adopted Budget	2026-27 Tentative Budget	Change Inc./(Dec.)	Pct Change%
Beginning Balance		148,978,464	170,408,224	21,429,760	14.38
Revenues					
Federal		501,500	513,922	12,422	2%
State		185,532,591	130,944,474	(54,588,117)	-29%
Local		87,196,271	73,235,646	(13,960,625)	-16%
Other Financing Source		1,786,757	30,440,622	28,653,865	16%
	Total Revenue	275,017,119	235,134,664	(39,882,455)	-56%
Expenditures					
Academic Salary		103,871,717	104,142,166	270,449	0.26%
Classified & Other Non- academic Salaries		55,211,249	63,274,851	8,063,602	15%
Employee Benefits		75,463,009	71,782,871	(3,680,138)	-5%
Supplies & Materials		3,375,401	3,301,391	(74,010)	-2%
Service/Utilities/Operating Exps.		48,004,647	46,703,043	(1,301,604)	-3%
Capital Outlay		15,548,041	6,261,424	(9,286,617)	-60%
Other Outgo		6,134,963	11,909,501	5,774,538	94%
Transfers Out		13,491,271	12,988,147	(503,124)	-4%
	Total Expenditure and Other Outgo	321,100,298	320,363,395	(736,903)	36%
Ending balance (Reserve)		102,895,285	85,179,493	(19,189,598)	-26%
Projected Change in Fund Balance(Reserves)		(46,083,179)	(85,228,731)	(40,619,358)	-20%

Notes

*The reduction in Benefits is due to reduction in Defined Benefits from 3.80 to 2.80 and PERS from 26.981 to 26.40

*For Capital Outlay-DO increase by 95.85%; PC reduced by 16.58%; CC by 61.94%;and BC reduced by 71.28%- giving overall reduction of 60%

KCCD KERN COMMUNITY COLLEGE DISTRICT BAKERSFIELD COLLEGE CERRO COSO COMMUNITY COLLEGE PORTERVILLE COLLEGE

2026-27 General Unrestricted Fund Balances

Unrestricted Reserve Analysis	Beg Balance	End Balance	Net Changes
GU001 Unrestricted			
Bakersfield College	46,913,924	71,116,441	24,202,517
Cerro Coso Community College	11,002,416	9,043,556	(1,958,860)
Porterville College	9,736,244	6,029,585	(3,706,659)
District Wide	56,747,052	84,218,642	27,471,590
Total GU001	124,399,636	170,408,224	46,008,588
Contract Education Unrestricted	-	-	-
Cerro Coso Community College	-	-	-
Porterville College	-	-	-
District Wide	-	-	-
Total Contracts Education			
Total Unrestricted Fund Balances	124,399,636.00	170,408,224.00	46,008,588.00

Projected Unrestricted Ending Fund Balance	
$170.4M or 26.32%	
Unallocated District Wide = $84.3M	Colleges = $86.2M

Compliance Tasks

General Unrestricted Fund Salaries & Benefits
Goal: Less than 80%
Projected: 73.46%

Unallocated District Wide Reserve (Excluding College Reserve)
Goal: 20%
Projected: 26.32%

50% Law Calculation
Goal: 50%
Projected: 50.76%

Full-Time Faculty Obligation (FON)
Goal: 562
Projected: 574

Potential Threats

- Federal education policy changes and funding reductions
- Proposition 98 funding pressures and TK-14 funding split
- Outstanding legal matters (part-time faculty)
- Economic conditions impacting State revenues and community college funding
- State budget deficits, SCFF funding uncertainties, and future settle-up obligations
- Enrollment and Student-Centered Funding Formula (SCFF) volatility