

September 15, 2026

66.103



2026-27
ADOPTED
BUDGET

Career Services Center

TABLE OF CONTENTS



District Background	01
Superintendent's Message	02
Principal Officials	03
Business Services	04
Budget Cycle and Process	05
CA State Budget Process	06
CA K-12 Enrollment	07
2026-27 State Enacted Budget	08
CA Community College Finance	10

TABLE OF CONTENTS



Financial Planning Factors	12
District Funds	13
<u>UNAUDITED ACTUALS</u>	
General Fund Unrestricted	14
General Fund Restricted	19
<u>ADOPTED BUDGET</u>	
General Fund Unrestricted	23
General Fund Restricted	28
Multi-Year Projections	32
Other Funds	33
Final Remarks	44



District Background



The Imperial Community College District, also known as Imperial Valley College ("IVC"), opened its campus in 1962 with the culmination of years of hard work by visionary citizens to finance and build a freestanding community college in the Imperial County. The work to establish what today is the Imperial Community College District originated three years before the opening of the campus. The State Department of Education approved the recommendation on July 10, 1959, to establish a community college in the Imperial County.

The Imperial County Superintendent of Schools set a date for an election at which all qualified voters residing within the boundaries of the seven high schools and unified districts were eligible to vote. The election was held on October 6, 1959; and by an overwhelming vote, the Imperial Junior College District was established. This was followed by the election of the first Board of Trustees, one from each of the seven high schools or unified districts served by the Imperial Junior College District.

Approval for construction of a campus followed in 1960 when District residents set an all-time state record, voting by a ratio of thirteen to one in favor of bonds to finance a campus on 380 East Aten Road in the City of Imperial.

Under the administration of Central Union High School District, IVC gained recognition as an accredited institution of higher education. Growth was reflected by a steady rise in enrollment and curriculum. When the campus opened in 1962, it consisted of a library, science laboratories, student activity building, academic classrooms, administration and faculty offices, social science rooms, physical education shower and locker rooms, and agricultural education classrooms. IVC has grown tremendously in enrollment and facilities thanks to the support of our community and voters supporting local general obligation bonds.





Superintendent Message

A Message from our Interim Superintendent/President



Thank you for reviewing our 2026-27 Imperial Valley College's Adopted Budget Report. This document is presented in a format designed to communicate important financial information and in a way that is easy to understand.

We hope this report is useful to our Board of Trustees, faculty, staff, and our community in understanding the various elements and components of the District's budget. Most of our funds derive from the Student-Centered Funding Formula, property tax, and other local, state and federal sources.

As a financial plan, the District's budget needs to be reviewed and updated periodically as economic conditions change throughout the fiscal year. The District's Administrative Services team carries the responsibility of making sure our budget is used in a responsible manner, following board policy, while meeting the mission and vision of the college.

Any questions regarding this budget book can be directed to the office of the Vice President of Administrative Services.

James M. Limbaugh, PhD

– OUR MISSION –

“To foster excellence in education that challenges students of every background to develop their intellect, character, and abilities; to assist students in achieving their educational and career goals; and to be responsive to the greater community.”

– OUR VISION –

“To provide quality education that enriches lives and builds futures.”

Board of Trustees

Hortencia Armendariz

Area 1, Trustee

Karla Sigmond

Area 2, Trustee

Peter Martinez

Area 3, 2026 Board Clerk

Isabel Solis

Area 4, Trustee

Betsy Lindbergh

Area 5, Trustee

Romualdo Medina

Area 6, Trustee

Erik Ortega

Area 7, 2026 Board President

Andy Flores

Student Trustee, 2026-27 ASG President

Executive Team

James M. Limbaugh, Ph.D.

Interim Superintendent/President

Cesar L. Vega

Vice President of Administrative Services

Jules Johnson, Ph.D.

Vice President of Academic Services

Alexis N. Ayala

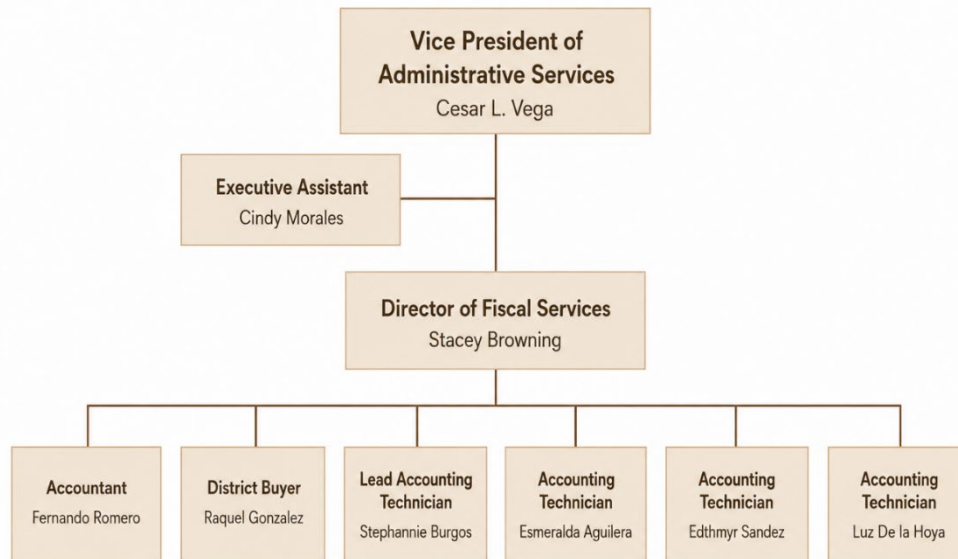
Vice President of Student Services and Equity

Celeste Alvarez

Executive Director of Communications, Marketing and Public Relations



Business Services



– BUSINESS SERVICES' MISSION –

“To provide financial stability and solvency to the college by way of effective and efficient fiscal planning, development, allocation, maintenance, and enhancement; to help students achieve their educational goals by overcoming financial barriers to education through the collaboration and management of student financial support programs and services.





Budget Cycle and Process



The Chief Business Official (CBO), with the assistance and support of the Director of Fiscal Services, oversees the annual budget development process for both restricted and unrestricted General Fund resources. This process culminates in the preparation of the annual budget plan, which is presented to the Board of Trustees for review and approval. In addition, the Adopted Budget Book is developed and presented to provide a detailed overview of annual budgets by department and division across Imperial Valley College.

The CBO is responsible for the processes, policies, and procedures associated with the development of the District's Tentative Budget in June and the Final Adopted Budget in September. In collaboration with the Business Office, the CBO provides fiscal support to campus-wide divisions, including Academic

Services, Student Services and Equity, Human Resources, Information Technology, the President's Office, and other administrative and operational areas. This support includes budget planning, budget development, financial forecasting, accounting, and coordination of financial audit activities.

The annual budget serves as both a comprehensive financial plan and an operational guide, reflecting the policies, procedures, and institutional priorities of Imperial Valley College. The 2026-27 Budget Plan reaffirms the College's continued commitment to supporting and advancing these principles by prioritizing funding for core institutional services, promoting student success, and fostering a more diverse and inclusive campus environment. These efforts are undertaken with transparency and in full compliance with applicable federal, state, and local laws, regulations, and guidelines established by the Chancellor's Office.

Cesar L. Vega

Vice President of Administrative Services



California's State Budget Process

California's state budget process can be difficult to follow because it develops in stages before the final budget is adopted. Financial projections are updated in January, May, and June using information from state agencies and financial institutions. These projections rely on economic indicators and are revised throughout the year as new information becomes available.



California's Budget Process Timeline



In January, the Governor comes out with an initial proposed budget for the upcoming fiscal year. This initial proposal considers all state revenues collected from July through November of the prior year. At this phase in the state budget process, we spend a significant amount of time analyzing and discussing the Governor's initial state budget plan and we try to understand the rationale behind it. The Chancellor's Office, in collaboration with other agencies, put together a "Joint Analysis" which breaks down the Governor's initial proposal for K-14 education.

The state budget for the upcoming fiscal year, however, is adopted on or before June 30, when the Governor and the state Legislature agree on a state budget plan. At this time, the Chief Business Official and the entire Business Department, work on two very important budget situations: 1. The closure of the prior year and 2. The creation of the "Final Budget" using the final state adopted budget projections, and the prior year closing financial figures. By law, K-14 public education agencies have until September 15, to adopt the "Final Budget" and to present the prior year "Unaudited Actuals."

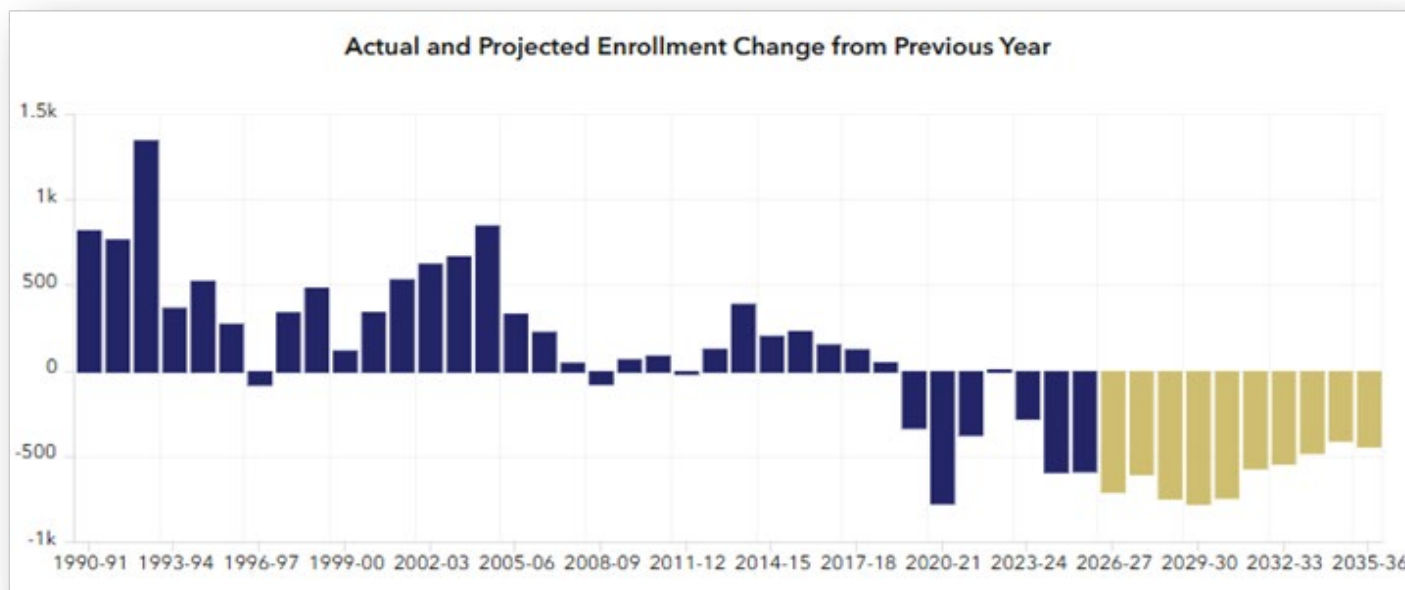
The same budget cycle and process continue the following fiscal year. It's important to understand that in our local budget process, our minimum level of funding is guaranteed through Proposition 98, which determines the total budget allocation for K-14 institutions through the collection of sales and use tax, personal income tax, and corporate tax revenues collected throughout the year.



California's K-12 Enrollment

Most of our community college enrollment comes from high school graduates, making it important to track their trends. California public school enrollment continued to decline in 2025-26, marking the ninth consecutive year of decreases. Enrollment fell by approximately 75,000 students, bringing a total statewide enrollment to about 5.73 million students. According to the [California Department of Finance](#), if current trends in fertility and migration hold, enrollment could decline 710,500 students over the next decade.

The number of high school graduates is also projected to decrease slightly, from 453,600 in 2024-25 to 424,800 in 2026-27. Because these figures are statewide, Imperial County trends must also be reviewed to better understand the potential impact on Imperial Valley College's future enrollment.



Source: State of California, Department of Finance, California Public K-12 Graded Enrollment and High School Graduate Projections by County, 2026 Series. Sacramento, California, August 2026.

The [graph](#) shows that Imperial County K-12 enrollment is projected to decline by 17.1% from 2025-26 to 2035-36 (about 5,960 students). Students under age 19 make up, on average, 45% of the College's annual enrollment. Because of this, Imperial Valley College must expand recruitment beyond recent high school graduates and continue developing strategic enrollment plans. These efforts are important to sustain enrollment and full-time equivalent students (FTES). Since roughly 70% of the College's funding is based on FTES through the Student-Centered Funding Formula (SCFF), future enrollment declines could reduce funding and place pressure on operating budgets.



2026-27 State Enacted Budget

On June 29, 2026, Governor Newsom signed the Budget Act of 2026. The enacted budget reflects core priorities from the California Community Colleges [2026-27 Budget and Legislative Request](#), as well as key initiatives aligned with [Vision 2030](#). These include one-time investments totaling \$1.1 billion for student support and collaborative pathways projects.

Additional one-time investments include \$147.2 million for the Student Support Block Grant, \$120.7 million for deferred maintenance, \$71.1 million for Dreamer Resource Liaisons, another \$35 million to scale up Credit for Prior Learning, \$36 million to scale a systemwide Common Cloud Data Platform, and \$736.9 million for capital outlay from Proposition 2 to support 29 continuing projects and 10 new projects.

Overall, state expenditures total \$351.7 billion, a 9.5% increase from the 2025-26 enacted budget, while General Fund spending increases to \$251.5 billion, or 10.1%, compared to the 2025-26 enacted budget.

California Community Colleges Funding

The Student-Centered Funding Formula (SCFF) was adopted in the 2018-19 state budget as a new way to allocate funding to community college districts. The SCFF provides funding that supports access through enrollment-based funding, student equity by targeting funds to districts serving low-income students, and student success by providing districts with additional resources for student's successful outcomes.

The Student-Centered Funding Formula is all about ensuring community colleges are funded, at least in part, in how well their students are faring. It is upending how California's community colleges receive state money by basing general apportionments on three principal components:

- The base allocation relies primarily on college size, based on prior year data and current year full-time equivalent students (FTES) enrollment.
- The supplemental allocation is based on prior year data.
- The student success allocation is based on an average of three prior years of data.

The 2026-27 state budget includes \$775 million in ongoing Student-Centered Funding Formula adjustments, including \$292 million for a 2.87% cost-of-living adjustment (COLA) as well as a \$159.7 million for a discretionary COLA of 1.44%, for a combined COLA of 4.31% applied to the SCFF rates. In addition, there was \$153.1 million allocated for 2.5% enrollment growth over two years. More excitingly is the allocation of \$47.7 million to adopt modifications to the SCFF formula to fund credit FTES at the higher of the three-year average or the amount reported in the current year, rather than using the three-year average. Imperial Valley College received funding on the



current Credit FTES reported this year, resulting in an increase of \$1.4 million to the base allocation for the Advance Apportionment.

Generally, the Chancellor's Office certifies apportionment payments three times per year with the Advance Apportionment (AD) released in July, First Principal (P1) and Recalculation (R1) in February, and Second Principal (P2) in June.

The enacted budget also includes \$31 million for a 2.87% COLA applied to select categorical programs. These programs do not receive additional discretionary COLA.

The following seven Imperial Valley College categorical programs will receive the 2.87% COLA:

1. Student Equity and Achievement Program
2. Extended Opportunity Programs and Services (EOPS)
3. Disabled Students Programs and Services (DSPS)
4. Apprenticeship
5. CalWORKs Student Services
6. Mandated Block Grant
7. Cooperative Agencies Resources for Education (CARE)

Key Takeaways from the 2026-27 State Enacted Budget

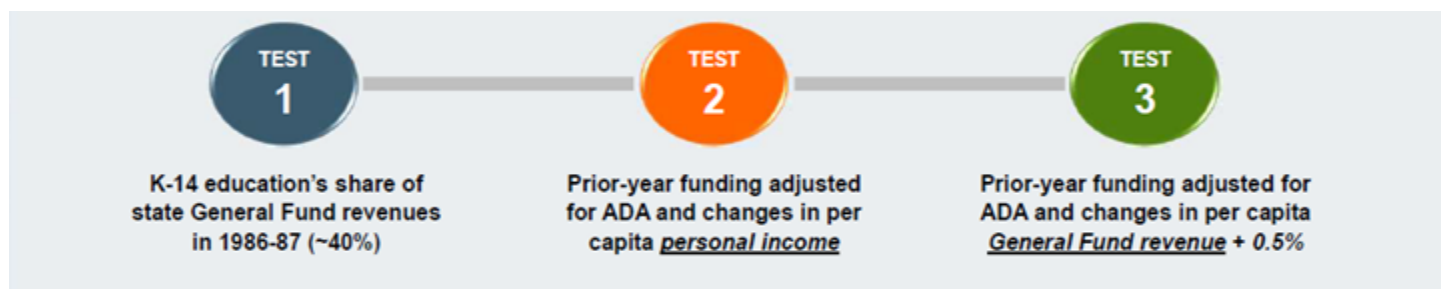
The 2026-27 Budget Act incorporates components of the Governor's May Revision, legislative additions and modifications adopted on June 15, and other negotiated changes between the Governor and the Legislature. Key takeaways include:

- **Additional Resources:** The budget provides more than \$2.1 billion in additional resources for California Community Colleges apportionments and categorical programs when compared to the 2025 Budget Act.
- **Revenue Outlook:** Tax revenues have grown faster than projected, largely due to investor enthusiasm surrounding artificial intelligence. As a result, the budget reflects no deficit for fiscal years 2026-27 and 2027-28.
- **Multi-year Planning:** The budget aligns with the Administration's commitment to two-year budget planning and recognizes the need to prepare for revenue volatility and potential federal policy changes.



Community College Finance in California

Proposition 98 is a constitutional amendment adopted by California voters in 1988 that establishes an annual minimum funding level for K-12, county offices of education, state preschool programs, and community colleges. The Proposition 98 guarantee consists of three “tests” that apply under varying economic conditions. (See table below)



Proposition 98 is funded each year from a combination of state general fund revenue and local property taxes. The bulk of California's general fund revenues are derived from sales, corporate, and personal income taxes.

In 2014, under Proposition 2, California voters approved another amendment to the state Constitution and established the Public School System Stabilization Account (“PSSSA”) – the Proposition 98 Reserve Account. This time, Constitutional formulas require the state to make deposits into, and withdrawal from, the Proposition 98 reserve. When the state faces budget problems, discretionary withdrawals from the reserve account may also be made if the Governor declares a budget emergency and the Legislature passes a bill to withdraw funds, which can only be used to support K-12 and Community Colleges.

The minimum guarantee for community colleges increases by 15% under the 2026-27 State Enacted Budget. Additional Proposition 98 adjustments include the following:

- **TK-12 and Community College Split:** The enacted budget adjusts the Proposition 98 split to 88.9% for TK-12 and 11.1% for community colleges, compared to the prior split of 89.1% and 10.9%. This change provides an additional \$217.7 million in ongoing support for community colleges and helps address the structural deficit created when the 2025 Budget Act shifted TK costs outside of the split.
- **Settle-up Obligations:** The budget pays off the \$1.9 billion settle-up obligation created in 2024-25 and establishes a new \$3.96 billion settle-up obligation for 2025-26 due to ongoing fiscal uncertainty. It also requires that one-third of non-Proposition 98 and non-Proposition 2 General Fund tax revenues be used to pay down Proposition 98 obligations.
- **Deferral Repayment:** The budget repays the \$408.4 million deferral from 2025-26 and applies it toward the minimum funding requirement for fiscal year 2024-25 rather than 2026-27.



The tables below show the Department of Finance’s estimates of the minimum guarantee for the current and prior budget years for K-14 and community colleges. The minimum guarantee for 2026-27 is **\$128 billion** statewide, and **\$14.6** billion for community colleges.

Table 1: Estimates of the Proposition 98 Minimum Guarantee (In Millions)

Minimum Guarantee	2024-25	2025-26	2026-27	Change From 2025-26	Percent Change
General Fund	\$93,316	\$87,746	\$92,931	\$5,185	6%
Local property tax	32,614	33,574	35,140	1,566	5%
Totals	\$125,930	\$121,320	\$128,071	\$6,751	6%

Table 2: California Community Colleges Proposition 98 Funding by Source (In Millions)

Source	2024-25	2025-26	2026-27	Change From 2025-26	Percent Change
General Fund	\$ 9,238	\$ 8,288	\$ 9,941	\$ 1,653	20%
Local property tax	4,339	4,444	4,664	220	5%
Totals	\$ 13,577	\$ 12,732	\$ 14,605	\$ 1,873	15%

**CCC totals include resources that go to the K-12 system via the Adult Education, Apprenticeship, and K-12 Strong Workforce programs.*

State Reserves Focus on Budget Resilience

The enacted budget reflects an estimated \$28.7 billion in total reserves at the end of 2026-27. This includes:

- \$15 billion in the Budget Stabilization Account (BSA, also known as the “rainy day fund”, created in 2014 by Proposition 2)
- \$9.2 billion in the Public School System Stabilization Account (PSSSA), a state reserve for schools and community colleges created by Proposition 2 in November 2014 that receives funding if several conditions are satisfied.
- \$4.5 billion in the Special Fund for Economic Uncertainties (SFEU)



Financial Planning Factors

To prepare Imperial Valley College's 2026-27 Adopted Budget, the Business Office relies on current data from state agencies such as the Department of Finance, Chancellor's Office, and School Services of California. The budget is based on many planning factors such as consumer price index, cost of living adjustments, pension increases, unemployment insurance, local collective bargaining agreements, and numerous other factors to ensure accuracy and provide financial projections for future years. Below is an example of one of the many tools used to build the 2026-27 Adopted Budget.

SSC Community College Financial Projection Dartboard 2026-27 Enacted State Budget

This version of the School Services of California Inc. (SSC) Financial Projection Dartboard is based on the 2026-27 Enacted Budget. SSC has updated the cost-of-living adjustment (COLA), Consumer Price Index (CPI), and ten-year T-bill planning factors per the latest economic forecasts. SSC has also updated the Student Centered Funding Formula (SCFF) rate factors. SSC relies on various state agencies and outside sources in developing these factors, but we assume responsibility for them with the understanding that they are general guidelines.

SCFF PLANNING FACTORS					
Factor	2025-26	2026-27	2027-28	2028-29	2029-30
Department of Finance Statutory COLA	2.30%	2.87% ¹	3.30%	3.09%	3.11%
Additional SCFF Investment ²	-	\$159.7 million	ongoing	ongoing	ongoing
Growth Funding	2.35%	2.50%*	TBD	TBD	TBD

SCFF RATE FACTORS FOR 2025-26 AND 2026-27		
	2025-26	2026-27
Base Credit	\$5,416	\$5,650
Supplemental Point Value	\$1,281	\$1,336
Student Success Main Point Value	\$755	\$788
Student Success Equity Point Value	\$190	\$199
Incarcerated Credit, Special Admit Credit, CDCP**	\$7,595	\$7,923
Noncredit	\$4,567	\$4,764

OTHER PLANNING FACTORS						
Factors		2025-26	2026-27	2027-28	2028-29	2029-30
California CPI		3.40%	3.30%	3.00%	2.80%	2.70%
California Lottery	Unrestricted per FTES***	\$200.41	\$190.00	\$190.00	\$190.00	\$190.00
	Restricted per FTES	\$95.27	\$84.00	\$84.00	\$84.00	\$84.00
Mandate Block Grant		\$36.46	\$37.51	\$38.75	\$39.95	\$41.19
Interest Rate for Ten-Year Treasuries		4.30%	4.35%	4.20%	4.10%	4.00%
CalSTRS Employer Rate ³		19.10%	19.10%	19.10%	19.10%	19.10%
CalPERS Employer Rate ³		26.81%	26.40%	26.80%	25.90%	25.10%
Unemployment Insurance Rate ⁴		0.05%	0.05%	0.05%	0.05%	0.05%
Minimum Wage ⁵		\$16.90	\$17.40	\$18.00	\$18.50	\$19.00

*\$55.3 million for growth of 1.0% starting in 2025-26 and \$97.8 million for 0.5% growth starting in 2026-27

**Career development and college preparation (CDCP)

***Full-time equivalent student (FTES)



District Funds

Classification and Description

A governmental fund is used to collect financial information on resources used, or available for use, in carrying out the operations associated with an institution's educational objectives. The District currently operates 12 governmental funds.

General Fund	10
Building Fund	22
Child Development Fund	33
Capital Projects Fund	41
General Obligation Bond Fund – Measure B	43
Certificate of Participation Fund	51
Self-Insurance Fund	61
Other Internal Services Fund	69
ASG/Campus Club Funds	71
Student Representative Fee Fund	72
Student Financial Aid Fund	74
General Obligation Bond Fund – Measure J	81

General Fund

The General Fund is the chief operating fund where most of the District's revenues, from federal, state, and local resources, are recorded. There are two sub funds in the General Fund: Unrestricted and Restricted.

- **Unrestricted (Fund 11)** – Used to account for monies provided by federal, state, or local sources that may be used for any purpose, not prohibited by law, to support the basic instructional needs and support activities of the institution
- **Restricted (Fund 12)** – Used to account for grants provided by an external source, such as federal, state, and local sources, donors, or other outside agencies. These monies are used for the operation and support of programs, and are specifically restricted by laws, regulations, or the donor, that require the monies to be used for specific purposes.



Unaudited Actuals General Fund Unrestricted

2025-26 Unaudited Actuals Financial Report As of June 30, 2026

Each fiscal year the Board of Trustees approves an Adopted Budget based on current financial data. Because budgets change as economic conditions shift, they must be reviewed and updated throughout the year. By September 15 of each year, the District presents Unaudited Actuals for the previous fiscal year to the Board of Trustees.

Unaudited Actuals indicate that the Business Office has performed year-end closing of the District's financial accounts, pending verification by an independent State of California certified auditor. The final audit occurs in the fall, with results shared with the Board for review and approval by the end of the calendar year.

In Fiscal Year 2025-26, the District adopted a final budget based on projections of Full-Time Equivalent Students (FTES) totaling 7,512. These projections are calculated using prior fiscal year FTES numbers reported to the Chancellor's Office and are provided to the District on the Advance Apportionment schedule. FTES projections are updated throughout the fiscal year when new data becomes available and can change from the adopted budget to the unaudited actuals. As of June 30, 2026, the reported FTES totaled 8,033, a difference of 521 FTES.

<u>Unrestricted</u>	Adopted Budget 2025-2026	Unaudited Actuals 2025-2026
FTES Reported/Projected	7512	8033
BEGINNING FUND BALANCE	\$ 28,458,950.00	\$ 28,421,023.00
Prior Year Adjustments	-	-
ADJUSTED BEGINNING FUND BALANCE	\$ 28,458,950.00	\$ 28,421,023.00

The beginning fund balance was \$28,421,023, a difference of \$37,927 from the projected beginning fund balance at budget adoption.



Revenues

Budgets require regular updates to reflect current revenue estimates. The District started the 2025-26 fiscal year with projected budgeted revenues of \$80,335,303 but recognized revenues of \$88,770,099.

REVENUES			
State (Apportionment)	\$	50,828,585.00	\$ 44,962,210.00
State (Apportionment) Prior Year Recalculation		-	608,735.00
Education Protection Act (EPA)		10,359,046.00	14,768,150.00
State (All Other)		3,355,529.00	3,741,236.00
CalSTRS On-Behalf Payments (GASB 24)		1,985,861.00	2,213,816.00
Local (Property Tax Included)		13,806,245.00	22,475,915.00
Interfund Transfers In		37.00	37.00
TOTAL REVENUES		80,335,303.00	88,770,099.00

State Apportionment – The District recognized a decrease to state apportionment revenues of approximately \$5.8 million. This decrease in revenue is a result of the following changes that occur as new data becomes available between the Advance Apportionment (AD) and the Second Principal (P2) apportionment:

- Change to the Total Computational Revenue (TCR) calculation (FTES, Supplemental and Student Success Allocation data)
- Changes to estimated Property Tax revenue provided by the Imperial County Auditor/Controller's Office
- Changes to Enrollment Fee Revenue reported for the current fiscal year
- Changes to the Education Protection Account allocation provided by the Department of Finance

State Apportionment (Prior Year) – The District received an additional \$608,735 in prior year adjustments to the General Apportionment. Recalculations occur when updated data (i.e. Enrollment Revenue, Property Taxes, Supplemental and Student Success metrics, etc.) is provided to the Chancellor's Office and changes the TCR calculation. These adjustments are recorded in the current year as a prior-year recalculation.



Education Protection Act (EPA) – The Fiscal Year 2025-26 EPA funding allocation was updated by the Department of Finance in June 2026 from \$1.304 billion to \$1.819 billion, an increase of \$515 million statewide. The District’s allocation rate increased from \$1,053 per funded FTES at AD, to \$1,924 per funded FTES at P2, resulting in a \$4.4 million increase. In addition, the District received adjustments to Fiscal Year 2024-25 EPA calculations in the amount of \$60,000.

State (All Other) Revenue – Other State revenue had a net increase of \$385,000 from initial projections at Advance Apportionment. This includes, but is not limited to, the following revenue sources either being increased or decreased:

- Non-Prop 20 Lottery
- Full-Time Faculty Hiring
- Part-Time Faculty Compensation/Office Hours

Local Property Tax – Local revenue increased by \$8.4 million based on the following:

- Receipt of the IRS Employee Retention Credit totaling \$8.7 million
- Property taxes slightly increased by \$130,000 from Advance Apportionment projections
- Other local revenues (i.e. interest, enrollment fees, commission, etc.) had increases or decreases from what was projected at Advance Apportionment, resulting in an overall net decrease of \$238,000

Expenditures

The District started the 2025-26 fiscal year with projected budget expenditures of \$81,946,348. As of June 30, 2026, total expenditures recognized were \$77,599,205, a decrease of \$4.3 million.

EXPENDITURES

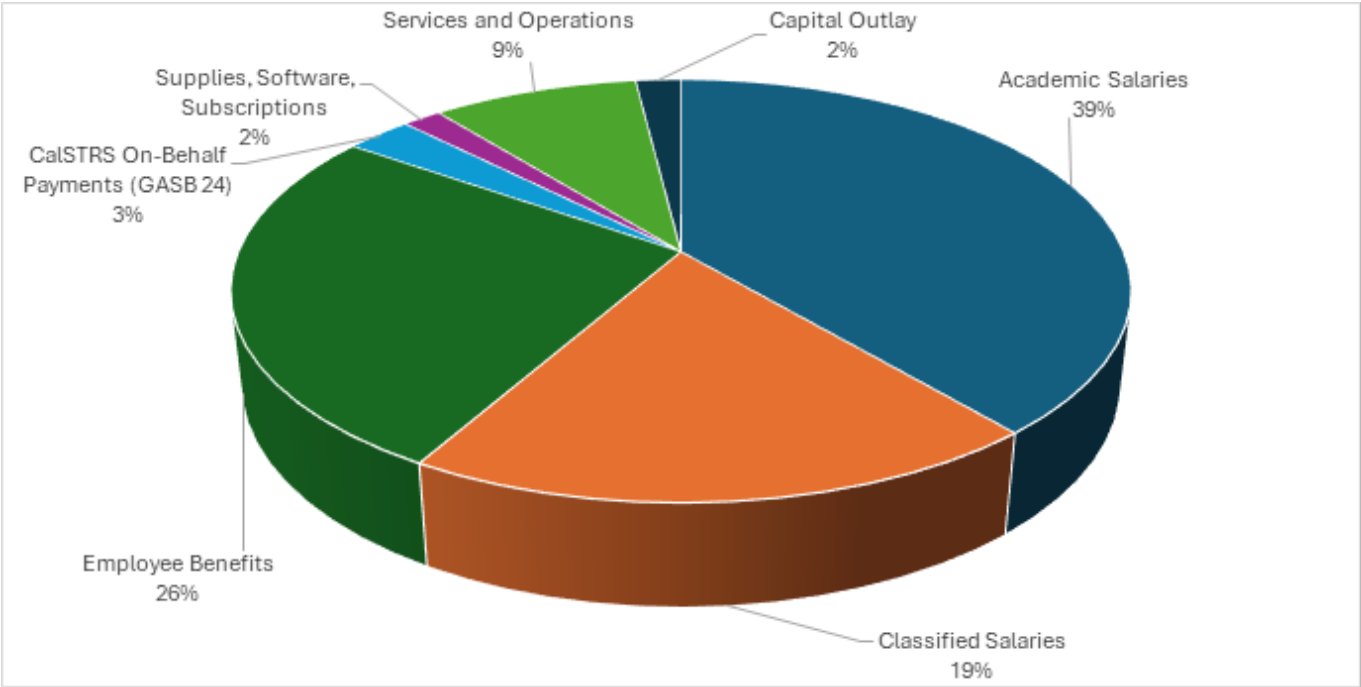
Academic Salaries	\$	31,986,661.00	\$	30,106,561.00
Classified Salaries		16,071,223.00		15,098,856.00
Employee Benefits		22,475,060.00		20,507,321.00
CalSTRS On-Behalf Payments (GASB 24)		1,985,861.00		2,213,816.00
Supplies, Software, Subscriptions		1,513,043.00		1,295,729.00
Services and Operations		7,085,360.00		6,868,700.00
Capital Outlay		829,140.00		1,508,222.00
TOTAL EXPENDITURES	\$	81,946,348.00	\$	77,599,205.00



Academic/Classified Salaries – Certificated and Classified salaries expenses were lower than originally projected due to vacancies not being filled in the fiscal year, and changes in non-permanent labor expenses, such as part-time faculty salaries and office hours, faculty overload and large quota payouts, faculty special assignments, substitute/temporary employment, student employment, professional experts, and overtime.

Employee Benefits – Benefits expenses were lower than projected. This is attributed to the lower expenses recognized for certificated and classified salaries. Benefit expenses are approximately 45% of salary expenses, with health and welfare contributing to about 95% of all expenses (STRS/PERS, Social Security/Medicare, State Unemployment Insurance, and Workers' Compensation).

The chart below shows the breakdown of the Unrestricted General Fund expenditures as a percentage, for fiscal year 2025-26.



The three largest expenditures in the 2025-26 adopted budget were Academic Salaries, Classified Salaries, and Employee Benefits. All combined, they represented 84% of the total operating budget. All other expenses represented 16% of the total operating budget.



Transfers and Other Outgo

The District projected transfers and other outgo totaling \$4,430,618. Actual transfers and other outgo totaled \$12.1 million, an increase of \$7.6 million. This is mainly attributed to the Board approved interfund transfer of the ERC credit to the Building Fund. Additional differences include adjustments to the budget for budget enhancement requests and contingencies totaling \$500,000.

Excess (Deficiency) of Revenues over Expenditures	\$	(1,611,045.00)	\$	11,170,894.00
Other Outgo (Transfers, Reserves)		4,430,618.00		12,130,615.00
Net Increase/Decrease in Fund Balance	\$	(6,041,663.00)	\$	(959,721.00)
ENDING FUND BALANCE	\$	22,417,287.00	\$	27,461,302.00
ENDING FUND BALANCE (In Percentage)		26%		31%

When factoring the revenues received, the expenditures recorded, and the transfers made, the District anticipates ending the 2025-26 fiscal year with a decrease of \$959,000 to the ending fund balance, for a total of \$27,461,302 and a 31% reserve. At budget adoption, the District projected a deficit of \$6,041,663, for a total ending fund balance of \$22,417,287 and a 26% reserve.





Unaudited Actuals General Fund Restricted

2025-26 Unaudited Actuals Financial Report As of June 30, 2026

Restricted resources are important but must be used for specific programs and within set timelines to prevent forfeiture. Typically, these funds must be spent within the budget year unless carryover is permitted. Imperial Valley College receives many grants, and each division that manages a grant is responsible for meeting all legal requirements.

For fiscal year 2025-26, the District started with a projected fund balance of \$311,916; unaudited actuals showed a decrease to \$258,701, a small difference of \$53,000.

<u>Restricted</u>	<u>Adopted Budget</u> 2025-2026	<u>Unaudited Actuals</u> 2025-2026
BEGINNING FUND BALANCE	\$ 311,916.00	\$ 258,701.00
Prior Year Adjustments	-	-
ADJUSTED BEGINNING FUND BALANCE	\$ 311,916.00	\$ 258,701.00

Revenues

Restricted/Categorical grant funds may be received at various times throughout the fiscal year. Allocations can change as federal, state, and local revenues fluctuate or new grants are received, requiring frequent updates to the restricted budget. The District started the 2025-26 fiscal year with projected budget revenues of \$35,175,794 but recognized \$26,539,574.

<u>REVENUES</u>			
Federal	\$	4,428,451.00	\$ 4,907,452.00
State		28,218,653.00	17,642,617.00
CalSTRS On-Behalf Payments (GASB 24)		520,336.00	580,065.00
Local		2,008,354.00	3,409,440.00
Transfers		-	-
TOTAL REVENUES	\$	35,175,794.00	\$ 26,539,574.00



Federal Revenue – Most of the federal revenues the District receives are on a reimbursement basis, which means that the District only receives what is spent. Federal revenues were recognized almost as projected with a slight increase of \$479,000.

State Revenue – The District anticipated \$28.2 million in state revenue for fiscal year 2025-26 and received \$28.4 million, deferring \$10.8 million to fiscal year 2026-27 as unearned funds. Deferred revenue reflects funds received but not yet earned, which must be carried over as a liability if not spent before year-end, temporarily reducing the year-to-date actuals.

Local Revenue - Local revenue increased about \$1.4 million, primarily due to higher than projected earnings from student health fees, parking control fees, enrollment fees, fundraising, and other local sources.

Expenditures

The District began the 2025-26 fiscal year with projected budget expenditures of \$33,135,106. As of June 30, 2026, total recognized expenditures were \$23,699,890, reflecting a decrease of \$9.4 million. Some grants are ongoing and do not require full expenditure by the fiscal year end; as a result, while the full grant amount is budgeted, it may not be completely spent until the grant’s designated end date.

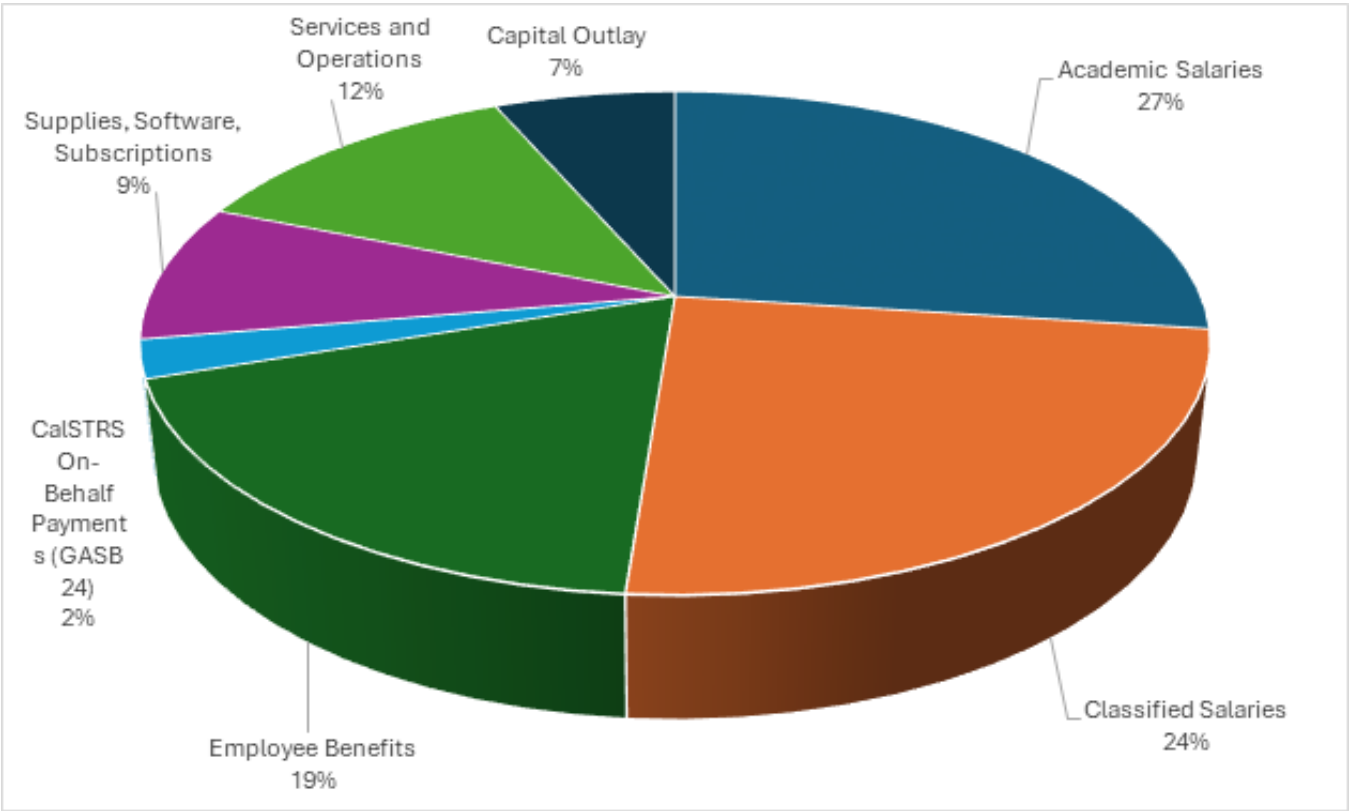
EXPENDITURES			
Academic Salaries	\$	7,984,952.00	\$ 6,418,179.00
Classified Salaries		7,278,699.00	5,722,320.00
Employee Benefits		4,948,130.00	4,404,596.00
CalSTRS On-Behalf Payments (GASB 24)		520,336.00	580,065.00
Supplies, Software, Subscriptions		2,908,880.00	2,100,068.00
Services and Operations		5,886,490.00	2,924,733.00
Capital Outlay		3,607,619.00	1,549,929.00
TOTAL EXPENDITURES	\$	33,135,106.00	\$ 23,699,890.00



Academic/Classified Salaries – Certificated and Classified salaries expenses were lower than originally projected due to vacancies not being filled in the fiscal year, and changes in non-permanent labor expenses, such as part-time faculty salaries and office hours, faculty overload and large quota payouts, faculty special assignments, substitute/temporary employment, student employment, professional experts, and overtime.

Employee Benefits – Benefits expenses were lower than projected. This is attributed to the lower expenses recognized for certificated and classified salaries. Benefit expenses are approximately 36% of salary expenses, with health and welfare contributing to about 43% of all expenses (STRS/PERS, Social Security/Medicare, State Unemployment Insurance, and Workers' Compensation).

The chart below shows the breakdown of the Restricted General Fund expenditures as a percentage, for fiscal year 2025-26.



The three largest expenditures in the 2025-26 adopted budget were Academic Salaries, Classified Salaries, and Employee Benefits. All combined, they represented 70% of the total operating budget. All other expenses represented 30% of the total operating budget.



Key points about grants:

- 1. Allocating more grant funds to salaries and benefits reduces resources for student activities and services.
- 2. Without COLA increases, grants may struggle financially unless supported by the District’s general fund.

Transfers and Other Outgo

The District projected transfers and other outgo in the form of Student Aid totaling \$3,156,289. As of June 30, 2026, a total of \$2,843,852 was recognized as other outgo, resulting in a slight decrease of \$312,000 from projections.

Excess (Deficiency) of Revenues over Expenditures	\$	2,040,688.00	\$	2,839,684.00
Other Outgo (Student Aid)		3,156,289.00		2,843,852.00
Net Increase/Decrease in Fund Balance	\$	(1,115,601.00)	\$	(4,168.00)
ENDING FUND BALANCE	\$	(803,685.00)	\$	254,533.00

When factoring the revenues received, the expenditures recorded, and the transfers made, the District anticipates ending the 2025-26 fiscal year with a decrease of \$4,168 to the ending fund balance for a total of \$254,533. At budget adoption, the District projected a deficit of \$1,115,601 and an ending fund balance of negative \$803,685.

Demolition of Old Auto Technology





Adopted Budget General Fund Unrestricted

2026-27 Adopted Budget Plan

Title 5, California Code of Regulations (CCR), Section 58305 requires community colleges to develop a final adopted budget by September 15 each year. The Adopted Budget is an update to the previously approved Tentative Budget from June, reflecting the Governor's final state budget plan for education as part of the overall State Budget Plan for 2026-27.

The budget process begins in January with the Governor's initial projections for the upcoming fiscal year, followed by a May revision that updates these projections based on economic conditions. The state budget must be adopted by the Governor by June 30. Once the state budget is law, the District can finalize its budget for the new fiscal year. The following spreadsheet provides projected revenues, expenditures, transfers, ending fund balances, and reserves for fiscal year 2026-27.

In accordance with Board Policy 6200 Budget Preparation and Board Policy 6250 Budget Management, the Administrative Office at Imperial Valley College is responsible for creating and adopting the budget each year by using the most recent and updated financial projections provided by, but not limited to, the Chancellor's Office Joint Analysis, Legislative Analyst Office, Department of Finance, Association of Chief Business Officials, and School Services of California. These planning factors are described in previous sections of this document.

Beginning Fund Balance

One of the most important differences between the adopted budget prior year and the adopted budget for 2026-27 is the beginning fund balance. At fiscal year-end, the District recognized a decrease of \$959,000 to the ending fund balance, a difference of \$5 million as projected. This smaller than expected decrease is reflected in the beginning fund balance for fiscal year 2026-27 and is the basis for maintaining a projected reserve balance of 25% at fiscal year-end.

Unrestricted	Adopted Budget 2026-2027
FTES Projected	8,033
BEGINNING FUND BALANCE	\$ 27,461,302.00
Prior Year Adjustments	-
ADJUSTED BEGINNING FUND BALANCE	\$ 27,461,302.00



The District's administrative procedure regarding reserve balances (AP 6305 Reserves), states:

At the end of the budget process, if the current estimated revenue exceeds current estimated expenditures, the surplus amount will be added to contingency reserves.

A Board Reserve fund of at least 16.7% is recommended to be maintained for contingency. The maximum Board Reserve should be equivalent to three months of operating expenses.

Revenues

The District expects total revenues of \$87,035,279 for fiscal year 2026-27. Because budgets are estimates that will change as the economy shifts, and do not represent cash on hand, these funds will be earned overtime rather than received upfront and may change as the fiscal year progresses.

Unrestricted	Adopted Budget 2026-2027
<u>REVENUES</u>	
State (Apportionment)	\$ 52,312,768.00
Education Protection Act (EPA)	12,705,764.00
State (All Other)	3,426,987.00
CalSTRS On-Behalf Payments (GASB 24)	2,213,816.00
Local (Property Tax Included)	16,375,910.00
Interfund Transfers In	34.00
TOTAL REVENUES	\$ 87,035,279.00

State Revenues – State apportionment funds, or the general apportionment, are based on the Advance Apportionment schedule provided by the Chancellor's Office. The revenue is calculated using the SCFF model of funding, and uses many factors such as reported FTES, enrollment fees, and property taxes to calculate the District's Total Computational Revenue (TCR). The District's general apportionment is the net of the calculated TCR and local revenue sources and EPA funds.



EPA and other state revenues are calculated using figures provided by the Chancellor’s Office and the Department of Finance.

Local Revenues – The majority of local revenues received are from property taxes. These estimates are provided by the Imperial County Auditor/Controller’s Office. Additional local revenues include enrollment fees, cash interest, and institutional charges (i.e. facility usage fees, transcript fees, educational materials fees).

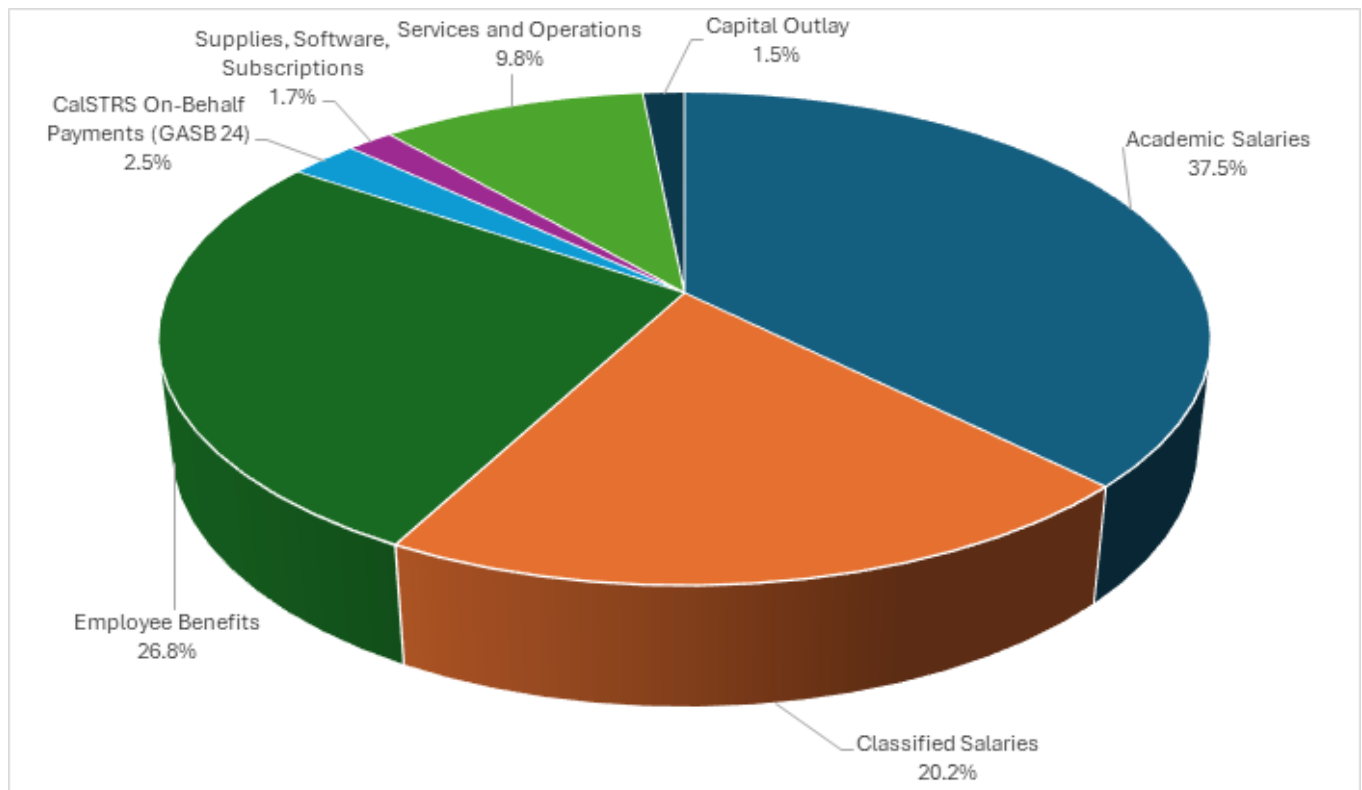
Expenditures

The District projects total expenditures of \$87,605,849 for fiscal year 2026-27, of which 85% are employee salaries and related benefits. The projected salary and benefit expenditures consider all agreed upon collective bargaining agreements with CCA/CTA/NEA and IVCPTFA for 2026-27. It also includes the employer contributions for the California Public Employee Retirement System (CalPERS) of 26.40%, the employer contributions for the California State Teachers Retirement System (CalSTRS) employer rate of 19.10%, and a 3.75% cost increase associated with Health and Welfare benefits. Since fiscal year 2022-23, the District has incurred a cumulative health and welfare rate increase of roughly 60%, significantly impacting the general fund.

Unrestricted	Adopted Budget 2026-2027	
<u>EXPENDITURES</u>		
Academic Salaries	\$	32,858,869.00
Classified Salaries		17,715,742.00
Employee Benefits		23,459,961.00
CalSTRS On-Behalf Payments (GASB 24)		2,213,816.00
Supplies, Software, Subscriptions		1,475,633.00
Services and Operations		8,543,543.00
Capital Outlay		1,338,285.00
TOTAL EXPENDITURES	\$	87,605,849.00



The chart below shows the breakdown of the Unrestricted General Fund expenditures as a percentage, for fiscal year 2026-27.



Transfers and Other Outgo

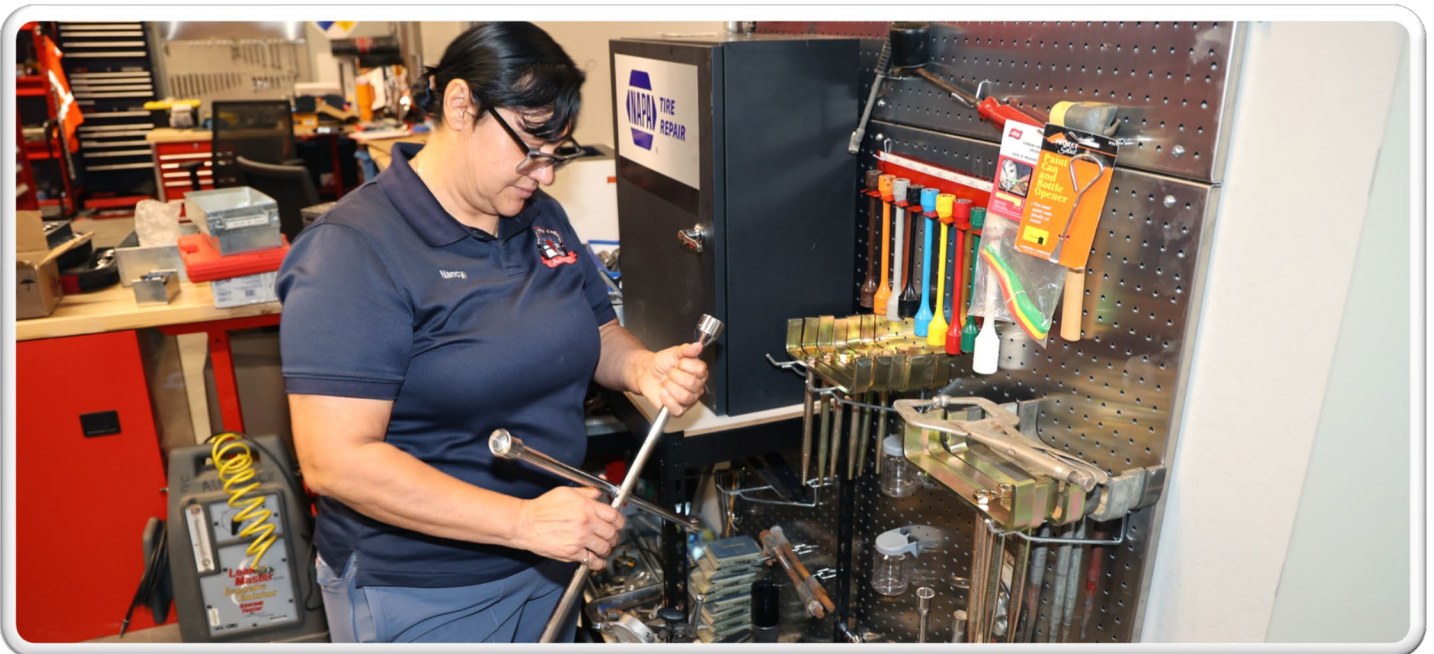
The District also projects transfers and other outgo totaling \$4,165,500. This includes the following:

- \$1 million transfer to the OPEB/Pension Trust
- \$600,000 transfer to Fund 61 – Self Insurance Fund
- \$2 million transfer to Fund 22 – Building Fund
- \$430,000 reserve for contingencies
- \$135,500 allocation for budget enhancement requests



Unrestricted	Adopted Budget 2026-2027
Excess (Deficiency) of Revenues over Expenditures	\$ (570,570.00)
Other Outgo (Transfers, Reserves)	4,165,500.00
Net Increase/Decrease in Fund Balance	\$ (4,736,070.00)
ENDING FUND BALANCE	\$ 22,725,232.00
ENDING FUND BALANCE (In Percentage)	25%

After accounting for estimated revenues, expenditures, and transfers, the District is projected to conclude the 2026-27 fiscal year with a \$4.7 million reduction in the ending fund balance. As a result, the anticipated ending fund balance will be \$22,725,232, representing a 25% reserve balance.





Adopted Budget General Fund Restricted

2026-27 Adopted Budget Plan

Categorically funded programs are established to provide specialized services to students to assist them in achieving their educational goals. These program funds offer targeted support to all or specific student populations and provide increased resources to enhance the overall quality of education for students. The funds must be spent toward allowable use and for a specific period, unless carryover is authorized.

Imperial Valley College has nearly 155 categorical programs and only a small number will receive cost-of-living adjustments. Coupled with the uncertainty of federal program funding reductions or cuts proposed by the current Administration, the District is being cautious with future spending plans, and intentional in resource allocation in the current year to ensure these funds are used to move forward the vision and goals of the institution.

Beginning Fund Balance

The fiscal year 2026-27 beginning fund balance for the Restricted General Fund is \$254,533. As a reminder, this beginning fund balance reflects the ending fund balance as of June 30, 2026, and is mainly due to recording deferred revenues at year-end. Deferred revenue reflects funds received but not yet earned, which must be carried over as a liability if not spent before year-end, temporarily reducing the fund balance until the transaction is recorded.

Restricted	Adopted Budget 2025-2026
BEGINNING FUND BALANCE	\$ 254,533.00
Prior Year Adjustments	-
ADJUSTED BEGINNING FUND BALANCE	\$ 254,533.00

Revenues

The District projects \$37,334,150 in total revenues for fiscal year 2026-27. Restricted or categorical grant funds may be received at various times during the year, with allocations subject to change based on state revenues or new grants. These projections are based on current grant award notifications, state and federal allocation compendiums, and other official grant documents.



Restricted	Adopted Budget 2025-2026
<u>REVENUES</u>	
Federal	\$ 5,707,300.00
State	28,719,170.00
CalSTRS On-Behalf Payments (GASB 24)	580,065.00
Local	2,327,615.00
TOTAL REVENUES	\$ 37,334,150.00

Federal Revenues – These funds are received on a reimbursement basis and are drawn down or invoiced as expenses are incurred by the District. Some examples of federal grants for the District include TRiO (Upward Bound, Educational Talent Search, Student Support Services), National Science Foundation grants, Federal Work Study, Department of Energy grants, and Perkins.

State Revenues – These funds are received throughout the year, either through apportionment payments, reimbursements, or state warrants. Some examples of state grants for the District include Basic Needs, Student Equity and Achievement, Disabled Student Programs and Services (DSPS), Extended Opportunity Programs and Services (EOPS), Guided Pathways, LGBTQ+, Strong Workforce, and Veterans Resource Center.

Local Revenues – These funds are received throughout the year and are usually received on a reimbursement basis or in the form of student payments for certain institutional charges. Some examples of local grants for the District include CalWORKs Assessment grant, regional Strong Workforce grants, Student Health fees, and Parking Control fees.

Expenditures

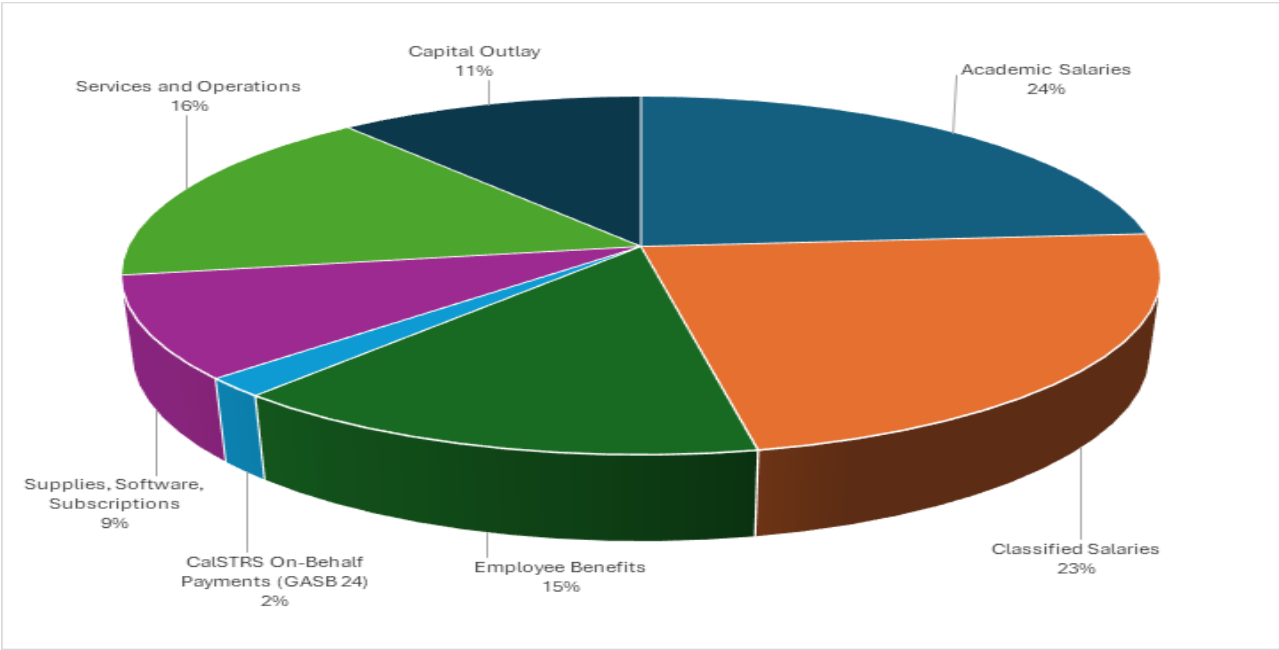
The District projects total expenditures of \$33,280,091 for fiscal year 2026-27, of which 62% are employee salaries and related benefits. The projected salary and benefit expenditures consider all agreed upon collective bargaining agreements with CCA/CTA/NEA and IVCPTFA for 2026-27. It also includes the employer contributions for the California Public Employee Retirement System (CalPERS) of 26.40%, the employer contributions for the California State Teachers Retirement System (CalSTRS) employer rate of 19.10%, and a 3.75% cost increase associated with Health and Welfare benefits.



Additional expenditures for supplies, services, and capital outlay have been budgeted in accordance with the allowable uses for each categorical grant.

Restricted	Adopted Budget 2025-2026
EXPENDITURES	
Academic Salaries	\$ 7,932,034.00
Classified Salaries	7,684,140.00
Employee Benefits	4,844,009.00
CalSTRS On-Behalf Payments (GASB 24)	580,065.00
Supplies, Software, Subscriptions	3,067,429.00
Services and Operations	5,476,794.00
Capital Outlay	3,695,620.00
TOTAL EXPENDITURES	\$ 33,280,091.00

The chart below shows the breakdown of the Restricted General Fund expenditures as a percentage, for fiscal year 2026-27.





Transfers and Other Outgo

The District projects transfers and other outgo in the form of Student Aid in the amount of \$4,785,111. These transfers for Student Aid have been budgeted in accordance with the allowable uses for each categorical grant, and in some cases are mandated uses for certain grant funds.

Restricted	Adopted Budget 2025-2026
Excess (Deficiency) of Revenues over Expenditures	\$ 4,054,059.00
Other Outgo (Student Aid)	4,785,111.00
Net Increase/Decrease in Fund Balance	\$ (731,052.00)
ENDING FUND BALANCE	\$ (476,519.00)

Considering projected revenues, expenditures, and transfers, the District expects to conclude the 2026-27 fiscal year with a reduction of \$731,052 in the ending fund balance. This will result in an anticipated ending fund balance of negative \$476,519. It is important to clarify that this projection does not necessarily indicate that the fund is being overspent. Several grants have received one-time funding intended for expenditure over multiple years. In cases where no additional revenue is expected and the revenue does not meet the definition of unearned revenue, only the expenses are budgeted, which is reflected in the overall fund balance.





Multi-Year Projections General Fund Unrestricted

Multi-Year Projections

The Fiscal Crisis Management and Assistance Team (FCMAT) and the Community College Chancellor's Office recommend that districts develop and maintain accurate multi-year projections (MYPs) for planning purposes.

Multi-year projections are most effective when districts understand how revenues (including SCFF, categorical programs, Proposition 98, and others) and expenditures function. Data for building MYPs is sourced from state and local agencies, and as economic conditions change, these projections should be updated accordingly.

Multi-Year Projections - General Fund Unrestricted Fiscal Year 2026-27 Adopted Budget

FTES Reported / Projected		2026-27 8,033	2027-28 8,113	2028-29 8,195	
BEGINNING FUND BALANCE		\$ 27,461,302	\$ 22,725,232	\$ 21,624,592	
REVENUES				% Change	% Change
State Apportionment	8611	52,312,768	56,484,193		59,799,495
Education Protection Act (EPA)	8630	12,705,764	12,705,764		12,705,764
Other State Revenues	8600-8699	3,426,987	3,450,622		3,473,483
CalSTRS On-Behalf	8600	2,213,816	2,213,816		2,213,816
Other Local Revenues	8800-8899	16,375,910	16,375,910		16,375,910
Other Financing Sources	8910-8999	34	-		-
Total Revenues		87,035,279	91,230,304	5%	94,568,469 4%
EXPENDITURES					
Certificated Salaries	1000-1999	32,858,869	34,345,692		35,498,190
Classified Salaries	2000-2999	17,715,742	17,377,270		17,988,028
Employee Benefits	3000-3999	23,459,961	24,771,821		25,494,961
CalSTRS On-Behalf	3000	2,213,816	2,213,816		2,213,816
Supplies, Software, Subscriptions	4000-4999	1,475,633	1,452,532		1,452,532
Services and Operations	5000-5999	8,543,543	9,301,528		9,301,528
Capital Outlay	6000-6999	1,338,285	1,338,285		1,338,285
Total Expenditures		87,605,849	90,800,944	4%	93,287,339 3%
Excess/ (Deficiency) of Revenues over Expenditures		(570,570)	429,360		1,281,129
Other Outgo, Transfers	7000-7999	4,165,500	1,530,000		1,530,000
Net Increase/Decrease in Fund Balance		(4,736,070)	(1,100,640)		(248,871)
ENDING FUND BALANCE		\$ 22,725,232	\$ 21,624,592	-5%	\$ 21,375,721 -1%
Ending Fund Balance Percent		25%	23%		23%



Adopted Budget Other Funds

Fund 22 – Building Fund

BUILDING FUND - 22	Unaudited Actuals 2025-2026	Adopted Budget 2026-2027
BEGINNING FUND BALANCE	\$ 18,939,551.00	\$ 26,657,675.00
Prior Year Adjustments	-	-
ADJUSTED BEGINNING FUND BALANCE	\$ 18,939,551.00	\$ 26,657,675.00
<u>REVENUES</u>		
Local	\$ 1,186,186.00	\$ 1,200,000.00
Inter-Fund Transfers In	9,548,082.00	2,000,000.00
TOTAL REVENUES	\$ 10,734,268.00	\$ 3,200,000.00
<u>EXPENDITURES</u>		
Classified Salaries	\$ -	\$ 65,341.00
Employee Benefits	-	38,280.00
Supplies, Software, Subscriptions	6,230.00	-
Services and Operations	132,727.00	35,000.00
Capital Outlay	2,877,187.00	26,519,054.00
TOTAL EXPENDITURES	\$ 3,016,144.00	\$ 26,657,675.00
Excess (Deficiency) of Revenues over Expenditures	\$ 7,718,124.00	\$ (23,457,675.00)
Other Outgo	-	-
Net Increase (Decrease) in Fund Balance	\$ 7,718,124.00	\$ (23,457,675.00)
ENDING FUND BALANCE	\$ 26,657,675.00	\$ 3,200,000.00

This fund tracks the District's construction projects, supported by local redevelopment funds, interest, and transfers from the Unrestricted General Fund.

Current Building Fund projects include the Gym Modernization, Water Plant Project and Campus Wayfinding.

The District also allocates miscellaneous funds for smaller construction needs throughout the year.



Fund 33 – Child Development Fund

CHILD DEVELOPMENT - 33	Unaudited Actuals 2025-2026	Adopted Budget 2026-2027
BEGINNING FUND BALANCE	\$ 897,239.00	\$ 1,058,006.00
Prior Year Adjustments	-	-
ADJUSTED BEGINNING FUND BALANCE	\$ 897,239.00	\$ 1,058,006.00
<u>REVENUES</u>		
State	\$ 1,357,888.00	\$ 2,036,511.00
Local	43,107.00	34,400.00
TOTAL REVENUES	\$ 1,400,995.00	\$ 2,070,911.00
<u>EXPENDITURES</u>		
Academic Salaries	\$ 90,164.00	\$ 86,191.00
Classified Salaries	651,674.00	768,739.00
Employee Benefits	389,065.00	464,043.00
Supplies, Software, Subscriptions	58,205.00	570,223.00
Services and Operations	19,983.00	78,745.00
Capital Outlay	31,137.00	70,500.00
TOTAL EXPENDITURES	\$ 1,240,228.00	\$ 2,038,441.00
Excess (Deficiency) of Revenues over Expenditures	\$ 160,767.00	\$ 32,470.00
Other Outgo (Designated Reserves)	-	246,501.00
Net Increase (Decrease) in Fund Balance	\$ 160,767.00	\$ (214,031.00)
ENDING FUND BALANCE	\$ 1,058,006.00	\$ 843,975.00

This fund tracks revenues and expenses for the District's childcare and child development services, which operate under guidelines from the California Department of Health and Human Services and the California Department of Education, the main revenue sources.

While the Child Development Department operates as a childcare center, it also provides instructional activities.

These instructional components are recorded in the Unrestricted General Fund, whereas general childcare operations are tracked in this fund.



Fund 41 – Capital Projects Fund

CAPITAL PROJECTS FUND - 41	Unaudited Actuals 2025-2026	Adopted Budget 2026-2027
BEGINNING FUND BALANCE	\$ 775,042.00	\$ 102,067.00
Prior Year Adjustments	\$ (300,286.00)	\$ -
ADJUSTED BEGINNING FUND BALANCE	\$ 474,756.00	\$ 102,067.00
<u>REVENUES</u>		
State	\$ -	\$ 9,905,559.00
Local	\$ 170,346.00	\$ 175,000.00
TOTAL REVENUES	\$ 170,346.00	\$ 10,080,559.00
<u>EXPENDITURES</u>		
Services and Operations	\$ -	\$ -
Capital Outlay	\$ 543,035.00	\$ 10,007,626.00
TOTAL EXPENDITURES	\$ 543,035.00	\$ 10,007,626.00
Excess (Deficiency) of Revenues over Expenditures	\$ (372,689.00)	\$ 72,933.00
Other Outgo	-	-
Net Increase (Decrease) in Fund Balance	\$ (372,689.00)	\$ 72,933.00
ENDING FUND BALANCE	\$ 102,067.00	\$ 175,000.00

This fund accounts for capital projects supported by state matching funds. For 2026-27, the District is budgeting the approved Proposition 2 state match for the Gym Modernization project.



Fund 43 – G.O. Bond Fund

MEAUSURE B BOND FUND - 43	Unaudited Actuals 2025-2026	Adopted Budget 2026-2027
BEGINNING FUND BALANCE	\$ 108,031,494.00	\$ 110,168,644.00
Prior Year Adjustments	\$ -	\$ -
ADJUSTED BEGINNING FUND BALANCE	\$ 108,031,494.00	\$ 110,168,644.00
<u>REVENUES</u>		
Financing Sources	\$ -	\$ -
Local	3,719,037.00	3,500,000.00
TOTAL REVENUES	\$ 3,719,037.00	\$ 3,500,000.00
<u>EXPENDITURES</u>		
Classified Salaries	\$ -	\$ 65,341.00
Employee Benefits	-	38,280.00
Services and Operations	9,482.00	24,860.00
Capital Outlay	1,572,405.00	110,040,163.00
TOTAL EXPENDITURES	\$ 1,581,887.00	\$ 110,168,644.00
Excess (Deficiency) of Revenues over Expenditures	\$ 2,137,150.00	\$ (106,668,644.00)
Other Outgo	-	-
Net Increase (Decrease) in Fund Balance	\$ 2,137,150.00	\$ (106,668,644.00)
ENDING FUND BALANCE	\$ 110,168,644.00	\$ 3,500,000.00

This fund records proceeds from Proposition 39 bonds, which can only be used as authorized by the approved ballot measure.

For the District, it holds Measure B funds from November 2022.

Current budgeted projects are the Public Safety Regional Training Center, M&O Warehouse, Student Services Building, and Industrial Automation Building.



Fund 51 – Certificates of Participation

CERTIFICATE OF PARTICIPATION - 51	Unaudited Actuals 2025-2026		Adopted Budget 2026-2027	
BEGINNING FUND BALANCE	\$	36.00	\$	34.00
Prior Year Adjustments	\$	-	\$	-
ADJUSTED BEGINNING FUND BALANCE	\$	36.00	\$	34.00
<u>REVENUES</u>				
Local	\$	35.00	\$	-
TOTAL REVENUES	\$	35.00	\$	-
<u>EXPENDITURES</u>				
Capital Outlay	\$	-	\$	-
TOTAL EXPENDITURES	\$	-	\$	-
Excess (Deficiency) of Revenues over Expenditures	\$	35.00	\$	-
Other Outgo		37.00		34.00
Net Increase (Decrease) in Fund Balance	\$	(2.00)	\$	(34.00)
ENDING FUND BALANCE	\$	34.00	\$	-

This fund tracks revenues, expenses, and net income for management or policy reasons but has been inactive for an extended period. The District plans to transfer the remaining balance to the Unrestricted General Fund and close the account.



Fund 61 – Self Insurance Fund

SELF-INSURANCE FUND - 61	Unaudited Actuals 2025-2026	Adopted Budget 2026-2027
BEGINNING FUND BALANCE	\$ 245,110.00	\$ 582,463.00
Prior Year Adjustments	-	-
ADJUSTED BEGINNING FUND BALANCE	\$ 245,110.00	\$ 582,463.00
<u>REVENUES</u>		
Local	\$ 3,272.00	\$ 2,000.00
Transfers	1,077,929.00	600,000.00
TOTAL REVENUES	\$ 1,081,201.00	\$ 602,000.00
<u>EXPENDITURES</u>		
Services and Operations	\$ 743,848.00	\$ 1,182,463.00
TOTAL EXPENDITURES	\$ 743,848.00	\$ 1,182,463.00
Excess (Deficiency) of Revenues over Expenditures	\$ 337,353.00	\$ (580,463.00)
Other Outgo	-	-
Net Increase (Decrease) in Fund Balance	\$ 337,353.00	\$ (580,463.00)
ENDING FUND BALANCE	\$ 582,463.00	\$ 2,000.00

This fund, established by Education Code section 81602, records income and expenses for self-insurance programs. It covers District premiums, claims, and settlement fees not included in SWACC insurance. Funding comes from transfers from the unrestricted general fund and interest earned. Expenses primarily consist of estimated insurance premiums and claim payments.



Fund 69 – Other Internal Services Fund

OTHER INTERNAL SERVICES - FUND 69	Unaudited Actuals 2025-2026	Adopted Budget 2026-2027
BEGINNING FUND BALANCE	\$ 10,000,000.00	\$ 10,000,000.00
Prior Year Adjustments	-	-
ADJUSTED BEGINNING FUND BALANCE	\$ 10,000,000.00	\$ 10,000,000.00
<u>REVENUES</u>		
Transfers	\$ -	\$ -
TOTAL REVENUES	\$ -	\$ -
<u>EXPENDITURES</u>		
Capital Outlay	\$ -	\$ -
TOTAL EXPENDITURES	\$ -	\$ -
Excess (Deficiency) of Revenues over Expenditures	\$ -	\$ -
Other Outgo	-	-
Net Increase (Decrease) in Fund Balance	\$ -	\$ -
ENDING FUND BALANCE	\$ 10,000,000.00	\$ 10,000,000.00

This fund, created by the District's governing board, tracks revenues and expenses from internal services.

Currently, the District uses it for cash-flow support during economic downturns or state cash deferrals to cover payroll and operating costs instead of taking a TRAN (Tax Revenue and Anticipation Note) loan. This approach saves interest costs and eases pressure on unrestricted general fund reserves.



Fund 71 – Associated Students Trust Fund

ASG/CAMPUS CLUBS FUND - 71	Unaudited Actuals 2025-2026		Adopted Budget 2026-2027	
BEGINNING FUND BALANCE	\$	273,037.00	\$	289,994.00
Prior Year Adjustments		-		-
ADJUSTED BEGINNING FUND BALANCE	\$	273,037.00	\$	289,994.00
<u>REVENUES</u>				
Local	\$	91,994.00	\$	43,500.00
Transfers		-		-
TOTAL REVENUES	\$	91,994.00	\$	43,500.00
<u>EXPENDITURES</u>				
Supplies, Software, Subscriptions	\$	34,506.00	\$	94,720.00
Services and Operations		36,531.00		15,830.00
Capital Outlay		-		-
TOTAL EXPENDITURES	\$	71,037.00	\$	110,550.00
Excess (Deficiency) of Revenues over Expenditures	\$	20,957.00	\$	(67,050.00)
Other Outgo		4,000.00		-
Net Increase (Decrease) in Fund Balance	\$	16,957.00	\$	(67,050.00)
ENDING FUND BALANCE	\$	289,994.00	\$	222,944.00

This fund manages monies held in trust by the District for organized student body groups. It tracks ASG and campus club revenues, local donations, contracts, and event proceeds, and related expenses to support student life and development through various programs.



Fund 72 – Student Representation Fee Trust Fund

STUDENT REPRESENTATIVE FEE FUND - 72	Unaudited Actuals 2025-2026	Adopted Budget 2026-2027
BEGINNING FUND BALANCE	\$ 77,644.00	\$ 49,492.00
Prior Year Adjustments	-	-
ADJUSTED BEGINNING FUND BALANCE	\$ 77,644.00	\$ 49,492.00
<u>REVENUES</u>		
Local	\$ 43,670.00	\$ 44,000.00
TOTAL REVENUES	\$ 43,670.00	\$ 44,000.00
<u>EXPENDITURES</u>		
Supplies, Software, Subscriptions	\$ -	\$ -
Services and Operations	71,822.00	44,000.00
TOTAL EXPENDITURES	\$ 71,822.00	\$ 44,000.00
Excess (Deficiency) of Revenues over Expenditures	\$ (28,152.00)	\$ -
Other Outgo	-	-
Net Increase (Decrease) in Fund Balance	\$ (28,152.00)	\$ -
ENDING FUND BALANCE	\$ 49,492.00	\$ 49,492.00

This fund tracks the required \$2 student representation fee under Education Code 76060.5; \$1 stays with the District and \$1 goes to the California Community College Chancellor's Office.

Revenue is the estimated total of student fees collected during the fiscal year.

Expenses cover projected costs for ASG representatives' statewide community college advocacy.



Fund 74 – Student Financial Aid Trust Fund

STUDENT FINANCIAL AID FUND - 74	Unaudited Actuals 2025-2026	Adopted Budget 2026-2027
BEGINNING FUND BALANCE	\$ (10,257.00)	\$ 1,340.00
Prior Year Adjustments	-	-
ADJUSTED BEGINNING FUND BALANCE	\$ (10,257.00)	\$ 1,340.00
<u>REVENUES</u>		
Federal	\$ 27,282,036.00	\$ 30,447,412.00
State	13,225,353.00	15,160,747.00
TOTAL REVENUES	\$ 40,507,389.00	\$ 45,608,159.00
<u>EXPENDITURES</u>		
TOTAL EXPENDITURES	\$ -	\$ -
Excess (Deficiency) of Revenues over Expenditures	\$ 40,507,389.00	\$ 45,608,159.00
Other Outgo (Student Financial Aid Expense)	40,495,792.00	45,608,159.00
Net Increase (Decrease) in Fund Balance	\$ 11,597.00	\$ -
ENDING FUND BALANCE	\$ 1,340.00	\$ 1,340.00

This fund tracks the deposit and payment of government-funded student financial aid grants.

Revenue sources include federal programs like Pell Grant and SEOG, and state programs such as Cal Grant and SSCG.

Funds are typically spent in the same year they are received, so budgets align expenditures with projected revenues.



Fund 81 – General Obligation Fund

GENERAL OBLIGATION FUND - 81	Unaudited Actuals 2025-2026	Adopted Budget 2026-2027
BEGINNING FUND BALANCE	\$ 26,602,043.00	\$ 5,274,730.00
Prior Year Adjustments	-	-
ADJUSTED BEGINNING FUND BALANCE	\$ 26,602,043.00	\$ 5,274,730.00
<u>REVENUES</u>		
Financing Sources	\$ -	\$ -
Local	627,381.00	130,000.00
TOTAL REVENUES	\$ 627,381.00	\$ 130,000.00
<u>EXPENDITURES</u>		
Supplies, Software, Subscriptions	\$ -	\$ -
Services and Subscriptions	10,792.00	-
Capital Outlay	21,943,902.00	5,274,730.00
TOTAL EXPENDITURES	\$ 21,954,694.00	\$ 5,274,730.00
Excess (Deficiency) of Revenues over Expenditures	\$ (21,327,313.00)	\$ (5,144,730.00)
Other Outgo	-	-
Net Increase (Decrease) in Fund Balance	\$ (21,327,313.00)	\$ (5,144,730.00)
ENDING FUND BALANCE	\$ 5,274,730.00	\$ 130,000.00

This fund holds proceeds from Proposition 39 bonds, specifically Measure J approved in November 2010. Funds are restricted to uses outlined in the ballot measure. Revenue includes estimated interest earned, while expenses cover costs for the Auto Technology Building project.



Final Remarks

Overall, the 2026-27 Adopted Budget reflects a cautious and strategic financial plan developed during a period of continued economic uncertainty. While the State Enacted Budget provides important support through cost-of-living adjustments, enrollment growth funding, and targeted investments for community colleges, these gains must be balanced against revenue volatility, state deferrals, limited ongoing increases for categorical programs, and the potential impact of federal funding changes.

The 2025-26 Unaudited Actuals demonstrate that the District ended the year in a stronger position than originally projected. Higher-than-anticipated revenues, lower recognized expenditures, and careful budget management helped preserve the unrestricted ending fund balance and maintain a reserve level above the District's required minimum. These results provide a stronger starting point for the 2026-27 fiscal year and support the District's ability to respond to changing fiscal conditions.

At the same time, the budget highlights the need for continued monitoring of both unrestricted and restricted resources. Most operating costs remain concentrated on salaries and benefits, and restricted programs must be managed within allowable uses, grant timelines, and changing allocation levels. Because only a limited number of categorical programs receive COLA increases, the District must continue to evaluate program sustainability, spending priorities, and the potential need for general fund support.

The Business Office will continue to support the District's mission by maintaining sound fiscal practices, updating projections as new information becomes available, and aligning resources with student needs and institutional goals. Through thoughtful planning, responsible resource allocation, and ongoing collaboration with campus stakeholders, the District is positioned to preserve fiscal stability while continuing to invest in programs and services that support student success.

The Business Office expresses its sincere appreciation to the Board of Trustees, Faculty, Staff, Students, and the Community for their ongoing support and dedication to the District's fiscal health.

