CERRITOS COLLEGE

2026-27 Tentative Budget

Board of Trustees Meeting

Agenda

- May Revision
- Tentative Budget
- Questions

May Revision

- May revision was released May 14, 2026.
- Overall state budget grew to about $349.4 billion.
- Minimum Guarantee for Community College’s is now estimated at $14.29 billion.
- May Revision maintains the proposal to pay off the $408.4 million deferral from 2025-26.

May Revision

- Increased state revenues eliminated the $407.1M mandatory withdrawal for 2026-27, with $44.5M earmarked for community college apportionment.

- Funding for Community Colleges is higher by about $249M compared to the Governor's Budget Proposal.
  - $51.3M - statutory COLA
  - $146.4M - discretionary COLA
  - $5.8M - categorical programs COLA
  - $12.96M - one-time funds
  - $30.6 – technical adjustments

May Revision

- Key takeaways from the May Revision:
    - District operating relief is meaningful but conditional. 4.31% apportionment COLA.
        - 2.87% - statutorily authorized COLA
        - 1.44% - discretionary COLA. As a condition of receiving the discretionary COLA, must implement AB 65 & provide employees with up to 14 weeks of paid pregnancy disability leave.
        - Certain categorical programs will also receive the statutorily authorized COLA is 2.87%.

May Revision

- Key takeaways from the May Revision:
  - Funding is stronger than expected.
    - Proposition 98 estimates rise, community college resources increase, and the May Revision adds about $249 million in system funding above the Governor's January Budget.
  - The proposal prioritizes continuity.
    - Rather than reshaping the budget, it largely sustains recent priorities such as student support grants, workforce alignment, data modernization, and facilities investment (such as DM).

May Revision

- Key takeaways from the May Revision:
  - Risk has not disappeared.
    - It is important to highlight that the stronger revenue picture may be unsustainable and that structural deficits remain a concern in future years.

AB 109 (Legislature's Version)

- June 15 both Assembly & Senate voted to pass budget bill AB 109.
- Aims to reduce the structural budget deficit to less than $10 billion in the out years, in alignment with the Governor's plan.

Notable Differences:

- Provides $2.7 billion more than the Governor's May Revision for schools and community colleges, while approving the Governor's proposed $3.9 billion settle-up proposal.
- In FY 2026-27, the costs for Transitional Kindergarten would be included as a TK-12 cost after the Proposition 98 TK-12/CCC split is calculated, correcting a structural deficit for community colleges worth $241 million.

Next Steps

- The Legislature indicates that they plan to negotiate with the Governor toward a final plan over the next "one or two weeks," with the Governor expected to sign, veto, or line-item veto AB 109 on or before June 29.
- Trailer bills to implement policy changes in the budget will be forthcoming in the days and weeks ahead.
- Additional information and changes to the State's Enacted Budget will be incorporated into the District's Final FY 2026-27 Budget in September.

2026–27 Tentative Budget

- Budget Assumptions
- Tentative Budget
- Questions

Cerritos College
2026-27 Tentative Budget

Presented By: Felipe Lopez, Executive Vice President

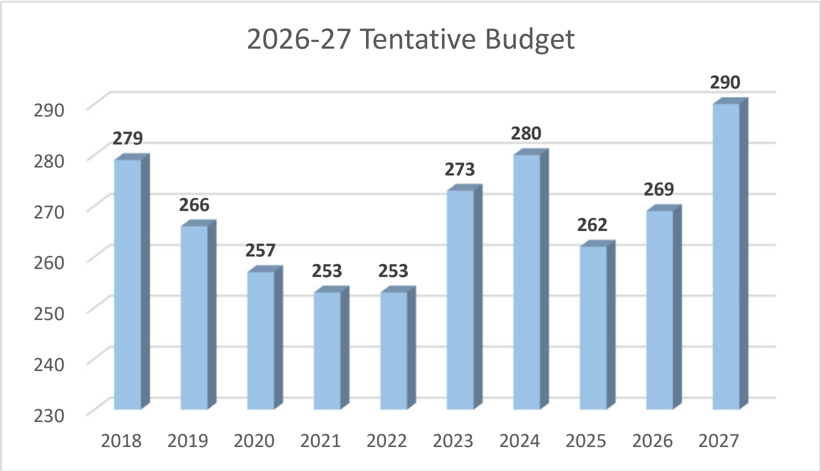
June 17, 2026

Year	Tentative Budget	California Community Colleges COLA
2017-18	1.56%	1.56%
2018-19	2.71%	2.71%
2019-20	3.26%	3.26%
2020-21	0.00%	0.00%
2021-22	5.07%	5.07%
2022-23	6.56%	6.56%
2023-24	8.22%	8.22%
2024-25	1.07%	1.07%
2025-26	2.30%	2.30%
2026-27	2.87%	2.87% **

**Note: Statutory authorized COLA only (Discretionary COLA of 1.44% for Paid Pregnancy Disability Leave not included)

Full-Time Faculty Obligation (FON)

Year	Tentative Budget	
2018	279	
2019	266	
2020	257	
2021	253	
2022	253	
2023	273	
2024	280	
2025	262	
2026	269	
2027	290	*



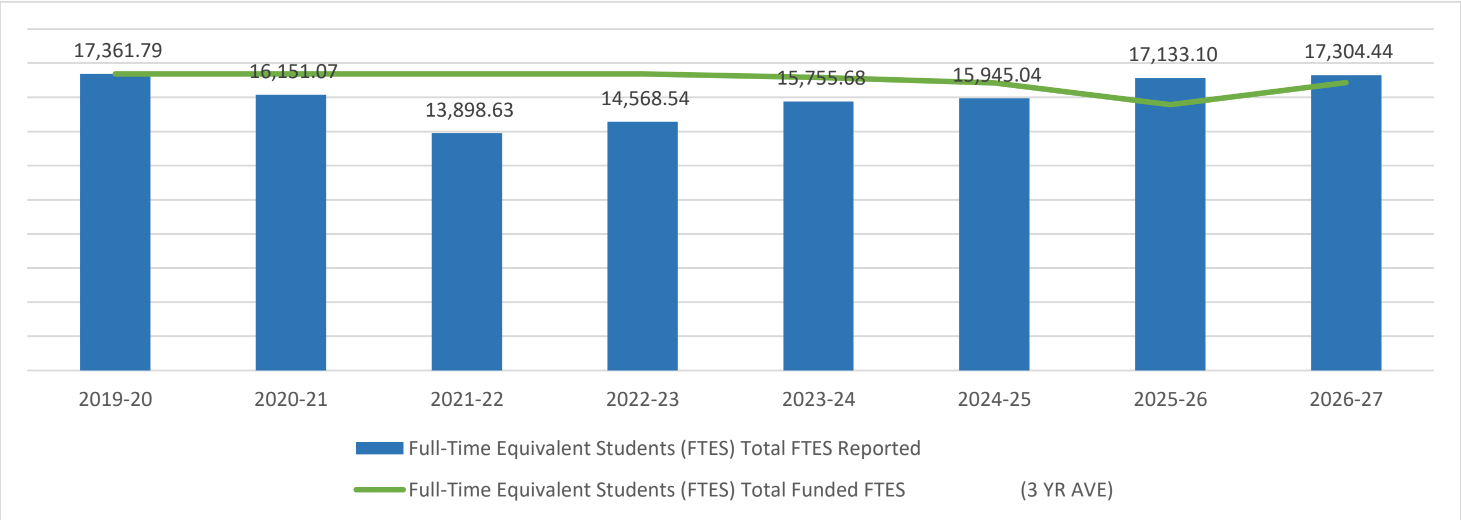
* - Advance FON for Fall 2026 (projecting 270 FON at P2)

Statutory Benefits

Bargaining Units	Academic Adjunct	Academic, Educational Administrators	Classified
State Teachers Retirement System (STRS)		19.10%	
Public Employee Retirement System (PERS)			26.81%
Social Security (OASDHI)			6.20%
Medicare		1.45%	1.45%
State Unemployment Insurance (SUI)		0.05%	0.05%
Worker's Compensation		1.40%	1.40%
Alternative Retirement Plan (ARP) Academic Adjunct	3.75%		
TOTAL		22.00%	35.91%

Full-Time Equivalent Students (FTES)

Fiscal Year	Credit	Special Admit	Noncredit	CDCP	Total FTES Reported	Emergency Condition Allowance (ECA)	Total Funded FTES (3 YR AVE)	
2019-20	16,757.04	145.20	144.45	315.10	17,361.79		17,361.79	
2020-21	15,567.44	192.97	106.00	284.66	16,151.07	1,210.73	17,361.80	*
2021-22	13,250.62	272.30	98.71	277.00	13,898.63	3,463.17	17,361.80	*
2022-23	13,717.20	445.06	124.40	281.88	14,568.54	2,793.26	17,361.80	*
2023-24	14,633.91	575.80	196.20	349.77	15,755.68	-	17,171.10	
2024-25	14,355.14	1,007.54	164.19	418.17	15,945.04	-	16,838.59	
2025-26	15,623.58	728.00	322.67	458.85	17,133.10	-	15,572.58	**
2026-27	15,779.82	735.28	325.90	463.44	17,304.44	-	16,863.43	



* - 3 year average based on emergency conditions allowance

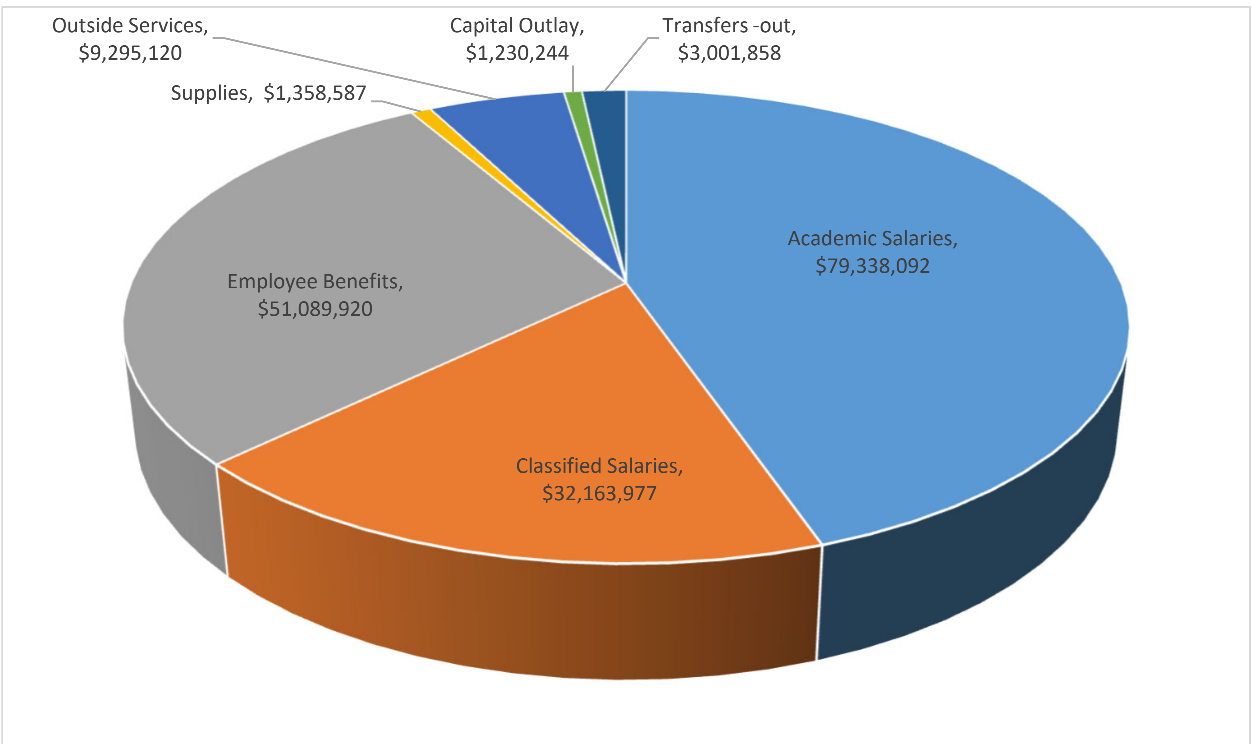
** - Based on P2 data (subject to change)

Full-time Equivalent (FTE)

Employee Group	2026-27 Tentative Budget
Full Time Faculty (CCFF)	270
Classified (CSEA)	348
Management	57
Confidential	17
Child Development Center	12
Executive Committee (President/VPs)	5
Board of Trustees	8
TOTAL	717

Unrestricted General Fund Expenditures

Description	2026-27 Tentative Budget	Percent
Academic Salaries	$ 79,338,092	44.70%
Classified Salaries	$ 32,163,977	18.12%
Employee Benefits	$ 51,089,920	28.79%
Supplies	$ 1,358,587	0.77%
Outside Services	$ 9,295,120	5.24%
Capital Outlay	$ 1,230,244	0.69%
Transfers -out	$ 3,001,858	1.69%
Reserve for Contingencies	$ -	0.00%
	$ 177,477,798	100.00%



Unrestricted General Fund Summary

Description	2026-27 Tentative Budget	Percent
Revenue	$ 179,457,963	100.00%
Academic Salaries	$ 79,338,092	44.21%
Classified Salaries	$ 32,163,977	17.92%
Employee Benefits	$ 51,089,920	28.47%
Supplies & Materials	$ 1,358,587	0.76%
Other Operating Expenses	$ 9,295,120	5.18%
Capital Outlay	$ 1,230,244	0.69%
Interfund Transfers Out	$ 3,001,858	1.67%
Surplus/(Deficit) Spending	$ 1,980,165	1.10%

Questions & Answers