2026-2027 Adopted Budget

Shami S. Brar, VP Administrative Services

STATE BUDGET 2026-27

Higher-than-projected tax revenues improved the State's fiscal outlook, resulting in no projected deficit for 2026-27 or 2027-28.

The 2026-27 State Budget totals approximately $351.7 billion, a 9.5% increase from the prior year.

Despite the improved outlook, concerns remain regarding revenue volatility, federal policy changes, and future structural deficits.

STATE BUDGET 2026-27

Provides a 2.87% statutory COLA plus and additional 1.44% discretionary COLA for apportionment.

Provides $153.1 million over two years to support enrollment growth of 2.5%.

Modifies the SCFF formula to fund credit FTES at the higher of the three-year average or the amount reported in the current year.

Repays the $408.4 million SCFF deferral from 2025-26.

STATE BUDGET 2026-27

Strengthening California's Economic Growth and Student Earning Potential

Technology and Data Systems

- **Provides** $36 **million one-time** and $5 million ongoing for **the Common Cloud Data Platform.**

Credit for Prior Learning

- **Provides** $35 **million one-time and** $2 **million ongoing to** support the **Credit for Prior Learning** Initiative.

Facilities

- **Provides** $120.7 million one-time for deferred maintenance needs and special repairs for facilities.

STATE BUDGET 2026-27

Student Support

- Provides an additional $147.2 million one time to enhance existing student support programs through the Student Support Block Grant.
- Includes $71.1 million one-time for Dreamers Resource Liaisons, with $36.1 million eligible for up to 3% set aside for state administrative operations and technical assistance.
- Allocates $30.1 million ongoing for a 5.74% COLA for the Student Equity and Achievement Program.
- Includes $30 million one-time for LGBTQ+ centers.
- Designates $10 million one-time to increase funding for financial aid administration.

FINANCIAL REPORTING TIMELINE 2026-2027

- **1 July** 2026 — Submit tentative budget to county officer
- **15 Sep.** 2026 — Make available for public inspection a statement of prior year receipts and expenditures and current year expenses
- **15 Sep.** 2026 — Hold a public hearing on the proposed budget and adopt a final budget
- **30 Sep.** 2026 — Complete the adopted annual financial and budget report and make public
- **10 Oct.** 2026 — Submit an annual financial and budget report to Chancellor's Office
- **31 Dec.** 2026 — Submit audit report to the Chancellor's Office

ANTELOPE VALLEY COLLEGE

STUDENT CENTERED FUNDING FORMULA (SCFF)

Current split of 70/20/10, is set in statute. No plans to change.

SCFF Oversight Committee will make recommendations but not on split.

Rates will be adjusted annually by any enacted COLA.

SCFF hold harmless provision expired in 2024-25.

Beginning in 2026-27, credit FTES is funded at the higher of actual enrollment or the three-year average.

2026-27 apportionment receive a 2.87% statutory COLA plus a 1.44% discretionary COLA.

2026-27 SCFF RATES

Category	2025-26 Rates (rounded)	2026-27 Rates (rounded) (2025-26 Rates plus 4.31% COLA)
Credit	5,416	5,650
Incarcerated Credit	7,596	7,923
Special Admit Credit	7,596	7,923
CDCP	7,596	7,923
Noncredit	4,568	4,764
Supplemental Point Value	1,281	1,336
Student Success Main Point Value	755*	788*
Student Success Equity Point Value	190	199

*Includes baccalaureate students

UNRESTRICTED GENERAL FUND SUMMARY
FUND 10 2025-26 UNAUDITED ACTUALS

		UNAUDITED ACTUALS
BEGINNING FUND BALANCE		**91,301,379**
REVENUE		
8100-8200	Federal	11,541,020
8600-8700	State	108,436,134
8800-8900	Local/Incoming Transfers	18,010,855
TOTAL REVENUE		**137,988,009**
EXPENDITURES		
1100-1400	Academic Salaries	44,740,616
2100-2400	Classified Salaries	20,467,684
3100-3900	Employee Benefits	25,312,027
4100-4700	Supplies	1,160,976
5100-5800	Other Operating Costs	14,485,335
6100-6700	Capital Expenditures	3,940,674
TOTAL EXPENDITURES		110,107,312
7100-7900	Other Outgo	20,765,410
TOTAL EXPENDITURES & OTHER OUTGO		**130,872,722**
SURPLUS/(DEFICIT)		**7,115,287**
ENDING FUND BALANCE		**98,416,666**
ASSIGNMENTS		**(44,516,850)**
UNASSIGNED ENDING FUND BALANCE		**53,899,816**
UNASSIGNED RESERVE %		**53.3%**

ASSIGNMENTS	UNAUDITED ACTUALS
ERTC One-Time Funds	(15,416,850)
Student Housing (Local Contribution)	(10,000,000)
Capital Projects Protection	(5,500,000)
ITS Phone Replacement	-
ITS Equipment Refresh	-
ITS Projects Support (Implementations)	(500,000)
Resource Allocation One-Time	(1,500,000)
CPOS Student Support	-
Professional Development	(50,000)
Pension Rate Stabilization (BP 6250)	(7,300,000)
Assigned Aside for Categorical Salaries + Benefits	(750,000)
Leave Payoff	(500,000)
Cafeteria Support	-
Reserve for Emergencies (AP 6305)	(500,000)
Scheduled Maintenance Reserve - 1%	-
Supplemental Protection	(2,500,000)
TOTAL ASSIGNED	**(44,516,850)**

2025-26 UNAUDITED ACTUALS

ALL FUNDS										
Fund	**Name**	**Beginning Balance**	**Revenue**	**Expenditures**	**Surplus/ (Deficit)**	**Ending Balance**	**Assignments**	**Balance After Assignments**	**Reserve**	**% of Overall Budget**
	General Fund									
10	Unrestricted	91,301,379	137,988,009	130,872,722	7,115,287	98,416,666	(44,516,850)	53,899,816	53%	50%
12 (13 & 14)	Restricted	4,695,501	30,052,712	29,184,186	868,526	5,564,027				11%
21	Bond Interest & Redemption	18,037,417	20,971,144	21,059,070	(87,926)	17,949,491				8%
33	Child Development Center	390,102	906,241	1,030,591	(124,350)	265,752				0%
41	Capital Outlay Fund	25,889,929	23,088,469	4,131,419	18,957,050	44,846,979				2%
42	Revenue Bond Construction	80,331,120	6,186,232	17,067,503	(10,881,271)	69,449,849				7%
52	Cafeteria	51,647	626,953	565,795	61,158	112,805				0%
72	Student Rep	351,626	43,481	105,282	(61,801)	289,825				0%
74	Financial Aid	1,639,325	57,378,694	57,336,828	41,865	1,681,190				22%
75	Scholarships & Loan	37,199	764,555	764,527	28	37,227				0%
Unaudited Actuals		**222,725,245**	**278,006,489**	**262,117,924**	**15,888,565**	**238,613,811**				**100%**

ANTELOPE VALLEY COLLEGE

2026-2027 BUDGET ASSUMPTIONS

Revenue Budget Assumptions:

Student Centered Funding Formula (SCFF) Funding is Based on Calculated Revenue SCFF COLA – 2.87% + additional discretionary COLA of 1.44 = 4.31%

Lottery Unrestricted per FTES - $190.00

FTES Funded 11,698.04

TCR Deficit - 3.00%

Expenditure Budget Assumptions:

Step & Column Increases

Pension Rate Increases

- CalPERS – 26.81% in 2025-26 and 26.40% in 2026-27
- CalSTRS – No change - 19.10% in 2025-26 and 2026-27

California CPI – 3.30%

Inflationary factor of 5% for supplies and contracts and 8% for utilities and fuel

Unemployment Insurance Rate – 0.05%

Resource Allocation Funding Proposed

Long Term Commitments

On-going District Obligations

AVC SERVES

ANTELOPE VALLEY COLLEGE

Service
Equity
Resources
Vision
Education
Success

UNRESTRICTED GENERAL FUND SUMMARY
FUND 10 2026-27 ADOPTED BUDGET

		ADOPTED BUDGET
BEGINNING FUND BALANCE		**98,416,666**
REVENUE		
8100-8200	Federal	32,020
8600-8700	State	112,728,234
8800-8900	Local/Incoming Transfers	17,309,581
TOTAL REVENUE		**130,069,835**
EXPENDITURES		
1100-1400	Academic Salaries	45,812,824
2100-2400	Classified Salaries	23,779,037
3100-3900	Employee Benefits	29,800,705
4100-4700	Supplies	2,654,534
5100-5800	Other Operating Costs	19,688,394
6100-6700	Capital Expenditures	969,442
TOTAL EXPENDITURES		**122,704,936**
7100-7900	Other Outgo	17,798,963
TOTAL EXPENDITURES & OTHER OUTGO		**140,503,899**
SURPLUS/(DEFICIT)		**(10,434,064)**
ENDING FUND BALANCE		**87,982,602**
ASSIGNMENTS		**(35,559,361)**
UNASSIGNED ENDING FUND BALANCE		**52,423,241**
UNASSIGNED RESERVE %		**40.1%**

ASSIGNMENTS	ADOPTED BUDGET
ERTC One-Time Funds	-
Student Housing (Local Contribution)	(10,000,000)
Capital Projects Protection	(5,500,000)
ITS Phone Replacement	(1,000,000)
ITS Equipment Refresh	(1,500,000)
ITS Projects Support (Implementations)	(750,000)
Resource Allocation One-Time	(3,000,000)
CPOS Student Support	(500,000)
Professional Development	(100,000)
Pension Rate Stabilization (BP 6250)	(7,300,000)
Assigned Aside for Categorical Salaries + Benefits	(750,000)
Leave Payoff	(500,000)
Cafeteria Support	(350,000)
Reserve for Emergencies (AP 6305)	(500,000)
Scheduled Maintenance Reserve - 1%	(1,309,361)
Supplemental Protection	(2,500,000)
TOTAL ASSIGNED	**(35,559,361)**

2026-27 ADOPTED BUDGET

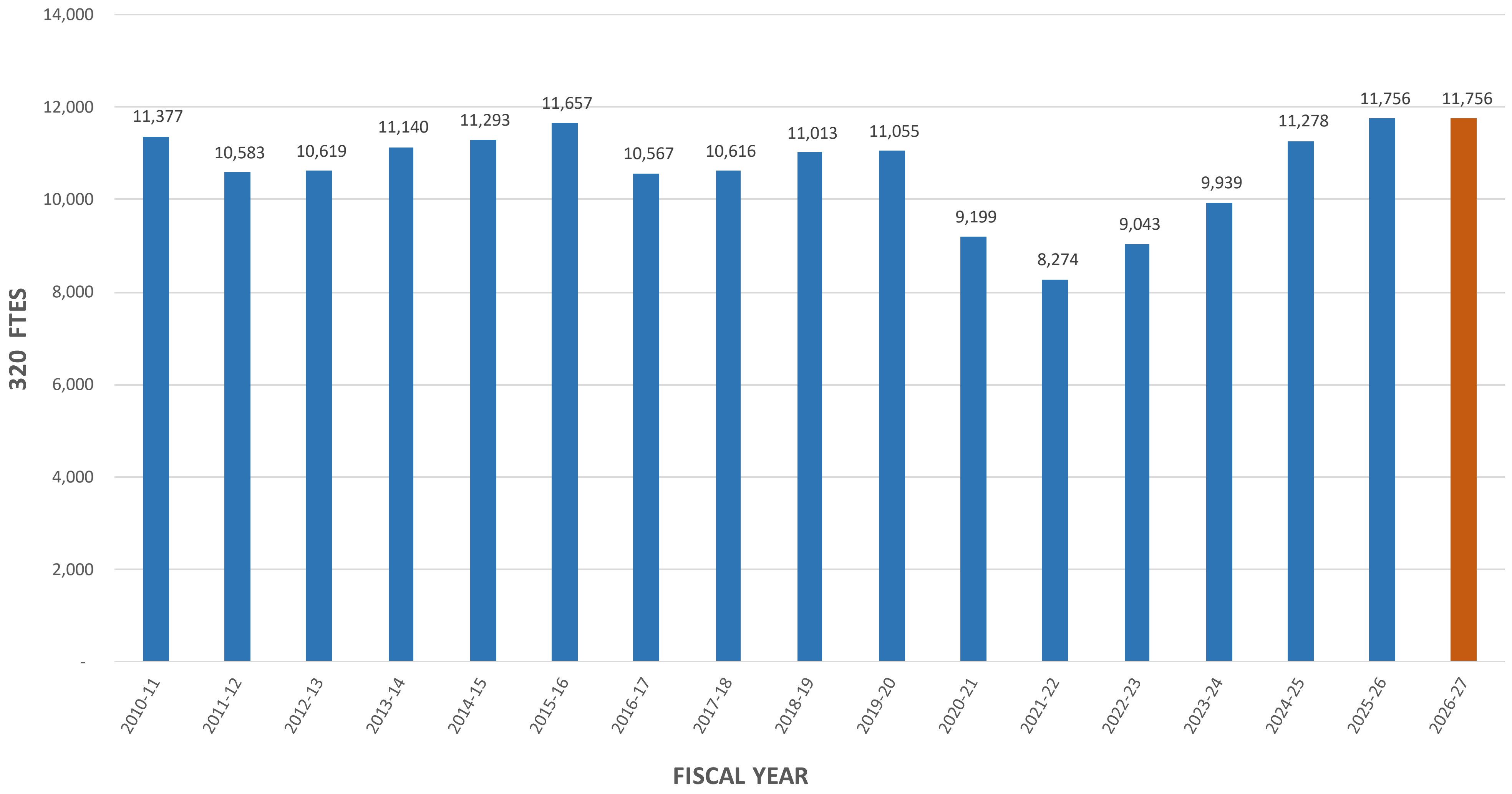
ALL FUNDS										
Fund	**Name**	**Beginning Balance**	**Revenue**	**Expenditures**	**Surplus/ (Deficit)**	**Ending Balance**	**Assignments**	**Balance After Assignments**	**Reserve**	**% of Overall Budget**
	General Fund									
10	Unrestricted	98,416,666	130,069,835	140,503,899	(10,434,064)	87,982,602	(35,559,361)	52,423,241	40%	41%
12 (13 & 14)	Restricted	5,564,027	49,261,364	48,550,498	710,866	6,274,893				14%
21	Bond Interest & Redemption	17,949,491	21,638,607	21,948,497	(309,890)	17,639,601				6%
33	Child Development Center	265,752	1,941,116	1,924,115	17,000	282,752				1%
41	Capital Outlay Fund	44,846,979	20,672,033	40,020,147	(19,348,114)	25,498,865				12%
42	Revenue Bond Construction	69,449,849	2,193,998	28,192,945	(25,998,947)	43,450,902				8%
52	Cafeteria	112,805	367,417	609,222	(241,805)	(129,000)				0%
72	Student Rep	289,825	44,000	132,000	(88,000)	201,825				0%
74	Financial Aid	1,681,190	60,445,654	60,279,577	166,077	1,847,267				18%
75	Scholarships & Loan	37,227	824,025	824,000	25	37,252				0%
ADOPTED BUDGET		**238,613,811**	**287,458,048**	**342,985,301**	**(55,527,252)**	**183,086,559**				**100%**

ANTELOPE VALLEY COLLEGE

LABOR COSTS AS A PERCENTAGE OF TOTAL UNRESTRICTED EXPENDITURES

	2025-26 ACTUALS	2026-27 BUDGET
Academic Salaries	34.2%	32.6%
Classified Salaries	15.6%	16.9%
Employee Benefits	19.3%	21.2%
TOTAL	**69.1%**	**70.7%**

320 FTES


14,000
12,000
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320 FTES
11,377
10,583
10,619
11,140
11,293
11,657
10,567
10,616
11,013
11,055
9,199
8,274
9,043
9,939
11,278
11,756
11,756
2010-11
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2024-25
2025-26
2026-27
FISCAL YEAR

AVC SERVES

ANTELOPE VALLEY COLLEGE

Service
Equity
Resources
Vision
Education
Success

Looking Forward

- Strong Ending Fund Balance Provides Near-Term Stability
- Growing Enrollment
- Continued Uncertainty with Federal Funding
- Increasing Operational Costs - Inflation continues

Questions?