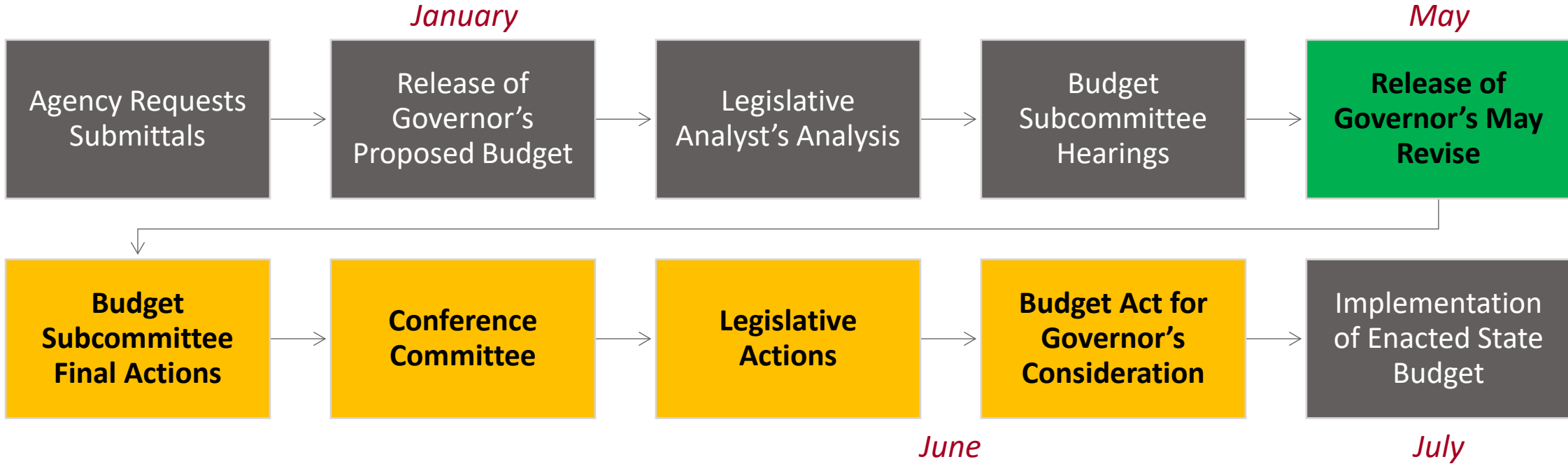


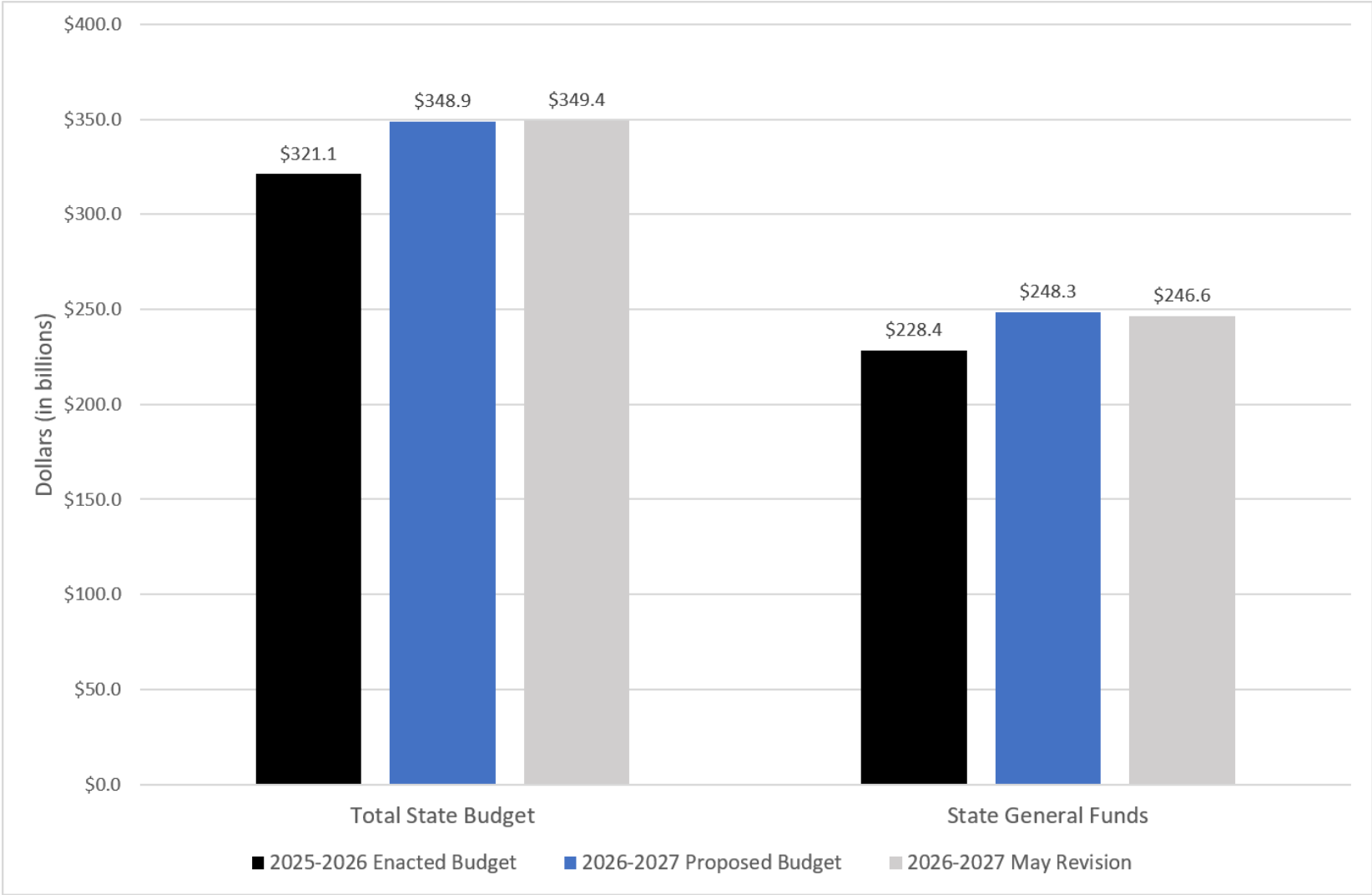
# **Governor's May Revision & MSJC's Tentative Budget FY 2026-27**

Board of Trustees Meeting  
June 11, 2026

# State Budget Development Process



# 2026-27 Budget Proposals vs. 2025-26 Enacted Budget

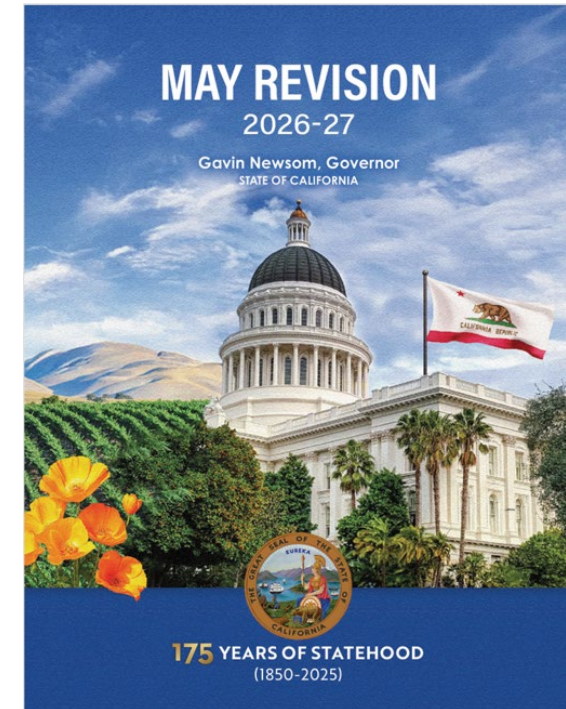


[2, p. 3]

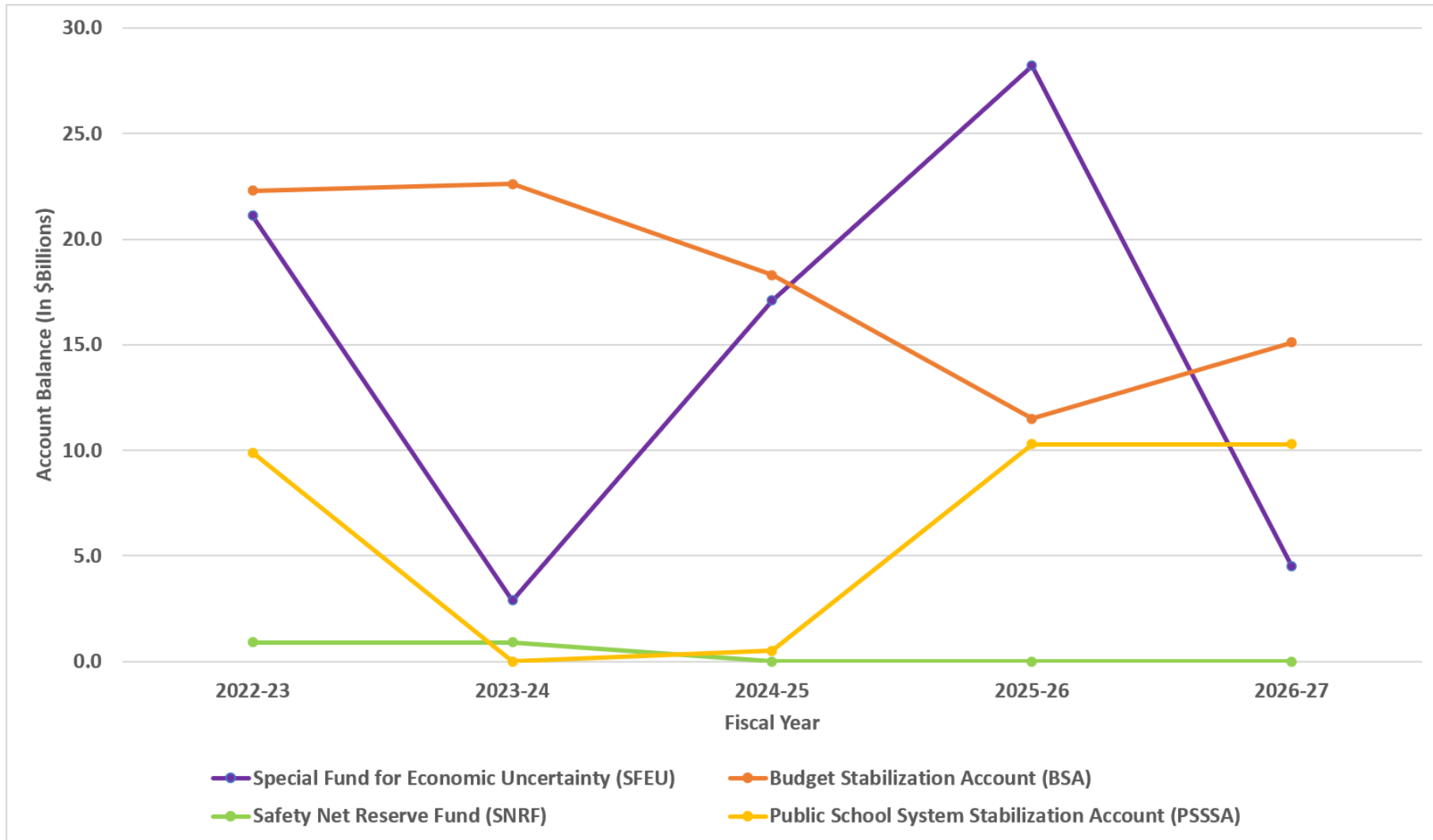
# 2026-27 Governor's May Revise Budget Features

- Updated revenue & spending plans since January proposed budget yields a revised budget balanced in both the 2026-27 & 2027-28 fiscal years
- **May Revision does not propose any significant new ongoing expenditures; however, continues to support prior investments in:**
  - TK-12 education
  - Higher education
  - Medi-Cal, childcare, & other safety net programs
  - Combating climate change, mitigating/responding to wildfires, & addressing public safety
- **Projected Surplus Temporary Holding Account receives its first deposit, \$9.7B, to set aside funds in 2026-27 to support 2027-28**

[1, pp. 1 & 4]



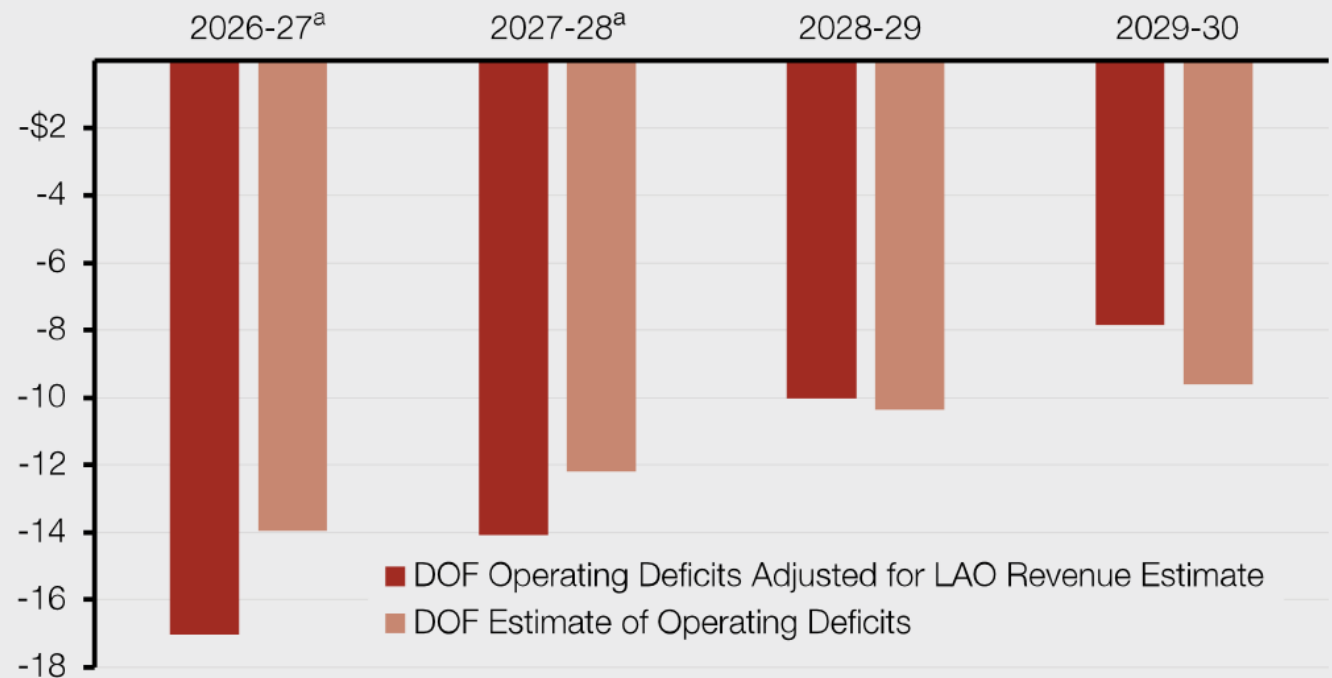
# Evolution of State Reserve Fund Balances



# Structural Deficit Outlook Improves Under May Revision

## Structural Deficits Persist

(In Billions)



<sup>a</sup> Excludes transfers to the Temporary Surplus Holding Account (TSHA).

DOF = Department of Finance.



[3, p. 9]

# Proposition 98 Funding by Source (In Millions)

Source	2025-26 Revised	2026-27 Gov's Budget	2026-27 May Revise	Change from Gov's Budget (Amount)	Change from Gov's Budget (Percent)
<b>ALL PROPOSITION 98 PROGRAMS (\$ in Millions)</b>					
General Fund	\$87,601	\$89,877	\$91,997	\$2,120	2.4%
Local Property Tax	\$33,574	\$35,604	\$35,140	(\$464)	-1.3%
<b>Totals</b>	<b>\$121,175</b>	<b>\$125,481</b>	<b>\$127,137</b>	<b>\$1,656</b>	<b>1.3%</b>
<b>COMMUNITY COLLEGES ONLY (*) (\$ in Millions)</b>					
General Fund	\$8,148	\$9,326	\$9,629	\$303	3.2%
Local Property Tax	\$4,444	\$4,785	\$4,661	(\$124)	-2.6%
<b>Totals</b>	<b>\$12,592</b>	<b>\$14,111</b>	<b>\$14,290</b>	<b>\$179</b>	<b>1.3%</b>

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

[2, p. 6]

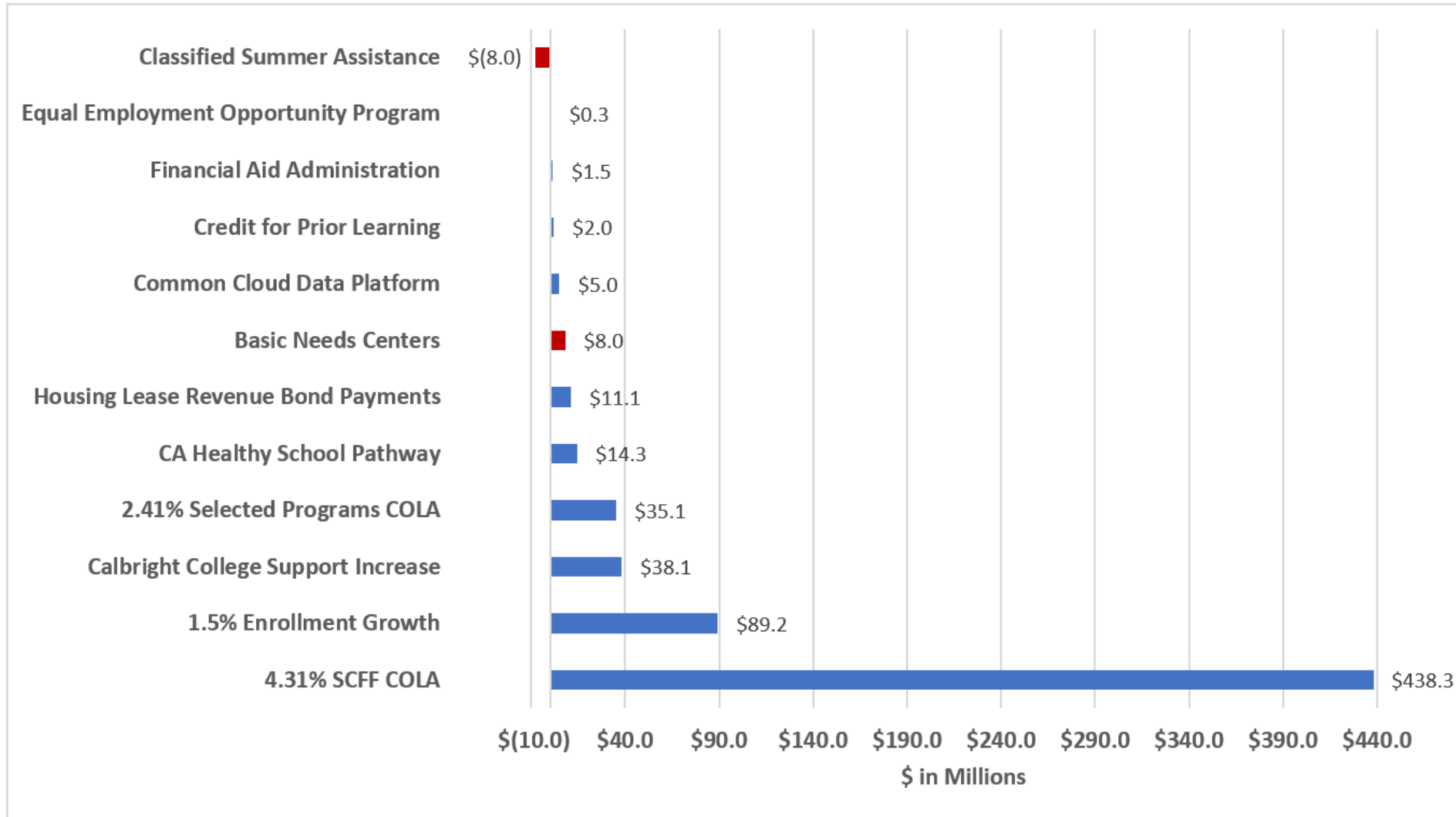
# CCC Student Centered Funding Formula (SCFF)

**Statewide SCFF, \$10.7B** [2, p. 8]

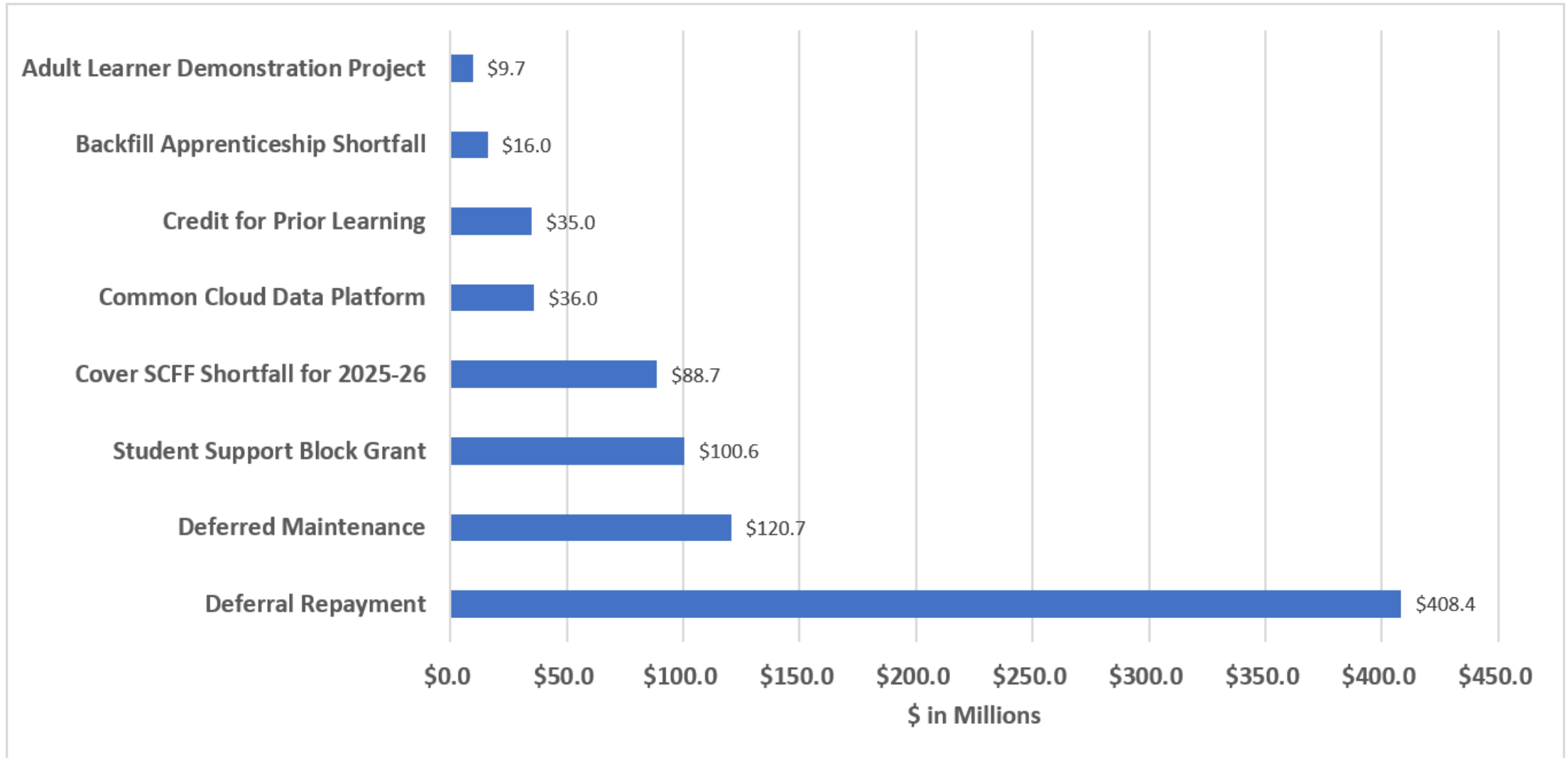
- **4.31% COLA (2.87% statutory + 1.44% discretionary), \$438.3M** [1, p. 21] [2, p. 7]
  - May Revision requires all community colleges, as well as TK-12 public schools, to provide all employees with up to 14 weeks of paid pregnancy disability leave beginning in 2026-27 w/costs of this benefit absorbed within discretionary COLA [1, p. 21] [2, p. 4]
- **1.5% Growth (1% in 2025-26 + 0.5% in 2026-27), \$89.2M**  
[1, p. 21] [2, p. 7]



# CCC Ongoing Statewide Policy Adjustments [2, pp. 7-8]

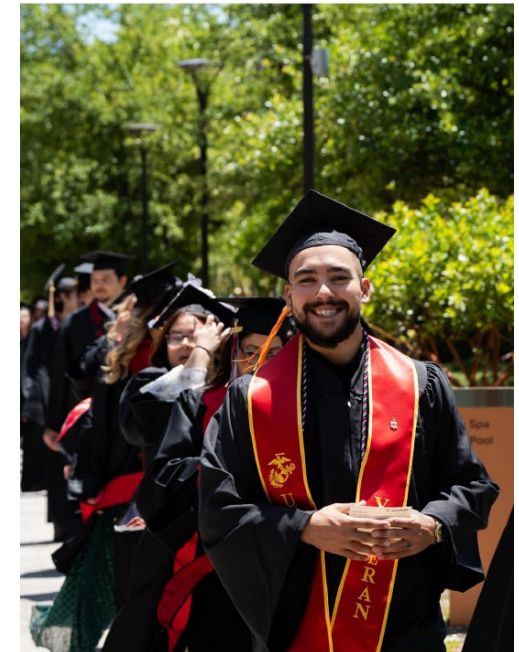


# CCC One-Time Statewide Policy Adjustments [2, p. 8]



# MSJC 2026-27 Tentative Budget Overview

Fund	Description	FY 2026-2027 Tentative Budget	
11	General -- Unrestricted	\$	186,661,798
11	BOT Special Reserve	\$	25,669,674
12	General -- Restricted	\$	48,574,080
12	Parking	\$	1,235,606
12	Health Center	\$	1,887,488
12	Instructional Equipment Block Grant	\$	2,146,992
32	Cafeteria	\$	3,376,590
33	Child Development	\$	2,475,527
41	Capital Outlay Projects	\$	57,319,806
43	Bond Projects	\$	20,323,680
61	Self-Insurance	\$	12,107,243
71	Student Government Association	\$	789,768
72	Student Representation Fee	\$	158,581
74	Student Financial Aid	\$	53,624,509
79	Foundation	\$	9,654,371
<b>TL</b>	<b>Total</b>	<b>\$</b>	<b>426,005,713</b>



# Features of 2026-27 MSJC Tentative Budget



**Mt. San Jacinto Community College District**

Tentative Budget  
2026-2027

**Board of Trustees**  
Tom Ashley - President, Area 5  
Vicki Carpenter - Clerk, Area 3  
Brian Sylva, Area 1  
Calvin L. Smith, Area 2  
Jhalister Corona, Area 4

## Revenue

- 4.31% COLA on apportionment
- 3% deficit applied to general fund revenue

## Expense

- Step & column raises
- PERS & STRS employer contribution increases
- Health & welfare benefit cost increases
- Categorical grants budgeted at 95% of FY 2025-26 levels
- Funding for MVC & SJC secondary effects, SJC Gym HVAC, signage & wayfinding, & other scheduled maintenance projects

# 2026-27 Tentative Budget Allocation Model

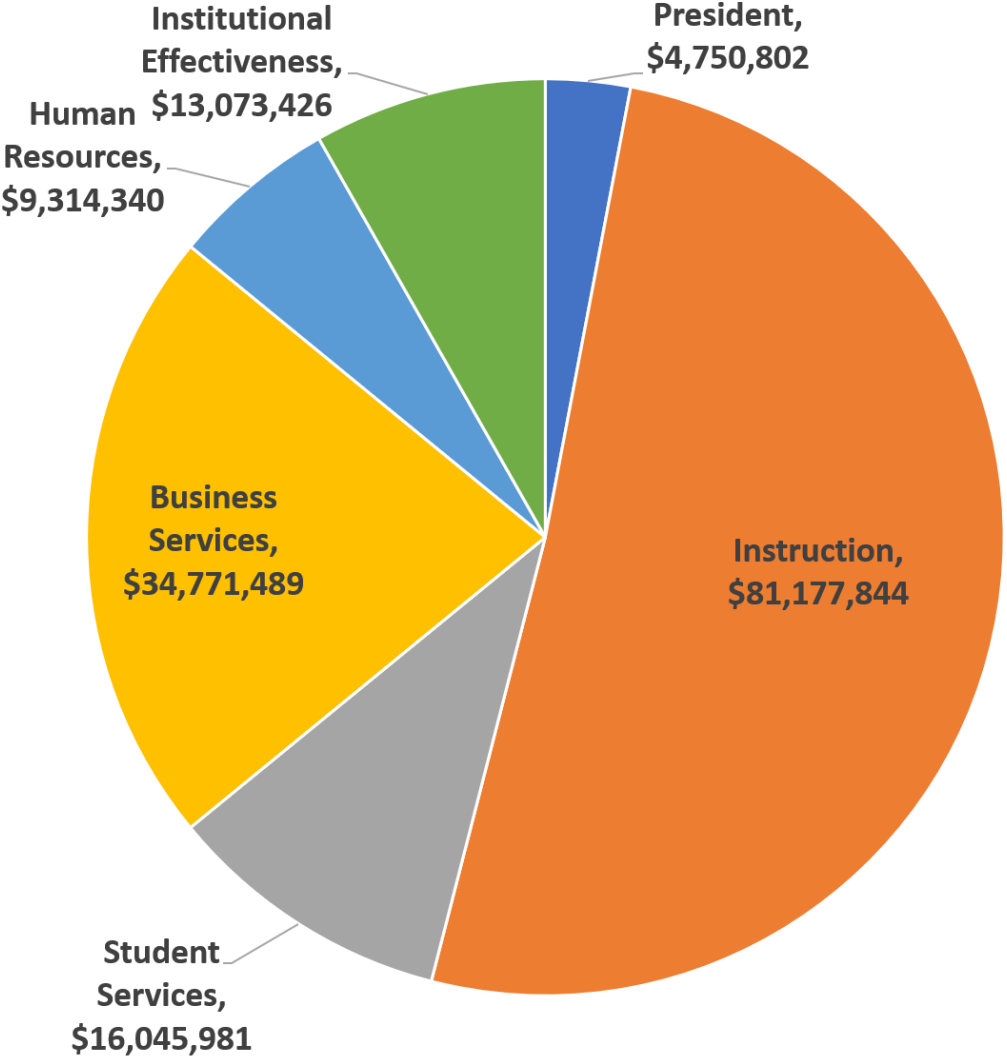
Unrestricted Revenues & Beginning Fund Balance	Ongoing	One-Time	Combined
<b>Unaudited Beginning Balance</b>	\$ -	\$ 36,793,772	\$ 36,793,772
<b>FY 2026-2027 Projected Revenue</b>			
Apportionment Entitlement	\$ 139,812,899	\$ -	\$ 139,812,899
Less 3% Apportionment Deficit Factor	\$ (4,194,387)	\$ -	\$ (4,194,387)
Other Revenue	\$ 15,379,572	\$ -	\$ 15,379,572
	<b>\$ 150,998,084</b>	<b>\$ -</b>	<b>\$ 150,998,084</b>
<b>Less BOT Required Intrafund Transfer</b>			
17% of Projected Revenue	\$ (25,669,674)	\$ -	\$ (25,669,674)
BOT Required Reserve Unaudited Beginning Balance	\$ 24,879,616	\$ -	\$ 24,879,616
	<b>\$ (790,058)</b>	<b>\$ -</b>	<b>\$ (790,058)</b>
<b>Less Other Intrafund Transfers</b>			
Instructional Block Grant	\$ (340,000)	\$ -	\$ (340,000)
	<b>\$ (340,000)</b>	<b>\$ -</b>	<b>\$ (340,000)</b>
<b>Total Unrestricted Revenues &amp; Beginning Fund Balance</b>	<b>\$ 149,868,026</b>	<b>\$ 36,793,772</b>	<b>\$ 186,661,798</b>

# 2026-27 Tentative Budget Allocation Model

Unrestricted Expenditures & Ending Fund Balance	Ongoing	One-Time	Combined
<b>Expenditure Budget</b>			
PY Base Expenditure Budget (FY 2025-2026)	\$ 132,864,200	\$ 14,729,715	\$ 147,593,915
FY 2026-2027 Budget Adjustments	\$ 14,729,293	\$ (3,189,326)	\$ 11,539,967
	<b>\$ 147,593,493</b>	<b>\$ 11,540,389</b>	<b>\$ 159,133,882</b>
<b>Interfund Transfers</b>			
Childcare	\$ 56,261	\$ -	\$ 56,261
Self Insurance	\$ 395,659	\$ -	\$ 395,659
Capital Outlay	\$ -	\$ 5,000,000	\$ 5,000,000
	<b>\$ 451,920</b>	<b>\$ 5,000,000</b>	<b>\$ 5,451,920</b>
<b>Other Outgo</b>			
Student Financial Services	\$ 85,000	\$ -	\$ 85,000
	<b>\$ 85,000</b>	<b>\$ -</b>	<b>\$ 85,000</b>
<b>Contingencies &amp; Reserves</b>			
One-time Economic Reserve	\$ -	\$ -	\$ -
Unrestricted Reserve	\$ -	\$ 21,990,996	\$ 21,990,996
	<b>\$ -</b>	<b>\$ 21,990,996</b>	<b>\$ 21,990,996</b>
<b>Total Unrestricted Expenditures &amp; Ending Fund Balance</b>	<b>\$ 148,130,413</b>	<b>\$ 38,531,385</b>	<b>\$ 186,661,798</b>

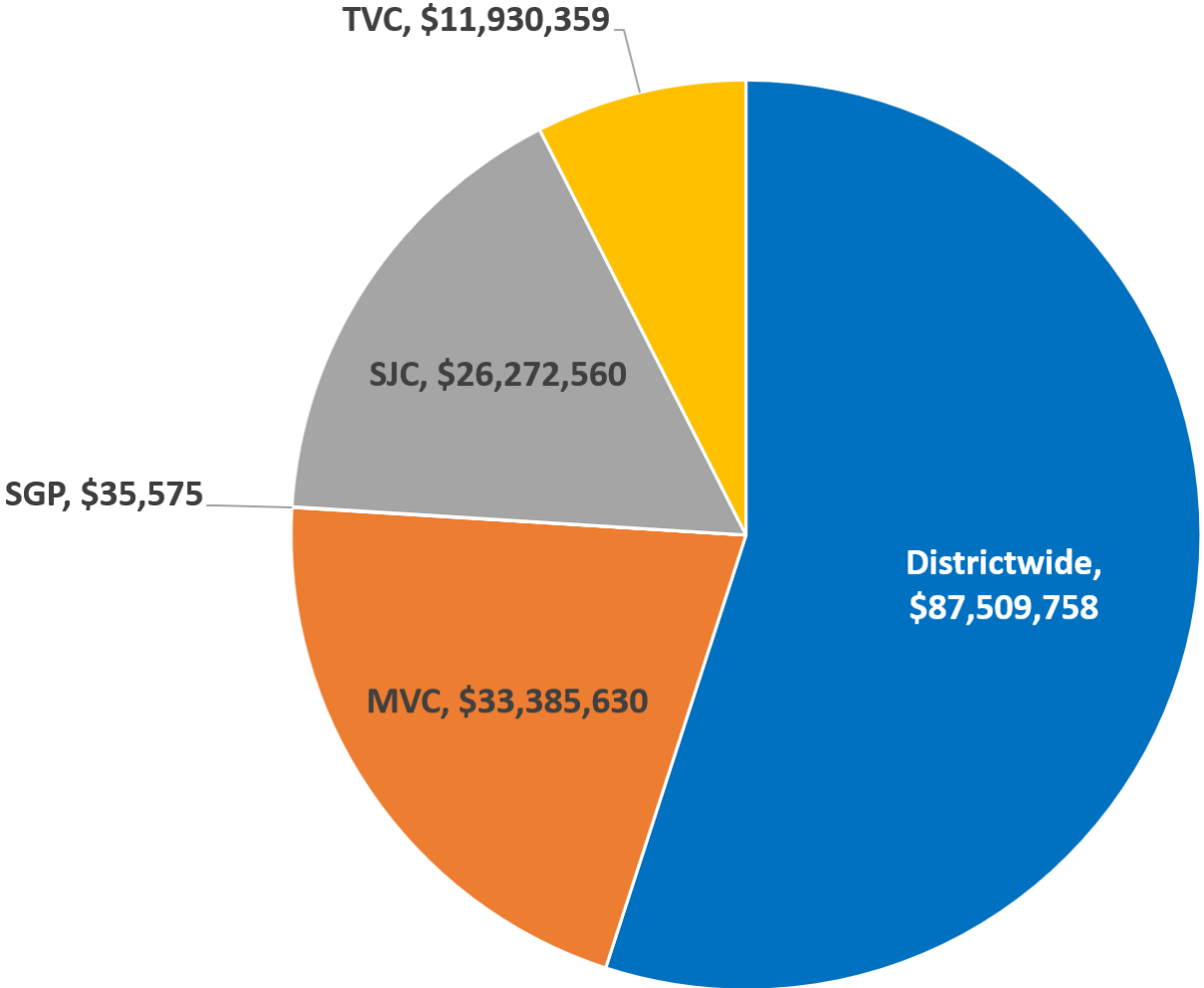
# 2026-27 MSJC Tentative Budget Expenditures by Division

## Unrestricted General Fund – Expenditure Budget



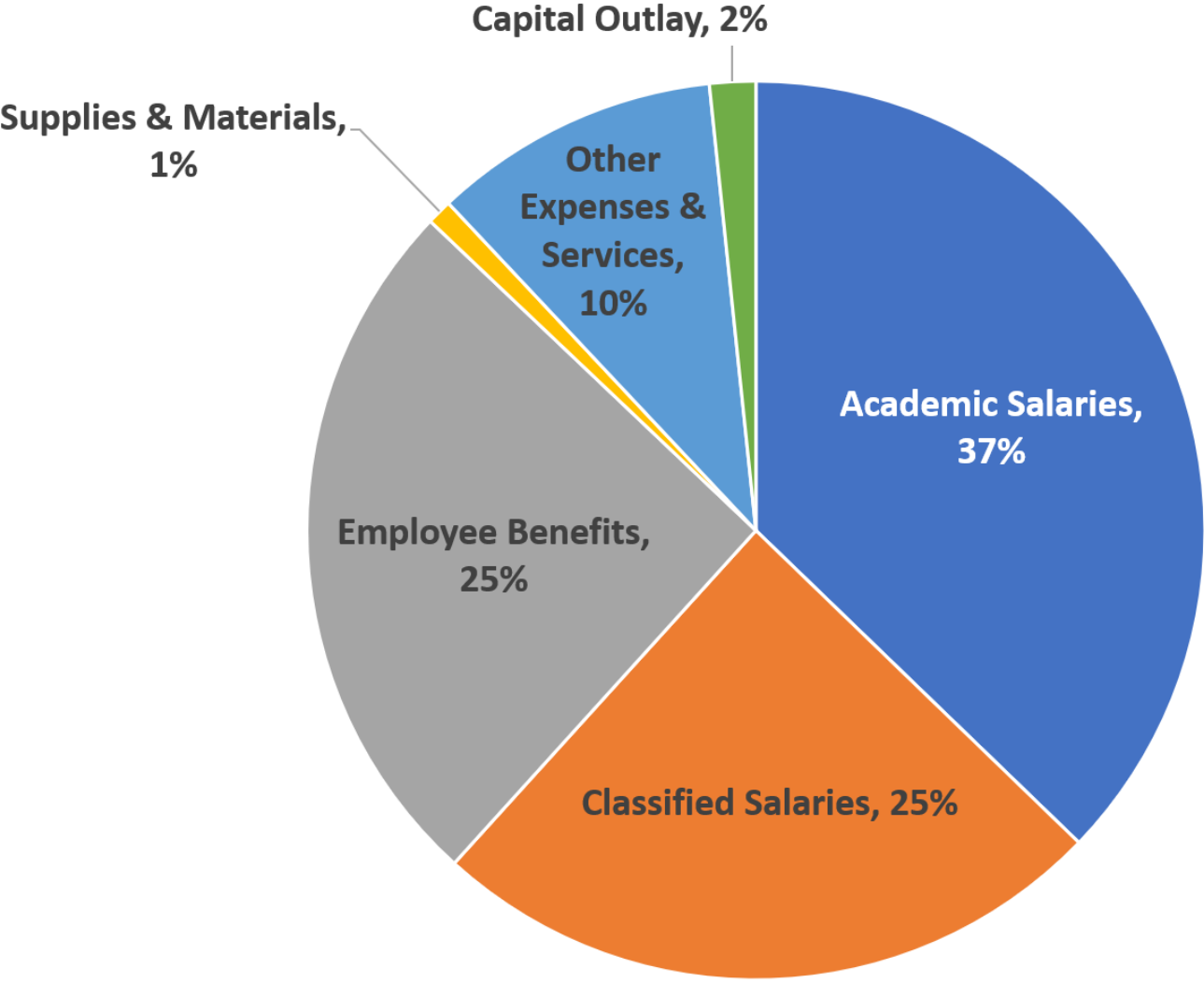
# 2026-27 MSJC Tentative Budget Expenditures by Location

*Unrestricted General Fund – Expenditure Budget*

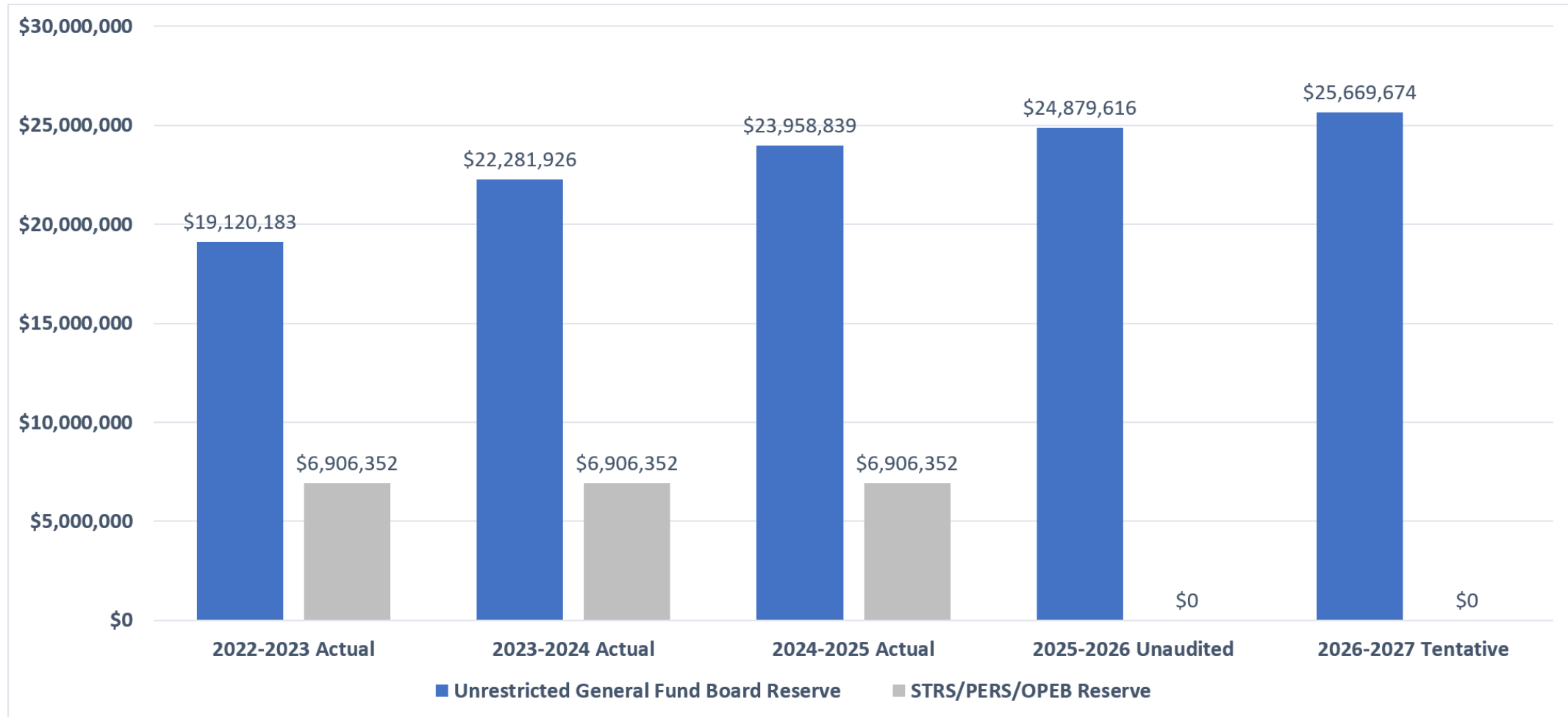


# 2026-27 MSJC Tentative Budget Expenditures by Percent

*Unrestricted General Fund Expenditure Budget – 87% Salary/Benefits*

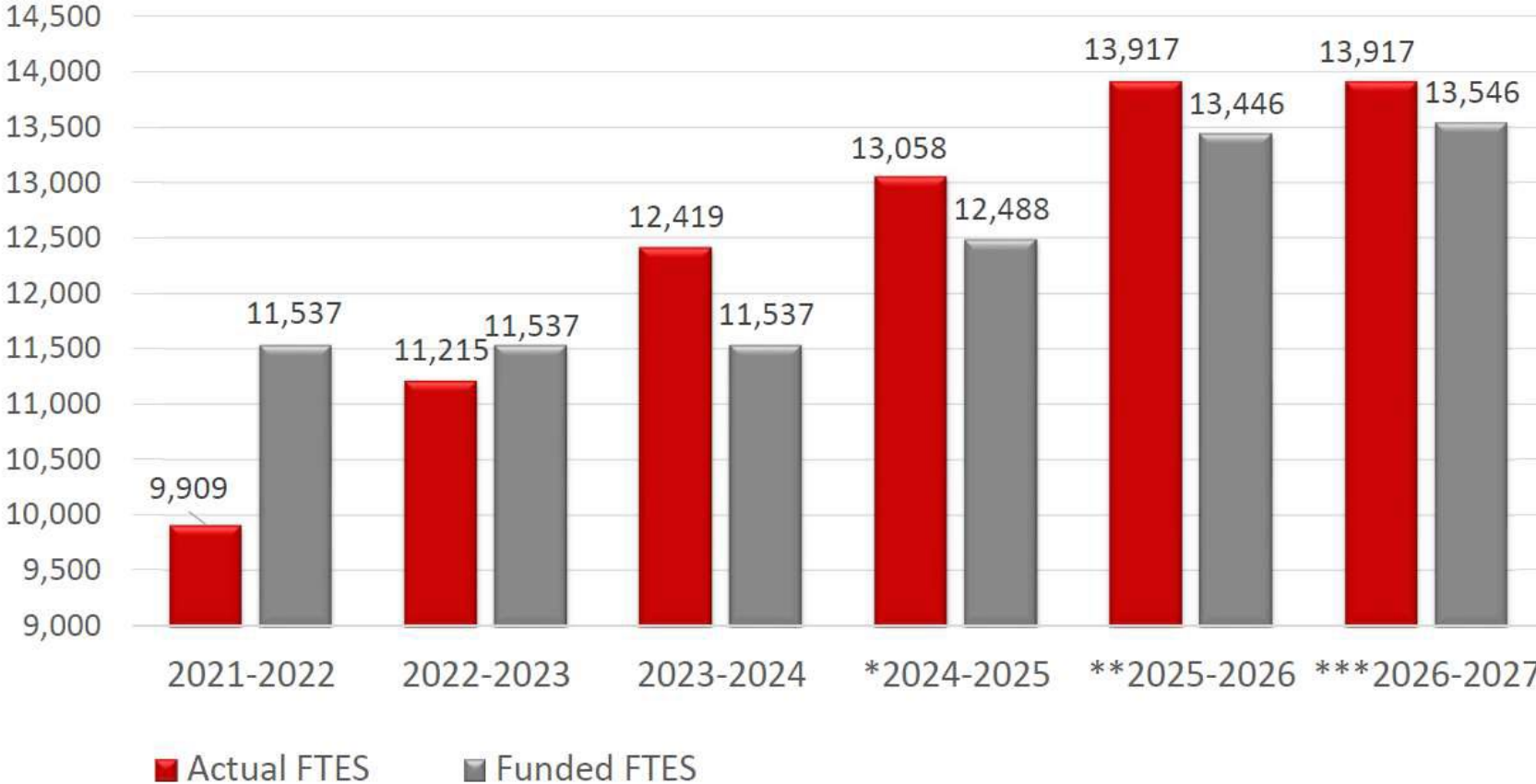


# Board of Trustees Special Reserve Fund



Note: Beginning FY 2025-2026, STRS/PERS/OBEB Reserve was transferred out to prefund liability trusts

# Credit FTES: Actual vs. Funded



*\*Based on the Chancellor's Office 2024-25 R1 report released on 2/5/26*  
*\*\*Based on the Chancellor's Office 2025-26 P1 report released on 2/5/26*  
*\*\*\*FY 2026-2027; actuals based on projected FTES, funded based on budgeted FTES*

# Questions?

# Sources

- [1] Newsom, Gavin; Governor. May Revision: 2026-27  
<https://ebudget.ca.gov/2026-27/pdf/Revised/BudgetSummary/FullBudgetSummary.pdf>
- [2] CCC, ACBO, ACCCA, CCLC Joint Analysis – Governor’s 2026-27 May Revision  
[https://www.cccco.edu/-/media/CCCCO-Website/docs/budget/2026\\_Joint-Analysis-May-Revision.pdf?la=en&hash=8D0CA25A5E0E09F29FF18D093C36CAD1CA3ED34D](https://www.cccco.edu/-/media/CCCCO-Website/docs/budget/2026_Joint-Analysis-May-Revision.pdf?la=en&hash=8D0CA25A5E0E09F29FF18D093C36CAD1CA3ED34D)
- [3] Petek, Gabriel; Legislative Analyst. The 2026-27 Budget: Initial Comments on the Governor’s May Revision  
[https://lao.ca.gov/reports/2026/5187/2026-27\\_May\\_Revision\\_Initial\\_Comments\\_051826.pdf](https://lao.ca.gov/reports/2026/5187/2026-27_May_Revision_Initial_Comments_051826.pdf)