

Budget Committee Report to Academic Senate

February 11, 2026

Goals of the Committee:

1. Identify and acquire the necessary education to function effectively as committee members.
2. Recommend a timeline for budget development that considers district and state budget deadlines and time for review, response, and changes in the proposed allocations before the final decisions are made.
3. Annually review, modify, and communicate the criteria for making budget decisions for the coming fiscal year.
4. Monitor funding formula terms to devise strategies to maximize funding.
5. Establish articulated processes for reviewing budget requests.
6. Design and implement a mechanism that allows for timely college review, input, and modification to the proposed budget before it is submitted to the Board of Trustees for approval.
7. Review the budget input and development process and documents completed by department chairs and managers to improve processes and forms. Develop a communication plan to keep the college apprised of information that impacts the budget.
8. Meet at least once a month during the fall and spring semesters, with possible meetings during the summer in an emergency. Annually assess the budget development process.
9. Advocate for timely budget projections from the district office.
10. Make a recommendation for a Faculty Representative and Classified Representative for the Districtwide Budget Committee.

Announcements:

- The District-Wide Budget Committee (DWBC) met on February 6, 2026, for the first time since March 2025 to review an early, tentative look at the Governor's proposed 2026–2027 budget and the Kern Community College District's preliminary budget outlook.
 - The Governor's proposal includes a 2.41% COLA for community colleges, modest enrollment growth, continued base funding, and several one-time investments supporting capital projects, student services, deferred maintenance, and Credit for Prior Learning, while some categorical programs remain flat.
 - The committee also reviewed a preliminary District Office budget that includes projected increases in salary and benefits, non-labor costs, system modernization, and select staffing additions; however, it was emphasized that this budget is still subject to change and does not yet reflect all Allocation Unit Revenue Streams (AURS).
 - The committee committed to resuming monthly meetings moving forward, with future discussions focused on AURS and continued refinement of the district's budget development process. (Documents attached)
- The committee reviewed the FY26-27 Budget timeline.
- DR. King provided the committee with a detailed overview of our scheduled deferred maintenance. Attached is a summary of the requests and potential allocations through FY28-29.
- Student housing financing was discussed in detail. In response to a 2024 budget deficit, the Governor has converted the \$60 million initial grant awarded in 2023 into a loan. The Board of Trustees is considering other financing options to cover the \$55 million in construction costs.

One consideration is a Certificate of Participation, a tax-exempt financing tool for public institutions that does not require public voting.

- Dr. King provided an update on the Governor's tentative budget. 2.41% COLA, including categorical. .5% growth for 26/27 and an adjusted growth of 1% for 25/26. Fine Arts and the Center for Success have been approved and moved up to 26/27. There is also a deferred maintenance allocation.
- The committee reviewed FY26-27 Budget considerations:
 - Change in Fixed Assets guideline and impact on 50% rule
 - College-wide information technology infrastructure: IT Software/ Staff & Faculty refreshes/Classroom refresh/Computer Lab
 - Impacts on FON (hiring faculty) on operations: offices/furnishing/instructional supplies
 - Schedule maintenance needs
 - College-wide events: Commencement/Convocations/Ribbon Cuttings
 - Increase in salaries and benefits
 - Ongoing operating deficits - Parking and Food Services
 - Past deficit discussion - "The Wash"
 - Grants ending - impact on programs

Upcoming Items:

- Next Budget Committee meeting: Monday, February 23, 2026, 4:00 – 5:00 pm. CC218

Respectfully submitted,
Kailani Henry