



MINUTES

Fiscal Advisory Committee – Special Meeting
Wednesday, May 20, 2026
Via Zoom

Voting Members

ALG

Susan Wheat
Melissa Reeve (Academic Mgr)
Patrick Scott (Class. Mgr)

CTA (SCFA)

Erin Farmer

Academic Senate

Erica Beam
Rennee Moore
Joshua Scott

Local 39

Jeff Lehfeldt

CSEA

Rei Leal

SCC Educational Foundation

Carolyn Warne

Minority Coalition

Jessica Meekins

ASSC

Vacant

Advisory Members

David Williams
Lisa Neeley
Jon Cornelison
Virgie Bender
Edith Sanchez

Alternates

Shanan Danley (Minority Coalition)
LaNae Jaimez (Faculty)

ITEM

1. Opening actions *The meeting was called to order at 2:01pm*

- **Roll call** – *The above highlighted members were present, with the addition of guest Iralyn Eleazar*
- **Approval of Agenda** – *Motioned by Carolyn, seconded by Jeff – all in favor*

2. Comments from the public - *None*

3. 2026-27 Budget – May Revise Review *Susan presented a review of the Governor's May Revise and a Draft of the General Fund Tentative Budget (both attached)*

4. Requests for Future Meetings

- **Sept 2, 2026 – Next Regular Meeting**
- **Topics for Future Meetings**
 - **AB19 update**
 - **ASC update**
 - **College concerns about gas prices reaching over \$8/gallon**

6. Adjournment *Motioned by Jeff, seconded by Melissa – meeting adjourned at 2:23pm*

CALIFORNIA STATE BUDGET (COMMUNITY COLLEGES)

The Governor's 2026–27 May Revision is generally positive for California community colleges, emphasizing fiscal stability, continued investment in Vision 2030 priorities, and protection of core operations despite broader concerns about long-term state structural deficits.

Key takeaways for community colleges include:

- **Increased Community College Funding:** Proposition 98 funding for community colleges increases to approximately **\$14.29 billion**, up about \$179 million from the January Governor's Budget proposal.
- **4.31% COLA for Apportionments:** The proposal includes approximately **\$438 million ongoing** for a **4.31% COLA** to the Student-Centered Funding Formula (SCFF). This includes:
 - 2.87% statutory COLA
 - 1.4% discretionary COLA tied to implementation of paid pregnancy disability leave under AB 65
- **Enrollment Growth Funding Continues:** The state maintains support for **1.5% enrollment growth over two years**, including 0.5% growth funding for 2026–27.
- **Student Centered Funding Formula Protections Remain:** District "funding floor" protections continue, meaning districts receive either their calculated SCFF amount or their 2024–25 funding level, whichever is higher. However, these protections no longer grow annually with COLA adjustments.
- **Deferred Maintenance and Facilities Investments:** The proposal includes:
 - **\$120.7 million one-time** for deferred maintenance and facility repairs
 - **\$736.9 million in capital outlay funding** for 29 continuing projects and 10 new projects statewide
- **Student Support Investments:** The proposal continues:
 - **\$100.6 million one-time** for the Student Support Block Grant
 - Expanded support for food, housing, mental health, childcare, transportation, and advising services
- **Credit for Prior Learning (CPL):** Additional funding supports statewide expansion of CPL initiatives, with the goal to help veterans, working adults, and apprentices accelerate degree completion:
 - \$35 million one-time
 - \$2 million ongoing
- **Dual Enrollment and Workforce Development:** The budget continues support for:

- Nursing program expansion
- Adult learner demonstration projects
- Workforce Pell implementation
- Dual enrollment partnerships with K–12 districts

• **Categorical Programs Mostly Stable:** Most ongoing categorical programs remain level-funded or receive COLA adjustments, including:

- EOPS
- DSPS
- CalWORKs
- CARE
- Apprenticeship programs
- Basic needs centers

Overall, the May Revision signals that California continues to prioritize community colleges as central to workforce development, adult education, transfer, equity, and economic mobility, while also attempting to preserve fiscal stability amid uncertain long-term state revenues.

UNRESTRICTED GENERAL FUND

	<i>Adopted Budget</i>	<i>after 3/31 Budget Update end of Qtr 3</i>	<i>Estimated Actuals 6/30/26</i>	<i>Tentative/ TEMP Budget</i>
	2025-26	2025-26	2025-26	2026-27
SCFF REVENUES:				
Base Allocation (FTES & Basic Alloc.)	\$ 50,850,508	\$ 42,993,071	\$ 45,930,367	\$ 51,995,128
Supplemental Allocation	\$ 11,207,900	\$ 12,296,544	\$ 12,296,544	\$ 13,130,606
Student Success Allocation	\$ 7,058,798	\$ 7,226,060	\$ 7,226,060	\$ 7,920,484
Sub Total	\$ 69,117,206	\$ 62,515,675	\$ 65,452,971	\$ 73,046,218
OTHER REVENUES:				
Other/ Other State Revenue	\$ 2,635,394	\$ 2,879,345	\$ 2,879,345	\$ 2,900,000
Prior FY Apportionment Adjustment		\$ (5,188,671)	\$ (5,188,671)	\$ 2,000,000
Contingency Deficit Factor 2%	\$ (1,382,344)			
GFU-Pell Admin & Interest	\$ 18,669	\$ 18,669	\$ 15,057	\$ 3,612
BFAP 2%	\$ 298,797	\$ 308,358	\$ 88,813	\$ 301,075
TOTAL REVENUES	\$ 70,687,722	\$ 60,533,376	\$ 63,247,515	\$ 78,250,905
EXPENDITURES:				
Academic Salaries	\$ 28,921,500	\$ 29,357,150	\$ 32,081,610	\$ 31,023,838
Classified Salaries	\$ 14,586,350	\$ 14,194,370	\$ 14,949,794	\$ 14,779,931
Benefits	\$ 21,017,090	\$ 19,815,840	\$ 21,357,510	\$ 22,098,046
Supplies and Materials	\$ 738,660	\$ 816,764	\$ 675,507	\$ 812,200
Other Operating	\$ 10,443,113	\$ 11,850,161	\$ 10,455,820	\$ 11,026,150
Capital Outlay	\$ 257,000	\$ 289,092	\$ 149,542	\$ 128,000
Other Outgo	\$ 750,000	\$ 750,000	\$ 750,000	\$ 825,000
Contingency appropriation	\$ 250,000	\$ 250,000	\$ -	\$ 250,000
GFU-Pell Admin	\$ 18,669	\$ 18,669	\$ 15,057	\$ 3,612
BFAP 2%	\$ 298,797	\$ 308,358	\$ 88,813	\$ 301,075
TOTAL EXPENDITURES	\$ 77,281,179	\$ 77,650,404	\$ 80,523,653	\$ 81,247,852
NET FUND BALANCE INCREASE (DECREASE)	\$ (6,593,457)	\$ (17,117,028)	\$ (17,276,138)	\$ (2,996,947)
BEGINNING FUND BALANCE	\$ 41,068,853	\$ 47,199,050	\$ 47,199,050	\$ 29,922,912
ENDING FUND BALANCE	\$ 34,475,396	\$ 30,082,022	\$ 29,922,912	\$ 26,925,965

Notes:

- 2025-26 Est. Year-end has a deficit of approx. \$17.2 million. This stems from the 2024/25 surplus payout (\$4.4 million) and a pullback of the prior year adjustment from the state (\$7.6 million)
- Projected conservatively using the same estimated FTES as 2025-26
- Used the estimated 2.87% statutory COLA and the 1.4% additional discretionary COLA, with the college participating in faculty paid pregnancy disability leave as part of AB65
- Salaried & Benefits are approx. 83.6% of total expenses

ENDING FUND BALANCE

	<i>Adopted Budget</i>	<i>after 3/31 Budget Update end of Qtr 3</i>	<i>Estimated Actuals 6/30/26</i>	<i>Tentative/ TEMP Budget</i>
	2025-26	2025-26	2025-26	2026-27
BEGINNING FUND BALANCE	\$ 41,068,853	\$ 47,199,050	\$ 47,199,050	\$ 29,922,912
ENDING FUND BALANCE	\$ 34,475,396	\$ 30,082,022	\$ 29,922,912	\$ 26,925,965
FUND BALANCE COMPOSITION/RATIO:				
2024/26 Surplus Payout	\$ 4,393,374	\$ 4,393,374		\$ -
Salary Improvements from 2022/23 (over 5 years)	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ -
Technology/ Non- Capitol Expense Reserve	\$ 1,967,556	\$ 1,967,556	\$ 869,212	\$ 869,212
STRS/PERS Premium Reserve	\$ 4,525,000	\$ 4,525,000	\$ 4,525,000	\$ 4,525,000
Designated Reserve: OPEB Liability	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
Board Required Minimum 5% Reserve	\$ 3,864,059	\$ 3,882,520	\$ 4,026,183	\$ 4,062,393
Stability Reserve	\$ 13,925,407	\$ 9,513,572	\$ 14,702,517	\$ 13,469,361
Remaining reserves	\$ -	\$ -		
ENDING FUND BALANCE	\$ 34,475,396	\$ 30,082,022	\$ 29,922,912	\$ 26,925,965
Fund Balance / Reserve Ratio	44.61%	38.74%	37.16%	33.14%
Required + Stability Reserve Rator	23.02%	17.25%	23.26%	21.58%

Notes:

- Estimated 2025/26 removes the surplus payout (included in estimated actuals)
- Tentative 2026-27 removes the salary improvements from 2022/23 as the 5-year period has passed
- Reducing the Technology/Non-Capital Expense Reserve due to pull-back of prior year adjustments from the State
- Fund Balance ratios are still in a healthy status