

Office of the Vice President of Finance and Administrative Services

FINANCIAL RESOURCES COMMITTEE MINUTES – September 2, 2026

2:00 p.m. – AD 109

PRESENT:

Eric Calderon, Lori Jean Cuccio, Claudette Dain (chair), Michelle Dev Anandhan (recording secretary), Junior Domingo, Wade Ellis, Lan Hao, Phil Hawkins, Dana Hester, Renee Liskey, Marie Noriega, Rick Rams, Maryann Tolano-Leveque, Dan Volonte (co-chair)

ABSENT:

Henoch Perez (student representative)

GUESTS:

John Albert, Amberly Chamberlain, Kim Orljan, Gerald Sequeira

9.1 *Approval of the Minutes of the August 5, 2026 Meeting:*

Minutes approved as presented - 

9.2 *2026-27 Proposed Budget Assumptions:*

Claudette reviewed the Proposed Budget Assumptions for 2026-27. On June 29, 2026, upon the Governor's adoption of the 2026-27 state budget package, a new hold harmless provision was adopted which added, effective July 1, 2026, an augmentation of 1.44% to every community college district's hold harmless "floor", to partially offset the cost of providing a new mandate requiring districts to provide up to 14 weeks of paid pregnancy disability leave to employees. Originally, Citrus College planned to borrow 300 FTES from Summer 2026 to report at least 10,000 FTES for the 2025-26 academic year. However, due to the district being in hold harmless, the recommendation is to not borrow the 300 FTES and thus not start the 2026-27 year with a deficit. Actual FTES for 2025-26, as of the Annual 320 Reporting Period, fell below 10,000 FTES, and because June 30, 2026 was the end of the District's three-year restoration period, it has now dropped to "small-size College" status under the SCFF, effective with the start of the 2026-27 fiscal year. The small-size status will likely remain for the next 2 years. The budget goal of 10,100 FTES is proposed for 2026-27.

The 2026-27 Proposed Budget Assumptions were approved as presented - 

9.3 *LAO's Analysis of the 2026-27 Enacted State Budget:*

Claudette shared the LAO's Analysis of the 2026-27 Enacted State Budget, highlighting portions of it. According to the LAO, while the Enacted Budget is technically balanced, its over-reliance on the state's discretionary reserve account leaves California facing a structural imbalance of an accumulated \$29.2 billion. Spending outpaces growth in state revenues in the current year due in part to new

spending commitments included in the Enacted Budget. The LAO warns that the state is facing deficits for the foreseeable future, including the largest deficit of \$18.5 billion in the 2026-27 fiscal year. The state relies on a sizable ending fund balance in 2025-26 to enact a balanced budget this year, but when isolating current fiscal year revenues and comparing it to costs, the shortfall is significant. The LAO's summary of the state's spending plan makes note of the clear disconnect between California's exceptionally strong revenues and its underlying fiscal condition. Instead of using the temporary surge in revenues to reduce or eliminate the structural deficit and repay borrowings, the Enacted Budget adds \$5.7 billion in discretionary spending, suspends nearly \$6 billion in a required state reserve deposit, and borrows another \$3.9 billion in Proposition 98 funding.

9.4 *Integrated Planning Manual Review:*

The Integrated Planning Manual edits, including a revision to Appendix C, were approved as presented - 

9.5 *Other:*

- Proposed Budget Forum – Tuesday, September 15, 2026 at 2:45 pm
In person in VA130 or via Zoom
Zoom link: <https://citruscollege-edu.zoom.us/j/8368113703?omn=87466137975>

The meeting was adjourned at 3:24 p.m.