

Napa Valley Community College District

Proposed 2026 – 2027 Tentative Budget

BOARD OF TRUSTEES

JUNE 11, 2026

JIM REEVES

ASSISTANT SUPERINTENDENT/

VICE PRESIDENT, ADMINISTRATIVE SERVICES

Tentative Budget – Fiscal Year 2026-2027

Introduction

The Tentative Budget is required by California Education Code and is prepared for Board of Trustees review and approval not later than June 15, of each year. The adoption of the Tentative Budget provides statutory authorization to sustain financial and operational commitments to advance the mission of the institution.

- The Tentative Budget was prepared utilizing a revised planning and resource allocation process in the interest of achieving the following objectives:
 - Greater awareness of the annual process among college stakeholders;
 - Increased engagement and participation from budget managers;
 - Greater transparency; and
 - Improved communication during the process.

Additional information about the planning and budget process can be viewed on the [Planning and Budget Development](#) page of the NVC website. Source documents for this work includes AP 6200, the Budget Development Memorandum, and the Budget Values & Assumptions document.

The Budget Committee reviewed unrestricted revenue and expense assumptions for Fiscal Year for 2026 - 2027 in advance of the Tentative Budget Campus Forum meeting on May 12. The Budget Committee convened on May 15, to consider feedback from the Community Budget Forum and make a recommendation to the Superintendent/President. The budget information referenced herein represents the recommendation to the Superintendent/President.

- The Tentative Budget is presented utilizing the best information available at adoption and is subject to change as additional information becomes available. Additional information can include: the state's adopted budget and confirmed state and local property tax revenues.

Budget Development Methodology

Revenues – Unrestricted General Fund (Fund 11)

- Federal income is projected based upon the average growth rate derived from the prior two years of realized administrative charge revenue. The negative variance for FY27 reflects the prior year one-time revenue associated with the COVID Relief Funding.
- Decreases in State Tax Revenues and other State sources are projected based upon FY25-26 First Principal Apportionment dated February 10, 2026 from the Chancellor's Office website; the estimate for Lottery Funding from the State Controller's Office; and the Joint Analysis of the Governor's Budget.
- Property Tax Revenues are forecast to increase by 3.5% as compared to the FY25-26 Estimated Property Tax.
- Other Local Revenues are based upon the average growth rate of the two previous years of realized receipts. A slight increase in nonresident tuition fees are projected (60 FTES). Interest income is forecast to increase largely due to on deposit Covid Relief Funds.

Expenditures

- Salaries and Wages are projected based on the two Collective Bargaining Agreements (CBA's) currently in place (an increase of 3%). Approved vacancies and step increases are included in the calculation. One-time payments are excluded.
- Total Benefit Costs reflect projected increases in ongoing benefit expenses, excluding costs associated with one-time payments incurred in FY26. Overall, total benefit costs are anticipated to decrease by 1.4% compared to the FY26 adopted budget.
- Operating Expenses Increase – FY27 Tentative Budget reflects the Operational Continuance Requests that were submitted through the budget process and approved by the respective area Vice Presidents/President. FY26 one-time budget augmentations do not rollover to FY27 and have been removed.
- Capital Investments – A global increase of 3% has been included to address increased costs. FY26 one-time budget augmentations do not rollover to FY27 and have been removed.
- Other Outgo - This budget forecast is based upon currently projected estimate of costs (e.g., Printshop, Ash Landfill, Self Insurance, Legal and Risk Management).
- Other Post Employment Benefits (OPEB) includes increases in medical costs for retirees and continues to include annuity costs related to the SERP I and SERP II obligations.

2026-2027 Tentative Budget Planning Assumptions

Initial enrollment estimates for FY 2026-2027 are anticipated to be comparable to 2025-2026

Enrollments - Full Time Equivalent Students (FTES)

- 2020-2021 Actual – 4,021 FTES
- 2021-2022 Actual – 3,304 FTES
- 2022-2023 Actual – 3,240 FTES
- 2023-2024 Actual – 3,355 FTES
- 2024-2025 Actual – 3,505 FTES
- 2025-2026 Projected – 3,600 FTES

Per 320 Recalculation Reporting.

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Expense Assumptions

Employee Associated Salary & Benefits Costs

- Faculty Salary Increases – 3% per CBA
- Permanent Classified Salary Increases – 3% per CBA
- Administrative/Confidential Salary Increases – 3% Anticipated
- Decrease in PERS contribution from 26.81% to 26.4% (from School Services of California)
- Unchanged rate in STRS contribution at 19.10% (from School Services of California)
- Estimated changes in health and welfare benefits – 10% per year.
- Salary Step & Column adjustments included
- Projections reflects the effects of staff reduction finalized in spring 2026
- FY27 includes a portion of estimated personnel costs currently supported by federal grants that are expected to expire during the 2026-2027 the fiscal year.



Other Expense Assumptions

Strategic Initiatives & Operational Continuance Requests

(The 2026-2027 source documents can be viewed on the "[Annual Budget](#)" website)

Strategic Initiatives - The President's Cabinet has reviewed submitted Strategic Initiatives as noted in the Update on Strategic Initiatives report. Initiatives, unless otherwise noted, will be considered for funding in the context of the Final Budget.

Personnel Requests - Made through the budget process were reviewed by the President's Cabinet with a list of authorized hires provided to the campus community on May 1. These positions have been approved for hiring contingent upon available funding in the Final Budget.

Operational Continuance Requests – Estimated funding for Operational Continuance Requests and Adjustments submitted via the budget process are included in the Tentative Budget.

Facilities & Equipment Requests – Have been considered by the District Facilities Committee and District Budget Committee. Initiatives recommended by the District Facilities Committee are not included in the Tentative Budget and will be considered in the context of the Final Budget.

Technology Requests – Have been considered by the District Technology Committee and District Budget Committee. No additional funding for technology upgrades is included in the Tentative Budget. Additional funding will be further considered as part of the Final Budget.

Operational Optimization Requests have been considered and reviewed by President's Cabinet, however, no requests are included in the Tentative Budget. Further consideration of these initiatives will be viewed in the context of the Final Budget.



Linking Planning to Budget

2026-2027 Board of Trustee Goals

1. Hire and retain a permanent Superintendent/President, and provide them with direction, support, and resources.
2. Leverage Trustee relationships within and around the Napa Valley to assist the Superintendent/President in cultivation community support for the college and its strategic initiatives.
3. Continue to lead from a framework that incorporates diversity, equity, inclusion, anti-racism, and accessibility into all facets of campus operations.
4. Prioritize operational effectiveness and efficiency.
5. Ensure financial stability and long-term fiscal health of the college, including best-practice use of one-time and short-term funding.
6. Ensure the district and campus continue to successfully manage a 24/7 student housing community, building upon growing occupancy and student support.
7. Prioritize community engagement and support through creative collaborations and strategic alignment with external partners.

(adopted 2/12/26)



Linking Planning to Budget

Educational Master Plan Goals

1. Enrollment Stabilization
2. Equitable Student Outcomes
3. Program Alignment with Regional Labor Market
4. Infrastructure Improvements & Fiscal Sustainability
5. Culture & Climate

2026-2027 Tentative Budget Planning Priorities

Noted expenditures are reflective of commitments to NVC's Planning Priorities for 2026 -2027

Recommended	Fund 11		Fund 12/41	Educational Master Plan Goal Alignment	Board of Trustees Goal Alignment
Student Equity, Support & Success	\$0	\$2,396,694 (as of February 2026 Apportionment schedule)	\$2,396,694	1,2 & 5	3
Instructional Supplies– Laptops & Devices to Expand Internet Access for Students & Faculty	\$0	\$25,000 (Restricted Lottery, expanded definition of Instructional Supplies)	\$25,000	1,2,3 & 5	3
Instructional Supplies	\$0	\$200,000 Restricted Lottery Funding	\$200,000	1, 2 & 3	3
TCO Infrastructure Improvements for IT and Facilities, including Classroom Refresh	\$460,000 (projected)	COVID Relief Fund and HSI (FY26 carryover unspent)	\$325,000	1, 2,3 & 4	4
Basic Needs Food Support – Student Housing	\$0	Use of Rollover Lottery Funds/State Student Support Block Grant	\$250,000 (up to)	1, 2 & 5	3
Projected Increase (decrease) in the Fund Balance	\$7,987	Estimated fund balance projected to cover 17.28% of operating expenses. State advises 16.7%, which reflects 2 months reserve. *Calculation DOES NOT include COVID Relief Fund.		Board Goal	5

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Operational Recommendations

Budget	Fund 11	Fund 12/41/83	Total	Educational Master Plan Goal Alignment	Board of Trustees Goal Alignment
Personnel Hires in response to Compelling needs	\$438,027	TBD	\$521,143 projected	1, 2, & 3	4,5
Strategic Initiatives	Not determined	Not determined	Final budget consideration	1, 2 & 3	1,2,5,6
Operational Continuance requests considered essential and critical via Self Service.	\$736,304	TBD	\$736,304+	1, 2, & 3	2 & 3
Operational Optimization Requests	\$1,375,200 submitted	TBD	Final budget consideration	1, 2 & 3	4 & 5
Non-TCO Facilities and Equipment Requests	\$32.7K submitted	\$513.4K submitted	Final budget consideration	3 & 4	4 & 5
Non-TCO Technology Requests	\$82.2K submitted	\$129K submitted	Final budget consideration	1, 2, 3 & 4	3 & 4
Environmental Consultant/ Mitigation Costs – Ash Landfill	\$300,000	Transfer to Fund 41	\$300,000	4	5

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Notes to the Unrestricted Fund Budget (Fund 11)

- 1) Projected revenue from property taxes in the Tentative Budget is based upon the best information available at the time of this writing and should be considered an area of risk until FY26 revenues are realized.
- 2) Fund 11 includes selected full-time and part-time positions funded from other sources, as a result of the discontinuance of federal funds and anticipated reduced funding from state and local sources.
- 3) Revenue realized from the lease of a portion of the Upper Valley Campus to the City of St. Helena at \$226,056 is projected to increase by approximately 3% (50% of this revenue is included in Fund 11 with the remaining 50% reflected in Fund 41.)
- 4) An allowance of \$100K is included to address possible employee(s) reclassifications resulting from reorganization efforts.
- 5) The Tentative Budget does not include any adjustments from pending Program Discontinuance discussions.
- 6) With the objective to make progress toward 50% Law compliance, the President's Cabinet with the Business & Finance Office continue to review personnel and operational expenditures.
- 7) Any change in the fund balance is a projection and dependent on realized revenues and expenditures for FY 2025-2026.
- 8) The District's maximum subordinated liability for the River Trail Village student housing project is currently funded through FY26.

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Notes to Restricted Fund Budget (Fund 12)

- 1) Information from the State Chancellor's Office indicates that while selected categorical programs will see a COLA increase of 2.87%, other programs will see no revenue increase over FY 25-26.
- 2) Federal grant funding for Hispanic Serving Initiations (HSI) will conclude in December 2026. Selected programs and services, including personnel costs are being supported by other appropriate funding sources including the unrestricted general fund.
- 3) Talent Search grant funding will be exhausted in FY25-26. FY26 reflects the end of TRIO funding from the Federal Government.
- 4) Restricted General Fund expenditures (Fund 12) and program balances are estimated for the Tentative Budget and subject to change based upon confirmed funding.
- 5) Significant technology investments and classroom refresh will be funded with restricted funds in FY27.
- 6) The Institution continues to review the Fund 12 programs that are projected to exceed funding and require additional budget consideration.

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Next Steps – Developing the Final Budget

August 2026

Finalize Local Property Tax Revenue Projections. Make applicable adjustments per the adopted State budget.

August 2026

Review and implement any changes, as a result of any applicable state budget trailer bill.

August 2026

Revenues/Expenditures adjusted as supported by further analysis and revised estimates.

September 2026

Final Budget reviewed by the college community & President's Cabinet.

September 2026

District Budget Committee reviews feedback from campus input and makes a recommendation to the Superintendent/President.

September 2026

Board of Trustees Acts upon Final Budget Recommendation by the Superintendent/President at their September meeting.

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Questions / Observations