

# Minutes of Budget Workshop

## The Board of Trustees Kilgore College



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A Regular Board Meeting of the Board of Trustees of Kilgore College was held on July 29, 2025, at 4:00 PM in the R. E. "Sonny" Spradlin Jr. Executive Board Room McLaurin Administration Building, 895 Ross Ave., Kilgore, TX 75662 with the following members present:

Josh Edmonson, President  
Janice Bagley  
Kelvin Darden  
Gina DeHoyos  
Lon Ford  
Jeanne Johnson  
Travis Martin  
Jason Steele

### **1. CALL TO ORDER**

**Presenter:** Mr. Josh Edmonson, President

### **2. DISCUSSION AND FEEDBACK OF PROPOSED BUDGET FOR FISCAL YEAR 2026**

**Presenter:** Dr. Brenda Kays/Ms. Brazy Sammons

### **3. EXECUTIVE SESSION began at 5:10 PM**

*Adjournment to Executive Session pursuant to Texas Government Code Section 551.074 of the Open Meetings Act for the following purpose:*

*PERSONNEL: (Government Code 551.074) Consideration of personnel matters including to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee.*

### **4. RECONVENE OPEN MEETING at 6:29 PM**

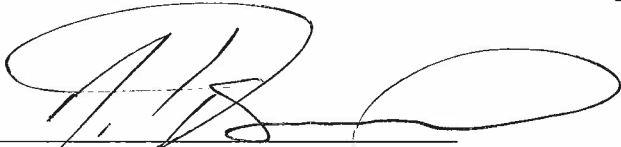
### **5. ADJOURNMENT**

A motion to adjourn was made by Janice Bagley and was seconded by Kelvin Darden. The meeting was adjourned at 6:34pm.

Respectfully submitted,

*Karen Scibona*

Karen Scibona, Recording Secretary  
Kilgore College Board of Trustees



President, Kilgore College Board of Trustees



Secretary, Kilgore College Board of Trustees

# Recommended FY2026 Budget

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**Kilgore College**

**Finance Committee Budget Review - June 2025**



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**Dr. Brenda Kays - President**

**Brazy Sammons - Interim Vice President Administrative Services & Chief Financial Officer**

**Terry Hanson – Outgoing Vice President Administrative Services & Chief Financial Officer**

# Strategic Plan

## Main Pillars

- Provide Agile, Mobile, and User-Friendly Technology
- Develop and Sustain High Quality, High Demand Academic and Workforce Programming, and Quality Student Support
- Support Employer Workforce Needs in Upper East Texas
- Empower Employees to Grow & Thrive in a Collaborative Culture
- Perception of College's Value & Community Outreach

# New State Funding Model for CC's

## HB8 and the Future

- Continues to be positive for Kilgore College
- Multi-Tier Funding
  - Base Tier (\$4.3M)
  - Performance Tier (\$10.9M) - based on estimated performance

# The Basics

- Continue to “right-size” revenues based on mix
- Continuing to balance our M&O and I&S Tax Rate
- Continued incorporation of HB8
- No use of reserves
- Continued investment in IT and Jenzabar

# Major Initiatives

- Salary Increases & Staff Development
- Continued Investment in Technology
- Focus on Student Experience
- Focus on Student Support

# Salary Increases & Staff Development

- 3% Salary Increase
- Performance Incentive for Strong Outcomes
  - \$650 for FT
- Rank in Promotion for Staff – earmark funding FY27
- Adjunct pay increase to \$1,900 – more competitive
- Staff Development – Training
- Increased Employee & Dependent Scholarships \$10k

# Investment in Technology

- Focus on Network performance and reliability
  - Phone system replacement – Potential Security Risk
- Funding earmarked for cloud & data migration - ongoing
- Funding earmarked for IMAGINE 2.0 continuation
- Funding earmarked for technology equipment upgrades
  - User equipment
- Academic tech/equipment funded at \$250k

# Investment in Student Experience

- Increased funding for athletics - \$150,000 allocated by AD
- Increased scholarships:
  - Band – Additional \$60k; total of \$260k
  - Choral – Additional \$15k; total of \$30k
  - Art – Additional \$7.5k; total of \$15k
  - Theatre – Additional \$15k; total of \$45k
- Band Equipment: Sound System, Music Stand & Chairs - \$17,670
- IMAGINE 2.0

# Investment in Student Support

- Add three additional Intrusive Advisors for student success and continued outcomes – concentrating on data-based career choice and transfer success
- Two additional Dual Credit positions to support the growing student population
- IMAGINE 2.0
- Additional faculty in high-demand & growing Dual Credit programs

# Capital Projects for FY2026

- Allocation for “Cash Funded” capital projects - \$725,000
- Capital Maintenance Projects (\$650k):
  - Softball field – NJCAA compliance
  - Old Main exterior cleaning and sealing
  - Longview North façade study
- Diesel Tech – Heavy Duty Truck (\$75k)



# Kilgore College

## Recommended Budget for Fiscal Year 2026

### September 1, 2025 to August 31, 2026

### Revenues and Expenses from Operations

	FY 2022 Budget	FY 2023 Budget	FY 2024 Budget	FY 2025 Budget	FY 2026 Recommended	Increase/Decrease
<b>Credit Tuition</b>						
In-District Tuition	\$ 1,452,465	\$ 1,400,000	\$ 1,215,000	\$ 1,150,000	\$ 1,035,000	\$ (115,000)
Out of District Tuition	\$ 3,389,085	\$ 3,210,000	\$ 3,010,000	\$ 2,900,000	\$ 2,930,000	\$ 30,000
Out of State Tuition (Texas Non-Resident)	\$ 378,525	\$ 385,000	\$ 365,000	\$ 300,000	\$ 360,000	\$ 60,000
Early Admission/Dual Credit	\$ 833,238	\$ 2,005,500	\$ 773,700	\$ 900,000	\$ 1,365,810	\$ 465,810
FAST - Dual Credit	\$ -	\$ -	\$ 376,300	\$ 1,100,000	\$ 1,117,481	\$ 17,481
<b>Total Credit Tuition:</b>	<b>\$ 6,053,313</b>	<b>\$ 7,000,500</b>	<b>\$ 5,740,000</b>	<b>\$ 6,350,000</b>	<b>\$ 6,808,291</b>	<b>\$ 458,291</b>
<b>Course and Special Fees</b>						
General Education Fee	\$ 3,535,875	\$ 3,340,000	\$ 3,340,000	\$ 3,045,000	\$ 3,026,900	\$ (18,100)
Out of District Fee	\$ 5,341,980	\$ 5,105,000	\$ 4,650,000	\$ 4,500,000	\$ 4,439,100	\$ (60,900)
Course Fees	\$ 2,205,721	\$ 1,200,000	\$ 2,320,000	\$ 2,513,863	\$ 2,547,371	\$ 33,508
All Other Fees	\$ 1,043,237	\$ 2,426,740	\$ 1,772,420	\$ 2,233,130	\$ 2,442,465	\$ 209,335
<b>Total Course and Special Fees:</b>	<b>\$ 12,126,814</b>	<b>\$ 12,071,740</b>	<b>\$ 12,082,420</b>	<b>\$ 12,291,993</b>	<b>\$ 12,455,836</b>	<b>\$ 163,843</b>
<b>State Appropriations</b>						
State Appropriations - Base Tier	\$ 9,654,903	\$ 9,654,903	\$ 3,565,647	\$ 4,196,979	\$ 4,343,477	\$ 146,498
State Appropriations - Performance Tier	\$ -	\$ -	\$ 10,213,083	\$ 10,074,120	\$ 10,973,384	\$ 899,264
State Appropriations - Teacher Retirement System TRS/ORP	\$ -	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ -
<b>Total State Appropriations:</b>	<b>\$ 9,654,903</b>	<b>\$ 9,744,903</b>	<b>\$ 13,868,730</b>	<b>\$ 14,361,099</b>	<b>\$ 15,406,861</b>	<b>\$ 1,045,762</b>
<b>District Ad-Valorem Property Taxes</b>						
Property Tax Revenues - M&O	\$ 6,508,163	\$ 6,498,059	\$ 7,320,392	\$ 7,945,000	\$ 8,127,000	\$ 182,000
Property Tax Revenues - I&S		\$ 1,049,722	\$ 1,837,324	\$ 1,847,577	\$ 1,847,577	\$ -
Delinquent Tax Collections	\$ 150,000	\$ 155,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
<b>Total Ad-Valorem Tax Collections:</b>	<b>\$ 6,658,163</b>	<b>\$ 7,702,781</b>	<b>\$ 9,257,716</b>	<b>\$ 9,892,577</b>	<b>\$ 10,074,577</b>	<b>\$ 182,000</b>
<b>Other Revenue from Operations &amp; Reserves</b>						
Indirect Cost Recovery (from grants/contracts)	\$ 33,000	\$ 42,500	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Interest/Investment Income	\$ 225,000	\$ 225,000	\$ 1,058,599	\$ 1,060,000	\$ 750,000	\$ (310,000)
Continuing Education	\$ 1,460,775	\$ 2,500,000	\$ 2,526,400	\$ 3,253,500	\$ 3,510,882	\$ 257,382
Other Revenue from Operations	\$ 408,655	\$ 259,050	\$ 233,000	\$ 134,985	\$ 237,990	\$ 103,005
Auxiliary Revenues	\$ 5,948,806	\$ 5,972,984	\$ 6,736,769	\$ 4,839,445	\$ 4,820,473	\$ (18,972)
KC Plant Fund Reserves for Capital Improvements	\$ 425,000	\$ 4,512,000	\$ 500,000	\$ -	\$ -	\$ -
<b>Total Other Revenue from Operations &amp; Reserves:</b>	<b>\$ 8,501,236</b>	<b>\$ 13,511,534</b>	<b>\$ 11,104,768</b>	<b>\$ 9,337,930</b>	<b>\$ 9,369,345</b>	<b>\$ 31,415</b>



**Kilgore College**  
**Recommended Budget for Fiscal Year 2026**  
**September 1, 2025 to August 31, 2026**  
**Revenues and Expenses from Operations**

<b>Total Operating Revenues &amp; Reserves</b>	<b>\$ 42,994,428</b>	<b>\$ 50,031,458</b>	<b>\$ 52,053,634</b>	<b>\$ 52,233,599</b>	<b>\$ 54,114,910</b>	<b>\$ 1,881,311</b>
<b>Operating Expenses</b>						
Salaries & Wages	\$ 17,938,569	\$ 19,888,551	\$ 20,895,206	\$ 22,213,051	\$ 23,724,842	\$ 1,511,791
Employee Benefits	\$ 2,244,976	\$ 2,792,612	\$ 2,585,354	\$ 2,806,053	\$ 3,229,639	\$ 423,586
Other Operating Expenses	\$ 14,736,723	\$ 13,242,817	\$ 15,785,192	\$ 17,800,815	\$ 17,800,028	\$ (787)
Auxiliary Expenses	\$ 5,955,969	\$ 6,224,968	\$ 6,986,259	\$ 6,076,103	\$ 6,262,992	\$ 186,889
Debt Service - SECO Loans & Maintenance Notes	\$ -	\$ 1,049,722	\$ 1,837,324	\$ 1,847,577	\$ 1,847,577	\$ -
Capital Budget	\$ 1,669,161	\$ 5,032,788	\$ 3,299,299	\$ -	\$ 75,000	\$ 75,000
HB8 Holdback				\$ 500,000		\$ (500,000)
Employee Raises	\$ 449,030	\$ 1,800,000	\$ 665,000	\$ 990,000	\$ 1,174,832	\$ 184,832
<b>Total Operating &amp; Capital Expenses</b>	<b>\$ 42,994,428</b>	<b>\$ 50,031,458</b>	<b>\$ 52,053,634</b>	<b>\$ 52,233,599</b>	<b>\$ 54,114,910</b>	<b>\$ 1,881,311</b>
<b>Net Impact on Unrestricted Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Kilgore College  
Recommended Budget for Fiscal Year 2026  
September 1, 2025 to August 31, 2026  
Capital Budget

<b>Cash Funded (In Operating Budget)</b>	<b>Amount</b>
<b><i>Capital Items</i></b>	
Capital Maintenance	\$650,000
<i>Softball field - NJCAA compliance</i>	
<i>Old Main exterior cleaning and sealing</i>	
<i>Longview North façade study</i>	
Diesel Tech - Heavy-Duty Truck	\$75,000
<b><i>Total Capital Budget FY2026</i></b>	<hr/> <b><i>\$725,000</i></b>

# Property Taxes

Property Tax Rates	M&O	I&S	Total
Hold Rate	0.14628	0.03372	0.18000
Adjust I&S	0.14688	0.03312	0.18000
1/4 Cent	0.14938	0.03312	0.18250
1/2 Cent	0.15188	0.03312	0.18500

College is limited to the voter approval rate.

This rate is calculated after the certified values are received in July. Approximately 8% more in property taxes.

Reviewed by Finance Committee

## M&O Tax Levy

County	Current	Hold Rate	Change	Adjust I&S	Change	1/4 Cent	Change	1/2 Cent	Change
Gregg	5,057,323	5,322,746	265,423	5,344,652	287,329	5,435,622	378,299	5,526,591	469,268
Rusk	2,239,551	2,047,892	(191,659)	2,056,320	(183,231)	2,091,320	(148,231)	2,126,320	(113,231)
Upshur	457,324	500,965	43,641	503,027	45,703	511,588	54,265	520,150	62,827
Smith	307,478	338,308	30,831	339,701	32,223	345,483	38,005	351,265	43,787
<b>Total</b>	<b>8,061,676</b>	<b>8,209,912</b>	<b>148,236</b>	<b>8,243,699</b>	<b>182,023</b>	<b>8,384,013</b>	<b>322,337</b>	<b>8,524,326</b>	<b>462,650</b>

Percent Change from Current

1.84%

2.26%

4.00%

5.74%

## I&S Tax Levy

County	Current	Hold Rate	Change	Adjust I&S	Change	1/4 Cent	Change	1/2 Cent	Change
Gregg	1,165,883	1,227,072	61,189	1,205,167	39,284	1,205,167	39,284	1,205,167	39,284
Rusk	516,292	472,108	(44,184)	463,680	(52,612)	463,680	(52,612)	463,680	(52,612)
Upshur	105,428	115,489	10,061	113,428	7,999	113,428	7,999	113,428	7,999
Smith	70,884	77,991	7,107	76,599	5,715	76,599	5,715	76,599	5,715
<b>Total</b>	<b>1,858,487</b>	<b>1,892,661</b>	<b>34,173</b>	<b>1,858,873</b>	<b>386</b>	<b>1,858,873</b>	<b>386</b>	<b>1,858,873</b>	<b>386</b>

Percent Change from Current

1.84%

0.02%

0.02%

0.02%

## Total Tax Levy

County	Current	Hold Rate	Change	Adjust I&S	Change	1/4 Cent	Change	1/2 Cent	Change
Gregg	6,223,206	6,549,818	326,612	6,549,818	326,612	6,640,788	417,582	6,731,758	508,552
Rusk	2,755,843	2,520,000	(235,843)	2,520,000	(235,843)	2,555,000	(200,843)	2,590,000	(165,843)
Upshur	562,752	616,454	53,702	616,454	53,702	625,016	62,264	633,578	70,826
Smith	378,362	416,300	37,938	416,300	37,938	422,082	43,720	427,864	49,502
<b>Total</b>	<b>9,920,163</b>	<b>10,102,572</b>	<b>182,409</b>	<b>10,102,572</b>	<b>182,409</b>	<b>10,242,886</b>	<b>322,723</b>	<b>10,383,199</b>	<b>463,036</b>

Percent Change from Current

1.84%

1.84%

3.25%

4.67%

## Tax Impact

Property Value	Current	Hold Rate	Change	Adjust I&S	Change	1/4 Cent	Change	1/2 Cent	Change
100,000	180	180	-	180	-	183	3	185	5
250,000	450	450	-	450	-	456	6	463	13
1,000,000	1,800	1,800	-	1,800	-	1,825	25	1,850	50

Certified values are coming in higher – Smith County TBD

If Smith County expected to increase, will need to lower total tax rate slightly

# Property Taxes – updated 7/24/25

<i>Property Tax Rates</i>	<b>M&amp;O</b>	<b>I&amp;S</b>	<b>Total</b>
Lower Rate	0.14615	0.03372	0.17987
Adjust I&S	0.14615	0.03880	0.18000
Current Rate	0.14628	0.03372	0.18000

**College is limited to the voter approval rate.**

This rate is calculated after the certified values are received in July.

Approximately 8% more in property taxes.

## *M&O Tax Levy*

<b>County</b>	<b>Current</b>	<b>Lower Rate</b>	<b>Change</b>	<b>Adjust I&amp;S</b>	<b>Change</b>
Gregg	5,057,392	5,506,819	449,427	5,506,819	449,427
Rusk	2,239,582	2,343,618	104,036	2,343,618	104,036
Upshur	457,330	518,167	60,837	518,167	60,837
Smith	307,482	338,012	30,530	338,012	30,530
<b>Total</b>	<b>8,061,786</b>	<b>8,706,617</b>	<b>644,831</b>	<b>8,706,617</b>	<b>644,831</b>

Percent Change from Current 8.00%

8.00%

## *I&S Tax Levy*

<b>County</b>	<b>Current</b>	<b>Lower Rate</b>	<b>Change</b>	<b>Adjust I&amp;S</b>	<b>Change</b>
Gregg	1,165,883	1,270,619	104,736	1,461,954	296,071
Rusk	516,292	540,756	24,464	622,185	105,893
Upshur	105,428	119,560	14,131	137,563	32,135
Smith	70,884	77,991	7,107	89,736	18,852
<b>Total</b>	<b>1,858,487</b>	<b>2,008,926</b>	<b>150,438</b>	<b>2,311,438</b>	<b>452,951</b>

Percent Change from Current 8.09%

24.37%

## *Total Tax Levy*

<b>County</b>	<b>Current</b>	<b>Lower Rate</b>	<b>Change</b>	<b>Adjust I&amp;S</b>	<b>Change</b>
Gregg	6,223,275	6,777,438	554,163	6,968,773	745,498
Rusk	2,755,874	2,884,374	128,500	2,965,803	209,929
Upshur	562,758	637,727	74,968	655,731	92,972
Smith	378,366	416,004	37,638	427,748	49,382
<b>Total</b>	<b>9,920,273</b>	<b>10,715,543</b>	<b>795,269</b>	<b>11,018,055</b>	<b>1,097,782</b>

Percent Change from Current 8.02%

11.07%

## *Tax Impact*

<b>Property Value</b>	<b>Current</b>	<b>Lower Rate</b>	<b>Change</b>	<b>Adjust I&amp;S</b>	<b>Change</b>
100,000	180	180	(0)	180	(0)
250,000	450	450	(0)	450	(0)
1,000,000	1,800	1,799	(1)	1,800	-

# Property Taxes

## Preliminary Values

### Property Appraised Values

County	2019	2020	2021	2022	2023	2024	2025	Change	
	Certified	Certified	Certified	Certified	Certified	Certified	Preliminary	Amount	%
Gregg	2,638,644,133	2,567,652,923	2,446,353,869	2,761,349,016	3,264,193,058	3,457,336,649	3,638,788,010	181,451,361	5.56%
Rusk	1,045,520,013	1,019,890,455	1,031,589,321	1,266,251,657	1,490,208,204	1,531,024,047	1,400,000,000	(131,024,047)	-8.79%
Upshur	169,846,019	199,618,954	188,863,239	226,519,546	300,050,570	312,640,065	342,474,483	29,834,418	9.94%
Smith	137,981,860	140,900,964	147,501,265	169,487,632	199,550,076	210,201,049	231,277,759	21,076,710	10.56%
<b>Total</b>	<b>3,991,992,025</b>	<b>3,928,063,296</b>	<b>3,814,307,694</b>	<b>4,423,607,851</b>	<b>5,254,001,908</b>	<b>5,511,201,810</b>	<b>5,612,540,252</b>	<b>101,338,442</b>	<b>1.93%</b>

## Certified Values (Except Smith County)

### Property Appraised Values

County	2019	2020	2021	2022	2023	2024	2025	Change	
	Certified	Certified	Certified	Certified	Certified	Certified	Preliminary	Amount	%
Gregg	2,638,644,133	2,567,652,923	2,446,353,869	2,761,349,016	3,264,193,058	3,457,336,649	3,767,922,709	310,586,060	9.51%
Rusk	1,045,520,013	1,019,890,455	1,031,589,321	1,266,251,657	1,490,208,204	1,531,024,047	1,603,570,206	72,546,159	4.87%
Upshur	169,846,019	199,618,954	188,863,239	226,519,546	300,050,570	312,640,065	354,544,820	41,904,755	13.97%
Smith	137,981,860	140,900,964	147,501,265	169,487,632	199,550,076	210,201,049	231,277,759	21,076,710	10.56%
<b>Total</b>	<b>3,991,992,025</b>	<b>3,928,063,296</b>	<b>3,814,307,694</b>	<b>4,423,607,851</b>	<b>5,254,001,908</b>	<b>5,511,201,810</b>	<b>5,957,315,494</b>	<b>446,113,684</b>	<b>8.49%</b>