

# BAKERSFIELD COLLEGE TENTATIVE BUDGET OPEN FORUM

MAY 10, 2016



PRESENTED BY  
DR. SONYA CHRISTIAN, PRESIDENT  
DR. ANTHONY CULPEPPER, VICE PRESIDENT, FINANCE AND ADMINISTRATIVE SERVICES  
STEVEN HOLMES, ACADEMIC SENATE PRESIDENT

# TOPICS OF DISCUSSION

- President
  - Adopted Budget
  - FTES
  - 50% Law
  - Bond and Implications
- Vice President, Finance and Administrative Services
  - Reserves Overview
  - Tentative Budget
  - Implications of Proposition 30
- Academic Senate President
  - Budget Allocation Model (BAM) Committee

# TENTATIVE BUDGET OPEN FORUM



**Sonya Christian**  
President

# ADOPTED BUDGET

## *Adopted Budget Longitudinal Analysis*

Fiscal Period	2010-11	2011-12	Growth%	2012-13	Growth%	2013-14	Growth%
<b>Total Budget</b>	68,750,003	70,859,028	3%	62,470,997	(12%)	68,122,615	9%
<b>Projected Reserves</b>	2,647,045	3,775,641	43%	0	(100%)	1,957,271	0%
<b>Adopted Budget</b>	66,102,958	67,083,387	1%	62,470,997	(7%)	66,165,344	6%
Fiscal Period	2014-15	Growth%	2015-16	Growth%	2016-17 Tentative Budget	Growth%	
<b>Total Budget</b>	74,983,088	10%	83,600,477	11%	87,654,957	5%	
<b>Projected Reserves</b>	4,108,342	110%	5,849,905	42%	5,170,000	(11%)	
<b>Adopted Budget</b>	70,874,746	7%	77,750,572	10%	82,484,957	6%	

# FTES

## *FTES 5 Years Projection*

	2015-16 DGO	2016-17 DGO	2017-18 DGO	2018-19 DGO	2019-20 DGO	Total Additional FTES
Projected Funded FTES	14,475	14,909	15,058	15,209	15,361	
Additional FTES	798	434	149	151	152	1,684
Growth %	5.8%	3.0%	1.0%	1.0%	1.0%	

## *Previous FTES 5 Years Trend*

	2010-11	2011-12	2012-13	2013-14	2014-15	Total Additional FTES
Funded FTES	13,158	12,152	12,187	12,762	13,677	
Additional FTES	(436)	(1,006)	35	575	915	83
Growth %	3.4%	(7.6)%	0.3%	4.7%	7.2%	

# 50% RATIO

## *Historical Analysis of BC's 50% Ratio\*\**

2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016 Projected	2016-2017 Tentative Budget
64.23%	66.06%	66.74%	63.66%	61.68%	64.92%	64.24%
**Ratios are before the District Office Chargeback						

# BOND AND IMPLICATIONS

<i>Bond Totals</i>			
<b>Bakersfield College</b>	<b>Porterville College</b>	<b>Cerro Coso College</b>	<b>Bond Total</b>
393,405,000	111,128,350	58,375,043	562,908,393
69.89%	19.74%	10.37%	

<i>Bakersfield College Total</i>			
<b>Panorama Campus</b>	<b>Delano Campus</b>	<b>Weill</b>	<b>Total</b>
330,102,500	54,325,000	8,977,500	393,405,000
58.65%	9.65%	1.59%	

# TENTATIVE BUDGET OPEN FORUM



**Anthony Culpepper**  
Vice President,  
Finance and Administrative Services



# RESERVE OVERVIEW

## *Bakersfield College Historical Reserve Overview*

	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16 Projection</b>	<b>2016-17 Tentative Budget BC</b>	<b>2016-17 Tentative Budget District Office</b>
Beginning Balance	5,467,446	6,834,136	5,511,610	4,080,683	4,542,782	4,500,000	<b>5,170,000</b>	<b>5,849,905</b>
Activity (+/-)	1,366,690	(1,322,526)	(1,430,927)	462,099	(42,782)	670,000		
Ending Balance	6,834,136	5,511,610	4,080,683	4,542,782	4,500,000	5,170,000	<b>5,170,000</b>	<b>5,849,905</b>
Pct. Inc.	25%	(19%)	(26%)	11%	(1%)	15%		

2015-16  
Projections

# PROPOSED TENTATIVE BUDGETS

*Bakersfield College  
Proposed Tentative Budget  
Revenue*

		2015-16	% of Rev	2016-17	% of Rev	% Variance 2015-16 vs. 2016-17
Revenue	16/17 Tentative Budget Allocation	71,256,210.00		79,611,229.00		12%
	College Scheduled Maintenance	1,852,408.65		1,363,225.65		26%
	Local Revenue	1,300,000.00		1,510,502.22		16%
	15/16 Projected Carryover	4,500,000.00		5,170,000.00		15%
	15/16 Growth Allocation					
	<b>Total Revenue</b>	<b>78,908,618.65</b>		<b>87,654,956.87</b>		11%

# PROPOSED TENTATIVE BUDGET

*Bakersfield College  
Proposed Tentative Budget  
Expenses*

		2015-16	% of Rev	2016-17	% of Rev	% Variance 2015-16 vs. 2016-17
Expenses	16/17 Permanent Labor	44,512,676.30	56%	49,841,357.77	57%	12%
	Adjusted Budget Requests	27,111,551.67	34%	30,447,504.79	35%	12%
	Adjunct/Overload	5,396,995.00	7%	5,813,175.00	7%	8%
	Adjunct benefits	734,987.03	1%	989,693.66	1%	35%
	One-time Expenses using MCP					
	College Scheduled Maintenance	1,852,408.65	2%	1,363,225.65	2%	-26%
	Estimated Breakage	(700,000.00)	(1%)	(800,000.00)	(1%)	14%
	<b>Total Expenses</b>	<b>78,908,618.65</b>		<b>87,654,956.87</b>		11%

# IMPLICATIONS OF PROPOSITION 30

- Extension: 12 years
- Earnings Limitations: \$250,000
- Support for \$9 billion bond  
(\$2 billion for Community Colleges)

# IMPLICATIONS OF PROPOSITION 30

Figure 2

## Current and Proposed Personal Income Tax Rates Under Proposition 30

Single Filer's Taxable Income <sup>a</sup>	Joint Filers' Taxable Income <sup>a</sup>	Head-of-Household Filer's Taxable Income <sup>a</sup>	Current Marginal Tax Rate <sup>b</sup>	Proposed Additional Marginal Tax Rate <sup>b</sup>
\$0–\$7,316	\$0–\$14,632	\$0–\$14,642	1.0%	—
7,316–17,346	14,632–34,692	14,642–34,692	2.0	—
17,346–27,377	34,692–54,754	34,692–44,721	4.0	—
27,377–38,004	54,754–76,008	44,721–55,348	6.0	—
38,004–48,029	76,008–96,058	55,348–65,376	8.0	—
48,029–250,000	96,058–500,000	65,376–340,000	9.3	—
250,000–300,000	500,000–600,000	340,000–408,000	9.3	1.0%
300,000–500,000	600,000–1,000,000	408,000–680,000	9.3	2.0
Over 500,000	Over 1,000,000	Over 680,000	9.3	3.0

<sup>a</sup> Income brackets shown were in effect for 2011 and will be adjusted for inflation in future years. Single filers also include married individuals and registered domestic partners (RDPs) who file taxes separately. Joint filers include married and RDP couples who file jointly, as well as qualified widows or widowers with a dependent child.

<sup>b</sup> Marginal tax rates apply to taxable income in each tax bracket listed. The proposed additional tax rates would take effect beginning in 2012 and end in 2018. Current tax rates listed exclude the mental health tax rate of 1 percent for taxable income in excess of \$1 million.

# TENTATIVE BUDGET OPEN FORUM



**Steven Holmes**  
President,  
Academic Senate

# BUDGET ALLOCATION MODEL COMMITTEE

- District-wide Budget Committee
- Growth Allocations
- Cost Drivers for DO Chargeback Mechanism
- Banked FTES is allocated back to Colleges
- Reserves
- Stabilization Mechanism

# BAKERSFIELD COLLEGE

## ALL CAMPUS BUDGET MEETING

MAY 10, 2016



PRESENTED BY  
DR. SONYA CHRISTIAN, PRESIDENT  
STEVEN HOLMES, ACADEMIC SENATE PRESIDENT  
DR. ANTHONY CULPEPPER, VICE PRESIDENT, FAS