

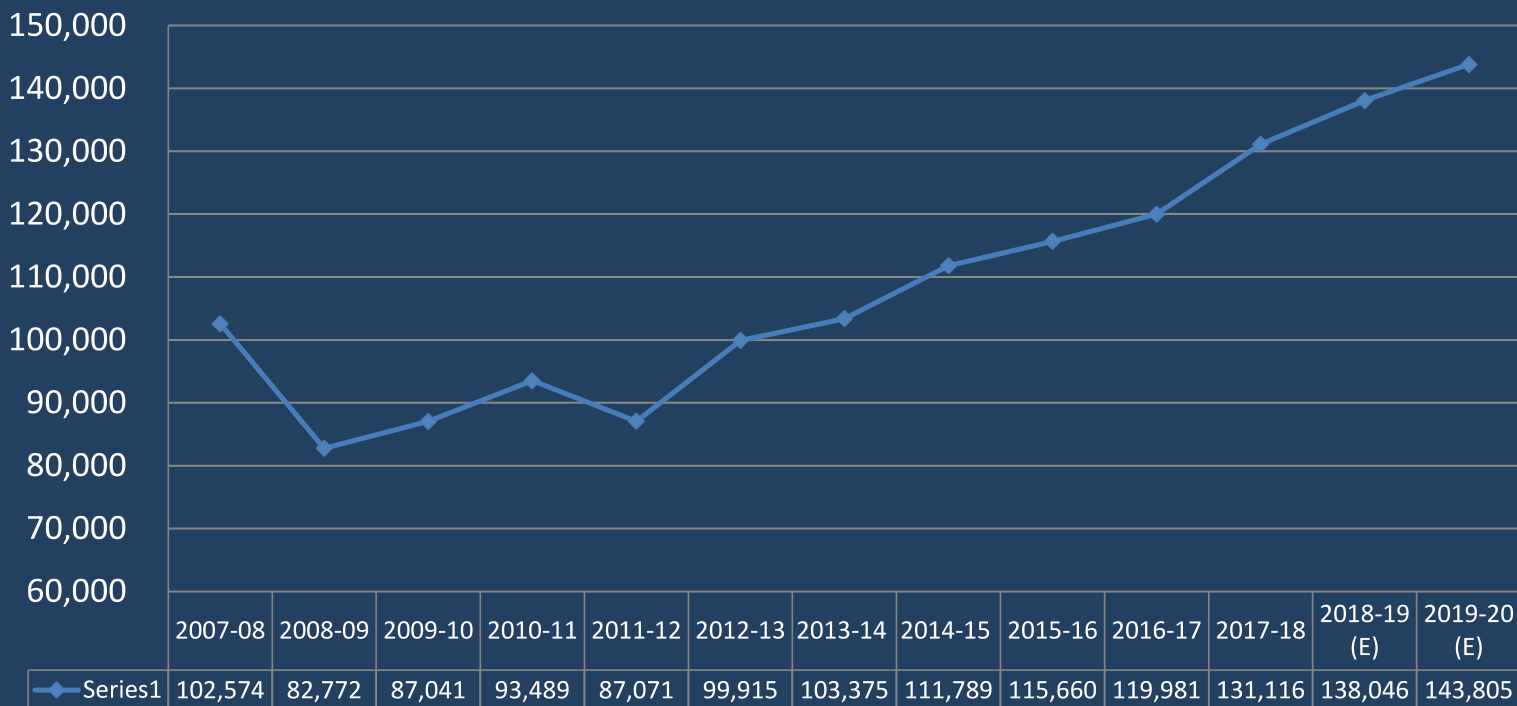
Kern Community College District Adopted Budget 2019-2020



September 12, 2019

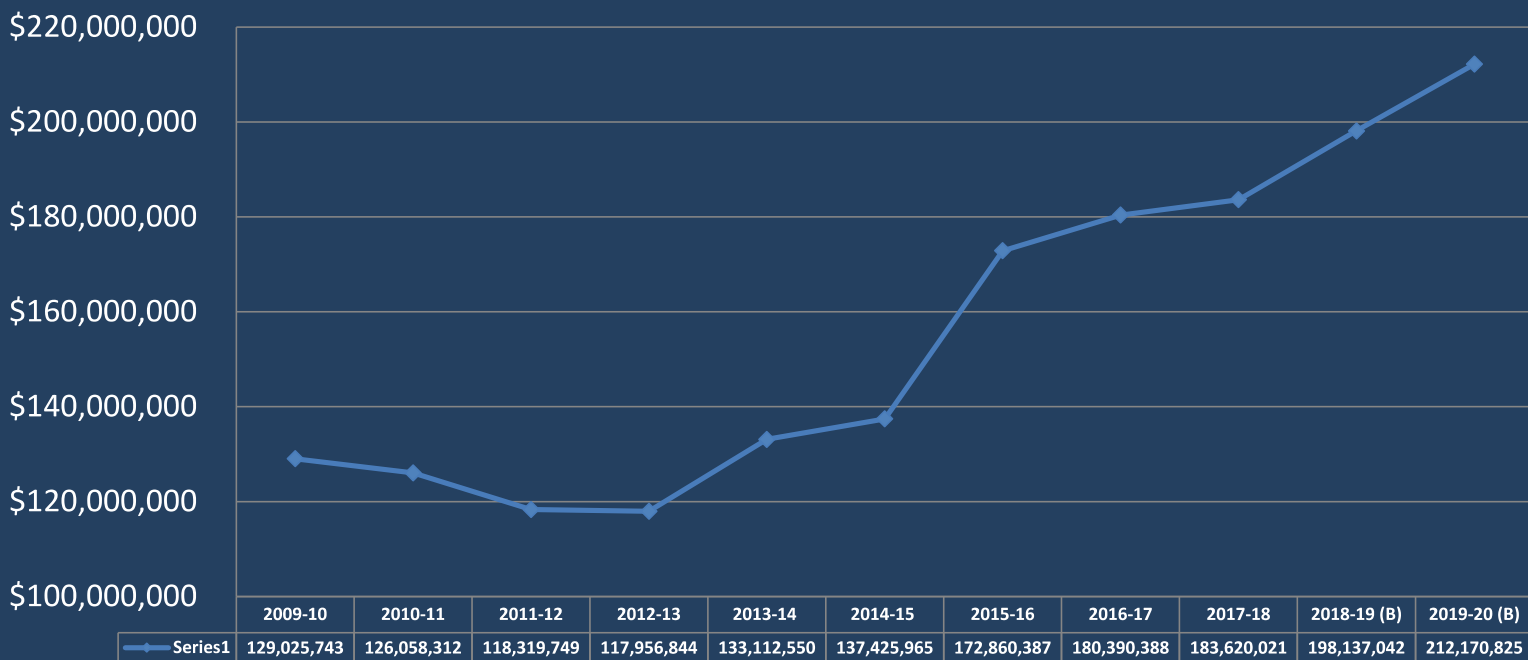
Kern Community College District

State General Fund Revenues & Transfers (\$ in millions)



Kern Community College District

Total KCCD General Fund Revenues



Kern Community College District

| Kern Community College District 2019-20 General Fund Budget Summary | | | | | | | |
|--|------------------------------|------------------------------|-----------------------|---------------|----------------------|-----------------------|--------------|
| Location: District Total | | | | | | | |
| General Unrestricted (GU001 & CE) | | | | | | | |
| Description | 2019-20 Adopted Budget | 2018-19 Adopted Budget | Change Inc./(Dec.) | Pct. Change | 2018-19 Projected | Change Inc./(Dec.) | Pct. Change |
| Beginning Balance | 50,311,546 | 60,361,441 | (10,049,895) | -16.65% | 43,844,421 | 6,467,125 | 14.75% |
| Revenues | | | | | | | |
| <i>Federal</i> | 763,981 | 763,981 | - | 0.00% | 742,701 | 21,280 | 2.87% |
| <i>State</i> | 85,834,001 | 71,071,983 | 14,762,018 | 20.77% | 86,142,300 | (308,299) | -0.36% |
| <i>Local</i> | 76,080,812 | 76,029,003 | 51,809 | 0.07% | 69,056,025 | 7,024,787 | 10.17% |
| <i>Other Financing Sources</i> | 9,999 | | 9,999 | N/A | 1,151,050 | (1,141,051) | -99.13% |
| Total Revenue | 162,688,793 | 147,864,967 | 14,823,826 | 10.03% | 157,092,076 | 5,596,717 | 3.56% |
| Expenditures | | | | | | | |
| <i>Academic Salaries</i> | 64,205,228 | 59,946,766 | 4,258,462 | 7.10% | 63,138,239 | 1,066,989 | 1.69% |
| <i>Classified & Other Non-academic Salaries</i> | 29,313,674 | 28,386,890 | 926,784 | 3.26% | 25,986,656 | 3,327,018 | 12.80% |
| <i>Employee Benefits</i> | 37,842,805 | 34,108,625 | 3,734,180 | 10.95% | 33,285,221 | 4,557,584 | 13.69% |
| <i>Supplies & Materials</i> | 3,052,102 | 2,707,228 | 344,874 | 12.74% | 1,332,180 | 1,719,922 | 129.11% |
| <i>Service/Utilities/Operating Exps.</i> | 22,282,943 | 23,684,875 | (1,401,932) | -5.92% | 17,912,351 | 4,370,592 | 24.40% |
| <i>Capital Outlay</i> | 2,067,566 | 2,251,470 | (183,904) | -8.17% | 1,772,821 | 294,745 | 16.63% |
| <i>Other Outgo</i> | 6,077,976 | 6,077,156 | 820 | 0.01% | 6,031,930 | 46,046 | 0.76% |
| <i>Transfers Out</i> | 745,560 | 712,250 | 33,310 | 4.68% | 1,165,553 | (419,993) | -36.03% |
| Total Expenditures and Other Outgo | 165,587,854 | 157,875,260 | 7,712,594 | 4.89% | 150,624,951 | 14,962,903 | 9.93% |
| Ending Balance (Reserves) | 47,412,485 | 50,351,148 | (2,938,663) | -5.84% | 50,311,546 | (2,899,061) | -5.76% |
| Projected Change in Fund Balance (Reserves) | (2,899,061) | (10,010,293) | 7,111,232 | -71.04% | 6,467,125 | (9,366,186) | -144.83% |

Kern Community College District

Projected Unrestricted Ending Fund Balance
\$47.4 million or 28.63%

- Unallocated District Wide = \$21.5 million
- Colleges = \$25.9 million

Kern Community College District

2019-20 General Fund – Unrestricted Fund Balances

| Unrestricted Reserve Analysis | Beg Balance | End Balance | Net Change |
|--------------------------------------|----------------------|----------------------|--------------------|
| Bakersfield College | 15,924,862 | 16,193,053 | 268,191 |
| Cerro Coso Community Colleg | 4,687,862 | 3,039,947 | (1,647,915) |
| Porterville College | 7,306,236 | 6,700,661 | (605,575) |
| Total College | \$ 27,918,960 | \$ 25,933,661 | (1,985,299) |
| District wide | 22,392,586 | 21,478,824 | (913,762) |
| Total Unrestricted | \$ 50,311,546 | \$ 47,412,485 | (2,899,061) |
| GU001 | \$ 49,261,038 | \$ 46,519,339 | (2,741,699) |
| Contract and Community Ed | 1,050,508 | 893,146 | (157,362) |
| Total Unrestricted | \$ 50,311,546 | \$ 47,412,485 | (2,899,061) |

Kern Community College District

Compliance Tests

- General Unrestricted Fund Salaries and Benefits
 - > Goal less than 80%; Projected 2019-20 = 79.4%
- Goal 15% Unallocated District wide Reserve (Does not include 5% per College Reserve)
 - > Projected 2019-20 = 12.97%

Kern Community College District

Compliance Tests

| | |
|---|---------------------|
| • Projected 50% Law Calculation | 51.28% |
| • Projected Fall 2019 Full Time Faculty | 471.00 |
| Less FON* | <u>- 439.80</u> |
| Over/Under FON 2019 | <u><u>31.20</u></u> |

* FON as of Aug 28, 2019 – AD indicated FON at 471

Kern Community College District

Potential Threats to KCCD Budget Assumptions

- Funding Formula
 - Effect on college fixed costs
 - Chancellor's Office not funding "earned" revenue
 - Potential structural imbalance between revenues and expenditures