

Bakersfield, CA

Earned 'C' Grade for Fiscal Health

The Truth

Money Needed to Pay Bills **\$8 million**

Taxpayer Burden™ **\$100**

Financial Grade **C**

Ranking **27 out of 75**



Financial State of Bakersfield

Unlike most cities, Bakersfield's numbers did not benefit from the unusual gains in pension assets that occurred in 2021, because the city reported its CALPERS plans' liability based on the prior year valuations (2020). Considering these outdated numbers and data from Bakersfield 2021 audited financial report, the city needed \$8 million to pay its bills. This was an improvement over 2020 and resulted in a Taxpayer Burden™ of \$100, earning the city's finance a "C" grade from Truth in Accounting.

The city's elected officials have repeatedly made financial decisions that left the city with a debt burden of \$8 million. Bakersfield's financial problems stem mostly from unfunded retirement obligations that accumulated over the years. Using the old data as the source, the city had set aside only 69 cents for every dollar of promised pension benefits and 69 cents for every dollar of promised retiree health care benefits.

It is important for government entities to use timely data for all aspects of its financial reporting including for its pensions and other post-retirement benefits. Without current information, citizens and elected officials are left in the dark during the budgeting process.

The data included in this report is derived from Bakersfield's 2021 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other cities' financial, demographic, and economic information, go to Data-Z.org.

February 2023

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Daniels College of Business
UNIVERSITY OF DENVER
School of Accountancy

Bakersfield's Financial Breakdown

Fast Facts

- Bakersfield needed \$8 million to pay its bills, which was \$139.5 million less than it needed in 2020.
- The improvement was substantially due to a \$87.5 million increase in grants and contributions with the majority coming from federal funds.
- Unlike most cities, Bakersfield's pension liability increased because of the city's use of outdated pension valuations which did not reflect the 2021 short-term gains in CALPERS pension investments.

The City's Bills Exceeded Its Assets

Total Assets	\$2,943,909,000
Minus: Capital Assets	-\$2,213,139,000
Restricted Assets	-\$35,476,000
Assets Available to Pay Bills	\$695,294,000
Minus: Total Bills*	-\$703,254,000
Money Needed to Pay Bills	\$7,960,000
Each Taxpayer's Share of this Burden	\$100

*Breakdown of Total Bills

Bonds	\$129,975,000
Other Liabilities	\$188,821,000
Minus: Debt Related to Capital Assets	-\$113,480,000
Unfunded Pension Benefits	\$461,426,000
Unfunded Retiree Health Care Benefits	\$36,512,000
Total Bills	\$703,254,000

Grade:

C

Bottom line: Bakersfield would need \$100 from each of its taxpayers to pay all of its bills, so it has received a "C" for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between \$0 and \$4,999 receives a "C" grade.

Truth in Accounting is a 501(c)(3) nonprofit committed to educating and empowering you with understandable, reliable, and transparent government financial information so you can be a knowledgeable participant in your government and its budget process.