

# Five-Year Budget Forecast



Presentation to the  
Butte County Board of  
Supervisors  
December 14, 2009

# Projections – What good are they?

- Estimated impact of current year budget decisions on future financial health
- Proposed Budget
- Year-End
- Based on the best information available at the time of the projection (assumptions)



# Five-Year Forecast - Proposed Budget (April 2009)

GENERAL FUND	Proposed Budget 2009/10	Forecasted Budget 2010/11	Forecasted Budget 2011/12	Forecasted Budget 2012/13	Forecasted Budget 2013/14
<b>ESTIMATED DEMAND:</b>					
Appropriation for Employee Compensation	65,652,954	65,926,202	69,577,854	69,986,087	70,470,135
Appropriation for Other Expenditures	46,931,475	52,083,538	54,192,741	54,367,322	54,904,641
Restricted Revenue	<u>35,250,880</u>	<u>34,641,610</u>	<u>35,159,355</u>	<u>36,075,057</u>	<u>37,041,597</u>
<b><i>Net - Demand For Resources</i></b>	<b>77,333,549</b>	<b>83,368,130</b>	<b>88,611,240</b>	<b>88,278,353</b>	<b>88,333,179</b>
<b>ESTIMATED RESOURCES:</b>					
General Fund Carryover From Prior Year*	1,698,643	5,000,000	5,500,000	6,000,000	6,500,000
Property Taxes	46,360,342	46,360,342	46,592,144	47,058,066	47,763,937
Sales Taxes	14,632,582	14,778,908	15,000,591	15,300,603	15,683,118
Other Discretionary Revenues	<u>14,641,982</u>	<u>14,829,294</u>	<u>15,044,161</u>	<u>15,285,669</u>	<u>15,553,520</u>
<b><i>Net - Available Resources</i></b>	<b>77,333,549</b>	<b>80,968,545</b>	<b>82,136,897</b>	<b>83,644,338</b>	<b>85,500,575</b>
<b>Budget Surplus / (Deficit) at Year End</b>	<b>\$ 0</b>	<b>(\$2,399,585)</b>	<b>(\$6,474,344)</b>	<b>(\$4,634,015)</b>	<b>(\$2,832,604)</b>

# Five-Year Forecast – Year-End (September 2009)

GENERAL FUND	Projected Budget 2009/10	Forecasted Budget 2010/11	Forecasted Budget 2011/12	Forecasted Budget 2012/13	Forecasted Budget 2013/14
<b>ESTIMATED DEMAND:</b>					
Employee Compensation	65,652,954	65,868,457	67,789,141	68,537,436	69,350,755
Contingency	11,537,301	7,000,000	7,000,000	7,000,000	7,000,000
Other Expenditures	42,115,970	48,158,433	50,870,698	51,649,964	52,792,108
Use of Restricted Revenue	<u>(35,250,880)</u>	<u>(34,641,610)</u>	<u>(35,159,355)</u>	<u>(36,075,057)</u>	<u>(37,041,597)</u>
<b><i>Net Demand For Resources</i></b>	<b>84,055,345</b>	<b>86,385,280</b>	<b>90,500,484</b>	<b>91,112,343</b>	<b>92,101,266</b>
<b>ESTIMATED RESOURCES:</b>					
Carryover From Prior Year*	9,060,945	11,000,000	11,000,000	11,000,000	11,000,000
Property Taxes	47,536,595	47,298,912	47,535,406	48,010,760	48,673,604
Sales Taxes	14,344,570	14,488,015	14,705,336	14,999,442	15,374,428
Other Discretionary Revenues	<u>13,619,686</u>	<u>13,817,266</u>	<u>14,038,946</u>	<u>14,278,837</u>	<u>14,536,048</u>
<b><i>Net - Available Resources</i></b>	<b>84,561,796</b>	<b>86,604,194</b>	<b>87,279,688</b>	<b>88,289,040</b>	<b>89,584,080</b>
<b>Budget Surplus / (Deficit)</b>	<b>\$ 506,451</b>	<b>\$218,914</b>	<b>(\$3,220,796)</b>	<b>(\$2,823,303)</b>	<b>(\$2,517,186)</b>

# Use of One-Time Solutions

Description	Amount
Federal stimulus fiscal relief - DESS	\$1,500,000
Deferred contributions to Equip Replacement Fund (for emergency vehicles)	\$1,200,000
Deferred set aside for facility replacement	\$500,000
Community Cost Share and Indian Gaming funds for Fire Operations	\$900,000
<b>TOTAL</b>	<b>\$4,100,000</b>

# What's Looming Ahead?

## Several Unknowns:

- State Budget deficit is enormous
  - \$20.7 billion and growing
- Slow economic recovery projected nationally
- Unemployment remains high
- Local housing values down – may expand to commercial properties

