

# CCP Budget Update

January 30, 2023

# Changes from Pre- to Post-Jan 10 Proposed Budget

## Before January 10 Budget

Account	FY 22-23	FY 23-24	FY 24-25
MAIN AB 109 SUBACCOUNT	16,637,590	17,823,973	17,823,973
DA/PD SUBACCOUNT	717,304	768,453	768,453
MAIN AB 109 GROWTH (after 10% to Local Innovation Subaccount)	2,225,839	825,458	-
DA/PD GROWTH (after 10% to Local Innovation Subaccount)	168,436	75,731	-

## January 10 Proposed Budget

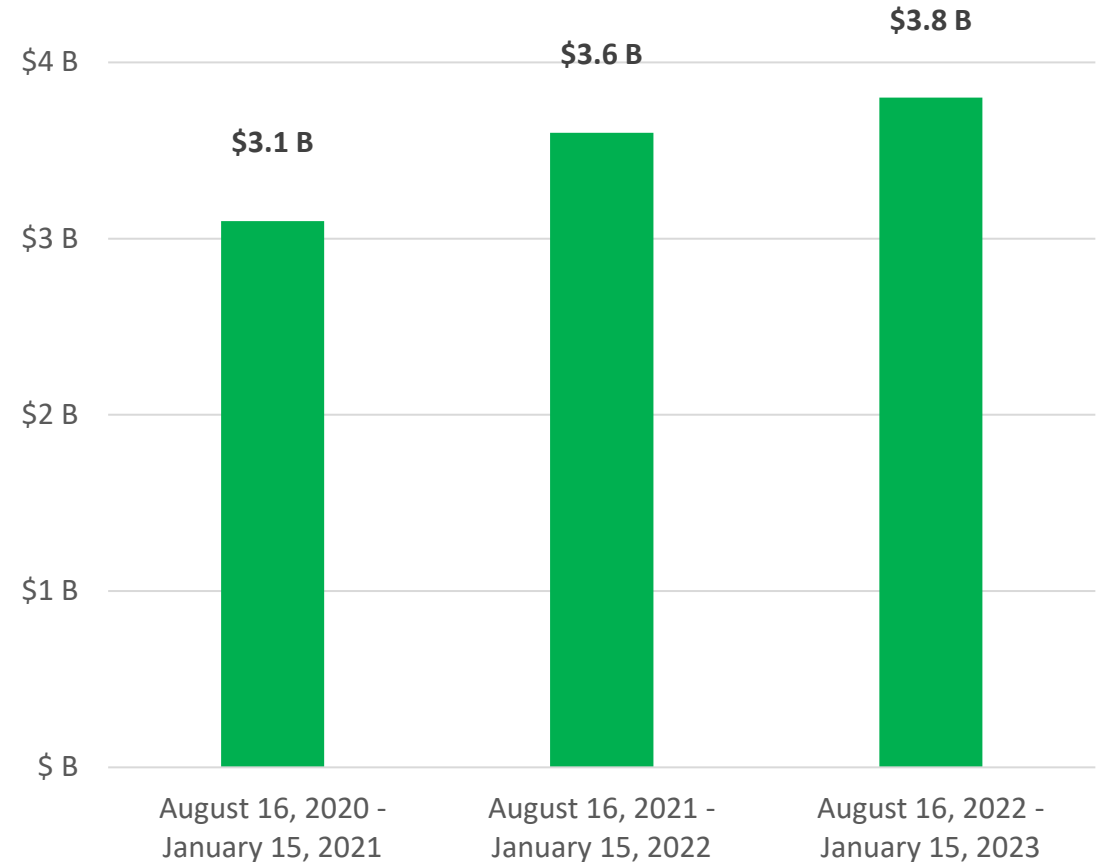
Account	FY 22-23	FY 23-24	FY 24-25
MAIN AB 109 SUBACCOUNT	16,637,590	16,814,229	17,249,236
DA/PD SUBACCOUNT	717,304	729,458	760,312
MAIN AB 109 GROWTH (after 10% to Local Innovation Subaccount)	2,225,839	122,901	302,668*
DA/PD GROWTH (after 10% to Local Innovation Subaccount)	168,436	10,939	27,768*

\* Change from zero growth to positive growth is expected, as growth two years out isn't projected until the January proposed budget.

# Economic Indicators

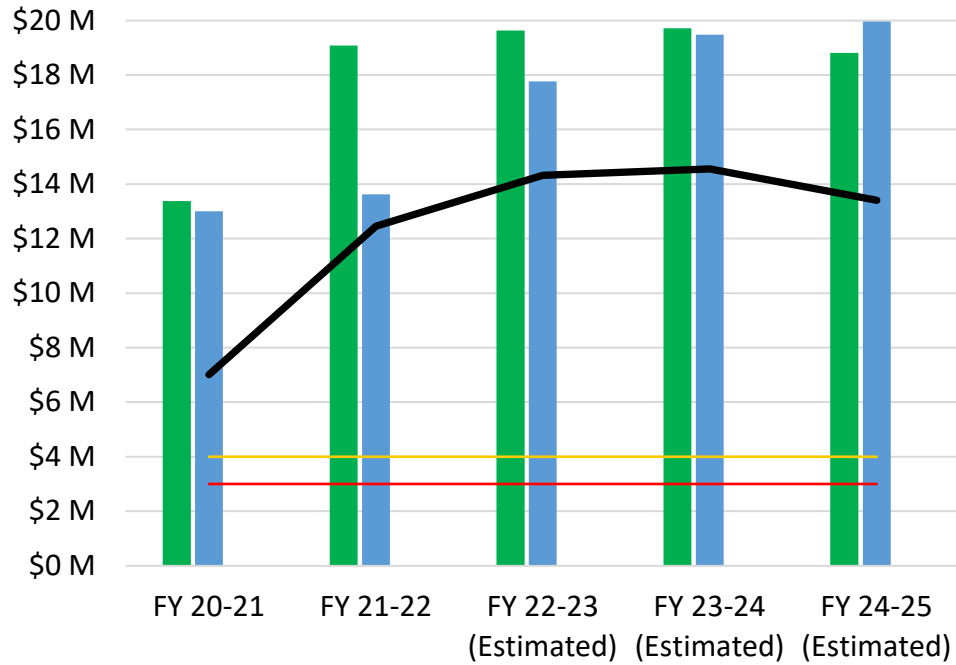
- Unemployment is low  
(CA now at 4.1%)
- Inflation has slowed for 5 consecutive months  
(CA now at 7.3%)
- Real GDP increased at an annual rate of 2.9% in the 2022 Q4  
(Q3 = 3.2% in U.S., 3.8% in CA)

2011 Realignment Sales Tax Revenue during first 5 months of year

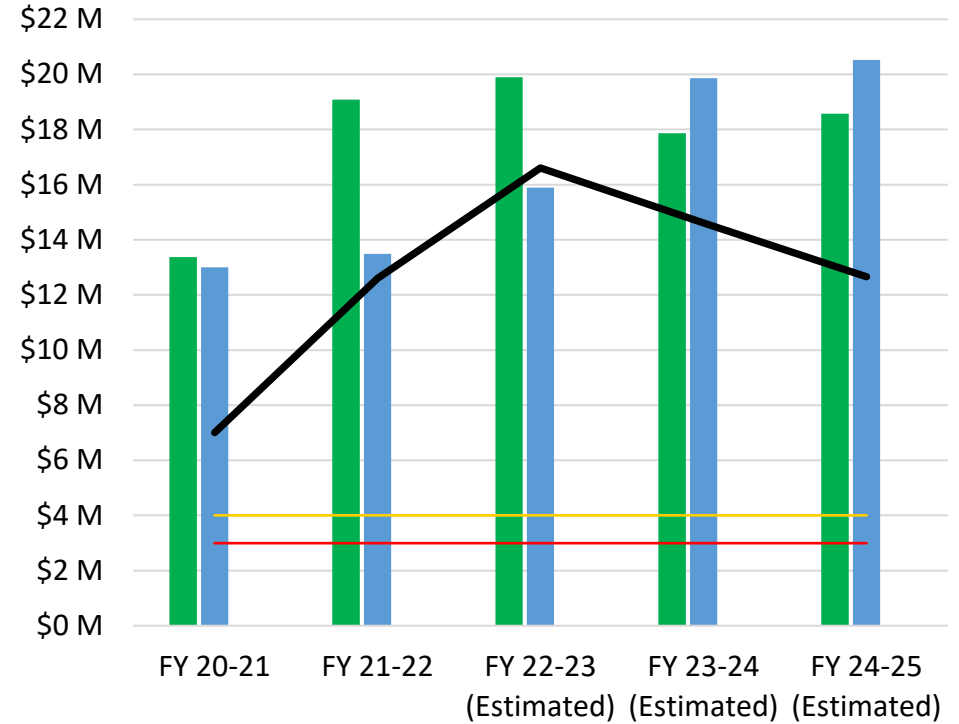


# CCP Revenue and Expenditure Projection

October 31, 2022



January 30, 2023



■ Annual Revenue ■ Annual Expenditure — Year-End Fund Balance — Fund Balance Goal — Fund Balance Minimum

# CCP Funding Summary

## **Fund Balance**

Projected FY 22-23 yearend fund balance = \$16.5M or 10 months of expenditures

## **Revenues**

Excluding volatile growth, revenue expected to increase slowly

## **Expenditures**

Projected structural deficit = 10% per year (projected spend of \$110 for every \$100 received)

# Recommendation

- Adopt a status quo budget as presented today.
- Pending May Revise and salary negotiations, CCP may reconsider budget options.