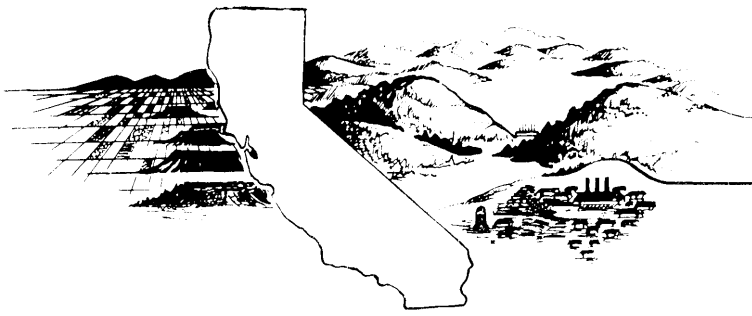


BUDGET MESSAGE



Butte County

OFFICE OF THE AUDITOR-CONTROLLER
COUNTY ADMINISTRATION BUILDING
25 COUNTY CENTER DRIVE • OROVILLE, CALIFORNIA 95965 3363
TELEPHONE: (530) 538-7607
FAX: (530) 538-7693

MEMORANDUM

To: The Citizens of Butte County

**From: David A. Houser
Auditor-Controller**

Date: October 10, 2007

Final Budget 2007-08 Fiscal Year

The final budget was adopted by the Board of Supervisors at their meeting on June 26, 2007. With the closeout of the prior fiscal year, additional resources were provided from the year-end fund balance. The additional resources of \$1,694,764 have been transferred into the Capital Projects Fund to aid in funding the Capital Improvement Program. This program was developed during the 2006-07 fiscal year to address the capital needs of the County. The secured property tax roll growth rate for fiscal year 2007-08 is 9.77%, down from 12.32% for the 2006-07 fiscal year. The current growth rate, however, is still within an adequate range to help sustain appropriate funding for the fiscal year.

During the 2006-07 fiscal year the County experienced slow reimbursement from the State, primarily for the Department of Behavioral Health. For the 2007-08 fiscal year, the State has indicated that timeliness of reimbursement will improve. Additionally, there is current legislation that allows for payment of prior years' monies still owed. The County continues the task of updating the County's General Plan. This plan sets a vision for the future of Butte County by focusing on physical, environmental, economic and other conditions in the County.

Through the hard work and dedication of Butte County staff, the Board of Supervisors was able to adopt a budget for the 2007-08 fiscal year that will continue to provide sustainable levels of programs and services to the citizens of Butte County.