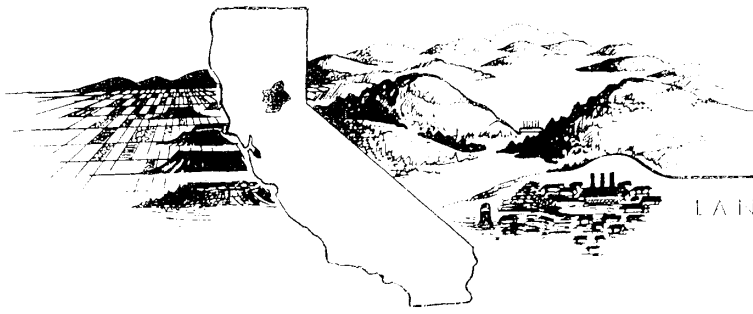


# BUDGET MESSAGE



# *Butte County*

LAND OF NATURAL WEALTH AND BEAUTY

**OFFICE OF THE AUDITOR-CONTROLLER**  
COUNTY ADMINISTRATION BUILDING  
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## **MEMORANDUM**

**To: The Citizens of Butte County**

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

**Date: October 13, 2008**

### Final Budget 2008-09 Fiscal Year

The final budget was adopted by the Board of Supervisors at their meeting on June 24, 2008. When the books were finally closed, the year-end fund balance had further eroded by a decrease of \$3,315,699. The secured property tax roll growth rate for fiscal year 2008-09 is 5.33%, down from 9.77% for the 2007-08 fiscal year. The current growth rate is less than half of the 12.32% rate in 2006-07. The effects of a continued declining housing market and rapidly slowing economy are being felt throughout the state of California, as well as in Butte County.

Butte County is facing many fiscal challenges during the 2008-09 fiscal year. Budget constraints at the state level are being felt across the board at the local level. Reimbursements from the state have continued to be slow, especially in the Health and Social Services arenas, and delays in adopting a timely state budget has exacerbated this situation, as well as the national economic outlook. It is likely that continued budget constraints at the state level will have a negative fiscal impact on local governments beyond the 2008-09 fiscal year. Butte County experienced a series of devastating fires during the summer, resulting in costs of several million dollars to the County. Efforts are currently being made to capture as much reimbursement as possible from the federal and state governments, with the current budget impacted and cash flow significantly impacted.

The dedicated staff of Butte County employees continues to work diligently to provide sound fiscal leadership to the citizens of Butte County. As the fiscal challenges on the horizon surface, the expertise of county staff will meet these challenges head on in an attempt to keep the fiscal integrity of Butte County intact.

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