



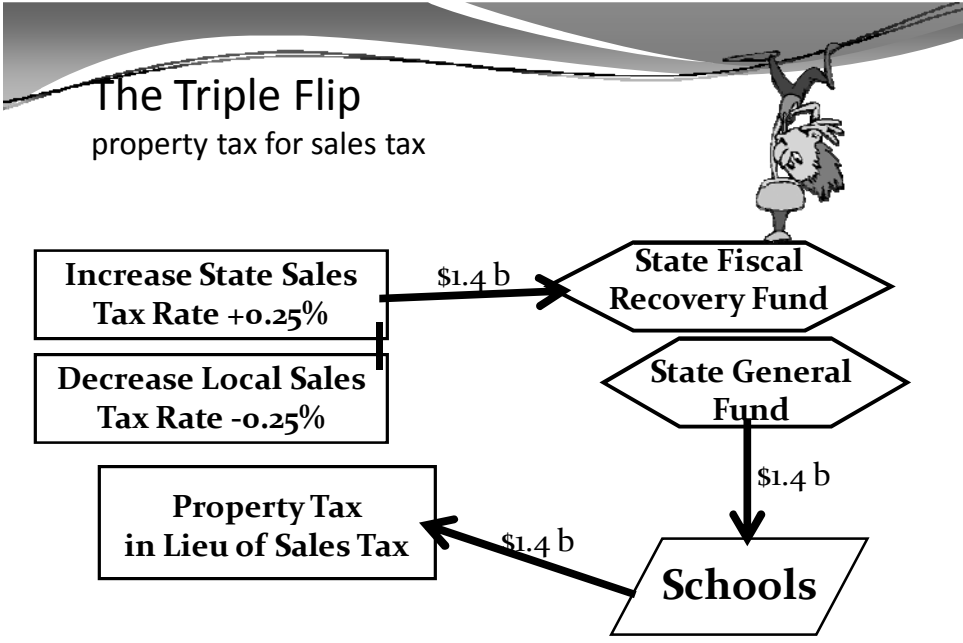
Pain in the Triple Flip

The Huge Decline in FY09-10 Sales & Use Tax Compensation Funds



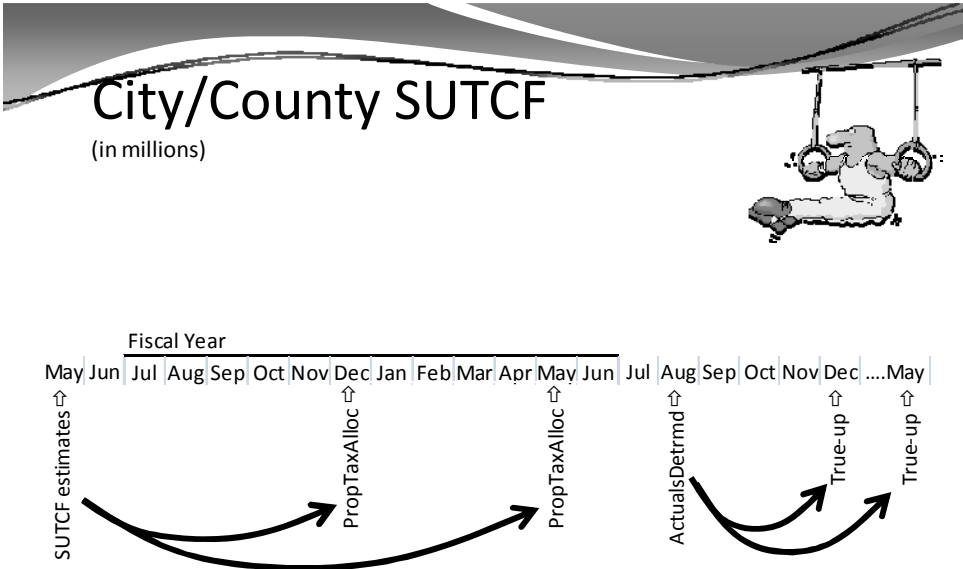
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City/County SUTCF

(in millions)



True-up affects subsequent fiscal year

	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10
Estimated Allocation	1,136	1,343	1,420	1,468	1,445	1,157
Actual Revenues	963	1,393	1,426	1,412	1,297	
Adjustment		(173)	50	6	(56)	(148)
AdminCharges			(10)	(10)	(10)	(10)
Net	1,136	1,170	1,460	1,464	1,379	999

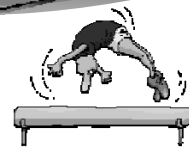
Source: Calif Dept of Finance

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City/County SUTCF

(in millions)



Annual SUTCF is the sum of the current FY estimate and the true-up from the prior year.

	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10
Estimated Allocation	1,136	1,343	1,420	1,468	1,445	1,157
Actual Revenues	963	1,393	1,426	1,412	1,297	
Adjustment		(173)	50	6	(56)	(148)
AdminCharges			(10)	(10)	(10)	(10)
Net	1,136	1,170	1,460	1,464	1,379	999

Source: Calif Dept of Finance

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City/County SUTCF

(in millions)



	FY04-05		FY05-06		FY06-07		FY07-08		FY08-09		FY09-10
Estimated Allocation	1,136	18.2%	1,343	5.7%	1,420	3.4%	1,468	-1.6%	1,445	-19.9%	1,157
Actual Revenues	963		1,393	2.4%	1,426	-1.0%	1,412	-8.1%	1,297	-11%?	
Adjustment			(173)		50		6		(56)		(148)
AdminCharges					(10)		(10)		(10)		(10)
Net	1,136	3.0%	1,170	24.8%	1,460	0.3%	1,464	-5.8%	1,379	-27.6%	999

Source: Calif Dept of Finance

- ✓ FY08-09 Estimate was \$148m high.
- ✓ FY09-10 revenues projected to fall 11% from FY08-09 actuals.

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City/County SUTCF

(in millions)



	FY04-05		FY05-06		FY06-07		FY07-08		FY08-09		FY09-10		FY10-11
Estimated Allocation	1,136	18.2%	1,343	5.7%	1,420	3.4%	1,468	-1.6%	1,445	-19.9%	1,157	0%	1,157
Actual Revenues	963		1,393	2.4%	1,426	-1.0%	1,412	-8.1%	1,297	-11%?	1,157	?	
Adjustment			(173)		50		6		(56)		(148)		-
AdminCharges					(10)		(10)		(10)		(10)		(10)
Net	1,136	3.0%	1,170	24.8%	1,460	0.3%	1,464	-5.8%	1,379	-27.6%	999	15%	1,147

Source: Calif Dept of Finance

- If FYFY09-10 estimate is accurate and
- if FY10-11 SUT growth is flat,
- ... SUTCF in FY10-11 will *increase* 15% on average.

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