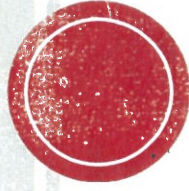


TEN-YEAR GENERAL FUND FORECAST



Clayton City Council

February 1, 2022

HISTORICAL GENERAL FUND PERFORMANCE (REVISED)

	Actual 6/30/2015	Actual 6/30/2016	Actual 6/30/2017	Actual 6/30/2018	Actual 6/30/2019	Actual 6/30/2020	Actual 6/30/2021	Average Growth %
Total Revenues	4,431,718	4,490,831	4,454,825	4,483,336	4,700,951	4,905,579	4,805,528	1.390%
Total Operational Expenditures	3,841,826	3,945,387	4,087,088	4,301,836	4,622,330	4,599,493	4,666,962	3.327%
Operational Excess (Deficit)	589,892	545,444	367,737	181,500	78,621	306,086	138,566	
Extraordinary Loss - Redevelop	200,000	230,786						
Use of Prior Year Excess	0	109,756	68,515	432,310	(15,053)	(98,339)	194,155	
Net Increase (Decrease) to Fund	389,892	204,902	299,222	(250,810)	93,674	404,425	(55,589)	
Fund Balance, Beginning of year	5,148,737	5,413,157	5,618,059	5,917,281	5,666,471	5,760,145	6,164,570	
Fund Balance, End of Year	5,538,629	5,618,059	5,917,281	5,666,471	5,760,145	6,164,570	6,108,981	



ASSUMPTIONS & CONSIDERATIONS

- Used average rates of growth for revenues and expenditures over the last six years:
 - ~1.4% revenue growth (not as optimistic as table in the staff report)
 - ~ 3.6 % expenditure growth (a bit more optimistic than the staff report)
- For every 1% change in either expenditures or revenues, approximately a \$50,000 change.
- Post-Redevelopment activity wraps up by FY2026; in FY2027, the City will no longer receive approximately \$200,000 in administrative funding which has been available for general purposes.
- Changes early in the forecast are magnified over the course of the remaining years.
- Financial projection is as much art as science and it is quite common for projections to be off by several percentage points, especially over a period of five or ten years.
- There is likely to be more volatility in expenditures than revenues. That includes issues such as:
 - Inflation including impacts on fuel, electricity, etc.
 - Drought could significantly increase water costs
 - Future CalPERS changes including discount rate or other policy changes could put significant pressure on expenses.



GENERAL FUND PROJECTION (BASELINE/REVISED)

	Year End 6/30/2021	Proposed 6/30/2022	Projected 6/30/2023	Projected 6/30/2024	Projected 6/30/2025	Projected 6/30/2026	Projected 6/30/2027	Projected 6/30/2028	Projected 6/30/2029	Projected 6/30/2030	Projected 6/30/2031
Total Revenues	4,805,528	5,185,450	5,208,348	5,281,567	5,355,816	5,431,109	5,307,460	5,382,073	5,457,735	5,534,461	5,612,265
Total Operational Expenditure:	4,666,962	5,177,482	5,362,816	5,554,784	5,753,624	5,959,582	6,172,912	6,393,879	6,622,755	6,859,825	7,105,380
Operational Excess (Deficit)	138,566	7,968	(154,468)	(273,217)	(397,808)	(528,473)	(865,452)	(1,011,806)	(1,165,020)	(1,325,364)	(1,493,115)
Use of Prior Year Excess	194,155	-	-	-	-	-	-	-	-	-	-
Net Increase (Decrease) to Fun	(55,589)	7,968	(154,468)	(273,217)	(397,808)	(528,473)	(865,452)	(1,011,806)	(1,165,020)	(1,325,364)	(1,493,115)
Fund Balance, Beginning of ye:	6,164,570	6,108,981	6,116,949	5,962,481	5,689,264	5,291,456	4,762,983	3,897,531	2,885,725	1,720,705	395,341
Fund Balance, End of Year	6,108,981	6,116,949	5,962,481	5,689,264	5,291,456	4,762,983	3,897,531	2,885,725	1,720,705	395,341	(1,097,774)



GENERAL FUND PROJECTION (UNMET NEEDS / REVISED)

	Year End	Proposed	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	6/30/2028	6/30/2029	6/30/2030	6/30/2031	
Total Revenues	4,805,528	5,185,450	5,208,348	5,281,567	5,355,816	5,431,109	5,307,460	5,382,073	5,457,735	5,534,461	5,612,265	
Total Operational Expenditure:	4,666,962	5,177,482	5,880,714	6,091,221	6,309,264	6,535,111	6,769,043	7,011,349	7,262,328	7,522,292	7,791,561	
Operational Excess (Deficit)	138,566	7,968	(672,366)	(809,654)	(953,447)	(1,104,002)	(1,461,583)	(1,629,276)	(1,804,593)	(1,987,831)	(2,179,296)	
Use of Prior Year Excess	194,155	-	-	-	-	-	-	-	-	-	-	
Net Increase (Decrease) to Fun	(55,589)	7,968	(672,366)	(809,654)	(953,447)	(1,104,002)	(1,461,583)	(1,629,276)	(1,804,593)	(1,987,831)	(2,179,296)	
Fund Balance, Beginning of year	6,164,570	6,108,981	6,116,949	5,444,583	4,634,929	3,681,482	2,577,480	1,115,897	(513,379)	(2,317,972)	(4,305,803)	
Fund Balance, End of Year	6,108,981	6,116,949	5,444,583	4,634,929	3,681,482	2,577,480	1,115,897	(513,379)	(2,317,972)	(4,305,803)	(6,485,099)	



