

# Measure M2 Forecast Update Spring 2010



Board of Directors' Meeting

June 28, 2010

# Background

- Chapman University Forecast
  - Since inception of Measure M in 1991
- Three University Forecast
  - Since development of Measure M2
  - Average of three forecasts
    - Chapman University
    - California State University Fullerton
    - UCLA – Anderson Forecast

# Fiscal Year 2010-11 Forecasts

- **FY 2010-11 Budget Forecast**
  - 1.1%, which is based on SBOE projections
  - Conservative
- **Spring 2010 Three-University Forecast for FY 2010-11**
  - 6.1% (average forecast)
- **Difference between methods**
  - Three University Forecast is higher
    - FY 2010-11: \$25.8 million higher
    - Measure M2 Total 30-year Program: \$1.7 billion higher

# Three University Forecast Highlights

## 2010 Budget Forecast

- Total M2 Nominal Forecast is \$13.6 billion
- FY 2040 Forecast is \$759.4 million

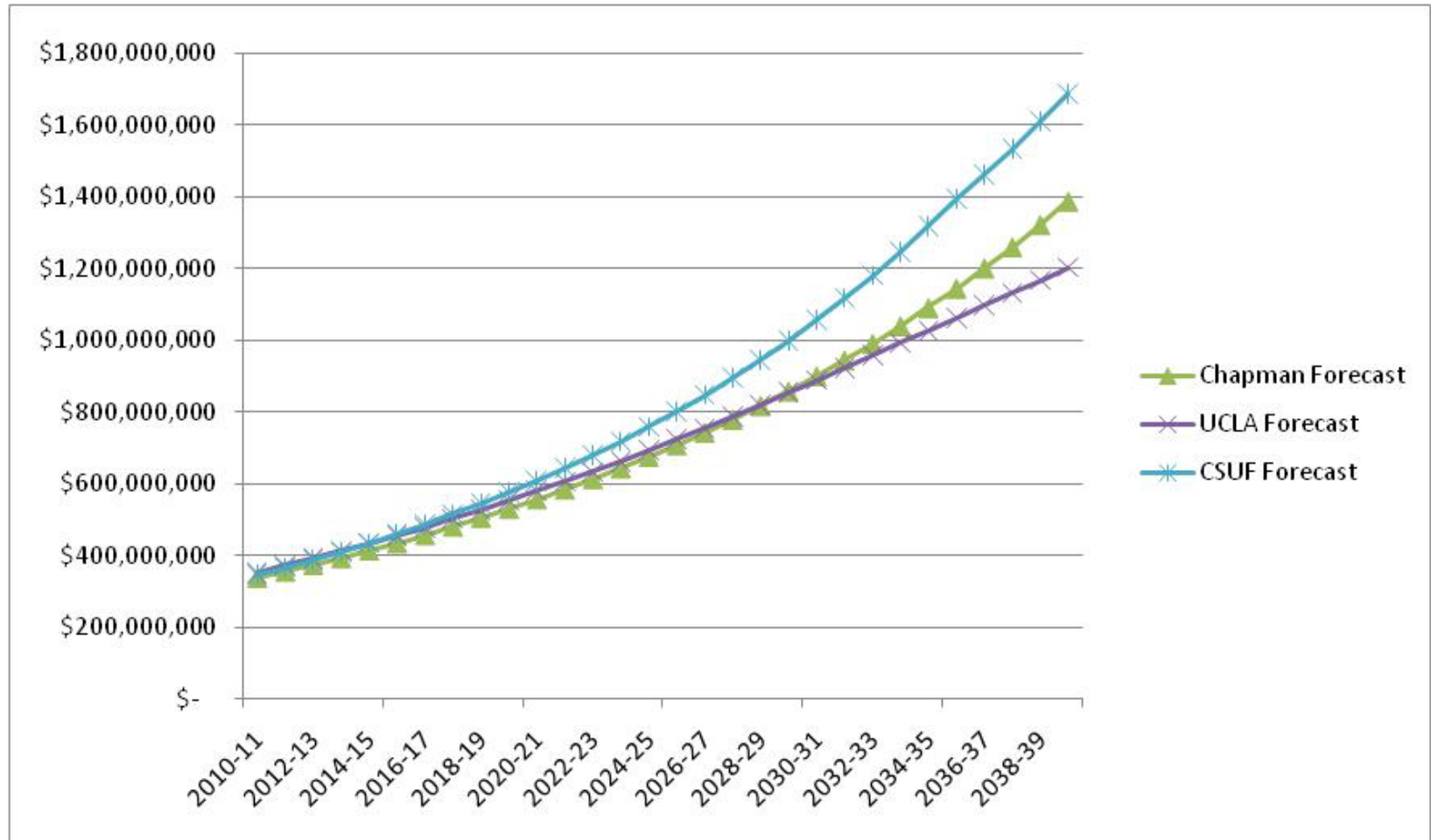
## 2010 Average Forecast

- Total M2 Nominal Forecast is \$15.3 billion
- FY 2040 Forecast is \$851.5 million

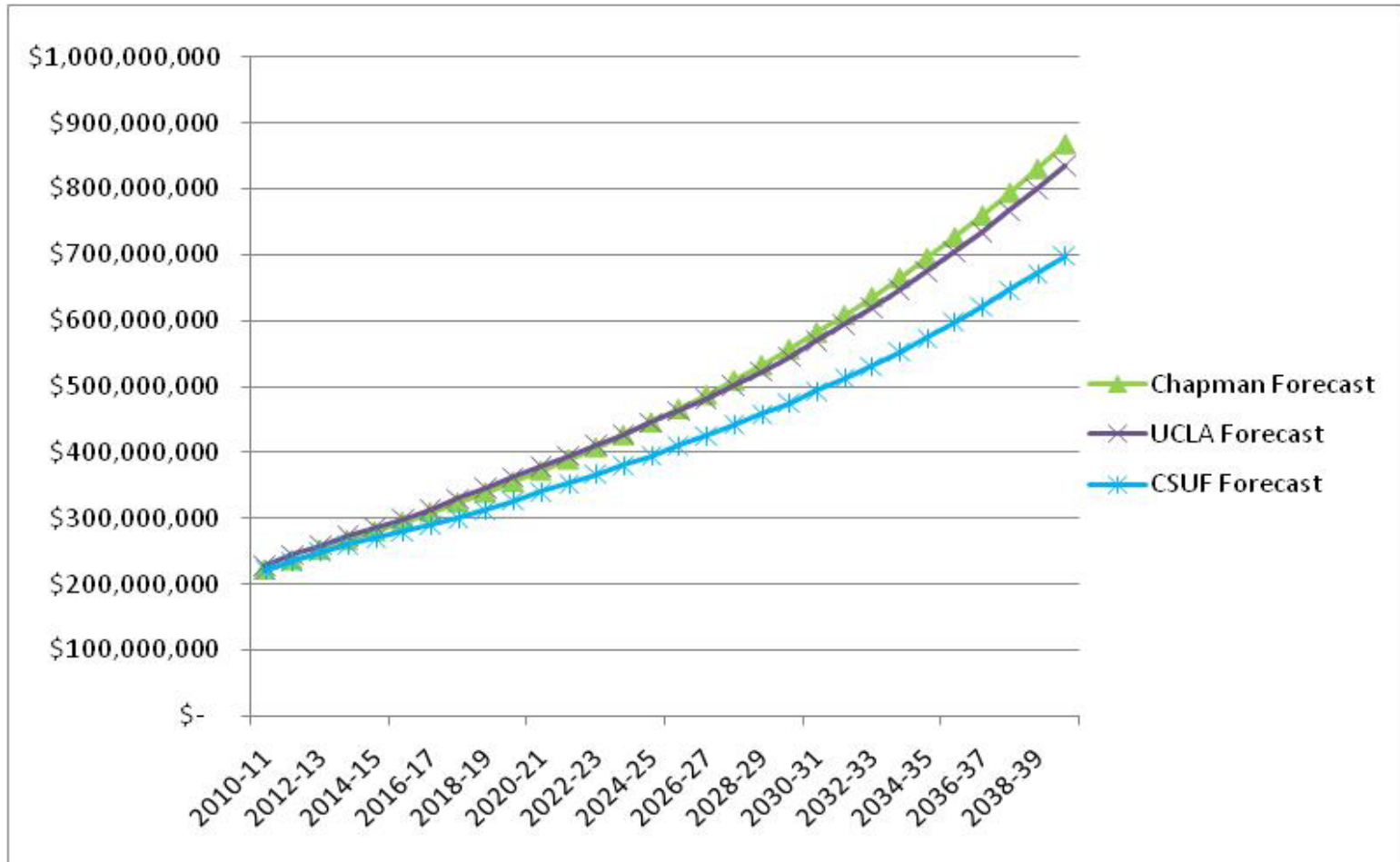
## 2005 Average Forecast

- Total M2 Nominal Forecast was \$24.3 billion
- FY 2040 Forecast was \$1.4 billion

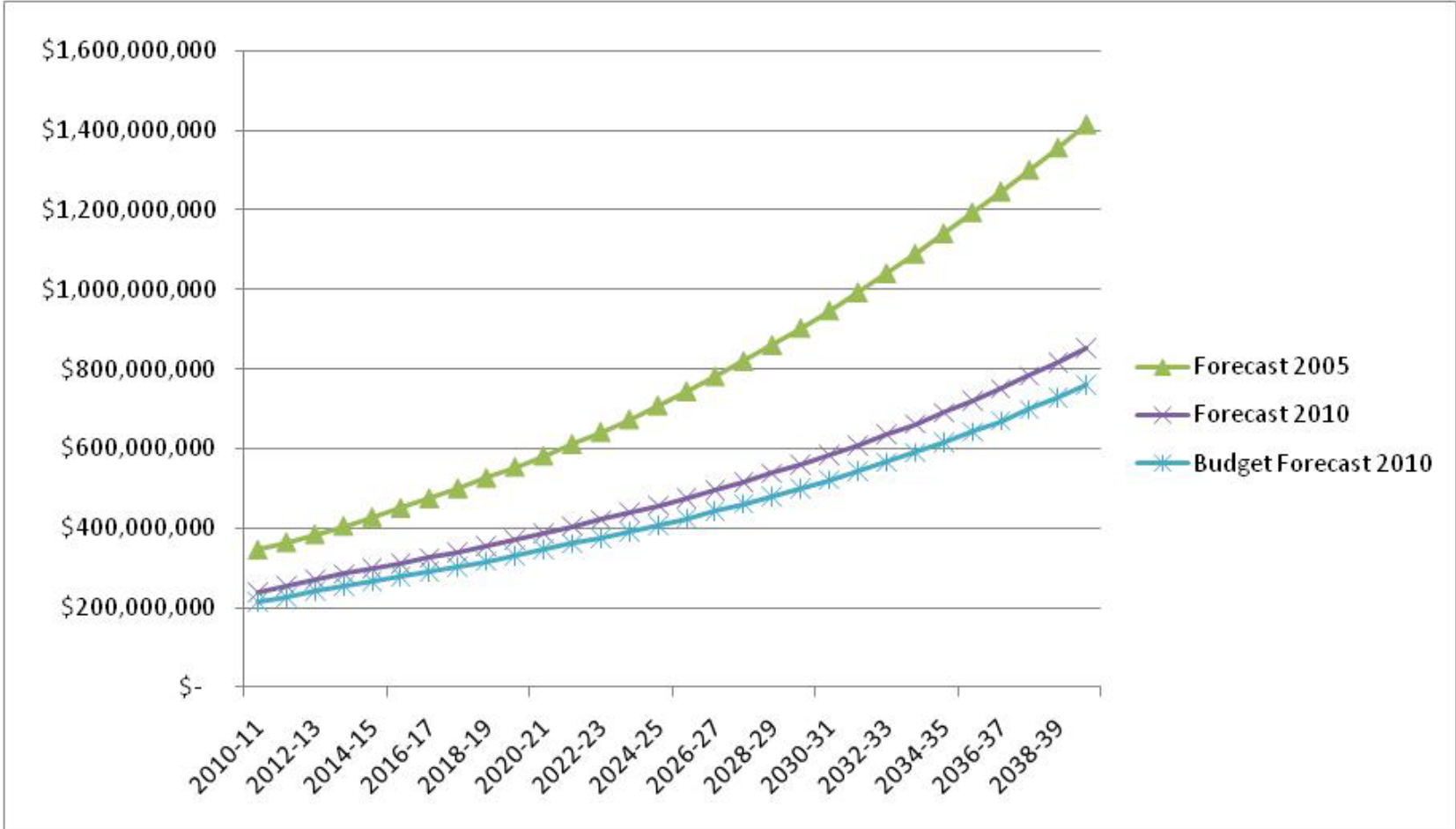
# 2005 Average Forecast



# Spring 2010 Average Forecast



# Forecast Comparison



# Forecasting Methodology for M2

- Continue to utilize the Budget Forecast
  - As the base year forecast (includes actuals year-to-date)
  - As the budget year forecast
- Use Average Three University Forecast thereafter