

General Fund Multi-Year Forecast
2018 Budget Act
(Dollars in Millions)

	2017-18	2018-19	2019-20	2020-21	2021-22
RESOURCES:					
Prior Year Balance	\$5,702	\$8,483	\$3,127	\$3,724	\$3,306
Revenues/Transfers	132,522	137,690	143,231	147,106	151,014
Transfer to the Budget Stabilization Account ^{1/}	-2,697	-4,358	-545	-360	-372
Total Resources	\$135,527	\$141,815	\$145,813	\$150,470	\$153,948
EXPENDITURES:					
Proposition 98	\$53,381	\$54,870	\$56,283	\$56,367	\$57,584
Non-Proposition 98	73,663	83,818	84,817	89,689	94,396
Prop 2 Infrastructure/Deferred Maintenance ^{2/}	-	-	989	1,109	999
Total Expenditures	\$127,044	\$138,688	\$142,089	\$147,165	\$152,979
FUND BALANCES:					
	\$8,483	\$3,127	\$3,724	\$3,306	\$969
Reserve for Encumbrances	\$1,165	\$1,165	\$1,165	\$1,165	\$1,165
Reserves	\$7,318	\$2,162	\$2,759	\$2,341	\$4
Budget Stabilization Account/Rainy Day Fund	\$9,410	\$13,768	\$14,313	\$14,673	\$15,045
BSA balance as a percentage of General Fund tax proceeds	7.1%	10.0%	10.0%	10.0%	10.0%
Operating Surplus/Deficit with BSA Transfer	\$2,781	-\$5,356	\$597	-\$419	-\$2,337

^{1/} Includes \$2.611b supplemental transfer in 2018-19, which will be temporarily held in the Budget Deficit Savings Account until May 31, 2019.

^{2/} Reflects amount available for infrastructure/deferred maintenance expenditure under Proposition 2.

Debts and Liabilities Eligible for Accelerated Payments Under Proposition 2
2018 Budget Act
(Dollars in Millions)

	Outstanding Amount at Start of 2018-19 ^{2/}	Use of 2018-19 Pay Down	Proposed Use of 2019-20 Pay Down	Proposed Use of 2020-21 Pay Down	Proposed Use of 2021-22 Pay Down
Budgetary Borrowing					
Loans from Special Funds	\$1,248	\$205	\$39	\$288	\$474
Weight Fees	1,150	382	509	259	0
Underfunding of Proposition 98—Settle-Up	440	100	100	190	50
Non-Proposition 98 Mandates (Pre 2004)	18	7	0	0	0
Pre-Proposition 42 Transportation Loans	471	235	236	0	0
State Retirement Liabilities					
State Retiree Health	91,008	195	260	305	315
State Employee Pensions	58,765	623	390	427	532
Teachers' Pensions ^{1/}	103,468	0	0	0	0
Judges' Pensions	3,277	0	0	0	0
Deferred payments to CalPERS	682	0	0	0	0
University of California Retirement Liabilities					
University of California Employee Pensions	10,851	0	0	0	0
University of California Retiree Health	19,331	0	0	0	0
Total	\$290,709	\$1,747	\$1,534	\$1,469	\$1,371

^{1/} The state portion of the unfunded liability for teachers' pensions is \$35.3 billion.

^{2/} For retiree health and pensions, the amounts reflect latest actuarial report available.

Projections of 2018-19 General Fund
(Dollars in Millions)

	2018 Budget Act ¹	2017 Budget Act	2016 Budget Act	2015 Budget Act	2014 Budget Act
Total Revenues and Transfers	\$133,332	\$130,157	\$128,037	\$126,572	Not Available
Total Expenditures	138,688	130,216	130,116	129,235	Not Available

This information is provided in compliance with SB 15 (Chapter 737, Statutes of 2011), which requires that the projection of the 2018-19 General Fund total resources and total expenditures be accompanied by the projections for the same year from the previous four budget acts. Each forecast is based on the assumptions in place at that time.

The 2018 Budget Act multi-year projection is based on existing state/federal law and state policies, adjusted for changes included in the 2018 Budget Act. It reflects various assumptions depending on the particular program regarding changes in enrollment, caseload, and population. The projections also use various cost escalation and COLA factors depending on the particular program.

^{1/}Pursuant to Proposition 2 of 2014, the 2018 Budget Act projected revenues and transfers are reduced by \$1.747 billion reflecting the estimated required transfer to the Budget Stabilization Account (BSA); and the budget includes \$1.747 billion to pay down debt, as reflected on the previous page. Projected revenues and transfers are further reduced by a \$2.611 billion supplemental transfer to the BSA.