## General Fund Multi-Year Forecast
### 2019 Budget Act
(Dollars in Millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior Year Balance</td>
<td>$11,419</td>
<td>$6,772</td>
<td>$2,796</td>
<td>$2,808</td>
<td>$2,837</td>
</tr>
<tr>
<td>Revenues/Transfers</td>
<td>$141,597</td>
<td>$145,962</td>
<td>$151,328</td>
<td>$155,182</td>
<td>$157,843</td>
</tr>
<tr>
<td>Transfer to Budget Stabilization Account</td>
<td>-$3,551</td>
<td>-$2,158</td>
<td>-$1,581</td>
<td>-$384</td>
<td>-$265</td>
</tr>
<tr>
<td><strong>Total Resources</strong></td>
<td><strong>$149,466</strong></td>
<td><strong>$150,577</strong></td>
<td><strong>$152,543</strong></td>
<td><strong>$157,606</strong></td>
<td><strong>$160,416</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENDITURES:</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposition 98</td>
<td>$54,445</td>
<td>$55,891</td>
<td>$57,053</td>
<td>$58,513</td>
<td>$59,520</td>
</tr>
<tr>
<td>Non-Proposition 98</td>
<td>$88,249</td>
<td>$91,890</td>
<td>$92,407</td>
<td>$95,102</td>
<td>$96,918</td>
</tr>
<tr>
<td>Prop 2 Infrastructure/Deferred Maintenance</td>
<td>$0</td>
<td>$0</td>
<td>$276</td>
<td>$1,154</td>
<td>$1,107</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$142,694</strong></td>
<td><strong>$147,781</strong></td>
<td><strong>$149,735</strong></td>
<td><strong>$154,768</strong></td>
<td><strong>$157,545</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND BALANCES:</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve for Encumbrances</td>
<td>$1,385</td>
<td>$1,385</td>
<td>$1,385</td>
<td>$1,385</td>
<td>$1,385</td>
</tr>
<tr>
<td>SFEU</td>
<td>$5,388</td>
<td>$1,412</td>
<td>$1,423</td>
<td>$1,453</td>
<td>$1,486</td>
</tr>
<tr>
<td>Safety Net Reserve</td>
<td>$900</td>
<td>$900</td>
<td>$900</td>
<td>$900</td>
<td>$900</td>
</tr>
<tr>
<td>Budget Stabilization Account (Mandatory Deposits)</td>
<td>$11,264</td>
<td>$13,422</td>
<td>$15,003</td>
<td>$15,387</td>
<td>$15,652</td>
</tr>
<tr>
<td>Budget Stabilization Account (Total Deposits)</td>
<td>$14,358</td>
<td>$16,516</td>
<td>$18,097</td>
<td>$18,481</td>
<td>$18,746</td>
</tr>
<tr>
<td>Public School System Stabilization Account</td>
<td>$0</td>
<td>$377</td>
<td>$377</td>
<td>$377</td>
<td>$377</td>
</tr>
<tr>
<td>BSA mandatory balance as a percentage of General Fund Tax Proceeds</td>
<td>7.9%</td>
<td>9.1%</td>
<td>10.0%</td>
<td>10.0%</td>
<td>10.0%</td>
</tr>
<tr>
<td>SFEU/Safety Net/PSSSA/Total BSA as a percentage of Total Resources</td>
<td>13.8%</td>
<td>12.8%</td>
<td>13.6%</td>
<td>13.5%</td>
<td>13.4%</td>
</tr>
</tbody>
</table>

| Operating Surplus/Deficit with BSA Transfer | -$4,647 | -$3,976 | $12    | $29    | $33    |
| One-Time Investments               | $8,552  | $9,001  | $0     | $0     | $0     |
| Operating Surplus/Deficit--Excluding One-Time | $3,905 | $5,025  | $12    | $29    | $33    |

Note: Totals may not add due to rounding
Debts and Liabilities Eligible for Accelerated Payments Under Proposition 2
2019 Budget Act

(Dollars in Millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Underfunding of Proposition 98—Settle-Up</td>
<td>$391</td>
<td>$391</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>State Retirement Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Retiree Health</td>
<td>85,595</td>
<td>260</td>
<td>305</td>
<td>315</td>
<td>325</td>
</tr>
<tr>
<td>State Employee Pensions</td>
<td>59,714</td>
<td>390</td>
<td>750</td>
<td>608</td>
<td>702</td>
</tr>
<tr>
<td>Teachers’ Pensions 1/</td>
<td>101,992</td>
<td>1,117</td>
<td>802</td>
<td>615</td>
<td>345</td>
</tr>
<tr>
<td>Judges’ Pensions</td>
<td>3,299</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$250,991</strong></td>
<td><strong>$2,158</strong></td>
<td><strong>$1,857</strong></td>
<td><strong>$1,538</strong></td>
<td><strong>$1,372</strong></td>
</tr>
</tbody>
</table>

1/ The state portion of the unfunded liability for teachers’ pensions is $33.4 billion.

2/ For retiree health and pensions, the amounts reflect latest actuarial report available.
Projections of 2019-20 General Fund
(Dollars in Millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues and Transfers</td>
<td>$143,804</td>
<td>$142,686</td>
<td>$134,707</td>
<td>$132,251</td>
<td>Not Available</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$147,781</td>
<td>$142,089</td>
<td>$135,906</td>
<td>$136,538</td>
<td>Not Available</td>
</tr>
</tbody>
</table>

This information is provided in compliance with SB 15 (Chapter 737, Statutes of 2011), which requires that the projection of the 2019-20 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 2019 Budget Act multi-year projection is based on existing state/federal law and state policies, adjusted for changes included in the 2019 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.

1/Pursuant to Proposition 2 of 2014, the 2019 Budget Act projected revenues and transfers are reduced by $2.158 billion reflecting the estimated required transfer to the Budget Stabilization Account; and the budget includes $2.158 billion to pay down debt, as reflected on the previous page.