

General Fund Multiyear Forecast
2023 Budget Act
(Dollars in Millions)

	2022-23	2023-24	2024-25	2025-26	2026-27
RESOURCES:					
Prior Year Balance	\$55,810	\$26,352	\$9,112	-\$9,069	-\$25,542
Revenues/Transfers	\$205,678	\$208,688	\$207,280	\$206,180	\$212,205
Transfer to Budget Stabilization Account	-\$544	\$0	-\$180	-\$244	-\$546
Total Resources	\$260,944	\$235,040	\$216,212	\$196,867	\$186,117
EXPENDITURES:					
Proposition 98	\$78,117	\$77,457	\$79,739	\$81,675	\$83,849
Proposition 28 Arts and Music Education	\$0	\$938	\$0	\$0	\$0
Non-Proposition 98	\$154,306	\$145,196	\$143,935	\$139,431	\$141,977
Prop 2 Infrastructure/Deferred Maintenance	\$2,169	\$2,337	\$1,607	\$1,303	\$1,129
Total Expenditures	\$234,592	\$225,928	\$225,281	\$222,409	\$226,955
FUND BALANCES:					
	\$26,352	\$9,112	-\$9,069	-\$25,542	-\$40,838
Reserve for Encumbrances	\$5,272	\$5,272	\$5,272	\$5,272	\$5,272
SFEU	\$21,080	\$3,840	-\$14,341	-\$30,814	-\$46,110
Safety Net Reserve	\$900	\$900	\$900	\$900	\$900
Budget Stabilization Account (Mandatory Deposits)	\$20,453	\$20,132	\$20,312	\$20,556	\$21,102
Budget Stabilization Account (Total Deposits)	\$22,252	\$22,252	\$22,432	\$22,676	\$23,222
Public School System Stabilization Account	\$9,929	\$10,831	\$10,831	\$10,831	\$10,831
Total Reserves	\$54,161	\$37,823	\$19,822	\$3,594	-\$11,156
BSA mandatory balance as a percentage of General Fund Tax Proceeds	10.0%	10.0%	10.0%	10.0%	10.0%
SFEU/Safety Net/PSSSA/Total BSA as a percentage of Total Resources	20.8%	16.1%	9.2%	1.8%	-6.0%
Operating Surplus/Deficit with BSA Transfer	-\$29,458	-\$17,240	-\$18,181	-\$16,472	-\$15,296
One-time Investments (Prior years)	\$32,414	\$27,785	\$13,873	\$8,242	\$0
One-time Investments (One-time/Solutions)	-\$6,361	-\$11,952	-\$2,109	-\$2,688	\$972
Operating Surplus/Deficit--Excluding One-Time	-\$3,404	-\$1,407	-\$6,417	-\$10,918	-\$14,324

Note: Totals may not add due to rounding

Debts and Liabilities Eligible for Payments Under Proposition 2

2023 Budget Act

(Dollars in Millions)

	Outstanding Amount at Start of 2023-24 ^{2/}	Use of 2023-24 Pay Down	Proposed Use of 2024-25 Pay Down	Proposed Use of 2025-26 Pay Down	Proposed Use of 2026-27 Pay Down
State Retirement Liabilities					
1 State Retiree Health	95,510	390	400	410	420
2a State Employee Pensions—SB 84 Loan from SMIF		290	836	590	556
2b State Employee Pensions	70,818	1,657	551	547	699
3 Teachers' Pensions ^{1/}	85,803	0	0	0	0
4 Judges' Pensions	2,771	0	0	0	0
Total	\$254,902	\$2,337	\$1,787	\$1,547	\$1,675

^{1/} The state portion of the unfunded liability for teachers' pensions is \$10.256 billion.

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

Projections of 2023-24 General Fund

(Dollars in Millions)

	2023 Budget Act^{1/}	2022 Budget Act	2021 Budget Act	2020 Budget Act	2019 Budget Act
Total Revenues and Transfers	\$208,668	\$232,424	\$183,926	\$134,925	Not Available
Total Expenditures	\$225,928	\$238,678	\$186,786	\$152,654	Not Available

This information is provided in compliance with SB 15 (Chapter 737, Statutes of 2011), which requires that the projection of the 2023-24 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 2023 Budget Act multiyear projection is based on existing state/federal law and state policies, adjusted for changes included in the 2023 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 2023 Budget Act does not project a revenue transfer to the Budget Stabilization Account because the balance reaches the 10 percent Constitutional cap. The budget includes \$2.337 billion to pay down debt, as reflected on the previous page.