

**General Fund Multiyear Forecast  
2024-25 Governor's Budget**

(Dollars in Millions)

|  | 2023-24          | 2024-25          | 2025-26          | 2026-27          | 2027-28          |
|--|------------------|------------------|------------------|------------------|------------------|
| <b>RESOURCES:</b>  |                  |                  |                  |                  |                  |
| Prior Year Balance   | \$42,078         | \$8,029          | \$14,010         | -\$22,499        | -\$52,698        |
| Revenues/Transfers   | \$198,283        | \$202,673        | \$197,398        | \$205,372        | \$219,437        |
| Transfer to Budget Stabilization Account                           | -\$1,424         | \$0              | -\$2,247         | -\$2,085         | -\$2,204         |
| Withdrawal from the Budget Stabilization Account                   | \$0              | \$12,026         | \$0              | \$0              | \$0              |
| <b>Total Resources</b>   | <b>\$238,937</b> | <b>\$222,728</b> | <b>\$209,161</b> | <b>\$180,788</b> | <b>\$164,535</b> |
| <b>EXPENDITURES:</b>   |                  |                  |                  |                  |                  |
| Proposition 98   | \$74,633         | \$76,894         | \$78,350         | \$81,990         | \$86,976         |
| Proposition 28 Arts and Music Education                            | \$938            | \$0              | \$0              | \$0              | \$0              |
| Non-Proposition 98   | \$155,225        | \$131,824        | \$153,310        | \$151,496        | \$158,729        |
| Prop 2 Infrastructure/Deferred Maintenance                         | \$112            | \$0              | \$0              | \$0              | \$0              |
| <b>Total Expenditures</b>  | <b>\$230,908</b> | <b>\$208,718</b> | <b>\$231,660</b> | <b>\$233,486</b> | <b>\$245,705</b> |
| <b>FUND BALANCES:</b>  |                  |                  |                  |                  |                  |
|  | \$8,029          | \$14,010         | -\$22,499        | -\$52,698        | -\$81,170        |
| Reserve for Encumbrances   | \$10,569         | \$10,569         | \$10,569         | \$10,569         | \$10,569         |
| SFEU   | -\$2,540         | \$3,441          | -\$33,068        | -\$63,267        | -\$91,739        |
| Safety Net Reserve   | \$900            | \$0              | \$0              | \$0              | \$0              |
| Budget Stabilization Account (Mandatory Deposits)                  | \$19,319         | \$9,092          | \$11,339         | \$13,424         | \$15,628         |
| Budget Stabilization Account (Total Deposits)                      | \$23,132         | \$11,106         | \$13,353         | \$15,438         | \$17,642         |
| Public School System Stabilization Account                         | \$5,730          | \$3,852          | \$3,852          | \$3,852          | \$3,852          |
| Total Reserves   | \$27,222         | \$18,399         | -\$15,863        | -\$43,978        | -\$70,245        |
| BSA mandatory balance as a percentage of General Fund Tax Proceeds | 10.0%            | 4.7%             | 5.8%             | 6.6%             | 7.2%             |
| SFEU/Safety Net/PSSSA/Total BSA as a percentage of Total Resources | 11.4%            | 8.3%             | -7.6%            | -24.3%           | -42.7%           |
| <b>Operating Surplus/Deficit with BSA Transfer</b>                 | <b>-\$34,049</b> | <b>\$5,981</b>   | <b>-\$36,509</b> | <b>-\$30,199</b> | <b>-\$28,472</b> |

**Note:** Totals may not add due to rounding

## Debts and Liabilities Eligible for Payments Under Proposition 2

### 2024-25 Governor's Budget

(Dollars in Millions)

|   | Outstanding<br>Amount at Start<br>of 2024-25 <sup>2/</sup> | Proposed Use<br>of 2024-25 Pay<br>Down | Proposed Use<br>of 2025-26 Pay<br>Down | Proposed Use<br>of 2026-27 Pay<br>Down | Proposed Use<br>of 2027-28 Pay<br>Down |
|---|--|--|--|--|--|
| <b>State Retirement Liabilities</b>             |  |  |  |  |  |
| 1 State Retiree Health                          | 82,413   | 375                                    | 385                                    | 395                                    | 395                                    |
| 2a State Employee Pensions—SB 84 Loan from SMIF |  | 836                                    | 590                                    | 556                                    | 556                                    |
| 2b State Employee Pensions                      | 70,818   | 885                                    | 1,272                                  | 1,134                                  | 1,253                                  |
| 3 Teachers' Pensions <sup>1/</sup>              | 85,803   | 0                                      | 0                                      | 0                                      | 0                                      |
| 4 Judges' Pensions                              | 2,771  | 0                                      | 0                                      | 0                                      | 0                                      |
| <b>Total</b>                                    | <b>\$241,805</b>   | <b>\$2,096</b>                         | <b>\$2,247</b>                         | <b>\$2,085</b>                         | <b>\$2,204</b>                         |

<sup>1/</sup> The state portion of the unfunded liability for teachers' pensions is \$10.265 billion.

<sup>2/</sup> For retiree health and pensions, the amounts reflect latest actuarial report available.

## Projections of 2024-25 General Fund

(Dollars in Millions)

|                              | <b>2024-25<br/>Governor's<br/>Budget<sup>1/</sup></b> | <b>2023<br/>Budget Act</b> | <b>2022<br/>Budget Act</b> | <b>2021<br/>Budget Act</b> | <b>2020<br/>Budget Act</b> |
|------------------------------|---|----------------------------|----------------------------|----------------------------|----------------------------|
| Total Revenues and Transfers | \$214,699   | \$207,100                  | \$233,322                  | \$186,111                  | Not Available              |
| Total Expenditures           | \$208,718   | \$225,281                  | \$234,031                  | \$190,516                  | Not Available              |

This information is provided in compliance with SB 15 (Chapter 737, Statutes of 2011), which requires that the projection of the 2024-25 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 2024-25 Governor's Budget multi-year projection is based on existing state/federal law and state policies, adjusted for changes included in the 2024-25 Governor's Budget. 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.

<sup>1/</sup>Pursuant to Proposition 2 of 2014, the 2024-25 Governor's Budget projected revenues and transfers are increased by a withdrawal of \$12.026 billion from the Budget Stabilization Account (BSA) and the estimated required transfer of \$2.096 billion to the BSA is suspended. The budget includes \$2.096 billion to pay down debt as reflected on the previous page.