

**General Fund Multi-Year Forecast
2019-20 May Revision
(Dollars in Millions)**

	2018-19	2019-20	2020-21	2021-22	2022-23
RESOURCES:					
Prior Year Balance	\$11,419	\$6,224	\$3,030	\$3,778	\$4,384
Revenues/Transfers	141,597	145,996	151,250	155,163	157,824
Transfer to Budget Stabilization Account	-3,551	-2,157	-1,574	-390	-265
Total Resources	\$149,465	\$150,063	\$152,706	\$158,551	\$161,943
EXPENDITURES:					
Proposition 98	\$54,445	\$55,904	\$57,023	\$58,506	\$59,513
Non-Proposition 98	88,796	91,129	91,621	94,513	96,788
Prop 2 Infrastructure/Deferred Maintenance			284	1,148	1,107
Total Expenditures	\$143,241	\$147,033	\$148,928	\$154,167	\$157,408
FUND BALANCES:					
	\$6,224	\$3,030	\$3,778	\$4,384	\$4,535
Reserve for Encumbrances	\$1,385	\$1,385	\$1,385	\$1,385	\$1,385
SFEU	\$4,839	\$1,645	\$2,393	\$2,999	\$3,150
Safety Net Reserve	\$900	\$900	\$900	\$900	\$900
Budget Stabilization Account (Mandatory Deposits)	\$11,264	\$13,421	\$14,995	\$15,385	\$15,650
Budget Stabilization Account (Total Deposits)	\$14,358	\$16,515	\$18,089	\$18,479	\$18,744
BSA mandatory balance as a percentage of General Fund Tax Proceeds	7.9%	9.1%	10.0%	10.0%	10.0%
SFEU/Safety Net/Total BSA as a percentage of Total Resources	13.4%	12.7%	14.0%	14.1%	14.1%
Operating Surplus/Deficit with BSA Transfer	-\$5,195	-\$3,194	\$748	\$606	\$151
One-Time Investments	\$8,966	\$8,912	\$0	\$0	\$0
Operating Surplus/Deficit--Excluding One-Time	\$3,771	\$5,718	\$748	\$606	\$151

Note: Totals may not add due to rounding

Debts and Liabilities Eligible for Accelerated Payments Under Proposition 2

2019-20 May Revision

(Dollars in Millions)

	Outstanding Amount at Start of 2019-20 ^{2/}	Proposed Use of 2019-20 Pay Down	Proposed Use of 2020-21 Pay Down	Proposed Use of 2021-22 Pay Down	Proposed Use of 2022-23 Pay Down
Budgetary Borrowing					
Underfunding of Proposition 98—Settle-Up	\$390	\$390	\$0	\$0	\$0
State Retirement Liabilities					
State Retiree Health	91,008	260	305	315	325
State Employee Pensions	59,714	390	751	608	702
Teachers' Pensions ^{1/}	107,200	1,117	802	615	345
Judges' Pensions	3,299	0	0	0	0
Total	\$261,611	\$2,157	\$1,858	\$1,538	\$1,372

^{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)

	2019-20 May Revision^{1/}	2018 Budget Act	2017 Budget Act	2016 Budget Act	2015 Budget Act
Total Revenues and Transfers	\$143,839	\$142,686	\$134,707	\$132,251	Not Available
Total Expenditures	\$147,033	\$142,089	\$135,906	\$136,538	Not Available

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 2019-20 May Revision multi-year projection is based on existing state/federal law and state policies, adjusted for changes included in the 2019-20 May Revision. 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 2019-20 May Revision projected revenues and transfers are reduced by \$2.157 billion reflecting the estimated required transfer to the Budget Stabilization Account; and the budget includes \$2.157 billion to pay down debt, as reflected on the previous page.