

**General Fund Multi-Year Forecast
2018-19 May Revision
(Dollars in Millions)**

	2017-18	2018-19	2019-20	2020-21	2021-22
RESOURCES:					
Prior Year Balance	\$5,673	\$8,452	\$4,403	\$5,036	\$4,712
Revenues/Transfers	132,522	137,870	143,186	147,041	150,965
Transfer to the Budget Stabilization Account ^{1/}	-2,697	-4,357	-542	-358	-374
Total Resources	\$135,498	\$141,965	\$147,047	\$151,719	\$155,303
EXPENDITURES:					
Proposition 98	\$53,381	\$55,025	\$56,517	\$56,850	\$57,567
Non-Proposition 98	73,665	82,537	84,501	89,126	93,948
Infrastructure/deferred maintenance per Prop 2	-	-	993	1,031	997
Total Expenditures	\$127,046	\$137,562	\$142,011	\$147,007	\$152,512
FUND BALANCES:					
	\$8,452	\$4,403	\$5,036	\$4,712	\$2,791
Reserve for Encumbrances	\$1,165	\$1,165	\$1,165	\$1,165	\$1,165
Special Fund for Economic Uncertainties	\$7,287	\$3,238	\$3,871	\$3,547	\$1,626
Budget Stabilization Account/Rainy Day Fund	\$9,410	\$13,767	\$14,309	\$14,667	\$15,041
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	\$2,779	-\$4,049	\$633	-\$324	-\$1,921

^{1/}Includes \$2.611b supplemental transfer in 2018-19.

**Debts and Liabilities Eligible for Accelerated Payments Under Proposition 2
2018-19 May Revision**

(Dollars in Millions)

	Outstanding Amount at Start of 2018-19 ^{2/}	Proposed 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	18	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	611	391	347	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	\$1,746	\$1,535	\$1,389	\$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)

	2018-19 May Revision^{1/}	2017 Budget Act	2016 Budget Act	2015 Budget Act	2014 Budget Act
Total Revenues and Transfers	\$133,513	\$130,157	\$128,037	\$126,572	Not Available
Total Expenditures	137,562	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 2018-19 May Revision multi-year projection is based on existing state/federal law and state policies, adjusted for any proposals for changes included in the 2018-19 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 depending on the particular program.

^{1/}Pursuant to Proposition 2 of 2014, the May Revision projected revenues and transfers are reduced by \$1.746 billion reflecting the estimated required transfer to the Budget Stabilization Account (BSA); and the budget includes \$1.746 billion to pay down debt, as reflected on the previous page. Projected revenues and transfers are further reduced by a proposed \$2.611 billion supplemental transfer to the BSA.