

**General Fund Multi-Year Forecast  
at 2017-18 May Revision  
(Dollars in Millions)**

	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
<b>RESOURCES:</b>					
Prior Year Balance	\$4,515	\$723	\$2,617	\$2,847	\$1,455
Revenues/Transfers	121,553	127,687	131,457	135,794	141,221
Transfer to the Budget Stabilization Account <sup>1/</sup>	-3,013	-1,775	-1,400	-1,272	-1,207
<b>Total Resources</b>	<b>\$123,055</b>	<b>\$126,635</b>	<b>\$132,674</b>	<b>\$137,369</b>	<b>\$141,469</b>
<b>EXPENDITURES:</b>					
Proposition 98	\$50,603	\$52,852	\$53,697	\$54,599	\$55,681
Non-Proposition 98	71,729	71,166	76,130	81,315	85,834
Unallocated Proposition 2 Debt Payments					0
<b>Total Expenditures</b>	<b>\$122,332</b>	<b>\$124,018</b>	<b>\$129,827</b>	<b>\$135,914</b>	<b>\$141,515</b>
<b>FUND BALANCES:</b>					
	\$723	\$2,617	\$2,847	\$1,455	-\$46
Reserve for Encumbrances	\$980	\$980	\$980	\$980	\$980
Special Fund for Economic Uncertainties	-\$257	\$1,637	\$1,867	\$475	-\$1,026
Budget Stabilization Account/Rainy Day Fund	\$6,713	\$8,488	\$9,888	\$11,160	\$12,367
BSA balance as a percentage of General Fund tax proceeds	5.5%	6.6%	7.5%	8.2%	8.8%
Operating Surplus/Deficit with BSA Transfer	-\$3,792	\$1,894	\$230	-\$1,392	-\$1,501

<sup>1/</sup> Includes additional \$1.483 billion BSA transfer in 2016-17.

**Debts and Liabilities Eligible for Accelerated Payments Under Proposition 2**  
**2017-18 May Revision**  
(Dollars in Millions)

	Outstanding Amount at Start of 2017-18	Proposed Use of 2017-18 Pay Down	Proposed Use of 2018-19 Pay Down	Proposed Use of 2019-20 Pay Down	Proposed Use of 2020-21 Pay Down
<b>Budgetary Borrowing</b>					
Loans from Special Funds	\$1,365	\$252	\$465	\$407	\$241
Underfunding of Proposition 98—Settle-Up	1,043	603	291	149	0
Repayment of pre-Proposition 42 Transportation Loans	706	235	235	236	0
<b>State Retirement Liabilities</b>					
State Retiree Health	76,533	89	200	250	300
State Employee Pensions	59,578	427	209	230	666
Teachers' Pensions <sup>1/</sup>	101,586	0	0	0	0
Judges' Pensions	3,489	0	0	0	0
Deferred payments to CalPERS	627	0	0	0	0
<b>University of California Retirement Liabilities</b>					
University of California Employee Pensions	15,141	169	0	0	0
University of California Retiree Health	21,860	0	0	0	0
<b>Total</b>	<b>\$281,928</b>	<b>\$1,775</b>	<b>\$1,400</b>	<b>\$1,272</b>	<b>\$1,207</b>

<sup>1/</sup> The state portion of the unfunded liability for teachers' pensions is \$29.332 billion.

**Projections of 2017-18 General Fund  
(Dollars in Millions)**

	Projections at:				
	2017-18 May Revision <sup>1/</sup>	2016 Budget Act	2015 Budget Act	2014 Budget Act	2013 Budget Act
Total Revenues and Transfers	\$125,912	\$126,762	\$124,776	\$122,283	Not Available
Total Expenditures	124,018	126,298	125,530	122,282	Not Available

This information is provided in compliance with SB 15 (Chapter 737, Statutes of 2011), which requires that the projection of the 2017-18 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 2017-18 May Revision multi-year projection is based on existing state/federal law and state policies, adjusted for any proposals for changes included in the 2017-18 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.

<sup>1/</sup>Pursuant to Proposition 2 of 2014, the May Revision projected revenues and transfers are reduced by \$1.775 billion reflecting the estimated required transfer to the Budget Stabilization Account (BSA); and the budget includes \$1.775 billion to pay down debt, as reflected on the previous page.