

8950 Department of Veterans Affairs - Continued

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0890 Federal Trust Fund			
APPROPRIATIONS			
001 Budget Act appropriation (Headquarters)	\$172	\$172	\$1,692
Budget Adjustment	-63	-	-
001 Budget Act appropriation (Yountville Veterans Home)	18,646	-	-
Reduction per Section 4.44 (AB 3X-3, Chapter 1, Statutes of 2008)	-1,100	-	-
Budget Adjustment	-1,973	-	-
001 Budget Act appropriation (Barstow Veterans Home)	2,996	-	-
Budget Adjustment	-728	-	-
001 Budget Act appropriation (Chula Vista Veterans Home)	6,697	-	-
Budget Adjustment	-399	-	-
TOTALS, EXPENDITURES	\$24,248	\$172	\$1,692
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	\$29,544	\$1,093	\$1,295
3085 Mental Health Services Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$-	\$226	\$214
TOTALS, EXPENDITURES	\$-	\$226	\$214
8037 Veterans' Quality of Life Fund			
APPROPRIATIONS			
001 Budget Act appropriation (Headquarters)	\$110	\$110	\$80
TOTALS, EXPENDITURES	\$110	\$110	\$80
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$285,322	\$358,318	\$388,731
2 LOCAL ASSISTANCE			
0001 General Fund			
APPROPRIATIONS			
101 Budget Act appropriation (Headquarters)	\$2,600	\$2,600	\$2,600
TOTALS, EXPENDITURES	\$2,600	\$2,600	\$2,600
0083 Veterans Service Office Fund			
APPROPRIATIONS			
101 Budget Act appropriation (Headquarters)	\$554	\$554	\$554
TOTALS, EXPENDITURES	\$554	\$554	\$554
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	\$838	\$838	\$838
3085 Mental Health Services Fund			
APPROPRIATIONS			
101 Budget Act appropriation	\$-	\$270	\$270
TOTALS, EXPENDITURES	\$-	\$270	\$270
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$3,992	\$4,262	\$4,262
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$289,314	\$362,580	\$392,993
FUND CONDITION STATEMENTS			
0083 Veterans Service Office Fund ^s			
BEGINNING BALANCE			
	\$750	\$841	\$870
Prior year adjustments	10	-	-
Adjusted Beginning Balance	\$760	\$841	\$870

* Dollars in thousands

8950 Department of Veterans Affairs - Continued

	2007-08*	2008-09*	2009-10*
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
143000 Personalized License Plates	583	583	583
150300 Income From Surplus Money Investments	<u>52</u>	<u>52</u>	<u>52</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$635</u>	<u>\$635</u>	<u>\$635</u>
Total Resources	\$1,395	\$1,476	\$1,505
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
8955 Department of Veterans Affairs			
State Operations	-	52	52
Local Assistance	<u>554</u>	<u>554</u>	<u>554</u>
Total Expenditures and Expenditure Adjustments	<u>\$554</u>	<u>\$606</u>	<u>\$606</u>
FUND BALANCE	\$841	\$870	\$899
Reserve for economic uncertainties	841	870	899
0120 California Mexican American Veteran's Memorial Beautification and Enhancement Account ^s			
BEGINNING BALANCE	\$205	\$206	\$200
Prior year adjustments	<u>-3</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$202	\$206	\$200
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
150300 Income From Surplus Money Investments	<u>4</u>	<u>4</u>	<u>4</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$4</u>	<u>\$4</u>	<u>\$4</u>
Total Resources	\$206	\$210	\$204
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
8955 Department of Veterans Affairs (State Operations)	<u>-</u>	<u>10</u>	<u>10</u>
Total Expenditures and Expenditure Adjustments	<u>-</u>	<u>\$10</u>	<u>\$10</u>
FUND BALANCE	\$206	\$200	\$194
Reserve for economic uncertainties	206	200	194
0473 Vietnam Veterans Memorial Account ^s			
BEGINNING BALANCE	<u>\$5</u>	<u>\$5</u>	<u>\$5</u>
FUND BALANCE	\$5	\$5	\$5
Reserve for economic uncertainties	5	5	5

INFRASTRUCTURE OVERVIEW

The Department of Veterans Affairs facilities include three operating veterans homes, five veterans homes under development, a state veterans cemetery, and two office buildings. The three existing veterans homes are located in Yountville, Barstow, and Chula Vista, on 547 acres of land, with 1.5 million gross square feet of building space. New homes in Lancaster and Ventura are expected to be completed by March 2009 and in West Los Angeles by March 2010, thereby providing an additional 55 acres of land and 465,000 gross square feet of building space. Homes in Redding and Fresno are in design and will reside on 52 acres. Veterans homes provide domiciliary housing for the state's veterans and are also licensed to provide four levels of care, ranging from assisted living to acute care. The state cemetery is located near Redding on 63 acres of land, and contains 8,523 gravesites and 7,800 gross square feet of building space.

SUMMARY OF PROJECTS

	State Building Program Expenditures	2007-08*	2008-09*	2009-10*
80 CAPITAL OUTLAY				
Major Projects				
80.10 NORTHERN CALIFORNIA VETERANS CEMETERY		\$-	\$-	\$658
80.10.011 Cemetery Expansion		-	-	658 ^{WCF}

* Dollars in thousands

8950 Department of Veterans Affairs - Continued

State Building Program Expenditures		2007-08*	2008-09*	2009-10*
80.20	VETERANS HOME AT YOUNTVILLE	\$18,663	\$1,862	\$2,235
80.20.300	Renovate 1.25 Million Gallon Water Storage Tank and Transmission Line	1,043 ^{Cb}	-	-
80.20.440	Remodel Member Services Building	17,570 ^{WCnf}	1,148 ^{Cn}	-
80.20.500	Upgrade Fire Alarm System	-	339 ^{PWg}	2,235 ^{Cgf}
80.20.511	Wastewater System Study	-	199 ^{Sg}	-
80.20.600	Kennedy Hall Parking Lot Expansion	50 ^{PWg}	176 ^{Cg}	-
80.30	VETERANS HOME OF SOUTHERN CALIFORNIA	\$69,481	\$40,653	\$-
80.30.300	Greater Los Angeles and Ventura Counties - New Veterans Home	69,481 ^{Cnf}	40,653 ^{Cbn}	-
80.40	VETERANS HOME AT FRESNO	\$4,343	\$-	\$142,705
80.40.100	Fresno - New Veterans Home	4,343 ^{Dn}	-	142,705 ^{Bnf}
80.50	VETERANS HOME AT REDDING	\$2,702	\$-	\$75,779
80.50.100	New Veterans Home	2,702 ^{Dn}	-	75,779 ^{Bnf}
80.60	VETERANS HOME AT BARSTOW	\$73	\$89	\$945
80.60.220	Emergency Generator and Kitchen Cooling System	73 ^{Pg}	89 ^{Wg}	945 ^{Cg}
Totals, Major Projects		\$95,262	\$42,604	\$222,322
TOTALS, EXPENDITURES, ALL PROJECTS		\$95,262	\$42,604	\$222,322
FUNDING		2007-08*	2008-09*	2009-10*
0001	General Fund	\$123	\$803	\$1,633
0660	Public Buildings Construction Fund	18,398	12,310	83,166
0701	Veterans' Home Fund	1,043	29,491	-
0890	Federal Trust Fund	75,698	-	137,523
TOTALS, EXPENDITURES, ALL FUNDS		\$95,262	\$42,604	\$222,322

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

3 CAPITAL OUTLAY		2007-08*	2008-09*	2009-10*
0001 General Fund				
APPROPRIATIONS				
301	Budget Act appropriation	0	\$627	\$1,633
301	Budget Act appropriation (Yountville)	\$226	-	-
301	Budget Act appropriation (Barstow)	598	-	-
	Augmentation per Government Code Sections 16352, 16409 and 16354	43	-	-
Prior year balances available:				
	Item 8960-301-0001, Budget Act of 2007 (Yountville)	-	0	-
Totals Available		\$867	\$803	\$1,633
	Unexpended balance, estimated savings	-568	-	-
	Balance available in subsequent years	-176	-	-
TOTALS, EXPENDITURES		\$123	\$803	\$1,633
0660 Public Buildings Construction Fund				
APPROPRIATIONS				
Prior year balances available:				
	Government Code Section 15819.65(e)	\$77,046	\$68,203	\$68,203
	Augmentation per Government Code Sections 16352, 16409 and 16354	1,420	11,162	-
	Item 8960-301-0660, Budget Act of 2006	-	0	-
	Augmentation per Government Code Sections 16352, 16409 and 16354	-	1,148	-
	Government Code Section 15819.70(a)	30,000	30,000	30,000
	Item 8960-301-0660, Budget Act of 2006	8,135	-	-

* Dollars in thousands

8950 Department of Veterans Affairs - Continued

3 CAPITAL OUTLAY	2007-08*	2008-09*	2009-10*
Totals Available	\$116,601	\$110,513	\$98,203
Balance available in subsequent years	-98,203	-98,203	-15,037
TOTALS, EXPENDITURES	\$18,398	\$12,310	\$83,166
0701 Veterans' Home Fund			
APPROPRIATIONS			
Prior year balances available:			
Military and Veterans Code 1104.1	\$29,491	\$-	\$-
Military and Veterans Code 1104.1 and 1104.2	-	29,491	-
Military and Veterans Code 1104.2	4,401	3,358	3,358
Totals Available	\$33,892	\$32,849	\$3,358
Balance available in subsequent years	-32,849	-3,358	-3,358
TOTALS, EXPENDITURES	\$1,043	\$29,491	\$-
0890 Federal Trust Fund			
APPROPRIATIONS			
301 Budget Act Item	\$-	\$-	\$2,205
301 Budget Act appropriation	13,831	-	-
Government Code Section 15819.65(e)	66,263	-	135,318
Prior year balances available:			
Item 8960-301-0890, Budget Act of 2007	-	4,396	-
Budget Adjustment	-	-4,396	-
Totals Available	\$80,094	\$-	\$137,523
Balance available in subsequent years	-4,396	-	-
TOTALS, EXPENDITURES	\$75,698	\$-	\$137,523
TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)	\$95,262	\$42,604	\$222,322

9100 Tax Relief

California taxpayers are provided assistance through a variety of tax relief programs. Additional relief is provided to low-income senior citizens and disabled persons. Tax relief also is provided to individuals who agree to hold their land as open space under the Williamson Act of 1965. This budget also provides payments to cities and counties to help defray revenues lost as a result of tax relief programs.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Senior Citizens' Property Tax Assistance	-	-	-	\$38,836	\$-	\$-
20 Senior Citizens' Property Tax Deferral Program	-	-	-	11,815	19,300	-
30 Senior Citizen Renters' Tax Assistance	-	-	-	146,529	-	-
50 Homeowners' Property Tax Relief	-	-	-	434,269	439,393	444,578
60 Subventions for Open Space	-	-	-	37,649	-	-
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$669,098	\$458,693	\$444,578
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				\$669,098	\$458,693	\$444,578
TOTALS, EXPENDITURES, ALL FUNDS				\$669,098	\$458,693	\$444,578

LEGAL CITATIONS AND AUTHORITY

PROGRAM AUTHORITY

10-Senior Citizens' Property Tax Assistance:

* Dollars in thousands

9100 Tax Relief - Continued

Revenue and Taxation Code, Division 2, Part 10.5.

20-Senior Citizens' Property Tax Deferral Program:

California Constitution, Article XIII, Section 8.5; Revenue and Taxation Code, Division 2, Part 10.5; Government Code, Division 4, Part 1, Chapter 5.

30-Senior Citizen Renters' Tax Assistance:

Revenue and Taxation Code, Division 2, Part 10.5.

50-Homeowners' Property Tax Relief:

California Constitution, Article XIII, Sections 3 and 25; Government Code Sections 16100-16101.5 and 16120-16122.

60-Subventions for Open Space:

California Constitution, Article XIII, Section 8; Government Code Sections 16100-16101.5 and 16140-16154; Revenue and Taxation Code Sections 421-430.5.

MAJOR PROGRAM CHANGES

- General Fund support for Williamson Act Open Space Subventions is eliminated beginning in 2008-09, for ongoing savings of \$34.7 million per year.
- General Fund support for the Senior Citizens Property Tax Deferral program is reduced by \$6.5 million in 2008-09, and is eliminated beginning in 2009-10. Ongoing savings are estimated at \$32 million per year.

DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Property Tax Deferral - Workload Adjustment	\$-	\$-	-	\$6,200	\$-	-
• Homeowners' Property Tax Relief - Workload Adjustment	-3,072	-	-	2,113	-	-
Totals, Other Workload Budget Adjustments	-\$3,072	\$-	-	\$8,313	\$-	-
Totals, Workload Budget Adjustments	-\$3,072	\$-	-	\$8,313	\$-	-
Policy Adjustments						
• Reduce Senior Property Tax Deferral Program in Current-Year, Eliminate in Budget-Year	-\$6,500	\$-	-	-\$32,000	\$-	-
• Williamson Act Elimination - Special Session	-34,740	-	-	-34,740	-	-
Totals, Policy Adjustments	-\$41,240	\$-	-	-\$66,740	\$-	-
Totals, Budget Adjustments	-\$44,312	\$-	-	-\$58,427	\$-	-

PROGRAM DESCRIPTIONS (Program Objectives Statement)

10 - SENIOR CITIZENS' PROPERTY TAX ASSISTANCE

The Senior Citizens' Property Tax Assistance Program provides financial assistance to qualified California homeowners who are 62 years of age or older, and to blind or disabled residents regardless of age. The Franchise Tax Board administers this program.

20 - SENIOR CITIZENS' PROPERTY TAX DEFERRAL PROGRAM

The Senior Citizens' Property Tax Deferral Program allows eligible homeowners to defer payment of residential property taxes. The state pays the deferred taxes to local governments on behalf of the participants, and places a lien on their property to assure repayment when the property is sold or transferred. The State Controller administers this program.

30 - SENIOR CITIZEN RENTERS' TAX ASSISTANCE

The Senior Citizen Renters' Tax Assistance Program provides financial assistance to eligible low-income renters who are 62

* Dollars in thousands

9100 Tax Relief - Continued

years of age or older, and to blind or disabled renters regardless of age. The Franchise Tax Board administers this program.

50 - HOMEOWNERS' PROPERTY TAX RELIEF

In order to reduce California taxpayers' property tax burden, the California Constitution exempts homeowners from paying property taxes on the first \$7,000 of the assessed value of their principal place of residence. The Constitution requires the state to reimburse local governments for revenues lost due to the homeowners' exemption.

60 - SUBVENTIONS FOR OPEN SPACE

The Williamson Act permits cities and counties to enter into contracts with landowners to limit the use of land to agricultural, scenic and open-space purposes. Article XIII, Section 8, of the California Constitution permits land under such restrictions to be assessed at other than market value based on its limited use. The state provides reimbursements to cities and counties to partially defray the loss of property tax revenues. The Department of Conservation administers this program.

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

2 LOCAL ASSISTANCE	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
101 Budget Act appropriation	\$688,853	\$503,005	\$444,578
Adjustment per pending legislation	-	-41,240	-
Increase expenditure authority per Provision 5	<u>1,040</u>	<u>-3,072</u>	<u>-</u>
Totals Available	\$689,893	\$458,693	\$444,578
Unexpended balance, estimated savings	<u>-20,795</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	<u>\$669,098</u>	<u>\$458,693</u>	<u>\$444,578</u>
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$669,098	\$458,693	\$444,578

9210 Local Government Financing

Local governments receive a variety of subventions from the state for designated purposes such as health, welfare, and public safety programs. The state also provides general-purpose revenue to counties, cities, and special districts when special circumstances occur. The Local Government Financing program includes those payments to local governments where the funds may be used for any general government purpose as well as funds for one-time, designated purposes.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Aid to Local Government	-	-	-	\$53,502	\$50,789	\$5,285
20 Citizens' Option for Public Safety	-	-	-	237,725	124,675	-
30 Special Supplemental Subventions	-	-	-	419	500	500
40 Local Public Safety Funding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,000</u>	<u>359,000</u>
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$291,646	\$267,964	\$364,785
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				\$291,646	\$175,964	\$5,785
0064 Motor Vehicle License Fee Account, Transportation Tax Fund				<u>-</u>	<u>92,000</u>	<u>359,000</u>
TOTALS, EXPENDITURES, ALL FUNDS				\$291,646	\$267,964	\$364,785

LEGAL CITATIONS AND AUTHORITY

PROGRAM AUTHORITY

10-Aid to Local Government:

Government Code Sections 29550-29550.4 (Booking Fees) and Government Code Sections 30070-30071 (Small/Rural Sheriffs).

* Dollars in thousands

9210 Local Government Financing - Continued

20-Citizens' Option for Public Safety/Juvenile Justice Crime Prevention:

Government Code Sections 30061-30065.

30-Special Supplemental Subventions:

Government Code Sections 16110-16113.

40-Local Public Safety Funding:

Government Code Sections 29553, and 30061 (e), and Welfare and Institutions Code Section 18220.

MAJOR PROGRAM CHANGES

- General Fund support for the Citizens Option for Public Safety/Juvenile Justice Crime Prevention Act program is reduced by \$89.3 million in 2008-09, and eliminated in 2009-10. These reductions will be backfilled from the Local Safety and Protection Account in the amount of \$53.8 million in 2008-09, and \$191.6 million in 2009-10. Funding for the Local Safety and Protection Account comes from vehicle license fee revenue formerly used to support the Department of Motor Vehicles. These changes will result in \$214.2 million in ongoing General Fund savings beginning in 2009-10.
- General Fund support for the Booking Fees program is eliminated in 2009-10, for annual savings of \$31.5 million. The reduction will be fully backfilled with revenues from the Local Safety and Protection Account described above.
- The Governor's Budget proposes to eliminate \$151.8 million in General Fund support for local juvenile probation activities in 2009-10. This reduction is partially offset with \$135.9 million from the Local Safety and Protection Account.
- General Fund support for the Small/Rural Sheriffs program is eliminated in 2009-10, for annual savings of \$18.5 million.

DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Various Baseline Adjustments	\$1,575	\$-	-	\$6,346	\$-	-
Totals, Other Workload Budget Adjustments	\$1,575	\$-	-	\$6,346	\$-	-
Totals, Workload Budget Adjustments	\$1,575	\$-	-	\$6,346	\$-	-
Policy Adjustments						
• Local Public Safety Funding	\$-	\$92,000	-	\$-	\$359,000	-
• Eliminate Funding for Small/Rural Sheriffs Program	-	-	-	-18,500	-	-
• Eliminate Booking Fees General Fund Support - Backfill With VLF	-	-	-	-31,500	-	-
• Eliminate COPS/JJ General Fund - Backfill With VLF	-89,250	-	-	-214,200	-	-
Totals, Policy Adjustments	-\$89,250	\$92,000	-	-\$264,200	\$359,000	-
Totals, Budget Adjustments	-\$87,675	\$92,000	-	-\$257,854	\$359,000	-

PROGRAM DESCRIPTIONS (Program Objectives Statement)

10 - AID TO LOCAL GOVERNMENT

The Small and Rural County Sheriffs Grant Program provides funds to 37 small and rural county sheriff departments so they can provide enhanced public safety services.

The Booking Fee subvention program reimburses local law enforcement jurisdictions that are required to pay booking fees.

20 - CITIZENS' OPTION FOR PUBLIC SAFETY/JUVENILE JUSTICE CRIME PREVENTION

The Citizens' Option for Public Safety Program provides monies to local law enforcement entities to provide enhanced public safety services. Funds are also provided to local agencies to fund juvenile crime prevention programs.

30 - SPECIAL SUPPLEMENTAL SUBVENTIONS

This program provides funds to redevelopment agencies that had bond debt tied to the personal property tax subvention,

* Dollars in thousands

9210 Local Government Financing - Continued

which was repealed by the state. These monies allow agencies to cover debt payments.

40 - LOCAL PUBLIC SAFETY FUNDING

This program provides funding for the Citizens Option for Public Safety/Juvenile Justice Crime Prevention Act, Booking Fees, and Juvenile Probation Funding. The funding comes from vehicle license fee revenue previously used to support the Department of Motor Vehicles.

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

2 LOCAL ASSISTANCE	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
101 Budget Act appropriation	\$238,000	\$-	\$-
Revised expenditure authority per Provision 1, Item 9210-101-0001	-275	-	-
101 Budget Act appropriation as amended by Chapter 269, Statutes of 2008	-	214,200	-
Revised expenditure authority per Provision 1, Item 9210-101-0001	-	-275	-
Adjustment per pending legislation	-	-89,250	-
103 Budget Act appropriation	2,009	789	5,285
105 Budget Act appropriation	35,000	-	-
105 Budget Act appropriation as amended by Chapter 269, Statutes of 2008	-	31,500	-
106 Budget Act appropriation	800	500	500
Government Code Section 30070	18,500	18,500	-
Totals Available	\$294,034	\$175,964	\$5,785
Unexpended balance, estimated savings	-2,388	-	-
TOTALS, EXPENDITURES	\$291,646	\$175,964	\$5,785
0064 Motor Vehicle License Fee Account, Transportation Tax Fund			
APPROPRIATIONS			
Pending Legislation	\$-	\$92,000	\$359,000
TOTALS, EXPENDITURES	\$-	\$92,000	\$359,000
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$291,646	\$267,964	\$364,785

9350 Shared Revenues

The purpose of the Shared Revenue program is the maintenance of the fiscal strength of the various governmental entities throughout the state. This is accomplished by the apportionment of special monies collected by the state to local government on the basis of statutory formulas.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Apportionments: General Fund	-	-	-	\$12,603	\$12,602	\$12,602
20 Apportionments: Special Funds	-	-	-	2,194,574	2,025,887	1,771,914
30 Apportionments: Federal Funds	-	-	-	67,731	68,801	68,801
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$2,274,908	\$2,107,290	\$1,853,317
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				\$12,603	\$12,602	\$12,602
0034 Geothermal Resources Development Account				4,005	2,041	2,041
0062 Highway Users Tax Account, Transportation Tax Fund				1,122,459	1,078,038	1,061,286
0064 Motor Vehicle License Fee Account, Transportation Tax Fund				199,324	149,036	183,043
0261 Off Highway License Fee Fund				2,400	2,400	2,400
0874 United States Flood Control Receipts Fund				226	380	380

* Dollars in thousands

9350 Shared Revenues - Continued

FUNDING	2007-08*	2008-09*	2009-10*
0878 United States Forest Reserve Fund	66,500	66,141	66,141
0882 United States Grazing Fees Fund	63	107	107
0890 Federal Trust Fund	942	2,173	2,173
3008 Transportation Investment Fund	-	544,372	523,144
6065 Local Streets & Road Improvement Congestion Relief & Traffic Safety Act of 2006 Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006	866,386	250,000	-
TOTALS, EXPENDITURES, ALL FUNDS	\$2,274,908	\$2,107,290	\$1,853,317

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code, Title 2, Division 3, Part 5.3, Chapter 4.5 (commencing with Section 14556); Public Resources Code, Sections 3821 and 6817; Revenue and Taxation Code, Division 2, Part 5, Section 11006; Streets and Highways Code, Sections 2104-2107.5; and Vehicle Code, Sections 38230 and 38240.

DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Policy Adjustments						
• Baseline Increase - Apportionment of Tidelands Revenue	\$740	\$-	-	\$740	\$-	-
• Baseline Adjustment - Apportionment of Off-Highway License Fees	-	-100	-	-	-100	-
• Baseline Adjustment - Apportionment of Motor Vehicle Fuel Tax for County Roads and City Streets	-	-3,046	-	-	-5,557	-
• Baseline Adjustment - Apportionment of Motor Vehicle Fuel Tax for City Streets	-	-7,669	-	-	-11,183	-
• Baseline Adjustment - Apportionment of Motor Vehicle Fuel Tax for County Roads	-	-9,746	-	-	-15,049	-
• Baseline Adjustment - Apportionment of Motor Vehicle Fuel Tax for City and County Streets and Highways	-	-10,794	-	-	-16,218	-
• Baseline Adjustment - Apportionment of Local Transportation Fund	-	-28,535	-	-	-49,763	-
• Baseline Adjustment - Apportionment of Motor Vehicle License Fees	-	-84,785	-	-	-50,778	-
• Baseline Adjustment - Apportionment of Motor Vehicle Fuel Tax for County Roads	-	-	-	-	-250,000	-
Totals, Policy Adjustments	\$740	-\$144,675	-	\$740	-\$398,648	-
Totals, Budget Adjustments	\$740	-\$144,675	-	\$740	-\$398,648	-

PROGRAM DESCRIPTIONS (Program Objectives Statement)

10 - GENERAL FUND APPORTIONMENTS

Tidelands Revenues-This program displays the allocation of revenues received from tide and submerged lands for which the state has reserved the rights to the mineral deposits.

Trailer Vehicle License Fee Backfill For International Registration Plan Conformity-This program shows the state backfill to cities and counties for the vehicle license fees that were previously paid by owners of commercial trailers.

20 - SPECIAL FUND APPORTIONMENTS

Geothermal Resources Development-Forty percent of all monies received by the federal government for geothermal leases is paid to each county based on its proportionate share of geothermal lease sale property.

* Dollars in thousands

9350 Shared Revenues - Continued

Motor Vehicle Fuel Taxes-This program shows the apportionment of fuel taxes to cities and counties.

Motor Vehicle License Fees-This program shows the apportionment of vehicle license fees to cities and counties.

Off-Highway License Fees-This program shows the apportionment of off-highway license fees to cities and counties.

Traffic Congestion Relief Fund/Transportation Investment Fund-This program provides funds for local street and road maintenance.

30 - FEDERAL FUND APPORTIONMENTS

Federal Receipts From Flood Control Lands-Monies received by the federal government for lands acquired for flood protection purposes are prorated to the counties in which the lands are located.

Federal Receipts From Forest Reserves-Monies received by the federal government for the state's share of receipts from forest reserves are prorated to counties where the lands are located.

Federal Receipts From Grazing Land Fees-Monies received by the federal government for the state's share of receipts from grazing land are prorated to counties where the lands are located.

Federal Receipts From Potash Leases-Monies received by the federal government for the state's share of potash leases are distributed to school districts.

DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

		2007-08*	2008-09*	2009-10*
PROGRAM REQUIREMENTS				
10	APPORTIONMENTS: GENERAL FUND			
	Local Assistance:			
0001	General Fund	\$12,603	\$12,602	\$12,602
	Totals, Local Assistance	\$12,603	\$12,602	\$12,602
ELEMENT REQUIREMENTS				
10.10	Apportionment of Tideland Revenues	\$12,603	\$12,602	\$12,602
	Local Assistance:			
0001	General Fund	12,603	12,602	12,602
PROGRAM REQUIREMENTS				
20	APPORTIONMENTS: SPECIAL FUNDS			
	Local Assistance:			
0034	Geothermal Resources Development Account	\$4,005	\$2,041	\$2,041
0062	Highway Users Tax Account, Transportation Tax Fund	1,122,459	1,078,038	1,061,286
0064	Motor Vehicle License Fee Account, Transportation Tax Fund	199,324	149,036	183,043
0261	Off Highway License Fee Fund	2,400	2,400	2,400
3008	Transportation Investment Fund	-	544,372	523,144
6065	Local Streets & Road Improvement Congestion Relief & Traffic Safety Acct of 2006, Highway Safety, Traffic Reduction, Air Quality, & Port Security Fd of 2006	866,386	250,000	-
	Totals, Local Assistance	\$2,194,574	\$2,025,887	\$1,771,914
ELEMENT REQUIREMENTS				
20.10	Apportionment of Geothermal Resources	\$2,041	\$2,041	\$2,041
	Local Assistance:			
0034	Geothermal Resources Development Account	2,041	2,041	2,041
20.20	Apportionment of Motor Vehicle Fuel Tax for County Roads (2104)	\$352,142	\$333,750	\$328,447
	Local Assistance:			
0062	Highway Users Tax Account, Transportation Tax Fund	352,142	333,750	328,447
20.30	Apportionment of Motor Vehicle Fuel Tax for City Streets (2107 and 2107.5)	\$254,466	\$241,372	\$237,858

* Dollars in thousands

9350 Shared Revenues - Continued

	2007-08*	2008-09*	2009-10*
Local Assistance:			
0062 Highway Users Tax Account, Transportation Tax Fund	254,466	241,372	237,858
20.40 Apportionment of Motor Vehicle Fuel Tax for County Roads and City Streets (2106)	\$145,074	\$139,490	\$136,979
Local Assistance:			
0062 Highway Users Tax Account, Transportation Tax Fund	145,074	139,490	136,979
20.50 Apportionment of Motor Vehicle Fuel Tax to Cities and Counties for Street and Highway Purposes (2105)	\$370,777	\$363,426	\$358,002
Local Assistance:			
0062 Highway Users Tax Account, Transportation Tax Fund	370,777	363,426	358,002
20.60 Apportionment of Motor Vehicle License Fees to Cities and Counties	\$199,324	\$149,036	\$183,043
Local Assistance:			
0064 Motor Vehicle License Fee Account, Transportation Tax Fund	199,324	149,036	183,043
20.70 Apportionment of Off-Highway License Fees to Cities and Counties	\$2,400	\$2,400	\$2,400
Local Assistance:			
0261 Off Highway License Fee Fund	2,400	2,400	2,400
20.80 Apportionment of Proposition 42 Revenues	\$-	\$544,372	\$523,144
Local Assistance:			
3008 Transportation Investment Fund	-	544,372	523,144
20.90 Apportionment of Proposition 1-B Revenues	\$866,386	\$250,000	\$-
Local Assistance:			
6065 Local Streets & Road Improvement Congestion Relief & Traffic Safety Acct of 2006, Highway Safety, Traffic Reduction, Air Quality, & Port Security Fd of 2006	866,386	250,000	-
PROGRAM REQUIREMENTS			
30 APPORTIONMENTS: FEDERAL FUNDS			
Local Assistance:			
0874 United States Flood Control Receipts Fund	\$226	\$380	\$380
0878 United States Forest Reserve Fund	66,500	66,141	66,141
0882 United States Grazing Fees Fund	63	107	107
0890 Federal Trust Fund	942	2,173	2,173
Totals, Local Assistance	\$67,731	\$68,801	\$68,801
30.10 Apportionment of Federal Receipts from Flood Control Land to Counties	\$226	\$380	\$380
Local Assistance:			
0874 United States Flood Control Receipts Fund	226	380	380
30.20 Apportionment of Federal Receipts from Forest Reserves to Counties	\$66,500	\$66,141	\$66,141
Local Assistance:			
0878 United States Forest Reserve Fund	66,500	66,141	66,141
30.30 Apportionment of Federal Receipts from Grazing Land to Counties	\$63	\$107	\$107
Local Assistance:			
0882 United States Grazing Fees Fund	63	107	107
30.40 Apportionment of Federal Receipts from Potash Lease Revenues to School Districts	\$942	\$2,173	\$2,173

* Dollars in thousands

9350 Shared Revenues - Continued

	<u>2007-08*</u>	<u>2008-09*</u>	<u>2009-10*</u>
Local Assistance:			
0890 Federal Trust Fund	942	2,173	2,173
TOTALS, EXPENDITURES			
Local Assistance	<u>2,274,908</u>	<u>2,107,290</u>	<u>1,853,317</u>
Totals, Expenditures	\$2,274,908	\$2,107,290	\$1,853,317

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

2 LOCAL ASSISTANCE	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
Revenue and Taxation Code Section 11006 (a)(2) (Trailer Vehicle License Fee)	\$11,863	\$11,862	\$11,862
Public Resources Code Section 6817	<u>740</u>	<u>740</u>	<u>740</u>
TOTALS, EXPENDITURES	\$12,603	\$12,602	\$12,602
0034 Geothermal Resources Development Account			
APPROPRIATIONS			
Public Resources Code Section 3821	<u>\$4,005</u>	<u>\$2,041</u>	<u>\$2,041</u>
TOTALS, EXPENDITURES	\$4,005	\$2,041	\$2,041
0062 Highway Users Tax Account, Transportation Tax Fund			
APPROPRIATIONS			
Streets and Highways Code Section 2104	\$352,142	\$333,750	\$328,447
Streets and Highways Code Sections 2107 and 2107.5	254,466	241,372	237,858
Streets and Highways Code Section 2106	145,074	139,490	136,979
Streets and Highways Code Section 2105	<u>370,777</u>	<u>363,426</u>	<u>358,002</u>
TOTALS, EXPENDITURES	\$1,122,459	\$1,078,038	\$1,061,286
0064 Motor Vehicle License Fee Account, Transportation Tax Fund			
APPROPRIATIONS			
Revenue and Taxation Code Section 11005	<u>\$199,324</u>	<u>\$149,036</u>	<u>\$183,043</u>
TOTALS, EXPENDITURES	\$199,324	\$149,036	\$183,043
0261 Off Highway License Fee Fund			
APPROPRIATIONS			
Vehicle Code Sections 38230 and 38240	<u>\$2,400</u>	<u>\$2,400</u>	<u>\$2,400</u>
TOTALS, EXPENDITURES	\$2,400	\$2,400	\$2,400
0874 United States Flood Control Receipts Fund			
APPROPRIATIONS			
Shared Revenues - Federal Receipts from Flood Control Lands	<u>\$226</u>	<u>\$380</u>	<u>\$380</u>
TOTALS, EXPENDITURES	\$226	\$380	\$380
0878 United States Forest Reserve Fund			
APPROPRIATIONS			
Shared Revenues - Federal Receipts from Forest Reserves	<u>\$66,500</u>	<u>\$66,141</u>	<u>\$66,141</u>
TOTALS, EXPENDITURES	\$66,500	\$66,141	\$66,141
0882 United States Grazing Fees Fund			
APPROPRIATIONS			
Shared Revenues Shared Revenues - Federal Receipts From Grazing Lands	<u>\$63</u>	<u>\$107</u>	<u>\$107</u>
TOTALS, EXPENDITURES	\$63	\$107	\$107
0890 Federal Trust Fund			
APPROPRIATIONS			
Shared Revenues - Apportionment of Federal Potash Lease Rentals	<u>\$942</u>	<u>\$2,173</u>	<u>\$2,173</u>
TOTALS, EXPENDITURES	\$942	\$2,173	\$2,173
3008 Transportation Investment Fund			

* Dollars in thousands

9350 Shared Revenues - Continued

2 LOCAL ASSISTANCE	2007-08*	2008-09*	2009-10*
APPROPRIATIONS			
Revenue and Tax Code Section 7104	\$-	\$544,372	\$523,144
TOTALS, EXPENDITURES	\$-	\$544,372	\$523,144
6065 Local Streets & Road Improvement Congestion Relief & Traffic Safety Acct of 2006			
Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006			
APPROPRIATIONS			
104 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007	\$547,191	\$-	\$-
104 Budget Act appropriation as amended by Chapter 269, Statutes of 2008	-	250,000	-
Government Code Section 8879.65F	319,195	-	-
TOTALS, EXPENDITURES	\$866,386	\$250,000	\$-
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$2,274,908	\$2,107,290	\$1,853,317

FUND CONDITION STATEMENTS

	2007-08*	2008-09*	2009-10*
0062 Highway Users Tax Account, Transportation Tax Fund ^s			
BEGINNING BALANCE	\$11,172	\$24,903	\$22,213
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Transfers and Other Adjustments:			
FO0061 From Motor Vehicle Fuel Account, Transportation Tax Fund per Revenue and Taxation Code Section 8353	3,235,364	3,119,548	3,073,498
TO0042 To State Highway Account, State Transportation Fund per Streets and Highways Code Sections 2104.1 and 2107.6	-5,000	-5,000	-5,000
TO0042 To State Highway Account, State Transportation Fund per Streets and Highways Code Section 2108	-2,082,117	-2,027,151	-1,997,853
TO0045 To Bicycle Transportation Account, State Transportation Fund per Streets and Highways Code Section 2106	-7,200	-7,200	-7,200
TO0392 To State Parks and Recreation Fund per Item 3790-011-0062, various Budget Acts	-3,400	-3,400	-3,400
Total Revenues, Transfers, and Other Adjustments	<u>\$1,137,647</u>	<u>\$1,076,797</u>	<u>\$1,060,045</u>
Total Resources	\$1,148,819	\$1,101,700	\$1,082,258
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0840 State Controller (State Operations)	1,457	1,449	1,473
9480 Apportionment of Motor Vehicle Fuel Tax for County Roads (Local Assistance)	352,142	333,750	328,447
9490 Apportionment of Motor Vehicle Fuel Tax for City Streets (Local Assistance)	254,466	241,372	237,858
9500 Apportionment of Motor Vehicle Fuel Tax for County Roads and City Streets (Local Assistance)	145,074	139,490	136,979
9505 Apportionment of Motor Vehicle Fuel Tax to Counties and Cities for Streets and H (Local Assistance)	370,777	363,426	358,002
Total Expenditures and Expenditure Adjustments	<u>\$1,123,916</u>	<u>\$1,079,487</u>	<u>\$1,062,759</u>
FUND BALANCE	\$24,903	\$22,213	\$19,499
Reserve for economic uncertainties	24,903	22,213	19,499
0261 Off Highway License Fee Fund ^s			
BEGINNING BALANCE	\$1	\$48	\$95
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
114300 Other Motor Vehicle Fees	2,400	2,400	2,400
150300 Income From Surplus Money Investments	31	31	31
Transfers and Other Adjustments:			
FO0044 From Motor Vehicle Account, State Transportation Fund per Government Code Section 16475	16	16	16

* Dollars in thousands

9350 Shared Revenues - Continued

	<u>2007-08*</u>	<u>2008-09*</u>	<u>2009-10*</u>
Total Revenues, Transfers, and Other Adjustments	\$2,447	\$2,447	\$2,447
Total Resources	\$2,448	\$2,495	\$2,542
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
9380 Apportionment of Off-Highway License Fees (Local Assistance)	<u>2,400</u>	<u>2,400</u>	<u>2,400</u>
Total Expenditures and Expenditure Adjustments	<u>\$2,400</u>	<u>\$2,400</u>	<u>\$2,400</u>
FUND BALANCE	\$48	\$95	\$142
Reserve for economic uncertainties	48	95	142

9600 Debt Service General Obligation Bonds and Commercial Paper

The General Obligation Bond and Commercial Paper interest and redemption program is based upon the debt service cash needs of the related programs. Assumptions of the debt service on the remaining 2008-09 and 2009-10 General Obligation bond sales are reflected in this budget. The assumptions regarding sale volume and the types of bond (i.e., fixed versus variable) are anticipated by the State Treasurer's Office. For information on issued and unissued bonds, total amounts of authorized bonds, and proposed sales, please refer to Summary Schedule 11.

9600 Debt Service General Obligation Bonds and Commercial Paper - Continued

General Obligation Bond Expenditures

3-YR EXPENDITURES (Summary of Program Requirements)

	<u>2007-08*</u>	<u>2008-09*</u>	<u>2009-10*</u>
Bond Interest and Redemption	\$3,560,018	\$4,109,379	\$4,911,851
Less amounts paid from other funds	-359,145	-451,092	-23,377
Variable Rate Bond Expenses	10,628	--	--
Commercial Paper Interest and Expenses	25,348	39,270	27,808
TOTALS, EXPENDITURES (General Fund)	\$3,236,849	\$3,697,557	\$4,916,282

EXPENDITURES BY CATEGORY (Summary by Object)

SPECIAL ITEMS OF EXPENSE	<u>2007-08*</u>	<u>2008-09*</u>	<u>2009-10*</u>
Bonds: Interest	\$1,911,080	\$2,255,904	\$2,853,671
Redemption	1,648,938	1,853,475	2,058,180
Less General Fund amounts replenished from other funds for debt service	-334,571	-427,098	--
Less loan repayment to General Fund from other funds	-24,574	-23,994	-23,377
Variable Rate Bond Expenses	10,628	--	--
Commercial Paper: Expenses	2,372	2,625	2,481
Interest	22,976	36,645	25,327
Totals, Debt Service, General Fund	\$3,236,849	\$3,697,557	\$4,916,282

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS

0001 General Fund

	<u>2007-08*</u>	<u>2008-09*</u>	<u>2009-10*</u>
LEGISLATIVE, JUDICIAL AND EXECUTIVE			
Voting Modernization (2002):			
Chapter 902, Statutes of 2001:			
Bonds: Interest	\$833	\$3,684	\$6,727
Redemption	8,600	10,000	10,031
Commercial Paper: Expenses	77	17	8
Interest	741	239	1
Total	<u>\$10,251</u>	<u>\$13,940</u>	<u>\$16,767</u>
Totals, Legislative, Judicial and Executive (0996)	\$10,251	\$13,940	\$16,767

BUSINESS, TRANSPORTATION AND HOUSING

Clean Air and Transportation Improvements (1990):

Public Utilities Code Sec. 99600 et seq.:

Bonds: Interest	\$58,776	\$56,347	\$53,274
Redemption	64,095	85,770	63,763
Commercial Paper: Expenses	76	8	4
Interest	741	105	40
Total	<u>\$123,688</u>	<u>\$142,230</u>	<u>\$117,081</u>

Housing and Homeless (2002):

Chapter 26, Statutes of 2002:

Bonds: Interest	\$33,262	\$32,906	\$73,002
Redemption	10,000	63,025	81,745
Commercial Paper: Expenses	77	161	226
Interest	741	2,246	2,305
Total	<u>\$44,080</u>	<u>\$98,338</u>	<u>\$157,278</u>

Housing and Emergency (2006):

Chapter 25, Statutes of 2006:

Bonds: Interest	--	--	1,036
Redemption	--	--	163
Commercial Paper: Expenses	--	5	--

* Dollars in thousands

9600 Debt Service General Obligation Bonds and Commercial Paper - Continued

General Obligation Bond Expenditures

Interest	--	71	--
Total	<u>\$0</u>	<u>\$76</u>	<u>\$1,199</u>
Highway Safety and Traffic Reduction (2006):			
Chapter 25, Statutes of 2006:			
Bonds: Interest	--	51,887	70,540
Redemption	--	16,480	3,027
Commercial Paper: Expenses	--	94	--
Interest	--	1,309	--
Total	<u>\$0</u>	<u>\$69,770</u>	<u>\$73,567</u>
Housing and Homeless (1990):			
Chapter 577, Statutes of 1990:			
Bonds: Interest	\$289	\$259	\$227
Redemption	435	435	435
Total	<u>\$724</u>	<u>\$694</u>	<u>\$662</u>
Passenger Rail and Clean Air (1990):			
Chapter 108, Statutes of 1989:			
Bonds: Interest	\$22,675	\$26,558	\$31,209
Redemption	48,190	47,390	50,938
Commercial Paper: Expenses	77	--	--
Interest	741	--	--
Total	<u>\$71,683</u>	<u>\$73,948</u>	<u>\$82,147</u>
Seismic Retrofit (1996):			
Chapter 310, Statutes of 1996:			
Bonds: Interest	\$74,651	\$76,546	\$78,408
Redemption	64,770	64,340	58,255
Commercial Paper: Expenses	77	18	20
Interest	741	247	203
Total	<u>\$140,239</u>	<u>\$141,151</u>	<u>\$136,886</u>
Subtotal, Business, Transportation and Housing (2830)	<u>\$380,414</u>	<u>\$526,207</u>	<u>\$568,820</u>
Less Transportation Debt Fund (3107) payment	<u>-\$334,571</u>	<u>-\$427,098</u>	<u>--</u>
Totals, Business, Transportation and Housing (2830)	<u>\$45,843</u>	<u>\$99,109</u>	<u>\$568,820</u>
NATURAL RESOURCES			
California Park and Recreational Facilities (1984):			
Chapter 5, Statutes of 1984:			
Bonds: Interest	\$4,055	\$3,213	\$2,356
Redemption	12,925	12,925	9,925
Total	<u>\$16,980</u>	<u>\$16,138</u>	<u>\$12,281</u>
California Parklands (1980):			
Chapter 250, Statutes of 1980:			
Bonds: Interest	\$748	\$610	\$475
Redemption	1,975	1,975	1,975
Total	<u>\$2,723</u>	<u>\$2,585</u>	<u>\$2,450</u>
California Safe Drinking Water (1976):			
Chapter 1008, Statutes of 1975:			
Bonds: Interest	\$1,238	\$1,014	\$779
Redemption	3,440	3,610	3,810
Total	<u>\$4,678</u>	<u>\$4,624</u>	<u>\$4,589</u>
California Safe Drinking Water (1984):			
Chapter 378, Statutes of 1984:			
Bonds: Interest	\$838	\$665	\$490
Redemption	2,655	2,655	2,655

* Dollars in thousands

9600 Debt Service General Obligation Bonds and Commercial Paper - Continued

General Obligation Bond Expenditures

Total	\$3,493	\$3,320	\$3,145
California Safe Drinking Water (1986):			
Chapter 410, Statutes of 1986:			
Bonds: Interest	\$2,518	\$2,309	\$2,102
Redemption	3,545	3,545	3,540
Total	\$6,063	\$5,854	\$5,642
California Safe Drinking Water (1988):			
Chapter 45, Statutes of 1988:			
Bonds: Interest	\$1,906	\$1,842	\$1,726
Redemption	2,480	2,290	2,800
Commercial Paper: Expenses	77	--	--
Interest	741	--	--
Total	\$5,204	\$4,132	\$4,526
California Safe Drinking Water (2000):			
Chapter 725, Statutes of 1999:			
Bonds: Interest	\$46,667	\$59,889	\$74,482
Redemption	23,650	27,795	50,836
Commercial Paper: Expenses	77	62	48
Interest	741	864	488
Total	\$71,135	\$88,610	\$125,854
California Wildlife, Coast, and Park Land Conservation (1988):			
Public Resources Code Sec. 5900 et seq.:			
Bonds: Interest	\$16,409	\$14,565	\$12,639
Redemption	31,000	31,340	29,640
Total	\$47,409	\$45,905	\$42,279
Clean Water (1970):			
Chapter 508, Statutes of 1970:			
Bonds: Interest	\$132	\$99	\$66
Redemption	500	500	500
Total	\$632	\$599	\$566
Clean Water (1974):			
Chapter 994, Statutes of 1973:			
Bonds: Interest	\$276	\$211	\$144
Redemption	1,030	1,030	1,030
Total	\$1,306	\$1,241	\$1,174
Clean Water (1984):			
Chapter 377, Statutes of 1984:			
Bonds: Interest	\$2,796	\$2,277	\$1,759
Redemption	7,995	8,225	6,675
Total	\$10,791	\$10,502	\$8,434
Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection (2002):			
Chapter 875, Statutes of 2001:			
Bonds: Interest	\$34,084	\$53,296	\$103,791
Redemption	8,415	15,090	18,441
Commercial Paper: Expenses	77	200	191
Interest	741	2,793	1,954
Total	\$43,317	\$71,379	\$124,377
Community Parklands (1986):			
Chapter 5, Statutes of 1986:			
Bonds: Interest	\$1,477	\$1,162	\$840
Redemption	4,735	4,735	4,485
Total	\$6,212	\$5,897	\$5,325

* Dollars in thousands

9600 Debt Service General Obligation Bonds and Commercial Paper - Continued

General Obligation Bond Expenditures

Fish and Wildlife Habitat Enhancement (1984):			
Chapter 6, Statutes of 1984:			
Bonds: Interest	\$942	\$778	\$603
Redemption	2,470	2,475	1,970
Total	<u>\$3,412</u>	<u>\$3,253</u>	<u>\$2,573</u>
Lake Tahoe Acquisitions (1982):			
Chapter 305, Statutes of 1982:			
Bonds: Interest	\$812	\$644	\$477
Redemption	2,705	2,705	2,705
Total	<u>\$3,517</u>	<u>\$3,349</u>	<u>\$3,182</u>
Safe, Clean, Reliable Water (1996):			
Chapter 135, Statutes of 1996:			
Bonds: Interest	\$31,230	\$31,938	\$48,252
Redemption	21,835	21,360	34,871
Commercial Paper: Expenses	77	73	55
Interest	741	1,013	559
Total	<u>\$53,883</u>	<u>\$54,384</u>	<u>\$83,737</u>
Safe Neighborhood Parks (2000)			
Chapter 461, Statutes of 1999:			
Bonds: Interest	\$67,503	\$74,781	\$86,584
Redemption	50,960	52,375	47,416
Commercial Paper: Expenses	77	61	18
Interest	741	856	186
Total	<u>\$119,281</u>	<u>\$128,073</u>	<u>\$134,204</u>
State, Urban and Coastal Park (1976):			
Chapter 259, Statutes of 1976:			
Bonds: Interest	\$503	\$444	\$387
Redemption	940	940	925
Total	<u>\$1,443</u>	<u>\$1,384</u>	<u>\$1,312</u>
Water Conservation (1988):			
Chapter 46, Statutes of 1988:			
Bonds: Interest	\$1,658	\$1,662	\$1,552
Redemption	1,475	3,645	1,514
Commercial Paper: Expenses	77	--	--
Interest	741	--	--
Total	<u>\$3,951</u>	<u>\$5,307</u>	<u>\$3,066</u>
Water Conservation and Water Quality (1986):			
Chapter 6, Statutes of 1986:			
Bonds: Interest	\$3,151	\$2,848	\$2,557
Redemption	4,565	4,565	4,530
Total	<u>\$7,716</u>	<u>\$7,413</u>	<u>\$7,087</u>
Water Security (2002):			
Water Code Sec. 79500 et seq.:			
Bonds: Interest	\$48,223	\$59,908	\$108,622
Redemption	18,855	25,135	27,407
Commercial Paper: Expenses	77	186	244
Interest	740	2,590	2,487
Total	<u>\$67,895</u>	<u>\$87,819</u>	<u>\$138,760</u>
Hwy, Safety, Air Quality 2006			
Bonds: Interest	-\$13,654	\$0	\$0
Redemption	--	--	--
Total	<u>-\$13,654</u>	<u>\$0</u>	<u>\$0</u>

* Dollars in thousands

9600 Debt Service General Obligation Bonds and Commercial Paper - Continued**General Obligation Bond Expenditures**

Disaster Prep and Flood 2006			
Bonds: Interest	- \$1,196	\$1,226	\$7,179
Redemption	--	275	1,072
Commercial Paper: Expenses	--	27	--
Interest	--	379	--
Total	<u>- \$1,196</u>	<u>\$1,907</u>	<u>\$8,251</u>
Safe Drinking Water 2006			
Bonds: Interest	- \$3,169	\$2,643	\$14,502
Redemption	--	700	2,026
Commercial Paper: Expenses	--	56	--
Interest	--	780	--
Total	<u>- \$3,169</u>	<u>\$4,179</u>	<u>\$16,528</u>
Less loan repayment to General Fund	<u>-24,574</u>	<u>-23,994</u>	<u>-23,377</u>
Totals, Natural Resources (3882)	\$438,448	\$533,860	\$715,965

ENVIRONMENTAL PROTECTION

Clean Water and Water Conservation (1978):

Chapter 1160, Statutes of 1977:

Bonds: Interest	\$801	\$674	\$536
Redemption	1,975	1,975	1,540
Total	<u>\$2,776</u>	<u>\$2,649</u>	<u>\$2,076</u>

Clean Water and Water Reclamation (1988):

Chapter 47, Statutes of 1988:

Bonds: Interest	\$2,054	\$1,920	\$1,787
Redemption	2,080	2,420	2,085
Total	<u>\$4,134</u>	<u>\$4,340</u>	<u>\$3,872</u>
Totals, Environmental Protection (3996)	\$6,910	\$6,989	\$5,948

HEALTH AND HUMAN SERVICES

Children's Hospital Bond Act (2004)

Health and Safety Code Sec. 1179.10 et seq.:

Bonds: Interest	\$7,564	\$12,178	\$28,444
Redemption	1,425	2,510	3,140
Commercial Paper: Expenses	--	59	79
Interest	--	824	815
Total	<u>\$8,989</u>	<u>\$15,571</u>	<u>\$32,478</u>
Totals, Health and Human Services (5206)	\$8,989	\$15,571	\$32,478

YOUTH AND ADULT CORRECTIONAL

County Correctional Facilities Capital Expenditures (1986):

Chapter 12, Statutes of 1986:

Bonds: Interest	\$7,763	\$6,203	\$4,569
Redemption	23,250	23,250	21,100
Total	<u>\$31,013</u>	<u>\$29,453</u>	<u>\$25,669</u>

County Correctional Facilities Capital Expenditures and Youth Facilities (1988):

Chapter 264, Statutes of 1988:

Bonds: Interest	\$12,455	\$11,148	\$9,481
Redemption	20,815	27,145	28,490
Total	<u>\$33,270</u>	<u>\$38,293</u>	<u>\$37,971</u>

County Jail Capital Expenditure (1981):

Chapter 34, Statutes of 1982:

Bonds: Interest	\$932	\$483	\$211
-----------------	-------	-------	-------

9600 Debt Service General Obligation Bonds and Commercial Paper - Continued

General Obligation Bond Expenditures

Redemption	6,500	5,250	1,850
Total	<u>\$7,432</u>	<u>\$5,733</u>	<u>\$2,061</u>
County Jail Capital Expenditure (1984):			
Chapter 4, Statutes of 1984:			
Bonds: Interest	\$589	\$134	\$4
Redemption	6,250	2,250	150
Total	<u>\$6,839</u>	<u>\$2,384</u>	<u>\$154</u>
New Prison Construction (1986):			
Chapter 409, Statutes of 1986:			
Bonds: Interest	\$5,072	\$3,490	\$2,160
Redemption	23,530	20,800	11,165
Total	<u>\$28,602</u>	<u>\$24,290</u>	<u>\$13,325</u>
New Prison Construction (1988):			
Chapter 43, Statutes of 1988:			
Bonds: Interest	\$16,118	\$13,103	\$10,744
Redemption	58,125	40,605	79,662
Commercial Paper: Expenses	77	1	1
Interest	741	18	5
Total	<u>\$75,061</u>	<u>\$53,727</u>	<u>\$90,412</u>
New Prison Construction (1990):			
Chapter 16, Statutes of 1990:			
Bonds: Interest	\$9,302	\$8,124	\$6,900
Redemption	20,630	24,315	24,499
Commercial Paper: Expenses	77	1	--
Interest	741	10	--
Total	<u>\$30,750</u>	<u>\$32,450</u>	<u>\$31,399</u>
Totals, Youth & Adult Correctional (5996)	\$212,967	\$186,330	\$200,991
EDUCATION -- K-12			
California Library Construction and Renovation (1988):			
Chapter 49, Statutes of 1988:			
Bonds: Interest	\$1,903	\$1,724	\$1,530
Redemption	3,005	2,995	3,760
Total	<u>\$4,908</u>	<u>\$4,719</u>	<u>\$5,290</u>
California Library Construction and Renovation (2000):			
Chapter 726, Statutes of 1999:			
Bonds: Interest	\$7,344	\$9,185	\$16,179
Redemption	1,555	1,830	15,352
Commercial Paper: Expenses	77	30	17
Interest	741	421	174
Total	<u>\$9,717</u>	<u>\$11,466</u>	<u>\$31,722</u>
Class Size Reduction (1998):			
Chapter 407, Statutes of 1998:			
Bonds: Interest	\$271,025	\$271,761	\$260,983
Redemption	236,370	230,440	240,915
Commercial Paper: Expenses	77	1	6
Interest	741	15	63
Total	<u>\$508,213</u>	<u>\$502,217</u>	<u>\$501,967</u>
Kindergarten-University Public Education Facilities (2002):			
Chapter 33, Statutes of 2002:			
Bonds: Interest	\$399,489	\$450,758	\$477,381
Redemption	167,720	212,475	227,560

* Dollars in thousands

9600 Debt Service General Obligation Bonds and Commercial Paper - Continued

General Obligation Bond Expenditures

Variable Rate Bond Expenses	8,077	--	--
Commercial Paper: Expenses	77	112	174
Interest	741	1,563	1,777
Total	<u>\$576,104</u>	<u>\$664,908</u>	<u>\$706,892</u>
Kindergarten-University Public Education Facilities (2004):			
Chapter 33, Statutes of 2002:			
Bonds: Interest	\$228,545	\$318,351	\$536,871
Redemption	40,100	77,600	113,338
Variable Rate Bond Expenses	2,550	--	--
Commercial Paper: Expenses	77	776	1,036
Interest	741	10,831	10,577
Total	<u>\$272,013</u>	<u>\$407,558</u>	<u>\$661,822</u>
Kindergarten-University Public Education Facilities (2006):			
Chapter 35, Statutes of 2006:			
Bonds: Interest	-\$2,035	\$19,840	\$59,604
Redemption	--	5,295	7,372
Variable Rate Bond Expenses	--	--	--
Commercial Paper: Expenses	--	179	--
Interest	--	2,501	--
Total	<u>-\$2,035</u>	<u>\$27,815</u>	<u>\$66,976</u>
Public Education Facilities (1996):			
Chapter 1, Statutes of 1996:			
Bonds: Interest	\$72,438	\$69,491	\$66,050
Redemption	94,050	65,015	63,720
Commercial Paper: Expenses	77	--	--
Interest	741	--	--
Total	<u>\$167,306</u>	<u>\$134,506</u>	<u>\$129,770</u>
School Building and Earthquake (1974):			
Chapter 1, Statutes of 1996 (repealed and reenacted as Chapter 552, Statutes of 1995):			
Bonds: Interest	\$1,335	\$1,266	\$1,197
Redemption	1,335	1,335	1,335
Total	<u>\$2,670</u>	<u>\$2,601</u>	<u>\$2,532</u>
School Facilities (June 1988):			
Chapter 25, Statutes of 1988:			
Bonds: Interest	\$14,198	\$10,951	\$7,712
Redemption	65,690	54,635	82,235
Total	<u>\$79,888</u>	<u>\$65,586</u>	<u>\$89,947</u>
School Facilities (November 1990):			
Chapter 578, Statutes of 1990:			
Bonds: Interest	\$20,459	\$18,634	\$16,743
Redemption	30,085	30,040	42,395
Commercial Paper: Expenses	77	--	--
Interest	741	--	--
Total	<u>\$51,362</u>	<u>\$48,674</u>	<u>\$59,138</u>
School Facilities (June 1992):			
Chapter 12, Statutes of 1992:			
Bonds: Interest	\$49,476	\$46,126	\$43,501
Redemption	50,340	53,285	53,632
Commercial Paper: Expenses	77	1	1
Interest	741	18	10
Total	<u>\$100,634</u>	<u>\$99,430</u>	<u>\$97,144</u>
State School Building Lease-Purchase (1984):			

* Dollars in thousands

9600 Debt Service General Obligation Bonds and Commercial Paper - Continued

General Obligation Bond Expenditures

Chapter 375, Statutes of 1984:			
Bonds: Interest	\$1,937	\$1,277	\$500
Redemption	10,000	10,000	4,150
Total	<u>\$11,937</u>	<u>\$11,277</u>	<u>\$4,650</u>
State School Building Lease-Purchase (1986):			
Chapter 423, Statutes of 1986:			
Bonds: Interest	\$8,616	\$5,988	\$3,093
Redemption	40,000	40,000	28,100
Total	<u>\$48,616</u>	<u>\$45,988</u>	<u>\$31,193</u>
1988 School Facilities (November):			
Chapter 42, Statutes of 1988:			
Bonds: Interest	\$17,150	\$14,690	\$11,776
Redemption	38,570	55,290	78,766
Commercial Paper: Expenses	77	--	--
Interest	741	4	--
Total	<u>\$56,538</u>	<u>\$69,984</u>	<u>\$90,542</u>
1990 School Facilities (June):			
Chapter 24, Statutes of 1990:			
Bonds: Interest	\$18,386	\$16,127	\$13,469
Redemption	33,730	46,850	49,190
Commercial Paper: Expenses	77	--	--
Interest	741	6	3
Total	<u>\$52,934</u>	<u>\$62,983</u>	<u>\$62,662</u>
1992 School Facilities (November):			
Chapter 117, Statutes of 1992:			
Bonds: Interest	\$25,697	\$21,904	\$20,617
Redemption	25,383	26,875	25,538
Commercial Paper: Expenses	77	--	1
Interest	742	8	4
Total	<u>\$51,899</u>	<u>\$48,787</u>	<u>\$46,160</u>
Less loan repayment to General Fund	--	--	--
Totals, Education -- K-12 (6396)	<u>\$1,992,704</u>	<u>\$2,208,499</u>	<u>\$2,588,407</u>
HIGHER EDUCATION			
Class Size Reduction (1998):			
Chapter 407, Statutes of 1998:			
Bonds: Interest	\$106,714	\$108,514	\$109,005
Redemption	69,255	69,595	88,381
Commercial Paper: Expenses	77	18	10
Interest	741	249	98
Total	<u>\$176,787</u>	<u>\$178,376</u>	<u>\$197,494</u>
Higher Education Facilities (1986):			
Chapter 424, Statutes of 1986:			
Bonds: Interest	\$3,502	\$2,118	\$778
Redemption	20,000	20,000	8,100
Total	<u>\$23,502</u>	<u>\$22,118</u>	<u>\$8,878</u>
Higher Education Facilities (1988):			
Chapter 44, Statutes of 1988:			
Bonds: Interest	\$11,941	\$9,782	\$7,228
Redemption	39,065	42,330	46,690
Total	<u>\$51,006</u>	<u>\$52,112</u>	<u>\$53,918</u>
Higher Education Facilities (June 1990):			

* Dollars in thousands

9600 Debt Service General Obligation Bonds and Commercial Paper - Continued**General Obligation Bond Expenditures**

Chapter 6, Statutes of 1990:			
Bonds: Interest	\$10,247	\$9,076	\$7,454
Redemption	19,825	26,925	27,755
Commercial Paper: Expenses	77	--	--
Interest	741	--	--
Total	<u>\$30,890</u>	<u>\$36,001</u>	<u>\$35,209</u>
Higher Education Facilities (June 1992):			
Chapter 13, Statutes of 1992:			
Bonds: Interest	\$26,762	\$25,310	\$23,911
Redemption	26,115	26,585	26,235
Commercial Paper: Expenses	77	--	--
Interest	741	--	--
Total	<u>\$53,695</u>	<u>\$51,895</u>	<u>\$50,146</u>
Kindergarten-University Public Education Facilities (2002):			
Chapter 33, Statutes of 2002:			
Bonds: Interest	\$49,821	\$69,600	\$89,135
Redemption	13,690	17,185	35,710
Commercial Paper: Expenses	77	86	39
Interest	741	1,196	393
Total	<u>\$64,329</u>	<u>\$88,067</u>	<u>\$125,277</u>
Kindergarten-University Public Education Facilities (2004):			
Chapter 33, Statutes of 2002:			
Bonds: Interest	\$21,478	\$67,100	\$145,965
Redemption	6,325	19,965	26,588
Commercial Paper: Expenses	--	295	306
Interest	--	4,111	3,124
Total	<u>\$27,803</u>	<u>\$91,471</u>	<u>\$175,983</u>
Kindergarten-University Public Education Facilities (2006):			
Chapter 35, Statutes of 2006:			
Bonds: Interest	-\$4,068	\$4,029	\$23,505
Redemption	--	1,090	3,315
Commercial Paper: Expenses	--	92	--
Interest	--	1,282	--
Total	<u>-\$4,068</u>	<u>\$6,493</u>	<u>\$26,820</u>
Public Education Facilities (1996):			
Chapter 1, Statutes of 1996:			
Bonds: Interest	\$36,523	\$35,448	\$33,865
Redemption	34,935	34,835	32,460
Commercial Paper: Expenses	77	--	--
Interest	741	4	--
Total	<u>\$72,276</u>	<u>\$70,287</u>	<u>\$66,325</u>
Stem Cell Research And Cures (2004):			
Division 1, Health & Safety Code, Prop 71, Bond Act of 2004			
Bonds: Interest	\$0	\$12,920	\$12,920
Redemption	--	--	--
Commercial Paper: Expenses	--	--	--
Interest	--	--	--
Total	<u>\$0</u>	<u>\$12,920</u>	<u>\$12,920</u>
Totals, Higher Education	\$496,220	\$609,740	\$752,970
Community Colleges (6874)	\$154,225	\$219,033	\$271,598
Other Higher Education (7996)	\$341,995	\$390,707	\$481,372

* Dollars in thousands

9600 Debt Service General Obligation Bonds and Commercial Paper - Continued**General Obligation Bond Expenditures****GENERAL GOVERNMENT**

Earthquake Safety and Public Building Rehabilitation (1990):

Chapter 23, Statutes of 1990:

Bonds: Interest	\$9,644	\$9,769	\$10,146
Redemption	12,975	13,075	14,124
Commercial Paper: Expenses	77	4	4
Interest	741	56	36
Total	<u>\$23,437</u>	<u>\$22,904</u>	<u>\$24,310</u>

Veterans' Home Bond Act (2000):

Chapter 728, Statutes of 1999:

Bonds: Interest	\$262	\$497	\$929
Redemption	--	80	8,681
Commercial Paper: Expenses	77	3	2
Interest	741	35	14
Total	<u>\$1,080</u>	<u>\$615</u>	<u>\$9,626</u>
Totals, General Government (8998)	<u>\$24,517</u>	<u>\$23,519</u>	<u>\$33,936</u>

TOTALS, EXPENDITURES

<u><u>\$3,236,849</u></u>	<u><u>\$3,697,557</u></u>	<u><u>\$4,916,282</u></u>
----------------------------------	----------------------------------	----------------------------------

9600 Debt Service General Obligation Bonds and Commercial Paper - Continued

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
Bond Interest and Redemption (G.O. Bonds)	\$3,236,849	\$3,697,557	\$4,916,282
Less Amounts Shown In Agency Totals	<u>-3,236,849</u>	<u>-3,697,557</u>	<u>-4,916,282</u>
TOTALS, EXPENDITURES	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>
TOTALS, GENERAL FUND EXPENDITURES	\$-	\$-	\$-
3107 Transportation Debt Service Fund			
APPROPRIATIONS			
Bond Interest and Redemption (G. O. Bonds)	\$334,571	\$427,098	\$-
Less Amounts Shown In Agency Totals	<u>-334,571</u>	<u>-427,098</u>	<u>-</u>
TOTALS, EXPENDITURES	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$-	\$-	\$-

9610 Lease-Revenue Notes and Bonds

This budget is limited to those long-term lease arrangements, generally resulting in a capital acquisition or improvement, for which a bond or note has been issued as the underlying source of funds. This budget reflects expenditures for the appropriations necessary for the lease payments that are contained in the support budgets of the affected departments or agencies and may vary from this display because of reappropriations from prior years savings or reimbursements from bond surplus accounts. This display is intended to meet the needs of the financial community for summary information relating to lease-revenue debt. The proposed sales detailed in this budget are anticipated by the Department of Finance and the State Treasurer's Office.

9610 Lease-Revenue Notes and Bonds - Continued

Summary of Lease Revenue Bond Sales and Payments

	Original Amount Sold	Proposed Bond Sales			
		After December 31, 2007		Lease Payments	
		2008-09	2009-10	2008-09	2009-10
JUDICIAL BRANCH (0250)					
Base Rental/Debt Service Costs:					
Riverside Court of Appeal 4th Appellate District Facility	\$13,470	-	-	\$1,037	\$981
Court of Appeal 5th Appellate District Facility	24,925	-	-	1,857	1,855
Proposed Sales:					
Santa Ana Court of Appeal, 4th Appellate District Facility	-	-	\$27,120	-	712
Subtotal, Base Rental/Debt Service Costs	\$38,395	\$0	\$27,120	\$2,894	\$3,548
Variable Costs (Administration and Insurance)	-	-	-	48	66
Reimbursements	-	-	-	-	-169
Total, Judicial Branch	\$38,395	\$0	\$27,120	\$2,942	\$3,445
CALIFORNIA EMERGENCY MANAGEMENT AGENCY (0690)					
Proposed Sales:					
Los Angeles Crime Laboratory	\$89,270	-	-	\$6,316	\$6,316
Variable Costs (Administration and Insurance)	-	-	-	86	89
Total, California Emergency Management Agency	\$89,270	\$0	\$0	\$6,402	\$6,405
DEPARTMENT OF JUSTICE (0820)					
Base Rental/Debt Service Costs:					
Replacement Laboratories--2000 Series D	\$27,480	-	-	\$2,180	\$2,180
Replacement Laboratories--2006 Series D	16,205	-	-	1,130	1,123
Santa Rosa Replacement Lab	10,680	-	-	736	732
Subtotal, Base Rental/Debt Service Costs	\$54,365	\$0	\$0	\$4,046	\$4,035
Variable Costs (Administration and Insurance)	-	-	-	58	67
Total, Department of Justice	\$54,365	\$0	\$0	\$4,104	\$4,102
CALIFORNIA SCIENCE CENTER (1100)					
Base Rental/Debt Service Costs:					
California Science Center	\$37,770	-	-	\$2,680	\$2,677
Variable Costs (Administration and Insurance)	-	-	-	56	55
Total, California Science Center	\$37,770	\$0	\$0	\$2,736	\$2,732
FRANCHISE TAX BOARD (1730)					
Base Rental/Debt Service Costs:					
Franchise Tax Board, Phase II	\$37,745	-	-	\$3,070	\$3,068
Variable Costs (Administration and Insurance)	-	-	-	43	78
Reimbursements	-	-	-	-289	-
Total, Franchise Tax Board	\$37,745	\$0	\$0	\$2,824	\$3,146
DEPARTMENT OF GENERAL SERVICES (1760)					
Base Rental/Debt Service Costs:					
Los Angeles State Building (Ronald Reagan Building)	\$187,130	-	-	\$17,972	\$17,974
Los Angeles State Building (Junipero Serra Building)	59,045	-	-	4,752	4,750
Capitol Area Development Authority	7,245	-	-	663	664
Department of Justice Building	65,670	-	-	4,693	4,690
Oakland State Office (Elihu M. Harris Building)	157,820	-	-	9,563	9,567
Riverside State Office Building--1994 Series A-B	29,115	-	-	2,126	2,157
Site 7 Parking Facilities	- ^a	-	-	1,080	1,074
San Francisco Civic Center State Office Building	340,555	-	-	23,659	23,658
Capitol Area East End Garage	12,160	-	-	962	963
San Diego State Office Building (Mission Valley)	41,455	-	-	2,857	2,859
Teale Data Center	49,450	-	-	3,467	3,467
Capitol Area East End	455,165	-	-	32,502	32,467
Cal EPA Building	196,615	-	-	14,261	14,262
Butterfield Warehouse/Physical Plant	34,460	-	-	2,482	2,480
Food and Agriculture HQ Building Renovation	20,585	-	-	1,328	1,327
Butterfield State Office Building Complex	218,380	-	-	16,029	16,025
Caltrans San Diego Office Building	73,470	-	-	5,743	5,741
Archives Building Complex	140,830	-	-	12,273	12,255
Office Building 10	27,155	-	-	1,834	1,832
Proposed Sales:					
Various State Office Buildings	-	\$105,500	-	2,109	11,174
Board of Equalization Building	-	81,910	-	-	7,091

* Dollars in thousands

9610 Lease-Revenue Notes and Bonds - Continued

Summary of Lease Revenue Bond Sales and Payments

	Original Amount Sold	Proposed Bond Sales			
		After December 31, 2007		Lease Payments	
		2008-09	2009-10	2008-09	2009-10
Subtotal, Base Rental/Debt Service Costs	\$2,116,305	\$187,410	\$0	\$160,355	\$176,477
Variable Costs (Administration and Insurance)	-	-	-	2,091	2,115
Reimbursements	-	-	-	-43	-12,276
Total, Department of General Service	\$2,116,305	\$187,410	\$0	\$162,403	\$166,316
DEPARTMENT OF TRANSPORTATION (2660)					
Base Rental/Debt Service Costs:					
East Bay Building--1991 Series A-B	\$175,823 ^b	-	-	\$9,638	\$9,641
Caltrans Office Building, San Bernardino	63,755	-	-	4,851	4,843
Subtotal, Base Rental/Debt Service	\$239,578	\$0	\$0	\$14,489	\$14,484
Variable Costs (Administration and Insurance)	-	-	-	236	240
Total, Department of Transportation	\$239,578	\$0	\$0	\$14,725	\$14,724
DEPARTMENT OF THE CALIFORNIA HIGHWAY PATROL (2720)					
Base Rental/Debt Service Costs:					
Acquisition of E. Los Angeles and Banning Offices	\$11,805	-	-	\$934	\$936
Variable Costs (Administration and Insurance)	-	-	-	15	16
Reimbursements	-	-	-	-15	-5
Total, California Highway Patrol	\$11,805	\$0	\$0	\$934	\$947
CALIFORNIA CONSERVATION CORPS (3340)					
Proposed Sale:					
Camarillo Satellite Relocation	-	-	\$29,110	-	\$764
Total, California Conservation Corps	\$0	\$0	\$29,110	\$0	\$764
DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)					
Base Rental/Debt Service Costs:					
Telecommunications Towers	\$11,220	-	-	\$914	\$913
Various Forestry Projects--2004 Series G					
Ahwahnee Forest Fire Station	2,080	-	-	152	149
Squaw Valley Forest Fire Station	2,020	-	-	145	148
Hesperia Forest Fire Station	2,030	-	-	150	148
Lassen-Modoc Ranger Unit HQ	1,775	-	-	132	129
Hammond Forest Fire Station	2,645	-	-	192	194
Various Forestry Projects--2006 Series C	22,855	-	-	1,579	1,592
Various Forestry Projects--2007 Series E	44,620	-	-	2,632	3,129
Proposed Sales:					
Various Forestry Projects	-	\$22,400	-	-	1,631
Various Forestry Projects	-	-	\$64,620	-	1,696
Subtotal, Base Rental/Debt Service	\$89,245	\$22,400	\$64,620	\$5,896	\$9,729
Variable Costs (Administration and Insurance)	-	-	-	95	121
Total, Department of Forestry and Fire Protection	\$89,245	\$22,400	\$64,620	\$5,991	\$9,850
DEPARTMENT OF PUBLIC HEALTH (4265)					
Base Rental/Debt Services Costs:					
Richmond Laboratory Building Phase I and II	\$179,140	-	-	\$12,987	\$12,988
Richmond Laboratory Building Phase III	51,900	-	-	3,586	3,583
Subtotal, Base Rental/Debt Service	\$231,040	\$0	\$0	\$16,573	\$16,571
Variable Costs (Administration and Insurance)	-	-	-	214	211
Reimbursements	-	-	-	-	-3,276
Total, Department of Public Health	\$231,040	\$0	\$0	\$16,787	\$13,506
DEPT. OF DEVELOPMENTAL SERVICES (4300)					
Proposed Sales:					
Various Porterville Projects	-	\$64,140	-	\$2,234	\$6,113
Subtotal, Base Rental/Debt Service	\$0	\$64,140	\$0	\$2,234	\$6,113
Variable Costs (Administration and Insurance)	-	-	-	22	6
Total, Department of Developmental Services	\$0	\$64,140	\$0	\$2,256	\$6,119
DEPARTMENT OF MENTAL HEALTH (4440)					
Base Rental/Debt Services Costs:					
Atascadero State Hospital	\$37,270	-	-	\$2,552	\$2,550

* Dollars in thousands

9610 Lease-Revenue Notes and Bonds - Continued

Summary of Lease Revenue Bond Sales and Payments

	Original Amount Sold	Proposed Bond Sales		Lease Payments	
		After		2008-09	2009-10
		December 31, 2007			
Patton State Hospital	7,580	-	-	546	543
Coalinga State Hospital	474,085	-	-	35,219	35,215
Atascadero Multi-use Building	14,925	-	-	982	983
Proposed Sales:					
Various Mental Health Projects	-	\$21,665	-	963	2,636
Subtotal, Base Rental/Debt Service	\$533,860	\$21,665	\$0	\$40,262	\$41,927
Variable Costs (Administration and Insurance)	-	-	-	497	487
Reimbursements	-	-	-	-24,500	-1,797
Total, Department of Mental Health	\$533,860	\$21,665	\$0	\$16,259	\$40,617
DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)					
Base Rental/Debt Service Costs:					
Central Valley Women's Facility, Madera -- 1990 Series A	\$163,480	-	-	\$15,017	\$15,428
Fresno County, Coalinga--1993 Series B	260,000	-	-	16,243	16,248
Del Norte Refunding--1993 Series C	214,355	-	-	27,406	27,352
Lassen County, Susanville--1993 Series D	318,295	-	-	23,311	23,309
Madera II--1993 Series E	192,715	-	-	14,264	14,263
Monterey County, Soledad II--1994 Series A	305,535	-	-	23,081	23,182
Corcoran II--1996 Series A	455,400	-	-	33,542	33,637
Various Corrections Projects--1991 Series A					
Imperial North	229,625	-	-	18,370	18,238
Imperial South	241,537	-	-	19,332	19,193
Various Emergency Bed Projects--1998 Series A					
Kings	1,490	-	-	112	113
Ironwood	1,200	-	-	93	90
North Kern	8,100	-	-	618	616
Pleasant Valley	1,110	-	-	84	82
RJ Donovan	5,380	-	-	409	412
Soledad	12,270	-	-	934	932
Vacaville	25,740	-	-	1,961	1,959
Wasco	17,855	-	-	1,359	1,360
Avenal	27,050	-	-	2,057	2,058
Chino	15,185	-	-	1,155	1,157
Various Prison Projects--2000 Series A					
Central Health Infirmary, Pelican Bay	2,950	-	-	239	238
Central Health Infirmary, Wasco State Prison	2,805	-	-	228	227
Correctional Treatment Center, Lancaster	9,720	-	-	228	227
Correctional Treatment Center, Represa	2,220	-	-	181	181
Dormitory/Administration Building, Chino	6,305	-	-	508	510
R.J. Donovan - Central Health Infirmary	3,000	-	-	241	240
Wastewater Treatment Plant: Sierra Conservation Center	2,795	-	-	785	785
Various Ad Seg Housing Projects--2002 Series A					
Calipatria	9,730	-	-	682	682
Centinela	11,510	-	-	806	809
Coalinga	9,395	-	-	658	659
Corcoran	9,305	-	-	654	655
Corcoran II	9,305	-	-	654	655
Lancaster	9,325	-	-	655	656
Pelican Bay	9,680	-	-	680	680
Sacramento	9,620	-	-	672	673
Soledad II	9,235	-	-	647	647
Susanville	9,695	-	-	680	681
Kern County, Delano II--2003 Series C	390,460	-	-	29,810	29,807
Various Corrections Projects--2005 Series G					
Susanville: Replace Antelope Dorms Phase I	2,280	-	-	145	147
Vacaville: Unit V Modular House Replacement	6,095	-	-	404	396
Vacaville: Ambulatory Care Clinic	2,600	-	-	168	174
SLO: D-Quad Mental Health Svcs Bldg.	2,620	-	-	177	179
RJ Donovan: Substance Abuse Pgm Modular Replcmnt	2,325	-	-	160	157
Former Youth Authority Various Projects--2000 Series B					
El Paso De Robles School: Infirmary	2,970	-	-	240	239
Preston School of Industry: Boiler Plant and Equipment	2,260	-	-	182	183
Fred C. Nelles School: Maintenance Bldg	2,785	-	-	223	227

* Dollars in thousands

9610 Lease-Revenue Notes and Bonds - Continued

Summary of Lease Revenue Bond Sales and Payments

	Original Amount Sold	Proposed Bond Sales		Lease Payments	
		After December 31, 2007		2008-09	2009-10
		2008-09	2009-10	2008-09	2009-10
Heman G. Stark School: Auto Body/Paint Shop	770	-	-	65	63
Former Youth Authority Various Projects--2001 Series B					
Ventura Youth Correctional Visitors Entrance	2,745	-	-	234	238
Southern Youth Correctional Reception Center	1,385	-	-	120	117
Former Youth Authority Various Projects--2002 Series B					
Heman G. Stark Complex: Correctional Treatment Ctr	2,940	-	-	200	202
Dewitt Nelson Complex: Visitor's Entrance and Hall	2,525	-	-	170	168
Various Corrections Projects--2006 Series H					
CSP Sac: Psych Services Unit/EOP	15,700	-	-	1,255	1,257
Ironwood Prison: Blythe Correctional Treatment	3,800	-	-	304	305
CMC SLO: Wastewater Treatment Plant--2007D	28,700	-	-	2,295	2,295
Various Corrections Projects--2007 Series F					
CMF Vacaville: Mental Health Crisis Bed:	33,830	-	-	1,934	2,335
SYCRCC: Specialized Counseling Program Beds	3,715	-	-	258	254
Proposed Sales:					
Various CDCR Projects	-	\$82,155	-	1,885	5,159
Various CDCR Projects	-	-	\$243,020	-	6,379
Subtotal, Base Rental/Debt Service Costs	\$3,133,422	\$82,155	\$243,020	\$248,775	\$259,115
Variable Costs (Administration and Insurance)	-	-	-	3,064	3,064
Reimbursements	-	-	-	-4,112	-236
Total, Department of Corrections and Rehabilitation	\$3,133,422	\$82,155	\$243,020	\$247,727	\$261,943
DEPARTMENT OF EDUCATION (6110)					
CSD-Fremont, Pupil Personnel Services	\$3,990	-	-	\$269	\$272
Proposed Sales:					
CSD-Riverside, Multipurpose Activity Center	-	-	\$7,445	-	-
Subtotal, Base Rental/Debt Service Costs	\$3,990	\$0	\$7,445	\$269	\$272
Variable Costs (Administration and Insurance)	-	-	-	5	13
Total, Department of Education	\$3,990	\$0	\$7,445	\$274	\$285
STATE LIBRARY (6120)					
Base Rental/Debt Service Costs:					
Library and Courts Annex Building	\$33,055	-	-	\$2,448	\$2,446
Variable Costs (Administration and Insurance)	-	-	-	40	37
Reimbursements	-	-	-	-105	-
Total, State Library	\$33,055	\$0	\$0	\$2,383	\$2,483
UNIVERSITY OF CALIFORNIA (6440)					
Base Rental/Debt Service Costs:					
Various UC Projects of 1990--Series A					
Berkeley Genetics	\$28,756 ^b	-	-	\$1,741	\$1,733
Davis Meyer Hall (Food and Ag)	66,665 ^b	-	-	4,044	4,024
Davis Shields Library	32,199 ^b	-	-	1,951	1,941
Irvine Biological Sciences 2	63,587 ^b	-	-	4,013	3,994
Irvine Physical Sciences 2	42,446 ^b	-	-	2,574	2,561
Irvine MK Cancer Center Module	14,257 ^b	-	-	934	930
L.A. School of Engineering/Applied Science	76,548 ^b	-	-	5,024	5,000
San Diego Grad School of International Relations	11,786 ^b	-	-	715	711
San Diego Sea Water System, Scripps	6,318 ^b	-	-	383	381
Santa Barbara Bio Tech Sea Water Lab	11,016 ^b	-	-	669	666
Santa Cruz Natural Science, Unit 3	31,389 ^b	-	-	1,905	1,895
Various UC Projects of 1992--Series A					
UCB Life Sciences Building Renovation	56,485	-	-	4,204	4,195
UCD Med Center Intensive Care Unit	2,840	-	-	207	207
UCD Med Center Operating Room	6,225	-	-	455	454
UCD Engineering Unit 2	37,600	-	-	2,759	2,754
UCI Med Center Psych Inpatient Facility	19,045	-	-	1,377	1,375
UCI Science Library	35,410	-	-	2,599	2,593
UCI Engineering Unit 2	34,145	-	-	2,539	2,534
UCLA Powell Library Interim Staging	2,335	-	-	170	171
UCSD Med Center Inpatient Tower	41,530	-	-	3,006	3,001
UCSD Central Library Addition	35,220	-	-	2,550	2,545
UCSD Visual Arts Facility	11,225	-	-	812	813
UCSB Physical Sciences Building	32,565	-	-	2,390	2,384

* Dollars in thousands

9610 Lease-Revenue Notes and Bonds - Continued

Summary of Lease Revenue Bond Sales and Payments

	Original Amount Sold	Proposed Bond Sales			
		After December 31, 2007		Lease Payments	
		2008-09	2009-10	2008-09	2009-10
UCSC Earth/Marine Sciences Building	37,635	-	-	2,761	2,766
Various UC Projects of 1993--Series A					
UCB Life Sciences Bldg	48,020	-	-	4,259	-
Various UC Projects of 1993--Series B					
Berkeley Northwest Animal Facility	17,219	-	-	1,173	1,172
Davis Social Sci./Human Building and Equipment	27,616	-	-	1,863	1,863
Los Angeles Anderson Grad. School	29,878	-	-	2,081	2,079
Los Angeles Powell Library	38,743	-	-	2,693	2,694
Riverside Engineering Unit 1 and Equipment	43,832	-	-	2,909	2,908
San Diego Engineering Unit 2 and Equipment	25,117	-	-	1,637	1,639
Various UC Projects of 1994--Series A					
Riverside Humanities/Social Sciences	19,916	-	-	1,748	1,746
San Diego Social Sciences Building	14,090	-	-	1,235	1,236
UCSB Humanities/Social Sciences	31,834	-	-	2,791	2,789
Various UC Projects of 1994--Series B					
Irvine Social Sciences Unit 2	35,244	-	-	2,807	2,804
UCSB Bio Sci./Psych. Renovation	2,750	-	-	216	219
Various UC Projects of 1997--Series C					
Berkeley Dwinelle Hall	11,247	-	-	790	788
Berkeley Doe/Moffitt Library Addition/Seismic Imprvmm	5,227	-	-	4,368	4,364
Davis Environmental Services Facility	14,098	-	-	1,003	1,000
Irvine Main Library	5,069	-	-	348	343
Irvine Humanities/Fine Arts	19,009	-	-	1,251	1,246
Irvine Central Plant Chiller	5,861	-	-	403	407
UCLA Law Library	12,989	-	-	910	905
UCLA Chemistry/Biology	13,306	-	-	924	923
Riverside Science Lab	28,671	-	-	1,954	1,949
San Diego Bonner Hall	6,812	-	-	471	473
San Diego MC North Annex	6,336	-	-	440	438
Santa Barbara Physical Sciences	15,207	-	-	1,074	1,074
Santa Cruz Arts Facility	13,781	-	-	954	952
UCLA Teaching Hospital Seismic Program of 2002	173,005	-	-	13,778	13,765
UC MIND Institute--2003 Series A	32,760	-	-	2,290	2,290
UC Davis Medical Center Tower II--2004 Series A	17,555	-	-	1,316	1,314
Various UC Projects of 2004--Series F					
UC San Diego, Engineering Building Unit 3B	37,460	-	-	2,604	2,603
UC Santa Barbara - Life Sciences Building	26,830	-	-	1,864	1,868
UC Santa Cruz, Engineering Building	49,955	-	-	3,472	3,477
UC San Francisco, Fresno Medical Center	23,495	-	-	1,634	1,635
Various UC Projects of 2005--Series C					
UC Irvine, Cal(IT) ²	24,915	-	-	1,747	1,748
UC San Diego, Cal(IT) ²	58,820	-	-	4,123	4,124
UC San Francisco, QB3 at Mission Bay	45,435	-	-	3,185	3,186
Various UC Projects of 2005--Series D					
UC Davis, Veterinary Medicine 3A	78,365	-	-	5,782	5,784
UC Merced, Classroom and Office Building	29,680	-	-	2,137	2,137
UC Merced, Library/Information Technology Center	57,465	-	-	4,135	4,138
UC Merced, Science and Engineering Building	77,190	-	-	5,558	5,554
UC Merced, Site Development and Infrastructure	61,455	-	-	4,425	4,424
UC Riverside, Engineering Building Unit 2	29,030	-	-	2,091	2,087
UC Riverside, Heckmann International Center	9,475	-	-	683	680
Various UC Projects of 2005--Series L					
UC Berkeley: Stanley QB3 Facility	24,365	-	-	1,653	1,654
UCLA: CNSI Court of Sciences Building	55,295	-	-	3,747	3,749
UCSB: CNSI Building	32,905	-	-	2,228	2,228
UCI: Natural Sciences Unit 2	43,645	-	-	2,898	2,900
Davis Hall North Replacement Building--2006 Series E	79,870	-	-	-	1,905
UCI Medical Center SB 1953 Upgrades--2008 Series A	261,610	-	-	-	13,542
UCSF Med Center SB 1953 Upgrades --2008 Series B	26,125	-	-	1,796	1,793
UC Irvine: McGaugh Hall--2008 Series C	14,835	-	-	1,365	1,363
Proposed Sales:					
UC Various Projects	-	\$275,940	-	-	14,394
Subtotal, Base Rental/Debt Service	\$2,618,029	\$275,940	\$0	\$164,595	\$189,981
Variable Costs (Admin. and Insurance)	-	-	-	3,341	2,222

* Dollars in thousands

9610 Lease-Revenue Notes and Bonds - Continued

Summary of Lease Revenue Bond Sales and Payments

	Original Amount Sold	Proposed Bond Sales		Lease Payments	
		After December 31, 2007		2008-09	2009-10
		2008-09	2009-10	2008-09	2009-10
Reimbursements	-	-	-	-9,624	-5,447
Total, University of California	\$2,618,029	\$275,940	\$0	\$158,312	\$186,756
CALIFORNIA STATE UNIVERSITY (6610)					
Base Rental/Debt Service Costs:					
CSU Library Projects -- 1990 Series A					
Chico Library	\$2,362	-	-	\$170	\$173
Long Beach Library	6,143	-	-	499	498
Northridge Library	19,375	-	-	1,480	1,475
Sacramento Library	19,375	-	-	1,540	1,541
Various CSU Projects--1992 Series A					
Bakersfield Stiern Library	18,100	-	-	1,397	1,399
Chico/O'Connell Tech Center	9,855	-	-	759	759
Fresno Education Building	16,955	-	-	1,311	1,308
Fresno Engineering East	7,850	-	-	605	605
Fresno Farm Lab	7,855	-	-	605	610
Fullerton Classroom/Student Services	12,225	-	-	946	941
Fullerton Science Addition	26,835	-	-	2,072	2,073
Humboldt Founder's Hall Renovation	8,395	-	-	650	649
Long Beach Dance Facility	30,920	-	-	2,383	2,385
Northridge Business Admin./Education Building	28,510	-	-	2,202	2,202
Pomona Classroom/Lab/Admin Building	32,400	-	-	2,497	2,495
Pomona Lab Facility	1,712	-	-	141	145
Sacramento Classroom/Office/Lab	9,540	-	-	740	735
San Bernardino Science Building	21,860	-	-	1,689	1,689
San Francisco Art/Industry	20,645	-	-	1,588	1,592
San Marcos/San Diego North	19,250	-	-	1,486	1,485
SLO Dairy Science Building	5,430	-	-	422	420
Various CSU Projects--1993 Series A					
Hayward Art/Education Building	2,415	-	-	173	173
Long Beach Art/Science Renovation	21,044	-	-	1,538	1,537
Chico Ayers Hall	2,824	-	-	202	202
San Francisco Classroom/Faculty Building	23,049	-	-	1,648	1,645
Northridge Engineering Renovation	9,928	-	-	709	709
San Bernardino Library	17,245	-	-	1,232	1,231
Long Beach Music Building	3,079	-	-	220	220
Various CSU Projects--1994 Series A					
San Bernardino Health/P.E./Classroom Complex	28,009	-	-	2,068	2,092
San Diego Library Addition	32,779	-	-	2,432	2,403
Fullerton Library Building, Equipment	28,646	-	-	2,118	2,124
Bakersfield Music Building Addition	2,507	-	-	185	189
SLO, Performing Arts Center	20,556	-	-	1,515	1,505
Long Beach P.E. Building Addition	13,957	-	-	1,034	1,045
Various CSU Projects--1995 Series A					
Bakersfield Library Remodel	4,542	-	-	394	393
Dominguez Hills Initial Bldg. Renovation and Equipment	2,973	-	-	254	259
Northridge P.E. Addition and Renovation	14,236	-	-	1,247	1,250
Sacramento Student Service Center Remodel/Expansion	4,817	-	-	417	410
Various CSU Projects--1997 Series C					
San Jose Morris Daily Auditorium	832	-	-	56	60
SLO Upgrade HV Electric I	7,484	-	-	527	529
SLO Upgrade Utilities Heat/Water Dist	22,286	-	-	1,572	1,572
Fresno Renovation/High Voltage Distribution System	1,763	-	-	121	123
Fullerton Plan Library Seismic Safety	6,719	-	-	466	469
Hayward Science Building Renovation	12,540	-	-	884	882
Humboldt East Gym Seismic Safety	682	-	-	45	49
Humboldt Griffith Hall Seismic Safety	881	-	-	63	61
Humboldt Seimens Hall Seismic	865	-	-	62	60
Los Angeles Renovation Sewer/Water Distribution	2,362	-	-	163	164
Los Angeles Thermal Energy Storage	7,151	-	-	497	500
Los Angeles Admin Building, Seismic	3,692	-	-	257	256
Los Angeles Simpson Tower Seismic	4,557	-	-	320	317
Long Beach Macintosh Hall Seismic	1,414	-	-	98	100
Northridge Central Plant/Utility Infrastructure I and II	28,722	-	-	2,025	2,023

* Dollars in thousands

9610 Lease-Revenue Notes and Bonds - Continued

Summary of Lease Revenue Bond Sales and Payments

	Original Amount Sold	Proposed Bond Sales		Lease Payments	
		After			
		December 31, 2007		2008-09	2009-10
Pomona Environmental Design/Seismic Safety	1,131	-	-	77	80
San Bernardino Central Chiller and Plant	1,148	-	-	78	81
San Bernardino Library Seismic Safety	6,320	-	-	441	440
San Bernardino P.E. Seismic Safety	699	-	-	46	50
San Francisco Center Plant and Utilities	24,248	-	-	1,711	1,707
San Francisco Corporation Yard	7,733	-	-	547	543
San Francisco Seismic, Administration Building	12,074	-	-	841	840
San Marcos Campus Academic Hall--2006 Series B	21,950	-	-	1,756	1,755
Los Angeles Physical Sciences Bldg--2006 Series G	37,850	-	-	3,027	3,414
Proposed Sales:					
CSU Various Projects	-	\$50,495	-	1,324	3,624
Subtotal, Base Rental/Debt Service	\$773,301	\$50,495	\$0	\$59,572	\$62,265
Variable Costs (Administration and Insurance)	-	-	-	2,016	2,371
Reimbursements	-	-	-	-4,573	-2,126
Total, California State University	\$773,301	\$50,495	\$0	\$57,015	\$62,510

CALIFORNIA COMMUNITY COLLEGES (6870)

Base Rental/Debt Service Costs:

Various CCC Projects--1991 Series A

Orange Coast Biology	\$542	-	-	\$48	\$48
Napa Valley, Child Care Center	1,810	-	-	163	163
Allan Hancock Humanities	3,259	-	-	278	278
Los Angeles Mission, Instructional/Admin. Bldg	10,259	-	-	876	876
Kern/Porterville Instructional Building	4,164	-	-	391	388
San Diego Miramar, Instructional Center	3,802	-	-	323	323
West Hills Library Addition	664	-	-	56	56
Kern/Cerro Coso Physical Education Facility	5,672	-	-	494	494
Mendocino-Lake, Outdoor Physical Education	2,957	-	-	250	250
Riverside/Norco, Permanent Building: Phase I	8,991	-	-	766	766
Riverside/Moreno, Permanent Building: Phase I	9,474	-	-	809	809
Kern/Bakersfield Science Lab	1,026	-	-	85	85
Mt. San Jacinto, West Center Permanent Facilities	5,069	-	-	434	434

Various CCC Projects--1992 Series A

Allan Hancock Secondary Renovation	1,904	-	-	141	141
Antelope Valley Library Building	5,797	-	-	436	437
Cerritos Learning Resource Center	6,789	-	-	511	509
Chabot College, Valley Campus LRC/Offices	6,626	-	-	462	463
Chaffey Learning Resource Center Remodel/Expansion	2,113	-	-	157	158
Copper Mountain Library Learning Resource Center	1,738	-	-	109	111
Copper Mountain Student Service Center	1,679	-	-	117	118
De Anza Computer/Electronics/Telecom	16,803	-	-	1,260	1,260
East L.A. Vocational Building	3,917	-	-	296	296
El Camino Library Addition	7,770	-	-	584	586
Feather River Science Module	1,614	-	-	114	111
Glendale Remodel Classrooms	2,422	-	-	182	181
Indian Valley Welding/Machine Shop	738	-	-	57	55
Lake Tahoe Child Care Development	1,197	-	-	90	87
Los Angeles Southwest Tech. Ed. Center	6,065	-	-	673	686
Mendocino Lake Fine Arts Building	9,152	-	-	685	688
Modesto Fire Training Center	4,223	-	-	320	320
Mt. San Jacinto Business/Tech. Build.	3,842	-	-	229	227
Orange Coast Voc Tech Building	11,605	-	-	873	870
Pasadena City College Library	13,730	-	-	1,030	1,032
Peralta Merrit Conversion of Space	1,283	-	-	90	87
San Joaquin Child Care Dev. Facility	3,404	-	-	239	242
Santa Barbara Bus. Community Center	7,410	-	-	559	556
Santa Monica Technical Building	4,828	-	-	362	361
Sequoias Home Economics Classroom Building	4,641	-	-	330	329
So. Orange County CCD, Irvine Indoor P.E.	2,309	-	-	198	197
So. Orange County CCD, Irvine Outdoor P.E.	2,654	-	-	173	173
Upper Valley Permanent Facility	5,253	-	-	363	367
Victor Valley Indoor P.E. Gym	5,440	-	-	410	407
Yuba/Woodland Learning Resource Center	3,089	-	-	215	218

Various CCC Projects--1993 Series A

* Dollars in thousands

9610 Lease-Revenue Notes and Bonds - Continued

Summary of Lease Revenue Bond Sales and Payments

	Original Amount Sold	Proposed Bond Sales			
		After December 31, 2007		Lease Payments	
		2008-09	2009-10	2008-09	2009-10
College of the Canyons Renovation	2,405	-	-	178	178
Contra Costa/Los Medanos Music	3,666	-	-	272	272
Yosemite/Modesto Auto Addition	2,620	-	-	194	194
Yosemite/Modesto Science Building	8,674	-	-	642	642
Fremont-Newark/Ohlone Performing Arts	15,989	-	-	1,184	1,184
Ventura/Oxnard Indoor Gym	7,910	-	-	593	593
Los Rios/Placerville Facility Phase I	7,384	-	-	546	546
Mt. San Antonio Student Service Center	7,932	-	-	587	587
Various CCC Projects--1994 Series A					
Moorpark Performing Arts	8,981	-	-	744	742
Moreno Building Phase II	12,225	-	-	1,021	1,017
Norco Building Phase II	14,553	-	-	1,210	1,207
Santa Rosa/Petaluma Permanent Facility	8,482	-	-	709	709
Porterville Instructional Facility	1,497	-	-	125	125
San Francisco Library Building	19,626	-	-	1,641	1,639
Skyline Resource Center	7,817	-	-	653	655
West Los Angeles Aerospace Complex	9,979	-	-	828	827
Various CCC Projects--1994 Series B					
State Center Fresno Allied Health/Pub Svc	7,765	-	-	671	677
Rancho Santiago Business/Computer Building	16,465	-	-	1,433	1,446
Pasadena Community Skills Center	14,835	-	-	1,287	1,300
Los Rios Cosumnes River Fine Arts	9,125	-	-	795	802
Tahoe Phase II, North Facility	9,255	-	-	802	804
Victor Valley Learning Resource Center	8,045	-	-	706	710
Sierra Joint Learning Resource Center	18,960	-	-	1,649	1,661
Los Angeles Mission/CCD Learning Resource Center	10,345	-	-	897	901
Kern/Bakersfield CCD New Library	13,340	-	-	1,162	1,133
Vicor Valley New Science Building	8,725	-	-	765	757
Mt. San Antonio Performing Arts Center	19,055	-	-	1,660	1,672
Various CCC Projects--1996 Series A					
Cabrillo Learning Resource Center	11,243	-	-	925	923
Glendale Classroom/Library Addition	11,288	-	-	926	929
College of the Canyons Utility Upgrade	3,624	-	-	300	299
Cuyamaca Outdoor P.E.	866	-	-	70	72
DeAnza Learning Resource Center	9,949	-	-	818	819
District Center Warehouse Seismic Upgrade	1,593	-	-	130	131
Los Angeles Southwest P.E. Facility	16,424	-	-	1,350	1,353
Los Angeles Southwest Lecture Lab Phase I	15,247	-	-	1,256	1,253
San Diego Mesa Learning Resource Center	19,816	-	-	1,665	1,667
Glendale Multi-use Lab	13,481	-	-	1,110	1,111
Sierra/Western Nevada Buildings Phase I	14,093	-	-	1,141	1,141
Various CCC Projects--1997 Series A					
Los Rios Learning Resource Center	15,076	-	-	1,427	1,426
State Center/Fresno City Library-Media Bldg. Addition	6,555	-	-	546	549
Ventura Math/Science Complex	13,110	-	-	1,132	1,131
Various CCC Projects--1999 Series B					
Compton, Health & Safety Vocational Technology Bldg	14,931	-	-	1,259	1,261
Lompoc Valley Center Phase I	21,917	-	-	1,667	1,668
Moorpark College Math/Science Building	6,803	-	-	568	568
Sacramento Learning Resource Center Phase II	1,324	-	-	89	91
Various CCC Projects--2004 Series B					
Mendocino Science Building	8,365	-	-	603	602
Madera Education Center, Academic Facilities Phase 1B	17,140	-	-	1,229	1,231
Various CCC Projects--2005 Series E					
Citrus College, Math/Science Building Replacement	8,795	-	-	576	580
College of the Sequoias, Learning Resource Center	14,820	-	-	974	973
Folsom Lake Center, Instructional Facilities, Phase 1B	39,275	-	-	2,591	2,591
Merced College, Interdisciplinary Academic Center	9,500	-	-	624	627
Various CCC Projects--2007 Series B					
Cuesta College: Library Addition	16,083	-	-	1,118	1,116
Menifee Valley Center: Learning Resource Center	11,736	-	-	824	822
Palomar College: High Technology Lab	31,640	-	-	2,186	2,183
Santiago Canyon College: Learning Resource Center	9,776	-	-	683	684
Victor Valley Advanced Tech Complex--2008 Series E	20,890	-	-	1,407	1,408

* Dollars in thousands

9610 Lease-Revenue Notes and Bonds - Continued

Summary of Lease Revenue Bond Sales and Payments

	Original Amount Sold	Proposed Bond Sales		Lease Payments	
		After		2008-09	2009-10
		December 31, 2007			
Subtotal, Base Rental/Debt Service	\$868,739	\$0	\$0	\$68,386	\$68,432
Variable Costs (Administration and Insurance)	-	-	-	465	479
Reimbursements	-	-	-	-751	-2,082
Total, California Community Colleges	\$868,739	\$0	\$0	\$68,100	\$66,829
DEPARTMENT OF FOOD & AGRICULTURE (8570)					
Base Rental/Debt Service Costs:					
Food and Ag. Labs--1993 Series A	\$21,400	-	-	\$1,860	\$1,863
Truckee Agricultural Inspection Station	13,395	-	-	995	996
Subtotal, Base Rental/Debt Service	\$34,795	\$0	\$0	\$2,855	\$2,859
Variable Costs (Administration and Insurance)	-	-	-	45	53
Reimbursements	-	-	-	-	-172
Total, Food and Agriculture	\$34,795	\$0	\$0	\$2,900	\$2,740
PUBLIC UTILITIES COMMISSION (8660)					
Base Rental/Debt Service Costs:					
San Francisco Building Authority	\$62,705	-	-	\$5,014	\$5,020
Variable Costs (Administration and Insurance)	-	-	-	82	78
Reimbursements	-	-	-	-	-514
Total, Public Utilities Commission	\$62,705	\$0	\$0	\$5,096	\$4,584
VETERANS HOME OF CALIFORNIA, BARSTOW (8950)					
Base Rental/Debt Service Costs:					
Southern CA Veterans Home, Barstow	\$14,660	-	-	\$1,194	\$1,190
Variable Costs (Administration and Insurance)	-	-	-	142	140
Reimbursements	-	-	-	-	-109
Total, Veterans Home of California, Barstow	\$14,660	\$0	\$0	\$1,336	\$1,221
VETERANS HOME OF CALIFORNIA, CHULA VISTA (8950)					
Base Rental/Debt Service Costs :					
Veterans Home, Chula Vista	\$16,470	-	-	\$1,371	\$1,370
Variable Costs (Administration and Insurance)	-	-	-	37	37
Reimbursements	-	-	-	-	-93
Total, Veterans Home of California, Chula Vista	\$16,470	\$0	\$0	\$1,408	\$1,314
DEPARTMENT OF VETERANS AFFAIRS (8955)					
Proposed Sale:					
GLAVC	-	\$98,510	-	-	\$2,586
Total, Department of Veterans Affairs	\$0	\$98,510	\$0	\$0	\$2,586
ENERGY CONSERVATION AND CO-GENERATION					
Base Rental/Debt Services Costs:					
Energy Efficiency Revenue Bond of 1995, Series A	\$30,960	-	-	\$3,056	\$2,314
Energy Efficiency Revenue Bond of 1996, Series A	32,625	-	-	3,078	3,076
Energy Efficiency Revenue Bond of 1998, Series A	15,135	-	-	1,538	1,219
Subtotal, Base Rental/Debt Service	\$78,720	\$0	\$0	\$7,672	\$6,609
Variable Costs (Administration and Insurance)	-	-	-	19	18
Total, Energy Conservation and Co-Generation	\$78,720	\$0	\$0	\$7,691	\$6,627
TOTALS, LEASE REVENUE NOTES AND BONDS	\$11,117,264	\$802,715	\$371,315	\$790,605	\$872,551

⁴ 1992 Series A was sold to finance both the Secretary of State Archives Building Complex and the Site 7 Parking Facilities. Total bond sale was \$140,830,000. Base rental and related costs for the Archives Building Complex and the Site 7 Parking Facilities are funded within the Department of General Services' budget.

^o Includes full accreted value of any capital appreciation bonds.

9612 Enhanced Tobacco Settlement Asset-Backed Bonds

In accordance with Government Code Section 63049.1, the Enhanced Tobacco Settlement Asset-Backed Bonds item appropriates \$1,000 and authorizes the Director of Finance to allocate up to \$200 million if tobacco settlement revenues are insufficient to pay the costs of debt service and operating expenses. While this authority was necessary to sell the Tobacco Settlement Revenue backed bonds, it is not anticipated that the General Fund will be required to make any payments.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Tobacco Settlement Revenue Shortfall	-	-	-	\$-	\$-	\$1
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$-	\$-	\$1
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				\$-	\$-	\$1
TOTALS, EXPENDITURES, ALL FUNDS				\$-	\$-	\$1

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code Section 63049.1.

DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Miscellaneous Baseline Adjustments	-\$1	\$-	-	\$-	\$-	-
Totals, Other Workload Budget Adjustments	-\$1	\$-	-	\$-	\$-	-
Totals, Workload Budget Adjustments	-\$1	\$-	-	\$-	\$-	-
Totals, Budget Adjustments	-\$1	\$-	-	\$-	\$-	-

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$1	\$1	\$1
Totals Available	\$1	\$1	\$1
Unexpended balance, estimated savings	-1	-1	-
TOTALS, EXPENDITURES	\$-	\$-	\$1
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$-	\$-	\$1

9620 Payment of Interest on General Fund Loans

The Payment of Interest on General Fund Loans Program accounts for the interest cost to the General Fund for internal and external borrowing used to overcome normal cash flow imbalances during the fiscal year. Because receipts and disbursements occur unevenly throughout the fiscal year, the General Fund will need to borrow even though its budget is balanced. This short-term borrowing for cash flow purposes does not indicate fiscal weakness and may be preferable to carrying too large a reserve.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

* Dollars in thousands

9620 Payment of Interest on General Fund Loans - Continued

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Payment of Interest on General Fund Loans	-	-	-	\$201,506	\$347,100	\$456,615
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$201,506	\$347,100	\$456,615
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				\$201,506	\$347,100	\$456,615
TOTALS, EXPENDITURES, ALL FUNDS				\$201,506	\$347,100	\$456,615

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code Sections 5924, 12020, 12021, 16310, 16418, 16731.6, 17200-17280.2, 17300-17313; Budget Act Items 9620-001-0001 and 9620-002-0001.

DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Increase to Internal Borrowable Cost	\$-	\$-	-	\$50,000	\$-	-
• Adjustments to Estimate of Interest Cost on RANs	-	-	-	105,579	-	-
• Adjustment to General Fund Loan Repayments	-5,106	-	-	-1,170	-	-
Totals, Other Workload Budget Adjustments	-\$5,106	\$-	-	\$154,409	\$-	-
Totals, Workload Budget Adjustments	-\$5,106	\$-	-	\$154,409	\$-	-
Totals, Budget Adjustments	-\$5,106	\$-	-	\$154,409	\$-	-

PROGRAM DESCRIPTIONS (Program Objectives Statement)

10 - PAYMENT OF INTEREST ON GENERAL FUND LOANS

Chapter 312, Statutes of 1907, authorized the transfers to the General Fund from other funds in the State Treasury whenever the General Fund was exhausted. This enabled the General Fund to overcome normal cash flow imbalances. All money so transferred had to be returned as soon as possible, and such transfers were not to interfere with the day-to-day needs of the loaning funds. These provisions in slightly modified form are now contained in Sections 16310 and 16418 of the Government Code.

In addition, the courts have validated temporary external borrowing that meets the "appropriation doctrine". Under this doctrine, an obligation is not considered a debt or liability within the State Constitutional limitation on indebtedness (Section 1 of Article XVI) if an appropriation is made from existing funds or reasonably anticipated funds subject to appropriation. This doctrine was invoked in 1933 and 1936 to uphold the use of registered warrants (IOUs) during the Great Depression and again in 1971 to validate the State of California Notes provisions of Chapter 223, Statutes of 1971. The Notes provisions were invoked in 1971-72 in lieu of the more costly registered warrant authority used during the Depression and, like registered warrants, required the exhaustion of all internal sources of funds before being implemented. The Notes provisions were re-enacted by Chapter 10X, Statutes of 1983, and employed in 1982-83 and 1983-84.

In 1984-85, the state implemented a cash management program pursuant to Chapter 268, Statutes of 1984, which provided the flexibility to borrow from external sources prior to exhausting internal sources. Under this program, the use of external funds results in potential savings to the General Fund, as well as increased revenue to the various special funds from which the General Fund would have borrowed from pursuant to Sections 16310 and 16418 of the Government Code.

External sources of borrowing available to the state include revenue anticipation notes (RANs), revenue anticipation warrants (RAWs), and registered warrants. RANs and RAWs are short-term debt obligations issued in anticipation of receiving revenues in the near future. Registered warrants are essentially short-term IOUs.

Pursuant to Government Code Sections 12020 and 12021, accounts payable and receivable and cash flow statements for the past, current, and budget years are included as Schedule 5 in the Governor's Budget Summary. Neither cash receipts nor disbursements match revenues and expenditures presented elsewhere in this Budget. In order to reflect cash flow, budget data is converted to cash basis primarily by adjusting for cash collected by an agency but not yet recorded by the Controller and for accruals. Adjustments are also made to reflect statutory changes, anticipated legislative actions, and administrative actions. The estimated current and budget year cash flows incorporate revenue and expenditure measures

* Dollars in thousands

9620 Payment of Interest on General Fund Loans - Continued

reflected in this Budget, as of January 10. These cash flows include estimates of internal and external borrowing based on the revenue and expenditure projections in the Governor's Budget.

Recent budgets have authorized loans from various funds and accounts to the General Fund. These loans are being repaid over multiple fiscal years. Unless otherwise specified in statute, the loans are being repaid with interest calculated at the Pooled Money Investment Account Rate on the date of transfer.

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$20,000	\$100,000	\$100,000
Adjustment per Provision 2	19,030	-	-
002 Budget Act appropriation	358	7,785	6,615
Government Code Sections 5924, 17271 and 17300-17313	<u>162,118</u>	<u>244,421</u>	<u>350,000</u>
Totals Available	\$201,506	\$352,206	\$456,615
Unexpended balance, estimated savings	-	-5,106	-
TOTALS, EXPENDITURES	\$201,506	\$347,100	\$456,615
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$201,506	\$347,100	\$456,615

9625 Interest Payments to the Federal Government

As a result of Public Law 101-453, 31 U.S.C. 3335 and 6503, which enacted the Cash Management Improvement Act of 1990 (CMIA), the state will incur an interest liability to the federal government. The purpose of CMIA is to ensure greater efficiency, effectiveness, and equity in the exchange of funds between the federal government and the state. The major provisions of CMIA are: (a) federal agencies must make timely fund disbursements and grant awards to the state; (b) the state must minimize the time between the deposit of federal funds in the state account and the payout of the funds for program purposes; (c) the state is entitled to interest from the federal government from the time state funds are paid out for program purposes until federal funds are deposited in the state account; and (d) the federal government is entitled to interest from the state from the time federal funds are deposited in the state account until the funds are paid out for program purposes.

The federal assistance programs impacted by the CMIA are those programs that have \$230 million or more in federal fund expenditures. For the majority of these programs, state agencies request federal funds in advance of the warrant (i.e., check) issuance. State agencies use this funding technique because the State Constitution requires that the funds be deposited before the warrants are issued.

Interest payments to the federal government are due no later than March 31 each year. The March 31, 2009 payment will be for the interest liability incurred during the state's 2007-08 fiscal year.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Interest Payments to the Federal Government	-	-	-	\$24,684	\$31,002	\$31,002
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$24,684	\$31,002	\$31,002
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				\$23,735	\$30,000	\$30,000
0042 State Highway Account, State Transportation Fund				949	1,000	1,000
0494 Other Unallocated Special Funds				-	1	1
0988 Various Other Unallocated Non-Governmental Cost Funds				-	1	1
TOTALS, EXPENDITURES, ALL FUNDS				\$24,684	\$31,002	\$31,002

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

* Dollars in thousands

9625 Interest Payments to the Federal Government - Continued

Pursuant to annual Budget Act.

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$30,000	\$30,000	\$30,000
Totals Available	\$30,000	\$30,000	\$30,000
Unexpended balance, estimated savings	-6,265	-	-
TOTALS, EXPENDITURES	\$23,735	\$30,000	\$30,000
0042 State Highway Account, State Transportation Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$900	\$1,000	\$1,000
Revised expenditure authority per Provision 2, Item 9625-001-0042, Budget Act of 2007	49	-	-
TOTALS, EXPENDITURES	\$949	\$1,000	\$1,000
0494 Other Unallocated Special Funds			
APPROPRIATIONS			
001 Budget Act appropriation	\$1	\$1	\$1
Totals Available	\$1	\$1	\$1
Unexpended balance, estimated savings	-1	-	-
TOTALS, EXPENDITURES	\$-	\$1	\$1
0988 Various Other Unallocated Non-Governmental Cost Funds			
APPROPRIATIONS			
001 Budget Act appropriation	\$1	\$1	\$1
Totals Available	\$1	\$1	\$1
Unexpended balance, estimated savings	-1	-	-
TOTALS, EXPENDITURES	\$-	\$1	\$1
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$24,684	\$31,002	\$31,002

9650 Health and Dental Benefits for Annuitants

This program provides funding for health and dental benefit services for retired state employees and their dependents.

The program began on January 1, 1962, with an employer contribution of \$5.00 per month toward the cost of a basic health plan. Since then, major medical plans, Medicare, and plans supplementing Medicare have been developed. Dental care was added in 1982.

The 2008-09 employer contribution for health premiums maintains the average 100/90 percent contribution formula established in Government Code Section 22871. Under this formula, the state averages the premiums of the four largest health benefit plans in order to calculate the maximum amount the state will contribute toward the retiree's health benefits. The state also contributes 90 percent of this average for the health benefits of each of the retiree's dependents. The retiree is responsible for paying all health benefit plan costs that exceed the average of the four largest benefit plans. The 2008-09 monthly contribution maximums are \$478 for a single enrollee, \$909 for an enrollee and one dependent, and \$1,167 for an enrollee and two or more dependents. Dental care premiums vary by plan and number of dependents.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Health and Dental Benefits for Annuitants	-	-	-	\$1,114,317	\$1,200,955	\$1,340,091
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$1,114,317	\$1,200,955	\$1,340,091

* Dollars in thousands

9650 Health and Dental Benefits for Annuitants - Continued

FUNDING	2007-08*	2008-09*	2009-10*
0001 General Fund	\$1,051,486	\$1,164,392	\$1,303,528
0950 Public Employees Contingency Reserve Fund	<u>62,831</u>	<u>36,563</u>	<u>36,563</u>
TOTALS, EXPENDITURES, ALL FUNDS	\$1,114,317	\$1,200,955	\$1,340,091

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code, Title 2, Division 5, Part 5.

DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Growth Estimate	\$-	\$-	-	\$139,136	\$-	-
Totals, Other Workload Budget Adjustments	<u>\$-</u>	<u>\$-</u>	<u>-</u>	<u>\$139,136</u>	<u>\$-</u>	<u>-</u>
Totals, Workload Budget Adjustments	<u>\$-</u>	<u>\$-</u>	<u>-</u>	<u>\$139,136</u>	<u>\$-</u>	<u>-</u>
Totals, Budget Adjustments	<u>\$-</u>	<u>\$-</u>	<u>-</u>	<u>\$139,136</u>	<u>\$-</u>	<u>-</u>

* Dollars in thousands

9650 Health and Dental Benefits for Annuitants - Continued

Health Benefits

Retirement System ¹	Number of Retirees			Cost by System		
	2007-08	2008-09	2009-10	2007-08	2008-09	2009-10
PERS State Employees	136,076	140,104	144,251	\$1,030,585	\$1,111,715	\$1,248,724
District Agricultural Employees	327	337	347	2,478	2,712	3,046
Legislators	119	123	127	919	1,017	1,142
Teachers	172	166	161	1,235	1,356	1,523
Judges	1,556	1,602	1,649	12,219	13,221	14,722
Totals	138,250	142,332	146,535	\$1,047,436	\$1,130,021	\$1,269,157

¹The cost for retirees' health benefits is based on the following average number of retirees covered from each retirement system.

9650 Health and Dental Benefits for Annuitants - Continued

Dental Benefits

Retirement System ¹	Number of Retirees			Cost by System		
	2007-08	2008-09	2009-10	2007-08	2008-09	2009-10
PERS State Employees	110,635	113,910	117,282	\$65,624	\$69,600	\$69,600
District Agricultural Employees	300	309	318	178	192	192
Legislators	108	111	114	72	78	78
Teachers	118	114	110	69	71	71
Judges	1,475	1,519	1,564	939	993	993
Totals	112,636	115,963	119,388	\$66,882	\$70,934	\$70,934

¹ The cost for retirees' dental benefits is based on the following average number of retirees covered from each retirement system.

9650 Health and Dental Benefits for Annuitants - Continued

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,076,664	\$1,164,392	\$1,303,528
Totals Available	\$1,076,664	\$1,164,392	\$1,303,528
Unexpended balance, estimated savings	-25,178	-	-
TOTALS, EXPENDITURES	\$1,051,486	\$1,164,392	\$1,303,528
0950 Public Employees Contingency Reserve Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$62,831	\$36,563	\$36,563
TOTALS, EXPENDITURES	\$62,831	\$36,563	\$36,563
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$1,114,317	\$1,200,955	\$1,340,091

9658 Budget Stabilization Account

Proposition 58, as approved by the voters in March of 2004, established the Budget Stabilization Account (BSA), and requires the State Controller to transfer a specified percentage of estimated General Fund revenues from the General Fund to the BSA. The Legislature may transfer, by statute, amounts in excess of the specified percentage to the BSA. In addition, the Governor, by executive order, may suspend the transfer to the BSA. Half of the funds transferred to the BSA will be used to retire Economic Recovery Bonds authorized in Proposition 57 (March 2004).

FUNDING	2007-08*	2008-09*	2009-10*
0001 General Fund	\$1,022,621	\$-	\$-
1011 Budget Stabilization Account	-1,022,621	-	-
TOTALS, EXPENDITURES, ALL FUNDS	\$-	\$-	\$-

LEGAL CITATIONS AND AUTHORITY

PROGRAM AUTHORITY

Section 20, Article XVI of the Constitution of the State of California.

Control Section 35.50, Budget Act.

Control Section 35.60, Budget Act.

PROGRAM DESCRIPTIONS (Program Objectives Statement)

10 - Proposition 58, as passed by the voters March 2, 2004, established the Budget Stabilization Account (BSA) and requires the Controller to transfer a specified percentage of General Fund revenues, no later than each September 30, from the General Fund to the BSA as follows:

- For fiscal year 2006-07, one percent of estimated General Fund revenues.
- For fiscal year 2007-08, two percent of estimated General Fund revenues.
- Annually thereafter, three percent of estimated General Fund revenues.

Additionally, the Legislature may, by statute, direct the Controller to transfer into the BSA amounts in excess of the specified percentages. The Constitution also authorizes the Governor to reduce or suspend this transfer for any fiscal year by executive order prior to June 1 of the preceding fiscal year. The transfer of moneys is not required in any fiscal year to the extent that the balance in the BSA would exceed five percent of the General Fund revenues estimate set forth in the budget bill for that fiscal year, as enacted, or eight billion dollars (\$8,000,000,000), whichever is greater. In each fiscal year, 50 percent of the funds transferred to the BSA, up to \$5,000,000,000 in the aggregate, is to be deposited in the Deficit Recovery Bond Retirement Sinking Fund Subaccount and continuously appropriated to the Treasurer to supplement the retirement of Economic Recovery Bonds approved by the voters at the same election. Other funds in the BSA may be transferred back to the General Fund by statute.

9658 Budget Stabilization Account - Continued

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

4 UNCLASSIFIED	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
Proposition 58, 2004 Article XVI, Section 20 (Transfer to Budget Stabilization Account)	\$1,022,621	\$-	\$-
TOTALS, EXPENDITURES	\$1,022,621	\$-	\$-
TOTALS, GENERAL FUND EXPENDITURES	\$1,022,621	\$-	\$-
1011 Budget Stabilization Account			
APPROPRIATIONS			
Less Funding Provided by the General Fund	\$-1,022,621	\$-	\$-
TOTALS, EXPENDITURES	\$-1,022,621	\$-	\$-
TOTALS, EXPENDITURES, ALL FUNDS (Unclassified)	\$-	\$-	\$-

FUND CONDITION STATEMENTS

	2007-08*	2008-09*	2009-10*
1011 Budget Stabilization Account ^s			
BEGINNING BALANCE	\$471,770	-	-
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Transfers and Other Adjustments:			
FO0001 From General Fund per Article XVI, Section 20 of the California Constitution	1,022,621	-	-
TO0001 To General Fund per Control Section 35.60, Budget Act of 2007	-1,494,391	-	-
TO3090 To Deficit Recovery Bond Retirement Sinking Fund Subaccount, BSA per Article XVI, Section 20(f) of the California Constitution	-1,022,621	-	-
Total Revenues, Transfers, and Other Adjustments	<u>-\$1,494,391</u>	<u>-</u>	<u>-</u>
Total Resources	-\$1,022,621	-	-
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
9658 Budget Stabilization Account (Unclassified)	-1,022,621	-	-
Total Expenditures and Expenditure Adjustments	<u>-\$1,022,621</u>	<u>-</u>	<u>-</u>
FUND BALANCE	-	-	-

9670 Equity Claims of California Victim Compensation and Government Claims Board and Settlements and Judgments by Department of Justice

This budget reflects statewide expenditures for all equity claims against the state approved for payment by the California Victim Compensation and Government Claims Board and all settlements and judgments against the state sponsored by the Attorney General's Office. Payment of these claims is provided to claimants through the passage of special legislation. Each year, two equity claims bills are proposed by the California Victim Compensation and Government Claims Board and one or two settlements and judgments bills are proposed by the Attorney General's Office.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Equity Claims	-	-	-	\$973	\$1,286	\$-
20 Judgments and Settlements	-	-	-	6,826	508	-
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$7,799	\$1,794	\$-
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				\$7,532	\$1,139	\$-
0005 Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund				239	-	-

* Dollars in thousands

9670 Equity Claims of California Victim Compensation and Government Claims Board and Settlements and Judgments by Department of Justice - Continued

FUNDING	2007-08*	2008-09*	2009-10*
0042 State Highway Account, State Transportation Fund	16	17	-
0044 Motor Vehicle Account, State Transportation Fund	3	3	-
0185 Employment Development Department Contingent Fund	1	16	-
0200 Fish and Game Preservation Fund	2	-	-
0512 Compensation Insurance Fund	-	3	-
0588 Unemployment Compensation Disability Fund	3	10	-
0666 Service Revolving Fund	-	564	-
0822 Public Employees' Health Care Fund (PEHCF)	1	4	-
0871 Unemployment Fund	2	13	-
0890 Federal Trust Fund	-	8	-
0948 California State University Trust Fund	-	17	-
TOTALS, EXPENDITURES, ALL FUNDS	\$7,799	\$1,794	\$-

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code Section 905.2.

DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Expenditure Transfers	\$33	\$64	-	-\$566	\$-	-
• Miscellaneous Adjustments	111	540	-	-429	-51	-
Totals, Other Workload Budget Adjustments	\$144	\$604	-	-\$995	-\$51	-
Totals, Workload Budget Adjustments	\$144	\$604	-	-\$995	-\$51	-
Totals, Budget Adjustments	\$144	\$604	-	-\$995	-\$51	-

PROGRAM DESCRIPTIONS (Program Objectives Statement)

10 - EQUITY CLAIMS

This program includes all claims approved by the three-member California Victim Compensation and Government Claims Board and referred to the Legislature in the omnibus claims bills for payment. The program provides an equitable procedure for the payment of the following categories of claims:

- Claims for which no appropriation has been made or for which no fund is available, but the settlement of which has been provided for by statute or constitutional provision.
- Claims for which the appropriation made or fund designated is exhausted.
- Claims for which settlement is not otherwise provided for by statute or constitutional provision.

The California Victim Compensation and Government Claims Board must submit special appropriation measures under Chapter 182, Statutes of 1976, at least twice during each calendar year. Current year expenditures for the payment of 2008-09 equity claims include funds appropriated by Chapters 37 and 338, Statutes of 2008.

20 - SETTLEMENTS AND JUDGMENTS

This program includes claims paid through judgment and settlement bills sponsored by the Department of Justice each year. The claims are either judgments against the state or settlements approved by the Department of Justice pursuant to the authority provided in Government Code Section 948 et seq. Current year expenditures for the payment of 2008-09 judgments and settlements are appropriated by Chapter 59, Statutes of 2008.

* Dollars in thousands

**9670 Equity Claims of California Victim Compensation and Government Claims
Board and Settlements and Judgments by Department of Justice - Continued**

DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

		2007-08*	2008-09*	2009-10*
PROGRAM REQUIREMENTS				
10	EQUITY CLAIMS			
	State Operations:			
0001	General Fund	\$706	\$631	\$-
0005	Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund	239	-	-
0042	State Highway Account, State Transportation Fund	16	17	-
0044	Motor Vehicle Account, State Transportation Fund	3	3	-
0185	Employment Development Department Contingent Fund	1	16	-
0200	Fish and Game Preservation Fund	2	-	-
0512	Compensation Insurance Fund	-	3	-
0588	Unemployment Compensation Disability Fund	3	10	-
0666	Service Revolving Fund	-	564	-
0822	Public Employees' Health Care Fund (PEHCF)	1	4	-
0871	Unemployment Fund	2	13	-
0890	Federal Trust Fund	-	8	-
0948	California State University Trust Fund	-	17	-
	Totals, State Operations	\$973	\$1,286	\$-
PROGRAM REQUIREMENTS				
20	JUDGMENTS AND SETTLEMENTS			
	State Operations:			
0001	General Fund	\$6,826	\$508	\$-
	Totals, State Operations	\$6,826	\$508	\$-
TOTALS, EXPENDITURES				
	State Operations	7,799	1,794	-
	Totals, Expenditures	\$7,799	\$1,794	\$-

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS		2007-08*	2008-09*	2009-10*
0001 General Fund				
APPROPRIATIONS				
001	Budget Act appropriation	0	\$-	0
	Chapter 510, Statutes of 2007, Section 1	\$375	-	\$-
	Chapter 510, Statutes of 2007, Section 2	2,900	-	-
	Chapter 87, Statutes of 2007 (Calexico Hospital Management Group v. State of California et al)	3,100	-	-
	Chapter 87, Statutes of 2007 (Foundation for Taxpayer and Consumer Rights v. Garamendi)	78	-	-
	Chapter 87, Statutes of 2007 (CTA v. Schwarzenegger)	267	-	-
	Chapter 509, Statutes of 2007	706	-	-
	Chapter 59, Statutes of 2008 (Video Software Dealers Association v. Schwarzenegger, et al.)	287	-	-
	Chapter 37, Statutes of 2008	-	574	-
	Chapter 338, Statutes of 2008	-	32	-
	Chapter 59, Statutes of 2008, Section 2	-	429	-
	Chapter 338, Statutes of 2008	-	25	-
	Chapter 59, Statutes of 2008, Section 1	-	65	-
	Chapter 59, Statutes of 2008, Section 4	-	14	-

* Dollars in thousands

**9670 Equity Claims of California Victim Compensation and Government Claims
Board and Settlements and Judgments by Department of Justice - Continued**

1 STATE OPERATIONS	<u>2007-08*</u>	<u>2008-09*</u>	<u>2009-10*</u>
Totals Available	\$7,713	\$1,139	\$-
Unexpended balance, estimated savings	-181	-	-
TOTALS, EXPENDITURES	\$7,532	\$1,139	\$-
0005 Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund			
APPROPRIATIONS			
Chapter 509, Statutes of 2007	\$239	\$-	\$-
TOTALS, EXPENDITURES	\$239	\$-	\$-
0042 State Highway Account, State Transportation Fund			
APPROPRIATIONS			
Chapter 509, Statutes of 2007	\$16	\$-	\$-
Chapter 338, Statutes of 2008	-	17	-
TOTALS, EXPENDITURES	\$16	\$17	\$-
0044 Motor Vehicle Account, State Transportation Fund			
APPROPRIATIONS			
Chapter 509, Statutes of 2007	\$3	\$-	\$-
Chapter 37, Statutes of 2008	-	2	-
Chapter 338, Statutes of 2008	-	1	-
TOTALS, EXPENDITURES	\$3	\$3	\$-
0185 Employment Development Department Contingent Fund			
APPROPRIATIONS			
Chapter 509, Statutes of 2007	\$1	\$-	\$-
Chapter 37, Statutes of 2008	-	10	-
Chapter 338, Statutes of 2008	-	6	-
TOTALS, EXPENDITURES	\$1	\$16	\$-
0200 Fish and Game Preservation Fund			
APPROPRIATIONS			
Chapter 509, Statutes of 2007	\$2	\$-	\$-
TOTALS, EXPENDITURES	\$2	\$-	\$-
0512 Compensation Insurance Fund			
APPROPRIATIONS			
Chapter 338, Statutes of 2008	\$-	\$3	\$-
TOTALS, EXPENDITURES	\$-	\$3	\$-
0588 Unemployment Compensation Disability Fund			
APPROPRIATIONS			
Chapter 509, Statutes of 2007	\$3	\$-	\$-
Chapter 37, Statutes of 2008	-	10	-
TOTALS, EXPENDITURES	\$3	\$10	\$-
0666 Service Revolving Fund			
APPROPRIATIONS			
Chapter 37, Statutes of 2008	\$-	\$556	\$-
Chapter 338, Statutes of 2008	-	8	-
TOTALS, EXPENDITURES	\$-	\$564	\$-
0822 Public Employees' Health Care Fund (PEHCF)			
APPROPRIATIONS			
Chapter 509, Statutes of 2007	\$1	\$-	\$-
Chapter 338, Statutes of 2008	-	4	-
TOTALS, EXPENDITURES	\$1	\$4	\$-
0871 Unemployment Fund			
APPROPRIATIONS			

* Dollars in thousands

9670 Equity Claims of California Victim Compensation and Government Claims Board and Settlements and Judgments by Department of Justice - Continued

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
Chapter 509, Statutes of 2007	\$2	\$-	\$-
Chapter 37, Statutes of 2008	-	13	-
TOTALS, EXPENDITURES	\$2	\$13	\$-
0890 Federal Trust Fund			
APPROPRIATIONS			
Chapter 37, Statutes of 2008	\$-	\$8	\$-
TOTALS, EXPENDITURES	\$-	\$8	\$-
0948 California State University Trust Fund			
APPROPRIATIONS			
Chapter 338, Statutes of 2008	\$-	\$17	\$-
TOTALS, EXPENDITURES	\$-	\$17	\$-
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$7,799	\$1,794	\$-

9800 Augmentation for Employee Compensation

This budget reflects funding augmentation amounts for state employee compensation adjustments. If the Legislature has already appropriated money to pay for the economic terms of employee compensation, the funding for these economic terms is included in departments' budgets. When new economic terms require funding not yet approved by the Legislature, the appropriations for those economic terms are included in this budget.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 State Civil Service Employee Compensation Program	-	-	-	\$-	\$39,000	\$121,894
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$-	\$39,000	\$121,894
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				\$-	\$3,000	\$44,533
0494 Other Unallocated Special Funds				-	22,468	51,832
0988 Various Other Unallocated Non-Governmental Cost Funds				-	13,532	25,529
TOTALS, EXPENDITURES, ALL FUNDS				\$-	\$39,000	\$121,894

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code, Title 1, Division 1, Chapters 10.3 and 10.5.

DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Estimate to Build Base for 2009-10	\$-	\$-	-	\$44,533	\$77,361	-
• Estimated Savings	-8,580	-24,390	-	-	-	-
• Pending EO: BL 08-25 Allocation	-112,531	-142,296	-	-	-	-
Totals, Other Workload Budget Adjustments	-\$121,111	-\$166,686	-	\$44,533	\$77,361	-
Totals, Workload Budget Adjustments	-\$121,111	-\$166,686	-	\$44,533	\$77,361	-
Totals, Budget Adjustments	-\$121,111	-\$166,686	-	\$44,533	\$77,361	-

* Dollars in thousands

9800 Augmentation for Employee Compensation - Continued

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$453,262	\$124,111	\$44,533
Chapter 322, Statutes of 2007	21,270	-	-
Allocation to Various Departments	-200,619	-112,531	-
Allocation to the Department of Mental Health and the Departments of Corrections and Rehabilitation	-159,840	-	-
Totals Available	\$114,073	\$11,580	\$44,533
Unexpended balance, estimated savings	-114,073	-8,580	-
TOTALS, EXPENDITURES	\$-	\$3,000	\$44,533
0494 Other Unallocated Special Funds			
APPROPRIATIONS			
001 Budget Act appropriation	\$315,802	\$135,800	\$51,832
Allocation to Various Departments	-277,267	-113,332	-
Totals Available	\$38,535	\$22,468	\$51,832
Unexpended balance, estimated savings	-38,535	-	-
TOTALS, EXPENDITURES	\$-	\$22,468	\$51,832
0988 Various Other Unallocated Non-Governmental Cost Funds			
APPROPRIATIONS			
001 Budget Act appropriation	\$169,384	\$66,886	\$25,529
Chapter 322, Statutes of 2007	5,246	-	-
Allocation to Various Departments	-71,624	-28,964	-
Totals Available	\$103,006	\$37,922	\$25,529
Unexpended balance, estimated savings	-103,006	-24,390	-
TOTALS, EXPENDITURES	\$-	\$13,532	\$25,529
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$-	\$39,000	\$121,894

9818 Federal Levy of State Funds

The federal courts periodically issue judgments or "writs of execution" against the State of California requiring the state to make payments to the federal government. The writs and judgments provide the authority to the federal government to withdraw funds from the state bank accounts maintained by the State Treasurer's Office at the various state depository banks.

Each year the Budget Act authorizes the Department of Finance to identify specific appropriations or funds to charge when the federal government withdraws funds from state bank accounts. When no specific appropriation or fund can be identified, the withdrawals are charged to the unappropriated General Fund balance.

No levies were paid during the 2007-08 fiscal year and none have been paid through December 31, 2008.

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Annual Budget Act, Control Section 9.30.

9840 Augmentation for Contingencies or Emergencies

Each year, the Budget Act includes appropriation items in organization 9840 to be used to supplement department's appropriations that are insufficient due to unanticipated expenses or emergency situations. There are three separate appropriations, one for each fund type - General, special, and non-governmental cost funds. These appropriations are allocated to other departments by the Department of Finance based upon the determination of need.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Augmentation for Contingencies or Emergencies	-	-	-	\$-	\$52,051	\$74,100
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$-	\$52,051	\$74,100
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				\$-	\$27,680	\$44,100
0494 Other Unallocated Special Funds				-	10,771	15,000
0988 Various Other Unallocated Non-Governmental Cost Funds				-	13,600	15,000
TOTALS, EXPENDITURES, ALL FUNDS				\$-	\$52,051	\$74,100

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Annual Budget Act.

* Dollars in thousands

9840 Augmentation for Contingencies or Emergencies - Continued

2007-08 Deficiency Funding Table

Department Name	Description of Deficiency	Fund Title	Funded from 9840 Budget Act Items	Funded by Supplemental Appropriation Bill
Judges' Retirement System Contributions	Funding for Judges' I Retirement System Contributions	General Fund		\$12,858
Office of Emergency Services	Funding for Additional Costs for State's Share of Disaster Response and Recovery Costs	General Fund		9,173
Office of Emergency Services	Funding for OES Support Costs for the Southern California Wildfires	General Fund	\$1,853	
Special Resources Program	Funding for the Tahoe Regional Planning Agency's Increased Workload Resulting from the Rebuilding Efforts after the Angora Fire	California Environmental License Plate Fund	95	
Tahoe Conservancy	Funding for Fuel Reduction and Watershed Restoration Activities Related to the Angora Fire	General Fund	9	
State Water Resources Control Board	Funding for Monitoring the Aftermath of the Fire and Recovery Effectiveness	Waste Discharge Permit Fund	400	
State Water Resources Control Board	Funding for Fuels Reduction Permit Review Process Enhancement	General Fund	100	
Department of Developmental Services	Funding for the increase of Public Transportation Account funds for regional center transportation costs.	Public Transportation Account	6,176	
Department of Social Services	Funding for Children's Services	General Fund	3,400	
Department of Corrections and Rehabilitation	Funding for Lead and Mold Emergency Health and Safety Hazard Mitigation at California State Prison - San Quentin	General Fund	4,760	
Department of Corrections and Rehabilitation	Funding for Case Records	General Fund	2,522	
Department of Corrections and Rehabilitation	Funding for Overtime to staff towers at Calipatria	General Fund	875	
Board of Pilot Commissioners	Funding for costs associated with Cosco Busan collision	Board of pilot Commissioners Special Fund	227	
Board of Chiropractic Examiners	Funding for Costs Associated with Unanticipated Lawsuits	State Board of Chiropractic Examiners Fund	383	
Department of Veterans Affairs	Funding for Audit Costs - Facilities Unit	General Fund	58	
Department of Veterans Affairs	Funding for Increase in Program Operations	General Fund	680	
Department of Veterans Affairs	Funding for Veteran Home at Chula Vista	General Fund	2,610	
Totals, Deficiencies			\$24,148	\$22,031
Totals by Fund Source:				
General Fund			\$16,867	\$22,031
Special Funds			7,281	0
Nongovernmental Cost Funds			0	0
Grand Total			\$24,148	\$22,031

* Dollars in thousands

9840 Augmentation for Contingencies or Emergencies - Continued

2008-09 Deficiency Funding Table

Department Name	Description of Deficiency	Fund Title	Funded from 9840 Budget Act Items	Funded by Supplemental Appropriation Bill
Department of Corrections and Rehabilitation	Population Adjustment	General Fund		26,648
Department of Corrections and Rehabilitation	Population Adjustment	Inmate Welfare Fund		401
Department of Mental Health	EPSDT cost estimate adjustment	General Fund		15,140
Courts	Counsel in non-capital cases	General Fund	3,111	
Department of Personnel Administration	Funding needed due to increase in the number of retirees who joined the Vision Plan during open enrollment in October 2008.	Vision Care Program for State Annuitants Fund	1,400	
Public Utilities Commission	Funding for outside counsel to support FERC litigation.	PUC Utilities Reimbursement Account	2,500	
Public Utilities Commission	Funding for <i>Naidu v. PUC</i> settlement.	PUC Utilities Reimbursement Account	1,301	
Developmental Services	Regional Center services	Program Development Fund	428	
Department of Social Services	Federal disallowance in Child Welfare Services (requires GF backfill)	General Fund	12,308	
Department of Social Services	Higher costs for court cases and unanticipated IT project delays	General Fund	1,001	
	Totals, Deficiencies		\$22,049	\$42,189
	Totals by Fund Source:			
	General Fund		\$16,420	\$41,788
	Special Funds		4,229	
	Nongovernmental Cost Funds		1,400	401
	Grand Total		\$22,049	\$42,189

* Dollars in thousands

9840 Augmentation for Contingencies or Emergencies - Continued

PROGRAM DESCRIPTIONS (Program Objectives Statement)

10 - AUGMENTATION FOR CONTINGENCIES OR EMERGENCIES

The 2007-08 and 2008-09 budget display for 9840 items of appropriations reflects the amounts allocated or to be allocated from 9840. A separate table has been provided for 2007-08 and 2008-09 that displays the detail of the allocations from 9840 and the deficiencies that have either been funded or are proposed to be funded from supplemental appropriation bills. Please see the "2007-08 and 2008-09 Deficiency Funding Tables (Allocations from 9840 Items of Appropriations and Supplemental Appropriations Bills)".

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$49,000	\$44,100	\$44,100
Allocation included in agency budgets	-38,898	-16,420	-
Chapter 22, Statutes of 2008	<u>22,031</u>	<u>-</u>	<u>-</u>
Totals Available	\$32,133	\$27,680	\$44,100
Unexpended balance, estimated savings	<u>-32,133</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$-	\$27,680	\$44,100
0494 Other Unallocated Special Funds			
APPROPRIATIONS			
001 Budget Act appropriation	\$15,000	\$15,000	\$15,000
Allocation included in agency budgets	-7,281	-4,229	-
Totals Available	\$7,719	\$10,771	\$15,000
Unexpended balance, estimated savings	<u>-7,719</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$-	\$10,771	\$15,000
0988 Various Other Unallocated Non-Governmental Cost Funds			
APPROPRIATIONS			
001 Budget Act appropriation	\$15,000	\$15,000	\$15,000
Allocation included in agency budgets	-	-1,400	-
Totals Available	\$15,000	\$13,600	\$15,000
Unexpended balance, estimated savings	<u>-15,000</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$-	\$13,600	\$15,000
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$-	\$52,051	\$74,100

9860 Capital Outlay Planning and Studies Funding

The Infrastructure Overview contains more information regarding the Capital Outlay Planning and Studies Funding.

INFRASTRUCTURE OVERVIEW

This budget provides funding to be allocated by the Department of Finance to state agencies to develop design and cost information for new projects.

SUMMARY OF PROJECTS

State Building Program Expenditures	2007-08*	2008-09*	2009-10*
10 CAPITAL OUTLAY - UNALLOCATED			
Minor Projects			
10.10 Planning and Studies Funding	<u>1,000^{Sg}</u>	<u>1,000^{Sg}</u>	<u>1,000^{Sg}</u>
Totals, Minor Projects	\$1,000	\$1,000	\$1,000

* Dollars in thousands

9860 Capital Outlay Planning and Studies Funding - Continued

State Building Program Expenditures	2007-08*	2008-09*	2009-10*
TOTALS, EXPENDITURES, ALL PROJECTS	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
FUNDING	2007-08*	2008-09*	2009-10*
0001 General Fund	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
TOTALS, EXPENDITURES, ALL FUNDS	\$1,000	\$1,000	\$1,000

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

3 CAPITAL OUTLAY	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
301 Budget Act appropriation	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
TOTALS, EXPENDITURES	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)	\$1,000	\$1,000	\$1,000

9885 Reserve for Liquidation of Encumbrances

Encumbrances (commitments for the procurement of goods or services which have not yet been received by the state) are accrued as expenditures by departments at year-end and included in the expenditure totals of individual budget displays. This treatment is in accordance with the budgetary/legal basis of accounting.

Generally Accepted Accounting Principles (GAAP) require that encumbrances be reflected as a reserve against the General Fund balance and not as an expenditure, as in budgetary/legal basis accounting. Government Code Section 13306 and state policy require compliance with GAAP whenever it is in the best interest of the state. This budget reflects a statewide adjustment to reduce expenditures on a budgetary/legal basis by the encumbrance amounts to comply with GAAP. A reserve of fund balance for encumbrances for this same amount is shown in Summary Schedule 1 for the General Fund.

COMPUTATION OF ENCUMBRANCE ADJUSTMENT

The State Controller's Office accumulated a preliminary estimated General Fund encumbrance total of \$1,079,393,000 from 2007-08 year-end financial statements submitted by state departments. For budgeting purposes, encumbrances are estimated to be at the same level for the 2008-09 and 2009-10 fiscal years and are assumed to be liquidated (paid) within the next fiscal year. The Encumbrance Adjustment Table summarizes the methodology and the calculation for the encumbrance adjustment.

FUNDING	2007-08*	2008-09*	2009-10*
0001 General Fund	<u>-\$194,113</u>	<u>\$-</u>	<u>\$-</u>
TOTALS, EXPENDITURES, ALL FUNDS	-\$194,113	\$-	\$-

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code Sections 13306 and 13307.

9885 Reserve for Liquidation of Encumbrances - Continued

Encumbrance Adjustment Table

	2007-08*	2008-09*	2009-10*
2006-07 Encumbrances per Controller's Preliminary Report	\$885,280	-	-
2007-08 Encumbrances per Controller's Preliminary Report	-1,079,393	\$1,079,393	-
2008-09 Projected Encumbrances	-	-1,079,393	\$1,079,393
2009-10 Projected Encumbrances	-	-	-1,079,393
Encumbrance Adjustment	-\$194,113	-	-

* Dollars in thousands

9885 Reserve for Liquidation of Encumbrances - Continued

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

4 UNCLASSIFIED	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
Encumbrance Adjustment (General Fund)	\$-194,113	\$-	\$-
TOTALS, EXPENDITURES	\$-194,113	\$-	\$-
TOTALS, GENERAL FUND EXPENDITURES	\$-194,113	\$-	\$-
TOTALS, EXPENDITURES, ALL FUNDS (Unclassified)	\$-194,113	\$-	\$-

9900 Statewide General Administrative Expenditures (Pro Rata)

Central service agencies, such as Department of Finance, the State Treasurer, the State Controller, State Personnel Board, and Legislature, provide budgeting, banking, accounting, auditing, payroll, and other services to all state departments. The Pro Rata process apportions the costs of providing central administrative services to all state departments and funding sources that benefit from the services. Amounts apportioned to special funds for their fair share of central administrative services costs are transferred from the special funds to the General Fund and the Central Service Cost Recovery Fund.

Pro Rata charges to special funds are normally included in the appropriate departmental budgets. This budget item includes Pro Rata charges to special funds for those cases where appropriate funding was not provided for in departmental budgets.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
99 Pro Rata Direct Charges	-	-	-	-\$536,254	-\$584,674	-\$422,643
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	-\$536,254	-\$584,674	-\$422,643
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				-\$549,587	-\$509,075	-\$362,193
0152 State Board of Chiropractic Examiners Fund				127	-	-
0159 Trial Court Improvement Fund				-	695	659
0193 Waste Discharge Permit Fund				3	3	-
0367 Indian Gaming Special Distribution Fund				-	1	-
0485 Armory Discretionary Improvement Account				22	12	-
0562 State Lottery Fund				3,537	3,586	2,679
0587 Family Law Trust Fund				126	247	96
0904 California Health Facilities Financing Authority Fund				-	144	188
0911 Educational Facilities Authority Fund				-	39	-
0930 Pollution Control Financing Authority Fund				95	109	83
0932 Trial Court Trust Fund				-	293	540
0948 California State University Trust Fund				9,415	9,651	9,446
0960 Student Tuition Recovery Fund				3	-	-
0982 California Urban Waterfront Area Restoration Fund				5	5	4
3088 Registry of Charitable Trusts Fund				-	10	-
9740 Central Service Cost Recovery Fund				-	-90,394	-74,145
TOTALS, EXPENDITURES, ALL FUNDS				-\$536,254	-\$584,674	-\$422,643

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code Sections 11010, 11270-11277, 13332.03 and 22883.

* Dollars in thousands

9900 Statewide General Administrative Expenditures (Pro Rata) - Continued

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
Government Code Sections 11270-11275 and 22883 General Fund Credits From Special Funds	\$-549,587	\$-509,075	\$-362,193
TOTALS, EXPENDITURES	\$-549,587	\$-509,075	\$-362,193
0152 State Board of Chiropractic Examiners Fund			
APPROPRIATIONS			
Government Code Section 13332.03	\$127	\$-	\$-
TOTALS, EXPENDITURES	\$127	\$-	\$-
0159 Trial Court Improvement Fund			
APPROPRIATIONS			
Government Code Section 13332.03	\$-	\$695	\$659
TOTALS, EXPENDITURES	\$-	\$695	\$659
0193 Waste Discharge Permit Fund			
APPROPRIATIONS			
Government Code Section 13332.03	\$3	\$3	\$-
TOTALS, EXPENDITURES	\$3	\$3	\$-
0367 Indian Gaming Special Distribution Fund			
APPROPRIATIONS			
Government Code Section 13332.03	\$-	\$1	\$-
TOTALS, EXPENDITURES	\$-	\$1	\$-
0485 Armory Discretionary Improvement Account			
APPROPRIATIONS			
Government Code Section 13332.03	\$22	\$12	\$-
TOTALS, EXPENDITURES	\$22	\$12	\$-
0562 State Lottery Fund			
APPROPRIATIONS			
Government Code Section 13332.03	\$3,537	\$3,586	\$2,679
TOTALS, EXPENDITURES	\$3,537	\$3,586	\$2,679
0587 Family Law Trust Fund			
APPROPRIATIONS			
Government Code Section 13332.03	\$126	\$247	\$96
TOTALS, EXPENDITURES	\$126	\$247	\$96
0904 California Health Facilities Financing Authority Fund			
APPROPRIATIONS			
Government Code Section 13332.03	\$-	\$144	\$188
TOTALS, EXPENDITURES	\$-	\$144	\$188
0911 Educational Facilities Authority Fund			
APPROPRIATIONS			
Government Code Section 13332.03	\$-	\$39	\$-
TOTALS, EXPENDITURES	\$-	\$39	\$-
0930 Pollution Control Financing Authority Fund			
APPROPRIATIONS			
Government Code Section 13332.03	\$95	\$109	\$83
TOTALS, EXPENDITURES	\$95	\$109	\$83
0932 Trial Court Trust Fund			
APPROPRIATIONS			
Government Code Section 13332.03	\$-	\$293	\$540

* Dollars in thousands

9900 Statewide General Administrative Expenditures (Pro Rata) - Continued

1 STATE OPERATIONS	<u>2007-08*</u>	<u>2008-09*</u>	<u>2009-10*</u>
TOTALS, EXPENDITURES	\$-	\$293	\$540
0948 California State University Trust Fund			
APPROPRIATIONS			
Government Code Section 13332.03	<u>\$9,415</u>	<u>\$9,651</u>	<u>\$9,446</u>
TOTALS, EXPENDITURES	\$9,415	\$9,651	\$9,446
0960 Student Tuition Recovery Fund			
APPROPRIATIONS			
Government Code Section 13332.03	<u>\$3</u>	<u>\$-</u>	<u>\$-</u>
TOTALS, EXPENDITURES	\$3	\$-	\$-
0982 California Urban Waterfront Area Restoration Fund			
APPROPRIATIONS			
Government Code Section 13332.03	<u>\$5</u>	<u>\$5</u>	<u>\$4</u>
TOTALS, EXPENDITURES	\$5	\$5	\$4
3088 Registry of Charitable Trusts Fund			
APPROPRIATIONS			
Government Code Section 13332.03	<u>\$-</u>	<u>\$10</u>	<u>\$-</u>
TOTALS, EXPENDITURES	\$-	\$10	\$-
9740 Central Service Cost Recovery Fund			
APPROPRIATIONS			
Government Code Section 11270.1	<u>\$-</u>	<u>\$-90,394</u>	<u>\$-74,145</u>
TOTALS, EXPENDITURES	\$-	\$-90,394	\$-74,145
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$-536,254	\$-584,674	\$-422,643

9909 Health Insurance Portability and Accountability Act Compliance

The federal Health Insurance Portability and Accountability Act (HIPAA) reforms the health care industry with provisions that: (1) improve portability and continuity of health insurance coverage for groups and individuals, (2) combat waste, fraud, and abuse in health insurance for health care delivery, and (3) simplify the administration of health insurance. To accomplish these objectives, the HIPAA requires specific national standards for coding and tracking medical information, administrative simplification, and security and privacy of individual patient records.

LEGAL CITATIONS AND AUTHORITY

PROGRAM AUTHORITY

Health and Safety Code, Division 110.

* Dollars in thousands

9909 Health Insurance Portability and Accountability Act Compliance - Continued**Health Insurance Portability and Accountability Act Funding Display**

	2007-08	2008-09	2009-10
SUMMARY OF PROGRAM REQUIREMENTS	52,357	66,299	47,828
Health Insurance Portability and Accounting Act Compliance			
SECRETARY FOR CALIFORNIA HEALTH AND HUMAN SERVICES			
0530 AGENCY			
General Fund	2,554	2,555	2,611
Reimbursements	888	1,292	1,584
1900 PUBLIC EMPLOYEES' RETIREMENT SYSTEM			
Special Funds	162	247	247
4140 OFFICE OF STATEWIDE HEALTH PLANNING AND DEVELOPMENT			
Special Funds	108	111	111
4170 DEPARTMENT OF AGING			
General Fund	-	12	12
Reimbursements	-	12	12
4200 DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS			
General Fund	771	783	-
Special Fund	-	-	787
Reimbursements	574	916	920
4260 DEPARTMENT OF HEALTH CARE SERVICES			
General Fund	9,057	10,979	8,571
Federal Trust Fund	33,494	44,644	28,158
Reimbursements	130	26	26
4265 DEPARTMENT OF PUBLIC HEALTH			
Special Funds	509	551	551
4280 MANAGED RISK MEDICAL INSURANCE BOARD			
General Fund	3	27	27
Special Funds	2	21	21
Federal Trust Fund	6	60	60
4300 DEPARTMENT OF DEVELOPMENTAL SERVICES			
General Fund	927	887	887
Reimbursements	873	800	800
4440 DEPARTMENT OF MENTAL HEALTH			
General Fund	1,101	1,112	1,146
Reimbursements	1,128	1,139	1,172
8955 DEPARTMENT OF VETERANS AFFAIRS			
General Fund	70	125	125

9955 Employee Compensation Reform

This budget display has been included in the Governor's Budget to report savings that result from employee compensation reforms. Currently, the savings reflected in this budget display are due to the Alternate Retirement Program, which was enacted with the Budget Act of 2004.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Employee Compensation Reform Savings	-	-	-	\$-	-\$89,000	-\$88,000
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$-	-\$89,000	-\$88,000
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				\$-	-\$48,950	-\$48,400
0494 Other Unallocated Special Funds				-	-26,700	-26,400
0988 Various Other Unallocated Non-Governmental Cost Funds				-	-13,350	-13,200
TOTALS, EXPENDITURES, ALL FUNDS				\$-	-\$89,000	-\$88,000

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code, Title 2, Division 5, Part 2.6, Chapter 8.6 and Control Section 4.01, Budget Act of 2005.

DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• ARP Savings Adjustment	\$-	\$-	-	\$550	\$450	-
Totals, Other Workload Budget Adjustments	\$-	\$-	-	\$550	\$450	-
Totals, Workload Budget Adjustments	\$-	\$-	-	\$550	\$450	-
Totals, Budget Adjustments	\$-	\$-	-	\$550	\$450	-

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
Employee Compensation Reform Savings	\$-	-\$48,950	-\$48,400
TOTALS, EXPENDITURES	\$-	-\$48,950	-\$48,400
TOTALS, GENERAL FUND EXPENDITURES	\$-	-\$48,950	-\$48,400
0494 Other Unallocated Special Funds			
APPROPRIATIONS			
Employee Compensation Reform Savings	\$-	-\$26,700	-\$26,400
TOTALS, EXPENDITURES	\$-	-\$26,700	-\$26,400
0988 Various Other Unallocated Non-Governmental Cost Funds			
APPROPRIATIONS			
Employee Compensation Reform Savings	\$-	-\$13,350	-\$13,200
TOTALS, EXPENDITURES	\$-	-\$13,350	-\$13,200
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$-	-\$89,000	-\$88,000

* Dollars in thousands