

# General Purpose Financial Statements

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# Combined Balance Sheet

## All Fund Types, Account Groups, and Discretely Presented Component Units

**June 30, 2000**

(Amounts in thousands)

	Governmental Fund Types			Proprietary Fund Types	
	General	Special Revenue	Capital Projects	Enterprise	Internal Service
<b>ASSETS AND OTHER DEBITS</b>					
Cash and pooled investments .....	\$ 9,530,738	\$ 6,965,053	\$ 158,782	\$ 2,435,815	\$ 301,537
Investments .....	—	181,064	8,205	4,344,005	143,691
Amount on deposit with U. S. Treasury .....	—	—	—	—	—
Receivables (net) .....	175,545	407,674	280	156,789	11,219
Due from other funds .....	6,225,774	3,772,525	67,872	285,593	282,976
Due from primary government .....	—	—	—	—	—
Due from other governments .....	452,133	5,237,018	—	123,464	13,837
Prepaid items .....	—	—	—	7,554	30,689
Food stamps .....	—	401,221	—	—	—
Inventories, at cost .....	—	—	—	14,451	93,463
Net investment in direct financing leases .....	—	—	—	4,900,655	—
Advances and loans receivable .....	287,306	1,703,262	—	2,964,524	—
Deferred charges .....	—	—	—	894,772	—
Fixed assets .....	—	—	—	4,850,022	512,697
Investment in UCSF Stanford Health Care .....	—	—	—	—	—
Other assets .....	994	15,153	2	15,325	10,392
Amount to be provided for retirement of long-term obligations .....	—	—	—	—	—
<b>Total Assets and Other Debits .....</b>	<b>\$ 16,672,490</b>	<b>\$ 18,682,970</b>	<b>\$ 235,141</b>	<b>\$ 20,992,969</b>	<b>\$ 1,400,501</b>

Fiduciary Fund Type	Account Groups		Total Primary Government (Memorandum Only)	Component Units		Total Reporting Entity (Memorandum Only)
	General Fixed Assets	General Long-Term Obligations		University of California	Special Purpose Authorities	
\$ 20,334,930	\$ —	\$ —	\$ 39,726,855	\$ 117,852	\$ 1,011,160	\$ 40,855,867
320,775,223	—	—	325,452,188	69,238,649	7,469,334	402,160,171
5,700,891	—	—	5,700,891	—	—	5,700,891
14,085,885	—	—	14,837,392	2,279,996	356,832	17,474,220
5,413,335	—	—	16,048,075	125,881	—	16,173,956
—	—	—	—	175,982	5,213	181,195
1,928,703	—	—	7,755,155	148,140	—	7,903,295
34,032	—	—	72,275	—	400	72,675
—	—	—	401,221	—	—	401,221
—	—	—	107,914	104,652	—	212,566
—	—	—	4,900,655	—	—	4,900,655
1,251,568	—	—	6,206,660	—	5,859,389	12,066,049
—	—	—	894,772	83,246	63,920	1,041,938
—	17,555,474	—	22,918,193	16,865,382	525,319	40,308,894
—	—	—	—	15,400	—	15,400
386,491	—	—	428,357	—	798,089	1,226,446
—	—	25,821,838	25,821,838	—	—	25,821,838
<b>\$ 369,911,058</b>	<b>\$ 17,555,474</b>	<b>\$ 25,821,838</b>	<b>\$ 471,272,441</b>	<b>\$ 89,155,180</b>	<b>\$ 16,089,656</b>	<b>\$ 576,517,277</b>

(Continued)

# Combined Balance Sheet

## All Fund Types, Account Groups, and Discretely Presented Component Units

June 30, 2000

(Amounts in thousands)

	Governmental Fund Types			Proprietary Fund Types	
	General	Special Revenue	Capital Projects	Enterprise	Internal Service
<b>LIABILITIES</b>					
Accounts payable .....	\$ 1,340,396	\$ 1,557,720	\$ 7,193	\$ 125,095	\$ 116,643
Due to other funds .....	2,456,218	4,328,235	10,023	295,102	160,869
Due to component units .....	67,182	109,695	—	—	—
Due to other governments .....	3,595,436	2,974,980	1,355	166,548	94,079
Dividends payable .....	—	—	—	—	—
Deferred revenue .....	—	401,455	—	—	—
Advances from other funds .....	508,785	64,573	—	34,758	98,797
Tax overpayments .....	—	8,082	—	—	—
Benefits payable .....	—	—	—	567,300	59,903
Deposits .....	5	17,264	—	3,034	2,204
Contracts and notes payable .....	—	—	—	—	27,261
Lottery prizes and annuities .....	—	—	—	2,828,358	—
Compensated absences payable .....	135,914	—	—	32,182	35,969
Certificates of participation, commercial paper, and other borrowings .....	—	—	—	28,117	—
Capital lease obligations .....	—	—	—	—	69,325
Advance collections .....	23,995	94,072	2,807	278,761	153,205
General obligation bonds payable .....	—	—	—	3,513,400	—
Revenue bonds payable .....	—	—	—	8,993,282	—
Interest payable .....	1,553	—	26,921	161,331	—
Securities lending obligation .....	—	—	—	—	—
Other liabilities .....	175,686	195,932	—	390,489	27,505
<b>Total Liabilities .....</b>	<b>8,305,170</b>	<b>9,752,008</b>	<b>48,299</b>	<b>17,417,757</b>	<b>845,760</b>
<b>FUND EQUITY AND OTHER CREDITS</b>					
Contributed capital .....	—	—	—	296,484	347,083
Investment in general fixed assets .....	—	—	—	—	—
Retained earnings					
Reserved for regulatory requirements .....	—	—	—	242,531	—
Unreserved .....	—	—	—	3,036,197	207,658
<b>Total Retained Earnings .....</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>3,278,728</b>	<b>207,658</b>
Fund balances					
Reserved for					
Encumbrances .....	701,275	3,240,201	122,527	—	—
Local agencies .....	—	—	—	—	—
Advances and loans .....	287,306	1,703,262	—	—	—
Employees' pension benefits .....	—	—	—	—	—
Continuing appropriations .....	1,115,188	3,740,863	43,171	—	—
Other specific purposes .....	—	—	—	—	—
<b>Total Reserved .....</b>	<b>2,103,769</b>	<b>8,684,326</b>	<b>165,698</b>	<b>—</b>	<b>—</b>
Unreserved					
Undesignated .....	6,263,551	246,636	21,144	—	—
<b>Total Fund Equity and Other Credits .....</b>	<b>8,367,320</b>	<b>8,930,962</b>	<b>186,842</b>	<b>3,575,212</b>	<b>554,741</b>
<b>Total Liabilities, Fund Equity, and Other Credits .....</b>	<b>\$ 16,672,490</b>	<b>\$ 18,682,970</b>	<b>\$ 235,141</b>	<b>\$ 20,992,969</b>	<b>\$ 1,400,501</b>

Fiduciary Fund Type	Account Groups		Total Primary Government (Memorandum Only)	Component Units		Total Reporting Entity (Memorandum Only)
	Trust and Agency	General Fixed Assets		General Long-Term Obligations	University of California	
\$ 6,082,030	\$ —	\$ —	\$ 9,229,077	\$ 1,536,685	\$ 16,420	\$ 10,782,182
8,797,628	—	—	16,048,075	125,881	—	16,173,956
4,318	—	—	181,195	—	—	181,195
4,167,884	—	—	11,000,282	—	8,983	11,009,265
—	—	—	—	—	145,386	145,386
—	—	—	401,455	—	—	401,455
162,972	—	—	869,885	—	—	869,885
1,895,501	—	—	1,903,583	—	—	1,903,583
421,800	—	—	1,049,003	—	5,062,442	6,111,445
903,702	—	—	926,209	1,316,951	116,262	2,359,422
1,072	—	—	28,333	—	5,248	33,581
—	—	—	2,828,358	—	—	2,828,358
—	—	1,227,649	1,431,714	359,363	32,018	1,823,095
—	—	622,656	650,773	1,005,029	—	1,655,802
—	—	3,407,790	3,477,115	1,211,617	—	4,688,732
147,248	—	—	700,088	—	173,075	873,163
—	—	17,838,290	21,351,690	—	—	21,351,690
—	—	843,850	9,837,132	2,754,000	6,693,933	19,285,065
—	—	—	189,805	—	144,318	334,123
30,550,543	—	—	30,550,543	8,640,549	—	39,191,092
6,172,069	—	1,881,603	8,843,284	—	783,039	9,626,323
<b>59,306,767</b>	<b>—</b>	<b>25,821,838</b>	<b>121,497,599</b>	<b>16,950,075</b>	<b>13,181,124</b>	<b>151,628,798</b>
—	—	—	643,567	—	109	643,676
—	17,555,474	—	17,555,474	12,249,011	—	29,804,485
—	—	—	242,531	—	657,211	899,742
—	—	—	3,243,855	—	2,251,212	5,495,067
—	—	—	3,486,386	—	2,908,423	6,394,809
—	—	—	4,064,003	—	—	4,064,003
12,528,388	—	—	12,528,388	—	—	12,528,388
578,926	—	—	2,569,494	—	—	2,569,494
285,631,779	—	—	285,631,779	50,580,077	—	336,211,856
—	—	—	4,899,222	—	—	4,899,222
—	—	—	—	5,512,775	—	5,512,775
<b>298,739,093</b>	<b>—</b>	<b>—</b>	<b>309,692,886</b>	<b>56,092,852</b>	<b>—</b>	<b>365,785,738</b>
11,865,198	—	—	18,396,529	3,863,242	—	22,259,771
<b>310,604,291</b>	<b>17,555,474</b>	<b>—</b>	<b>349,774,842</b>	<b>72,205,105</b>	<b>2,908,532</b>	<b>424,888,479</b>
<b>\$ 369,911,058</b>	<b>\$ 17,555,474</b>	<b>\$ 25,821,838</b>	<b>\$ 471,272,441</b>	<b>\$ 89,155,180</b>	<b>\$ 16,089,656</b>	<b>\$ 576,517,277</b>

(Concluded)

# Combined Statement of Revenues, Expenditures, and Changes in Fund Balances

## All Governmental Fund Types and Expendable Trust Funds

Year Ended June 30, 2000

(Amounts in thousands)

	Governmental Fund Types			Fiduciary Fund Type	Total Primary Government (Memorandum Only)
	General	Special Revenue	Capital Projects	Expendable Trust	
<b>REVENUES</b>					
Taxes .....	\$ 69,887,584	\$ 5,703,438	\$ —	\$ 4,602,031	\$ 80,193,053
Intergovernmental .....	4,404	31,538,816	—	639,494	32,182,714
Licenses and permits .....	44,786	3,200,315	750	—	3,245,851
Natural resources .....	12,255	79,407	—	—	91,662
Charges for services .....	173,018	675,334	—	5,772	854,124
Fees and penalties .....	69,390	1,929,286	—	459,648	2,458,324
Investment and interest .....	485,211	435,220	18,466	645,071	1,583,968
Escheat .....	—	—	—	173,136	173,136
Receipts from depositors .....	—	—	—	514,356	514,356
Other .....	633,875	451,168	25,018	669,766	1,779,827
<b>Total Revenues .....</b>	<b>71,310,523</b>	<b>44,012,984</b>	<b>44,234</b>	<b>7,709,274</b>	<b>123,077,015</b>
<b>EXPENDITURES</b>					
Current					
General government .....	2,265,123	3,746,505	17	71,702	6,083,347
Education .....	30,753,111	6,152,064	6	1,783,301	38,688,482
Health and human services .....	17,339,355	27,363,393	—	4,716,238	49,418,986
Resources .....	1,080,458	1,595,749	2,246	28,347	2,706,800
State and consumer services .....	445,207	396,076	9,039	1,089	851,411
Business and transportation .....	766,098	6,554,280	42	18,106	7,338,526
Correctional programs .....	4,375,739	225,460	—	—	4,601,199
Tax relief .....	2,173,459	—	—	—	2,173,459
Payments to depositors .....	—	—	—	305,690	305,690
Capital outlay .....	82,350	321,546	305,802	—	709,698
Debt service					
Principal retirement .....	1,066,892	22,820	32,482	—	1,122,194
Interest and fiscal charges .....	984,387	82,499	59,144	—	1,126,030
<b>Total Expenditures .....</b>	<b>61,332,179</b>	<b>46,460,392</b>	<b>408,778</b>	<b>6,924,473</b>	<b>115,125,822</b>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over (Under) Expenditures .....</b>	<b>9,978,344</b>	<b>(2,447,408)</b>	<b>(364,544)</b>	<b>784,801</b>	<b>7,951,193</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from general obligation bonds, commercial paper, and capital leases .....					
	82,350	5,011,776	672,349	—	5,766,475
Proceeds from revenue bonds .....	—	—	59,045	—	59,045
Operating transfers in .....	614,413	3,834,248	114,782	269,898	4,833,341
Operating transfers out .....	(1,212,134)	(3,321,264)	(419)	(237,286)	(4,771,103)
Transfers out — component units .....	(3,426,912)	(110,386)	(13,074)	(1,300)	(3,551,672)
Payment to refund commercial paper .....	—	(2,398,380)	(337,120)	—	(2,735,500)
<b>Total Other Financing Sources (Uses) .....</b>	<b>(3,942,283)</b>	<b>3,015,994</b>	<b>495,563</b>	<b>31,312</b>	<b>(399,414)</b>
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other</b>					
<b>Financing Uses .....</b>	<b>6,036,061</b>	<b>568,586</b>	<b>131,019</b>	<b>816,113</b>	<b>7,551,779</b>
<b>Fund Balances, July 1, 1999 .....</b>	<b>2,331,259</b>	<b>8,362,376</b>	<b>55,823</b>	<b>11,628,011</b>	<b>22,377,469</b>
<b>Fund Balances, June 30, 2000 .....</b>	<b>\$ 8,367,320</b>	<b>\$ 8,930,962</b>	<b>\$ 186,842</b>	<b>\$ 12,444,124</b>	<b>\$ 29,929,248</b>

# Combined Statement of Revenues, Expenses, and Changes in Retained Earnings

All Proprietary Fund Types and Discretely Presented Component Units – Special Purpose Authorities

Year Ended June 30, 2000

(Amounts in thousands)

	Proprietary Fund Types		Total Primary Government (Memorandum Only)	Component Units Special Purpose Authorities	Total Reporting Entity (Memorandum Only)
	Enterprise	Internal Service			
<b>OPERATING REVENUES</b>					
Lottery ticket sales .....	\$ 2,598,379	\$ —	\$ 2,598,379	\$ —	\$ 2,598,379
Service and sales .....	1,193,457	2,506,725	3,700,182	125,290	3,825,472
Earned premiums (net) .....	—	—	—	1,242,319	1,242,319
Investment and interest .....	264,582	210	264,792	387,257	652,049
Contributions .....	—	—	—	3,194	3,194
Rent .....	387,327	—	387,327	25,172	412,499
Other .....	50,676	12,388	63,064	65,137	128,201
<b>Total Operating Revenues .....</b>	<b>4,494,421</b>	<b>2,519,323</b>	<b>7,013,744</b>	<b>1,848,369</b>	<b>8,862,113</b>
<b>OPERATING EXPENSES</b>					
Lottery prizes .....	1,369,435	—	1,369,435	—	1,369,435
Personal services .....	340,633	334,204	674,837	120,990	795,827
Supplies .....	74,858	34,126	108,984	—	108,984
Services and charges .....	1,016,175	2,144,549	3,160,724	156,245	3,316,969
Depreciation .....	105,330	86,564	191,894	11,394	203,288
Benefit payments .....	—	—	—	1,490,069	1,490,069
Interest expense .....	511,199	4,607	515,806	372,487	888,293
Amortization of deferred charges .....	86,853	—	86,853	178,524	265,377
<b>Total Operating Expenses .....</b>	<b>3,504,483</b>	<b>2,604,050</b>	<b>6,108,533</b>	<b>2,329,709</b>	<b>8,438,242</b>
<b>Operating Income (Loss) .....</b>	<b>989,938</b>	<b>(84,727)</b>	<b>905,211</b>	<b>(481,340)</b>	<b>423,871</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Grants received .....	267	—	267	69,389	69,656
Grants provided .....	(41,813)	—	(41,813)	(69,389)	(111,202)
Investment and interest income (loss) .....	116,532	13,391	129,923	(82,706)	47,217
Interest expense and fiscal charges .....	(207,523)	(38)	(207,561)	(2,745)	(210,306)
Dividends paid .....	—	—	—	7,279	7,279
Lottery payments for education .....	(907,305)	—	(907,305)	—	(907,305)
Other .....	(20,266)	(338)	(20,604)	7,626	(12,978)
<b>Total Nonoperating Revenues (Expenses) .....</b>	<b>(1,060,108)</b>	<b>13,015</b>	<b>(1,047,093)</b>	<b>(70,546)</b>	<b>(1,117,639)</b>
<b>Income (Loss) Before Operating Transfers .....</b>	<b>(70,170)</b>	<b>(71,712)</b>	<b>(141,882)</b>	<b>(551,886)</b>	<b>(693,768)</b>
<b>OPERATING TRANSFERS</b>					
Operating transfers in .....	32,334	7,126	39,460	—	39,460
Operating transfers in — primary government .....	—	—	—	425,000	425,000
Operating transfers out .....	(64,564)	(15,099)	(79,663)	—	(79,663)
<b>Total Operating Transfers .....</b>	<b>(32,230)</b>	<b>(7,973)</b>	<b>(40,203)</b>	<b>425,000</b>	<b>384,797</b>
<b>Net Income (Loss) .....</b>	<b>(102,400)</b>	<b>(79,685)</b>	<b>(182,085)</b>	<b>(126,886)</b>	<b>(308,971)</b>
<b>Retained Earnings, July 1, 1999 .....</b>	<b>3,381,128</b>	<b>287,343</b>	<b>3,668,471</b>	<b>3,035,309</b> *	<b>6,703,780</b>
<b>Retained Earnings, June 30, 2000 .....</b>	<b>\$ 3,278,728</b>	<b>\$ 207,658</b>	<b>\$ 3,486,386</b>	<b>\$ 2,908,423</b>	<b>\$ 6,394,809</b>

\*Restated

# Combined Statement of Revenues, Expenditures, and Changes in Fund Balances Non-GAAP Budgetary Basis – Budget and Actual All Governmental Cost Funds

**Year Ended June 30, 2000**  
(Amounts in thousands)

	General Fund		
	Budget	Actual	Variance
<b>REVENUES</b>			
Major taxes and licenses			
Bank and corporation taxes .....	—	\$ 6,638,762	—
Cigarette and tobacco tax .....	—	132,199	—
Inheritance, estate and gift taxes .....	—	928,146	—
Insurance gross premiums tax .....	—	1,299,777	—
Vehicle license fees .....	—	28,422	—
Motor vehicle fuel tax .....	—	—	—
Personal income tax .....	—	39,574,650	—
Retail sales and use taxes .....	—	21,137,297	—
Other major taxes and licenses .....	—	288,120	—
<b>Total Major Taxes and Licenses .....</b>	<b>—</b>	<b>70,027,373</b>	<b>—</b>
Minor revenues .....	—	1,528,263	—
<b>Total Revenues .....</b>	<b>—</b>	<b>71,555,636</b>	<b>—</b>
<b>EXPENDITURES</b>			
Legislative, judicial, executive .....	\$ 2,376,642	2,332,475	\$ 44,167
State and consumer services .....	447,832	438,583	9,249
Business, transportation and housing .....	745,296	745,043	253
Trade and commerce .....	482,631	480,438	2,193
Resources .....	1,024,920	982,000	42,920
Environmental protection .....	148,488	140,245	8,243
Health and human services .....	17,753,473	17,485,106	268,367
Correctional programs .....	4,539,608	4,396,357	143,251
Education .....	34,043,665	34,014,860	28,805
General government			
Tax relief and shared revenues .....	2,203,119	2,171,316	31,803
Debt service .....	2,107,329	2,072,690	34,639
Other general government .....	937,242	844,599	92,643
<b>Total Expenditures .....</b>	<b>\$ 66,810,245</b>	<b>66,103,712</b>	<b>\$ 706,533</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds .....	—	423,302	—
Transfers to other funds .....	—	(203,818)	—
Other additions and deductions .....	—	48,095	—
<b>Total Other Financing Sources (Uses) .....</b>	<b>—</b>	<b>267,579</b>	<b>—</b>
<b>Excess of Revenues and Other Sources Over Expenditures and Other Uses .....</b>	<b>—</b>	<b>5,719,503</b>	<b>—</b>
<b>FUND BALANCES</b>			
Fund Balances, July 1, 1999, Restated .....	—	3,920,188	—
Fund Balances, June 30, 2000 .....	—	<b>\$ 9,639,691</b>	—



Other Governmental Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance
—	\$ 136	—	—	\$ 6,638,898	—
—	1,084,452	—	—	1,216,651	—
—	—	—	—	928,146	—
—	—	—	—	1,299,777	—
—	3,315,500	—	—	3,343,922	—
—	3,069,694	—	—	3,069,694	—
—	3,587	—	—	39,578,237	—
—	4,388,491	—	—	25,525,788	—
—	1,957,499	—	—	2,245,619	—
—	<b>13,819,359</b>	—	—	<b>83,846,732</b>	—
—	4,352,791	—	—	5,881,054	—
—	<b>18,172,150</b>	—	—	<b>89,727,786</b>	—
\$ 531,821	513,748	\$ 18,073	\$ 2,908,463	2,846,223	\$ 62,240
586,333	417,513	168,820	1,034,165	856,096	178,069
5,783,550	4,960,976	822,574	6,528,846	5,706,019	822,827
8,659	8,051	608	491,290	488,489	2,801
902,692	876,844	25,848	1,927,612	1,858,844	68,768
561,962	549,433	12,529	710,450	689,678	20,772
4,337,725	4,321,185	16,540	22,091,198	21,806,291	284,907
16,965	16,185	780	4,556,573	4,412,542	144,031
927,307	895,323	31,984	34,970,972	34,910,183	60,789
3,346,500	3,346,500	—	5,549,619	5,517,816	31,803
501	270	231	2,107,830	2,072,960	34,870
(86,411)	(117,896)	31,485	850,831	726,703	124,128
<b>\$ 16,917,604</b>	<b>15,788,132</b>	<b>\$ 1,129,472</b>	<b>\$ 83,727,849</b>	<b>81,891,844</b>	<b>\$ 1,836,005</b>
—	15,019,520	—	—	15,442,822	—
—	(17,128,953)	—	—	(17,332,771)	—
—	272,271	—	—	320,366	—
—	<b>(1,837,162)</b>	—	—	<b>(1,569,583)</b>	—
—	<b>546,856</b>	—	—	<b>6,266,359</b>	—
—	5,925,389	—	—	<b>9,845,577</b>	—
—	<b>\$ 6,472,245</b>	—	—	<b>\$ 16,111,936</b>	—

The notes to the financial statements are an integral part of this statement.

# Combined Statement of Cash Flows

## All Proprietary Fund Types and Discretely Presented Component Units – Special Purpose Authorities

**Year Ended June 30, 2000**

(Amounts in thousands)

	Proprietary Fund Types		Component
	Enterprise (1)	Internal Service (2)	Special Purpose Authorities
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income (loss) .....	\$ 989,938	\$ (84,727)	\$ (481,340)
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS</b>			
Interest expense on operating debt .....	(1,654)	4,607	369,272
Depreciation .....	105,330	86,564	11,394
Accretion of capital appreciation bonds .....	10,344	—	19,665
Provisions and allowances .....	5,573	—	18,703
Accrual of deferred charges .....	(3,631)	—	(181,187)
Amortization of deferred credits .....	(3,798)	—	(3,212)
Amortization of discounts .....	1,604	—	8,009
Amortization of deferred charges .....	86,853	—	177,062
Purchase of program loans .....	—	—	(1,045,262)
Collection of principal from program loans .....	(125)	—	334,094
Other .....	(3,609)	848	12,196
Change in assets and liabilities			
Receivables .....	(24,265)	(6,904)	(23,712)
Due from other funds .....	(17,174)	32,480	—
Due from primary government .....	—	—	(1,480)
Due from other governments .....	(48,212)	(3,314)	—
Prepaid items .....	(714)	(2,956)	(65)
Inventories .....	1,196	(5,576)	—
Net investment in direct financing leases .....	185,528	—	—
Advances and loans receivable .....	(392,250)	—	—
Other assets .....	6,376	1,566	49,164
Accounts payable .....	8,495	(44,345)	5,872
Interest payable .....	21,809	—	—
Due to other funds .....	(20,261)	(21,807)	(1,180)
Due to other governments .....	17,099	18,831	4
Benefits payable .....	213,382	16,776	156,481
Deposits .....	(688)	1,502	2,307
Lottery prizes and annuities .....	(234,108)	—	—
Contracts and notes payable .....	(585)	(2,695)	1,192
Compensated absences payable .....	2,888	(2,019)	2,360
Capital lease obligations .....	—	(2,619)	—
Advance collections .....	3,451	134	(4,579)
Other liabilities .....	23,451	5,901	(100,321)
<b>Total Adjustments .....</b>	<b>(57,695)</b>	<b>76,974</b>	<b>(193,223)</b>
<b>Net Cash Provided by (Used In) Operating Activities .....</b>	<b>932,243</b>	<b>(7,753)</b>	<b>(674,563)</b>

(Continued)

	Proprietary Fund Types		Component
	Enterprise (1)	Internal Service (2)	Special Purpose Authorities (3)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Dividends paid .....	—	—	(93,098)
Advances from other funds .....	10,186	2,846	—
Collection of advances and loans .....	13,915	—	—
Return of advances from other funds .....	(6,160)	—	—
Proceeds from revenue bonds .....	117,200	—	1,570,831
Retirement of general obligation bonds .....	(162,815)	—	—
Retirement of revenue bonds .....	(15,600)	—	(896,416)
Interest paid on operating debt .....	—	—	(364,436)
Operating transfers in .....	28,047	7,126	—
Operating transfers out .....	(54,258)	(15,099)	—
Grants provided .....	(41,813)	—	(69,389)
Lottery payments for education .....	(975,825)	—	—
<b>Net Cash Provided by (Used In) Noncapital Financing Activities .....</b>	<b>(1,087,123)</b>	<b>(5,127)</b>	<b>147,492</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Unamortized water project costs .....	6,321	—	—
Acquisition of intangible assets .....	—	(1,747)	—
Acquisition of fixed assets .....	(235,685)	(104,004)	(16,224)
Proceeds from sale of fixed assets .....	63	18,998	4
Advances from other funds .....	372,605	—	—
Advances and loans provided .....	(9,580)	—	—
Collection of advances and loans .....	11,942	—	—
Return of advances from other funds .....	(368,254)	—	—
Proceeds from notes payable and commercial paper .....	13,753	12,347	—
Principal paid on notes payable and commercial paper .....	—	(3,440)	—
Payment of capital lease obligations .....	—	(2,430)	—
Retirement of general obligation bonds .....	(39,900)	—	—
Proceeds from revenue bonds .....	296,262	—	—
Retirement of revenue bonds .....	(333,337)	—	(2,521)
Interest paid .....	(207,739)	(4,607)	(2,777)
Contributed capital .....	48,827	1,901	—
Grants received .....	267	—	69,389
Operating transfers in .....	4,307	—	425,000
Operating transfers out .....	(10,082)	—	—
<b>Net Cash Provided by (Used In) Capital and Related Financing Activities .....</b>	<b>(450,230)</b>	<b>(82,982)</b>	<b>472,871</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of investments .....	(357,793)	—	(3,097,345)
Proceeds from maturity and sale of investments .....	838,660	44,185	2,657,031
Earnings on investments .....	114,827	13,889	515,567
<b>Net Cash Provided by Investing Activities .....</b>	<b>595,694</b>	<b>58,074</b>	<b>75,253</b>
<b>Net Increase (Decrease) in Cash and Pooled Investments .....</b>	<b>(9,416)</b>	<b>(37,788)</b>	<b>21,053</b>
<b>Cash and Pooled Investments at July 1, 1999 .....</b>	<b>2,445,231</b>	<b>339,325</b>	<b>990,107</b>
<b>Cash and Pooled Investments at June 30, 2000 .....</b>	<b>\$ 2,435,815</b>	<b>\$ 301,537</b>	<b>\$ 1,011,160</b>

(Concluded)

Non-cash transactions are those portions of investing, financing, or capital activities that affected assets and liabilities but did not result in cash receipts or payments during the period.

- (1) Enterprise funds had the following non-cash transactions: a. \$199 million on interest accreted on annuitized lottery prizes; b. \$41 million on unclaimed lottery prizes directly transferred for educational purposes; c. \$33 million unrealized gain and \$27 million unrealized loss on investments.
- (2) Internal service funds made non-cash transactions for installment purchases totaling approximately \$12 million to acquire equipment.
- (3) Component units had a \$621 million unrealized loss on investments.

## Combined Statement of Changes in Plan Net Assets

### Pension Trust Funds and Discretely Presented Component Unit – University of California

Year Ended June 30, 2000

(Amounts in thousands)

	Primary Government Pension Trust Funds	Component Unit University of California Retirement System Funds
<b>ADDITIONS</b>		
Contributions		
Employer .....	\$ 3,004,829	\$ 1,584
Plan member .....	3,312,103	557,441
<b>Total Contributions .....</b>	<b>6,316,932</b>	<b>559,025</b>
Investment income		
Net appreciation in fair value of investments .....	20,982,667	4,067,246
Interest, dividends, and other investment income .....	10,511,973	2,163,444
Less: Investment expense .....	(2,204,266)	(417,798)
<b>Net Investment Income .....</b>	<b>29,290,374</b>	<b>5,812,892</b>
Other .....	8,091	1,229,620
<b>Total Additions .....</b>	<b>35,615,397</b>	<b>7,601,537</b>
<b>DEDUCTIONS</b>		
Benefits .....	8,899,138	665,803
Refunds of contributions .....	223,077	466,510
Administrative expense .....	226,856	25,911
Operating transfers out .....	22,035	—
<b>Total Deductions .....</b>	<b>9,371,106</b>	<b>1,158,224</b>
<b>Net Increase in Fund Balance Reserved for Employees' Pension Benefits .....</b>	<b>26,244,291</b>	<b>6,443,313</b>
<b>Fund Balance Reserved for Employees' Pension Benefits, July 1, 1999 .....</b>	<b>259,387,488</b>	<b>44,136,764</b>
<b>Fund Balance Reserved for Employees' Pension Benefits, June 30, 2000 .....</b>	<b>\$ 285,631,779</b>	<b>\$ 50,580,077</b>

## Statement of Changes in Net Assets

### Investment Trust Fund – Local Agency Investment

Year Ended June 30, 2000

(Amounts in thousands)

<b>CHANGE IN NET ASSETS RESULTING FROM OPERATIONS</b>	
Investment and interest income.....	\$ 734,099
Less: Operating expenditures and expenses.....	(1,710)
<b>Net Increase in Net Assets Resulting From Operations.....</b>	<b>732,389</b>
<b>DISTRIBUTIONS TO PARTICIPANTS</b>	
Distributions paid and payable.....	(732,389)
<b>CHANGE IN NET ASSETS RESULTING FROM DEPOSITOR TRANSACTIONS</b>	
Receipts from depositors.....	17,149,806
Less: Withdrawals by depositors.....	(18,776,242)
<b>Net Decrease in Net Assets Resulting from Depositor Transactions.....</b>	<b>(1,626,436)</b>
<b>Total Change in Net Assets.....</b>	<b>(1,626,436)</b>
<b>Net Assets Held in Trust for Pool Participants, July 1, 1999.....</b>	<b>14,154,824</b>
<b>Net Assets Held in Trust for Pool Participants, June 30, 2000.....</b>	<b>\$ 12,528,388</b>

# Combined Balance Sheet – Discretely Presented Component Unit – University of California

June 30, 2000

(Amounts in thousands)

	Current Funds	Loan Funds	Endowment and Similar Funds	Plant Funds	Agency Funds	Retirement System Funds	Total (Memorandum Only)
<b>ASSETS</b>							
Cash.....	\$ 115,322	\$ —	\$ —	\$ 2,530	\$ —	\$ —	\$ 117,852
Investments.....	3,986,970	78,724	5,639,777	1,713,613	749,991	57,069,574	69,238,649
Receivables (net).....	1,446,772	281,939	31,516	11,453	—	508,316	2,279,996
Due from other funds.....	80	—	23,542	1,281	—	100,978	125,881
Due from primary government.....	175,982	—	—	—	—	—	175,982
Due from other governments.....	147,179	961	—	—	—	—	148,140
Inventories, at cost.....	104,652	—	—	—	—	—	104,652
Deferred charges.....	83,246	—	—	—	—	—	83,246
Fixed assets.....	—	—	—	16,865,382	—	—	16,865,382
Investment in UCSF Stanford Health Care.....	—	—	—	15,400	—	—	15,400
<b>Total Assets.....</b>	<b>\$ 6,060,203</b>	<b>\$ 361,624</b>	<b>\$ 5,694,835</b>	<b>\$ 18,609,659</b>	<b>\$ 749,991</b>	<b>\$ 57,678,868</b>	<b>\$ 89,155,180</b>
<b>LIABILITIES AND FUND EQUITY</b>							
<b>Liabilities</b>							
Accounts payable.....	\$ 1,460,068	\$ —	\$ 5,896	\$ 37,949	\$ —	\$ 32,772	\$ 1,536,685
Due to other funds.....	102,480	2,000	—	21,401	—	—	125,881
Deposits.....	566,960	—	—	—	749,991	—	1,316,951
Compensated absences.....	359,363	—	—	—	—	—	359,363
Commercial paper and other borrowings.....	2,025	—	—	1,003,004	—	—	1,005,029
Capital lease obligations.....	—	—	—	1,211,617	—	—	1,211,617
Revenue bonds payable.....	—	7,405	—	2,746,595	—	—	2,754,000
Securities lending obligation.....	603,402	12,931	693,776	264,421	—	7,066,019	8,640,549
<b>Total Liabilities.....</b>	<b>3,094,298</b>	<b>22,336</b>	<b>699,672</b>	<b>5,284,987</b>	<b>749,991</b>	<b>7,098,791</b>	<b>16,950,075</b>
<b>Fund Equity</b>							
Investment in general fixed assets.....	—	—	—	12,249,011	—	—	12,249,011
Fund balances							
Employees' pension benefits...	—	—	—	—	—	50,580,077	50,580,077
Reserved for other specific purposes.....	942,562	300,068	3,932,887	337,258	—	—	5,512,775
Undesignated.....	2,023,343	39,220	1,062,276	738,403	—	—	3,863,242
<b>Total Fund Equity.....</b>	<b>2,965,905</b>	<b>339,288</b>	<b>4,995,163</b>	<b>13,324,672</b>	<b>—</b>	<b>50,580,077</b>	<b>72,205,105</b>
<b>Total Liabilities and Fund Equity.....</b>	<b>\$ 6,060,203</b>	<b>\$ 361,624</b>	<b>\$ 5,694,835</b>	<b>\$ 18,609,659</b>	<b>\$ 749,991</b>	<b>\$ 57,678,868</b>	<b>\$ 89,155,180</b>

# Combined Statement of Changes in Fund Balances – Discretely Presented Component Unit – University of California

**Year Ended June 30, 2000**

(Amounts in thousands)

	Current Funds	Loan Funds	Endowment and Similar Funds	Plant Funds
<b>REVENUES AND OTHER ADDITIONS</b>				
Student tuition and fees.....	\$ 1,113,853	\$ —	\$ —	\$ 17,201
U.S. government.....	4,731,827	2,158	—	34,297
Local government.....	112,964	—	—	—
Sales and services				
Educational activities.....	869,243	—	—	—
Medical centers.....	2,205,476	—	—	—
Auxiliary enterprises.....	639,794	—	—	—
Private gifts, grants, and contracts.....	833,417	703	31,413	78,303
Investment income				
Endowment activities.....	142,994	—	6,211	—
Securities lending.....	92,276	872	—	14,359
Other.....	145,261	9,614	—	63,574
Net appreciation (depreciation) in fair value of investments.....	30,601	(550)	436,774	(11,034)
Expended for plant facilities (including \$451,457 of current funds)...	—	—	—	1,267,981
UCSF Stanford Health Care-Operating loss.....	(62,321)	—	—	—
Retirement of indebtedness.....	—	—	—	157,553
Other revenues.....	454,444	—	—	357,348
Transfers in — primary government.....	2,940,384	—	—	186,288
Other additions.....	84,842	4,087	8,476	357
<b>Total Revenues and Other Additions.....</b>	<b>14,335,055</b>	<b>16,884</b>	<b>482,874</b>	<b>2,166,227</b>
<b>EXPENDITURES AND OTHER DEDUCTIONS</b>				
Current fund expenditures				
Educational and general.....	7,676,541	—	—	—
Medical centers.....	2,144,778	—	—	—
Auxiliary enterprises.....	518,682	—	—	—
Department of Energy laboratories.....	2,996,653	—	—	—
Securities lending fees and rebates.....	88,448	836	—	13,767
Plant fund expenditures (including noncapitalized expenditures of \$57,283).....	—	—	—	399,929
Issuance of debt obligations.....	—	—	—	345,803
Debt service				
Principal retirement.....	—	—	—	157,553
Interest.....	—	—	—	253,527
Disposal of plant assets.....	—	—	—	351,381
Other.....	34,852	5,777	1,196	17,102
<b>Total Expenditures and Other Deductions.....</b>	<b>13,459,954</b>	<b>6,613</b>	<b>1,196</b>	<b>1,539,062</b>
<b>TRANSFERS AMONG FUNDS</b>				
Mandatory contractual arrangements				
Loan funds matching grants.....	(1,277)	1,277	—	—
Principal and interest.....	(311,706)	—	—	311,706
Nonmandatory (discretionary allocations).....	(371,529)	3,572	26,415	341,542
<b>Total Transfers Among Funds.....</b>	<b>(684,512)</b>	<b>4,849</b>	<b>26,415</b>	<b>653,248</b>
<b>Net Increase in Fund Balances.....</b>	<b>190,589</b>	<b>15,120</b>	<b>508,093</b>	<b>1,280,413</b>
<b>Fund Balances, July 1, 1999.....</b>	<b>2,775,316</b>	<b>324,168</b>	<b>4,487,070</b>	<b>12,044,259</b>
<b>Fund Balances, June 30, 2000.....</b>	<b>\$ 2,965,905</b>	<b>\$ 339,288</b>	<b>\$ 4,995,163</b>	<b>\$ 13,324,672</b>

# Combined Statement of Current Funds Revenues, Expenditures, and Other Changes – Discretely Presented Component Unit – University of California

Year Ended June 30, 2000

(Amounts in thousands)

	Current Funds		Total
	Unrestricted	Restricted	(Memorandum Only)
<b>REVENUES</b>			
Student tuition and fees.....	\$ 1,113,853	\$ —	\$ 1,113,853
U.S. government appropriations, grants and contracts.....	334,941	1,374,171	1,709,112
Local government grants and contracts.....	2,167	107,138	109,305
Sales and services			
Education activities.....	869,243	—	869,243
Medical centers.....	2,205,476	—	2,205,476
Auxiliary enterprises.....	639,794	—	639,794
Private gifts, grants and contracts.....	75,220	655,418	730,638
Investment income			
Endowment and similar funds.....	32,287	86,799	119,086
Securities lending.....	45,957	44,392	90,349
Other.....	113,537	—	113,537
Net appreciation in fair value of investments.....	21,361	—	21,361
Department of Energy laboratories.....	31,296	2,996,653	3,027,949
Other revenues.....	454,444	—	454,444
Transfers in — primary government.....	2,488,944	355,056	2,844,000
<b>Total Revenues.....</b>	<b>8,428,520</b>	<b>5,619,627</b>	<b>14,048,147</b>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Educational and general			
Instructional.....	2,257,297	159,277	2,416,574
Research.....	316,361	1,768,261	2,084,622
Public service.....	165,913	128,309	294,222
Academic support.....	1,016,666	130,784	1,147,450
Student services.....	293,063	12,025	305,088
Institutional support.....	534,905	43,347	578,252
Operation and maintenance of plant.....	356,596	896	357,492
Student financial aid.....	176,790	316,051	492,841
Mandatory transfers			
Loan fund matching grant.....	927	350	1,277
Debt service.....	98,232	107,798	206,030
<b>Total Educational and General Expenditures, and Mandatory Transfers.....</b>	<b>5,216,750</b>	<b>2,667,098</b>	<b>7,883,848</b>
Medical centers			
Expenditures.....	2,139,696	5,082	2,144,778
Mandatory transfers.....	54,127	—	54,127
<b>Total Medical Centers.....</b>	<b>2,193,823</b>	<b>5,082</b>	<b>2,198,905</b>
Auxiliary enterprises			
Expenditures.....	504,132	14,550	518,682
Mandatory transfers.....	51,549	—	51,549
<b>Total Auxiliary Enterprises.....</b>	<b>555,681</b>	<b>14,550</b>	<b>570,231</b>
UCSF Stanford Health Care loss.....	62,321	—	62,321
Department of Energy laboratories.....	—	2,996,653	2,996,653
Securities lending fees and rebates.....	44,056	44,392	88,448
<b>Total Expenditures and Mandatory Transfers.....</b>	<b>8,072,631</b>	<b>5,727,775</b>	<b>13,800,406</b>
<b>OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)</b>			
Restricted receipts in excess of restricted expenditures.....	—	264,004	264,004
Nonmandatory transfers.....	(304,685)	(66,844)	(371,529)
Other.....	46,644	3,729	50,373
<b>Total Other Transfers and Additions (Deductions).....</b>	<b>(258,041)</b>	<b>200,889</b>	<b>(57,152)</b>
<b>Net Increase in Fund Balances.....</b>	<b>\$ 97,848</b>	<b>\$ 92,741</b>	<b>\$ 190,589</b>

The notes to the financial statements are an integral part of this statement.

