Component Units – Special Purpose Authorities

Special Purpose Authorities are legally separate entities which are discretely presented in the State's financial statements as component units in accordance with GASB Statement No. 14. The authorities' inclusion in the State's general purpose financial statements reflects the State's financial accountability for these entities. A brief description of the major authorities follows:

State Compensation Insurance Fund is a component unit created to offer insurance protection to employees at the lowest possible cost. This information is as of and for the year ended December 31, 1995.

The **California Housing Finance Agency** was created for the purpose of meeting the housing needs of persons and families of low and moderate income.

Other **Non-Major Component Units** provide certain services outside the State and provide certain private and public entities with a low-cost source of financing for activities that are deemed to be in the public interest.

The *California Alternative Energy and Advanced Transportation Financing Authority* was created to provide financing for the alternative energy and advanced transportation technologies.

The *California Pollution Control Financing Authority* was created to provide financing for pollution control facilities.

The *California Health Facilities Financing Authority* was created to provide financing for the construction, equipping, or acquiring of health facilities.

The *California Educational Facilities Authority* was created for the purpose of issuing revenue bonds to assist private educational institutions of higher learning in the expansion and construction of educational facilities.

The *California School Finance Authority* was created for the purpose of providing loans to school and community college districts to assist in obtaining equipment and facilities.

The *California Economic Development Financing Authority* was created for the purpose of issuing revenue and general obligation bonds to finance business development and public infrastructure projects.

District Agricultural Associations were created for the purpose of exhibiting all of the industries, industrial enterprises, resources, and products of the State.

The *San Joaquin River Conservancy* was created for the purpose of acquiring and managing public lands within the San Joaquin River Parkway.

Component Units – Special Purpose Authorities Combining Balance Sheet

June 30, 1996
(Amounts in thousands)

	State Compensation Insurance	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Pollution Control Financing Authority
ASSETS:				
Cash and pooled investments	$ 214,926	$ 280,879	$ 293	$ 59,005
Investments	5,913,923	975,760	—	—
Receivables (net)	152,585	61,178	—	3
Due from other funds	—	—	—	20
Due from primary government	9,965	—	—	2,633
Advances and loans receivable	—	3,731,656	—	—
Deferred charges	—	—	—	—
Fixed assets	219,548	—	—	—
Other assets	746,941	53,288	—	—
Total Assets	**$ 7,257,888**	**$ 5,102,761**	**$ 293**	**$ 61,661**
LIABILITIES:				
Accounts payable	$ —	$ 112,837	$ —	$ 26
Due to other funds	—	—	—	—
Dividends payable	60,000	—	—	—
Benefits payable	4,619,802	—	—	—
Deposits	—	—	—	—
Contracts and notes payable	—	—	—	—
Compensated absences payable	21,205	977	—	—
Advance collections	154,095	74,901	—	—
Revenue bonds payable	—	4,337,755	—	—
Interest payable	—	114,804	—	—
Other liabilities	808,530	—	—	—
Total Liabilities	**5,663,632**	**4,641,274**	**–-**	**26**
FUND EQUITY:				
Retained Earnings:				
Reserved for:				
Regulatory requirements	100,000	416,893	—	—
Unreserved	1,494,256	44,594	293	61,635
Total Retained Earnings	**1,594,256**	**461,487**	**293**	**61,635**
Total Fund Equity	**1,594,256**	**461,487**	**293**	**61,635**
Total Liabilities and Fund Equity	**$ 7,257,888**	**$ 5,102,761**	**$ 293**	**$ 61,661**

Non-Major Component Units						
California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	California Economic Development Financing Authority	District Agricultural Associations	San Joaquin River Conservancy	Total
$ 21,790	$ 11,326	$ 764	$ 328	$ 24,473	$ 330	$ 614,114
—	—	—	—	4,098	—	6,893,781
225	60	24	—	2,924	—	216,999
2	—	—	—	717	—	739
598	304	—	11	—	—	13,511
4,478	—	—	—	—	—	3,736,134
—	—	—	—	3,934	—	3,934
137	62	—	—	311,709	—	531,456
—	—	—	—	13,076	—	813,305
$ 27,230	**$ 11,752**	**$ 788**	**$ 339**	**$ 360,931**	**$ 330**	**$ 12,823,973**
$ 23	$ 17	$ 4	$ 104	$ 2,223	$ 8	$ 115,242
—	—	—	—	730	13	743
—	—	—	—	—	—	60,000
—	—	—	—	—	—	4,619,802
—	—	—	112	721	—	833
—	—	—	—	48,853	—	48,853
—	2	—	—	2,255	—	24,439
—	—	—	—	1,100	2	230,098
—	—	—	—	—	—	4,337,755
—	—	—	—	—	—	114,804
—	—	—	—	13,754	—	822,284
23	**19**	**4**	**216**	**69,636**	**23**	**10,374,853**
—	—	—	—	—	—	516,893
27,207	11,733	784	123	291,295	307	1,932,227
27,207	**11,733**	**784**	**123**	**291,295**	**307**	**2,449,120**
27,207	**11,733**	**784**	**123**	**291,295**	**307**	**2,449,120**
$ 27,230	**$ 11,752**	**$ 788**	**$ 339**	**$ 360,931**	**$ 330**	**$ 12,823,973**

Component Units – Special Purpose Authorities Combining Statement of Revenues, Expenses, and Changes in Retained Earnings

Year End June 30, 1996
(Amounts in thousands)

	State Compensation Insurance	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Pollution Control Financing Authority
OPERATING REVENUES:				
Service and sales	$ —	$ 16,811	$ —	$ 4,613
Earned premiums (net)	1,077,384	—	—	—
Investment and interest	—	341,521	—	—
Contributions	—	—	—	—
Rent	—	—	—	—
Other	—	7,753	—	—
Total Operating Revenues	**1,077,384**	**366,085**	**—**	**4,613**
OPERATING EXPENSES:				
Personal services	102,489	9,658	—	—
Supplies	—	2,694	—	—
Services and charges	72,952	28,469	52	13,458
Depreciation	7,641	600	—	—
Benefits payments	953,491	—	—	—
Interest expense	—	274,501	—	—
Amortization of deferred charges	—	2,238	—	—
Total Operating Expenses	**1,136,573**	**318,160**	**52**	**13,458**
Operating Income (Loss)	**(59,189)**	**47,925**	**(52)**	**(8,845)**
NONOPERATING REVENUES (EXPENSES):				
Grants received	—	72,470	—	—
Grants provided	—	(72,470)	—	—
Interest revenue	489,345	—	—	—
Interest expense and fiscal charges	—	—	—	—
Dividends paid	(281,513)	—	—	—
Other		—	—	—
Total Nonoperating Revenue (Expenses)	**207,832**	**—**	**—**	**—**
Net Income (Loss)	**148,643**	**47,925**	**(52)**	**(8,845)**
Retained Earnings, July 1, 1995	**1,445,613**	**413,562**	**345**	**70,480**
Retained Earnings, June 30, 1996	**$ 1,594,256**	**$ 461,487**	**$ 293**	**$ 61,635**

Non-Major Component Units						
California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	California Economic Development Financing Authority	District Agricultural Associations	San Joaquin River Conservancy	Total
$ 3,461	$ 483	$ —	$ —	$ 80,583	$ —	$ 105,951
—	—	—	—	—	—	1,077,384
—	—	—	—	1,219	—	342,740
—	—	—	—	2,071	—	2,071
—	—	—	—	17,683	—	17,683
—	—	48	—	—	—	7,801
3,461	**483**	**48**	**––**	**101,556**	**––**	**1,553,630**
—	72	—	—	—	—	112,219
—	—	—	—	—	25	2,719
1,173	172	134	—	104,882	56	221,348
—	17	—	—	3,294	—	11,552
—	—	—	—	—	—	953,491
—	—	—		—	—	274,501
—	—	—	—	—	—	2,238
1,173	**261**	**134**	**––**	**108,176**	**81**	**1,578,068**
2,288	**222**	**(86)**	**––**	**(6,620)**	**(81)**	**(24,438)**
—	—	—	—	—	—	72,470
—	—	—	—	—	—	(72,470)
—	615	—	122	83	—	490,165
—	—	—	(2)	(2,720)	—	(2,722)
—	—	—	—	—	—	(281,513)
—	—	—	(160)	(3,354)	—	(3,514)
––	**615**	**––**	**(40)**	**(5,991)**	**––**	**202,416**
2,288	**837**	**(86)**	**(40)**	**(12,611)**	**(81)**	**177,978**
24,919	**10,896**	**870**	**163**	**303,906**	**388**	**2,271,142**
$ 27,207	**$ 11,733**	**$ 784**	**$ 123**	**$ 291,295**	**$ 307**	**$ 2,449,120**

Component Units – Special Purpose Authorities Combining Statement of Cash Flows

Year Ended June 30, 1996
(Amounts in thousands)

	State Compensation Insurance	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Pollution Control Financing Authority
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income (loss)	$ (59,189)	$ 47,925	$ (52)	$ (8,845)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS:				
Interest expense on operating debt	—	274,501	—	—
Interest on investments	—	(73,607)	—	—
Depreciation	7,641	600	—	—
Accretion of capital appreciation bonds	—	9,807	—	—
Provisions and allowances	—	3,067	—	—
Accrual of deferred charges	—	—	—	—
Amortization of deferred credits	—	(4,948)	—	—
Amortization of discounts	—	6,760	—	—
Other	753	—	—	—
Change in assets and liabilities:				
Receivables	23,829	(14,998)	—	3,047
Due from other funds	—	—	—	—
Due from primary government	(3,297)	—	—	(2,633)
Due from other governments	—	—	—	—
Prepaid items	—	—	—	(4)
Other assets	(427,219)	(17,589)	—	—
Accounts payable	—	6,066	(42)	(309)
Due to other funds	—	—	—	—
Benefits payable	(271,489)	—	—	—
Deposits	—	—	—	—
Compensated absences payable	2,323	(83)	—	—
Advance collections	(27,559)	14	—	—
Other liabilities	432,592	—	—	—
Total Adjustments	**(262,426)**	**189,590**	**(42)**	**101**
Net Cash Provided by (Used In) Operating Activities	**(321,615)**	**237,515**	**(94)**	**(8,744)**

Non-Major Component Units						
California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	California Economic Development Financing Authority	District Agricultural Associations	San Joaquin River Conservancy	Total
$ 2,288	$ 222	$ (86)	$ —	$ (6,620)	$ (81)	**$ (24,438)**
—	—	—	—	—	—	**274,501**
—	—	—	—	—	—	**(73,607)**
—	17	—	—	3,294	—	**11,552**
—	—	—	—	—	—	**9,807**
—	—	—	—	—	—	**3,067**
—	—	—	—	(3,934)	—	**(3,934)**
—	—	—	—	—	—	**(4,948)**
—	—	—	—	—	—	**6,760**
—	—	—	—	19,423	—	**20,176**
389	346	2	—	(175)	—	**12,440**
(2)	(3)	(1)	—	(107)	—	**(113)**
(598)	(191)	—	(11)	—	—	**(6,730)**
—	7	—	—	—	—	**7**
—	—	—	—	—	—	**(4)**
—	—	—	—	(11,224)	—	**(456,032)**
(62)	(52)	(12)	104	(973)	—	**4,720**
—	(41)	—	—	436	13	**408**
—	—	—	—	—	—	**(271,489)**
—	—	—	112	721	—	**833**
—	(9)	—	—	2,255	—	**4,486**
—	—	—	—	(40)	2	**(27,583)**
—	—	—	—	11,083	—	**443,675**
(273)	**74**	**(11)**	**205**	**20,759**	**15**	**(52,008)**
2,015	**296**	**(97)**	**205**	**14,139**	**(66)**	**(76,446)**

(Continued)

Component Units – Special Purpose Authorities Combining Statement of Cash Flows

Year Ended June 30, 1996
(Amounts in thousands)

	State Compensation Insurance	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Pollution Control Financing Authority
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Dividends paid	(327,013)	—	—	—
Proceeds from revenue bonds	—	1,002,452	—	—
Retirement of revenue bonds	—	(427,560)	—	—
Interest paid on operating debt	—	(257,071)	—	—
Other expenses	—	—	—	—
Net Cash Provided by (Used In) Noncapital Financing Activities	**(327,013)**	**317,821**	**––**	**––**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of fixed assets	(15,173)	—	—	—
Proceeds from sale of fixed assets	2,791	—	—	—
Proceeds from notes payable	—	—	—	—
Interest paid	—	—	—	—
Net Cash Provided by (Used In) Capital and Related Financing Activities	**(12,382)**	**––**	**––**	**––**
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of investments	—	(106,793)	—	—
Advances and loans provided	—	(708,023)	—	—
Collection of advances and loans	—	223,917	—	—
Proceeds from maturity and sale of investments	134,932	—	—	1,464
Interest and gains on investments	489,345	73,607	—	—
Net Cash Provided by (Used In) Investing Activities	**624,277**	**(517,292)**	**––**	**1,464**
Net Increase (Decrease) in Cash and Pooled Investments	**(36,733)**	**38,044**	**(94)**	**(7,280)**
Cash and Pooled Investments at July 1, 1995	**251,659**	**242,835**	**387**	**66,285**
Cash and Pooled Investments at June 30, 1996	**$ 214,926**	**$ 280,879**	**$ 293**	**$ 59,005**

Non-Major Component Units						
California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	California Economic Development Financing Authority	District Agricultural Associations	San Joaquin River Conservancy	Total
—	—	—	—	—	—	**(327,013)**
—	—	—	—	—	—	**1,002,452**
—	—	—	—	—	—	**(427,560)**
—	—	—	—	—	—	**(257,071)**
—	—	—	(160)	—	—	**(160)**
––	**––**	**––**	**(160)**	**––**	**––**	**(9,352)**
(26)	(44)	—	—	(13,437)	—	**(28,680)**
19	—	—	—	—	—	**2,810**
—	—	—	—	3,928	—	**3,928**
—	—	—	(2)	(2,720)	—	**(2,722)**
(7)	**(44)**	**––**	**(2)**	**(12,229)**	**––**	**(24,664)**
—	—	—	—	(2,317)	—	**(109,110)**
(1,838)	—	—	—	—	—	**(709,861)**
587	—	—	—	—	—	**224,504**
—	—	—	—	—	—	**136,396**
—	615	—	122	83	—	**563,772**
(1,251)	**615**	**––**	**122**	**(2,234)**	**––**	**105,701**
757	**867**	**(97)**	**165**	**(324)**	**(66)**	**(4,761)**
21,033	**10,459**	**861**	**163**	**24,797**	**396**	**618,875**
$ 21,790	**$ 11,326**	**$ 764**	**$ 328**	**$ 24,473**	**$ 330**	**$ 614,114**

(Concluded)