

# *Component Units – Special Purpose Authorities*

**Special purpose authorities** are legally separate entities that 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. Following are brief descriptions of the major authorities.

The **State Compensation Insurance Fund** is a component unit created to offer insurance protection to employers at the lowest possible cost. This information is as of and for the year ended December 31, 2000.

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**, listed below, 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 alternative energy and advanced transportation technologies.

The *California Infrastructure and Economic Development Bank* provides financing of an interconnected system of public improvement, business development, and public infrastructure projects.

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, and acquisition of health facilities.

The *California Educational Facilities Authority* was created for the purpose of issuing revenue bonds to finance loans for students attending both public and private colleges and universities and 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.

*District agricultural associations* were created for the purpose of exhibiting all of the industries, industrial enterprises, resources, and products of the state. This information is as of and for the year ended December 31, 2000.

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

The *California Urban Waterfront Area Restoration Financing Authority* was created to provide financing for coastal and inland urban waterfront restoration projects.

# Component Units – Special Purpose Authorities Combining Balance Sheet

June 30, 2001  
(amounts in thousands)

	State Compensation Insurance Fund	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Infrastructure and Economic Development Bank
<b>ASSETS</b>				
Cash and pooled investments .....	\$ 12,868	\$ 797,293	\$ 345	\$ 475,093
Investments .....	7,526,190	1,236,469	—	—
Receivables (net) .....	335,087	96,237	8	31
Due from primary government .....	—	—	—	13,499
Due from other governments .....	—	—	—	808
Prepaid items .....	1,334	221	—	—
Advances to other funds .....	—	2,500	—	—
Loans receivable .....	—	6,693,108	—	22,212
Deferred charges .....	11,598	49,554	—	—
Fixed assets .....	205,783	—	—	—
Other assets .....	52,930	21,003	—	—
<b>Total Assets .....</b>	<b>\$ 8,145,790</b>	<b>\$ 8,896,385</b>	<b>\$ 353</b>	<b>\$ 511,643</b>
<b>LIABILITIES</b>				
Accounts payable .....	\$ 15,429	\$ 13,648	\$ 1	\$ 908
Due to other governments .....	—	20,079	—	—
Dividends payable .....	153,594	—	—	—
Benefits payable .....	5,563,175	—	—	—
Deposits .....	—	125,110	—	31
Contracts and notes payable .....	—	—	—	—
Compensated absences payable .....	33,809	1,315	—	—
Advance collections .....	168,149	64,686	—	—
Revenue bonds payable .....	—	7,688,313	—	—
Interest payable .....	—	143,281	—	—
Other liabilities .....	768,802	151	—	—
<b>Total Liabilities .....</b>	<b>6,702,958</b>	<b>8,056,583</b>	<b>1</b>	<b>939</b>
<b>FUND EQUITY</b>				
Contributed capital .....	—	—	—	—
Retained earnings				
Reserved for regulatory requirements.....	—	737,503	—	—
Unreserved .....	1,442,832	102,299	352	510,704
<b>Total Retained Earnings .....</b>	<b>1,442,832</b>	<b>839,802</b>	<b>352</b>	<b>510,704</b>
<b>Total Fund Equity .....</b>	<b>1,442,832</b>	<b>839,802</b>	<b>352</b>	<b>510,704</b>
<b>Total Liabilities and Fund Equity.....</b>	<b>\$ 8,145,790</b>	<b>\$ 8,896,385</b>	<b>\$ 353</b>	<b>\$ 511,643</b>

Non-Major Component Units							
California Pollution Control Financing Authority	California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	District Agricultural Associations	San Joaquin River Conservancy	California Urban Waterfront Area Restoration Financing Authority	Total
\$ 58,829	\$ 77,776	\$ 13,011	\$ 244	\$ 56,817	\$ 309	\$ 141	\$ 1,492,726
—	—	77,184	—	17,173	—	—	8,857,016
2	1,938	27,025	8	5,052	—	4	465,392
1,682	2,178	381	—	—	—	—	17,740
—	—	—	—	—	—	—	808
30	15	122	—	1	—	—	1,723
—	—	—	—	—	—	—	2,500
—	—	—	—	—	—	—	6,715,320
—	—	1,668	—	—	—	—	62,820
31	10	—	—	343,525	—	—	549,349
—	—	61	—	11,173	—	—	85,167
<b>\$ 60,574</b>	<b>\$ 81,917</b>	<b>\$ 119,452</b>	<b>\$ 252</b>	<b>\$ 433,741</b>	<b>\$ 309</b>	<b>\$ 145</b>	<b>\$ 18,250,561</b>
\$ 1,634	\$ 499	\$ 1,786	\$ 14	\$ 5,520	\$ —	\$ —	\$ 39,439
—	—	—	—	35	—	—	20,114
—	—	—	—	—	—	—	153,594
—	—	—	—	—	—	—	5,563,175
—	—	—	—	872	—	—	126,013
—	—	—	—	9,734	—	—	9,734
—	—	—	—	4,479	—	—	39,603
—	—	—	—	815	309	—	233,959
—	—	100,260	—	38,594	—	—	7,827,167
—	—	—	—	899	—	—	144,180
—	—	357	—	4,948	—	—	774,258
<b>1,634</b>	<b>499</b>	<b>102,403</b>	<b>14</b>	<b>65,896</b>	<b>309</b>	<b>—</b>	<b>14,931,236</b>
—	—	—	—	21,213	—	—	21,213
—	—	—	—	—	—	—	737,503
58,940	81,418	17,049	238	346,632	—	145	2,560,609
<b>58,940</b>	<b>81,418</b>	<b>17,049</b>	<b>238</b>	<b>346,632</b>	<b>—</b>	<b>145</b>	<b>3,298,112</b>
<b>58,940</b>	<b>81,418</b>	<b>17,049</b>	<b>238</b>	<b>367,845</b>	<b>—</b>	<b>145</b>	<b>3,319,325</b>
<b>\$ 60,574</b>	<b>\$ 81,917</b>	<b>\$ 119,452</b>	<b>\$ 252</b>	<b>\$ 433,741</b>	<b>\$ 309</b>	<b>\$ 145</b>	<b>\$ 18,250,561</b>

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

Year Ended June 30, 2001

(amounts in thousands)

	State Compensation Insurance Fund	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Infrastructure and Economic Development Bank
<b>OPERATING REVENUES</b>				
Services and sales .....	\$ —	\$ 13,665	\$ —	\$ —
Earned premiums (net) .....	1,759,462	—	—	—
Investment and interest .....	—	451,156	—	30,206
Contributions .....	—	—	—	—
Rent .....	—	—	—	—
Other .....	50,647	9,087	311	—
<b>Total Operating Revenues .....</b>	<b>1,810,109</b>	<b>473,908</b>	<b>311</b>	<b>30,206</b>
<b>OPERATING EXPENSES</b>				
Personal services .....	103,533	11,240	—	—
Services and charges .....	23,788	54,497	26	—
Depreciation .....	2,550	229	—	—
Benefit payments .....	1,912,647	—	—	—
Interest expense .....	—	428,848	—	—
Amortization of deferred charges .....	218,044	1,470	—	—
<b>Total Operating Expenses .....</b>	<b>2,260,562</b>	<b>496,284</b>	<b>26</b>	<b>—</b>
<b>Operating Income (Loss) .....</b>	<b>(450,453)</b>	<b>(22,376)</b>	<b>285</b>	<b>30,206</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Grants received .....	—	68,916	—	—
Grants provided .....	—	(68,916)	—	—
Investment and interest income .....	723,710	106,485	—	—
Interest expense and fiscal charges .....	—	—	—	—
Dividends paid .....	(104,146)	—	—	—
Other .....	—	—	—	—
<b>Total Nonoperating Revenues (Expenses).....</b>	<b>619,564</b>	<b>106,485</b>	<b>—</b>	<b>—</b>
<b>Income (Loss) Before Contributions and Transfers .....</b>	<b>169,111</b>	<b>84,109</b>	<b>285</b>	<b>30,206</b>
Capital contributions .....	—	—	—	—
Operating transfers in – primary government .....	—	20,141	—	—
<b>Net income (loss) .....</b>	<b>169,111</b>	<b>104,250</b>	<b>285</b>	<b>30,206</b>
<b>Retained Earnings, July 1, 2000 .....</b>	<b>1,273,721</b>	<b>735,552</b>	<b>67</b>	<b>480,498</b>
<b>Retained Earnings, June 30, 2001 .....</b>	<b>\$ 1,442,832</b>	<b>\$ 839,802</b>	<b>\$ 352</b>	<b>\$ 510,704</b>

\* Restated

Non-Major Component Units							
California Pollution Control Financing Authority	California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	District Agricultural Associations	San Joaquin River Conservancy	California Urban Waterfront Area Restoration Financing Authority	Total
\$ 1,574	\$ 61,617	\$ 1,021	\$ —	\$ 127,777	\$ —	\$ —	\$ 205,654
—	—	—	—	—	—	—	1,759,462
3,597	—	1,739	18	2,783	—	—	489,499
—	—	—	—	3,411	—	—	3,411
—	—	—	—	24,220	—	—	24,220
—	—	—	7	—	—	9	60,061
<b>5,171</b>	<b>61,617</b>	<b>2,760</b>	<b>25</b>	<b>158,191</b>	<b>—</b>	<b>9</b>	<b>2,542,307</b>
—	—	294	—	48,964	—	—	164,031
5,250	1,177	1,163	122	90,625	—	—	176,648
—	—	—	—	14,360	—	—	17,139
—	—	—	—	3,162	—	—	1,915,809
—	—	3,203	—	—	—	—	432,051
—	—	—	—	—	—	—	219,514
<b>5,250</b>	<b>1,177</b>	<b>4,660</b>	<b>122</b>	<b>157,111</b>	<b>—</b>	<b>—</b>	<b>2,925,192</b>
<b>(79)</b>	<b>60,440</b>	<b>(1,900)</b>	<b>(97)</b>	<b>1,080</b>	<b>—</b>	<b>9</b>	<b>(382,885)</b>
—	—	—	—	—	—	—	68,916
—	—	—	—	—	—	—	(68,916)
—	—	3,173	—	1,187	—	—	834,555
—	—	—	—	(2,844)	—	—	(2,844)
—	—	—	—	—	—	—	(104,146)
—	(2,165)	—	—	24,329	—	—	22,164
—	<b>(2,165)</b>	<b>3,173</b>	<b>—</b>	<b>22,672</b>	<b>—</b>	<b>—</b>	<b>749,729</b>
<b>(79)</b>	<b>58,275</b>	<b>1,273</b>	<b>(97)</b>	<b>23,752</b>	<b>—</b>	<b>9</b>	<b>366,844</b>
—	—	—	—	488	—	—	488
—	—	—	—	—	—	—	20,141
<b>(79)</b>	<b>58,275</b>	<b>1,273</b>	<b>(97)</b>	<b>24,240</b>	<b>—</b>	<b>9</b>	<b>387,473</b>
<b>59,019</b>	<b>23,143</b>	<b>15,776</b>	<b>335</b>	<b>322,392</b> *	<b>—</b>	<b>136</b>	<b>2,910,639</b>
<b>\$ 58,940</b>	<b>\$ 81,418</b>	<b>\$ 17,049</b>	<b>\$ 238</b>	<b>\$ 346,632</b>	<b>\$ —</b>	<b>\$ 145</b>	<b>\$ 3,298,112</b>

# Component Units – Special Purpose Authorities Combining Statement of Cash Flows

**Year Ended June 30, 2001**  
(amounts in thousands)

	<u>State Compensation Insurance Fund</u>	<u>California Housing Finance Agency</u>	<u>California Alternative Energy and Advanced Transportation Financing Authority</u>	<u>California Infrastructure and Economic Development Bank</u>
<b>CASH FLOWS FROM</b>				
<b>OPERATING ACTIVITIES</b>				
Operating income (loss) .....	\$ (450,453)	\$ (22,376)	\$ 285	\$ 30,206
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS</b>				
Interest expense on operating debt .....	—	428,848	—	—
Depreciation .....	2,550	229	—	—
Accretion of capital appreciation bonds .....	—	28,123	—	—
Provisions and allowances .....	8,322	17,136	—	—
Accrual of deferred charges .....	(212,929)	(8,354)	—	—
Amortization of deferred credits .....	—	(3,586)	—	—
Amortization of discounts .....	—	6,553	—	—
Amortization of deferred charges .....	218,044	—	—	—
Purchase of program loans .....	—	(1,540,632)	—	—
Collection of principal from program loans .....	—	693,640	—	—
Other .....	4,169	—	—	—
Change in assets and liabilities				
Receivables .....	(81,857)	(14,114)	(5)	(31)
Due from primary government .....	—	—	—	(11,134)
Due from other governments .....	—	—	—	(808)
Prepaid items .....	(1,334)	47	—	—
Other assets .....	34,658	128	—	—
Accounts payable .....	15,429	10,044	(14)	545
Due to other governments .....	—	(1,240)	—	—
Benefits payable .....	500,733	—	—	—
Deposits .....	—	8,527	—	(256)
Contracts and notes payable .....	—	—	—	—
Compensated absences payable .....	6,328	21	—	—
Capital lease obligation .....	—	—	—	—
Advance collections .....	61,345	3,168	—	—
Other liabilities .....	(9,727)	121	—	—
<b>Total Adjustments.....</b>	<b>545,731</b>	<b>(371,341)</b>	<b>(19)</b>	<b>(11,684)</b>
<b>Net Cash Provided by (Used in)</b>				
<b>Operating Activities .....</b>	<b>95,278</b>	<b>(393,717)</b>	<b>266</b>	<b>18,522</b>

Non-Major Component Units							
California Pollution Control Financing Authority	California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	District Agricultural Associations	San Joaquin River Conservancy	California Urban Waterfront Area Restoration Financing Authority	Total
\$ (79)	\$ 60,440	\$ (1,900)	\$ (97)	\$ 1,080	\$ —	\$ 9	\$ (382,885)
—	—	—	—	—	—	—	428,848
—	—	—	—	14,360	—	—	17,139
—	—	—	—	—	—	—	28,123
—	—	—	—	—	—	—	25,458
—	—	(470)	—	—	—	—	(221,753)
—	—	—	—	—	—	—	(3,586)
—	—	—	—	—	—	—	6,553
—	—	—	—	—	—	—	218,044
—	—	—	—	—	—	—	(1,540,632)
—	—	—	—	—	—	—	693,640
—	(2,165)	—	—	22,843	—	—	24,847
26	(1,592)	(12,258)	8	(1,523)	—	—	(111,346)
135	(1,550)	22	—	—	—	—	(12,527)
—	—	—	—	—	—	—	(808)
(8)	4	(31)	—	2	—	—	(1,320)
—	—	(62)	—	(9,386)	—	—	25,338
1,471	235	465	4	1,321	(36)	—	29,464
—	—	—	—	(34)	—	—	(1,274)
—	—	—	—	—	—	—	500,733
—	—	—	—	113	—	—	8,384
—	—	—	—	(1,132)	—	—	(1,132)
—	—	—	—	223	—	—	6,572
—	—	—	—	232	—	—	232
(103)	—	—	—	(102)	86	—	64,394
—	—	(3)	—	(80)	—	—	(9,689)
<b>1,521</b>	<b>(5,068)</b>	<b>(12,337)</b>	<b>12</b>	<b>26,837</b>	<b>50</b>	<b>—</b>	<b>173,702</b>
<b>1,442</b>	<b>55,372</b>	<b>(14,237)</b>	<b>(85)</b>	<b>27,917</b>	<b>50</b>	<b>9</b>	<b>(209,183)</b>

(continued)

# Component Units – Special Purpose Authorities Combining Statement of Cash Flows (continued)

Year Ended June 30, 2001  
(amounts in thousands)

	State Compensation Insurance Fund	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Infrastructure and Economic Development Bank
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Dividends paid .....	(95,939)	—	—	—
Proceeds from revenue bonds .....	—	2,068,083	—	—
Retirement of revenue bonds .....	—	(1,005,812)	—	—
Interest paid on operating debt .....	—	(428,925)	—	—
Operating transfers in .....	—	20,141	—	—
Grants provided .....	—	(68,916)	—	—
<b>Net Cash Provided by (Used in) Noncapital Financing Activities .....</b>	<b>(95,939)</b>	<b>584,571</b>	<b>—</b>	<b>—</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of fixed assets .....	(5,945)	—	—	—
Proceeds from sale of fixed assets .....	—	—	—	—
Principal paid on notes payable and commercial paper .....	—	—	—	—
Retirement of revenue bonds .....	—	—	—	—
Interest paid .....	—	—	—	—
Contributed capital .....	—	—	—	—
Grants received .....	—	68,916	—	—
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities .....</b>	<b>(5,945)</b>	<b>68,916</b>	<b>—</b>	<b>—</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of investments .....	(2,815,611)	(78,387)	—	—
Proceeds from maturity and sale of investments .....	2,282,057	229,435	—	—
Advances and loans provided .....	—	—	—	(22,636)
Collection of advances and loans .....	—	—	—	424
Earnings on investments .....	441,419	106,485	—	—
<b>Net Cash Provided by (Used in) Investing Activities .....</b>	<b>(92,135)</b>	<b>257,533</b>	<b>—</b>	<b>(22,212)</b>
<b>Net Increase (Decrease) in Cash and Pooled Investments .....</b>	<b>(98,741)</b>	<b>517,303</b>	<b>266</b>	<b>(3,690)</b>
<b>Cash and Pooled Investments at July 1, 2000 .....</b>	<b>111,609</b>	<b>279,990</b>	<b>79</b>	<b>478,783</b>
<b>Cash and Pooled Investments at June 30, 2001 .....</b>	<b>\$ 12,868</b>	<b>\$ 797,293</b>	<b>\$ 345</b>	<b>\$ 475,093</b>



Non-Major Component Units							
California Pollution Control Financing Authority	California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	District Agricultural Associations	San Joaquin River Conservancy	California Urban Waterfront Area Restoration Financing Authority	Total
—	—	—	—	—	—	—	(95,939)
—	—	45,000	—	—	—	—	2,113,083
—	—	—	—	—	—	—	(1,005,812)
—	—	—	—	—	—	—	(428,925)
—	—	—	—	—	—	—	20,141
—	—	—	—	—	—	—	(68,916)
—	—	45,000	—	—	—	—	533,632
(4)	—	—	—	(16,922)	—	—	(22,871)
—	3	—	—	—	—	—	3
—	—	—	—	(534)	—	—	(534)
—	—	—	—	(2,676)	—	—	(2,676)
—	—	—	—	(2,937)	—	—	(2,937)
—	—	—	—	488	—	—	488
—	—	—	—	—	—	—	68,916
(4)	3	—	—	(22,581)	—	—	40,389
—	—	(34,437)	—	(1,071)	—	—	(2,929,506)
—	—	—	—	—	—	—	2,511,492
—	—	—	—	—	—	—	(22,636)
—	—	—	—	—	—	—	424
—	—	3,173	—	1,187	—	—	552,264
—	—	(31,264)	—	116	—	—	112,038
1,438	55,375	(501)	(85)	5,452	50	9	476,876
57,391	22,401	13,512	329	51,365	259	132	1,015,850
\$ 58,829	\$ 77,776	\$ 13,011	\$ 244	\$ 56,817	\$ 309	\$ 141	\$ 1,492,726

(concluded)