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 Statement Number 14 of the Governmental Accounting Standards Board. 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 that accounts for premiums collected from California employers for insurance against worker's compensation claims. This information is as of and for the year ended December 31, 1994.

Conduit Financing Authorities provide certain private and public entities with a low-cost source of financing for use in purchasing land or equipment, constructing facilities, or providing low-cost student loans or housing that are deemed to be in the public interest.

District Authorities are legally separate organizations for which the state is financially accountable. They include District Agricultural Associations and the San Joaquin River Conservancy.

Special Purpose Authorities Combining Balance Sheet

June 30, 1995
(Amounts in thousands)

	State Compensation Insurance	Conduit Financing Authorities	District Authorities	Total
ASSETS				
Cash and pooled investments	$ 251,659	$ 342,023	$ 25,193	**$ 618,875**
Investments	6,048,855	870,431	1,781	**6,921,067**
Receivables (net)	176,414	50,386	2,765	**229,565**
Due from other funds	—	(1)	611	**610**
Due from primary government	6,668	—	—	**6,668**
Due from other governments	—	7	—	**7**
Prepaid expenses	—	16	—	**16**
Advances and loans receivable	—	3,254,231	—	**3,254,231**
Fixed assets	215,560	165	324,342	**540,067**
Other assets	319,722	41,276	1,836	**362,834**
Total Assets	**$ 7,018,878**	**$ 4,558,534**	**$ 356,528**	**$ 11,933,940**
LIABILITIES				
Accounts payable	—	$ 108,041	$ 3,204	**$ 111,245**
Due to other funds	—	—	294	**294**
Dividends payable	$ 105,500	—	—	**105,500**
Benefits payable	4,891,291	—	—	**4,891,291**
Contracts and notes payable	—	—	44,925	**44,925**
Compensated absences payable	18,882	1,070	—	**19,952**
Advance collections	181,654	79,834	1,140	**262,628**
Revenue bonds payable	—	3,750,980	—	**3,750,980**
Interest payable	—	97,374	—	**97,374**
Other liabilities	375,938	—	2,671	**378,609**
Total Liabilities	**5,573,265**	**4,037,299**	**52,234**	**9,662,798**
FUND EQUITY				
Retained Earnings				
Reserved for regulatory requirements	100,000	369,996	—	**469,996**
Unreserved	1,345,613	151,239	304,294	**1,801,146**
Total Fund Equity	**1,445,613**	**521,235**	**304,294**	**2,271,142**
Total Liabilities and Fund Equity	**$ 7,018,878**	**$ 4,558,534**	**$ 356,528**	**$ 11,933,940**

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

Year End June 30, 1995
(Amounts in thousands)

	State Compensation Insurance	Conduit Financing Authorities	District Authorities	Total
OPERATING REVENUES:				
Service and sales	—	$ 24,335	$ 82,739	**$ 107,074**
Earned premiums (net)	$ 1,456,788	—	—	**1,456,788**
Investment and interest	—	292,372	1,234	**293,606**
Contributions	—	—	200	**200**
Rent	—	—	17,461	**17,461**
Other	—	6,001	—	**6,001**
Total Operating Revenues	**1,456,788**	**322,708**	**101,634**	**1,881,130**
OPERATING EXPENSES:				
Personal services	109,087	8,553	—	**117,640**
Supplies	—	2,392	4	**2,396**
Services and charges	83,578	41,140	106,764	**231,482**
Depreciation	6,224	251	3,002	**9,477**
Benefits payments	1,034,403	—		**1,034,403**
Interest expense	—	234,404	—	**234,404**
Amoritization of deferred charges	—	2,886	—	**2,886**
Total Operating Expenses	**1,233,292**	**289,626**	**109,770**	**1,632,688**
Operating Income (Loss)	**223,496**	**33,082**	**(8,136)**	**248,442**
NONOPERATING REVENUES (EXPENSES):				
Grants received	—	—	401	**401**
Interest revenue	501,151	732	71	**501,954**
Interest expense and fiscal charges	—	—	(2,525)	**(2,525)**
Other	—	—	5,579	**5,579**
Total nonoperating Revenue (Expenses)	**501,151**	**732**	**3,526**	**505,409**
Income (Loss) Before Operating Transfers	**724,647**	**33,814**	**(4,610)**	**753,851**
OPERATING TRANSFERS:				
Operating transfers in	—	4,512	7,973	**12,485**
Operating transfers out	—	(4,702)	(4,031)	**(8,733)**
Net Operating Transfers	**––**	**(190)**	**3,942**	**3,752**
Net Income (Loss)	**724,647**	**33,624**	**(668)**	**757,603**
Dividends paid	(339,092)	—	—	**(339,092)**
Retained Earnings, July 1, 1994	**1,060,058**	**487,611**	**304,962 ***	**1,852,631**
Retained Earnings, June 30, 1995	**$ 1,445,613**	**$ 521,235**	**$ 304,294**	**$ 2,271,142**

* Restated (See Note 1K)

Special Purpose Authorities
Combining Statement of Cash Flows

Year Ended June 30, 1995
(Amounts in thousands)

	State Compensation Insurance
CASH FLOWS FROM OPERATING ACTIVITIES:	
Operating income (loss)	$ 223,496
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS:	
Interest expense on operating debt	—
Interest on investments	—
Depreciation	6,224
Accretion of capital appreciation bonds	—
Provisions and allowances	—
Amortization of Deferred Credits	—
Amortization of discounts	—
Change in assets and liabilities	
Receivables	30,298
Due from other funds	—
Due from primary government	255
Due from other governments	—
Prepaid expenses	—
Other assets	(282,462)
Accounts payable	—
Due to other funds	—
Benefits payable	(243,893)
Compensated absences payable	18,882
Advance collections	(15,201)
Other liabilities	319,914
Total Adjustments	**(165,983)**
Net Cash Provided by (Used In) Noncapital Financing Activities	**57,513**

Conduit Financing Authorities	District Authorities	Total
$ 33,082	$ (8,136)	**$ 248,442**
234,404	—	**234,404**
(67,832)	—	**(67,832)**
251	3,002	**9,477**
10,115	—	**10,115**
(1,004)	—	**(1,004)**
(3,362)	—	**(3,362)**
5,784	—	**5,784**
(1,345)	209	**29,162**
1	(514)	**(513)**
—	—	**255**
2	—	**2**
(8)	—	**(8)**
(18,252)	—	**(300,714)**
16,964	(5,859)	**11,105**
—	(688)	**(688)**
—	—	**(243,893)**
159	—	**19,041**
6,458	—	**(8,743)**
(623)	(2,195)	**317,096**
181,712	**(6,045)**	**9,684**
214,794	**(14,181)**	**258,126**

Special Purpose Authorities
Combining Statement of Cash Flows (cont'd)

Year Ended June 30, 1995
(Amounts in thousands)

	State Compensation Insurance
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Dividends paid	(306,592)
Proceeds from revenue bonds	—
Retirement of revenue bonds	—
Interest paid on operating debt	—
Grants received	—
Operating transfers in	—
Operating transfers out	—
Net Cash Provided by (Used in) Noncapital Financing Activities	**(306,592)**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition of fixed assets	(27,065)
Principal paid on notes payable	—
Grants received	—
Operating transfers in	—
Operating transfers out	—
Interest paid	—
Net Cash Provided by (used in) Capital and Related Financing Activities	**(27,065)**
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of investments	(185,433)
Advances and loans provided	—
Collection of advances and loans	—
Proceeds from maturity and sale of investments	—
Interest and gains on investments	501,151
Other revenue (expenses)	—
Net Cash Provided by (Used in) Investing Activities	**315,718**
Net Increase (Decrease) in Cash and Pooled Investments	**39,574**
Cash and Pooled Investments at July 1, 1994	**212,085**
Cash and Pooled Investments at June 30, 1995	**$ 251,659**

Conduit Financing Authorities	District Authorities	Totals
—	—	**(306,592)**
1,378,835	—	**1,378,835**
(807,489)	—	**(807,489)**
(222,839)	—	**(222,839)**
—	396	**396**
4,512	—	**4,512**
(4,702)	—	**(4,702)**
348,317	**396**	**42,121**
(48)	(6,128)	**(33,241)**
—	(75)	**(75)**
—	5	**5**
—	7,973	**7,973**
—	(4,032)	**(4,032)**
—	(2,524)	**(2,524)**
(48)	**(4,781)**	**(31,894)**
(53,479)	(1,733)	**(240,645)**
(1,013,945)	—	**(1,013,945)**
201,693	—	**201,693**
876	—	**876**
68,564	54	**569,769**
—	5,579	**5,579**
(796,291)	**3,900**	**(476,673)**
(233,228)	**(14,666)**	**(208,320)**
575,251	**39,859**	**827,195**
$ 342,023	**$ 25,193**	**$ 618,875**