

**S.E.C. RULE 15c2-12
ANNUAL REPORT
FISCAL YEAR ENDED JUNE 30, 2016**

The California Department of Transportation, acting by and through the State Treasurer's Office of the State of California, hereby provides its annual financial information for the fiscal year ended June 30, 2016 in connection with the following:

Bond Issue

Name of Issue	Dated Date	Date of Continuing Disclosure Agreement
California Department of Transportation, Federal Highway Grant Anticipation Bonds, Series 2008A	10/16/08	10/16/08

The base CUSIP number for the bond listed above is 130657 - _ _ _ .

Note: The base CUSIP number provided is for the convenience of Bondholders. The State Treasurer's Office is not responsible for the accuracy or completeness of such numbers.

Other Matters

This annual report is provided solely for purposes of the Continuing Disclosure Agreement. The filing of this report does not constitute or imply any representation (i) that all of the information provided is material to investors, (ii) regarding any other financial, operating or other information about the California Department of Transportation or the Bonds, or (iii) that no changes, circumstances or events have occurred since the end of the fiscal year to which this report relates (other than as referred to in this report), or that no other information exists, which may have a bearing on the security for the Bonds, or an investor's decision to buy, sell, or hold the Bonds. The information contained in this report has been obtained from sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness.

Dated: March 15, 2017

TREASURER OF THE STATE OF CALIFORNIA

Original Signed by Julie Giordano
Deputy Treasurer
For California State Treasurer John Chiang

**STATE OF CALIFORNIA
(CALIFORNIA DEPARTMENT OF TRANSPORTATION)
FEDERAL HIGHWAY GRANT ANTICIPATION BONDS,**

SERIES 2008A

**ANNUAL REPORT
OF THE
CALIFORNIA DEPARTMENT OF TRANSPORTATION
FOR THE
FISCAL YEAR ENDING JUNE 30, 2016**

Dated March 15, 2017

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I. INTRODUCTION

The California Department of Transportation, pursuant to the Continuing Disclosure Agreements (the "Disclosure Agreement") relating to the Bonds described below, hereby provides its annual report for the fiscal year ending June 30, 2016 (the "2015 Annual Report"). Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Disclosure Agreement, or if not defined therein, in the Official Statement (as hereinafter defined).

Bond Issue

The 2015 Annual Report relates to the Department's Federal Highway Grant Anticipation Revenue Vehicle (GARVEE) Bonds, Series 2008A, dated October 16, 2008, (the "Bonds"). Each maturity of the Bonds is identified by the corresponding Committee on Uniform Security Identification Procedures (CUSIP) Number set forth below:

Maturity Date (February 1)	2008A CUSIP No. (130657)
2018	BW8
2019	BX6
2020	BY4

Note: The CUSIP numbers are provided for the convenience of bondholders. Furthermore, the Department is not responsible for the accuracy or completeness of such numbers, as the numbers are provided by CUSIP.

Fiscal Year 2015 Annual Report

The 2015 Annual Report includes this introduction and all appendices attached hereto.

Other Matters

The Department is submitting this 2015 Annual Report and may or may not, from time to time, voluntarily submit additional information. This submission does not constitute a commitment to provide information beyond the disclosure requirements of the Disclosure Agreement.

This 2015 Annual Report is dated March 15, 2017 (the “Dated Date”) and speaks only as of the Dated Date. Readers are cautioned not to assume that any information has been updated beyond the Dated Date unless this 2015 Annual Report expressly states that it constitutes an update of a specific matter in a document. The Department expressly disclaims any duty of the Department to provide an update of this 2015 Annual Report or a further update of any document, or matter therein, specifically referenced.

Any statements regarding the Bonds, other than a statement made by the Department in an official release or subsequent notice or annual report, published in a financial newspaper of general circulation and/or filed with the Electronic Municipal Market Access System (referred to as “EMMA”), a facility of the Municipal Securities Rule Making Board, are not authorized by the Department. The Department shall not be responsible for the accuracy, completeness, or fairness of any such unauthorized statement.

The 2015 Annual Report is provided solely for purposes of the Disclosure Agreement. The filing of this 2015 Annual Report does not constitute or imply any representation (1) that all of the information provided is material to investors, (2) regarding any other financial, operating or other information about the Bonds or the Department, or (3) that no changes, circumstances or events have occurred since June 30, 2016 (other than as set forth in this 2015 Annual Report), or that no other information exists, which may have a bearing on the security for the Bonds or an investor’s decision to buy, sell, or hold the Bonds. The information contained in this 2015 Annual Report has been obtained from sources that are believed to be reliable, but such information is not guaranteed as to accuracy or completeness. No statement in this 2015 Annual Report should be construed as a prediction or representation about future financial performance of the Department.

**II. UNAUDITED FINANCIAL STATEMENTS OF THE DEPARTMENT
RELATING TO THE FEDERAL TRUST FUND FOR
FISCAL YEAR ENDING JUNE 30, 2016**

The Unaudited Financial Statements of the Department for the fiscal year ending June 30, 2016, are attached hereto as Appendix A.

**III. UPDATED INFORMATION FOR A CERTAIN TABLE IN
THE OFFICIAL STATEMENT**

An update of the table in the Official Statement, dated October 16, 2008 (the "Official Statement"), relating to the Bonds, which is specified in the Disclosure Agreement, together with certain additional information specified in the Disclosure Agreement, is set forth in the Appendix B attached hereto.

Dated: March 15, 2017

CALIFORNIA DEPARTMENT OF
TRANSPORTATION

By: Clark Paul

fw Name: NORMA ORTEGA
Title: Chief Financial Officer

APPENDIX A

**UNAUDITED FINANCIAL STATEMENTS OF THE DEPARTMENT RELATING TO
THE FEDERAL TRUST FUND FOR THE FISCAL YEAR ENDING JUNE 30, 2016**

The following financial reports, for the Federal Trust Fund (0890) for the fiscal year ending on June 30, 2016, are enclosed:

<u>Report No.</u>	<u>Description</u>
7	Pre-Closing Trial Balance
8	Post-Closing Trial Balance
9	Analysis of Change in Fund Balance
20	Statement of Financial Condition

M e m o r a n d u m*Serious drought
Help Save Water!*

STATE CONTROLLER'S OFFICE
 Division of Accounting and Reporting
 3301 "C" Street, Suite 700
 Sacramento, CA 95816

August 22, 2016

DEPARTMENT OF TRANSPORTATION (2660)
 1120 N Street
 Sacramento, CA 95814
 Mr. Malcolm Dougherty, Director, Malcolm.Dougherty@dot.ca.gov
 Mr. Clark Paulsen, Chief, Division of Accounting, Clark.Paulsen@dot.ca.gov

CERTIFICATION OF YEAR-END FINANCIAL REPORTS

The following financial reports for fiscal year end June 30, 2016, are enclosed:

FEDERAL TRUST FUND – (0890)

<u>Report No.</u>	<u>Description</u>
3	Adjustments to Controller's Accounts - No activity to report
7	Pre-Closing Trial Balance
8	Post-Closing Trial Balance
9	Analysis of Change in Fund Balance
13	Report of Expenditures of Federal Funds
20	Statement of Financial Condition

SPECIAL REPORTS

<u>Report No.</u>	<u>Description</u>
18	Statement of Changes in Capital Assets Group of Accounts - No activity to report
22	Statement of Contingent Liabilities - No activity to report

SUPPLEMENTAL FORMS

- Due To/From Other Funds/Appropriations Supplementary Information Form
- Material Variance Explanation Form

Contact Person: Claudia Martin
 Email Address: Claudia.Martin@dot.ca.gov
 Phone Number: (916) 227-9140

I certify (or declare) under penalty of perjury that the data on the attached statements is true and correct; and that I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090).

Subscribed and executed this 22nd day of August, 2016, at Sacramento, California.



Signature of Officer

Michelle Forbes, Chief, Financial Analysis and Cashiering Branch
 Name and title of Officer

DEPARTMENT OF TRANSPORTATION (2660)
STATE TRANSPORTATION FUND
FEDERAL TRUST FUND (0890)
PRE-CLOSING TRIAL BALANCE
JUNE 30, 2016

GLAN	ACCOUNT TITLE	DEBIT	CREDIT
1140	Cash in the Treasury	2,226.71	
1510	Due From Federal Government	7,337,507,344.97	
3010	Accounts Payable		4,096,906,474.87
3114.0001	Due To Other Funds-General Fund		27,065,043.55
3114.0044	Due To Other Funds-Motor Vehicle Account		332,235.97
3114.0048	Due To Other Funds-Transportation Revolving Account		868,995,337.95
3114.0055	Due To Other Funds-Mass Transportation Revolving Account		2.67
3114.0691	Due To Other Funds-Water Resources		590,155.45
3114.0942	Due To Other Funds-Special Deposit Fund		846,155.05
3220	Due To Local Government		2,342,774,166.17
5530	Fund Balance		0.00
8000	Revenue		4,224,650,655.50
9000	Budgetary Expenditures	4,224,650,655.50	
TOTAL		11,562,160,227.18	11,562,160,227.18

DEPARTMENT OF TRANSPORTATION (2660)
STATE TRANSPORTATION FUND
FEDERAL TRUST FUND (0890)
POST-CLOSING TRIAL BALANCE
JUNE 30, 2016

GLAN	ACCOUNT TITLE	DEBIT	CREDIT
1140		2,226.71	
1510	Due From Federal Government	7,337,507,344.97	
3010	Accounts Payable		4,096,906,474.87
3114.0001	Due To Other Funds-General Fund		27,065,043.55
3114.0044	Due To Other Funds-Motor Vehicle Account		332,235.97
3114.0048	Due To Other Funds-Transportation Revolving Account		868,995,337.95
3114.0055	Due To Other Funds-Mass Transportation Revolving Account		2.67
3114.0691	Due To Other Funds-Water Resources		590,155.45
3114.0942	Due To Other Funds-Special Deposit Fund		846,155.05
3220	Due To Local Government		2,342,774,166.17
5530	Fund Balance--Unappropriated		0.00
TOTAL		7,337,509,571.68	7,337,509,571.68

DEPARTMENT OF TRANSPORTATION (2660)
STATE TRANSPORTATION FUND
FEDERAL TRUST FUND (0890)
ANALYSIS OF CHANGE IN FUND BALANCE
June 30, 2016

FUND BALANCE AS OF JUNE 30, 2015		0.00
ADDITIONS:		
Revenue	4,224,650,655.50	
Operating Transfers In	0.00	
Other Additions	0.00	
	TOTAL ADDITIONS	4,224,650,655.50
DEDUCTIONS:		
Appropriation Expenditures:		
State Operations	981,985,312.09	
Local Assistance	955,236,264.71	
Capital Outlay	2,287,429,078.70	
	4,224,650,655.50	
Prior Year Adjustments:		
State Operations	0.00	
Local Assistance	0.00	
Capital Outlay	0.00	
	0.00	
	TOTAL DEDUCTIONS	4,224,650,655.50
FUND BALANCE AS OF JUNE 30, 2016		0.00

DEPARTMENT OF TRANSPORTATION (2660)
STATE TRANSPORTATION FUND
FEDERAL TRUST FUND (0890)
STATEMENT OF FINANCIAL CONDITION
JUNE 30, 2016

ASSETS			
CASH			
1140	Cash In State Treasury		2,226.71
DEPOSITS IN SURPLUS MONEY INVESTMENT FUND			
RECEIVABLES			
1510	Due From Federal Government		7,337,507,344.97
PREPAID EXPENSES			
TOTAL ASSETS			7,337,509,571.68
LIABILITIES, RESERVES, AND FUND BALANCE			
LIABILITIES			
3010	Accounts Payable	4,096,906,474.87	
3114.0001	Due To Other Funds- General Fund	27,065,043.55	
3114.0044	Due To Other Funds- Motor Vehicle Account	332,235.97	
3114.0048	Due To Other Funds - Transportation Revolving Account	868,995,337.95	
3114.0055	Due To Other Funds - Mass Transportation Revolving Account	2.67	
3114.0691	Due To Other Funds - Water Resources Revolving Account	590,155.45	
3114.0942	Due To Other Funds - Special Deposit Fund	846,155.05	
3220	Due To Local Government	2,342,774,166.17	7,337,509,571.68
RESERVES			
FUND BALANCE - Unappropriated			0.00
TOTAL LIABILITIES, RESERVES, AND FUND BALANCE			7,337,509,571.68

APPENDIX B

**UPDATED INFORMATION FOR A CERTAIN TABLE
IN THE OFFICIAL STATEMENT**

Federal Aid Revenues

The table below sets forth the Apportionments, Obligation Authority, and Receipts of Federal Aid Revenues by the Department for federal fiscal year 2016 ending September 30, 2016.

**FEDERAL AID REVENUES
APPORTIONMENTS, OBLIGATION AUTHORITY, AND RECEIPTS
FOR THE CALIFORNIA DEPARTMENT OF TRANSPORTATION
Under Congressional FAST Act ⁽¹⁾
Fixing America's Surface Transportation Act
Federal Fiscal Year 2016
(\$ in thousands)**

Federal Fiscal Year	Apportionments	Obligation Authority	Actual Receipts ⁽²⁾
2016	\$3,723,002	\$3,413,411	\$4,160,241

(1) On December 4, 2015, President Obama signed into law the Fixing America's Surface Transportation Act, or "FAST Act" - the first Federal law in over ten years to provide long-term funding certainty for surface transportation. The FAST Act authorizes \$305 billion over federal fiscal years 2016 through 2020.

(2) Includes all sources of Federal Aid Highway funds for federal fiscal year October 1, 2015 through September 30, 2016.