

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

The State of California (the “State”), acting by and through the Treasurer of the State of California (the “State Treasurer”), hereby provides its annual report 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 |
|---|------------|---|
| San Bernardino Joint Powers Financing Authority Lease Revenue Refunding Bonds (Rosa Parks Memorial State Office Building) 2016 Series A (the “Bonds”) | 11/30/2016 | 11/30/2016                              |

The base CUSIP number for the Bonds listed above is 79675N - \_ \_ \_ .

Note: The base CUSIP number provided is for the convenience of bondholders. The State Treasurer is not responsible for the accuracy of such number.

**Annual Report**

The State’s Annual Report (as defined in the Continuing Disclosure Agreement for the Bonds) for the fiscal year ended June 30, 2016 consists of:

1. Audited Basic Financial Statements of the State for the Year Ended June 30, 2016, as set forth in Exhibit 1 attached hereto.
2. Financial information contained in Appendix A of the Official Statement, with respect to the \$43,200,000 State Public Works Board of the State of California Lease Revenue Bonds (Department of Corrections and Rehabilitation) 2017 Series A (Various Correctional Facilities) issued on March 28, 2017 (the “OS”), including the exhibits thereto, which information is incorporated herein by reference. A copy of the OS has been filed with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (“EMMA”) website.
3. Information concerning the California Department of Transportation’s primary programs and budget sources and the financial condition of the State Highway Account as set forth in Exhibit 2 attached hereto.
4. The insurance required by the Lease relating to the Bonds is in effect.

### **Other Matters**

This Annual Report is provided solely for purposes of compliance with the Continuing Disclosure Agreement. The information provided herein may relate to bonds or other obligations of the State in addition to the ones listed above. 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 State, the Department of Transportation (the "Department") 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 State's or the Department's financial condition, 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. No statement in this Annual Report should be construed as a prediction or representation about the future financial performance of the State or the Department.

Dated: March 30, 2017

TREASURER OF THE STATE OF CALIFORNIA

Original signed by Blake Fowler  
Deputy Treasurer  
For California State Treasurer John Chiang  
As Dissemination Agent

**Exhibit 1:**

**Audited Basic Financial Statements of the State for the Year Ended June 30, 2016.**

The audited financial statements conform to the Governmental Accounting Standards Board accounting principles generally accepted in the United States of America.

<http://www.sco.ca.gov/Files-ARD/CAFR/cafr16web.pdf>

**Financial information of the State dated as of March 21, 2017.**

The Appendix A provides financial information regarding that State that is only as current as the date listed.

<http://www.treasurer.ca.gov/financial/sec/information.pdf>

## Exhibit 2

**DEPARTMENT OF TRANSPORTATION  
PRIMARY PROGRAMS AND BUDGET SOURCES  
(In Thousands)**

| <b>Programs:</b>  | <u><b>FY 2015-16</b></u>         |
|---|----------------------------------|
| Aeronautics   | \$6,531                          |
| Highway Transportation  | 8,940,070                        |
| Mass Transportation   | 346,595                          |
| Transportation Planning   | 199,964                          |
| Administration (Distributed)  | 0                                |
| Equipment Service Program Costs (Distributed)   | 0                                |
| <b>TOTAL</b>  | <u><u><b>\$9,493,160</b></u></u> |
| <br>  |                                  |
| <b>Sources of Funds:</b>  |                                  |
| General Fund  | \$83,416                         |
| Aeronautics Account, State Transportation Fund  | 8,204                            |
| State Highway Account, State Transportation Fund  | 3,347,043                        |
| Bicycle Transportation Account, State Transportation Fund   | 0                                |
| Public Transportation Account, State Transportation Fund  | 251,807                          |
| Local Airport Loan Account  | -1,718                           |
| Environmental Enhancement and Mitigation Program Fund   | 0                                |
| Historic Property Maintenance Fund  | 1,021                            |
| Equipment Services Fund   | 0                                |
| Toll Bridge Seismic Retrofit Account, State Transportation Fund   | 0                                |
| Seismic Retrofit Bond Fund of 1996  | 203                              |
| Federal Trust Fund  | 4,523,611                        |
| Special Deposit Fund  | 0                                |
| Reimbursements  | 1,047,049                        |
| Local Transportation Loan Account, State Highway Account, State Transportation Fund   |                                  |
| Traffic Congestion Relief Fund  | 60,999                           |
| Transportation Investment Fund  | 675                              |
| Transportation Deferred Investment Fund   | -78,906                          |
| Greenhouse Gas Reduction Fund   | 13,399                           |
| High-speed Passenger Train Bond Fund  | 5,319                            |
| Corridor Mobility Improvement Account, Highway Safety, Traffic Reduction, Air Quality,<br>and Port Security Fund of 2006  | 105,892                          |
| Trade Corridors Improvement Fund  | 30,507                           |
| Transportation Facilities Account, Highway Safety, Traffic Reduction, Air Quality,<br>and Port Security Fund of 2006  | 53,491                           |
| Public Transportation Modernization Improvement & Service Enhancement Account, Highway<br>Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006    | 6,211                            |
| State-Local Partnership Program Account, Highway Safety, Traffic Reduction,<br>Air Quality, and Port Security Fund of 2006  | 12,476                           |
| Local Bridge Seismic Retrofit Account, Highway Safety, Traffic Reductions, Air Quality,<br>and Port Security Fund of 2006   | 8,751                            |
| Highway-Railroad Crossing Safety Account, Highway Safety, Traffic Reduction,<br>Air Quality, and Port Security Fund of 2006   | 388                              |
| Highway Safety, Rehabilitation, and Preservation Account, Highway Safety, Traffic Reduction,<br>Air Quality, and Port Security Fund of 2006                         | 21                               |
| State Route 99 Account, Highway Safety, Rehabilitation, and Preservation Account, Highway<br>Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 | 13,301                           |
| Transportation Financing Subaccount, State Highway Account, State Transportation Fund   | 0                                |
| <b>TOTAL</b>  | <u><u><b>\$9,493,160</b></u></u> |

## 2660 Department of Transportation

The California Department of Transportation (Caltrans) designs and oversees the construction of state highways, operates and maintains the highway system, funds three intercity passenger rail routes, and provides funding for local transportation projects. Through its efforts, Caltrans supports a safe, sustainable, integrated, and efficient transportation system to enhance California's economy and livability.

### 3-YR EXPENDITURES AND POSITIONS

|  | Positions       |                 |                 | Expenditures       |                    |                     |
|--|-----------------|-----------------|-----------------|--------------------|--------------------|---------------------|
|  | 2015-16         | 2016-17         | 2017-18         | 2015-16*           | 2016-17*           | 2017-18*            |
| 1830019 Aeronautics  | 24.7            | 24.0            | 24.0            | \$6,531            | \$8,629            | \$7,993             |
| 1835010 Capital Outlay Support   | 7,596.4         | 8,160.6         | 8,160.6         | 1,957,449          | 1,788,038          | 1,790,811           |
| 1835019 Capital Outlay Projects  | -               | -               | -               | 3,669,748          | 2,975,152          | 3,639,224           |
| 1835020 Local Assistance   | 251.4           | 267.5           | 266.5           | 1,204,544          | 2,067,487          | 2,504,610           |
| 1835029 Program Development  | 192.8           | 222.2           | 224.2           | 66,213             | 79,430             | 77,974              |
| 1835038 Legal  | 253.2           | 278.6           | 276.6           | 120,339            | 127,115            | 128,078             |
| 1835047 Operations   | 1,325.0         | 1,061.2         | 1,061.2         | 264,004            | 248,571            | 250,857             |
| 1835056 Maintenance  | 6,300.4         | 6,014.3         | 6,014.3         | 1,657,773          | 1,512,461          | 1,665,430           |
| 1840019 State and Federal Mass Transit   | 56.0            | 62.7            | 62.7            | 157,497            | 194,291            | 122,063             |
| 1840028 Intercity Rail Passenger Program   | 40.0            | 47.7            | 43.7            | 189,098            | 392,893            | 522,265             |
| 1845013 Statewide Planning   | 613.0           | 658.9           | 628.9           | 113,465            | 132,999            | 130,128             |
| 1845022 Regional Planning  | 46.2            | 38.5            | 38.5            | 86,499             | 92,767             | 94,767              |
| 1850010 Equipment Service Program  | 699.5           | 634.6           | 634.6           | 273,581            | 191,956            | 191,965             |
| 1850019 Equipment Service Program - Distributed  | -               | -               | -               | -273,581           | -191,956           | -191,965            |
| 9900100 Administration   | 1,527.2         | 1,573.5         | 1,577.5         | 776,537            | 374,442            | 390,021             |
| 9900200 Administration - Distributed   | -               | -               | -               | -776,537           | -374,442           | -390,021            |
| <b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>   | <b>18,925.8</b> | <b>19,044.3</b> | <b>19,013.3</b> | <b>\$9,493,160</b> | <b>\$9,619,833</b> | <b>\$10,934,200</b> |
| <b>FUNDING</b>   |                 |                 |                 | <b>2015-16*</b>    | <b>2016-17*</b>    | <b>2017-18*</b>     |
| 0001 General Fund  |                 |                 |                 | \$83,416           | \$-                | \$-                 |
| 0041 Aeronautics Account, State Transportation Fund  |                 |                 |                 | 8,204              | 8,551              | 7,650               |
| 0042 State Highway Account, State Transportation Fund  |                 |                 |                 | 3,347,043          | 3,131,614          | 3,462,542           |
| 0046 Public Transportation Account, State Transportation Fund  |                 |                 |                 | 251,807            | 274,292            | 259,980             |
| 0052 Local Airport Loan Account  |                 |                 |                 | -1,718             | -415               | -150                |
| 0365 Historic Property Maintenance Fund  |                 |                 |                 | 1,021              | 1,137              | 1,137               |
| 0653 Seismic Retrofit Bond Fund of 1996  |                 |                 |                 | 203                | 1,126              | 1,027               |
| 0673 Passenger Equipment Acquisition Fund  |                 |                 |                 | -                  | 6,674              | -                   |
| 0890 Federal Trust Fund  |                 |                 |                 | 4,523,611          | 4,850,177          | 4,957,556           |
| 0995 Reimbursements  |                 |                 |                 | 1,047,049          | 1,053,130          | 1,256,381           |
| 3007 Traffic Congestion Relief Fund  |                 |                 |                 | 60,999             | 85,095             | 93,295              |
| 3008 Transportation Investment Fund  |                 |                 |                 | 675                | -                  | -                   |
| 3093 Transportation Deferred Investment Fund   |                 |                 |                 | -78,906            | 10,728             | 16,109              |
| 3228 Greenhouse Gas Reduction Fund   |                 |                 |                 | 13,399             | 12,720             | 10,677              |
| 3290 Road Maintenance and Rehabilitation Account, State Transportation Fund  |                 |                 |                 | -                  | -                  | 300,396             |
| 3291 Trade Corridor Enhancement Account, State Transportation Fund   |                 |                 |                 | -                  | -                  | 358,000             |
| 6043 High - Speed Passenger Train Bond Fund  |                 |                 |                 | 5,319              | 10,480             | 37,939              |
| 6055 Corridor Mobility Improvement Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 |                 |                 |                 | 105,892            | 40,125             | 4,435               |
| 6056 Trade Corridors Improvement Fund  |                 |                 |                 | 30,507             | 59,991             | 49,266              |
| 6058 Transportation Facilities Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006     |                 |                 |                 | 53,491             | 1,157              | 1,118               |

\* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

## 2660 Department of Transportation - Continued

| FUNDING   | 2015-16*           | 2016-17*           | 2017-18*            |
|---|--------------------|--------------------|---------------------|
| 6059 Public Transportation Modernization, Improvement and Service Enhancement Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fd of 2006 | 6,211              | 16,771             | 59,616              |
| 6060 State-Local Partnership Program Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006  | 12,476             | 8,762              | 3,732               |
| 6062 Local Bridge Seismic Retrofit Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006  | 8,751              | 5,591              | 6,844               |
| 6063 Highway-Railroad Crossing Safety Account, Highway Safety, Traffic Reduction, Air Quality and Port Security Fund of 2006  | 388                | 19,823             | 3,786               |
| 6064 Highway Safety, Rehabilitation, and Preservation Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006                       | 21                 | 8,219              | 27,511              |
| 6072 State Route 99 Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006   | 13,301             | 14,083             | 15,351              |
| 6801 Transportation Financing Subaccount, State Highway Account, State Transportation Fund  | -                  | 2                  | 2                   |
| <b>TOTALS, EXPENDITURES, ALL FUNDS</b>  | <b>\$9,493,160</b> | <b>\$9,619,833</b> | <b>\$10,934,200</b> |

**LEGAL CITATIONS AND AUTHORITY**

## DEPARTMENT AUTHORITY

Streets and Highways Code Section 90 et seq., Government Code Section 14000 et seq.

## PROGRAM AUTHORITY

1830-Aeronautics:

Public Utilities Code Section 21001-21707.

1835-Highway Transportation:

Government Code Section 14000 et seq., Streets and Highways Code Section 100.1.

1840-Mass Transportation:

Government Code Section 14000 et seq.

1845-Transportation Planning:

Government Code Sections 14000, 14000.5, 14520.3(b), 14526(b), 14527(g), 14529, 65070 - 65073, and 65080.1- 65086.5, 65400, 65583, 65584.01, 65584.04, 65587, 65588 and 29532 et seq.

Public Resources Code Chapter 4.2 Division 13 Section 21155 and Section 75123

Health and Safety Code Division 25.5 Section 38500

Streets and Highways Code 164.6;

Federal Highway Act 23 U.S.C. 104(f), 106, 134, 135, 505; CFR 450.314

1850-Equipment:

Streets and Highways Code Section 140.

**MAJOR PROGRAM CHANGES**

- Road Repair and Accountability Act - The Budget includes \$1.8 billion in dedicated resources for the Governor's Transportation Package, which provides a balanced allocation of resources for state and local transportation infrastructure needs. The package includes almost \$1.1 billion of new revenue generated by a \$65 Road Improvement Charge, allocates \$500 million of Cap and Trade revenues to the Transit and Intercity Rail Capital Program and the Active Transportation Programs, and the redirection of \$100 million in efficiencies. This includes \$235 million General Fund to accelerate the repayment of loans. In total, the Governor's Transportation Package allocates \$358 million for Trade Corridor Enhancement, \$351 million for state highway repairs and maintenance, \$300 million for the Corridor Mobility Improvement Program, which includes \$25 million for local planning grants. In addition to the funding in Caltrans' budget,

\* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

DEPARTMENT OF TRANSPORTATION  
 STATE TRANSPORTATION FUND - STATE HIGHWAY ACCOUNT (0042)  
 STATEMENT OF FINANCIAL CONDITION (Cash Basis)

June 30, 2016

REPORT 20

**ASSETS**

CASH:

|                    |    |            |            |
|--------------------|----|------------|------------|
| In State Treasury  | \$ | 137        |            |
| In Agency Accounts |    | 25,000,000 | 25,000,137 |
|                    |    |            |            |

|  |  |               |               |
|--|--|---------------|---------------|
| DEPOSITS IN SURPLUS MONEY INVESTMENT FUND: |  | 1,683,465,000 | 1,683,465,000 |
|  |  |               |               |

RECEIVABLES:

|   |  |               |               |
|---|--|---------------|---------------|
| Abatements                              |  | 0             |               |
| Reimbursements                          |  | 0             |               |
| Revenue                                 |  | 0             |               |
| Others                                  |  | 0             |               |
| Interfund Receivable                    |  | 3,494,928,093 |               |
| Due from Other Funds/Federal Government |  | 0             |               |
| Provision for Deferred Receivables      |  | 0             | 3,494,928,093 |
|   |  |               |               |

PREPAID EXPENSES:

|  |  |            |            |
|--|--|------------|------------|
| Prepayment to Other Funds/Appropriations |  | 485,729    |            |
| Expense Advance                          |  | 0          |            |
| Other Prepaid Expenses                   |  | 0          |            |
| Inventories                              |  | 45,528,657 | 46,014,386 |
|  |  |            |            |

|               |    |  |               |
|---------------|----|--|---------------|
| Total Assets: | \$ |  | 5,249,407,616 |
|               |    |  |               |

**LIABILITIES, RESERVES, AND FUND BALANCE**

CURRENT LIABILITIES:

|                                   |    |             |             |
|-----------------------------------|----|-------------|-------------|
| Accounts Payable                  | \$ | 0           |             |
| Due to Other Funds/Appropriations |    | 2,276,428   |             |
| Revenue Collected in Advance      |    | 102,176,346 |             |
| Uncleared Collections             |    | 70,026,144  |             |
| Deposits                          |    | 2,596,484   | 177,077,402 |
|                                   |    |             |             |

RESERVES:

|                      |  |               |               |
|----------------------|--|---------------|---------------|
| Reserve for Advances |  | 485,729       |               |
| Reserves - Other     |  | 45,528,657    |               |
| Reserves- Interfund  |  | 3,494,928,093 | 3,540,942,479 |
|                      |  |               |               |

|                                |  |  |               |
|--------------------------------|--|--|---------------|
| FUND BALANCE - UNAPPROPRIATED: |  |  | 1,531,387,731 |
|                                |  |  |               |

|  |    |  |               |
|--|----|--|---------------|
| TOTAL LIABILITIES, RESERVES, AND FUND BALANCE: | \$ |  | 5,249,407,612 |
|  |    |  |               |

DEPARTMENT OF TRANSPORTATION (2660)  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCE (MODIFIED ACCRUAL BASIS)  
 STATE TRANSPORTATION FUND - STATE HIGHWAY ACCOUNT (0042)  
 Fiscal Year Ended June 30, 2016

REPORT 9

|   |               |                  |
|---|---------------|------------------|
| FUND BALANCE, JUNE 30, 2015   |               | \$ 2,694,428,336 |
| ADDITIONS:  |               |                  |
| REVENUES  |               |                  |
| MOTOR VEHICLES REGISTRATION   | 1,057,645,729 |                  |
| OTHER REGULATORY LICENSES AND PERMITS   | 12,612,723    |                  |
| INTEREST ON LOANS TO LOCAL AGENCIES   | 2,055         |                  |
| SALES OF DOCUMENTS  | 216,258       |                  |
| INCOME FROM SURPLUS MONEY INVESTMENTS   | 9,948,782     |                  |
| INCOME FROM CONDEMNATION DEPOSIT FUND INVESTMENTS   | 150,313       |                  |
| RENTALS OF STATE PROPERTY   | 50,013,519    |                  |
| MISCELLANEOUS REVENUE FROM USE OF PROPERTY & MONEY  | 590,686       |                  |
| SALE OF STATE'S PUBLIC LANDS  | 56,159,014    |                  |
| ESCHEAT-CHECKS, WARRANTS  | 551,229       |                  |
| MISCELLANEOUS REVENUE   | 1,901,696     |                  |
|   | 1,189,792,006 |                  |
| OPERATING TRANSFERS IN:   |               |                  |
| HIGHWAY USERS TAX ACCOUNT, TRANSPORTATION TAX FUND<br>(GASOLINE AND DIESEL FUEL TAX)-300620 | 2,700,130,312 |                  |
| HIGHWAY USERS TAX ACCOUNT, TRANSPORTATION TAX FUND<br>(GASOLINE AND DIESEL FUEL TAX)-300621 | 264,840,663   |                  |
| HIGHWAY USERS TAX ACCOUNT, TRANSPORTATION TAX FUND<br>(GASOLINE AND DIESEL FUEL TAX)-300622 | 72,229,272    |                  |
| SPECIAL DEPOSIT FUND  | 32,931        |                  |
| TRANSPORTATION REVOLVING FUND (TRA)   | 2,000,000,000 |                  |
| MOTOR VEHICLE ACCT-SMIF   | 224,336       |                  |
| PEDESTRIAN SAFETY ACCOUNT   | 1,966,393     |                  |
| TRANSPORTATION INVESTMENT FUND  | 184,624,778   |                  |
|   | 5,224,048,685 |                  |
| LOAN PRINCIPAL DISBURSEMENTS  | 24,406        |                  |
| TOTAL ADDITIONS   |               | 6,413,865,097    |
| DEDUCTIONS:   |               |                  |
| OPERATING TRANSFERS OUT   |               |                  |
| BUDGET ITEM TRANSFER 2660-021-0042  | 25,046,000    |                  |
| TRANSPORTATION REVOLVING FUND (TRA)   | 2,000,000,000 |                  |
| CASH MNGT IMPR ACT-CMIA   | 12,580        |                  |
| DEBT SERVICE FUND   | 1,111,252,637 |                  |
| GENERAL FUND  | 151,302,646   |                  |
| ENVIRONMENTAL ENHANCEMENT MITIGATION DEMO PRG FUND  | 7,000,000     |                  |
|   | 3,294,613,863 |                  |
| EXPENDITURES  |               |                  |
| STATE OPERATIONS:   |               |                  |
| DEPARTMENT OF TRANSPORTATION  | 2,408,855,780 |                  |
| STATEWIDE ASSESSMENT FEES   | 6,248,367     |                  |
| LOCAL ASSISTANCE:   |               |                  |
| DEPARTMENT OF TRANSPORTATION  | 179,798,061   |                  |
| SHARE REVENUE RENTAL INCOME PAYMENTS TO COUNTIES  |               |                  |
| CAPITAL OUTLAY:   |               |                  |
| DEPARTMENT OF TRANSPORTATION  | 521,524,052   |                  |
|   | 3,116,426,260 |                  |
| NON-DEPARTMENTAL EXPENDITURE/REVENUE  | 104,404,333   |                  |
| ADJUSTMENTS TO PRIOR YEAR APPROPRIATIONS  | 185,546,609   |                  |
|   | 289,950,942   |                  |
| TOTAL DEDUCTIONS  |               | 6,700,991,065    |
| FUND BALANCE AS OF JUNE 30, 2016  |               | \$ 2,407,302,367 |



**DEPARTMENT OF TRANSPORTATION (2660)**  
**STATEMENT OF CHANGES IN GENERAL FIXED ASSETS - REPORT NO. 18**  
**STATE HIGHWAY ACCOUNT FUND (0042), Revision #3 12-15-16**  
**AS OF JUNE 30, 2016**

|   | Beginning Balance<br>07/01/15    | Additions                     | Deductions                    | Balance<br>06/30/16        |
|---|----------------------------------|-------------------------------|-------------------------------|----------------------------|
| Land <sup>a</sup>                                     | \$13,882,840,027.01 <sup>c</sup> | \$221,282,988.89 <sup>d</sup> | \$44,341,625.72 <sup>j</sup>  | \$14,059,781,390.18        |
| Buildings   | \$1,277,054,460.31               | 5,305,436.25                  | 0.00                          | 1,282,359,896.56           |
| Equipment   | \$1,059,032,955.12 <sup>e</sup>  | 32,975,681.55                 | 36,317,059.74 <sup>k</sup>    | 1,055,691,576.93           |
| Non-Depreciable<br>Infrastructure <sup>b</sup>        | 66,608,896,730.20 <sup>g</sup>   | 1,758,185,367.98 <sup>h</sup> | 46,878,937.62 <sup>l</sup>    | 68,320,203,160.56          |
| Construction<br>Work In Progress <sup>h</sup>         | \$8,025,784,897.07               | 1,480,872,121.36 <sup>i</sup> | 1,658,788,820.71 <sup>m</sup> | 7,847,868,197.72           |
| Intangible Assets -<br>Computer Software              | \$114,815,705.72                 | 6,878,779.93                  | 0.00                          | 121,694,485.65             |
| Patents, Copyrights & Trademarks                      | \$248,690.28                     | 106,766.70                    | 0.00                          | 355,456.98                 |
| Internally Generated Intangible<br>Assets in Progress | \$9,577,466.03                   | 1,766,335.48                  | 0.00                          | 11,343,801.51              |
| <b>Total</b>  | <b>\$90,978,250,931.74</b>       | <b>\$3,507,373,478.14</b>     | <b>\$1,786,326,443.79</b>     | <b>\$92,699,297,966.09</b> |

a - Total Land

b - Infrastructure only

|   | Beginning Balance        | Addition                          | Deletion                         | Total                    |
|---|--------------------------|-----------------------------------|----------------------------------|--------------------------|
| Land - Excess Land (2310-1000)            | 111,623,280.00           | 20,098,944.00                     | j1 9,808,507.00                  | 121,913,717.00           |
| Land - Excess Land (2310-8810)            | 25,367,086.00            | 0.00                              | j2 25,367,086.00                 | 0.00                     |
| Land - Park Lease (2310-4001)             | 45,936.00                | 0.00                              | 0.00                             | 45,936.00                |
| Land - Operational Dept (2310-5000)       | 59,486,631.88            | 0.00                              | 0.00                             | 59,486,631.88            |
| Land - Infrastructure Dept (2310-5900)    | 12,453,909,851.99        | 173,623,276.23                    | j3 9,166,032.72                  | 12,618,367,095.50        |
| Land - Infrastructure Federal (2310-5901) | 1,232,407,241.14         | 27,560,768.66                     | j4 0.00                          | 1,259,968,009.80         |
| <b>a - Total Land</b>                     | <b>13,882,840,027.01</b> | <b>221,282,988.89<sup>d</sup></b> | <b>44,341,625.72<sup>j</sup></b> | <b>14,059,781,390.18</b> |

**Note:**

c - A Beginning Balance adjustment for Land in the amount -\$248,673.60 is due to relinquished Land miles not previously reported in FY15. The Beginning Balance for Infrastructure Land was \$13,517,003,635.47. This report restates the Beginning Balance to \$13,516,754,961.87.

d - The Transportation Investment Fund (3008) closed as of June 30, 2016. All Assets are moved to the State Highway Fund (0042). The total Infrastructure Land is transferred to the State Highway Account Fund (0042), in the amount of \$366,477,554.06 (\$366,085,065.14 + \$1,259,472.02 - \$866,983.10). The Beginning Balance has been restated from \$13,516,754,961.87 to \$13,882,840,027.01 (for the amount of \$366,085,065.14) due to the transfer of Infrastructure Land from Fund 3008 to the SHA 0042.

e1 - Equipment was overstated in FY15 by \$144,836.39. FY15 retirement of Equipment was for Fund 0042, not 0653. The Beginning Balance for Equipment was \$1,059,162,342.73. This report restates the Beginning Balance to \$1,059,017,506.34.

e2 - The Transportation Investment Fund (3008) closed as of June 30, 2016. The total Equipment assets of \$15,448.78 is transferred to the State Highway Account Fund (0042). This report restates the Beginning Balance for Equipment from \$1,059,017,506.34 to \$1,059,032,955.12 (for the amount of \$15,448.78) due to the transfer of Equipment from Fund 3008 to the SHA 0042.

g - Beginning Balance adjusted for the amount -\$1,229,453.07 is due to relinquished Infrastructure not previously reported in FY15. The Beginning Balance for Non-Depreciable Infrastructure was \$65,780,048,164.93. This report restates the Beginning Balance to \$65,778,818,711.86.

h - The Transportation Investment Fund (3008) closed as of June 30, 2016. The total Non-Depreciable Infrastructure assets is transferred to the State Highway Account Fund (0042) for the amount of \$840,439,649.74 (\$830,078,018.34 + \$10,153,048.82 + \$1,835,602.46 - \$1,627,019.88). The Beginning Balance has been restated from \$65,778,818,711.86 to \$66,608,896,730.20 (for the amount of \$830,078,018.34) due to the transfer of Non-Depreciable Infrastructure assets from Fund 3008 to the SHA 0042.

i - The Transportation Investment Fund (3008) closed as of June 30, 2016. The total Construction Work in Progress (CWIP) Infrastructure assets is transferred to the State Highway Account Fund (0042) for the amount of \$337,739,770.00 (\$347,871,213.11 + \$364,929.33 - \$343,323.62 - \$10,153,048.82). The Beginning Balance is restated from \$7,677,913,683.96 to \$8,025,784,897.07 (for the amount of \$347,871,213.11) due to the transfer of CWIP from Fund 3008 to the SHA 0042.

j, l, and m - The original Report 18 (08/22/2016) "Deductions" Column included adjustments made between sub-funds within a fund. The display below shows the adjustments made to the Additions and Deductions columns to accurately report the Deduction. In addition, the Addition column is reduced by Fund 3008's Beginning Balance amount and reflects adjustments made between subfunds within Fund 3008.

j1 - The Excess Land Deduction amount of \$9,808,507.00 represents Excess Land Disposed/Sold during fiscal year 2016.

j2 - The \$25,367,086.00 in Excess Land Deductions is an adjustment required after Land subsidiary account reconciliation.

| j3 - Land Infrastructure (2310-5900) Dept.   | Additions        | Deductions      |
|--|------------------|-----------------|
| Original Additions/Deductions (08/22/2016)   | 609,772,734.40   | 79,010,774.71   |
| Sub-fund Adjustments within Fund 0042  | (30,397,793.39)  | (30,397,793.39) |
| Fund 3008 Beginning Balance Reduction  | (366,085,065.14) |                 |
| Sub-fund Adjustments within Fund 3008  | (39,666,599.64)  | (39,666,599.64) |
| *Revised FY16 Relinquishment (using the Beginning Balance of FY16 for calculation) |                  | 219,651.04      |
| Restated Additions and Deductions amount   | 173,623,276.23   | 9,166,032.72    |

j3 - The \$9,166,032.72 in Infrastructure Land (0042) Deductions represents \$8,211,790.26 in FY16 Relinquishments and \$954,242.46 From Fund 0042 (State Highway Account Fund) to Fund 3007 (Traffic Congestion Relief Fund), within the Department of Transportation (Department Code 2660).

| j4 - Land Infrastructure (2310-5901) Federal | Additions      | Deductions     |
|--|----------------|----------------|
| Original Additions/Deductions (08/22/2016)   | 35,237,473.26  | 7,676,704.60   |
| Sub-fund Adjustments within Fund 0042        | (7,676,704.60) | (7,676,704.60) |
| Restated Additions and Deductions amount     | 27,560,768.66  | 0.00           |

k - The \$36,317,059.74 in Equipment Deductions is due to the retirement of Equipment.

| l - Non-Depreciable Infrastructure   | h Additions      | Deductions       |
|--|------------------|------------------|
| Original Additions/Deductions (08/22/2016)   | 2,797,231,842.59 | 255,349,347.08   |
| Sub-fund Adjustments within Fund 0042  | (66,292,435.80)  | (66,292,435.80)  |
| Fund 3008 Beginning Balance Reduction  | (830,078,018.34) |                  |
| Sub-fund Adjustments within Fund 3008  | (142,676,020.47) | (142,676,020.47) |
| *Revised FY16 Relinquishment (using the Beginning Balance of FY16 for calculation) |                  | 498,046.81       |
| Restated Additions and Deductions amount   | 1,758,185,367.98 | 46,878,937.62    |

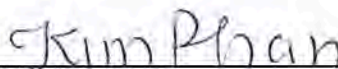
l - The \$46,878,937.62 in Non-Depreciable Infrastructure Deductions represents FY16 Relinquishment of \$39,965,338.04 and \$6,913,599.58 transfer between Fund 0042 to other Department of Transportation (Department Code 2660) Funds. From Fund 0042 (State Highway Account Fund), for the amount of \$6,913,599.58, to Fund 6055 (Corridor Mobility Improvement Account, Highway Safety, Traffic Reduction, Air Quality, And Port Security Fund Of 2006), in the amount of \$6,386,966.17, and to Fund 6058 (Transportation Facilities Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund Of 2006), in the amount of \$526,633.41.

| m - Construction Work in Progress        | i Additions      | m Deductions     |
|--|------------------|------------------|
| Previous Additions/Deductions Amount     | 1,900,154,102.35 | 1,730,199,588.59 |
| Adjustments made within Fund 0042        | (68,311,456.98)  | (68,311,456.98)  |
| Fund 3008 Beginning Balance Reduction    | (347,871,213.11) |                  |
| Sub-fund Adjustments within Fund 3008    | (3,099,310.90)   | (3,099,310.90)   |
| Restated Additions and Deductions amount | 1,480,872,121.36 | 1,658,788,820.71 |

m - The \$1,658,788,820.71 in CWIP Deductions represents the Transfer from CWIP to Non-Depreciable Infrastructure (Completed), for the amount of \$1,645,313,225.17 and \$13,475,595.54 between Fund 0042 to other Department of Transportation (Department Code 2660) Funds. From Fund 0042 (State Highway Account Fund), for the amount of \$13,475,595.54, to Fund 3007 (Traffic Congestion Relief Fund), in the amount of \$2,150,546.94, and to Fund 3093 (Transportation Deferred Investment Fund), in the amount of \$50,029.78, and to Fund 6055 (Corridor Mobility Improvement Account, Highway Safety, Traffic Reduction, Air Quality, And Port Security Fund Of 2006), in the amount of \$3,960,224.09, and to Fund 6060 (State-Local Partnership Program Account, Highway Safety), in the amount of \$7,314,794.73.

\*Footnote j and l Deduction amounts are revised due to the re-calculation of the FY16 Relinquishments. Per the CSA Auditor, we should base FY16 Relinquishment calculation using the the most current version of FY16 Report 18 Fund 0042's Beginning Balance instead of using the FY15 Report 18 Fund 0042's Ending Balance. For Footnote j, the Land Deduction amount is being restated from \$44,121,974.68 to \$44,341,625.72, an increase of \$219,651.04. For Footnote l, the Non-Depreciable Infrastructure Deduction amount is being restated from \$46,380,890.81 to \$46,878,937.62, an increase of \$498,046.81.

I certify (or declare) under penalty of perjury that the foregoing 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.

  
KIM PHAN, Chief  
Service Transactions & Asset  
Reconciliation Section

**DEPARTMENT OF TRANSPORTATION (2660)**  
**STATEMENT OF GENERAL FIXED ASSETS - REPORT NO. 19, Revision #2 12-15-16**  
**AS OF JUNE 30, 2016**

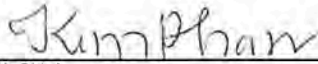
|  | Debit Balance                | Credit Balance |
|--|------------------------------|----------------|
| <b>Tangible Assets:</b>                            |                              |                |
| Land   | \$ 14,497,704,811.03         |                |
| Buildings  | 1,461,548,226.63             |                |
| Equipment  | 1,256,393,042.63             |                |
| Non-Depreciable Infrastructure                     | 73,462,607,197.72            |                |
| Construction Work in Progress                      | 10,983,210,281.12            |                |
| <b>Intangible Assets:</b>                          |                              |                |
| Computer Software                                  | 123,960,174.39               |                |
| Patents, Copyrights, and Trademarks                | 355,456.98                   |                |
| Internally Generated Intangible Assets in Progress | 11,480,698.33                |                |
| <b>Total General Capitalized Assets</b>            | <b>\$ 101,797,259,888.82</b> |                |

|   |  |                              |
|---|--|------------------------------|
| <b>Investment in General Capitalized Assets from:</b>   |  | \$                           |
| Aeronautics Fund (0041)   |  | 292,107.44                   |
| State Highway Account Fund (0042)   |  | 92,699,297,966.09            |
| Transportation Planning & Development Account Fund (0046)   |  | 29,849,061.65                |
| Environmental Enhancement and Mitigation (0183)   |  | 60,600,839.64                |
| East Bay State Building Authority Fund (0523)   |  | 107,884,301.42               |
| San Bernardino State Building Authority (0541)  |  | 56,772,760.98                |
| Seismic Retrofit Bond Fund of 1996 (0653)   |  | 77,010,110.84                |
| Proposition 116 (0703)  |  | 70,479,745.32                |
| Passenger Rail Bond (0756)  |  | 101,756,037.84               |
| Traffic Congestion Relief Fund (3007)   |  | 1,152,424,610.59             |
| Transportation Investment Fund (3008)   |  | 0.00                         |
| Transportation Deferred Investment Fund (3093)  |  | 303,307,455.28               |
| Corridor Mobility Improvement Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 (6055)  |  | 3,347,977,175.43             |
| Trade Corridors Improvement Fund (6056)   |  | 287,456,367.51               |
| Transportation Facilities Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 (6058)  |  | 1,633,311,535.72             |
| Public Transportation Modernization, Improvement and Service Enhancement Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 (6059) |  | 17,650.00                    |
| State-Local Partnership Program Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 (6060)  |  | 248,974,092.09               |
| Local Bridge Seismic Retrofit Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 (6062)  |  | 3,704.16                     |
| Highway-Railroad Crossing Safety Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 (6063)   |  | 7,986.09                     |
| Highway Safety, Rehabilitation, and Preservation Account, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 (6064)                         |  | 123,687,517.21               |
| Route 99 Account, State, Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 (6072)  |  | 830,498,792.51               |
| Garvee Bonds Construction Fund (6801001)  |  | 665,650,071.01               |
| <b>Total Investment in General Capitalized Assets</b>   |  | <b>\$ 101,797,259,888.82</b> |

1. Physical inventories of fixed assets are required at least once every three years.
2. Property inventories are to be completed in accordance with SAM 8652.
3. Subsidiary fixed assets records were in agreement with the general ledger control

I certify (or declare) under penalty of perjury that the foregoing is true and correct and that I have not violated any 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.

  
 \_\_\_\_\_  
 KIM PHAN, Chief  
 Service Transactions & Asset  
 Reconciliation Section

- 1) General Fixed Assets Account Group is self-balancing. Total General Fixed Assets must equal total Investment General Fixed Assets.
- 2) Investment in General Fixed Assets is a credit account used to offset the reported General Fixed Assets. Investment indicates the source of the monies from which the General Fixed Assets are acquired.