

Quarterly Report on the Status of the Beverage Container Recycling Fund

(FY 2016-17—Fourth Quarter)



California Department of Resources Recycling and Recovery

March 2018

STATE OF CALIFORNIA

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Executive Summary

Consistent with statutory requirements and the Department of Resources Recycling and Recovery's (CalRecycle) commitment to transparency and accountability to stakeholders, the department presents the following Beverage Container Recycling Fund (Fund) Quarterly Status Report (Quarterly Report or QR). The Quarterly Report reviews the Fund's adequacy to make Beverage Container Recycling Program (BCRP) payments.

This edition reports on the fourth quarter (Q4) for Fiscal Year (FY) 2016-17 (April through June 2017) and reflects:

- Actual and projected revenues.
- Actual and projected BCRP expenditures and payments, including transfers.
- An assessment of the fund's structural deficit.
- A fund adequacy determination necessary to support BCRP expenditures.
- An assessment of the need to reduce BCRP expenditures because of insufficient financial resources.

This report also provides data for sales, recycling volumes (returns), processing payments, processing fees, processing fee offsets, and handling fees. Finally, the report provides an explanation of significant changes between the current projections and those presented in the [Third Quarter FY 2016-17 Quarterly Report](#) (published November 2017) (Q3).

In brief, this Quarterly Report projects the structural deficit over the course of FY 2017-18 to be \$9.2 million. This is a \$14.8 million increase in the deficit projected for the same period reflected in the FY 2016-17 Q3 report. The increased deficit is a result of increased projected California Redemption Value (CRV) expenditures (CRV-out), and increased glass and polyethylene terephthalate (PET) processing fee offsets.

The Q3 report projected a structural surplus for the upcoming fiscal year: \$48.7 million (FY 2018-19). This Q4 report projects a \$33.8 million structural surplus at the end of FY 2018-19 (Table 3).

The projected structural surplus for FY 2018-19 is attributable, primarily, to high sales levels (CRV-in) and low CRV-out. CRV-in and CRV-out are now projected to be slightly higher than previously forecasted. For example, when compared to the previous Quarterly Report, the department projects \$5.5 million more CRV-in for FY 2018-19. Additionally, the department forecasts CRV-out will be approximately \$13.6 million higher than projected in the previous Quarterly Report for the same period. This

redemption increase, and \$6.8 million in other net expenditure decreases (e.g., processing fee offset changes), yield the projected \$14.8 million structural surplus decrease.

As noted in previous Quarterly Reports, CalRecycle presumes its ability to make BCRP payments is compromised when adequate cash reserves drop below \$59 million. In projecting the structural deficit over the forecasted period, and considering current and anticipated cash balances, CalRecycle finds that the BCRP should have sufficient cash resources to support payments through FY 2018-19. As such, based on current projections, the department may not need to enter into proportional reduction within the forecast horizon.

While these projections indicate the overall fund condition is sufficient to support payments, small changes to CRV-in or CRV-out impact cash reserves and the fund condition (e.g., a one percent increase in CRV-out equates to \$10.5 million in additional expenditures). The department will continue to effectively monitor BCRP revenues and expenditures to keep stakeholders informed of the Fund's status.

This report includes projections for FY 2017-18 recycling rates inferred from CRV-in and CRV-out (see Section III). CalRecycle projects the overall recycling rate inferred from CRV-in and CRV-out (excluding administrative fees) to be 77.6 percent. This projection is a slight decrease from the FY 2016-17 overall recycling rate, but an increase from the FY 2017-18 projection in the previous Quarterly Report.¹

While the BCRP is not currently anticipating proportional reduction, it faces significant challenges with declines in scrap markets, convenient recycling, and recycling rates. These challenges have manifested in the state having fewer recycling centers than it has had on average over the history of the program and an increased responsibility for grocers to provide convenience in unserved zones. CalRecycle acknowledges the challenges. As a result, CalRecycle conducted rulemaking to amend California Code of Regulations that lays out the reasonable financial return calculation for processing payments. A higher processing payment will be provided by setting the reasonable financial return for calendar year 2018 through emergency regulation. A reasonable financial return of 16.6 percent will be applied to rural region recycling centers, and 11.5 percent for all other recyclers.

¹Quarterly Reports are focused on money; for recycling rates based on container counts and the numbers of pounds of material redeemed, please consult [Biannual Reports](#).

CalRecycle welcomes your feedback. Please send questions and comments to opa@calrecycle.ca.gov or contact the Division of Recycling at (916) 323-3836.

I. Fund Condition Statement

Pursuant to Public Resources Code (PRC) Section 14556(a)(1), this section provides an updated fund condition statement² which includes revenues, transfers, and expenditures into and out of the Fund. The Fund is the BCRP's primary financial account because it is the depository of CRV. As a result, the primary revenues and expenditures from the Fund are CRV-in paid into the BCRP and CRV-out refunds paid to consumers for redeeming their beverage containers.

The fund condition statements in this report include accrued revenues (revenues are recognized before cash is received) and accrued expenses (expense are recognized before cash is paid out) at the end of each fiscal year.

The following table shows the fund condition statements for FY 2015-2016 and FY 2016-2017, and projections for FY 2017-2018.

² The updated fund condition statement may differ from the Governor's Budget fund condition statement. See Appendix I for an explanation of differences between Governor's Budget and BCRF Quarterly Reports.

Table 1: Beverage Container Recycling Fund 0133 – Fund Condition Statement FY 2015-2016 and FY 2016-2017, and Projections for FY 2017-2018

C A BEVERAGE CONTAINER RECYCLING FUND (0133)						
FUND CONDITION REPORT						
	2017-18 GOVERNOR'S BUDGET			UPDATED - FORECASTED VALUES		
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2015-16	FY 2016-17	FY 2017-18
BEGINNING BALANCE	\$296,562,000	\$241,448,000	\$193,476,000	\$298,036,000	\$241,448,000	\$275,401,000
Prior Year Adjustments	\$4,621,000			\$3,147,000	\$16,929,000	
Balance, Adjusted	\$301,183,000	\$241,448,000	\$193,476,000	\$301,183,000	\$258,377,000	\$275,401,000
REVENUES AND TRANSFERS						
Revenues:						
125100 Beverage Container Redemption Fees	\$1,260,423,000	\$1,280,467,000	\$1,297,049,000	\$1,260,423,000	\$1,316,801,000	\$1,312,957,000
141200 Sales of Documents					\$3,000	
150300 Income from surplus money investments	\$457,000	\$370,000	\$370,000	\$457,000	\$602,000	\$370,000
161000 Escheat of unclaimed checks & warrants	\$180,000	\$92,000	\$92,000	\$180,000	\$69,000	\$92,000
161400 Miscellaneous Revenue (option B)	\$1,482,000	\$1,772,000	\$1,772,000	\$1,482,000	\$3,769,000	\$2,538,000
163000 Settlements/Judgements	\$1,731,000	\$44,000	\$44,000	\$1,731,000	\$84,000	\$44,000
164300 Penalty Assessment	\$106,000	\$260,000	\$260,000	\$106,000	\$109,000	\$260,000
164700 Court Filing Fees	\$1,000	\$0	\$0	\$1,000	\$0	\$0
Total Revenues	\$1,264,380,000	\$1,283,005,000	\$1,299,587,000	\$1,264,380,000	\$1,321,437,000	\$1,316,261,000
Transfers From Other Funds:						
Total Transfers From	\$0	\$0	\$0	\$0	\$0	\$0
Transfers to Other Funds:						
TO0269 To Glass Processing Fee Account (Glass) (0269), PRC 14581 (a)(5)(-\$51,500,000	-\$55,791,000	-\$55,953,000	-\$51,500,000	-\$50,157,000	-\$55,868,000
TO0278 To PET Processing Fee Account (PET) (0278), PRC 14581 (a)(5)(A)	-\$42,694,000	-\$38,818,000	-\$39,657,000	-\$42,694,000	-\$46,813,000	-\$44,195,000
TO0269 To Glass (0269), 3 Yr Reconciliation Payback		-\$7,650,000	-\$7,650,000		-\$7,392,000	-\$7,392,000
TO0278 To PET (0278), 3 Yr Reconciliation Payback		-\$327,000	-\$327,000		-\$3,256,000	-\$3,256,000
Total Transfers To	-\$94,194,000	-\$102,586,000	-\$103,587,000	-\$94,194,000	-\$107,618,000	-\$110,711,000
Totals, Revenues and Transfers	\$1,170,186,000	\$1,180,419,000	\$1,196,000,000	\$1,170,186,000	\$1,213,819,000	\$1,205,550,000
Total Resources	\$1,471,369,000	\$1,421,867,000	\$1,389,476,000	\$1,471,369,000	\$1,472,196,000	\$1,480,951,000
EXPENDITURES						
Disbursements:						
8880 Financial Information System for CA (FISCal)	\$84,000	\$62,000	\$65,000	\$84,000	\$62,000	\$65,000
9900 Statewide General Administrative Expenditures (Pro Rata)			\$283,000			\$283,000
3970 CalRecycle						
State Operations						
(3970-001-0133) Departmental Support	\$44,084,000	\$51,110,000	\$50,033,000	\$44,084,000	\$46,328,000	\$52,303,000
Local Assistance						
(3970-601-0133) Handling Fees, PRC 14581 (a)(1)	\$51,297,000	\$47,816,000	\$47,816,000	\$51,297,000	\$47,209,000	\$47,924,000
(3970-603-0133) CRV Out, PRC 14580	\$1,081,283,000	\$1,073,146,000	\$1,070,099,000	\$1,081,283,000	\$1,051,867,000	\$1,059,596,000
(3970-604-0133) Curbside, PRC 14581 (a)(2)	\$14,892,000	\$15,000,000	\$15,000,000	\$14,892,000	\$15,000,000	\$15,000,000
(3970-605-0133) Plastic Mkt Development, PRC 14581 (a)(8)(A)	\$9,997,000	\$10,000,000	\$5,000,000	\$9,997,000	\$10,000,000	\$5,000,000
(3970-606-0133) Grants - Local CCCs, PRC 14581.1	\$5,724,000	\$6,757,000	\$7,170,000	\$5,724,000	\$6,405,000	\$7,170,000
(3970-608-0133) Prmts to Cities and Counties, PRC 14581 (a)(3)(A)	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000	\$8,659,000	\$10,500,000
(3970-609-0133) Grants - other, PRC 14581 (a)(4)	\$1,807,000	\$1,500,000	\$1,500,000	\$1,807,000	\$1,460,000	\$1,500,000
(3970-610-0133) Public Education, PRC 14581 (a)(6)	\$0	\$2,500,000	\$2,500,000	\$0	\$0	\$2,500,000
(3970-611-0133) Quality Incentive Payment PRC 14581 (a)(7)	\$10,253,000	\$10,000,000	\$10,000,000	\$10,253,000	\$9,805,000	\$10,000,000
Total Expenditures	\$1,229,921,000	\$1,228,391,000	\$1,219,966,000	\$1,229,921,000	\$1,196,795,000	\$1,211,841,000
FUND BALANCE	\$241,448,000	\$193,476,000	\$169,510,000	\$241,448,000	\$275,401,000	\$269,110,000

For more information and fund condition statements for the processing fee accounts and penalty accounts, see Appendix I.

Table 2 presents more detailed information regarding the status of this quarter. However, it is important to understand the department collects and pays expenditures in arrears and practices the accrual method of accounting. As such, receipt and expenditure activities in the first two months of the new fiscal year (i.e., within Q1) are low because these transactions are generally applicable to the previous fiscal year. Accordingly, Q4 activity is high because the period includes projected (or assumed) expenditures and accruals. In other words, projections show transactions the department expects to be processed before June 30 and transactions the department expects to be realized after June 30.

Table 2: 2016-17 Fund Condition Breakout by Quarter to Which Activity is Attributed

CA BEVERAGE CONTAINER RECYCLING FUND (0133) 16-17 ACTIVITY REPORT		Actual Expenditures for 16-17						
		FY 2016/17 Budgeted ¹	Q1 (July-Sept) (Actual)	Q2 (Oct-Dec) (Actual)	Q3 (Jan-Mar) (Actual)	Q4 (Apr-June) (Actual)	FY 2016 Accruals (Actual)	FY 2016/17 Actual Activity
REVENUES AND TRANSFERS								
Revenues:								
125100	Beverage Container Redemption Fees	\$1,316,801,000	\$196,592,343	\$321,401,667	\$301,070,136	\$301,093,240	\$196,643,681	\$1,316,801,067
141200	Sales of Documents	\$3,000	\$2,954	\$15	\$0	\$15	\$0	\$2,984
150300	Income from surplus money investments	\$602,000	\$0	\$232,879	\$70,724	\$126,114	\$172,070	\$601,787
161000	Escheat of unclaimed checks & warrants	\$69,000	\$22,954	\$0	\$311,706	-\$265,165	\$0	\$69,495
161400	Miscellaneous Revenue ²	\$3,769,000	\$443,203	\$462,297	\$1,199,500	\$942,303	\$722,100	\$3,769,403
163000	Settlements/Judgements	\$84,000	\$10,492	\$11,250	\$11,250	\$4,628	\$46,274	\$83,894
164300	Penalty Assessment	\$109,000	\$65,668	\$37,715	\$2,834	\$2,208	\$467	\$108,892
Total Revenues		\$1,321,437,000	\$197,137,614	\$322,145,823	\$302,666,150	\$301,903,343	\$197,584,592	\$1,321,437,522
Transfers From Other Funds:								
Total Transfers From		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfers to Other Funds:								
TO0269	To Glass Processing Fee Account (Glass) (0269), PRC 14581 (a)(5)(A)	-\$57,549,000	-\$13,590,782	-\$17,415,782	-\$12,893,759	-\$13,648,178	\$0	-\$57,548,501
TO0278	To PET Processing Fee Account (PET) (0278), PRC 14581 (a)(5)(A) ³	-\$50,069,000	-\$7,091,424	-\$7,255,090	-\$10,764,139	-\$24,958,437	\$0	-\$50,069,090
Total Transfers To		-\$107,618,000	-\$20,682,206	-\$24,670,872	-\$23,657,898	-\$38,606,615	\$0	-\$107,617,591
Totals, Revenues and Transfers		\$1,213,819,000	\$176,455,408	\$297,474,951	\$279,008,252	\$263,296,728	\$197,584,592	\$1,213,819,931
EXPENDITURES								
Disbursements:								
8880 Financial Information System for CA (FiScal)		\$62,000	\$62,000	\$0	\$0	\$0	\$0	\$62,000
3970 CalRecycle								
State Operations		\$51,110,000	\$18,507,757	\$5,681,462	\$9,395,742	\$1,455	\$10,214,169	\$43,800,585
(3970-001-0133) Departmental Support		\$51,110,000	\$18,507,757	\$5,681,462	\$9,395,742	\$1,455	\$10,214,169	\$43,800,585
Local Assistance		\$1,150,405,000	\$247,900,158	\$284,012,475	\$238,893,555	\$267,658,457	\$113,466,863	\$1,151,931,508
(3970-601-0133) Handling Fees, PRC 14581 (a)(1)		\$47,209,000	\$4,496,244	\$12,431,906	\$10,608,430	\$10,898,375	\$8,172,355	\$46,607,310
(3970-603-0133) CRV Out, PRC 14580		\$1,051,867,000	\$236,646,914	\$271,580,569	\$224,316,004	\$247,925,912	\$70,672,168	\$1,051,141,567
(3970-604-0133) Curbside, PRC 14581 (a)(2)		\$15,000,000	\$0	\$0	\$0	\$0	\$15,000,000	\$15,000,000
(3970-605-0133) Plastic Mkt Development, PRC 14581 (a)(8)(A)		\$10,000,000	\$0	\$0	\$2,496,890	\$2,502,645	\$5,000,000	\$9,999,535
(3970-606-0133) Grants - Local CCCs, PRC 14581.1		\$6,405,000	\$6,757,000	\$0	\$0	\$1,346,449	\$0	\$8,103,449
(3970-608-0133) Pmts to Cities and Counties, PRC 14581 (a)(3)(A)		\$8,659,000	\$0	\$0	\$0	\$0	\$9,622,340	\$9,622,340
(3970-609-0133) Grants - other, PRC 14581 (a)(4)		\$1,460,000	\$0	\$0	\$1,472,231	\$0	\$0	\$1,472,231
(3970-610-0133) Public Education, PRC 14581 (a)(6)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
(3970-611-0133) Quality Incentive Payment PRC 14581 (a)(7)		\$9,805,000	\$0	\$0	\$0	\$4,985,076	\$5,000,000	\$9,985,076
Total Expenditures		\$1,201,577,000	\$266,469,915	\$289,693,937	\$248,289,297	\$267,659,912	\$123,681,032	\$1,195,794,093

¹ Numbers are rounded to be displayed the same as Governor's Budget

² Includes Option B Payments

³ Includes 3 yr Reconciliation

⁴ Numbers transitioned from CalStars to FiScal in Q4

Note: Q3 QIP was corrected to accurately reflect \$0. This was reported in error.

Structural Deficit

BCRP operations are funded by unclaimed CRV from the same period. As the recycling rate increases, less funding is available to make all of the budgeted payments prescribed in statute, including CRV-out (refunds to consumers), BCRP administration, local conservation corps grants, and finally, PRC Section 14581 payments and transfers. The amount by which expenditures exceed revenues in the same period is the structural deficit. The structural deficit stems primarily from updated CRV-in and CRV-out projections.

For FY 2016-17, CRV-in (i.e. \$1,316,801,067) increased by \$24.7 million when compared to redemption fee revenue projections published in the Q3 report (i.e. \$1,292,064,000). Additionally, CRV-out decreased by \$6,432, which further extends the gap between revenues and expenditures: \$1,051,148,000 (Q3 report) compared to

\$1,051,141,567 (Q4 report). These changes result in a structural surplus of \$12.45 million. This is a \$33.1 million change from previous projections for this same period.

In FY 2017-18, CRV-in increased by \$1.9 million and CRV-out projections increased by \$10.5 million. These changes result in a forecasted structural deficit of \$9.2 million for a total difference of \$14.8 million when compared to prior forecasts.

Table 3: Structural Deficit

CA BEVERAGE CONTAINER RECYCLING FUND (0133) STRUCTURAL DEFICIT			
Base Revenue/Expenditures	FY 2016/17	FY 2017/18	FY 2018/19
(Source 125100) CRV-In	1,316,801,000	1,312,957,000	1,340,027,000
(3970-603-0133) CRV-Out	(1,051,867,000)	(1,059,596,000)	(1,049,239,000)
(3970-001-0133) Program Administration	(46,328,000)	(52,303,000)	(52,303,000)
(3970-606-0133) Grants - Local CCCs	(6,405,000)	(7,170,000)	(7,592,000)
Total Available for 14581 Programs	212,201,000	193,888,000	230,893,000
14581 Programs			
(3970-615-0133) Proc Fee Offset - Glass	(50,157,000)	(55,868,000)	(57,445,000)
(3970-615-0133) Proc Fee Offset - Glass 3yr Reconciliation Payback	(7,392,000)	(7,392,000)	(7,392,000)
(3970-616-0133) Proc Fee Offset - PET	(46,813,000)	(44,195,000)	(41,547,000)
(3970-616-0133) Proc Fee Offset - PET 3yr Reconciliation Payback	(3,256,000)	(3,256,000)	(3,256,000)
(3970-601-0133) Handling Fees	(47,209,000)	(47,924,000)	(47,949,000)
(3970-604-0133) Curbside	(15,000,000)	(15,000,000)	(15,000,000)
(3970-605-0133) Plastic Mkt Development	(10,000,000)	(5,000,000)	0
(3970-608-0133) Payments to Cities and Counties	(8,659,000)	(10,500,000)	(10,500,000)
(3970-609-0133) Grants - NPO	(1,460,000)	(1,500,000)	(1,500,000)
(3970-610-0133) Public Education	0	(2,500,000)	(2,500,000)
(3970-611-0133) Quality Incentive Payment	(9,805,000)	(10,000,000)	(10,000,000)
Total 14581 Programs	(199,751,000)	(203,135,000)	(197,089,000)
Total Structural Deficit	12,450,000	(9,247,000)	33,804,000

II. Adequate Funds Determination

In accordance with PRC Section 14556(c), this section explains whether there are sufficient funds to make all BCRP payments. If CalRecycle determines there are insufficient funds, the department shall proportionally reduce specified payments to ensure it is able to provide consumers their CRV refunds and to continue to operate the BCRP.³

³ PRC Section 14581(c).

Given the impact of minor revenue and expenditure changes, it is critical to evaluate the timing of actual revenue and disbursements to assess the risk of an insufficient cash balance to maintain uninterrupted BCRP and administrative operations. A careful analysis of cash flow and cash balances indicate if the department needs to invoke measures to ensure cash solvency.

The cash forecast is used for cash flow management and tracking of revenue and expenditures. Additionally, this forecast is used to estimate the date when the cash balance will be below the required minimum reserve. Proportional reduction measures would need to be implemented with enough time to adjust the schedule of payments accordingly. Based on current forecasts, CalRecycle projects sufficient cash reserves to support BCRP payments through the forecast period. Therefore, proportional reductions may not occur within the forecasted period (i.e., until after FY 2018-19). However, even minor changes in sales and returns can translate to significant effects on cash reserves. Currently, a one percent change in CRV-in will have an impact of \$13.2 million on the Fund. Consequently, a one percent change in CRV-out will have an impact of \$10.5 million. Therefore, the department remains cautious about the Fund's long-term stability.

As of June 30, 2017, the cash balance of Fund 0133 is \$197,851,764.

Table 4: Cash Balance Summary (As of June 30, 2017)

	1st Qtr			2nd Qtr			3rd Qtr			4th Qtr		
	Jul (Actual)	Aug (Actual)	Sept (Actual)	Oct (Actual)	Nov (Actual)	Dec (Actual)	Jan (Actual)	Feb (Actual)	Mar (Actual)	April (Actual)	May (Actual)	June (Actual)
2015-16 (Actual)	\$ 191,993,197.68	\$ 208,576,336.31	\$ 194,199,727.29	\$ 181,113,976.38	\$ 174,691,155.38	\$ 157,778,428.03	\$ 187,949,073.89	\$ 164,052,965.63	\$ 157,047,574.73	\$ 127,848,549.05	\$ 145,848,897.72	\$ 156,995,325.46
2016-17 (Actual)	\$ 142,950,020.82	\$ 129,858,831.49	\$ 132,655,341.57	\$ 149,991,356.40	\$ 168,334,269.53	\$ 185,581,308.57	\$ 184,130,253.68	\$ 167,740,805.81	\$ 177,977,488.07	\$ 168,423,624.52	\$ 153,535,565.09	\$ 197,851,763.79
2017-18 (Projected)	\$ 208,512,782.38	\$ 169,217,834.78	\$ 185,874,939.51	\$ 134,755,942.60	\$ 187,832,943.70	\$ 192,110,861.43	\$ 157,102,840.63	\$ 175,631,663.83	\$ 175,092,731.25	\$ 135,525,624.33	\$ 146,686,814.30	\$ 142,217,788.25
2018-19 (Projected)	\$ 141,632,534.88	\$ 129,151,764.46	\$ 137,449,764.02	\$ 132,714,538.39	\$ 158,575,949.03	\$ 177,360,827.40	\$ 139,482,195.76	\$ 163,325,259.67	\$ 169,120,659.47	\$ 138,064,983.71	\$ 154,773,131.94	\$ 159,294,382.60

The cash balance of the Fund is impacted by different timing of receipts and payments for any given month. Receipts into the Fund made by distributors must be made no later than the last day of the month following the sale of the beverage container.⁴ Payments out of the Fund (refunds, administration fees, and processing payments) are paid typically within the month of the transaction or, on average, two weeks after the end of the month.⁵ Other expenditures and payments under PRC Section 14581 are paid

⁴ PRC Section 14574(a)(2).

⁵ PRC Section 14573 requires the department to pay the processor upon presentation of a completed processor invoice accompanied by a shipping report from the supplier of the material.

according to specific schedules. Handling fee payments, for example, are paid monthly.⁶

III. Recycling Rates Inferred from CRV Revenues and Expenditures

In accordance with PRC Section 14556(a)(2), this section provides information regarding the recycling rates inferred from CRV-in and CRV-out.⁷ The recycling rates inferred from CRV-in and CRV-out for FY 2016-17 and FY 2017-18 are shown in the tables below. Table 5a displays the ratio of CRV expenditures to CRV revenues, net of both the administrative fee (2.5 percent of CRV-out) paid by the department to processors and recyclers by law, and of the administrative fee (1.5 percent of CRV-in) distributors keep, by law. In contrast, table 5b excludes those administrative fees and just displays the ratio of CRV expenditures to CRV revenues.

The projected overall recycling rate inferred from CRV-in and CRV-out (excluding administrative fees) for all beverage container material types combined for FY 2017-18 is 77.6 percent.

Projections related to the recycling rates inferred from CRV revenues and expenditures displayed here, and container sales and returns shown below, are based on data reported to CalRecycle in the Division of Recycling Integrated Information System (DORIIS). The data reported in DORIIS contains records of the most recent transactions processed by CalRecycle and available for forecasting purposes.

⁶ PRC Section 14585(a)(1).

⁷ Statute requires the Quarterly Report to include a “recycling rate” inferred from revenues. This rate is calculated by dividing CRV-out by CRV-in. The recycling rates displayed in CalRecycle’s Biannual Report of Beverage Container Sales, Returns, Redemption, and Recycling Rates (Biannual Report) are based on a formula dictated in PRC Section 14551 that is used to estimate the percent of *containers* recycled.

Table 5a: Recycling Rates Inferred from CRV Revenues and Expenditures (including Administrative Fees)

	FY 2017-18	FY 2018-19
Aluminum	92.4%	89.9%
Glass	73.0%	73.1%
PET Plastic	76.2%	73.2%
HDPE Plastic	82.1%	82.6%
Overall	80.7%	78.3%

Note: other beverage container materials (bimetal and other plastics) are included in the overall rate but not shown on their own lines because they are sold and recycled in small volumes.

Table 5b: Recycling Rates Inferred from CRV Revenues and Expenditures (excluding Administrative Fees)

	FY 2017-18	FY 2018-19
Aluminum	88.8%	86.4%
Glass	70.1%	70.3%
PET Plastic	73.2%	70.3%
HDPE Plastic	78.9%	79.4%
Overall	77.6%	75.2%

Note: other beverage container materials (bimetal and other plastics) are included in the overall rate but not shown on their own lines because they are sold and recycled in small volumes.

IV. Projections and Estimates

Pursuant to PRC Sections 14556(a)(4) et seq., this section provides information for projected sales, handling fee payments, and processing payments for FY 2016-17 and FY 2017-18.

A. Sales and Returns by Material Type

Similar to the recycling rate displayed above, the sales and returns figures are based on specific records reported in DORIIS. These records reflect the data most recently available for forecasting purposes and are shown in the following tables.

Sold container counts are derived from reports that beverage distributors send directly to CalRecycle, whereas recycled container counts are calculated from the redemption weight reported on shipping reports, multiplied by the current container per pound rate, which is regularly adjusted to reflect changes in the mix of beverage containers in the state. As such, the calculated number of returns will not align perfectly with the recycling

rates noted above, which are inferred based on CRV-in and CRV-out as reported in DORIIS.

Table 6: Sales in Containers by Material and Size, Actuals and Forecasts

		FY 2017-18	FY 2018-19
Aluminum	< 24 oz.	7,506,504,941	7,601,090,122
	≥ 24 oz.	613,604,372	593,449,708
	All sizes	8,120,109,313	8,194,539,830
Glass	< 24 oz.	3,018,977,125	2,985,888,459
	≥ 24 oz.	226,870,183	226,870,390
	All sizes	3,245,847,308	3,212,758,849
PET Plastic	< 24 oz.	10,771,667,493	11,309,032,992
	≥ 24 oz.	1,563,552,033	1,563,552,226
	All sizes	12,335,219,526	12,872,585,218
HDPE Plastic	< 24 oz.	109,791,779	109,792,029
	≥ 24 oz.	110,391,152	105,934,120
	All sizes	220,182,931	215,726,149
Bimetal and other plastics	< 24 oz.	174,005,795	174,006,132
	≥ 24 oz.	24,620,931	24,621,095
	All sizes	198,626,726	198,627,227
All materials	< 24 oz.	21,580,947,133	22,179,809,734
	≥ 24 oz.	2,539,038,671	2,514,427,539
Total, all materials and all sizes		24,119,985,804	24,694,237,273

Table 7: Returns in Containers by Material, Actuals and Forecast

	FY 2017-18	FY 2018-19
Aluminum	6,971,960,677	6,827,005,515
Glass	2,261,235,596	2,244,179,606
PET Plastic	8,961,001,368	8,942,004,538
HDPE Plastic	148,373,487	145,287,648
Bimetal and other plastics	45,091,810	49,720,860
Total	18,387,662,938	18,208,198,167

B. Projected Handling Fee Payments

This section includes handling fee payments, the per-beverage container handling fee amount, and the number of beverage containers projected to be eligible for a handling fee payment. The total annual amount of handling fees authorized fluctuates annually based upon the per-container rate and the number of containers recycled.

Table 8: Handling Fee Payments, Rates, and Containers, Actuals and Forecasts

	FY 2017-18	FY 2018-19
Handling fee payments	\$47,924,230	\$47,949,145
Fee per container	\$0.00978	\$0.00978
Estimated number of containers	4,900,228,016	4,902,775,562

The projected handling fees for FY 2017-18 are calculated based on a handling fee per-container rate of \$0.00978 derived from the latest cost survey.⁸

C. Projected Processing Payments

This section includes actual and projected processing fee offsets, processing fees, and processing payments by beverage container material type.⁹

Table 9: Processing Fees, Processing Payments, and Processing Offsets by Material Type, actuals and forecasts

		Processing Fees	Processing Fee Offsets	Processing Payments
FY 2017-18	Glass	\$8,086,125	\$55,868,106	\$65,967,410
	PET plastic	\$4,572,224	\$40,600,695	\$47,166,425
	HDPE plastic	\$753,867	\$3,594,079	\$4,347,946
	All other plastics and bimetal	\$5,352,172	\$56 *	\$765,020
	Total	\$18,764,388	\$100,062,936	\$118,246,801
FY 2018-19	Glass	\$8,642,027	\$57,444,704	\$68,086,006
	PET plastic	\$4,661,335	\$37,916,918	\$44,559,320
	HDPE plastic	\$830,015	\$3,630,427	\$4,460,442
	All other plastics and bimetal	\$5,392,989	\$0 *	\$799,555
	Total	\$19,526,366	\$98,992,049	\$117,905,323

Projections for processing fees, processing payments, and processing fee offsets for this report are based on the rates in effect at the time the projections were made.

The sum of the processing fees and processing fee offsets do not equal processing payments. This discrepancy is due to two factors.

⁸ The Handling Fee Cost Survey Final Report can be found on the CalRecycle website at <http://www.calrecycle.ca.gov/BevContainer/Notices/2017/HFChanges.pdf>.

⁹ Processing Payments are adjusted based on the average scrap value for each beverage container material type. Processing Payment information is available on the CalRecycle website at <http://www.calrecycle.ca.gov/BevContainer/Notices/#Processing>.

First, beverage manufacturers receive \$2 million in discounts (direct reductions of manufacturers' processing fee liabilities taken from the processing fee accounts) for glass and PET plastic processing fees. The processing fee amounts for glass and PET displayed in Table 9 above reflect these discounts.

Second, the processing fee offset (transfers from the Fund to the processing fee accounts) includes an annual reconciliation covering the most recent calendar year. The fact that reconciliation is on a calendar year basis, while this report displays fiscal year amounts, means there will always be a discrepancy between the processing payments and the sum of the offsets and processing fees when shown on a fiscal year basis.

Overall, the factors below impact the processing fee offset:

- Quarterly transfers from the Fund to the processing fee accounts (offsets for the quarter) are based on estimates of fees and payments for the upcoming calendar year.
- Changes to the processing payments due to quarterly changes in scrap value may change the offset.
- The department is required to maintain a minimum balance of five percent of expenditures of the last fiscal year in all accounts. If this reserve is not maintained, transfers (offsets) are used to increase the balance.

V. Significant Changes

Pursuant to PRC Section 14556 (a) and (c), this section details changes to the methodology used for forecasting the fund condition statement and any other significant changes to the fund condition statement from the previous Quarterly Report.

No changes in the forecasting methodology have been made since the Q3 FY 2016-2017 report (November 2017).

Appendix I. Updated Fund Condition Report 2016-2017 Governor's Budget

This section contains the Governor's Budget fund condition statements for all five BCRP funds based on current projections and the fund balance at the end of FY 2015-2016 and FY 2016-2017. Each fund condition statement shows one column per fiscal year. Amounts for FY 2017-2018 are projections.

Below is a brief description of each of the BCRP funds:

Beverage Container Recycling Fund, Fund 0133 – This fund serves as a depository for redemption payments by beverage distributors. The fund is the source for paying CRV for recycling empty beverage containers and funding programs that (1) develop and maintain an infrastructure for beverage container recycling, and (2) promote markets for recycled beverage container material.

Glass Processing Fee Account, Fund 0269 – This fund serves as a depository for glass processing fees paid by beverage manufacturers who package products in glass bottles. The fund is the source for paying processing payments to certified recyclers for handling empty glass beverage containers.

Plastic Processing Fee Account, Fund 0278 – This fund serves as a depository for plastic processing fees paid by beverage manufacturers who package products in any type of plastic bottle having a scrap value that is less than the cost of recycling. The fund is the source for paying processing payments to certified recyclers for handling empty plastic beverage containers.

Bimetal Processing Fee Account, Fund 0277 – This fund serves as a depository for bimetal processing fees paid by beverage manufacturers who package products in bimetal cans. The fund is the source for paying processing payments to certified recyclers for handling empty bimetal beverage containers.

Penalty Account, Fund 0276 – This fund serves as a depository for civil penalties and fines. The purpose of the fund is to assist in carrying out the activities specified in the Beverage Container Recycling and Litter Reduction Act as specified in PRC Section 14580(d).

Table 10: Beverage Container Recycling Fund Condition Statement (Fund 0133)

CA BEVERAGE CONTAINER RECYCLING FUND (0133)						
FUND CONDITION REPORT						
	2017-18 GOVERNOR'S BUDGET			UPDATED - FORECASTED VALUES		
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2015-16	FY 2016-17	FY 2017-18
BEGINNING BALANCE	\$296,562,000	\$241,448,000	\$193,476,000	\$298,036,000	\$241,448,000	\$275,401,000
Prior Year Adjustments	\$4,621,000			\$3,147,000	\$16,929,000	
Balance, Adjusted	\$301,183,000	\$241,448,000	\$193,476,000	\$301,183,000	\$258,377,000	\$275,401,000
REVENUES AND TRANSFERS						
Revenues:						
125100 Beverage Container Redemption Fees	\$1,260,423,000	\$1,280,467,000	\$1,297,049,000	\$1,260,423,000	\$1,316,801,000	\$1,312,957,000
141200 Sales of Documents					\$3,000	
150300 Income from surplus money investments	\$457,000	\$370,000	\$370,000	\$457,000	\$602,000	\$370,000
161000 Escheat of unclaimed checks & warrants	\$180,000	\$92,000	\$92,000	\$180,000	\$69,000	\$92,000
161400 Miscellaneous Revenue (option B)	\$1,482,000	\$1,772,000	\$1,772,000	\$1,482,000	\$3,769,000	\$2,538,000
163000 Settlements/Judgements	\$1,731,000	\$44,000	\$44,000	\$1,731,000	\$84,000	\$44,000
164300 Penalty Assessment	\$106,000	\$260,000	\$260,000	\$106,000	\$109,000	\$260,000
164700 Court Filing Fees	\$1,000	\$0	\$0	\$1,000	\$0	\$0
Total Revenues	\$1,264,380,000	\$1,283,005,000	\$1,299,587,000	\$1,264,380,000	\$1,321,437,000	\$1,316,261,000
Transfers From Other Funds:						
Total Transfers From	\$0	\$0	\$0	\$0	\$0	\$0
Transfers to Other Funds:						
TO0269 To Glass Processing Fee Account (Glass) (0269), PRC 14581 (a)(5)(-\$51,500,000	-\$55,791,000	-\$55,953,000	-\$51,500,000	-\$50,157,000	-\$55,868,000
TO0278 To PET Processing Fee Account (PET) (0278), PRC 14581 (a)(5)(A)	-\$42,694,000	-\$38,818,000	-\$39,657,000	-\$42,694,000	-\$46,813,000	-\$44,195,000
TO0269 To Glass (0269), 3 Yr Reconciliation Payback		-\$7,650,000	-\$7,650,000		-\$7,392,000	-\$7,392,000
TO0278 To PET (0278), 3 Yr Reconciliation Payback		-\$327,000	-\$327,000		-\$3,256,000	-\$3,256,000
Total Transfers To	-\$94,194,000	-\$102,586,000	-\$103,587,000	-\$94,194,000	-\$107,618,000	-\$110,711,000
Totals, Revenues and Transfers	\$1,170,186,000	\$1,180,419,000	\$1,196,000,000	\$1,170,186,000	\$1,213,819,000	\$1,205,550,000
Total Resources	\$1,471,369,000	\$1,421,867,000	\$1,389,476,000	\$1,471,369,000	\$1,472,196,000	\$1,480,951,000
EXPENDITURES						
Disbursements:						
8880 Financial Information System for CA (FISCal)	\$84,000	\$62,000	\$65,000	\$84,000	\$62,000	\$65,000
9900 Statewide General Administrative Expenditures (Pro Rata)			\$283,000			\$283,000
3970 CalRecycle						
State Operations						
(3970-001-0133) Departmental Support	\$44,084,000	\$51,110,000	\$50,033,000	\$44,084,000	\$46,328,000	\$52,303,000
Local Assistance						
(3970-601-0133) Handling Fees, PRC 14581 (a)(1)	\$51,297,000	\$47,816,000	\$47,816,000	\$51,297,000	\$47,209,000	\$47,924,000
(3970-603-0133) CRV Out, PRC 14580	\$1,081,283,000	\$1,073,146,000	\$1,070,099,000	\$1,081,283,000	\$1,051,867,000	\$1,059,596,000
(3970-604-0133) Curbside, PRC 14581 (a)(2)	\$14,892,000	\$15,000,000	\$15,000,000	\$14,892,000	\$15,000,000	\$15,000,000
(3970-605-0133) Plastic Mkt Development, PRC 14581 (a)(8)(A)	\$9,997,000	\$10,000,000	\$5,000,000	\$9,997,000	\$10,000,000	\$5,000,000
(3970-606-0133) Grants - Local CCCs, PRC 14581.1	\$5,724,000	\$6,757,000	\$7,170,000	\$5,724,000	\$6,405,000	\$7,170,000
(3970-608-0133) Pmts to Cities and Counties, PRC 14581 (a)(3)(A)	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000	\$8,659,000	\$10,500,000
(3970-609-0133) Grants - other, PRC 14581 (a)(4)	\$1,807,000	\$1,500,000	\$1,500,000	\$1,807,000	\$1,460,000	\$1,500,000
(3970-610-0133) Public Education, PRC 14581 (a)(6)	\$0	\$2,500,000	\$2,500,000	\$0	\$0	\$2,500,000
(3970-611-0133) Quality Incentive Payment PRC 14581 (a)(7)	\$10,253,000	\$10,000,000	\$10,000,000	\$10,253,000	\$9,805,000	\$10,000,000
Total Expenditures	\$1,229,921,000	\$1,228,391,000	\$1,219,966,000	\$1,229,921,000	\$1,196,795,000	\$1,211,841,000
FUND BALANCE	\$241,448,000	\$193,476,000	\$169,510,000	\$241,448,000	\$275,401,000	\$269,110,000



Table 11: Glass Processing Fee Fund Condition Statement (Fund 0269)

GLASS PROCESSING FEE ACCOUNT (0269) FUND CONDITION REPORT						
	2017-18 GOVERNOR'S BUDGET			UPDATED - FORECASTED VALUES		
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2015/16	FY 2016/17	FY 2017/18
BEGINNING BALANCE	\$ 10,231,000	\$ 7,591,000	\$ 13,175,000	\$ 10,231,000	\$ 7,591,000	\$ 13,106,000
Prior Year Adjustment	\$ (79,000)			\$ (79,000)	\$ 215,000	
Balance, Adjusted	\$ 10,152,000	\$ 7,591,000	\$ 13,175,000	\$ 10,152,000	\$ 7,806,000	\$ 13,106,000
REVENUES AND TRANSFERS						
Revenues:						
125100 Beverage Container Redemption Fees	\$ 7,047,000	\$ 7,698,000	\$ 7,829,000	\$ 7,047,000	\$ 7,507,000	\$ 8,086,000
150300 Income from Surplus Money Investments	\$ 54,000	\$ 40,000	\$ 40,000	\$ 54,000	\$ 74,000	\$ 40,000
150500 Interest Income from Inter-fund loans						
161000 Escheat of Unclaimed Checks, Warrants, Bonds and Coupon						
Total Revenues	\$ 7,101,000	\$ 7,738,000	\$ 7,869,000	\$ 7,101,000	\$ 7,581,000	\$ 8,126,000
Transfers:						
FO0133 From CA Beverage Container Fund (CBCRF), PRC 14581 (a)	\$ 51,500,000	\$ 55,791,000	\$ 55,953,000	\$ 51,500,000	\$ 50,157,000	\$ 55,868,000
FO0133 From CBCRF, 3 Yr Reconciliation Payback		\$ 7,650,000	\$ 7,650,000		\$ 7,392,000	\$ 7,392,000
Total Transfers From	\$ 51,500,000	\$ 63,441,000	\$ 63,603,000	\$ 51,500,000	\$ 57,549,000	\$ 63,260,000
Total Revenues and Transfers	\$ 58,601,000	\$ 71,179,000	\$ 71,472,000	\$ 58,601,000	\$ 65,130,000	\$ 71,386,000
Total Resources	\$ 68,753,000	\$ 78,770,000	\$ 84,647,000	\$ 68,753,000	\$ 72,936,000	\$ 84,492,000
EXPENDITURES						
Disbursements:						
3970 CalRecycle - Local Assistance						
(3970-601-0269) Processing Payments	\$ 61,162,000	\$ 65,595,000	\$ 65,781,000	\$ 61,162,000	\$ 59,830,000	\$ 65,967,000
Total Expenditures	\$ 61,162,000	\$ 65,595,000	\$ 65,781,000	\$ 61,162,000	\$ 59,830,000	\$ 65,967,000
FUND BALANCE	\$ 7,591,000	\$ 13,175,000	\$ 18,866,000	\$ 7,591,000	\$ 13,106,000	\$ 18,525,000

Table 12: Plastic Processing Fee Fund Condition Statement (Fund 0278)

PET PROCESSING FEE ACCOUNT (0278) FUND CONDITION REPORT						
	2017-18 GOVERNOR'S BUDGET			UPDATED - FORECASTED VALUES		
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2015/16	FY 2016/17	FY 2017/18
BEGINNING BALANCE	\$ 2,211,000	\$ 10,633,000	\$ 12,842,000	\$ 2,259,000	\$ 10,633,000	\$ 17,579,000
Prior Year Adjustment	\$ 166,000			\$ 118,000	\$ (243,000)	
Balance, Adjusted	\$ 2,377,000	\$ 10,633,000	\$ 12,842,000	\$ 2,377,000	\$ 10,390,000	\$ 17,579,000
REVENUES AND TRANSFERS						
Revenues:						
125100 Beverage Container Redemption Fees	\$ 6,204,000	\$ 9,016,000	\$ 10,004,000	\$ 6,204,000	\$ 7,110,000	\$ 9,298,000
150300 Income from Surplus Money Investments	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 63,000	\$ 35,000
Total Revenues	\$ 6,239,000	\$ 9,051,000	\$ 10,039,000	\$ 6,239,000	\$ 7,173,000	\$ 9,333,000
Transfers:						
FO0133 From CBCRF, PRC 14581 (a)	\$42,694,000	\$ 38,818,000	\$ 39,657,000	\$42,694,000	\$ 46,813,000	\$ 44,195,000
FO0133 From CBCRF, 3 Yr Reconciliation Payback	\$ -	\$ 327,000	\$ 327,000	\$ -	\$ 3,256,000	\$ 3,256,000
Total Transfers From	\$42,694,000	\$ 39,145,000	\$ 39,984,000	\$42,694,000	\$ 50,069,000	\$ 47,451,000
Total Revenues and Transfers	\$48,933,000	\$ 48,196,000	\$ 50,023,000	\$48,933,000	\$ 57,242,000	\$ 56,784,000
Total Resources	\$51,310,000	\$ 58,829,000	\$ 62,865,000	\$51,310,000	\$ 67,632,000	\$ 74,363,000
EXPENDITURES						
Disbursements:						
3970 CalRecycle - Local Assistance						
(3970-601-0278) Processing Payments	\$40,677,000	\$ 45,987,000	\$ 45,983,000	\$40,677,000	\$ 50,053,000	\$ 52,030,000
values in Total Expenditures	\$40,677,000	\$ 45,987,000	\$ 45,983,000	\$40,677,000	\$ 50,053,000	\$ 52,030,000
FUND BALANCE	\$10,633,000	\$ 12,842,000	\$ 16,882,000	\$10,633,000	\$ 17,579,000	\$ 22,333,000

Table 13: Bimetal Processing Fee Fund Condition Statement (Fund 0277)

BIMETAL PROCESSING FEE ACCOUNT (0277)						
FUND CONDITION REPORT						
	2017-18 GOVERNOR'S BUDGET			UPDATED - FORECASTED VALUES		
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2015/16	FY 2016/17	FY 2017/18
BEGINNING BALANCE	\$17,487,000	\$18,966,000	\$19,559,000	\$17,487,000	\$18,966,000	\$20,190,000
Prior Year Adjustment	\$ 36,000			\$ 36,000	\$ (123,000)	
Balance, Adjusted	\$17,523,000	\$18,966,000	\$19,559,000	\$17,523,000	\$18,843,000	\$20,190,000
REVENUES AND TRANSFERS						
Revenues:						
125100 Beverage Container Redemption Fees	\$ 1,463,000	\$ 984,000	\$ 984,000	\$ 1,463,000	\$ 1,394,000	\$ 1,380,000
150300 Income from Surplus Money Investments	\$ 75,000	\$ 60,000	\$ 60,000	\$ 75,000	\$ 143,000	\$ 60,000
161000 Escheat- Unclaimed checks	\$ 1,000	\$ -	\$ -	\$ 1,000	\$ -	\$ -
Total Revenues	\$ 1,539,000	\$ 1,044,000	\$ 1,044,000	\$ 1,539,000	\$ 1,537,000	\$ 1,440,000
Total Revenues and Transfers	\$ 1,539,000	\$ 1,044,000	\$ 1,044,000	\$ 1,539,000	\$ 1,537,000	\$ 1,440,000
Total Resources	\$19,062,000	\$20,010,000	\$20,603,000	\$19,062,000	\$20,380,000	\$21,630,000
EXPENDITURES						
Disbursements:						
3970 CalRecycle - Local Assistance						
(3970-601-0277) Processing Payments	\$ 96,000	\$ 451,000	\$ 451,000	\$ 96,000	\$ 190,000	\$ 250,000
Total Expenditures	\$ 96,000	\$ 451,000	\$ 451,000	\$ 96,000	\$ 190,000	\$ 250,000
FUND BALANCE	\$18,966,000	\$19,559,000	\$20,152,000	\$18,966,000	\$20,190,000	\$21,380,000

Table 14: Penalty Account Fund Condition Statement (Fund 0276)

PENALTY ACCOUNT (0276)						
FUND CONDITION REPORT						
	2017-18 GOVERNOR'S BUDGET			UPDATED - FORECASTED VALUES		
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2015/16	FY 2016/17	FY 2017/18
BEGINNING BALANCE	\$ 5,732,000	\$ 6,632,000	\$ 6,053,000	\$ 5,732,000	\$ 6,632,000	\$ 5,442,000
Prior Year Adjustment	\$ (77,000)			\$ (77,000)	\$ (1,138,000)	
Balance, Adjusted	\$ 5,655,000	\$ 6,632,000	\$ 6,053,000	\$ 5,655,000	\$ 5,494,000	\$ 5,442,000
REVENUES AND TRANSFERS						
Revenues:						
150300 Income from Surplus Money Investments	\$ 23,000	\$ 18,000	\$ 18,000	\$ 23,000	\$ 40,000	\$ 18,000
164300 Penalty Assessments	\$ 1,709,000	\$ 212,000	\$ 212,000	\$ 1,709,000	\$ 369,000	\$ 212,000
Total Revenues	\$ 1,732,000	\$ 230,000	\$ 230,000	\$ 1,732,000	\$ 409,000	\$ 230,000
Total Revenues and Transfers	\$ 1,732,000	\$ 230,000	\$ 230,000	\$ 1,732,000	\$ 409,000	\$ 230,000
Total Resources	\$ 7,387,000	\$ 6,862,000	\$ 6,283,000	\$ 7,387,000	\$ 5,903,000	\$ 5,672,000
EXPENDITURES						
Disbursements:						
8880 Financial Information System for CA (F\$Cal)	\$ -	\$ 3,000	\$ 2,000	\$ -	\$ -	\$ 2,000
9900 Statewide General Administrative Expenditures (Pro Rata)	\$ -	\$ 56,000	\$ 33,000	\$ -	\$ -	\$ 33,000
3970 CalRecycle - State Operations	\$ 755,000	\$ 750,000	\$ 46,000	\$ 755,000	\$ 461,000	\$ 46,000
Total Expenditures	\$ 755,000	\$ 809,000	\$ 81,000	\$ 755,000	\$ 461,000	\$ 81,000
FUND BALANCE	\$ 6,632,000	\$ 6,053,000	\$ 6,202,000	\$ 6,632,000	\$ 5,442,000	\$ 5,591,000