

September 7, 2012

The Honorable Edmund G. Brown, Jr.  
Governor of the State of California  
State Capitol  
Sacramento, CA 95814

Re: Report for FY 2010-11 and FY 2011-12

Dear Governor Brown:

Enclosed please find a financial data report, as required by Government Code Section 12329, for fiscal years 2010-11 and 2011-12. Included in the report is the exact balance in the State's Treasury and a summary of the receipts and payments of the Treasury from July 1, 2010 through June 30, 2012. I also have included information regarding investment earnings and transactions, as well as the State's General Fund supported debt for the same period.

Sincerely,

BILL LOCKYER  
California State Treasurer

Enclosure

**CALIFORNIA STATE TREASURER'S OFFICE  
FINANCIAL DATA  
FISCAL YEARS 2010-11 AND 2011-12**



**BILL LOCKYER  
CALIFORNIA STATE TREASURER**

## **INTRODUCTION**

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This report is prepared in compliance with Government Code Section 12329, which states, in relevant part, that, “[on] or before the fifteenth day of September in each even-numbered year, the Treasurer shall report to the Governor the exact balance in the treasury...and [provide] a summary of the receipts and payments of the treasury...” This report satisfies said requirement for fiscal years 2010-11 and 2011-12.

Copies of the report may be obtained from the State Treasurer’s website at <http://www.treasurer.ca.gov/publications/index.asp>, or by written request to the address below:

State Treasurer’s Office  
915 Capitol Mall, Room 110  
Sacramento, CA 95814

## TREASURY ASSET BALANCE

The asset balance in the State Treasury to the credit of the State totaled \$67.84 billion on June 30, 2011 and \$62.09 billion on June 30, 2012.

State of California			
Treasury Assets*			
(\$ Thousands)			
<u>Cash Group</u>	<u>June 30, 2011</u>		<u>June 30, 2012</u>
Demand Deposits	\$1,344,841		\$1,533,100
Fiscal Agent Deposits	138,183		49,215
Accounts Receivable	2,110		686
Pooled Money Investment Account			
Time Deposits	3,968,140	4,483,640	
Securities	57,070,334 **	48,511,535 **	
Loans	5,311,791	7,508,801	
PMIA Total	<u>66,350,266</u>		<u>60,503,976</u>
<b>TOTAL</b>	<b>\$67,835,400</b>		<b>\$62,086,977</b>

\* Details may not add to totals due to rounding.

\*\* Premium/discount amortization posted on June 30.

## CASH RECEIPTS AND DISBURSEMENTS

The cash receipts deposited through the centralized State Treasury totaled approximately \$1.037 trillion during the 2010-11 fiscal year and \$1.052 trillion during the 2011-12 fiscal year. Disbursements totaled approximately \$1.036 trillion during the 2010-11 fiscal year and \$1.052 trillion during the 2011-12 fiscal year.

State of California		
2010 – 11 Quarterly Cash Receipts and Disbursements*		
(\$ Thousands)		
	<u>Receipts</u>	<u>Disbursements</u>
July 2010 – September 2010	\$230,133,214	\$230,213,657
October 2010 – December 2010	287,031,813	287,101,534
January 2011 – March 2011	232,593,218	231,808,163
April 2011 – June 2011	286,752,292	287,029,152
<b>TOTAL</b>	<b>\$1,036,510,536</b>	<b>\$1,036,152,506</b>

  

State of California		
2011 – 12 Quarterly Cash Receipts and Disbursements*		
(\$ Thousands)		
	<u>Receipts</u>	<u>Disbursements</u>
July 2011 – September 2011	\$259,148,885	\$258,963,793
October 2011 – December 2011	275,151,835	275,157,179
January 2012 – March 2012	262,689,200	262,538,680
April 2012 – June 2012	255,268,103	255,311,924
<b>TOTAL</b>	<b>\$1,052,258,023</b>	<b>\$1,051,971,576</b>

\* Details may not add to totals due to rounding.

## INVESTMENTS

The investment earnings of the Pooled Money Investment Account (PMIA) for fiscal years 2010-11 and 2011-12 totaled \$575.6 million.

During the 2010-11 fiscal year, PMIA investment activity involved 7,678 transactions, totaling \$338.0 billion. The table below provides a breakdown of the PMIA portfolio holdings as of June 30, 2011.

State of California		
Pooled Money Investment Account Portfolio*		
As of June 30, 2011		
(\$ Thousands)		
<u>Security Type</u>	<u>Principal Amount</u>	<u>Percent of Portfolio</u>
Governments		
Bills	\$24,818,178	37.40%
Bonds	0	0.00%
Notes	10,713,938	16.15%
Strips	0	0.00%
Total Governments	\$35,532,116	53.55%
Federal Agency Debentures	\$1,921,292	2.90%
Certificates of Deposit	7,380,134	11.12%
Bank Notes	550,000	0.83%
Bankers' Acceptances	0	0.00%
Repurchases	0	0.00%
Federal Agency Discount Notes	3,441,069	5.19%
Time Deposits	3,968,140	5.98%
GNMAs	46	0.00%
Commercial Paper	7,479,733	11.27%
FHLMC/Remics	468,463	0.71%
Corporate Bonds	0	0.00%
AB 55 Loans	465,291	0.70%
General Fund Loans	4,846,500	7.30%
Other	300,000	0.45%
Reversed Repurchases	0	0.00%
<b>TOTAL (All Types)</b>	<b>\$66,352,784</b>	<b>100.00%</b>

\*Details may not add to totals due to rounding.

## **INVESTMENTS (CONTINUED)**

During the 2011-12 fiscal year, PMIA investment activity involved 5,759 transactions, totaling \$247.5 billion. The table below provides a breakdown of the PMIA portfolio holdings as of June 30, 2012.

State of California		
Pooled Money Investment Account Portfolio*		
As of June 30, 2012		
(\$ Thousands)		
<u>Security Type</u>	<u>Principal Amount</u>	<u>Percent of Portfolio</u>
Governments		
Bills	\$18,025,016	29.79%
Bonds	0	0.00%
Notes	16,425,839	27.15%
Strips	0	0.00%
Total Governments	\$34,450,855	56.94%
Federal Agency Debentures	\$1,284,522	2.12%
Certificates of Deposit	7,165,071	11.84%
Bank Notes	0	0.00%
Bankers' Acceptances	0	0.00%
Repurchases	0	0.00%
Federal Agency Discount Notes	2,296,401	3.80%
Time Deposits	4,483,640	7.41%
GNMAs	13	0.00%
Commercial Paper	2,585,385	4.27%
FHLMC/Remics	327,566	0.54%
Corporate Bonds	0	0.00%
AB 55 Loans	281,101	0.46%
General Fund Loans	7,227,700	11.95%
Other	399,932	0.66%
Reversed Repurchases	0	0.00%
<b>TOTAL (All Types)</b>	<b>\$60,502,186</b>	<b>100.00%</b>

\* Details may not add to totals due to rounding.

The Treasurer continues to seek investment opportunities that promote the California economy. For example, by increasing investments with California financial institutions through the Time Deposit Program, the State fosters home and business financing throughout California. Time deposits averaged \$4.01 billion in 2010-11 fiscal year and \$4.17 billion in 2011-12.

## GENERAL FUND SUPPORTED DEBT OUTSTANDING

As of June 30, 2012, the State had \$84.40 billion in aggregate principal amount of General Fund supported debt outstanding. This consisted of \$73.07 billion in General Obligation bonds and Commercial Paper and \$11.33 billion in Lease Revenue bonds. Details of the total June 30, 2011 and June 30, 2012 outstanding General Fund supported debt appear in the table below.

State of California		
General Fund Supported Debt Outstanding*		
(\$ Thousands)		
	<u>June 30, 2011</u>	<u>June 30, 2012</u>
<b><u>General Obligation (GO) Non-self Liquidating</u></b>		
Children's Hospital	\$1,209,290	\$1,199,545
Clean Water & Disaster Preparation	14,160,252	13,918,015
Higher Education	9,526,450	9,297,105
Housing	3,283,470	3,147,925
K-12 Education	31,130,810	31,770,075
Stem Cell	1,075,700	1,120,305
Transportation & Clean Air	9,881,829	10,496,260
Other	2,308,074	2,121,765
<b>Total GO (Non-self Liquidating)</b>	<b>\$72,575,875</b>	<b>\$73,070,995</b>
<b><u>Lease Debt</u></b>		
Community Colleges	\$447,490	\$401,100
Department of Corrections	2,167,320	3,138,770
Office of Energy Assessments	3,100	0
Regents of the University of California	2,224,760	2,457,810
Trustees of the California State University	804,605	866,425
Various State Office Buildings	3,299,490	4,017,875
Other State Facilities Lease-Revenue Issues	479,560	448,375
<b>Total Lease Debt</b>	<b>\$9,426,325</b>	<b>\$11,330,355</b>
<b>TOTAL GENERAL FUND SUPPORTED DEBT</b>	<b>\$82,002,200</b>	<b>\$84,401,350</b>

\*Outstanding amount includes commercial paper outstanding and the initial value of capital appreciation bonds.



## **GENERAL FUND SUPPORTED DEBT SOLD**

Between June 30, 2010 and June 30, 2012, the State Treasurer sold approximately \$14.97 billion in principal, of General Fund supported debt. This figure is comprised of General Obligation bonds of the State and Lease Revenue bonds. The total amount of General Fund supported debt sold was \$4.53 billion in fiscal year 2010-11 and \$10.44 billion in fiscal year 2011-12.

State of California		
General Fund Supported Debt Sold		
(\$ Thousands)		
	<u>June 30, 2011</u>	<u>June 30, 2012</u>
<b><u>General Obligation (GO) Non-self Liquidating</u></b>		
Repayment of Construction Loan Advances	\$0	\$0
Natural Resources & Environment	713,690	324,785
Transportation	1,468,300	915,990
K-12 Education	1,493,405	2,270,035
Higher Education	78,240	359,940
Housing	138,345	38,805
Children's Hospital	5,440	38,060
Refundings	0	3,702,320
Stem Cell	47,155	50,825
Public Safety	580,425	116,630
<b>Total GO (Non-self Liquidating)</b>	<b>\$4,525,000</b>	<b>\$7,817,390</b>
<b><u>Lease Debt</u></b>		
Community Colleges	\$0	\$0
Department of Corrections and Rehabilitation	0	1,096,355
Regents of the University of California	0	337,250
Trustees of the California State University	0	100,895
Various State Office Buildings	0	824,990
Refunding – Dept. of Corrections and Rehabilitation	0	267,625
<b>Total Lease Debt</b>	<b>\$0</b>	<b>\$2,627,115</b>
<b>TOTAL GENERAL FUND SUPPORTED DEBT</b>	<b>\$4,525,000</b>	<b>\$10,444,505</b>