



JOHN CHIANG
TREASURER
STATE OF CALIFORNIA

August 23, 2016

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

Re: Financial Data Report for FY 2014-15 and FY 2015-16

Dear Governor Brown:

Enclosed please find a financial data report, as required by Government Code Section 12329, for fiscal years 2014-15 and 2015-16. The report includes the exact balance in the State's Treasury and a summary of the receipts and payments of the Treasury from July 1, 2014 through June 30, 2016. It also includes information regarding investment earnings and transactions, as well as the State's General Fund-supported debt for the same period.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Chiang", is written over the typed name and title.

JOHN CHIANG
California State Treasurer

Enclosure

**CALIFORNIA STATE TREASURER'S OFFICE
FINANCIAL DATA
FISCAL YEARS 2014-15 AND 2015-16**



**JOHN CHIANG
CALIFORNIA STATE TREASURER**

INTRODUCTION

This report for fiscal years 2014-15 and 2015-16 is submitted in accordance with Government Code Section 12329. The statute provides, “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 to the credit of the State, and a summary of the receipts and payments of the treasury during the two preceding fiscal years.”

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 \$71.13 billion on June 30, 2015 and \$77.28 billion on June 30, 2016.

State of California		
Treasury Assets*		
(\$ thousands)		
<u>Cash Group</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>
Demand Deposits	\$1,488,935	\$1,880,772
Fiscal Agent and Custodial Deposits	30,529	30,324
Accounts Receivable	654	609
Pooled Money Investment Account		
Time Deposits	5,437,540	5,549,440
Securities	63,727,000*	69,317,152*
Loans	441,948	502,313
PMIA Total	<u>69,606,488</u>	<u>75,368,905</u>
TOTAL	\$71,126,606	\$77,280,610

* Premium/discount amortization posted on June 30th.

CASH RECEIPTS AND DISBURSEMENTS

The cash receipts deposited through the centralized State Treasury totaled approximately \$1.03 trillion during fiscal year 2014-15 and \$966.8 billion during fiscal year 2015-16. Disbursements totaled approximately \$1.03 trillion during fiscal year 2014-15 and \$966.5 billion during fiscal year 2015-16.

State of California		
Fiscal Year 2014–15 Quarterly Cash Receipts and Disbursements*		
(\$ thousands)		
	<u>Receipts</u>	<u>Disbursements</u>
July 2014 – September 2014	\$226,774,395	\$227,096,333
October 2014 – December 2014	238,547,481	238,382,601
January 2015 – March 2015	255,263,012	254,942,156
April 2015 – June 2015	305,773,524	306,453,193
TOTAL	\$1,026,358,411	\$1,026,874,283

State of California		
Fiscal Year 2015–16 Quarterly Cash Receipts and Disbursements*		
(\$ thousands)		
	<u>Receipts</u>	<u>Disbursements</u>
July 2015 – September 2015	\$253,488,357	\$253,146,744
October 2015 – December 2015	238,555,126	239,322,225
January 2016 – March 2016	240,781,162	239,730,959
April 2016 – June 2016	233,989,103	234,280,752
TOTAL	\$966,813,748	\$966,480,681

* Details may not add to totals due to rounding.

INVESTMENTS

The investment earnings of the Pooled Money Investment Account (PMIA) for fiscal years 2014-15 and 2015-16 totaled \$442.46 million.

During fiscal year 2014-15, PMIA investment activity involved 7,021 transactions, totaling \$315.5 billion. The table below provides a breakdown of the PMIA portfolio holdings as of June 30, 2015.

State of California		
Pooled Money Investment Account Portfolio*		
As of June 30, 2015		
(\$ thousands)		
<u>Security Type</u>	<u>Principal Amount</u>	<u>Percent of Portfolio</u>
Governments		
Bills	\$12,478,798	17.93%
Bonds	0	0.00%
Notes	20,558,752	29.53%
Strips	0	0.00%
Total Governments	\$33,037,550	47.46%
Federal Agency Debentures	\$1,992,881	2.86%
Certificates of Deposit	14,650,015	21.05%
Bank Notes	700,000	1.01%
Repurchases	0	0.00%
Federal Agency Discount Notes	6,937,478	9.97%
Time Deposits	5,437,540	7.81%
GNMAs	0	0.00%
Commercial Paper	5,921,030	8.51%
FHLMC/Remics	88,086	0.13%
Corporate Bonds	0	0.00%
AB 55 Loans	441,948	0.63%
General Fund Loans	0	0.00%
Other	399,960	0.57%
Reversed Repurchases	0	0.00%
TOTAL (All Types)	\$69,606,488	100.00%

*Details may not add to totals due to rounding.

INVESTMENTS (CONTINUED)

During fiscal year 2015-16, PMIA investment activity involved 6,936 transactions, totaling \$303.6 billion. The table below provides a breakdown of the PMIA portfolio holdings as of June 30, 2016.

State of California		
Pooled Money Investment Account Portfolio*		
As of June 30, 2016		
(\$ thousands)		
<u>Security Type</u>	<u>Principal Amount</u>	<u>Percent of Portfolio</u>
Government		
Bills	\$12,202,777	16.19%
Bonds	0	0.00%
Notes	21,650,061	28.73%
Strips	0	0.00%
Total Government	\$33,852,838	44.92%
Federal Agency Debentures	\$1,916,653	2.55%
Certificates of Deposit	16,575,008	21.99%
Bank Notes	800,000	1.06%
Repurchases	0	0.00%
Federal Agency Discount Notes	8,126,878	10.78%
Time Deposits	5,549,440	7.36%
GNMAs	0	0.00%
Commercial Paper	7,486,127	9.93%
FHLMC/Remics	59,658	0.08%
Corporate Bonds	0	0.00%
AB 55 Loans	502,313	0.67%
General Fund Loans	0	0.00%
Other	499,990	0.66%
Reversed Repurchases	0	0.00%
TOTAL (All Types)	\$75,368,905	100.00%

* 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 \$5.090 billion in fiscal year 2014-15 and \$5.622 billion in fiscal year 2015-16.

GENERAL FUND SUPPORTED DEBT OUTSTANDING

As of June 30, 2016, the State had \$85.52 billion in aggregate principal amount of General Fund-supported debt outstanding. This consisted of \$75.71 billion of general obligation bonds and commercial paper and \$9.81 billion of lease revenue bonds. Details of the total June 30, 2015 and June 30, 2016, outstanding General Fund-supported debt appear in the table below.

State of California		
General Fund Supported Debt Outstanding*		
(\$ thousands)		
	<u>June 30, 2015</u>	<u>June 30, 2016</u>
<u>General Obligation (GO) Non-Self Liquidating</u>		
Children's Hospital	\$1,312,380	\$1,295,985
Clean Water & Disaster Preparation	13,396,685	13,387,190
Higher Education	9,028,140	8,717,155
Housing	2,100,210	1,860,510
K-12 Education	30,374,525	29,427,775
Stem Cell	1,441,565	1,323,675
Transportation & Clean Air	17,145,655	18,141,985
Other	1,687,780	1,558,695
Total GO (Non-Self Liquidating)	\$76,486,940	\$75,712,970
 <u>Lease Debt</u>		
Community Colleges	\$261,625	\$218,795
Department of Corrections and Rehabilitation	4,178,000	4,187,310
Regents of the University of California	0	0
Trustees of the California State University	1,045,520	207,145
Various State Office Buildings	5,172,280	4,920,630
Other State Facilities Lease-Revenue Issues	332,055	274,310
Total Lease Debt	\$10,989,480	\$9,808,190
 TOTAL GENERAL FUND SUPPORTED DEBT	\$87,476,420	\$85,521,160

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

GENERAL FUND-SUPPORTED DEBT SOLD

Since June 30, 2014, the State Treasurer sold approximately \$15.66 billion in principal amount 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 \$7.34 billion in fiscal year 2014-15 and \$8.32 billion in fiscal year 2015-16.

State of California		
General Fund-Supported Debt Sold		
(\$ thousands)		
	<u>June 30, 2015</u>	<u>June 30, 2016</u>
<u>General Obligation (GO) Non-Self Liquidating</u>		
Repayment of Construction Loan Advances	\$958,405	\$1,372,690
Natural Resources & Environment	27,405	0
Transportation	1,934,005	765,770
K-12 Education	119,660	120,000
Higher Education	0	0
Housing	142,895	0
Children's Hospital	54,825	0
Refundings	3,294,050	5,057,820
Stem Cell	81,825	0
Public Safety	0	0
Total GO (Non-Self Liquidating)	\$6,613,070	\$7,316,280
<u>Lease Debt</u>		
Community Colleges	\$0	\$0
Department of Corrections and Rehabilitation	160,455	223,800
Trustees of the California State University	0	0
Various State Office Buildings	98,960	0
Refunding – Dept. of Corrections and Rehabilitation	424,050	0
Refunding – Various State Office Buildings	44,620	618,005
Refunding – Other State Facilities Lease-Revenue Issues	0	162,500
Total Lease Debt	\$728,085	\$1,004,305
TOTAL GENERAL FUND-SUPPORTED DEBT	\$7,341,155	\$8,320,585