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PR10:002
For Immediate Release:
1/7/2010

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Controller Releases December Cash Report

SACRAMENTO – State Controller John Chiang today released his monthly report covering California's cash balance, receipts and disbursements in December. The month's receipts rose above estimates by \$481 million, or 5.7%.

"December receipts showed signs of improvement, but the State continues to face tremendous fiscal challenges," said Chiang. "At best, this is the beginning of a long and gradual recovery."

Year-to-date revenues remain below the amended 2009-10 Budget's estimates by \$353 million, or -0.9%, and state payments went out faster than expected near the end of the 2009 calendar year. The State's overall cash position was \$202 million below its projected level on December 31.

"There are no quick and easy solutions – education, prisons, health and social services together make up 93% of our State's General Fund budget. But the Governor and Legislature can limit the pain by acting expeditiously to avoid IOUs or payment delays this year," said Chiang.

The Governor is expected to release new cash flow estimates as part of his budget proposal tomorrow. The Controller will then stress-test those figures to provide updated cash flows.

The State started the fiscal year with an \$11.9 billion cash deficit in the General Fund, which grew to \$24.8 billion by December 31. Those deficits are being covered with a combination of \$16 billion of internal borrowing from special funds and \$8.8 billion in short-term revenue anticipation notes.

December 2009's [financial statement](#) and the [summary analysis](#) can be found on the Controller's Web site at www.sco.ca.gov.

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