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Controller Releases August 2009 Cash Figures

SACRAMENTO – State Controller John Chiang today released his monthly report detailing California's cash balance, receipts and disbursements in August 2009. Total General Fund revenue was down \$237 million (-3.6%) from estimates in the recently amended 2009-10 Budget Act.

"My office's stress-testing of the budget anticipated some revenue loss, so the State's cash outlook has not changed. While those revenues can be made up in the months ahead, I am concerned that they constitute nearly one half of the State's \$500 million budget reserve," said State Controller John Chiang. "What is more troubling to me is that consumer activity and unemployment continue to be a drag on California's recovery."

In August, the State issued \$862 million in Registered Warrants, commonly known as IOUs, and delayed another \$471 million in scheduled payments. After accounting for IOUs and payment delays, total State disbursements for the year to date were still \$1 billion below projections in the Budget Act.

August personal income tax revenues were \$247 million below (-8.9%) estimates and sales taxes were down \$185 million (-5.5%). Corporate taxes came in above projections by \$27.3 million (22.6%).

The State started the fiscal year with an \$11.9 billion cash deficit, which grew to \$12.6 billion by August 31. Without IOUs and payment delays in July and August, the cash deficit would have grown to \$16 billion.

August 2009's and the , along with more information on the State's cash crisis can be found can be found on the Controller's Web site at www.sco.ca.gov.

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