



# Controller Betty T. Yee

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## Controller Releases July 2010 Cash Figures

**SACRAMENTO** – State Controller John Chiang today released his monthly report covering California's cash balance, receipts and disbursements in July. The month's revenues were below the Governor's May Revision estimates by \$91 million, or 1.9 percent.

"While July's numbers do not radically change our cash position, the failure to pass a timely budget remains the biggest threat to California's finances," said Chiang. "I urge the Governor and Legislature to show leadership by immediately addressing the potential cash crisis."

The Legislature passed and the Governor signed a series of scheduled payment deferrals earlier this year. That legislation calls for an October education deferral to be accelerated into September if necessary to maintain the State's cash flow. When that payment is deferred in September, the State is projected to maintain safe cash levels into October.

Yet without a balanced budget that allows the State to begin its regular cash-flow borrowing, the State may still have to take extreme measures to manage cash, including IOUs, by late August or early September.

Personal income tax revenues were \$210 million below (-6.6%) estimates. Corporate taxes were up \$86 million (37.4%), and sales taxes came in \$69 million above (6.6%) estimates.

Expenditures were running \$963 million ahead of estimates through July 31. The State's \$13.7 billion cash deficit is being covered entirely by internal borrowing.

July 2010's and the can be found on the Controller's website at [www.sco.ca.gov](http://www.sco.ca.gov).

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