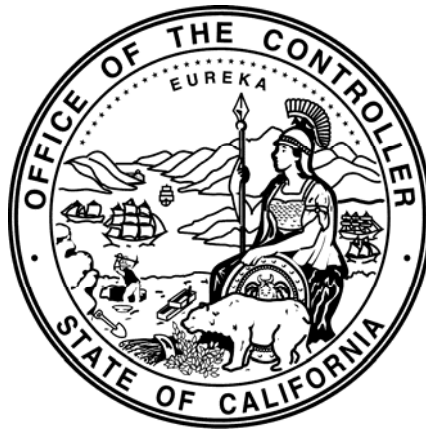


STATEMENT of GENERAL FUND CASH RECEIPTS and DISBURSEMENTS

October 2008



JOHN CHIANG
California State Controller



JOHN CHIANG
California State Controller

November 07, 2008

Users of the Statement of General Fund Cash Receipts and Disbursements:

Enclosed is the Statement of General Fund Cash Receipts and Disbursements for the period October 1, 2008, through October 31, 2008. This statement reflects the State of California's General Fund cash position and compares actual receipts and disbursements for the 2008-09 fiscal year to cash flow estimates prepared by the Department of Finance for the 2008-09 Budget Act. The statement is prepared in compliance with Provision 9 of Budget Act item 0840-001-0001, using records compiled by the State Controller.

Since April 2008, a portion of the Public Schools K-12 payment, Revenue Anticipation Notes (RAN) interest and partial principal payments, and certain other General Fund payments were made by the General Cash Revolving Fund (GCRF) pursuant to Government Code section 16381. Opening the GCRF provides the State with cash management flexibility in the event it becomes necessary to issue a Registered Reimbursement Warrant (commonly referred to as a "RAW"). The establishment of the GCRF does NOT signal that the need for a RAW is inevitable. Rather, it is a precautionary step intended to optimize options for the State to fully meet its payment obligations under even the most difficult of circumstances. The GCRF amounts have been combined with the General Fund for reporting purposes because they represent General Fund type activities (see Attachment A for details).

These statements are also available on the Internet at the State Controller's website at www.sco.ca.gov under the category Monthly Cash Reports.

Any questions concerning this report may be directed to Michael Carter, Chief Operating Officer, at (916) 552-8080.

Sincerely,

Original signed by,

JOHN CHIANG
California State Controller

STATEMENT OF GENERAL FUND CASH RECEIPTS AND DISBURSEMENTS
A Comparison of Actual to 2008-09 Budget Act Estimates
(Amounts in thousands)

	July 1 through October 31				
	2008				2007
	Actual	Estimate (a)	Actual Over or (Under) Estimate		Actual
			Amount	%	
GENERAL FUND BEGINNING CASH BALANCE	\$ -	\$ -	\$ -	-	\$ 2,462,023
Add Receipts:					
Revenues	26,009,699	26,368,672	(358,973)	(1.4)	26,521,572
Nonrevenues	837,837	914,119	(76,282)	(8.3)	1,031,681
Total Receipts	26,847,536	27,282,791	(435,255)	(1.6)	27,553,253
Less Disbursements:					
State Operations	10,783,084 (d)	10,200,002	583,082	5.7	10,392,025
Local Assistance	30,732,435 (d)	32,991,796	(2,259,361)	(6.8)	31,707,574
Capital Outlay	735,686 (d)	747,627	(11,941)	(1.6)	392,318
Nongovernmental	(40,150) (d)	(106,514)	66,364	-	1,063,041
Total Disbursements	42,211,055	43,832,911	(1,621,856)	(3.7)	43,554,958
Receipts Over / (Under) Disbursements	(15,363,519)	(16,550,120)	1,186,601	-	(16,001,705)
Net Increase / (Decrease) in Temporary Loans	15,363,519	16,550,120	(1,186,601)	(7.2)	13,539,682
GENERAL FUND ENDING CASH BALANCE	-	-	-	-	-
Special Fund for Economic Uncertainties	-	-	-	-	-
TOTAL CASH	\$ -	\$ -	\$ -	-	\$ -
BORROWABLE RESOURCES					
Available Borrowable Resources	\$ 23,723,436 (e)	\$ 24,559,751 (h)	\$ (836,315)	(3.4)	\$ 16,082,858
Outstanding Loans (b)	16,815,277 (d)	18,001,878	(1,186,601)	(6.6)	13,539,682
Unused Borrowable Resources	\$ 6,908,159	\$ 6,557,873	\$ 350,286	5.3	\$ 2,543,176

General Note:

This report is based upon funded cash. Funded cash is cash reported to and recorded in the records of the State Controller's Office. Amounts reported as funded cash may differ from amounts in other reports to the extent there are timing differences in the recording of in-transit items.

Footnotes:

- (a) A Statement of Estimated Cash Flow for the 2008-09 fiscal year prepared by the Department of Finance for the 2008-09 Budget Act. Any projections or estimates are set forth as such and not as representations of fact.
- (b) Outstanding loan balance of \$16.8 billion is comprised of \$11.8 billion of internal borrowing and \$5.0 billion external borrowing.
- (c) Any negative balances are the result of repayments received that are greater than disbursements made.
- (d) The General Cash Revolving Fund (GCRF) disbursements and loans have been combined with the General Fund for reporting purposes because they represent major General Fund type activities. See Attachment A for details.
- (e) Additional funds were authorized as borrowable in AB 1389 Trailer Bill and are included in the actual Available Borrowable Resources.
- (f) Due to the Budget Act being enacted late in the month of September, the \$1.0 billion Advance to Medi-Cal Provider Interim Payment was repaid in October and the disbursements for Local Assistance Medical Assistance program increased by the same amount.
- (g) In October, the Department of Education recertified the advance apportionment for the District Revenue Limits, reducing the total payments for July 2008 through January 2009 by \$1.4 billion.
- (h) In October, \$5.0 billion of the anticipated \$7.0 billion in Revenue Anticipation Notes proceeds were received. The additional \$2.0 billion remains unsold.

SCHEDULE OF CASH RECEIPTS

(Amounts in thousands)

	Month of October		July 1 through October 31				
	2008	2007	2008		2007		
			Actual	Estimate (a)	Actual Over or (Under) Estimate		Actual
				Amount	%		
REVENUES							
Alcoholic Beverage Excise Tax	\$ 27,476	\$ 25,066	\$ 118,264	\$ 124,228	\$ (5,964)	(4.8)	\$ 116,520
Corporation Tax	290,972	380,934	2,529,613	2,613,641	(84,028)	(3.2)	3,141,418
Cigarette Tax	9,832	9,018	38,237	46,550	(8,313)	(17.9)	48,249
Estate, Inheritance, and Gift Tax	2,734	2,923	5,324	2,326	2,998	128.9	6,370
Insurance Companies Tax	9,357	24,355	556,700	566,241	(9,541)	(1.7)	574,114
Personal Income Tax	3,090,039	3,233,614	14,496,646	14,642,607	(145,961)	(1.0)	14,686,594
Retail Sales and Use Taxes	876,098	983,596	7,122,850	7,156,752	(33,902)	(0.5)	7,489,924
Pooled Money Investment Interest	26,341	53,060	106,951	101,601	5,350	5.3	176,283
Not Otherwise Classified	197,096	91,750	1,035,114	1,114,726	(79,612)	(7.1)	282,100
Total Revenues	4,529,945	4,804,316	26,009,699	26,368,672	(358,973)	(1.4)	26,521,572
NONREVENUES							
Transfers from Special Fund for Economic Uncertainties	-	-	245,821	245,821	-	-	12,000
Transfers from Other Funds	442,883	163,533	504,002	542,863	(38,861)	(7.2)	854,508
Miscellaneous	50,622	(3,607)	88,014	125,435	(37,421)	(29.8)	165,173
Total Nonrevenues	493,505	159,926	837,837	914,119	(76,282)	(8.3)	1,031,681
Total Receipts	\$ 5,023,450	\$ 4,964,242	\$ 26,847,536	\$ 27,282,791	\$ (435,255)	(1.6)	\$ 27,553,253

See notes on page 1.

SCHEDULE OF CASH DISBURSEMENTS

(Amounts in thousands)

	Month of October		July 1 through October 31				2007
			2008		Actual Over or (Under) Estimate		
	2008	2007	Actual	Estimate (a)	Amount	%	Actual
STATE OPERATIONS (c)							
Legislative/Judicial/Executive	\$ 207,399	\$ 106,684	\$ 686,537	\$ 583,012	\$ 103,525	17.8	\$ 636,928
State and Consumer Services	61,661	27,182	197,697	175,418	22,279	12.7	194,945
Business, Transportation and Housing Resources	789	346	3,224	2,036	1,188	58.3	4,665
Environmental Protection Agency	196,667	142,982	700,025	574,539	125,486	21.8	503,790
Health and Human Services:							
Health Services	10,600	5,246	19,228	19,982	(754)	(3.8)	23,145
Mental Health	20,484	67,926	174,843	153,786	21,057	13.7	201,134
Other Health and Human Services	128,028	67,262	410,604	386,651	23,953	6.2	341,634
Education:	9,365	19,037	341,304	305,170	36,134	11.8	248,321
University of California	331,633	364,879	1,108,311 (d)	1,196,606	(88,295)	(7.4)	1,217,700
State Universities and Colleges	294,420	282,719	1,213,697	1,158,591	55,106	4.8	1,191,251
Other Education	(962)	926	63,297	71,618	(8,321)	(11.6)	75,396
Dept. of Corrections and Rehabilitation	1,001,067	833,621	3,413,708	3,321,147	92,561	2.8	2,927,365
General Government	260,038	130,386	546,245 (d)	644,218	(97,973)	(15.2)	1,175,690
Public Employees Retirement System	291,032	269,866	282,902 (d)	285,493	(2,591)	(0.9)	272,987
Debt Service	789,138	462,206	1,652,193 (d)	1,282,347	369,846	28.8	1,377,074
Interest on Loans	(31,089)	-	(30,731)	39,388	(70,119)	(178.0)	-
Total State Operations	3,570,270	2,781,268	10,783,084	10,200,002	583,082	5.7	10,392,025
LOCAL ASSISTANCE (c)							
Public Schools - K-12	5,092,587	3,875,868	14,567,333 (d)	16,088,884	(1,521,551) (g)	(9.5)	14,837,879
Community Colleges	1,619,957	414,918	1,870,494	1,767,368	103,126	5.8	1,757,770
Debt Service-School Building Bonds	-	-	-	-	-	-	-
Contributions to State Teachers' Retirement System	133,900	125,354	267,801	267,802	(1)	(0.0)	1,372,209
Other Education	486,107	529,590	1,344,435	1,407,919	(63,484)	(4.5)	1,650,397
Dept. of Corrections and Rehabilitation	7,179	4,148	65,448	130,740	(65,292)	(49.9)	49,476
Dept. of Alcohol and Drug Program	98,980	5,482	137,354	226,694	(89,340)	(39.4)	41,944
Dept. of Health Services:							
Medical Assistance Program (f)	2,157,570	1,220,742	5,079,885	5,289,517	(209,632)	(4.0)	4,888,399
Other Health Services	59,707	110,215	151,725	62,603	89,122	142.4	183,433
Dept. of Developmental Services	486,136	427,213	1,310,875	1,428,958	(118,083)	(8.3)	1,440,502
Dept. of Mental Health	476,847	38,287	681,341	904,541	(223,200)	(24.7)	369,353
Dept. of Social Services:							
SSI/SSP/IHSS	229,929	380,132	2,166,655	2,230,187	(63,532)	(2.8)	2,140,884
CalWORKs	316,328	337,709	1,559,539	1,514,581	44,958	3.0	1,361,908
Other Social Services	117,611	117,243	457,897	561,528	(103,631)	(18.5)	493,950
Tax Relief	77	21,051	1,928	82,068	(80,140)	(97.7)	161,887
Other Local Assistance	351,552	136,636	1,069,725	1,028,406	41,319	4.0	957,583
Total Local Assistance	11,634,467	7,744,588	30,732,435	32,991,796	(2,259,361)	(6.8)	31,707,574

See notes on page 1.

(Continued)

SCHEDULE OF CASH DISBURSEMENTS (Continued)

(Amounts in thousands)

	Month of October		July 1 through October 31				2007 Actual
	2008	2007	2008		Actual Over or (Under) Estimate		
			Actual	Estimate (a)	Amount	%	
CAPITAL OUTLAY	351,586	346,424	735,686 (d)	747,627	(11,941)	(1.6)	392,318
NONGOVERNMENTAL (c)							
Transfer to Special Fund for Economic Uncertainties	-	-	-	-	-	-	-
Transfer to Budget Stabilization Account	-	-	-	-	-	-	1,022,621
Transfer to Other Funds	37,655	3,204	492,910 (d)	472,662	20,248	4.3	426,905
Transfer to Revolving Fund	107,168	999	56,654	(41,513)	98,167	-	60,304
Advance:							
Medi-Cal Provider Interim Payment (f)	(1,000,000)	-	-	-	-	-	-
State-County Property Tax Administration Program	(5,423)	23,335	(15,526)	21,206	(36,732)	(173.2)	36,925
Social Welfare Federal Fund	(15,818)	(14,822)	(24,395)	(558,869)	534,474	-	(22,503)
Tax Relief and Refund Account	-	(79,700)	-	-	-	-	-
Counties for Social Welfare	-	-	(549,793)	-	(549,793)	-	(461,211)
Total Nongovernmental	(876,418)	(66,984)	(40,150)	(106,514)	66,364	-	1,063,041
Total Disbursements	\$ 14,679,905	\$ 10,805,296	\$ 42,211,055	\$ 43,832,911	\$ (1,621,856)	(3.7)	\$ 43,554,958
TEMPORARY LOANS							
Special Fund for Economic Uncertainties	\$ -	\$ -	\$ 679,895 (d)	\$ 679,895	\$ -	-	\$ 1,609,514
Budget Stabilization Account	-	-	-	-	-	-	1,494,391
Other Internal Sources	4,656,455	5,841,054	9,683,624 (d)	8,870,225	813,399	9.2	10,435,777
Revenue Anticipation Notes	5,000,000	-	5,000,000	7,000,000	(2,000,000) (h)	(28.6)	-
Net Increase / (Decrease) Loans	\$ 9,656,455	\$ 5,841,054	\$ 15,363,519	\$ 16,550,120	\$ (1,186,601)	(7.2)	\$ 13,539,682

See notes on page 1.

(Concluded)

COMPARATIVE STATEMENT OF REVENUES RECEIVED
All Governmental Cost Funds
(Amounts in thousands)

	July 1 through October 31			
	General Fund		Special Funds	
	2008	2007	2008	2007
MAJOR TAXES, LICENSES, AND INVESTMENT INCOME:				
Alcoholic Beverage Excise Taxes	\$ 118,264	\$ 116,520	\$ -	\$ -
Corporation Tax	2,529,613	3,141,418	-	-
Cigarette Tax	38,237	48,249	326,999	400,103
Estate, Inheritance, and Gift Tax	5,324	6,370	-	-
Insurance Companies Tax	556,700	574,114	-	-
Motor Vehicle Fuel Tax:				
Gasoline Tax	-	-	889,134	975,363
Diesel & Liquid Petroleum Gas	-	-	181,551	213,244
Jet Fuel Tax	-	-	1,063	1,002
Vehicle License Fees	-	-	723,159	796,021
Motor Vehicle Registration and Other Fees	-	-	995,903	994,086
Personal Income Tax	14,496,646	14,686,594	258,506	262,382
Retail Sales and Use Taxes	7,122,850	7,489,924	2,623,445	2,393,861
Pooled Money Investment Interest	106,951	176,283	615	904
Total Major Taxes, Licenses, and Investment Income	24,974,585	26,239,472	6,000,375	6,036,966
NOT OTHERWISE CLASSIFIED:				
Alcoholic Beverage License Fee	1,398	1,791	17,546	17,173
Electrical Energy Tax	-	-	183,928	205,000
Private Rail Car Tax	2	(5)	-	-
Penalties on Traffic Violations	-	-	25,758	24,503
Health Care Receipts	8,540	2,618	-	-
Revenues from State Lands	241,839	71,733	-	-
Abandoned Property	312,769	(107,425)	-	-
Trial Court Revenues	23,744	22,422	455,820	435,727
Horse Racing Fees	955	718	9,986	11,215
Miscellaneous	445,867	290,248	2,369,379	2,516,886
Not Otherwise Classified	1,035,114	282,100	3,062,417	3,210,504
Total Revenues, All Governmental Cost Funds	\$ 26,009,699	\$ 26,521,572	\$ 9,062,792	\$ 9,247,470

See notes on page 1.

**GENERAL CASH REVOLVING FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
(Amounts in thousands)
Attachment A**

	<u>Prior Year and July 1 through September 30, 2008</u>	<u>Month of October 2008</u>	<u>Prior Year and July 1 through October 31, 2008</u>
GENERAL CASH REVOLVING FUND BEGINNING CASH BALANCE	\$ -	\$ -	\$ -
Add Receipts:			
Special Fund Loans	4,582,022	(882,022)	3,700,000
Pooled Money Investment Account Loans	<u>2,576,800</u>	<u>(2,576,800)</u>	<u>-</u>
Total Receipts	7,158,822	(3,458,822)	3,700,000
Less Disbursements:			
State Operations			
Education:			
University of California	194,188	-	194,188
General Government	43,064	-	43,064
Public Employees Retirement System	430,716	438,846	869,562
Debt Service	169,467	327,118	496,585
Interest on Loans	<u>185,888</u>	<u>-</u>	<u>185,888</u>
Total State Operations	1,023,323	765,964	1,789,287
Local Assistance			
Public Schools K-12	3,563,445	(2,446,945)	1,116,500
Community Colleges	199,925	(199,925)	-
State Teachers' Retirement System	133,901	(133,901)	-
Other Education	-	-	-
Dept of Health Services:			
Medical Assistance Program	304,849	(304,849)	-
Other Health Services	28,719	(28,719)	-
Dept of Social Services:			
SSI/SSP/IHSS	543,783	(543,783)	-
CalWORKS	412,681	(412,681)	-
Other Local Assistance	<u>153,983</u>	<u>(153,983)</u>	<u>-</u>
Total Local Assistance	5,341,286	(4,224,786)	1,116,500
Capital Outlay			
Business, Transportation & Housing	206,454	-	206,454
Nongovernmental			
Transfer to Other Funds	438,388	-	438,388
Temporary Loans			
RAN Partial Principal	149,371	-	149,371
Total Disbursements	<u>7,158,822</u>	<u>(3,458,822)</u>	<u>3,700,000</u>
GENERAL CASH REVOLVING FUND ENDING CASH BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>