

State of Connecticut

DENISE L. NAPPIER
TREASURER



Hartford

October 3, 2017

Joint Committee on Finance, Revenue and Bonding:

The Honorable John W. Fonfara, Senate Co-Chair
The Honorable L. Scott Frantz, Senate Co-Chair
The Honorable Jason Rojas, House Co-Chair
The Honorable Christopher Davis, House Ranking Member

Appropriations Committee:

The Honorable Paul M. Formica, Senate Co-Chair
The Honorable Catherine A. Osten, Senate Co-Chair
The Honorable Toni E. Walker, House Co-Chair
The Honorable Melissa Ziobron, House Ranking Member

Legislative Office Building
Hartford, CT 06106

Dear Mesdames and Messrs.:

Pursuant to Section 3-37(b) of the general statutes, please find attached the monthly report for August 2017, which provides certain information regarding the State's cash position and bonding.

The report for August 2017 shows strong overall cash balances. No temporary transfers from bond proceeds investment accounts have been made since December 2014. As of September 30, 2017, our total available cash equaled \$2.3 billion.

To date, our cash balances have been more than adequate despite the lack of an adopted budget, which has delayed one bond sale. The continued absence of a budget could cause further delays in bond sales, which would lower bond fund balances and could strain the State's operating cash. We currently are assessing the potential impacts of further budget delays on bond sales and cash balances.

As always, our office will keep you updated on developments with our cash flow. In the meantime, should you have any questions, please feel free to call.

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Sincerely,

A handwritten signature in black ink, appearing to read "Lawrence A. Wilson". The signature is fluid and cursive, with a prominent initial "L" and a long, sweeping underline.

Lawrence A. Wilson
Deputy State Treasurer

Attachment

cc: The Honorable Dannel P. Malloy, Governor
Mr. Neil Ayers, Director, Office of Fiscal Analysis
Mr. Michael Murphy, Section Chief, Office of Fiscal Analysis
Mr. Eric M. Gray, Principal Analyst, Office of Fiscal Analysis

State of Connecticut - Office of the Treasurer
Monthly Report Prepared Pursuant to CGS Section 3-37 (b)
Report for the Month of August, 2017, dated October 2, 2017
(in millions)

<u>Week Ending Available Cash Balance</u>	<u>August 5, 2017</u>		<u>August 12, 2017</u>		<u>August 19, 2017</u>		<u>August 26, 2017</u>		<u>September 2, 2017</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Common Cash Pool ⁽¹⁾	\$1,026.8	40.8%	\$1,051.8	41.9%	\$942.8	39.7%	\$1,081.7	43.5%	\$770.2	35.9%
GO Bond STIF Accounts ⁽²⁾	\$1,001.0	39.8%	\$990.1	39.4%	\$990.1	41.7%	\$969.4	39.0%	\$958.8	44.6%
STO Bond STIF Accounts	\$214.5	8.5%	\$194.3	7.7%	\$177.2	7.5%	\$157.5	6.3%	\$140.3	6.5%
Clean Water Bond STIF Accounts	\$177.7	7.1%	\$177.7	7.1%	\$168.9	7.1%	\$168.9	6.8%	\$169.1	7.9%
Special Transportation Fund STIF Account	\$59.2	2.4%	\$59.3	2.4%	\$59.3	2.4%	\$72.0	2.9%	\$72.1	3.4%
Misc. STIF Accounts	<u>37.1</u>	<u>1.4%</u>	<u>37.1</u>	<u>1.5%</u>	<u>37.1</u>	<u>1.6%</u>	<u>37.1</u>	<u>1.5%</u>	<u>37.1</u>	<u>1.7%</u>
Total Available Cash*	\$2,516.3	100.0%	\$2,510.2	100.0%	\$2,375.4	100.0%	\$2,486.6	100.0%	\$2,147.6	100.0%

(1) The Common Cash Pool represents the state's operating cash.

(2) No proceeds from bond investment accounts were temporarily transferred to or from the Common Cash Pool during August or September.

STIF = Short-Term Investment Fund

<u>Components of Common Cash Pool⁽³⁾</u>	<u>August 5, 2017</u>		<u>August 12, 2017</u>		<u>August 19, 2017</u>		<u>August 26, 2017</u>		<u>September 2, 2017</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Short-Term Investment Fund	\$609.2		\$570.4		\$466.2		\$613.9		\$282.1	
Short-Term Investment Fund Plus	\$0.0		\$0.0		\$0.0		\$0.0		\$0.0	
Extended Investment Portfolio	\$315.6		\$378.6		\$378.6		\$378.6		\$378.9	
Community Bank & Credit Union Initiative	\$20.3		\$22.3		\$22.3		\$22.3		\$22.3	
Bank Concentration Accounts	<u>\$81.6</u>		<u>\$80.6</u>		<u>\$75.7</u>		<u>\$66.9</u>		<u>\$66.9</u>	
Total Common Cash Pool*	\$1,026.8		\$1,051.9		\$942.8		\$1,081.7		\$770.2	

(3) Balances are allocated daily between investment and bank options based on relative interest and earnings credit rates and projected cash flows.

<u>Bonding Program</u>	<u>Authorized and Unissued Bonding by Program as of July 31, 2017</u>		<u>2018 Fiscal Year To Date Issuance</u>		<u>New Bond Issuance Assumptions For the Balance of 2018 Fiscal Year</u>	
	<u>Authorized by Legislature but Unissued</u>	<u>Authorized by Bond Commission but Unissued</u>	<u>Fiscal Year To Date Issuance</u>	<u>2018 Fiscal Year To Date Issuance</u>	<u>2018 Fiscal Year To Date Issuance</u>	<u>2018 Fiscal Year To Date Issuance</u>
General Obligation	\$4,768.9	\$2,349.7	\$0.0	\$0.0	\$2,000.0	\$2,000.0
Special Tax Obligation	\$4,535.7	\$3,633.3	\$0.0	\$0.0	\$900.0	\$900.0
Clean Water Fund	\$1,159.0	\$728.6	\$0.0	\$0.0	\$0.0	\$0.0
UConn 2000 Program	<u>\$397.9</u>	<u>\$250.2</u>	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$300.0</u>	<u>\$300.0</u>
Total	\$10,861.5	\$6,961.8	\$0.0	\$0.0	\$3,200.0	\$3,200.0

* Details may not add due to rounding.