

# State of Connecticut

DENISE L. NAPIER  
TREASURER



Hartford

December 1, 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 October 2017, which provides certain information regarding the State's cash position and bonding.

The report for October 2017 shows adequate overall cash balances. As of November 25, 2017, our total available cash equaled \$1.2 billion.

As reported last month, delays in adopting a budget caused postponements of bond sales to fund capital expenditures, thereby likely requiring temporary transfers between bond proceeds investment accounts and the cash pool. Indeed, yesterday we made our first such transfer since December 2014, primarily due to negative balances in some bond fund accounts that have been covered by the common cash pool. We expect the transfers to be returned to their investment accounts when our \$750 million sale of bonds and bond anticipation notes (BANs) is completed later this month. We currently do not anticipate the need for external cash flow borrowing.

December 1, 2017

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

Sincerely,



Denise L. Nappier  
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 October, 2017, dated December 1, 2017**  
(in millions)

<u>Week Ending Available Cash Balance</u>	<u>October 7, 2017</u>		<u>October 14, 2017</u>		<u>October 21, 2017</u>		<u>October 28, 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>
Common Cash Pool <sup>(1)</sup>	\$452.5	26.9%	\$440.2	27.3%	\$556.4	32.6%	\$435.5	28.1%
GO Bond STIF Accounts <sup>(2)</sup>	\$906.7	53.9%	\$882.6	54.8%	\$882.6	51.8%	\$870.5	56.2%
STO Bond STIF Accounts	\$55.7	3.3%	\$44.0	2.7%	\$24.5	1.4%	\$2.1	0.1%
Clean Water Bond STIF Accounts	\$151.1	9.0%	\$150.6	9.3%	\$133.3	7.8%	\$133.3	8.6%
Special Transportation Fund STIF Account	\$77.6	4.6%	\$57.1	3.5%	\$71.1	4.2%	\$71.1	4.6%
Misc. STIF Accounts	<u>37.1</u>	<u>2.2%</u>	<u>37.1</u>	<u>2.3%</u>	<u>37.1</u>	<u>2.2%</u>	<u>37.1</u>	<u>2.4%</u>
<b>Total Available Cash*</b>	<b>\$1,680.7</b>	<b>100.0%</b>	<b>\$1,611.7</b>	<b>100.0%</b>	<b>\$1,705.1</b>	<b>100.0%</b>	<b>\$1,549.8</b>	<b>100.0%</b>

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

(2) Proceeds from bond investment accounts were temporarily transferred to the Common Cash Pool during November 2017.  
STIF = Short-Term Investment Fund

<u>Components of Common Cash Pool<sup>(3)</sup></u>	<u>October 7, 2017</u>	<u>October 14, 2017</u>	<u>October 21, 2017</u>	<u>October 28, 2017</u>
Short-Term Investment Fund	\$213.3	\$200.1	\$175.7	\$150.2
Short-Term Investment Fund Plus	\$0.0	\$0.0	\$0.0	\$0.0
Extended Investment Portfolio	\$135.8	\$135.8	\$270.5	\$175.5
Community Bank & Credit Union Initiative	\$22.3	\$22.3	\$22.3	\$22.3
Bank Concentration Accounts	<u>\$81.0</u>	<u>\$82.0</u>	<u>\$87.8</u>	<u>\$87.5</u>
<b>Total Common Cash Pool*</b>	<b>\$452.5</b>	<b>\$440.2</b>	<b>\$556.4</b>	<b>\$435.5</b>

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

<u>Authorized and Unissued Bonding by Program as of October 31, 2017</u>	<u>Authorized by Legislature but Unissued</u>	<u>Authorized by Bond Commission but Unissued</u>	<u>2018 Fiscal Year To Date Issuance</u>	<u>New Bond Issuance Assumptions For the Balance of 2018 Fiscal Year</u>
<u>Bonding Program</u>				
General Obligation	\$5,972.8	\$2,229.7	\$0.0	\$2,000.0
Special Tax Obligation	\$5,356.0	\$3,633.3	\$0.0	\$900.0
Clean Water Fund	\$1,317.2	\$728.6	\$0.0	\$0.0
UConn 2000 Program	<u>\$302.4</u>	<u>\$302.4</u>	<u>\$0.0</u>	<u>\$300.0</u>
<b>Total</b>	<b>\$12,948.4</b>	<b>\$6,894.0</b>	<b>\$0.0</b>	<b>\$3,200.0</b>

\* Details may not add due to rounding.