

# State of Connecticut

DENISE L. NAPPIER  
TREASURER



Hartford

February 1, 2018

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

The report for December 2017 shows growing cash balances that ended the month at a strong level. Our cash position improved due to completion of a GO bond sale and robust personal income tax receipts. Temporary transfers from GO bond proceeds investment accounts to the common cash pool that had occurred beginning on November 30, 2017, were returned to their accounts on December 20, 2017.

Cash balances continued to improve during January from personal income tax receipts that were much higher than expected. As of January 27, our total available cash equaled \$3.7 billion and the common cash pool equaled \$2.6 billion.

The STO bond STIF accounts and the Special Transportation Fund STIF account will be replenished with closing of the postponed STO bond sale on February 8, 2018.

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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,

A handwritten signature in blue ink that reads "Denise L. Nappier". The signature is fluid and cursive, with the first name being the most prominent.

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 December, 2017, dated February 1, 2018**  
(in millions)

<u>Week Ending Available Cash Balance</u>	<u>December 9, 2017</u>		<u>December 16, 2017</u>		<u>December 23, 2017</u>		<u>December 30, 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>	\$133.9	14.4%	\$137.2	14.1%	\$900.0	41.9%	\$1,398.9	54.0%
GO Bond STIF Accounts <sup>(2)</sup>	\$632.4	67.9%	\$672.4	69.0%	\$1,102.2	51.3%	\$1,049.3	40.5%
STO Bond STIF Accounts	\$0.1	0.0%	\$0.1	0.0%	\$0.1	0.0%	\$0.1	0.0%
Clean Water Bond STIF Accounts	\$115.1	12.3%	\$115.1	11.8%	\$102.4	4.8%	\$102.5	4.0%
Special Transportation Fund STIF Account	\$13.0	1.4%	\$13.0	1.3%	\$4.5	0.2%	\$4.6	0.2%
Misc. STIF Accounts	<u>\$37.2</u>	<u>4.0%</u>	<u>\$37.2</u>	<u>3.8%</u>	<u>\$37.2</u>	<u>1.7%</u>	<u>\$37.2</u>	<u>1.4%</u>
<b>Total Available Cash*</b>	<b>\$931.7</b>	<b>100.0%</b>	<b>\$975.0</b>	<b>100.0%</b>	<b>\$2,146.5</b>	<b>100.0%</b>	<b>\$2,592.6</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 and from the Common Cash Pool during December 2017.  
STIF = Short-Term Investment Fund

<u>Components of Common Cash Pool<sup>(3)</sup></u>	<u>December 9, 2017</u>	<u>December 16, 2017</u>	<u>December 23, 2017</u>	<u>December 30, 2017</u>
Short-Term Investment Fund	\$50.6	\$10.6	\$530.0	\$628.3
Short-Term Investment Fund Plus	\$0.0	\$0.0	\$0.0	\$0.0
Extended Investment Portfolio	\$0.0	\$0.0	\$255.0	\$595.2
Community Bank & Credit Union Initiative	\$24.3	\$23.6	\$23.6	\$23.6
Bank Concentration Accounts	<u>\$59.0</u>	<u>\$103.0</u>	<u>\$91.4</u>	<u>\$151.8</u>
<b>Total Common Cash Pool*</b>	<b>\$133.9</b>	<b>\$137.2</b>	<b>\$900.0</b>	<b>\$1,398.9</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 December 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	\$5,122.8	\$2,452.6	\$850.0	\$1,150.0
Special Tax Obligation	\$5,356.0	\$3,738.1	\$0.0	\$800.0
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>\$12,098.4</b>	<b>\$7,221.7</b>	<b>\$850.0</b>	<b>\$2,250.0</b>

\* Details may not add due to rounding.