

0950 State Treasurer

The State Treasurer, a constitutionally established office, provides banking services for state government with goals to minimize interest and service costs and to maximize yield on investments. The Treasurer is responsible for the custody of all monies and securities belonging to or held in trust by the state; investment of temporarily idle state monies; administration of the sale of state bonds, their redemption and interest payments; and payment of warrants or checks drawn by the State Controller and other state agencies.

3-YEAR EXPENDITURES AND POSITIONS

		Positions			Expenditures		
		2024-25	2025-26	2026-27	2024-25*	2025-26*	2026-27*
0740010	Investment Services	19.0	19.0	19.0	\$5,806	\$5,591	\$6,134
0740019	Centralized Treasury & Securities Management	49.7	59.5	59.5	14,417	18,229	18,247
0740028	Public Finance	54.6	60.0	60.0	15,816	16,004	16,016
0740035	Administration	93.1	104.9	104.9	6,029	9,997	9,987
TOTALS, POSITIONS AND EXPENDITURES (All Programs)		216.4	243.4	243.4	\$42,068	\$49,821	\$50,384

FUNDING		2024-25*	2025-26*	2026-27*
0001	General Fund	\$11,886	\$15,387	\$16,236
0995	Reimbursements	23,455	26,877	27,008
9740	Central Service Cost Recovery Fund	6,727	7,557	7,140
TOTALS, EXPENDITURES, ALL FUNDS		\$42,068	\$49,821	\$50,384

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

California Constitution Article XVI, Sections 1.5 and 7; and Government Code Sections 5700-5703, 12302-12333, 16300, 16650-16857.

DETAILED BUDGET ADJUSTMENTS

		2025-26*			2026-27*		
		General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments				-			-
Workload Budget Change Proposals				-			-
	• Blue Ribbon Commission (Youth Sports)	\$-	\$-	-	\$1,000	\$-	-
	• Investment Portfolio Tracking System	-	-	-	-	440	-
	• Electronic Resources Augmentation	-	-	-	-	101	-
Totals, Workload Budget Change Proposals		\$-	\$-	-	\$1,000	\$541	-
Other Workload Budget Adjustments				-			-
	• Central Service Function Cost Realignment	-	-	-	439	-439	-
	• Section 4.12 Vacancy Savings and Position Elimination Adjustment	-	-350	-5.0	-	-350	-5.0
	• Other Post-Employment Benefit Adjustments	-184	-455	-	-200	-496	-
	• Retirement Rate Adjustments	343	853	-	343	853	-
	• Benefit Adjustments	33	82	-	60	144	-
	• Salary Adjustments	-8	-19	-	-8	-19	-
Totals, Other Workload Budget Adjustments		\$184	\$111	-5.0	\$634	\$-307	-5.0
Totals, Workload Budget Adjustments		\$184	\$111	-5.0	\$1,634	\$234	-5.0
Totals, Budget Adjustments		\$184	\$111	-5.0	\$1,634	\$234	-5.0

PROGRAM DESCRIPTIONS

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

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0740010 - INVESTMENT SERVICES

The Investment Division is responsible for investment of state monies through the Pooled Money Investment Account (PMIA), from the date of receipt through the date of redemption. During the 2024-25 fiscal year, this Division handled 13,358 security investment transactions totaling \$659.3 billion. Investments through the PMIA accounted for 12,488 of these transactions totaling \$620.8 billion; time deposits accounted for 739 transactions totaling \$25.8 billion. The remaining \$12.7 billion is invested on behalf of the state's special funds, such as those associated with the California Housing Finance Agency, the Department of Fish and Wildlife, the state's retirement system, etc. The Division also administers the Local Agency Investment Fund (LAIF), a voluntary investment program created to offer California local agencies greater access to the financial markets through the PMIB program. In the 2024-25 fiscal year, 2,334 local agencies participated in LAIF, with deposits averaging \$21.6 billion for the fiscal year.

0740019 - CENTRALIZED TREASURY AND SECURITIES MANAGEMENT

In 1949, the California Legislature amended Government Code Section 16305 to create the Centralized Treasury System (CTS) thereby requiring agencies of the State to deposit their money in trust with the Treasurer. The legislation also requires the Treasurer to safeguard the money and make safe and prudent investments. In 1955, the Legislature created the PMIB, giving the PMIB the responsibility to designate the amount of money available for the investment in securities, bank deposits, and loans to the General Fund.

The Centralized Treasury and Securities Management Division (CTSMD) oversees all banking aspects of the CTS. The goal of the CTSMD is to maximize the earning of interest consistent with safe and prudent treasury management, and to ensure that the depository banks provide the state with proper and adequate security for the deposit of state monies. The Treasurer maintains demand bank accounts with seven banks for the purpose of providing necessary statewide depository coverage for the remittance of funds collected by the various state agencies.

The CTSMD 1) monitors the cash flow of all state funds, forecasts cash balances, revenue, expenditures, and the amounts available for daily investments, 2) ensures accurate and timely agency deposits, 3) administers and executes the wire transfer of funds, 4) reconciles state accounts with depository banks, 5) redeems all state items submitted by presenting banks for payment, 6) executes the clearance and income collection for state investments (excluding PERS and STRS) and securities pledged to the state, 7) fulfills the clearance and settlement of securities pledged to the state as collateral for the time, demand, and other state agency programs, and 8) is responsible for the safekeeping of securities and other personal property owned by or pledged to the state.

0740028 - PUBLIC FINANCE

The Public Finance Division is responsible for selling State of California general obligation bonds, commercial paper notes, revenue anticipation notes, lease revenue bonds, revenue bonds, and any other indebtedness for all state agencies. The Division provides debt administration services for most state bonds and is responsible for disseminating information to bondholders through the Investor Relations Program.

The Division also assures compliance with federal tax laws applicable to certain state debt so there is no adverse consequences to bondholders or increased borrowing costs to the state. The post-issuance tax compliance includes monitoring the use of bond proceeds, managing rebate and yield restriction compliance, coordinating necessary financial disclosure, and ensuring proper record keeping.

0740035 - ADMINISTRATION AND INFORMATION SERVICES The Administration Division, Executive Office, and the Information Services Division provide executive direction and support services to programs in the State Treasurer's Office. Services include budgeting, personnel, accounting, information systems, business services, technical support, and production operations.

		2024-25*	2025-26*	2026-27*
PROGRAM REQUIREMENTS				
0740	STATE TREASURER'S OFFICE			
	State Operations:			
0001	General Fund	\$11,886	\$15,387	\$16,236
0995	Reimbursements	23,455	26,877	27,008
9740	Central Service Cost Recovery Fund	6,727	7,557	7,140
	Totals, State Operations	\$42,068	\$49,821	\$50,384
SUBPROGRAM REQUIREMENTS				

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		2024-25*	2025-26*	2026-27*
0740010	Investment Services			
	State Operations:			
0001	General Fund	\$450	\$865	\$913
0995	Reimbursements	4,132	3,972	4,514
9740	Central Service Cost Recovery Fund	1,224	754	707
	Totals, State Operations	\$5,806	\$5,591	\$6,134
	SUBPROGRAM REQUIREMENTS			
0740019	Centralized Treasury & Securities Management			
	State Operations:			
0001	General Fund	\$4,623	\$6,217	\$6,448
0995	Reimbursements	7,387	8,339	8,347
9740	Central Service Cost Recovery Fund	2,407	3,673	3,452
	Totals, State Operations	\$14,417	\$18,229	\$18,247
	SUBPROGRAM REQUIREMENTS			
0740028	Public Finance			
	State Operations:			
0001	General Fund	\$4,750	\$4,216	\$4,387
0995	Reimbursements	7,970	9,184	9,190
9740	Central Service Cost Recovery Fund	3,096	2,604	2,439
	Totals, State Operations	\$15,816	\$16,004	\$16,016
	SUBPROGRAM REQUIREMENTS			
0740035	Administration			
	State Operations:			
0001	General Fund	\$2,063	\$4,089	\$4,488
0995	Reimbursements	3,966	5,382	4,957
9740	Central Service Cost Recovery Fund	-	526	542
	Totals, State Operations	\$6,029	\$9,997	\$9,987
	TOTALS, EXPENDITURES			
	State Operations	42,068	49,821	50,384
	Totals, Expenditures	\$42,068	\$49,821	\$50,384

EXPENDITURES BY CATEGORY

1 State Operations	Positions			Expenditures		
	2024-25	2025-26	2026-27	2024-25*	2025-26*	2026-27*
PERSONAL SERVICES						
Baseline Positions	251.4	248.4	248.4	\$25,047	\$25,451	\$25,451
Other Adjustments	-35.0	-5.0	-5.0	-3,106	-264	-264
Net Totals, Salaries and Wages	216.4	243.4	243.4	\$21,941	\$25,187	\$25,187
Staff Benefits	-	-	-	11,193	13,526	13,583
Totals, Personal Services	216.4	243.4	243.4	\$33,134	\$38,713	\$38,770
OPERATING EXPENSES AND EQUIPMENT				\$8,934	\$11,108	\$11,614
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$42,068	\$49,821	\$50,384

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

1 STATE OPERATIONS	2024-25*	2025-26*	2026-27*
0001 General Fund			
APPROPRIATIONS			

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1 STATE OPERATIONS	2024-25*	2025-26*	2026-27*
001 Budget Act appropriation	\$11,886	\$15,203	\$16,236
Allocation for Employee Compensation	-	-8	-
Allocation for Other Post-Employment Benefits	-	-184	-
Allocation for Staff Benefits	-	33	-
Section 3.60 Pension Contribution Adjustment	-	343	-
Totals Available	\$11,886	\$15,387	\$16,236
TOTALS, EXPENDITURES	\$11,886	\$15,387	\$16,236
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	\$23,455	\$26,877	\$27,008
TOTALS, EXPENDITURES	\$23,455	\$26,877	\$27,008
9740 Central Service Cost Recovery Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$6,727	\$7,521	\$7,140
Allocation for Employee Compensation	-	-5	-
Allocation for Other Post-Employment Benefits	-	-111	-
Allocation for Staff Benefits	-	21	-
Section 3.60 Pension Contribution Adjustment	-	209	-
Section 4.12 Vacancy Savings and Position Elimination Adjustment	-	-78	-
TOTALS, EXPENDITURES	\$6,727	\$7,557	\$7,140
Total Expenditures, All Funds, (State Operations)	\$42,068	\$49,821	\$50,384

FUND CONDITION STATEMENTS

	2024-25*	2025-26*	2026-27*
<u>0467 State Notes Expense Account^s</u>			
BEGINNING BALANCE	\$250	\$250	\$250
Adjusted Beginning Balance	\$250	\$250	\$250
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Transfers and Other Adjustments			
Revenue Transfer of Unused Reserve from the State Notes Expense Account to the General Fund	-	-	-250
Total Revenues, Transfers, and Other Adjustments	-	-	-\$250
Total Resources	\$250	\$250	-
FUND BALANCE	\$250	\$250	-
Reserve for economic uncertainties	250	250	-

CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2024-25	2025-26	2026-27	2024-25*	2025-26*	2026-27*
Baseline Positions	251.4	248.4	248.4	\$25,047	\$25,451	\$25,451
Salary and Other Adjustments	-35.0	-5.0	-5.0	-3,106	-264	-264
Totals, Adjustments	-35.0	-5.0	-5.0	\$-3,106	\$-264	\$-264
TOTALS, SALARIES AND WAGES	216.4	243.4	243.4	\$21,941	\$25,187	\$25,187

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