



Controller Malia M. Cohen

California State Controller's Office

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Controller Malia M. Cohen Issues August Cash Update

SACRAMENTO Today, State Controller Malia M. Cohen released her monthly [cash report](#) covering the state's General Fund revenues, disbursements and actual cash balance for the fiscal year through August 31, 2025.

As noted in the Controller's [Monthly Statement of General Fund Cash Receipts and Disbursements](#), receipts for the fiscal year through August exceeded estimates contained in the 2025-26 Budget Act by \$2.1 billion, or 6.8 percent. Fiscal year-to-date expenditures were higher than Budget Act estimates by \$3.8 billion, or 9.4 percent.

"Amid ongoing global economic uncertainty, we are monitoring California's revenue collections and spending closely for signs of volatility," said Controller Cohen. "Although the current budget anticipates future deficits and expenses have outpaced revenues in the past two months, as the state's chief fiscal officer, I urge caution in relying on borrowable resources to close budget gaps at a time when General Fund revenues remain near record highs.

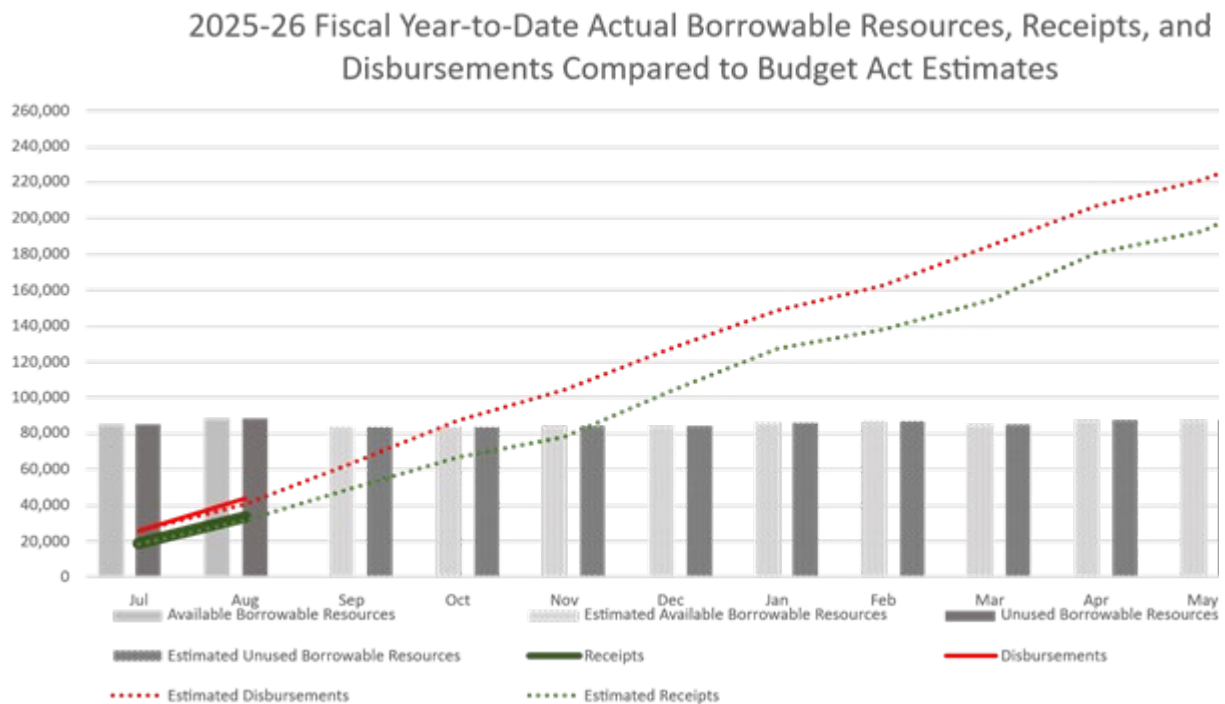
These reserves must be safeguarded for times of genuine economic hardship, especially given the uncertainty surrounding federal funding. The State Controller's Office recognizes that borrowing from special funds is a routine and necessary tool for managing short-term cash flow needs. However, such borrowing must remain temporary, repaid promptly, and never allowed to disrupt the operations of the special funds themselves. Budgetary maneuvers may provide short-term relief, but they also risk delaying financial obligations and deferring the difficult decisions needed to secure California's long-term fiscal health."

For the fiscal year through August, personal income tax receipts were \$1.4 billion above Budget Act projections, or 9 percent. Corporation tax collections were \$113.3 million below estimates, or 7.8 percent. Retail sales and use tax receipts were \$53.6 million below budget projections, or 1 percent.

The State Controller's Office borrows from special funds outside of the General Fund for short-term only cash flow purposes in order to manage the timing of revenues and expenditures, and ensures that this daily and monthly borrowing does not affect the operations of the special funds. As of August 31, the state had \$88.5 billion in unused internal borrowable resources. The Controller cautions against the use of special fund borrowing for budgetary purposes as it may increase future

debts and deplete reserves, limiting the state’s ability in an economic downturn to avoid harsh spending cuts.

Summary Chart follows:



As the chief fiscal officer of California, Controller Cohen independently oversees and manages California’s financial resources with integrity and transparency to build trust. The Controller is responsible for accountability and disbursement of the state’s financial resources. The Controller has independent auditing authority over government agencies that spend state funds. She is a member of numerous financing authorities, and fiscal and financial oversight entities including the Franchise Tax Board. She also serves on the boards for the nation’s two largest public pension funds. Follow the Controller on X at [@CAController](#) and on Facebook at [California State Controller’s Office](#).

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