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STATE OF CONNECTICUT

2011

ANNUAL REPORT OF THE TREASURER

For the fiscal year ended June 30, 2011

STATE OF CONNECTICUT
Office of the State Treasurer

The State Motto “Qui Transtulit Sustinet,” (He Who Transplanted Still Sustains), has been associated with the various versions of the state seal from the creation of the Saybrook Colony Seal.

STATE OF CONNECTICUT

2011

ANNUAL REPORT OF THE TREASURER

For the fiscal year ended June 30, 2011

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Introduction

STATE OF CONNECTICUT
QUI TRANSTULIT SUSTINET
TREASURER'S OFFICE

Division Overview

STATE OF CONNECTICUT
TREASURER'S OFFICE
QUI TRANSTULIT SUSTINET

Combined Investment Funds Total Return Analysis (%)

	Fiscal Years Ending June 30,					Annualized		
	2011	2010	2009	2008	2007	3 Years	5 Years	10 Years
(Investment performance is calculated using a time-weighted rate of return based on the market rate of return.)								
PLANS								
Teacher's Retirement Fund (TERF)	20.77	12.87	(17.14)	(4.77)	17.47	4.14	4.79	5.46
TERF Benchmark-NCREIF	20.09	12.29	(16.85)	(6.03)	17.85	4.04	4.55	5.34
TERF Benchmark-Russell 3000	20.87	13.63	(17.62)	(7.29)	18.00	4.36	4.49	5.09
State Employees' Retirement Fund (SERF)	21.15	12.93	(18.25)	(4.83)	17.37	3.80	4.55	5.28
SERF Benchmark-NCREIF	20.74	12.60	(17.42)	(6.20)	17.85	4.08	4.54	5.33
SERF Benchmark-Russell 3000	21.52	13.93	(18.19)	(7.46)	18.00	4.40	4.47	5.09
Municipal Employees' Retirement Fund (MERF)	17.87	12.57	(14.90)	(4.11)	16.96	4.13	4.84	5.28
MERF Benchmark-NCREIF	18.26	11.82	(14.20)	(5.11)	17.85	4.44	5.00	5.56
MERF Benchmark-Russell 3000	19.92	13.71	(15.26)	(6.57)	18.00	4.94	4.96	5.33
COMBINED INVESTMENT FUNDS								
U.S. Stocks								
Mutual Equity Fund	31.92	14.01	(28.36)	(12.99)	18.24	2.52	2.08	3.16
Russell 3000 Index	32.37	15.72	(26.56)	(12.69)	20.07	4.00	3.35	3.44
International Stocks								
Developed Markets International Stock Fund	26.30	11.03	(27.98)	(14.60)	26.36	0.34	1.74	N/A
S&P/Citigroup EPAC BMI 50% Hedged	23.20	9.68	(26.79)	(16.05)	27.07	(0.36)	1.08	4.56
Emerging Markets International Stock Fund	28.55	25.23	(30.90)	0.19	42.27	3.61	9.66	17.06
MSCI Emerging Market Investable Market Index	27.53	24.57	(26.84)	3.49	44.99	5.14	11.77	16.38
Equity Commercial Real Estate								
(1) Real Estate Fund	16.12	(20.18)	(28.66)	6.04	14.21	(12.88)	(4.34)	1.32
Russell 3000 Index	32.37	15.72	(26.56)	(12.69)	20.07	4.00	3.35	3.44
Russell NCREIF (1 Qtr. Lag)	16.03	(9.60)	(14.68)	13.58	16.59	(3.63)	3.45	7.48
U.S. Fixed Income								
Core Fixed Income Fund	4.49	11.81	2.84	5.65	5.84	6.31	6.08	5.80
BC Aggregate Bond Index	3.90	9.50	6.05	7.13	6.12	6.46	6.52	5.74
Emerging Market Debt	16.06	23.02	(3.62)	5.59	14.84	11.23	10.78	N/A
JP Morgan EMBI Global	11.74	17.90	2.24	5.10	11.12	10.44	9.59	N/A
High Yield Debt	15.96	24.54	(4.59)	(1.88)	12.01	11.27	8.65	8.24
Citigroup High Yield Market Index	15.26	25.64	(3.26)	(2.29)	11.63	11.89	8.85	8.85
Inflation Linked Bonds	7.23	9.48	(0.20)	16.81	3.45	5.42	7.20	N/A
BC US Tips	7.74	9.52	(1.11)	15.09	3.99	5.28	6.91	6.95
Commercial Mortgage Fund	4.61	6.75	(3.14)	12.05	8.17	2.65	5.57	7.26
BC Aggregate Bond Index	3.90	9.50	6.05	7.13	6.12	6.46	6.52	5.74
Alternative Assets								
(1) Private Investment Fund	19.89	17.32	(16.36)	13.66	19.56	5.57	9.84	6.07
S & P 500	30.69	14.43	(26.22)	(13.12)	20.59	3.34	2.94	2.72
State Street Private Equity Index (1 Qtr. Lag)	21.91	20.89	(29.34)	13.54	29.75	1.36	8.94	8.23
Liquidity Fund								
(2) Liquidity Fund	1.20	0.98	1.54	4.59	5.61	1.24	2.77	2.68
Libor 1 Month Index	0.25	0.27	1.35	4.10	5.37	0.62	2.24	2.31

(1) Real Estate and Private Investment returns published for prior years were net of management fees and for 2008 forward published numbers are net of all expenses.

(2) The Liquidity Fund includes all cash balances, including manager cash. However all fund returns still reflect cash balances.

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11:48 am, Aug 16, 2011

CASH MANAGEMENT DIVISION

Figure 15-1

SHORT-TERM INVESTMENT FUND
Ownership Analysis at June 30, 2011 ($ in millions)

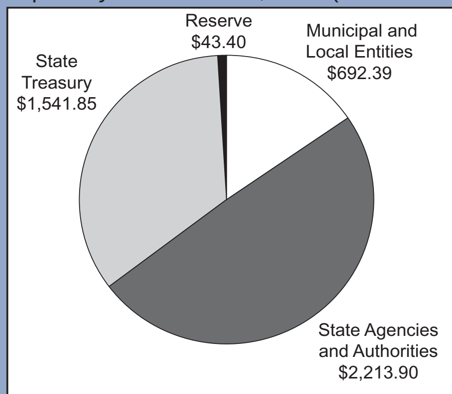

Figure 15-2

SHORT-TERM INVESTMENT FUND
Maturity Analysis

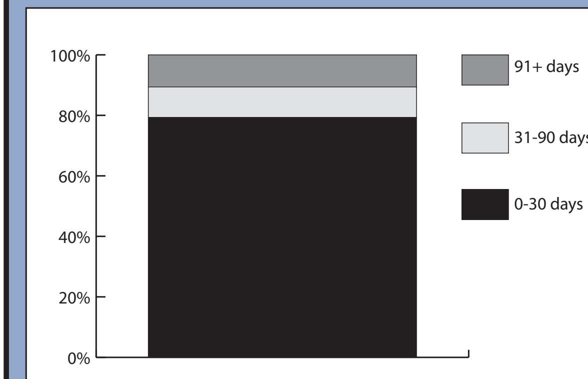

Figure 15-3

SHORT-TERM INVESTMENT FUND
Quarterly Yield vs. Benchmark

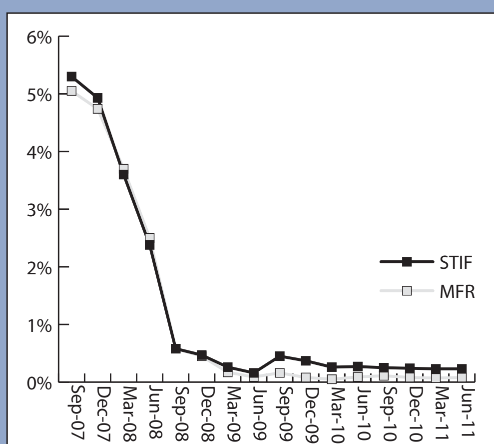

Figure 15-4

SHORT-TERM INVESTMENT FUND
Distribution by Quality Rating at June 30, 2011
Based on Investments in Securities, at Value

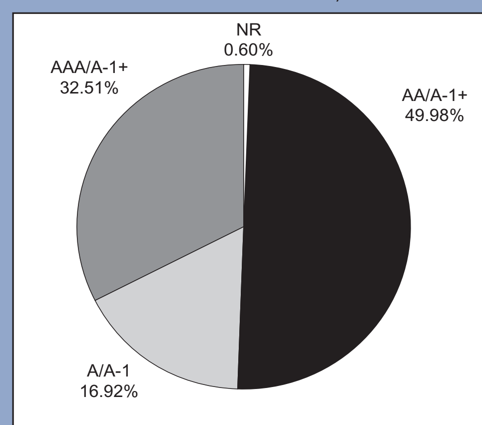

Figure 15-5

SHORT-TERM INVESTMENT FUND
Distribution by Security Type at June 30, 2011

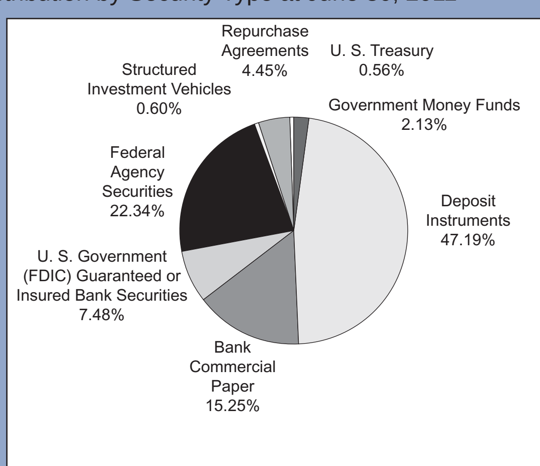

Figure 15-6

SHORT-TERM INVESTMENT FUND
Period ending June 30, 2011

	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Compounded Annual Total Return (%)					
STIF	0.23	0.68	2.32	2.61	2.37
MFR Index*	0.08	0.49	2.11	2.35	2.06
Fed. Three-Month T-Bill	0.12	0.26	1.68	2.10	1.91
Fed. Three-Month CD	0.28	0.82	2.36	2.68	2.35
Cumulative Total Return (%)					
STIF	0.23	2.07	12.17	19.79	26.39
MFR Index*	0.08	1.47	11.03	17.68	22.66
Fed. Three-Month T-Bill	0.12	0.78	8.70	15.64	20.78
Fed. Three-Month CD	0.28	2.47	12.38	20.34	26.20

STIF uses a time-weighted linked rate of return formula to calculate rates of return.

Represents iMoneyNet Money Fund Average™ - Rated First Tier Institutional Average (MFR) Index.

Division Overview

The primary mission of the Division is to reunite rightful owners or heirs with unclaimed property in accordance with state law. Another core responsibility is to receive and record all property received from holders of unclaimed property. All Division goals support the principal mission of unclaimed property as a consumer protection service, safeguarding the financial assets of Connecticut citizens until such time as they may claim their property.

The division receives and maintains a permanent record of reports of unclaimed property filed annually by holders of such property. Holders include banks, insurance companies, brokerage firms, utility companies and businesses that are required to relinquish this property to the State Treasurer following a loss of contact with the owner of record, generally three years. The division prescribes the form of holder reports, and is responsible for monitoring holder reporting. To determine whether a holder is complying with its duties under the law unclaimed property is permitted to conducted examinations of company records. If the Treasurer, in his or her discretion, determines that securities or mutual funds transferred to the Treasurer as unclaimed property should be sold, the division is responsible for carrying out the sale, in accordance with the requirements of law, and retaining the proceeds of the sale for the benefit of the owner of the property. The division is also responsible for preparing monthly, quarterly and annual financial statements.

The division processes claims of persons asserting ownership of property that has been abandoned and delivered to the Treasurer's Office. The division provides claim forms and provides instruction on the documentation required to prove ownership of the various types of property that have been transferred to the Treasurer. Claims are reviewed and if ownership is proven, the division is responsible for issuing checks to the rightful owner. In order to attempt to locate the owners of abandoned property. The Treasurer biennially publishes a list of abandoned property reported and transferred to the Treasurer in the previous calendar year [since the last publication]. The Treasurer also maintains a user friendly website that is updated with new names weekly.

The Year in Review

During fiscal year 2011, the Unclaimed Property Division returned $51.9 million to rightful owners, an accomplishment representing the largest dollar amount returned by the Division. During the same time period the Division received $68.1 million in unclaimed property receipts voluntarily reported by holders.

2011 Division Performance

- The Division returned $51.9 million to rightful owners who filed just under 17,933 claims.
- The Division received $68.1 million in unclaimed property receipts voluntarily reported by holders.
- The Division sold 16.8 million shares that brought $57 million into the general fund until rightful owners come forward to claim the property.
- The Division maintains a website with $578.7 million in escheated property for 976,115 rightful owners.
- Connecticut General Statute section 3-69a (a) (2), requires the Unclaimed Property Division to deposit a portion of its receipts into the Citizen's Election Fund and the balance into the General Fund. For fiscal year 2011, the division deposited $18,373,174 million into the Citizens' Election Fund.

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Figure 16-1

UNCLAIMED PROPERTY FUND
Summary of Gross Receipts ($ in millions)

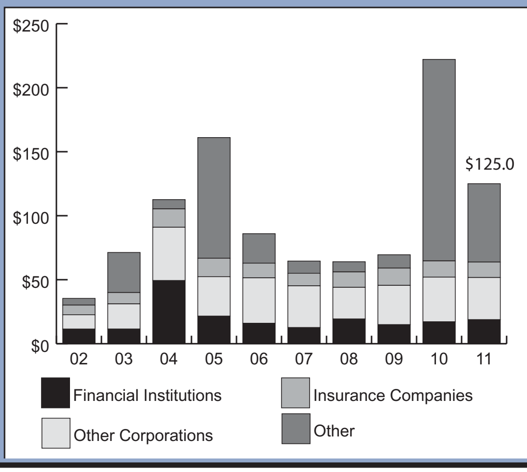


Figure 16-2

UNCLAIMED PROPERTY FUND
Claims Paid ($ in millions)

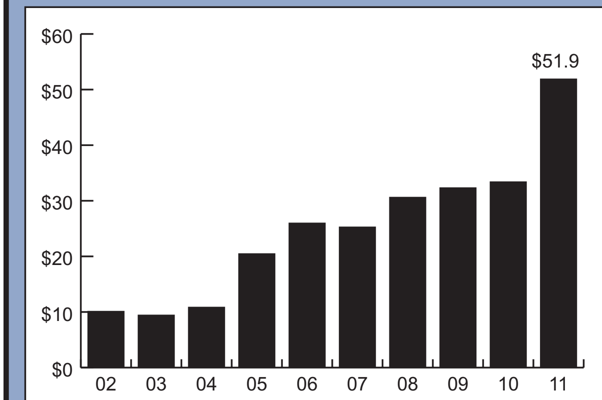


Figure 16-3

UNCLAIMED PROPERTY FUND
Number of Claims Paid

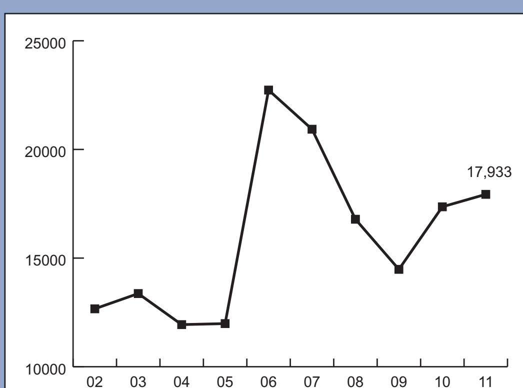
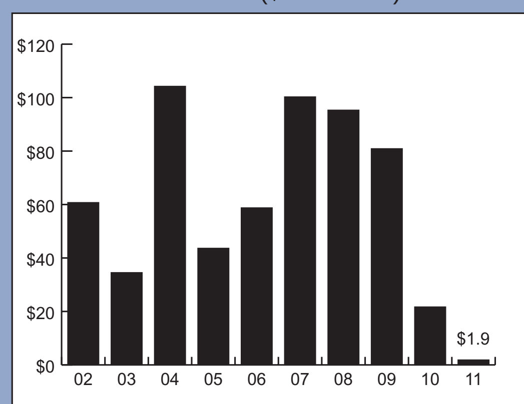


Figure 16-4

UNCLAIMED PROPERTY FUND
Market Value of Securities ($ in millions)



DIVISION OVERVIEW

The State Treasurer is the Custodian of the Second Injury Fund ("SIF" or "the Fund"), a state operated workers' compensation insurance fund established in 1945 to discourage discrimination against veterans and encourage the assimilation of workers with a pre-existing injury into the workforce. Prior to July 1, 1995, the Fund provided relief to employers where a worker, who already had a pre-existing injury or condition, was hurt on the job and that second injury was made "materially and substantially" worse by the first injury. Such employers transferred liability for these workers' compensation claims to the Fund after 104 weeks, if certain criteria were met under the Connecticut Workers' Compensation Act (thus the term "Second Injury Fund").

The Fund continues to be liable for claims involving uninsured employers, for reimbursement of cost of living adjustments for certain injuries involving payment of total disability or dependent widow's benefits and, on a pro rata basis, reimbursement claims to employers of any worker who had more than one employer at the time of the injury. In addition the Fund is still responsible for "second injury claims" which were transferred to the Fund prior to July 1, 1999.

The mission of the Second Injury Fund is to provide quality service both to the injured workers and employers of Connecticut, whom we jointly serve. The Fund accomplishes this by adjudicating qualifying workers' compensation claims fairly and in accordance with applicable law, industry standards and best practices. Where possible, the Second Injury Fund seeks to return injured workers to gainful employment or seeks settlement of claims, which will ultimately reduce the burden of Second Injury Fund liabilities on Connecticut taxpayers and businesses.

The Assistant Deputy Treasurer maintains general oversight over the division which includes a management team, a claims unit, an accounting and collections unit, an investigations unit, and other administrative support functions. The Second Injury Fund works closely with the Office of the Attorney General who represents the Fund before the Workers' Compensation Commission, the Chief State's Attorney's office and other state agencies in the fulfillment of its mission.

History

The Fund's responsibilities were expanded over the years through judicial and legislative reform. In addition to payments for "second injury" claims, the Fund assumed other statutory obligations such as: Group health insurance reimbursements; Benefit payments pending appeals; Cost of Living reimbursements for death benefits; Cost of Living reimbursements for total disabilities; Acknowledgment of Physical Defects claims; Concurrent employment claims; and Uninsured employer claims.

The Fund experienced minimal growth during its first 30 years. However in the two decades preceding the 1995 Reform Act, the Fund experienced annual claim growth in excess of 20% for the period 1970 to 1995. While there were many explanations for the rapid acceleration of the Fund's liabilities during this period, (i.e., higher benefit levels, medical inflation, etc.) the primary reasons for its exponential growth can be attributed to the impact of a 1974 Connecticut Supreme Court decision in the Jacques case. In summary, cases could be transferred to the Fund based on a pre-existing "condition" as well as a prior injury, regardless of whether the condition was manifest or not. Thus the Jacques case opened the door for a myriad of latent conditions such as arthritis, disc disease and compromised cardiac function.

After 50 years, the Fund had become the largest disburser of workers' compensation benefits in the State and over time, its annual benefit payout increased seven fold, peaking at $120 million in fiscal year 1994. An actuarial analysis projected the Fund's future liability at $6.2 billion as of June 30, 1994. Its operations, which are financed by assessments on Connecticut employers, reached a dollar value high of $146.5 million in 1995. In response the Connecticut General Assembly closed the Fund to new "second injury" claims sustained on or after July 1, 1995.

Legislative Reforms

The Workers' Compensation Reform Act of 1993 was responsible for significantly reducing Connecticut employers' cost of business. However, additional legislative changes also impacted the Fund. Highlights are listed below:

Public Act 95-277

- Closed the Fund to new "second injury" claims for injuries sustained on or after 7/1/95 and expanded enforcement, fines and penalties against employers who fail to provide workers' compensation coverage.

Public Act 96-242

- Imposed a July 1, 1999 deadline for transfer of all eligible "second injury" claims to the Fund and authorized the issuance of up to $750 million in bonds to finance settlement of claims against the Fund.

Public Act 05-199 (Effective 07/01/06)

- This bill, drafted with the assistance of a task force convened by Treasurer Nappier clarified the language of the SIF statutes regarding assessments and eased the process by which the Fund can reach settlements with injured workers of uninsured employers.

Public Act 10-11

- Beginning on July 1, 2010, the Fund is mandated to impose a 15% penalty on the filing of late assessments or $50, whichever is greater.

Assessments

The Second Injury Fund operations are financed by assessments on all Connecticut employers. The Treasurer as Custodian of the Fund, establishes the assessment rate on or before May 1st of each year. Treasurer Nappier is the first Connecticut State Treasurer to formalize an assessment audit program to ensure uniform methods of reporting.

Insured employers pay a surcharge on their workers' compensation insurance policies based on "standard premiums" calculated and issued by insurance companies who also collect and remit this assessment to the Fund. Effective 7/1/06, insured employers paid based on a Second Injury Fund Surcharge. The assessment for self-insured employers is based on "paid losses" for medical and indemnity benefits incurred in the prior calendar year.

There were 4 assessments made in FY 2011 on insured employers of $24.9 million. Self insured employers were assessed 4 times during FY 2011 at $6 million, bringing the total assessment on all Connecticut employers to $30.9 million for FY 2011. For FY 2011, the assesment rate for insured employers is 2.75%. Effective January 1, 2011, the assessment rate is 3.25% for self-insured employers. The previous rate for self-insured employers was 3.84%.

The Year in Review

Fiscal Year 2011 Highlights

The Second Injury Funds' major achievements during the past year have continued the implementation of Treasurer Nappier's management reforms. Highlights for fiscal year 2011 include:

- 2011 marks the thirteenth consecutive year in which the Fund either reduced or maintained assessment rates for Connecticut businesses - representing the longest period of time without a rate increase in the history of the Fund.

SECOND INJURY FUND

- Provided $31.8 million in indemnity, medical and settlement payments to injured workers. The number of injured workers receiving bi-weekly benefits is now 315 compared to 326 a year ago.
- Achieved a total of 177 settlements at a cost of $8.1 million. Through June 30, 2011, the Fund has paid 3 injured workers receiving bi-weekly benefits settlements at a cost of $.5 million with an estimated future net savings of $1.3 million
- A total savings of $2.2 million in medical costs was realized using the services and Preferred Provider Organization Networks offered by our contracted medical vendors. The Fund worked in conjunction with the nurse consultant to review all bills for causal relation, contract compliance and duplicate payments.
- Continued to implement the General Assembly's 1996 mandate to reduce the financial impact of the Fund on Connecticut's businesses:
- As of June 30, 2011 the Fund's open claim inventory was 2,593 (See figure 17-1)
- Reserves (estimated unfunded liability) for all open claims were $414.9 million, a reduction of $12 million (2.8%) from a year ago. (See figure 17-2)
- Worked with the Second Injury Fund Advisory Board to help the Fund carry out its mission.

Figure 17-1

SECOND INJURY FUND
Open Claims by Statute as of 06/30/2011

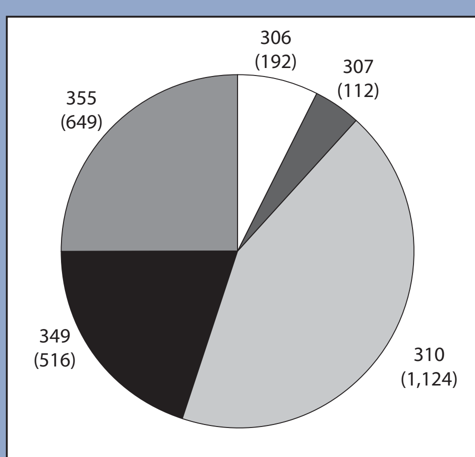
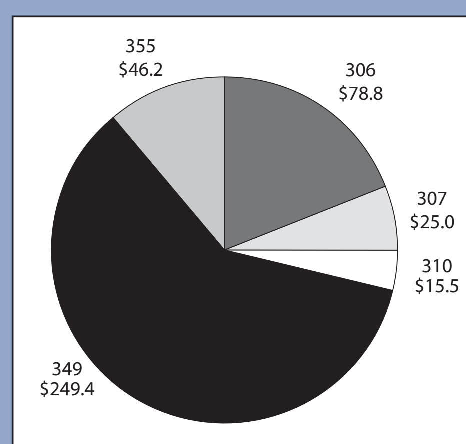


Figure 17-2

SECOND INJURY FUND
Value of Reserves by Statute as of 6/30/2011
($ in millions)



Description of the Trust

The Connecticut Higher Education Trust ("CHET" or "Trust") is a Qualified State Tuition Program pursuant to Section 529 of the Internal Revenue Code, which was unanimously approved by the Connecticut General Assembly in Public Act No. 97-224 (the "Act") and signed into law by the Governor in July 1997. The program began operating on January 1, 1998. While the Trust is considered an instrumentality of the State, the assets of the Trust do not constitute property of the State, and the Trust shall not be construed to be a department, institution or agency of the State.

CHET is a trust, available for families to save and invest for higher education expenses, that is privately managed under the supervision of the State Treasurer. Current Internal Revenue Service regulations provide that total contributions to an individual account may not exceed the amount determined by actuarial estimates as is necessary to pay tuition, required fees, and room and board expenses of the designated beneficiary for five years of undergraduate enrollment at the highest cost institution allowed by the program. While money is invested in CHET, there are no federal or state taxes on earnings. Amounts may be withdrawn to pay for tuition, room and board, fees, books, supplies and equipment required by the beneficiary for enrollment or attendance at any eligible public or private educational institution. Earnings withdrawn for qualified education expenses are exempt from Federal and Connecticut State Income Taxes. Earnings withdrawn for non-qualified expenses are taxable income to the account owner, and incur an additional federal tax penalty of 10 percent.

The state income tax deduction for CHET, which became effective on July 1, 2006, provides Connecticut taxpayers with the ability to deduct program contributions of up to $5,000 for single filers or $10,000 for joint filers per year from their Connecticut adjusted gross income. CHET contributions made after January 1, 2006 were eligible for this deduction. In addition, the passage of the federal 2006 Pension Protection Act made federal tax benefits permanent and settled the uncertainty regarding long term 529 plan federal tax benefits which had been set to expire on December 31, 2010.

TIAA-CREF Tuition Financing, Inc. ("TFI"), a wholly-owned subsidiary of Teachers Insurance and Annuity Association of America ("TIAA"), and the Treasurer of the State of Connecticut have entered into a Management Agreement under which TFI serves as Program Manager. In 2009, the Treasurer issued an RFP for management of the CHET program soliciting proposals for both the current Direct Sold program, as well as for an Advisor Sold Plan. In 2010, the Treasurer entered into a Management Agreement again with TFI for a contract period ending in March 2015. In 2010, the Treasurer entered into a Management Agreement with The Hartford Life Insurance Company for a contract period ending August 30, 2017, to be the program manager for an Advisor Sold Plan. The Advisor Sold Plan commenced operation in October 2010. The Program is operated in a manner such that it is exempt from registration as an investment company under the Investment Company Act of 1940.

Under the Direct Sold Plan, an individual participating in the Program establishes an Account in the name of a Beneficiary. Contributions may be allocated among eleven investment options, including three new options added in the fall of 2010: the Managed Allocation Option, the Aggressive Managed Allocation Option, the Conservative Managed Allocation Option, the High Equity Option, the Equity Index Option, the Social Choice Option, the Active Fixed Income Option, the Money Market Option, the Principal Plus Interest Option, the Active Equity Option, and the Index Fixed-Income Option. These options provide Connecticut families the opportunity to save for future college expenses, with the flexibility to choose investment vehicles which meet their particular risk tolerance and financial need.

Program features of CHET Direct include a low minimum account opening balance of $25 ($15 if using payroll deduction), and the convenience of automated payroll and bank Electronic Funds Transfers (EFT) for contributions. Account funds can be used at thousands of eligible (accredited) college and higher education institutions nationwide and abroad. The program allows for transferability of account funds to other eligible members of the original beneficiary's family without penalty. In addition, over 500 employers currently offer payroll deduction in the state.

Under the Advisor Sold Plan there are 18 investment options, including one age based option, 5 static portfolios, and 12 individual portfolios. The static portfolios are: CHET Advisor Aggressive Growth, Growth, Balanced, Conservative, and a Checks & Balances Portfolio. The 12 Individual Portfolios are The Hartford Small Company, Growth Opportunities, International Opportunities, Capital Appreciation, Fundamental Growth, MidCap, Global Research, Value, Dividend & Growth, Inflation Plus, Total Return Bond, and Money Market 529 Portfolio. The Advisor Sold plan has 3 investment classes: A, C, and E. Class A has an up front sales charge, Class C has no up front sales charge but has a contingent deferred sales charge for withdrawals made within one year of deposit, and Class E, which is only available to certain groups associated with Hartford Life, has no sales charge or deferred sales charge.

There are annual management fees for both CHET Direct and CHET Advisor, which vary based on investment option chosen.

In June 2006, the Treasurer approved an increase in CHET's account balance limit for contributions from its previous level of $235,000, which had remained level since program inception, to $300,000. This increased contribution limit was made to keep pace with increasing college tuition costs and has more closely aligned CHET with maximum levels in other state plans. Under federal statute, this account balance limit applies to the total amount a beneficiary has in both CHET Direct and CHET Advisor accounts.

The Year in Review

CHET continued its aggressive push to educate, build awareness and grow new accounts by promoting CHET as the official state-sponsored 529 college plan for Connecticut families of all demographic and socio-economic groups. During fiscal year 2010, the number of new accounts in the CHET Direct program grew from 94, 886 (June 2010) to 103,083 (June 2011), with 89.8% of those accounts coming from state residents. At the end of June 2011, program equity of account holders was $1.58 billion. That compares with just over 4,000 accounts and $18 million in assets when Treasurer Nappier took office in 1999.

The CHET Direct program continues to realize an increase in account redemptions as account owners begin to withdraw funds for their beneficiaries' college tuition payments with $401,557,362 withdrawn (14,932 beneficiaries) since inception and $102,939,000 withdrawn (3,278 beneficiaries) over the last 12 months.

The CHET Advisor plan began operation in October 2010, and as of June 30, 2011, there were 2,616 CHET program accounts, and total assets were $ 31.1 million. Because this is a new program there are not yet comparable statistics. In addition marketing efforts are through financial advisors. The Hartford has developed a network of financial advisors through the state that now offer CHET Advisor as an investment option. CHET Advisor is not marketed directly to individuals.

As a low-cost, direct-sold 529 college saving plan, CHET Direct's annual fees are among the lowest in the country. Under the provisions of the new contract the fee structure changed from a flat fee (unitary pricing for all Options) to a non-unitary structure which is more standard for the industry (program management fee plus state administrative fee plus underlying mutual fund fees), effective November 2010. The new fee structure includes a base management fee of 0.20% plus an asset management fee that varies depending on the investment option chosen. The base program management fee was further reduced from 0.20% to 0.18% in June 2011 when total assets under management exceeded $1.5 billion for over 90 consecutive days. Additional program management fee reduction will occur when assets under management reach $2 billion.

There is also a state oversight fee to pay for the administrative expenses of the Trustee which is 0.01% for CHET Direct and 0.02% for CHET Advisor. The State Treasurer's Office works closely with TFI to strengthen public awareness and increase understanding of CHET. Each year an annual marketing plan is developed outlining strategies and tactics that build awareness of and educates all Connecticut families about the benefits and affordability of saving for college early via CHET. In 2010/2011, CHET utilized a series of integrated direct marketing campaigns (direct mail, e-mail and online advertising), community events, promotions, radio, and television, print ads as well as public and media relations. CHET spreads this important message to prospective account owners across the state, to all socio-economic groups. Existing account owners are reminded of the importance of making regular contributions in order to meet their college saving's objectives. CHET also schedules educational seminars and webinars; and, distributes CHET information to schools, libraries, financial influencers and top employers.

Major marketing milestones in fiscal year 2010 include the launch of outdoor advertising (billboards and bus ads) in an effort to enhance brand awareness of the program, executing an award winning essay and drawing promotion (CHET Dream Big! Competition), launching a Summer Reading Promotion in libraries throughout the state, expanding educational activities and promotions targeting low-to-moderate income families and developing new events and activities targeting Hispanic/Latino families.

CHET Advisory Committee

There is a statutorily established CHET Advisory Committee, which meets annually. The Committee met on December 2, 2010.

The Connecticut Higher Education Trust Advisory Committee consists of the State Treasurer, the Commissioner of Higher Education, the Secretary of the Office of Policy and Management and the co-chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to education and finance, revenue and bonding, or their designees, and one student financial aid officer and one finance officer at a public institution of higher education in the state, each appointed by the Board of Governors of Higher Education, and one student financial aid officer and one finance officer at an independent institution of higher education in the state, each appointed by the Connecticut Conference of Independent Colleges.

The statutory members of the CHET Advisory Committee as of the December 2, 2010 annual meeting were:

DENISE L. NAPPIER, State Treasurer

BRENDA SISCO, Acting Secretary, Office of Policy and Management

MICHAEL MEOTTI, Commissioner, Department of Higher Education

SEN. THOMAS GAFFEY, Senate Chair, Education Committee

REP. ANDREW M. FLEISCHMANN, House Chair, Education Committee

SEN. SAM CALIGIURI, Senate Ranking Member, Education Committee

REP. MARILYN GIULIANO, House Raking Member, Education Committee

SEN. EILEEN M. DAILY, Senate Chair, Finance, Revenue and Bonding Committee

REP. CAMERON STAPLES, House Chair, Finance, Revenue and Bonding Committee

SEN. ANDREW RORABACK, Senate Ranking Member, Finance, Revenue and Bonding Committee

REP. VINCENT CANDELORA, House Ranking Member, Finance, Revenue and Bonding Committee

MARGARET WOLF, Director of Financial Aid, Capitol Community College

JAMES BLAKE, Executive Vice President of Finance & Administration, Southern Connecticut State University

JULIE L. DOLAN, Vice President Finance, Fairfield University

JULIE SAVINO, Dean of Student Financial Assistance, Sacred Heart University

Financial Statements

STATE OF CONNECTICUT
TREASURER'S OFFICE
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DRAFT

REVISED
3:12 pm, Aug 15, 2011

STATEMENT OF NET ASSETS
JUNE 30, 2011

	June 30, 2011
ASSETS	
Investment in Securities, at Amortized Cost (Note 7)	$ 4,492,012,617
Accrued Interest and Other Receivables	2,795,035
Prepaid Assets	190,251
Total Assets	$ 4,494,997,903
LIABILITIES	
Distribution Payable (dividend guaranteed)	771,681
Interest Payable	45
Total Liabilities	$ 771,726
NET ASSETS HELD IN TRUST FOR PARTICIPANTS (includes reserve)	$ 4,494,226,177

See accompanying Notes to the Financial Statements.

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REVISED
3:12 pm, Aug 15, 2011

STATEMENTS OF CHANGES IN NET ASSETS
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND JUNE 30, 2010

	2011	2010
ADDITIONS		
Operations		
Interest Income	$ 17,361,375	$ 21,244,054
Net Investment Income	17,361,375	21,244,054
Net Realized Gains	109,800	284,196
Net Increase Resulting from Operations	17,471,175	21,528,250
Share Transactions at Net Asset Value of $1.00 per Share		
Purchase of Units	12,770,956,609	14,549,690,761
TOTAL ADDITIONS	12,788,427,784	14,571,219,011
DEDUCTIONS		
Distribution to Participants (Notes 2 & 6)		
Distributions to Participants*	(11,300,006)	(15,572,194)
Total Distributions Paid and Payable	(11,300,006)	(15,572,194)
Share Transactions at Net Asset Value of $1.00 per Share		
Redemption of Units	(12,863,246,508)	(14,521,369,298)
Operations		
Operating Expenses	(1,244,108)	(1,213,495)
TOTAL DEDUCTIONS	**(12,875,790,622)**	(14,538,154,987)

* *Net of designated reserve transfer contributions and expenses.*

	2011	2010
CHANGE IN NET ASSETS	**(87,362,838)**	33,064,024
Net Assets Held in Trust for Participants		
Beginning of Year	4,581,589,015	4,548,524,991
End of Year	$ 4,494,226,177	$ 4,581,589,015

See accompanying Notes to the Financial Statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1: INTRODUCTION AND BASIS OF PRESENTATION

The Short-Term Investment Fund ("STIF" or the "Fund") is a money market investment pool managed by the Treasurer of the State of Connecticut. Section 3-27 of the Connecticut General Statutes (CGS) created STIF. Pursuant to CGS 3-27a - 3-27f, the State, municipal entities, and political subdivisions of the State are eligible to invest in the Fund. Securities in which the State Treasurer is authorized to invest monies of STIF include United States government and agency obligations, certificates of deposit, commercial paper, corporate bonds, saving accounts, bankers' acceptances, repurchase agreements, and asset-backed securities. STIF is authorized to issue an unlimited number of units.

For State of Connecticut financial reporting purposes, STIF is considered to be a mixed investment pool – a pool having external and internal portions. The internal portion (i.e., the portion that belongs to investors that are part of the State's financial reporting entity) is not displayed in the State's basic financial statements. Instead, each fund type's investment in STIF is reported as "cash equivalents" in the statement of net assets. The external portion (i.e., the portion that belongs to investors which are not part of the State's financial reporting entity) is recorded in an investment trust fund in the basic financial statements.

The Fund is considered a "2a7-like" pool and, as such, reports its investments at amortized cost (which approximates fair value). A 2a7-like pool is not necessarily registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940 that allows money market mutual funds to use amortized cost to report net assets.

Related Party Transactions.

STIF had no related party transactions during the fiscal year with the State of Connecticut and its component units including leasing arrangements, the performance of administrative services and the execution of securities transactions.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity.

The Fund is a Fiduciary Investment Trust Fund. A fiduciary fund is used to account for governmental activities that are similar to those found in the private sector where the determination of net income is necessary or useful to sound financial administration. The generally accepted accounting principles ("GAAP") used for fiduciary funds are generally those applicable to similar businesses in the private sector. The Fund uses the accrual basis of accounting.

Security Valuation of Financial Instruments.

The assets of the Fund are carried at amortized cost (which approximates fair value) except for Cheyne (Gryphon) which is reflected at amortized cost adjusted for reserve transfer (see Note 7and the List of Investments). All premiums and discounts on securities are amortized or accreted on a straight line basis.

Security Transactions.

Purchases and sales of investments are recorded on a trade date basis. Gains and losses on investments are realized at the time of the sales and are calculated on the basis of an identified block or blocks of securities having an identified amortized cost. Bond cost is determined by identified lot.

Interest Income.

Interest income, which includes amortization of premiums and accretion of discounts, is accrued as earned.

Expenses.

Operating and interest expenses of STIF are accrued as incurred.

Fiscal Year.

The fiscal year of STIF ends on June 30.

Distributions to Investors.

Distributions to investors are earned on units outstanding from date of purchase to date of redemption. Income is calculated daily based upon the actual earnings of the Fund net of administrative expenses and, if applicable, an allocation to the Designated Surplus Reserve. Distributions are paid monthly within two business days of the end of the month, and are based upon actual number of days in a year. Shares are sold and redeemed at a constant $1.00 net asset value per share, which is consistent with the per share net asset value of the Fund, excluding the Designated Surplus Reserve.

Designated Surplus Reserve.

While STIF is managed prudently to protect against losses from credit and market changes, the Fund is not insured or guaranteed by any government. Therefore, the maintenance of capital cannot be fully assured. In order to provide some protection to the shareholders of STIF from potential credit and market risks, the Treasurer has designated that a portion of each day's net earnings be transferred to the Designated Surplus Reserve (Reserve). Such amounts are restricted in nature and are not available for current distribution to shareholders. The amount transferred daily to the Designated Surplus Reserve is equal to 0.1 percent of end of day investment balance divided by the actual number of days in the year until the reserve account is equal to or greater than 1.0 percent of the daily investment balance. If net losses significant to the aggregate portfolio are realized, the Treasurer is authorized to transfer funds from the Reserve to Participants with Units Outstanding.

As of June 30, 2011, the balance in the Designated Surplus Reserve was $43,397,955 which reflects $4.9 million in contributions during the year.

Estimates.

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities in the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3: DEPOSIT AND INVESTMENT DISCLOSURES

A formal investment policy (as adopted August 21, 1996, revised June 16, 2008 and April 17, 2009) specifies policies and guidelines that provide for the systematic management of STIF and prudent and productive investment of funds. STIF's investment practice is to invest all cash balances; as such, there was no uninvested cash at June 30, 2011. All securities of STIF are registered under the State Street Bank nominee name, Pond, Tide & Co., for the State of Connecticut nominee name, Conn. STIF & Co., and held by a designated agent of the State.

Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that in the event of a bank failure, the STIF's deposits may not be recovered. The STIF follows policy parameters that limit deposits in any one entity to a maximum of ten percent of total assets at the time of purchase. Further, the certificates of deposits must be issued from commercial banks whose short-term debt is rated at least A-1 by Standard and Poor's and F-1 by Fitch and whose long-term debt is rated at least A- and its issuer rating is at least "C".

Certificates of Deposit in banks are insured up to $250,000 (through December 31,2013), any amount above this limit is considered uninsured. Additionally, state banking regulation requires all Connecticut public depositories to segregate collateral against public deposits in an amount equal to ten percent of the outstanding deposit. As of fiscal year-end, certificates of deposit in the Short-Term Investment Fund totaled $2,120,000,000. Of that amount, $1,907,100,000 was exposed to custodial credit risk representing the portion that was uninsured and uncollateralized. Each of the CD's had daily put options that would allow STIF to redeem the investments on a same-day basis.

Under the Federal Deposit Insurance Corporation (FDIC) rule for its Transaction Account Guarantee Program, the FDIC provides unlimited deposit insurance coverage for non-interest bearing transaction accounts, including Negotiable Order of Withdrawal (NOW) accounts that pay no more that 0.50 percent interest annually through June 30, 2011. As of fiscal year-end, the Short-Term Investment Fund did not hold any FDIC-insured NOW accounts in its portfolio.

Interest Rate Risk – Investments

Interest rate risk is the risk that changes in the general level of interest rates will adversely affect the fair value of an investment. The STIF's policy for managing interest rate risk is to limit investments to a very short weighted average maturity, not to exceed 90-days, and to comply with Standard and Poor's requirement that the weighted average maturity not exceed 60 days. The weighted-average maturity is calculated daily, and reported to Standard and Poor's weekly to ensure compliance. As of June 30, 2011 the weighted average maturity of the STIF was 31 days. The breakdown of the STIF's maturity profile is outlined below.

		Investment Maturity in Years	
Investments	Amortized Cost	Less than One	One - Five
Deposit Instruments:			
Fixed	$2,120,000,000	$2,120,000,000	$ -
Floating Rate Notes			
Corporate Notes			-
Structured Investment Vehicles	26,741,272	26,741,272	-
Federal Agency Securities			
Fixed	184,060,844	163,556,644	20,504,201
Floaters	819,341,532	819,341,532	
US Treasury	25,102,832	25,102,832	
US Government Guaranteed	335,980,318	308,310,049	27,670,269
Government Money Market Funds	95,785,818	95,785,818	-
Repurchase Agreements	200,000,000	200,000,000	-
Bank Commercial Paper	685,000,000	685,000,000	-
Total	$4,492,012,617	$4,443,838,148	48,174,469

Additionally, STIF is allowed by policy to invest in floating-rate debt securities. Further, investment in floating-rate securities with maturities greater than two years is limited to no more than 20 percent of the overall portfolio. For purposes of the weighted average maturity calculation and classification in the chart above, variable-rate securities are calculated using their interest rate reset dates. Because these securities reset frequently to prevailing market rates, interest rate risk is substantially reduced. As of fiscal year-end, the STIF portfolio held $819 million in variable rate securities.

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The STIF manages its credit risk by investing only in debt securities that fall within the highest short-term or long-term rating categories by nationally recognized rating organizations.

Credit Quality Rating	Amortized Cost	Percentage of Amortized Cost
AAAm	$ 95,785,818	2.13%
AA / A-1+	2,245,000,000	49.98
A / A-1	760,000,000	16.92
N/R*	26,741,272	0.60
Federal Agency and U.S. Govt / Govt Guaranteed Securities	1,364,485,527	28.50
Total	$4,492,012,617	100.00%

* The security's credit rating, while in compliance with investment guidelines at time of purchase, fell below guidelines as of June 30, 2011.

Concentration of Credit Risk

The Short-Term Investment Fund limits the amount it may invest in any one issuer to an amount not to exceed 10 percent at the time of purchase other than overnight or two-business-day repurchase agreements and U.S. government and agency securities. As of June 30, 2011, the table below lists issuers with concentrations of greater than 5 percent. The instances in which concentrations on June 30, 2011 exceeded 10 percent resulted from a decline in the overall portfolio size. At the time of purchase, the securities were at or below 10 percent.

Issuer	Fair Value	Percent of Total Portfolio
JP Morgan Chase Bank	$560,000,000	12.5
Wells Fargo Bank	560,000,000	12.5
Sovereign Bank	560,000,000	12.5
US Bank	510,000,000	11.3
TD Bank	440,000,000	9.8
Federal Farm Credit	386,492,748	8.6
Fannie Mae	243,087,345	5.4

NOTE 4: CUSTODIAN

State Street Bank was appointed as custodian for STIF effective February 1, 1996. STIF pays a percentage of the annual rate of $110,600 for the Short-Term Investment Unit. This percentage is calculated annually by determining the STIF fund size relative to that of the total Short-Term Investment Unit.

NOTE 5: ADMINISTRATION

STIF is managed and administered by employees of the State of Connecticut Treasury. Salaries and fringe benefit costs as well as operating expenses are charged directly to the Fund.

NOTE 6: DISTRIBUTIONS TO INVESTORS

The components of the distributions to investors are as follows for the income earned during the twelve months ended:

Distributions:	2011	2010
July	$940,472	$1,804,102
August	1,002,183	1,766,231
September	996,828	1,652,063
October	928,080	1,435,864
November	993,506	1,244,871
December	1,031,157	1,348,631
January	1,003,165	1,179,381
February	995,211	936,966
March	939,497	1,020,218
April	871,219	1,022,252
May	827,009	1,125,441
June (Payable at June 30)	771,681	1,036,174
Total Distribution Paid & Payable	$11,300,006	$15,572,194

NOTE 7: INVESTMENTS IN SECURITIES

The following is a summary of investments in securities, at amortized cost and fair value as of June 30, 2011:

Investment	Amortized Cost	Fair Value
Deposit Instruments	$2,120,000,000	$2,120,000,000
Corporate Notes and SIVs	26,741,272	28,856,906
Federal Agency Securities	1,003,402,376	1,004,106,601
US Treasury	25,102,832	25,121,000
Government Money Market Funds	95,785,818	95,785,818
US Government Guaranteed/Insured	335,980,318	336,152,321
Repurchase Agreements	200,000,000	200,000,000
Bank Commercial Paper	685,000,000	685,000,000
TOTAL	$4,492,012,617	$4,495,022,350

The Gryphon Funding pass-through note was received as a result of the Cheyne Finance restructuring in July 2008, and consists of the securities that were underlying the Cheyne notes. Since the restructuring, the Gryphon note has made monthly principal and interest payments. Due to uncertain market conditions, and because the Gryphon note represents a continuation of the Cheyne notes, we determined that continuation of the previous accounting treatment of applying all cash distributions to amortized cost maximizes recovery of value and, in our view, best protects the fund. During the fiscal year, cash payments totaled $8.6 million, consisting of $8.3 million in principal and $0.3 million in interest. The interest payments are not included in Investment Income or in Distributions to Participants, but recorded against the amortized cost of this investment until such time as the relative principal and interest amounts, and their ultimate effect on the Fund, are known. As discussed in the fiscal year 2008 report, on December 5, 2008, $24 million was transferred from the reserves to cover a reduction in value effective June 30, 2008. Amortized cost reflects cash distributions of $49.2 million since April 2008 and the reserve transfer. The June 30, 2011, estimated fair value of $28.9 million was provided by the Gryphon custodian and, exceeds security's amortized cost of $26.7 million by approximately $2.2 million.

Repurchase agreements are agreements to purchase securities from an entity for a specified amount of cash and to resell the securities to the entity at an agreed upon price and time. They are used to enhance returns with minimal risk on overnight cash deposits of the Fund. Such transactions are only entered into with primary government securities dealers who report directly to the Federal Reserve Bank of New York and commercial banks that meet certain quality standards. All repurchase agreements are collateralized at between 100 percent and 102 percent of the securities' value. As of fiscal year end, STIF held $200 million in repurchase agreements.

In an effort to improve disclosures associated with derivative contracts, the Government Accounting Standards Board (GASB) issued GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, effective for the fiscal years beginning after June 15, 2009. Statement No. 53 provides guidance on derivative disclosures, requires that all derivatives be reported on the Statement of Net Assets and defines a derivative instrument as a financial instrument or other contract with all three of the following characteristics: a) it has (1) one or more underlyings (a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates or other variable) and (2) one or more notional amounts (a number of currency units, shares, bushels, pounds, or other units specified in the contract) b) it requires no initial investment or smaller than would be required for other types of contracts c) its terms require or permit net settlement, it can readily be settled net by a means outside the contract, or it provides for delivery of an asset that puts the recipient in a position not substantially different from net settlement.

For the fiscal year ended June 30, 2011, the Short-Term Investment Fund held adjustable-rate corporate notes and U.S. government agency securities whose interest rates vary directly with short-term money market indices and are reset either daily, weekly, monthly or quarterly. Such securities allow the Fund to earn higher interest rates as market rates increase, thereby increasing fund yields and protecting against the erosion of market values from rising interest rates. These adjustable rate securities have similar exposures to credit and legal risks as fixed-rate securities from the same issuers.

NOTE 8: CREDIT RATING OF THE FUND

Throughout the year ended June 30, 2011, STIF was rated AAAm, its highest rating, by Standard and Poor's Corporation ("S&P"). In August 2010, following a review of the portfolio and STIF's investment policies, management and procedures, S&P reaffirmed STIF's AAAm rating and has continued to maintain this high rating throughout the current fiscal year. In order to maintain an AAAm rating, STIF adheres to the following guidelines:

- Weekly portfolio and market value calculations;
- Maintenance of credit quality standards for portfolio securities with at least 50% of such securities rated A-1+ or invested in overnight repurchase agreements with dealers or banks rated A-1;
- Ensuring adequate portfolio diversification standards with, at the time of purchase, no more than 5% of the portfolio invested in an individual security and no more than 10% invested in an individual issuer, excluding one and two day repurchase agreements and U.S. government agency securities; and
- A limit on the overall portfolio weighted average maturity (currently no more than 60 days).

It is the Treasurer's intention to take any and all such actions as are needed from time to time to maintain the AAAm rating.

DRAFT

REVISED
3:15 pm, Aug 15, 2011

SHORT-TERM INVESTMENT FUND

LIST OF INVESTMENTS AT JUNE 30, 2011

Par Value	Security (Coupon, Maturity or Reset Date)	Yield %	Amortized Cost	Fair Value	Asset ID	Quality Rating
FEDERAL AGENCY SECURITIES (22.34% OF TOTAL INVESTMENTS)						
$ 7,550,000	FANNIE MAE, 3.625, 08/15/11	0.10	$ 7,579,433	$ 7,582,510	31398ATL6	AAA
25,000,000	FANNIE MAE-FLT, 0.34, 07/01/11	0.19	24,993,927	25,035,700	31398A3X8	AAA
25,000,000	FANNIE MAE-FLT, 0.29, 07/01/11	0.20	24,996,330	25,027,125	31398A6R8	AAA
25,000,000	FANNIE MAE-FLT, 0.29, 07/1/11	0.20	24,996,437	25,027,125	31398A6R8	AAA
25,000,000	FANNIE MAE-FLT, 0.30, 07/01/11	0.21	24,992,873	25,027,100	31398A6V9	AAA
25,000,000	FANNIE MAE-FLT, 0.30, 07/01/11	0.21	24,992,873	25,027,100	31398A6V9	AAA
50,000,000	FANNIE MAE-FLT, 0.40, 08/01/11	0.30	49,995,943	50,077,450	3135G0AQ6	AAA
3,690,000	FANNIE MAE-FLT, 0.40, 08/01/11	0.30	3,695,325	3,695,716	3135G0AQ6	AAA
50,000,000	FANNIE MAE-FLT, 0.40, 08/01/11	0.30	49,984,104	50,077,450	3135G0AQ6	AAA
6,500,000	FANNIE MAE-FLT, 0.40, 08/01/11	0.30	6,510,419	6,510,069	3135G0AQ6	AAA
7,000,000	FEDERAL FARM CREDIT, 1.00, 06/14/12	0.32	7,045,213	7,043,813	31331JPZ0	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.50, 07/27/11	0.16	25,000,000	25,005,225	31331GC80	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.35, 08/17/11	0.16	24,999,837	25,005,450	31331GH93	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.30, 09/16/11	0.17	24,999,213	25,006,350	31331JHR7	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.17, 07/02/11	0.11	25,000,000	25,004,575	31331G2M0	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.17, 07/02/11	0.11	25,000,000	25,004,575	31331G2M0	AAA
23,000,000	FEDERAL FARM CREDIT FLT, 0.23, 08/04/11	0.18	22,996,780	23,003,427	31331G2V0	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.23, 08/23/11	0.19	24,997,988	25,003,825	31331G4C0	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.26, 07/25/11	0.21	24,995,685	25,007,325	31331JCF8	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.35, 08/06/11	0.21	24,994,680	25,020,425	31331JND1	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.36, 08/21/11	0.12	24,998,407	25,020,525	31331JWJ8	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.50, 08/02/11	0.23	24,991,548	25,054,775	31331JQL0	AAA
10,000,000	FEDERAL FARM CREDIT FLT, 0.35, 09/21/11	0.18	9,998,036	10,010,950	31331JSX2	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.40, 11/17/11	0.26	25,000,000	25,038,825	31331JYS6	AAA
21,300,000	FEDERAL FARM CREDIT FLT, 0.30, 07/11/11	0.32	21,296,207	21,291,033	31331KGY0	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.30, 11/03/11	0.33	24,995,404	24,985,825	31331KJV3	AAA
25,000,000	FEDERAL FARM CREDIT FLT, 0.30, 11/03/11	0.33	24,995,404	24,985,825	31331KJV3	AAA
24,836,000	FEDERAL HOME LOAN BANK, 0.21, 07/20/11	0.02	24,833,247	24,835,727	313384JJ9	AAA
25,000,000	FEDERAL HOME LOAN BANK, 0.20, 08/01/11	0.10	24,999,546	25,002,075	313372HT4	AAA
10,000,000	FEDERAL HOME LOAN BANK, 0.30, 11/23/11	0.07	9,999,047	10,009,070	313371P26	AAA
10,000,000	FEDERAL HOME LOAN BANK, 0.785, 11/25/11	0.10	10,018,148	10,027,390	3133XYLD5	AAA
8,000,000	FEDERAL HOME LOAN BANK, 0.28, 12/19/11	0.09	7,989,360	7,996,584	313384QS1	AAA
10,000,000	FEDERAL HOME LOAN BANK, 0.625, 01/13/12	0.30	10,011,978	10,017,200	3133706G8	AAA
9,915,000	FEDERAL HOME LOAN BANK, 3.25, 03/09/12	0.29	10,112,741	10,116,582	3133XPCS1	AAA
10,000,000	FEDERAL HOME LOAN BANK, 0.39, 04/25/12	0.15	10,000,000	10,001,120	313373B76	AAA
10,000,000	FEDERAL HOME LOAN BANK, 0.41, 04/27/12	0.15	10,000,000	10,000,860	313373C42	AAA
10,000,000	FEDERAL HOME LOAN BANK, 0.25, 05/23/12	0.32	10,000,000	9,993,950	313373Y22	AAA
10,000,000	FEDERAL HOME LOAN BANK, 0.33, 07/16/12	0.45	10,000,000	9,987,820	313374F70	AAA
25,000,000	FEDERAL HOME LOAN BANK FLT, 0.30, 08/19/11	0.16	25,000,000	25,004,150	3133XX3D7	AAA
10,876,000	FREDDIE MAC, 0.145, 08/29/11	0.02	10,873,415	10,875,641	313396LA9	AAA
10,000,000	FREDDIE MAC, 1.72, 03/14/12	0.30	10,094,516	10,099,970	3128X8Q62	AAA
10,000,000	FREDDIE MAC, 5.125, 07/15/12	0.24	10,504,201	10,506,980	3134A4QD9	AAA
25,000,000	FREDDIE MAC-FLT, 0.20, 08/05/11	0.13	25,000,922	25,005,650	3128X8E24	AAA
25,000,000	FREDDIE MAC-FLT, 0.23, 08/08/11	0.14	24,997,298	25,006,900	3134G1DL5	AAA
25,000,000	FREDDIE MAC-FLT, 0.08, 07/25/11	0.15	24,968,402	24,990,050	3128X9WA4	AAA
25,000,000	FREDDIE MAC-FLT, 0.11, 07/02/11	0.12	24,991,049	24,998,025	3128X9XN5	AAA
5,000,000	FREDDIE MAC-FLT, 0.14, 07/11/11	0.12	4,997,509	5,000,790	3128X9YV6	AAA
25,000,000	FREDDIE MAC-FLT, 0.14, 07/16/11	0.12	24,992,064	25,004,125	3128X9ZJ2	AAA
50,000,000	FREDDIE MAC-FLT, 0.29, 07/11/11	0.21	49,976,868	50,045,850	3134G1U69	AAA
$1,002,667,000			$ 1,003,402,376	$ 1,004,106,601		
DEPOSIT INSTRUMENTS (47.19% OF TOTAL INVESTMENTS)[1]						
$ 140,000,000	JP MORGAN, 0.43, 07/01/11	0.43	$ 140,000,000	$ 140,000,000	N/A	A-1+
140,000,000	JP MORGAN, 0.43, 07/01/11	0.43	140,000,000	140,000,000	N/A	A-1+
140,000,000	JP MORGAN, 0.43, 07/01/11	0.43	140,000,000	140,000,000	N/A	A-1+
140,000,000	JP MORGAN, 0.43, 07/01/11	0.43	140,000,000	140,000,000	N/A	A-1+
20,000,000	SOVEREIGN BANK, 0.60, 07/01/11	0.60	20,000,000	20,000,000	N/A	A-1
30,000,000	SOVEREIGN BANK, 0.60, 07/01/11	0.60	30,000,000	30,000,000	N/A	A-1
510,000,000	SOVEREIGN BANK, 0.60, 07/01/11	0.60	510,000,000	510,000,000	N/A	A-1
15,000,000	TORONTO DOMINION, 0.72, 07/01/11	0.72	15,000,000	15,000,000	N/A	A-1+
15,000,000	TORONTO DOMINION, 0.67, 07/01/11	0.67	15,000,000	15,000,000	N/A	A-1+
15,000,000	TORONTO DOMINION, 0.29, 07/01/11	0.29	15,000,000	15,000,000	N/A	A-1+
50,000,000	TORONTO DOMINION, 0.25, 07/01/11	0.25	50,000,000	50,000,000	N/A	A-1+
135,000,000	TORONTO DOMINION, 0.25, 07/01/11	0.25	135,000,000	135,000,000	N/A	A-1+
130,000,000	TORONTO DOMINION, 0.25, 07/01/11	0.25	130,000,000	130,000,000	N/A	A-1+
45,000,000	TORONTO DOMINION, 0.25, 07/01/11	0.25	45,000,000	45,000,000	N/A	A-1+

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3:15 pm, Aug 15, 2011

SHORT-TERM INVESTMENT FUND

LIST OF INVESTMENTS AT JUNE 30, 2011 (Continued)

Par Value	Security (Coupon, Maturity or Reset Date)	Yield %	Amortized Cost	Fair Value	Asset ID	Quality Rating
35,000,000	TORONTO DOMINION, 0.23, 07/01/11	0.23	35,000,000	35,000,000	N/A	A-1+
240,000,000	WELLS FARGO, 0.20, 07/01/11	0.20	240,000,000	240,000,000	N/A	A-1+
235,000,000	WELLS FARGO, 0.20, 07/01/11	0.20	235,000,000	235,000,000	N/A	A-1+
85,000,000	WELLS FARGO, 0.20, 07/01/11	0.20	85,000,000	85,000,000	N/A	A-1+
$2,120,000,000			$ 2,120,000,000	$ 2,120,000,000		
BANK COMMERCIAL PAPER (15.25% OF TOTAL INVESTMENTS)						
$ 175,000,000	RABO BANK, 0.01, 07/01/11	0.01	$ 175,000,000	$ 174,999,703	14977LU13	A-1+
170,000,000	US BANK, 0.20, 07/01/11	0.20	170,000,000	170,000,000	N/A	A-1+
170,000,000	US BANK, 0.20, 07/01/11	0.20	170,000,000	170,000,000	N/A	A-1+
170,000,000	US BANK, 0.20, 07/01/11	0.20	170,000,000	170,000,000	N/A	A-1+
$685,000,000			$ 685,000,000	$ 684,999,703		
U.S. TREASURY (0.56% OF TOTAL INVESTMENTS)						
$ 25,000,000	US TREASURY, 0.75, 11/30/11	0.75	$ 25,102,832	$ 25,121,000	912828NE6	AAA
$ 25,000,000			$ 25,102,832	$ 25,121,000		
U. S. GOVERNMENT (FDIC) GUARANTEED OR INSURED BANK SECURITIES (7.48% OF TOTAL INVESTMENTS)						
$ 10,000,000	BANCO BILBOA, 2.45, 06/22/12	0.30	$ 10,211,794	$ 10,206,590	05951TAA2	AAA
15,000,000	BANCO BILBOA, 2.45, 06/22/12	0.30	15,312,375	15,309,885	05951TAA2	AAA
9,332,000	BANK AMERICA, 2.10, 04/30/12	0.18	9,469,307	9,478,298	06050BAG6	AAA
20,000,000	BANK AMERICA, 2.10, 04/30/12	0.18	20,290,217	20,313,540	06050BAG6	AAA
20,000,000	BANK AMERICA, 3.125, 06/15/12	0.22	20,541,967	20,546,840	06050BAA9	AAA
10,000,000	CITIBANK, 1.50, 07/12/11	0.13	10,002,893	10,002,270	17314JAK9	AAA
6,500,000	CITIBANK, 1.375, 08/10/11	0.06	6,508,667	6,508,099	17314JAN3	AAA
10,000,000	CITIBANK, 1.25, 09/22/11	0.05	10,020,475	10,025,340	17314JAP8	AAA
10,000,000	CITIBANK, 1.25, 09/22/11	0.05	10,020,357	10,025,340	17314JAP8	AAA
10,743,000	CITIBANK, 1.25, 09/22/11	0.05	10,767,955	10,770,223	17314JAP8	AAA
1,095,000	CITIBANK, 2.125, 04/30/12	0.19	1,111,063	1,112,265	17313UAE9	AAA
10,041,000	CITIBANK, 2.125, 04/30/12	0.19	10,187,088	10,199,316	17313UAE9	AAA
10,000,000	CITIBANK, 1.75, 05/07/12	0.20	10,123,382	10,139,990	17290CAB2	AAA
10,000,000	CITIBANK, 1.875, 05/07/12	0.20	10,121,110	10,139,990	17290CAB2	AAA
10,000,000	CITIBANK, 1.875, 05/07/12	0.20	10,128,922	10,139,990	17290CAB2	AAA
9,905,000	CITIBANK, 1.875, 06/04/12	0.25	10,046,603	10,051,128	17314JAG8	AAA
1,095,000	CITIBANK NA, 1.25, 11/15/11	0.09	1,099,225	1,099,539	17314JAS2	AAA
10,000,000	CITIGROUP, 2.875, 12/09/11	0.10	10,108,538	10,117,940	17313UAA7	AAA
7,152,000	CITIGROUP, 2.125, 07/12/12	0.21	7,288,249	7,290,713	17313YAG6	AAA
20,000,000	CITIGROUP, 2.125, 07/12/12	0.21	20,382,020	20,387,900	17313YAG6	AAA
8,315,000	GE CAPITAL, 3.00, 12/09/11	0.12	8,413,033	8,416,742	36967HAD9	AAA
10,000,000	GE CAPITAL, 2.25, 03/12/12	0.14	10,132,639	10,143,730	36967HAN7	AAA
11,660,000	GE CAPITAL, 2.20, 06/08/12	0.19	11,866,231	11,876,176	36967HAH0	AAA
11,000,000	GE CAPITAL, 2.20, 06/08/12	0.19	11,194,557	11,203,940	36967HAH0	AAA
3,000,000	GOLDMAN SACHS - FLT, 0.51, 08/09/11	0.25	3,003,045	3,004,182	38146FAG6	AAA
25,000,000	GOLDMAN SACHS - FLT, 0.99, 07/05/11	0.10	25,086,232	25,092,675	38146FAB7	AAA
2,750,000	KEY BANK, 3.20, 06/15/12	0.21	2,826,085	2,827,239	49328CAA3	AAA
14,000,000	MORGAN STANLEY, 3.25, 12/01/11	0.33	14,170,884	14,164,346	61757UAB6	AAA
12,769,000	MORGAN STANLEY, 1.95, 06/20/12	0.29	12,974,480	12,971,606	61757UAH3	AAA
10,000,000	NY COMMUNITY BANK, 3.00, 12/16/11	0.04	10,120,595	10,131,520	64944QAA5	AAA
10,000,000	PNC BK, 2.30, 06/22/12	0.20	10,197,349	10,201,440	69351CAC7	AAA
2,246,000	US CENTRAL FCU, 1.25, 10/19/11	0.08	2,252,983	2,253,529	90345AAA0	AAA
$ 331,603,000			$ 335,980,318	$ 336,152,321		
REPURCHASE AGREEMENTS (4.45% OF TOTAL INVESTMENTS)						
$ 200,000,000	MERRILL LYNCH & CO., 0.03, 07/01/11	0.03	$ 200,000,000	$ 200,000,000	N/A	A-1
$ 200,000,000			$ 200,000,000	$ 200,000,000		
STRUCTURED INVESTMENT VEHICLES (0.60% OF TOTAL INVESTMENTS)						
$ 84,099,830	GRYPHON FUNDING LTD, 0.00, 07/05/11	0.00	$ 26,741,272	$ 28,856,906	N/A	N/R
$ 84,099,830			$ 26,741,272	$ 28,856,906		
MONEY MARKET FUNDS (2.13% OF TOTAL INVESTMENTS)						
$ 95,785,818	FFI GOVT FUND, 0.02, 07/01/11	0.02	$ 95,785,818	$ 95,785,818	N/A	AAAM
$ 450,000,738			$ 450,000,738	$ 450,000,738		
$4,544,155,648	**TOTAL INVESTMENT IN SECURITIES**		**$ 4,492,012,617**	**$ 4,495,022,350**		

(1) Deposit instruments have daily put option.

SHORT-TERM INVESTMENT FUND

SCHEDULE OF ANNUAL RATES OF RETURN

	Year Ended June 30,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
STIF Total Rate of Return (%)	0.23	0.34	1.49	4.13	5.54	4.38	2.32	1.16	1.64	2.61
iMoneyNet Money Fund Average™ Rated First Tier Institutional Average (MFR) Index (%)[1]	0.08	0.09	1.30	4.07	5.14	4.01	1.91	0.75	1.20	2.22
Total Assets in STIF, End of Period ($ - Millions)	4,494	4,582	4,548	5,054	5,004	5,430	4,314	3,829	3,280	3,546
Percent of State Assets in Fund	84	84	81	83	80	84	84	81	69	67
Number of Participant Accounts in Composite, End of Year[2]										
State Treasury	52	51	47	39	47	58	84	124	115	112
Municipal and Local Entities	660	656	608	637	578	542	548	556	551	544
State Agencies and Authorities	417	416	367	418	406	406	446	474	440	428
Total	1,129	1,123	1,022	1,094	1,031	1,066	1,078	1,154	1,106	1,084

(1) Represents iMoneyNet Money Fund Average™ - Rated First Tier Institutional Average (MFR) Index. These Index rates have been taken from published sources.

(2) As of 2006 and going forward, inactive accounts were closed and only active accounts were included in the total number of participant accounts.

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8:59 am, Aug 16, 2011

SHORT-TERM INVESTMENT FUND

SCHEDULE OF QUARTERLY RATES OF RETURN

FISCAL YEAR	Rate of Return(%)	iMoneyNet Money Fund Averages ™ (MFR) Index(%) (1)
2011		
Sep-10	0.06	0.03
Dec-10	0.06	0.02
Mar-11	0.06	0.02
Jun-11	0.05	0.01
YEAR	**0.23**	**0.08**
2010		
Sep-09	0.11	0.04
Dec-09	0.09	0.02
Mar-10	0.06	0.01
Jun-10	0.06	0.02
YEAR	**0.34**	**0.09**
2009		
Sep-08	0.58	0.58
Dec-08	0.47	0.45
Mar-09	0.26	0.17
Jun-09	0.16	0.09
YEAR	**1.49**	**1.30**
2008		
Sep-07	1.34	1.27
Dec-07	1.24	1.19
Mar-08	0.90	0.92
Jun-08	0.59	0.62
YEAR	**4.13**	**4.07**
2007		
Sep-06	1.36	1.26
Dec-06	1.38	1.26
Mar-07	1.33	1.26
Jun-07	1.36	1.26
YEAR	**5.54**	**5.14**

FISCAL YEAR	Rate of Return(%)	iMoneyNet Money Fund Averages ™ (MFR) Index(%)(1)
2006		
Sep-05	0.89	0.80
Dec-05	1.05	0.93
Mar-06	1.12	1.05
Jun-06	1.25	1.17
YEAR	**4.38**	**4.01**
2005		
Sep-04	0.38	0.29
Dec-04	0.53	0.41
Mar-05	0.64	0.54
Jun-05	0.77	0.67
YEAR	**2.32**	**1.91**
2004		
Sep-03	0.28	0.19
Dec-03	0.30	0.19
Mar-04	0.29	0.19
Jun-04	0.29	0.18
YEAR	**1.16**	**0.75**
2003		
Sep-02	0.48	0.38
Dec-02	0.45	0.32
Mar-03	0.36	0.26
Jun-03	0.35	0.24
YEAR	**1.64**	**1.20**
2002		
Sep-01	0.95	0.85
Dec-01	0.66	0.55
Mar-02	0.48	0.41
Jun-02	0.49	0.39
YEAR	**2.61**	**2.22**

(1) Represents iMoneyNet Money Fund Average™ - Rated First Tier Institutional Average (MFR) Index. These Index rates have been taken from published sources.

CALCULATION OF RATES OF RETURN

STIF uses a time-weighted linked rate of return formula to calculate rates of return. Other methods may produce different results and the results for individual participants and different periods may vary. The current rates of return may not be indicative of future rates of return.

The time-weighted linked rate of return formula used by STIF is as follows: Monthly returns are calculated by taking the sum of daily income earned on an accrual basis, after deduction for all operating expenses and a transfer to the Designated Surplus Reserve, divided by the average daily participant balance for the month.

The rates of return presented herein are those earned by the Fund during the periods presented as described above.

SHORT-TERM PLUS INVESTMENT FUND

STATEMENT OF NET ASSETS
JUNE 30, 2011

	June 30, 2011
ASSETS	
Investment in Securities, at Fair Value (Note 7)	$ 19,546,926
Accrued Interest and Other Receivables	10,327
Prepaid Assets	3,751
Total Assets	$ 19,561,003
LIABILITIES	
Distribution Payable	9,757
Interest Payable	-
Total Liabilities	$ 9,757
NET ASSETS HELD IN TRUST FOR PARTICIPANTS	$ 19,551,246

See accompanying Notes to the Financial Statements.

SHORT-TERM PLUS INVESTMENT FUND

STATEMENTS OF CHANGES IN NET ASSETS
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND JUNE 30, 2010

	2011	2010
ADDITIONS		
Operations		
Interest Income	$ 322,839	$ 618,864
Net Investment Income	322,839	618,864
Net Realized Gains (Losses)	11,839	40,014
Net Increase Resulting from Operations	334,678	658,878
Share Transactions at Net Asset Value		
Purchase of Units	347,223	755,456
TOTAL ADDITIONS	681,901	1,414,334
DEDUCTIONS		
Distribution to Participants (Notes 2 & 6)		
Distributions to Participants	(324,706)	(636,452)
Total Distributions Paid and Payable	(324,706)	(636,452)
Share Transactions at Net Asset Value		
Redemption of Units	(33,595,187)	(41,324,707)
Operations		
Operating Expenses	(9,972)	(22,426)
Net Change in Unrealized Gain/(Loss) on Investments	232,344	4,249,333
TOTAL DEDUCTIONS	(33,697,521)	(37,734,252)
CHANGE IN NET ASSETS	(33,015,620)	(36,319,918)
Net Assets held in Trust for Participants		
Beginning of Year	52,566,866	88,886,784
End of Year	$ 19,551,246	52,566,866

See accompanying Notes to the Financial Statements.

NOTE 1: INTRODUCTION AND BASIS OF PRESENTATION

The Medium-Term Investment Fund ("STIF Plus" or the "Fund") is a money market and short-term bond investment pool managed by the Treasurer of the State of Connecticut. Section 3-28a of the Connecticut General Statutes (CGS) created STIF Plus. Pursuant to CGS 3-28a, the State, municipal entities, and political subdivisions of the State are eligible to invest in the Fund. The State Treasurer is authorized to invest monies of STIF Plus in United States government and agency obligations, certificates of deposit, commercial paper, corporate bonds, saving accounts, bankers' acceptances, repurchase agreements, asset-backed securities and investment fund comprised of authorized securities. STIF Plus is authorized to issue an unlimited number of units.

For State of Connecticut financial reporting purposes, STIF Plus is considered to be a mixed investment pool – a pool having external and internal portions. The internal portion (i.e., the portion that belongs to investors that are part of the State's financial reporting entity) is not displayed in the State's basic financial statements. Instead, each fund type's investment in STIF Plus is reported as "cash equivalents" in the statement of net assets. The external portion (i.e., the portion that belongs to investors which are not part of the State's financial reporting entity) is recorded in an investment trust fund in the basic financial statements.

Related Party Transactions.

STIF Plus had no related party transactions during the fiscal year with the State of Connecticut and its component units including leasing arrangements, the performance of administrative services and the execution of securities transactions.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity.

The Fund is a Fiduciary Investment Trust Fund. A fiduciary fund is used to account for governmental activities that are similar to those found in the private sector where the determination of net income is necessary or useful to sound financial administration. The generally accepted accounting principles ("GAAP") used for fiduciary funds are generally those applicable to similar businesses in the private sector. The Fund uses the accrual basis of accounting.

Security Valuation of Financial Instruments.

The assets of the STIF Plus are carried at fair value which is the current market value. All premiums and discounts on securities are amortized or accreted on a straight line basis.

Security Transactions.

Purchases and sales of investments are recorded on a trade date basis. Gains and losses on investments are realized at the time of the sales and are calculated on the basis of an identified block or blocks of securities having an identified amortized cost. Bond cost is determined by identified lot.

Interest Income.

Interest income, which includes amortization of premiums and accretion of discounts, is accrued as earned.

Expenses.

Operating and interest expenses of STIF Plus are accrued as incurred.

Fiscal Year.

The fiscal year of STIF Plus ends on June 30.

Distributions to Investors.

Distributions to investors are earned on units outstanding from date of purchase to date of redemption. Income is calculated daily based upon the actual earnings of STIF Plus net of administrative expenses. Distributions are paid monthly within two business days of the end of the month, and are based upon actual number of days in a year. Shares are sold and redeemed at the current market value per share, which is consistent with the per share net asset value of the Fund.

Estimates.

The preparation of the financial statements in conformity with (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities in the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3: DEPOSIT AND INVESTMENT DISCLOSURES

STIF Plus's investment practice is to invest all cash balances; as such, there was no uninvested cash at June 30, 2011. All securities of STIF Plus are registered under the State Street Bank nominee name, Pond, Tide & Co., for the State of Connecticut nominee name, Conn. STIF & Co., and held by a designated agent of the State.

Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that in the event of a bank failure, the STIF Plus's deposits may not be recovered. The STIF Plus follows policy parameters that limit deposits in any one entity to a maximum of five percent of total assets at the time of purchase. Further, the certificates of deposits must be issued from commercial banks whose short-term debt is rated at least A-1 by Standard and Poor's and F-1 by Fitch and whose long-term debt is rated at least AA- or which carry an unconditional letter of guarantee from such a bank that meets the short-term debt rating requirements.

Certificates of Deposit in banks are insured up to $250,000, any amount above this limit is considered uninsured. Additionally, state banking regulation requires all Connecticut public depositories to segregate collateral against public deposits in an amount equal to ten percent of the outstanding deposit. As of fiscal year-end, STIF Plus Investment Fund did not hold any certificates of deposit investments.

Interest Rate Risk – Investments

Interest rate risk that changes in the general level of interest rates will adversely affect the market value of an investment. STIF Plus's policy for managing interest rate risk is to perform, on a quarterly basis, an interest rate sensitivity analysis on the duration and the market value of the portfolio to determine the potential effect of a 200 basis point movement in interest rates. As of June 30, 2011 the weighted average maturity of the STIF Plus was 105 days. The breakdown of the STIF Plus's maturity profile is outlined below.

		Investment Maturity in Years	
Investments	**Fair Value**	**Less than One**	**One - Five**
Corporate Notes	$14,980,265	$14,980,265	$ -
Asset-Backed Securities			
Fixed	821,299	-	821,299
Floaters	3,745,287	3,745,287	-
Money Market Funds	75	75	-
Total	$19,546,926	$18,725,627	$821,299

Additionally, STIF Plus is allowed by policy to invest in floating-rate debt securities. For purposes of the weighted average maturity calculation and classification in the chart above, variable-rate securities are calculated using their interest rate reset dates. Because these securities re-set frequently to prevailing market rates, interest rate risk is substantially reduced. As of fiscal year-end, the STIF Plus portfolio held $18.7 million in variable rate securities.

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The STIF Plus manages its credit risk by investment only in debt securities that fall within the highest short-term or long-term rating categories by nationally recognized rating organizations.

Investment Type	Fair Value	A-1+	AAA	A	B-	CCC
Corporate Notes	14,980,265	-	-	14,980,265	-	-
Asset Backed Securities						
Fixed	821,299	-	821,299	-	-	-
Floaters	3,745,287	-	2,506,585	-	753,565	485,136
Money Market Funds	75	75	-	-	-	
Total	$19,546,926	$75	$3,327,884	$14,980,265	$753,565	$485,136

Concentration of Credit Risk

STIF Plus limits the amount it may invest in any single corporate entity to an amount not to exceed 5 percent or in any single federal agency to an amount not to exceed 15 percent at the time of purchase. As of June 30, 2011, the table below lists issuers with concentrations of greater than 5 percent of the total portfolio.

Issuer	Fair Value	Percent of Total Portfolio
Goldman Sachs	$4,999,205	25.6%
Merrill Lynch	$9,981,060	66.6%

These concentrations result from the reduced size of the portfolio from $52.5 million to $20 million during the year. The concentrations were consistent with investment guidelines at the time of purchase.

NOTE 4: CUSTODIAN

State Street Bank was appointed as custodian for STIF Plus effective October 2, 2006. STIF Plus pays a percentage of the fixed annual rate of $110,000 for the Short-Term Investment Unit. This percentage is calculated annually by determining the STIF Plus fund size relative to that of the total Short-Term Investment Unit.

NOTE 5: ADMINISTRATION

STIF Plus is managed and administered by employees of the State of Connecticut Treasury. Salaries and fringe benefit costs as well as operating expenses are charged directly to the Fund.

NOTE 6: DISTRIBUTIONS TO INVESTORS

The components of the distributions to investors are as follows for the income earned during the twelve months ended:

Distributions:	2011	2010
July	$36,235	$91,990
August	38,981	78,180
September	31,721	65,702
October	28,330	59,642
November	24,246	50,713
December	89,889	49,053
January	13,671	80,812
February	13,132	32,178
March	16,275	32,855
April	11,139	31,573
May	11,330	31,479
June (Payable at June 30)	9,757	32,275
Total Distribution Paid & Payable	$324,706	$636,452

NOTE 7: INVESTMENTS IN SECURITIES

The following is a summary of investments in securities, at amortized cost and market value as of June 30, 2011:

Investment	Amortized Cost	Fair Value
Asset-Backed Securities	$6,030,094	$4,566,586
Corporate Notes	15,000,942	14,980,265
Money Market Funds	75	75
TOTAL	$21,031,111	$19,546,926

In an effort to improve disclosures associated with derivative contracts, the Government Accounting Standards Board (GASB) issued GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, effective for the fiscal years beginning after June 15, 2009. Statement No. 53 provides guidance on derivative disclosures, requires that all derivatives be reported on the Statement of Net Assets and defines a derivative instrument as a financial instrument or other contract with all three of the following characteristics: a) it has (1) one or more underlyings (a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates or other variable) and (2) one or more notional amounts (a number of currency units, shares, bushels, pounds, or other units specified in the contract) b) it requires no initial investment or smaller than would be required for other types of contracts c) its terms require or permit net settlement, it can readily be settled net by a means outside the contract, or it provides for delivery of an asset that puts the recipient in a position not substantially different from net settlement.

For the fiscal year ended June 30, 2011, the Short-Term Plus Investment Fund held adjustable-rate corporate notes and asset-backed securities whose interest rates vary directly with short-term money market indices and are reset daily, monthly, quarterly or semi-annually. Such securities allow the Fund to earn higher interest rates as market rates increase, thereby increasing fund yields and protecting against the erosion of market values from rising interest rates. These adjustable rate securities have similar exposures to credit and legal risks as fixed-rate securities from the same issuers.

NOTE 8: SUBSEQUENT EVENTS

None.

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10:11 am, Aug 16, 2011

SHORT-TERM PLUS INVESTMENT FUND

LIST OF INVESTMENTS AT JUNE 30, 2011

Par Value	Security (Coupon, Maturity or Reset Date)	Yield %	Amortized Cost	Fair Value	Asset ID	Quality Rating
ASSET-BACKED SECURITIES (23.36% of total investments)						
$ 1,201,311	ARSI 2004-W10 A2 0.58, 10/25/34	0.58	$ 1,201,310	$ 1,113,313	040104LM1	AAA
1,034,465	CITI MORT LOAN TR - 2007 AMC2 0.27, 1/25/37	0.27	1,034,464	753,565	17311XAA3	B- (1)
1,471,249	GRANM 2007 - 12A1 0.33, 12/20/54	0.33	1,471,249	1,393,273	38741YDF3	AAA
1,094,903	INDB 2006-1 A1 0.26, 7/25/36	0.26	1,094,900	369,316	45661JAA1	CCC(1)
400,686	NAA 2006-AF2 1A1 0.29, 8/25/36	0.29	400,685	115,820	65536VAA5	CCC(1
827,486	RAMC 2005-2 AF3 4.49, 8/25/35	5.61	827,485	821,299	75970NAK3	AAA
$ 6,030,100			$ 6,030,094	$ 4,566,585		
CORPORATE NOTES (76.64% of total investments)						
$ 5,000,000	GOLDMAN SACHS 0.49, 2/6/12	0.49	$ 5,000,536	$ 4,999,205	38141GEW0	A (1)
10,000,000	MERRILL LYNCH 0.48, 6/5/12	0.48	10,000,406	9,981,060	59018YE72	A (1)
$ 15,000,000			$ 15,000,942	$ 14,980,265		
MONEY MARKET FUNDS (0.00% of total investments)						
$ 76	GS GOVT FUND 0.03, 07/01/10	0.03	$ 76	$ 76	03799N9J9	A1+
$ 76			$ 76	$ 76		
$ 21,030,175	**TOTAL INVESTMENT IN SECURITIES**		**$ 21,031,111**	**$ 19,546,926**		

(1) The security's credit rating, while in compliance with investment guidelines at time of purchase, was below guidelines as of June 30, 2011.

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1:20 pm, Aug 29, 2011

SECOND INJURY FUND

STATEMENT OF NET ASSETS
JUNE 30, 2011 and 2010

	June 30, 2011	June 30, 2010
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 36,715,654	$ 45,622,057
Receivables, net of allowance for uncollectible accounts - $11,053,205 and $10,791,669 respectively	5,681,289	5,906,527
Other Assets	36,793	41,587
TOTAL CURRENT ASSETS	42,433,736	51,570,171
NONCURRENT ASSETS:		
Capital assets:		
Computers	33,093	33,093
Office equipment	18,982	18,982
Less accumulated depreciation	(51,189)	(49,144)
TOTAL NONCURRENT ASSETS	886	2,931
TOTAL ASSETS	42,434,622	51,573,102
LIABILITIES		
CURRENT LIABILITIES:		
Claims and benefits payable	6,951,675	7,615,767
Settlement payable	1,630,400	3,112,332
Accounts payable and other accrued liabilities	1,396,157	1,240,501
Compensated absences	477,857	456,558
TOTAL CURRENT LIABILITIES	10,456,089	12,425,158
NONCURRENT LIABILITIES:		
Accounts payable and accrued liabilities	1,049,000	1,155,000
Compensated absences	181,974	161,605
TOTAL NONCURRENT LIABILITIES	1,230,974	1,316,605
TOTAL LIABILITIES	11,687,063	13,741,763
NET ASSETS		
Unrestricted Net Assets	30,747,559	37,831,339
TOTAL NET ASSETS	$ 30,747,559	$ 37,831,339

See accompanying Notes to the Financial Statements.

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1:20 pm, Aug 29, 2011

SECOND INJURY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND JUNE 30, 2010

	2011	2010
OPERATING REVENUES		
Assessment Revenues	$30,882,941	$29,490,370
Fund Recoveries	687,321	602,702
Other Income	99,855	37,767
TOTAL OPERATING REVENUES	31,670,117	30,130,839
OPERATING EXPENSES		
Injured Worker Benefits:		
Settlements	6,664,250	10,782,487
Indemnity Claims Benefits	19,419,200	22,056,446
Medical Claims Benefits	5,677,423	5,305,199
Total Injured Worker Benefits	31,760,873	38,144,132
Administrative Expenses	7,083,251	6,654,720
TOTAL OPERATING EXPENSES	38,844,124	44,798,852
OPERATING INCOME (LOSS)	(7,174,007)	(14,668,013)
NON-OPERATING INCOME		
Interest Income	90,227	170,899
Change in Net Assets	(7,083,780)	(14,497,114)
NET ASSETS - Beginning of Year	37,831,339	52,328,453
NET ASSETS - End of Year	$30,747,559	$37,831,339

See accompanying Notes to the Financial Statements.

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STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND JUNE 30, 2010

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
SOURCE:		
Assessment revenues	$ 31,166,387	$ 31,618,485
Fund recoveries	687,321	602,702
Other income	99,855	37,767
Other assets	4,939	(28,371)
Depreciation	2,044	2,316
	31,960,546	32,232,899
USE:		
Injured worker benefits	(34,012,897)	(37,514,807)
Administrative expenses	(6,944,134)	(6,521,593)
	(40,957,031)	(44,036,400)
NET CASH PROVIDED BY OPERATING ACTIVITIES	(8,996,485)	(11,803,501)
CASH FLOWS FROM INVESTING ACTIVITIES		
SOURCE:		
Interest Income	90,082	174,431
NET CASH PROVIDED BY INVESTING ACTIVITIES	90,082	174,431
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(8,906,403)	(11,629,070)
Cash and cash equivalents, Beginning of Year	45,622,057	57,251,127
CASH AND CASH EQUIVALENTS, End of Year	$ 36,715,654	$ 45,622,057
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ (7,174,007)	$ (14,668,013)
Adjustments to reconcile operating income to net cash:		
Provided by operating activities:-		
Depreciation expense	2,044	2,316
Decrease (increase) in assets:		
Decrease in receivables, net	225,238	2,243,214
Decrease (increase) in other assets	4,939	(28,371)
Increase (decrease) in liabilities		
Increase (decrease) in accounts payable & accrued expenses	(2,096,367)	517,237
Increase (decrease) in compensated absences	41,668	130,116
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ (8,996,485)	$ (11,803,501)

See accompanying Notes to the Financial Statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1: INTRODUCTION AND BASIS OF PRESENTATION

The Second Injury Fund ("SIF" or the "Fund") is an extension of the Workers' Compensation Act managed by the Treasurer of the State of Connecticut and operates under Chapter 568, of the Connecticut General Statutes (C.G.S.). Prior to July 1, 1995, the Fund provided relief to employers where a worker, who already had a preexisting injury or medical condition, was hurt on the job and that second injury was made "materially and substantially" worse by the preexisting injury or medical condition.

In 1995 the Connecticut General Assembly closed the Fund to new "second injury" claims sustained on or after July 1, 1995. However, the Fund continues to be liable for payment of claims which involve an uninsured or bankrupt employer and, on a pro rata basis, be liable for reimbursement claims to employers of any worker who had more than one employer at the time of the injury.

In addition, the Fund continues to be liable for and make payments with respect to:

- Widow and dependent death benefits
- Reimbursement for cost of living adjustments on certain claims
- Second injury claims transferred to the Fund prior to July 1999 with a date of injury prior to July 1, 1995.

For State of Connecticut financial reporting purposes, SIF is reported as an Enterprise Fund. (See Note 2)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The accompanying financial statements of SIF have been prepared in conformity with generally accepted accounting principles as prescribed in pronouncements of the Governmental Accounting Standards Board (GASB).

The Fund utilizes the enterprise fund form of reporting. The reporting focuses on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. The full accrual form of accounting is employed, and revenues are recognized when earned, and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash. GASB No. 34 has defined an enterprise fund as a governmental unit in which the pricing policies of the activity establish fees and charges designed to recover its costs.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The principal operating revenues of the Fund are the monies assessed to Connecticut employers for their share of the Fund's expenses for managing workers' compensation claims assigned to the Fund by statute.

Cash and Cash Equivalents

Cash consists of funds in bank checking accounts and deposits held by the State General Fund in the Treasury Business Office account. Cash equivalents include investments in the State of Connecticut Short-Term Investment Fund (STIF). Custodial Credit Risk for Cash and Cash Equivalents is the risk that in the event of a bank failure, the SIF deposits may not be returned to them. STIF Investment Policy ensures strong asset diversification by security type and issuer, comprised of high quality, very liquid securities with a relatively short average maturity. SIF has 99.5% of its cash invested in STIF which is rated AAAm by Standard & Poor's Corporation ("S&P"). Deposits are presented in the basic financial statements at cost plus accrued interest which is also the market or fair value.

Receivables, Net of Allowance for Uncollectible Accounts

The receivables balance is composed of assessment receivables and other receivables.

Assessment receivables are recorded inclusive of interest due and result from amounts billed in accordance with C.G.S. 31-354 Assessments: SIF's primary source of revenue is from the levying of assessments against self-insured and insured Connecticut employers. Insurance carriers who insure Connecticut employers are responsible to collect the assessments from employers and submit the revenue to SIF. (see Note 3)

Other receivables are recorded inclusive of interest due and result from amounts billed in accordance with either statute C.G.S. 31-301 or C.G.S.355.

C.G.S. 31-301, Appeal Cases, provides for the payment of indemnity (lost wages) and medical benefits to an injured worker while their claims are under appeal. Upon a decision in the appeal, the injured worker (in cases of denial of compensation), or insurer (in cases of award of compensation), must reimburse the SIF for monies expended during the appeal process. This statute was repealed with passage of P.A. 95-277 for appeals filed on injuries occurring after July 1, 1995. During fiscal years 2011 and 2010, there were no benefits paid for appeals cases.

C.G.S. 31-355, Non Compliance, mandates that SIF pay indemnity and medical benefits for injured workers whose employers fail to or are unable to pay the compensation. The most common examples of these cases involve employers who did not carry worker's compensation insurance or are bankrupt.

Appeal Cases and Non Compliance transactions are recorded as injured worker benefits when paid by the Fund. Concurrently, the Fund seeks recovery of the amounts paid from the party statutorily responsible and a receivable is established. The receivable is offset by a credit to Allowance for Uncollectible Accounts. Recoveries are recorded as revenue when cash is received.

The Fund records other receivables for penalties and citations and certain other payments made under other statutes where the Fund has a right to seek reimbursement. The receivable is offset by a credit to Allowance for Uncollectible Accounts. Recoveries are recorded as revenue when cash is received. Revenue is recorded for these receivables when cash is received.

The allowance for uncollectible account represents those amounts estimated to be uncollectible as of the balance sheet date. The Fund fully reserves for the other receivable balances. (see Note 4)

Capital Assets

The category of capital assets consists of computers and office equipment. The Fund is recording these capital assets at cost with a useful life of 5 years on a straight-line method. In the year of acquisition of the capital asset, the Fund has elected to take a half a year depreciation expense.

Claims Benefits Payable

This category of liability includes indemnity and medical benefits to injured workers as claims and widow and dependent death benefits that will not be submitted to the Fund well as reimbursements to insurance companies and self-insured employers for widow claims and dependent death benefits in addition to concurrent employment cases incurred as at the balance sheet date. The long-term portion of claims benefits payable represents an estimate of the amount of liability of as June 30, 2011 and June 30, 2010 of the concurrent employment until a year or more for reimbursement. (see Note 5)

Settlements Payable

Settlements are negotiated agreements for resolving the Fund's future exposure on injured worker claims. An accrual is made for all settlements committed as of the balance sheet date. (see Note 5)

Accounts Payable and Other Accrued Liabilities

Accounts payable and other accrued liabilities represent administrative expenses of the Fund outstanding as of June 30, 2011 and June 30, 2010 as well as assessments owed to Connecticut Workers' Compensation and other Connecticut employers. (see Note 5)

Compensated Absences

Vacation and sick policy is as follows: Employees hired on or before June 30, 1977 can accumulate up to a maximum of 120 vacation days. Employees hired after that date can accumulate up to a maximum of 60 days. Upon termination or death, the employee is entitled to be paid for the full amount of vacation days owed. No limit is placed on the number of sick days that an employee can accumulate. However, the employee is entitled to payment for accumulated sick time only upon retirement, or after ten years of service upon death, for an amount equal to one-fourth of his/her accrued sick leave up to a maximum payment equivalent of sixty days. (see Note 5)

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NOTE 3: ASSESSMENTS

The assessment method for carriers paying on behalf of insured employers is on an actual premium basis. The premium surcharge, which is paid by insured employers through their worker's compensation insurance carrier within 45 days of the close of a quarter, is the premium surcharge rate multiplied by the employer's "SIF's surcharge base" premium on all policies with an effective date for that quarter. "SIF's surcharge base" means direct written premium on policies prior to application of any deductible policy premium credits. The premium surcharge is set yearly based on the Fund's budgetary needs prior to the start of the fiscal year. The annual insured employers' assessment rate for the fiscal year ending June 30, 2011 was 2.75% and for the fiscal year ending June 30, 2010 was 2.75%.

The method of assessment for self-insured employers is a quarterly billing based on the previous calendar year's paid losses. The annual assessment rate for self-insured employers for the fiscal year ending June 30, 2011 was 3.84% and for the fiscal year ending June 30, 2010 was 3.84%.

NOTE 4: RECEIVABLES

The following is an analysis of the changes in the Fund receivable balances:

As of June 30, 2011:

	Beginning Balance	Additions	Cash Receipts	Write-Offs	Ending Balance	Amount Due Within One Year	Allowance for Uncollectible
Assessments	$7,191,582	$45,549,083	$45,771,479	$0	$6,969,186	$5,681,289	$1,287,897
Non-Compliance 355	9,008,148	4,065,431	407,351	3,342,677	9,323,551	0	9,323,551
Other Receivables	498,466	255,338	294,882	17,165	441,757	0	441,757
Total Receivables	$16,698,196	$49,869,852	$46,473,712	$3,359,842	$16,734,494	$5,681,289	$11,053,205

As of June 30, 2010:

	Beginning Balance	Additions	Cash Receipts	Write-Offs	Ending Balance	Amount Due Within One Year	Allowance for Uncollectible
Assessments	$9,713,402	$61,177,185	$63,699,005	$0	$7,191,582	$5,906,527	$1,285,055
Non-Compliance 355	9,418,067	2,935,536	313,537	3,031,918	9,008,148	0	9,008,148
Other Receivables	577,095	410,202	326,931	161,900	498,466	0	498,466
Total Receivables	$19,708,564	$64,522,923	$64,339,473	$3,193,818	$16,698,196	$5,906,527	$10,791,669

NOTE 5: LIABILITES AND COMPENSATED ABSENCES

The following is an analysis of the changes in the Fund liabilities and compensated absence balances:

As of June 30, 2011:

	Beginning Balance	Additions	Cash Disbursements	Ending Balance	Amount Due Within One Year
Claims and Benefits Payable	$8,770,767	$24,990,623	$25,760,715	$8,000,675	$6,951,675
Settlements Payable	3,112,332	6,664,250	8,146,182	1,630,400	1,630,400
Accounts Payable & Accrued Expenses	1,240,501	7,522,973	7,367,317	1,396,157	1,396,157
Compensated Absences	618,163	41,668	-	659,831	477,857
Total Liabilities & Compensated Absences	$13,741,763	$39,219,514	$41,274,214	$11,687,063	$10,456,089

As of June 30, 2010:

	Beginning Balance	Additions	Cash Disbursements	Ending Balance	Amount Due Within One Year
Claims and Benefits Payable	$8,654,346	$27,486,147	$27,369,726	$8,770,767	$7,615,767
Settlements Payable	2,599,426	10,782,487	10,269,581	3,112,332	3,112,332
Accounts Payable & Accrued Expenses	1,352,591	7,037,239	7,149,329	1,240,501	1,240,501
Compensated Absences	488,046	130,117	-	618,163	456,558
Total Liabilities & Compensated Absences	$13,094,409	$45,435,990	$44,788,636	$13,741,763	$12,425,158

NOTE 6: SETTLEMENTS

Negotiations were at various stages of completion for settlements valued and accrued. As of June 30, 2011, they were $1.6 million and as of June 30, 2010, they were $3.1 million.

NOTE 7: SUBSEQUENT EVENTS

None.

TAX EXEMPT PROCEEDS FUND, INC.

STATEMENT OF ASSETS AND LIABILITIES
JUNE 30, 2011

Assets		
Investments in securities, at amortized cost (Note 2)	$	95,843,814
Receivable for shares sold		62,035
Accrued interest receivable		44,570
Total assets		95,950,419
Liabilities		
Due to custodian		395,838
Payable to affiliate (Note 3)		9,548
Dividends payable		2
Total liabilities		405,388
Net assets	$	95,545,031
Sources of Net Assets		
Net capital paid in on shares of capital stock (Note 5)	$	95,545,031
Accumulated net realized gain (losses)		—
Net assets	$	95,545,031
Net Asset Value, per share (applicable to 95,547,034 shares outstanding) (Note 5)	$	1.00

The accompanying notes are an integral part of these financial statements.

TAX EXEMPT PROCEEDS FUND, INC.

SCHEDULE OF INVESTMENTS
JUNE 30, 2011

Face Amount		Maturity Date	Interest Rate	Value (Note 2)	Ratings (a) Moody's	Standard & Poor's
Tax Exempt General Obligation Notes and Bonds (6.81%)						
$ 2,250,000	Deerfield Township, OH Various Purpose Park Acquisition BAN – Series 2010	11/08/11	0.65%	$ 2,256,766	MIG-1	
1,125,000	Town of Andover, MA GO BAN	02/24/12	0.60	1,129,737		SP-1+
1,151,680	Town of Northborough, MA GO BAN	04/27/12	0.70	1,159,204	MIG-1	
1,950,000	Town of South Windsor, CT GO BAN, Issue of 2011	02/21/12	0.60	1,958,107	MIG-1	SP-1+
6,476,680	**Total Tax Exempt General Obligation Notes and Bonds**			**6,503,814**		
Tax Exempt Variable Rate Demand Instruments (b) (93.50%)						
$ 3,000,000	City of Cohasset, MN RB (Minnesota Power & Light Company Project) – Series 1997A LOC LaSalle National Bank N.A.	06/01/20	0.09%	$ 3,000,000		A-1+
3,000,000	City of New York Fiscal 2004 Series H-4 LOC Bank of New York Mellon	03/01/34	0.03	3,000,000	VMIG-1	A-1+
1,400,000	City of Newport, KY Kentucky League of Cities Funding Trust Lease Program RB – Series 2002 LOC US Bank, N.A.	04/01/32	0.11	1,400,000	VMIG-1	
2,800,000	Colorado Health Facilities Authority HRB (Boulder Community Hospital Project) – Series 2000 LOC JPMorgan Chase Bank, N.A.	10/01/30	0.08	2,800,000	VMIG-1	A-1+
3,400,000	Columbus, OH Regional Airport Authority Capital Funding RB (Oasbo Expanded Asset Pooled Financing Program) – Series 2006 LOC U.S. Bank N.A.	12/01/36	0.09	3,400,000	VMIG-1	
1,745,000	Connecticut State Development Authority RB (Pierce Memorial Baptist Home, Inc. Project 1999 Refunding Series) LOC LaSalle National Bank N.A.	10/01/28	0.07	1,745,000		A-1+
4,000,000	Dormitory Authority of the State of New York Blythedale Childrens HRB Series 2009 LOC TD Bank, N.A.	12/01/36	0.09	4,000,000	VMIG-1	
1,775,000	East Baton Rouge Parish, LA PCRB (Exxon Mobile Project)	11/01/19	0.02	1,775,000	P-1	A-1+
2,000,000	Florida Housing Finance Corporation Multifamily Housing Revenue Refunding Bonds (Charleston Landing Apartments) 2001 Series I-A Guaranteed by Federal Home Loan Mortgage Corporation	07/01/31	0.08	2,000,000		A-1+
2,250,000	Florida Housing Finance Corporation Multifamily Housing Revenue Refunding Bonds (Island Club Apartments) 2001 Series J-A Guaranteed by Federal Home Loan Mortgage Corporation	07/01/31	0.08	2,250,000		A-1+

The accompanying notes are an integral part of these financial statements.

TAX EXEMPT PROCEEDS FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)
JUNE 30, 2011

Face Amount		Maturity Date	Interest Rate	Value (Note 2)	Ratings (a) Moody's	Standard & Poor's
Tax Exempt Variable Rate Demand Instruments (b) (Continued)						
$ 1,425,000	HEFA of the State of Missouri Educational Facilities RB (Ranken Technical College) – Series 2007 LOC Northern Trust Company	11/15/31	0.08%	$ 1,425,000		A-1+
3,400,000	Illinois Development Finance Authority RB (Glenwood School for Boys) – Series 1998 LOC Harris Trust & Savings Bank	02/01/33	0.10	3,400,000		A-1+
2,150,000	Illinois Finance Authority RB (Riverside Health System) - Series 2004 LOC JPMorgan Chase Bank, N.A.	11/15/29	0.08	2,150,000	VMIG-1	A-1+
2,800,000	Iowa Higher Education Loan Authority Private College Facility RB (University of Dubuque Project) – Series 2007 LOC Northern Trust Company	04/01/35	0.08	2,800,000		A-1+
2,000,000	Jackson County, MS Port Facility Refunding RB (Chevron U.S.A. Inc. Project) – Series 1993	06/01/23	0.02	2,000,000	P-1	
1,100,000	Long Island Power Authority, NY (Electric System) - Series 1B LOC State Street Bank & Trust Company	05/01/33	0.03	1,100,000	VMIG-1	A-1+
2,000,000	Marion County, FL IDA Multifamily Housing RRB (Chambrel at Pinecastle Project) – Series 2002 Guaranteed by Federal National Mortgage Association	11/15/32	0.09	2,000,000		A-1+
6,000,000	Maryland Health and Higher Educational Facilities Authority RB (University of Maryland Medical System Issue) – Series 2007A LOC Wachovia Bank, N.A.	07/01/34	0.07	6,000,000	VMIG-1	A-1+
3,000,000	Mississippi Business Finance Corporation Gult opportunity Zone IDRB (Chevron U.S.A. Inc. Project)	12/01/30	0.04	3,000,000	P-1	A-1+
645,000	New Canaan, CT Housing Authority RB (The Village at Waveny Care Center Project) – Series 2002 LOC Bank of America, N.A.	01/01/22	0.09	645,000		A-1+
1,800,000	New Jersey Health Care Facilities Financing Authority RB (Saint Barnabas Health Care System Issue) – Series 2001A LOC JP Morgan Chase Bank, N.A.	07/01/31	0.06	1,800,000	VMIG-1	A-1+
900,000	New Ulm, MN Hospital Refunding RB (Health Central Systems Project) – Series 1985 LOC Wells Fargo Bank, N.A.	08/01/14	0.13	900,000		A-1+
1,600,000	New York City, NY GO Bonds Fiscal 2004 Sub-Series H-7 LOC KBC Bank, N.A.	03/01/34	0.03	1,600,000	VMIG-1	A-1
1,000,000	New York City, NY Series 1994 A-5 LOC KBC Bank, N.A.	08/01/16	0.03	1,000,000	VMIG-1	A-1+
2,000,000	New York State HFA RB (Historic Front Street Housing RB) – Series 2003A LOC Landesbank Hessen Thuringen Girozentrale	11/01/36	0.07	2,000,000	VMIG-1	

The accompanying notes are an integral part of these financial statements.

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SCHEDULE OF INVESTMENTS (Continued)
JUNE 30, 2011

Face Amount		Maturity Date	Interest Rate	Value (Note 2)	Ratings (a) Moody's	Standard & Poor's
Variable Rate Demand Instruments (b) (Continued)						
$ 5,000,000	Regents of the University of Michigan Hospital RRB Series 1998 A-2	12/01/24	0.03%	$ 5,000,000	VMIG-1	A-1+
5,000,000	State of California GO Bond (Kindergarten University Public Education Facilities RB) – Series 2004 B2 LOC Citibank, N.A.	05/01/34	0.03	5,000,000	VMIG-1	A-1+
2,400,000	State of California GO Bond (Kindergarten University Public Education Facilities RB) – Series 2004 B3 LOC Citibank, N.A.	05/01/34	0.03	2,400,000	VMIG-1	A-1+
150,000	State of Connecticut HEFA RB (Charlotte Hungerford Hospital Issue) – Series 1998C LOC Bank of America, N.A.	07/01/13	0.10	150,000	VMIG-1	
2,300,000	State of Connecticut HEFA RB (Yale University Issue) – Series Y-2	07/01/35	0.02	2,300,000	VMIG-1	A-1+
1,500,000	State of Connecticut HEFA RB (Yale University Issue) – Series Y-3	07/01/35	0.02	1,500,000	VMIG-1	A-1+
1,000,000	State of Connecticut HEFA RB (Yale-New Haven Hospital Issue) – Series K-2 LOC JPMorgan Chase Bank, N.A.	07/01/25	0.05	1,000,000	VMIG-1	A-1+
300,000	State of Connecticut HEFA RB Mulberry Gardens Issue, Series E LOC Bank of America, N.A.	07/01/36	0.10	300,000		A-1+
2,700,000	Sublette County, WY PCRB (Exxon Project) – Series 1984	11/01/14	0.02	2,700,000	P-1	A-1+
2,000,000	The City of New York GO Fiscal 1994 Sub series E-4 LOC BNP Paribas	08/01/21	0.05	2,000,000	VMIG-1	A-1+
1,800,000	The City of New York GO Fiscal 1994 Sub series E-4 LOC BNP Paribas	08/01/22	0.05	1,800,000	VMIG-1	A-1+
4,000,000	The City of New York GO Fiscal 2004 Sub series A-3 LOC Morgan Stanley Bank	08/01/31	0.05	4,000,000	VMIG-1	A-1+
1,000,000	Triborough Bridge and Tunnel Authority RB (MTA Bridges and Tunnels) – Series 2001B LOC State Street Bank & Trust Company	01/01/32	0.04	1,000,000	VMIG-1	A-1+
3,000,000	Turlock Irrigation District, CA COP (Capital Improvements and Refunding Project) 2001 Series A LOC Societe Generale	01/01/31	0.03	3,000,000		A-1+
89,340,000	**Total Tax Exempt Variable Rate Demand Instruments**			**89,340,000**		
	Total Investments (100.31%) (Cost $95,843,814†)			**$95,843,814**		
	Liabilities in Excess of Cash and Other Assets (-0.31%)			**(298,783)**		
	Net Assets (100.00%)			**$95,545,031**		

† Aggregate cost for federal income tax purposes is identical. All securities are valued at amortized cost and as a result, there is no unrealized appreciation and depreciation.

The accompanying notes are an integral part of these financial statements.

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10:19 am, Aug 04, 2011

SCHEDULE OF INVESTMENTS (Continued)
JUNE 30, 2011

FOOTNOTES:

(a) Unless the securities are assigned their own ratings, the ratings are those of the bank whose letter of credit guarantees the issue or the insurance company who insures the issue. All letters of credit and insurance are irrevocable and direct pay covering both principal and interest. Ratings are unaudited. In addition, certain issuers may have either a line of credit, a liquidity facility, a standby purchase agreement or some other financing mechanism to ensure the remarketing of the securities. This is not a guarantee and does not serve to insure or collateralize the issue. Ratings have not been audited by Sanville & Company.

(b) Securities payable on demand at par including accrued interest (usually with seven days' notice) and, if indicated, unconditionally secured as to principal and interest by a bank letter of credit. The interest rates are adjustable and are based on bank prime rates or other interest rate adjustment indices. The rate shown is the rate in effect at the date of this statement.

KEY:

BAN	=	Bond Anticipation Note	IDRB	=	Industrial Development Revenue Bond
COP	=	Certificate of Participation	LOC	=	Letter of Credit
GO	=	General Obligation	MTA	=	Metropolitan Transportation Authority
HEFA	=	Health and Educational Facilities Authority	PCRB	=	Pollution Control Revenue Bond
HFA	=	Housing Finance Authority	RB	=	Revenue Bond
HRB	=	Hospital Revenue Bond	RRB	=	Revenue Refunding Bond
IDA	=	Industrial Development Authority			

The accompanying notes are an integral part of these financial statements.

TAX EXEMPT PROCEEDS FUND, INC.

BREAKDOWN OF PORTFOLIO HOLDINGS BY MATURITY
JUNE 30, 2011

Securities Maturing in	Value	% of Portfolio
Less than 31 Days	$89,340,000	93.21%
31 through 60 Days	—	—
61 through 90 Days	—	—
91 through 120 Days	—	—
121 through 180 Days	2,256,766	2.36
Over 180 Days	4,247,048	4.43
Total	**$95,843,814**	**100.00%**

The accompanying notes are an integral part of these financial statements.

TAX EXEMPT PROCEEDS FUND, INC.

BREAKDOWN OF PORTFOLIO HOLDINGS BY STATE
JUNE 30, 2011

States	Value	% of Portfolio
California	$10,400,000	10.85%
Colorado	2,800,000	2.92
Connecticut	9,598,107	10.01
Florida	6,250,000	6.52
Illinois	5,550,000	5.79
Iowa	2,800,000	2.92
Kentucky	1,400,000	1.46
Louisiana	1,775,000	1.85
Maryland	6,000,000	6.26
Massachusetts	2,288,941	2.39
Michigan	5,000,000	5.22
Minnesota	3,900,000	4.07
Mississippi	5,000,000	5.22
Missouri	1,425,000	1.49
New Jersey	1,800,000	1.88
New York	21,500,000	22.43
Ohio	5,656,766	5.90
Wyoming	2,700,000	2.82
Total	**$95,843,814**	**100.00%**

The accompanying notes are an integral part of these financial statements.

TAX EXEMPT PROCEEDS FUND, INC.

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED
JUNE 30, 2011

INVESTMENT INCOME		
INCOME:		
Interest	$	269,297
EXPENSES: (NOTE 3)		
Investment management fee		396,908
Less: Fees waived (Note 3)		(131,171)
		265,737
Net investment income		3,560
REALIZED GAIN (LOSS) ON INVESTMENTS		
Net realized gain (loss) on investments		-0-
Increase in net assets resulting from operations	$	3,560

The accompanying notes are an integral part of these financial statements.

TAX EXEMPT PROCEEDS FUND, INC.

STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2011 and 2010

	2011	2010
INCREASE (DECREASE) IN NET ASSETS FROM		
OPERATIONS:		
Net investment income	$ 3,560	$ 2,777
Net realized gain on investments	-0-	-0-
Increase in net assets resulting from operations	3,560	2,777
DIVIDENDS TO SHAREHOLDERS FROM NET INVESTMENT INCOME*:	(3,560)	(2,777)
CAPITAL SHARE TRANSACTIONS (NOTE 5):	(29,613,940)	(7,018,649)
Total increase/(decrease)	(29,613,940)	(7,018,649)
NET ASSETS:		
Beginning of year	125,158,971	132,177,620
End of year	$ 95,545,031	$ 125,158,971
UNDISTRIBUTED NET INVESTMENT INCOME:	$ -0-	$ -0

* Designated as exempt-interest dividends for federal income tax purposes.

The accompanying notes are an integral part of these financial statements.

FINANCIAL HIGHLIGHTS

	Years Ended June 30,				
	2011	2010	2009	2008	2007
PER SHARE OPERATING PERFORMANCE					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	$1.00	$1.00	$1.00	$1.00	$1.00
Income from investment operations:					
Net investment income	0.000	0.000	0.011	0.026	0.032
Less distributions from:					
Dividends from net investment income	(0.000) (a)	(0.000) (a)	(0.011)	(0.026)	(0.032)
Net asset value, end of year	$1.00	$1.00	$1.00	$1.00	$1.00
TOTAL RETURN	0.00%	0.00%	1.10%	2.68%	3.27%
RATIO/SUPPLEMENTAL DATA					
Net assets, end of year (000's)	$95,545	$125,159	$132,178	$174,431	$189,080
Ratio to average net assets:					
Net investment income	0.00%	0.00%	1.14%	2.67%	3.23%
Expenses (net of fees waived)	0.27%	0.27%	0.40%	0.40%	0.40%
Management fees waived	0.13%	0.13%	0.00%	0.00%	0.00%

(a) Distribution resulted in less than $0.01 per share.

1. Organization

Tax Exempt Proceeds Fund, Inc. (“Fund”) is a no-load, diversified, open-end management investment company registered under the Investment Company Act of 1940 (the “1940 Act”). The Fund is a short term, tax exempt money market fund whose objective is to seek as high a level of current interest income exempt from federal income taxes as is believed to be consistent with the preservation of capital, maintenance of liquidity and stability of principal.

2. Summary of Significant Accounting Policies

VALUATION OF SECURITIES

Investments are recorded on the basis of amortized cost, which approximates value, as permitted by Rule 2a-7 under the 1940 Act. Under this method, a portfolio instrument is valued at cost and any discount or premium is amortized on a constant basis to the maturity of the instrument. The maturity of variable rate demand instruments is deemed to be the longer of the period required before the Fund is entitled to receive payment of the principal amount or the period remaining until the next interest rate adjustment. See Note 7 for additional disclosure on valuation of securities.

SECURITIES TRANSACTIONS AND INVESTMENT INCOME

Securities transactions are recorded on a trade date basis. Interest income, adjusted for accretion of discount and amortization of premium, is recorded on the accrual basis from settlement date. Realized gains and losses on sales are computed on the basis of specific identification of the securities sold.

FEDERAL INCOME TAXES

It is the Fund’s policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its tax exempt and taxable (if any) income to its shareholders. As such, the Fund will not be subject to federal income taxes on otherwise taxable income (including net realized capital gain) that is distributed to shareholders. Therefore, no provision for federal income tax is required in the financial statements. The Fund recognizes interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statement of Operations.

In addition, GAAP requires management of the Fund to analyze all open tax years, fiscal years 2008-2011, as defined by IRS statute of limitations for all major jurisdictions, including federal tax authorities and certain state tax authorities. As of and during the year ended June 30, 2011, the Fund did not have a liability for any unrecognized tax benefits. The Fund has no examination in progress and is not aware of any tax positions for which it is reasonably possible that the total tax amounts of unrecognized tax benefits will significantly change in the next twelve months.

DIVIDENDS AND DISTRIBUTIONS

Dividends from net investment income (excluding capital gains and losses, if any, and amortization of market discount) are declared daily and paid monthly. Net realized capital gains, if any, are distributed at least annually and in no event later than 60 days after the end of the Fund’s fiscal year.

ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

REPRESENTATIONS AND INDEMNIFICATIONS

In the normal course of business the Fund enters into contracts that contain a variety of representations and warranties which provide general indemnifications. The Fund’s maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

2. Summary of Significant Accounting Policies (continued)

RISKS

The effect on performance from investing in securities issued or guaranteed by companies in the banking and financial services industries will depend to a greater extent on the overall condition of those industries. Financial services companies are highly dependent on the supply of short-term financing. The value of securities of issuers in the banking and financial services industry can be sensitive to changes in government regulation and interest rates and to economic downturns in the United States and abroad.

The value of, payment of interest on, repayment of principal for and the ability to sell a municipal security may be affected by constitutional amendments, legislative enactments, executive orders, administrative regulations, voter initiatives and the economics of the regions in which the issuers are located.

Since many municipal securities are issued to finance similar projects, especially those relating to education, housing, health care, transportation and utilities, conditions in those sectors can affect the overall municipal securities market and a Portfolio's investment in municipal securities.

There is some risk that a portion or all of the interest received from certain tax-free municipal securities could become taxable as a result of determinations by the Internal Revenue Service.

3. Investment Management Fees and Other Transactions with Affiliates

Under the Investment Management Contract, the Fund pays an investment management fee to the Manager at the annual rate of 0.40 of 1% per annum of the Fund's average daily net assets up to $250 million; 0.35 of 1% per annum of the average daily net assets between $250 million and $500 million; and 0.30 of 1% per annum of the average daily net assets over $500 million. The Management Contract also provides that the Manager will bear the cost of all other expenses of the Fund. Therefore, the fee payable under the Management Contract will be the only expense of the Fund. At June 30, 2011, the Fund owed $9,548 to the Manager for these services, which is included in Payable to Affiliates on the Statement of Assets and Liabilities. For the year ended June 30, 2011, the Manager waived $131,171 of investment management fee.

In a low interest rate environment, such as the environment that existed at June 30, 2011, Reich & Tang Asset Management LLC ("the "Manager") has historically waived their fees to maintain a minimum non-negative yield for the Fund. The Manager is under no contractual obligation to continue such waiver in the future.

Pursuant to a Distribution Plan adopted under Securities and Exchange Commission Rule 12b-1, the Fund and the Manager have entered into a Distribution Agreement. The Fund's Board of Directors has adopted the plan in case certain expenses of the Fund are deemed to constitute indirect payments by the Fund for distribution expenses.

Directors of the Fund not affiliated with the Manager receive from the Fund (fee is paid by the Manager from its management fee) an annual retainer of $1,250 and a fee of $450 for each Board of Directors meeting attended and are reimbursed for all out-of-pocket expenses relating to attendance at such meeting.

As of June 30, 2011, no Directors, Officers or affiliated entities had investments in the Fund.

4. Security Transactions with Affiliated Funds

The Fund is permitted to purchase or sell securities from or to certain other Reich & Tang Funds under specified conditions outlined in procedures adopted by the Board of Directors of the Fund. The procedures have been designed to ensure that any purchase or sale of securities of the Fund from or to another fund or portfolio that is or could be considered an affiliate by virtue of having a common investment advisor (or affiliated investment advisors), common Directors and/or common Officers complies with Rule 17a-7 of the 1940 Act. Further, as defined under the procedures, each transaction is effected at the current market price. For the year ended June 30, 2011, the Fund engaged in purchases and sales with affiliates, none of which resulted in any gains or losses, which amounted to:

Purchases	$124,870,000
Sales	115,370,000
Gains/(Losses)	-0-

5. Capital Stock

At June 30, 2011, 20,000,000,000 shares of $.001 par value stock were authorized. Transactions in capital stock, all at $1.00 per share, were as follows:

	Year Ended June 30, 2011		Year Ended June 30, 2010	
	Net Assets	Shares	Net Assets	Shares
Sold	$667,966,242	667,966,242	$767,955,845	767,955,845
Issued on reinvestment of dividends	3,546	3,546	3,012	3,012
Redeemed	(697,583,728)	(697,583,728)	(774,977,506)	(774,977,506)
Net increase (decrease)	$(29,613,940)	(29,613,940)	$(7,018,649)	(7,018,649)

6. Tax Information

The tax character of distributions paid during the years ended June 30, 2011 and 2010 was as follows:

	2011	2010
Tax-exempt income	$3,560	$2,777

7. Additional Valuation Information

Under the provisions of GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. GAAP establishes a hierarchy that prioritizes the inputs to valuation methods giving the highest priority to readily available unadjusted quotes prices in an active market for identical assets (Level 1) and the lowest priority to significant unobservable inputs (Level 3) generally when market prices are not readily available or are unreliable. Based on the valuation inputs, the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment's assigned level:

Level 1 – prices are determined using quoted prices in an active market for identical assets.

Level 2 – prices are determined using other significant observable inputs. Observable inputs are inputs that the other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others.

Level 3 – prices are determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Fund's own assumptions about the factors market participants would use in determining fair value of the securities or instruments and would be based on the best available information.

The following is a summary of the tiered valuation input levels, as of the end of the reporting period, June 30, 2011. The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Money market securities may be valued using amortized cost, in accordance with the 1940 Act. Generally, amortized cost approximates the current fair value of a security, but as the value is not obtained from a quoted price in an active market, such securities are reflected as a Level 2.

The following table summarizes the inputs used to value the Fund's investments as of June 30, 2011:

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities issued by states of the United States and political subdivisions of the states	$-0-	$95,843,814	$-0-
Total	$-0-	$95,843,814	$-0-

For the year ended June 30, 2011, there was no Level 1 or 3 investments.

8. Subsequent Events

Management has evaluated the impact of all subsequent events through the date the financial statements were issued and has determined that there were no subsequent events requiring recognition of disclosure in the financial statements.

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REVISED
10:19 am, Aug 04, 2011

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholder of
Tax Exempt Proceeds Fund, Inc.

We have audited the accompanying statement of assets and liabilities of Tax Exempt Proceeds Fund, Inc. (the "Fund") including the schedule of investments, as of June 30, 2011 and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of June 30, 2011 by correspondence with the Fund's custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Tax Exempt Proceeds Fund, Inc. as of June 30, 2011, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Sanville & Company

Sanville & Company
New York, New York
July 28, 2011

Supplemental Information

STATE OF CONNECTICUT

QUI TRANSTULIT SUSTINET

TREASURER'S OFFICE

PENSION FUNDS MANAGEMENT DIVISION

GLOSSARY OF INVESTMENT TERMS

Agency Securities – Securities, usually bonds, issued by U.S. Government agencies. These securities have high credit ratings but are not backed by the full faith and credit of the U.S. Government.

Alpha - A coefficient which measures risk-adjusted performance, factoring in the risk due to the specific security, rather than the overall market. A high value for alpha implies that the stock or mutual fund has performed better than would have been expected given its beta (volatility).

Asset - Anything owned that has economic value; any interest in property, tangible or intangible, that can be used for payment of debts.

Asset Backed Security- Bonds or notes collateralized by one or more types of assets including real property, mortgages, and receivables.

Banker's Acceptance (BA) - A high-quality, short-term negotiable discount note, drawn on and accepted by banks which are obligated to pay the face amount at maturity.

Basis Point (bp) - The smallest measure used in quoting yields or returns. One basis point is 0.01% of yield, 100 basis points equals 1%. For example, a yield that changed from 8.75% to 9.50% has increased by 75 basis points.

Benchmark - A standard unit used as the basis of comparison; a universal unit that is identified with sufficient detail so that other similar classifications can be compared as being above, below, or comparable to the benchmark.

Beta - A quantitative measure of the volatility of a given stock, mutual fund or portfolio relative to the overall market.

Book Value (BV) - The value of individual assets, calculated as actual cost minus accumulated depreciation. Book value may be more or less than current market value.

Capital Gain (Loss) - Also known as capital appreciation (depreciation), capital gain (loss) measures the increase (decrease) in value of an asset over time.

Certificates of Deposit (CDs) - A debt instrument issued by banks, usually paying interest, with maturities ranging from 3 months to six years.

Citigroup Broad Investment-Grade Bond Index (CBIG) - A market value-weighted index composed of over 4,000 individually priced securities with a quality rating of at least BBB. Each issue has a minimum maturity of one year with an outstanding par amount of at least $25 million.

Citigroup World Government Bond Index Non-U.S. (CWGBI) - An unhedged index measuring government issues of 12 major industrialized countries.

Coefficient of Determination (R^2) - A statistic which indicates the amount of variability in a dependent variable, such as Fund returns, which may be explained by an independent variable, such as market returns, in a regression model. The coefficient of determination is denoted R^2 and ranges from 0 to 1.0. If the statistic measures 0, the independent variable offers no explanation of the dependent variable. If the statistic measures 1.0, the independent variable fully explains the dependent variable.

Collateral – Assets pledged by a borrower to secure a loan or other credit, and subject to seizure in the event of default.

Collateralized Mortgage Obligation (CMO) – A mortgage-backed, investment-grade bond that separates mortgage pools into different maturity classes. CMO payment obligations are backed by mortgage-backed securities with a fixed maturity.

Commercial Paper - Short-term obligations with maturities ranging from 2 to 270 days. An unsecured obligation issued by a corporation or bank to finance its short-term credit needs.

Compounded Annual Total Return - Compounded annual total return measures the implicit annual percentage change in value of an investment, assuming reinvestment of dividends, interest, and realized capital gains, including those attributable to currency fluctuations. In effect, compounded annual total return "smoothes" fluctuations in long-term investment returns to derive an implied year-to-year annual return.

Consumer Price Index (CPI) - A measure of change in the cost of a fixed basket of products and services as determined by a monthly survey of the U.S. Bureau of Labor Statistics. Components of the CPI include housing costs, food, transportation, and electricity.

Cumulative Rate of Return - A measure of the total return earned for a particular time period. This calculation measures the absolute percentage change in value of an investment over a specified period, assuming reinvestment of dividends, interest income, and realized capital gains. For example, if a $100 investment grew to $120 in a two-year period, the cumulative rate of return would be 20%.

Current Yield - The relationship between the stated annual interest or dividend rate and the market price of a security. In calculating current yield, only income payments are considered; no consideration is given to capital gain/loss.

Derivative - Derivatives are generally defined as contracts whose value depend on, or derived from, the value of an underlying asset, reference rate, or index. For example, an option is a derivative instrument because its value derives from an underlying stock, stock index, or future.

Discount Rate - The interest rate that the Federal Reserve charges banks for loans, using government securities or eligible paper as collateral.

GLOSSARY OF INVESTMENT TERMS (Continued)

Diversification – A portfolio strategy designed to reduce exposure to risk by putting assets in several different securities or categories of investments.

Duration - A measure of the average time to receipt of all bond cash flows. Duration is used to determine the percentage change in price of a fixed income security for a given change in the security's yield to maturity. Duration is stated in terms of time periods, generally years. (See Modified and Macaulay duration).

Equity - The ownership interest possessed by shareholders in a corporation in the form of common stock or preferred stock.

ERISA (Employee Retirement Income Security Act) - The 1974 federal law which established legal guidelines for private pension plan administration and investment practices.

Expense Ratio – Operating costs (including management fees) expressed as a percentage of the fund's average net assets for a given time period.

Fair Value - The amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds Rate - The interest rate that banks charge each other for the use of Federal Funds. This rate changes daily and is a sensitive indicator of general interest rate trends.

Federal Reserve Board – The 7- member Board of Governors that oversees Federal Reserve Banks, establishes monetary policy and monitors the economic health of the economy.

Fiduciary - A person, company, or association holding assets in trust for a beneficiary. The fiduciary is charged with the responsibility to invest the money prudently for the beneficiary's benefit.

Fitch Investor Services - A financial services rating agency.

Floating Rate Note - A fixed principal instrument which has a long or even indefinite life and whose yield is periodically reset relative to a reference index rate to reflect changes in short- or intermediate-term interest rates.

Gross Domestic Product - Total final value of goods and services produced in the United States over a particular period or time, usually one year. The GDP growth rate is the primary indicator of the health of the economy.

Hedge - An investment in assets which serves to reduce the risk of adverse price movements in a security, by taking an offsetting position in a related security, such as an option or short sale.

Index - A benchmark used in executing investment strategy which is viewed as an independent representation of market performance. Example: S&P 500 index.

Index Fund – A passively managed fund that tries to mirror the performance of a specific index, such as the S&P 500.

Inflation – The overall general upward price movement of goods and services in an economy, usually as measured by the Consumer Price Index and the Producer Price Index.

Investment Income - The equity dividends, bond interest, and/or cash interest paid on an investment.

J-Curve - An economic theory stating that a policy designed to have one effect will initially have the opposite effect. With regard to closed end commingled fund investments, this generally refers to the impact on returns of contributions made in the early portion of a fund's existence. Invested capital is used to pay fees and organizational costs as well as to make investments in non-income producing enterprises. Such uses negatively impact returns in early periods but are expected to generate increasing income and valuations in the late periods as the previously non-income producing entities start producing income and the relative size of fees and other costs diminish relative to the value of invested capital.

JP Morgan Emerging Markets Bond Index Plus (EMBI+) - An index which tracks total returns for traded external debt instruments in the emerging markets. The instruments include external-currency-denominated Brady bonds, loans and Eurobonds, as well as U.S. dollar local markets instruments. The EMBI+ expands upon Morgan's original Emerging Markets Bond Index, which was introduced in 1992 and covers only Brady bonds.

LB Aggregate Index - An index made up of Government, Corporate, Mortgage Backed, and Asset Backed securities, all rated investment grade. Returns are market value weighted inclusive of interest. Issues must have at least one year to maturity and an outstanding par value of at least $200 million.

Letter of Credit - An instrument or document issued by a bank, guaranteeing the payment of a customer's drafts up to a stated amount for a specified period. It substitutes the bank's credit for the buyer's and eliminates the seller's risk.

Liability - The claim on the assets of a company or individual - excluding ownership equity. An obligation that legally binds an individual or company to settle a debt.

Leverage - The use of borrowed funds to increase purchasing power and, ideally, to increase profitability of an investment transaction or business.

Macaulay Duration - The weighted-average term to maturity of a bond's cash flows. The weighting is based on the present value of each cash flow divided by price.

Market Value – A security's last reported sale price or its current bid and ask prices. The price as determined dynamically by buyers and sellers in an open market.

PENSION FUNDS MANAGEMENT DIVISION

GLOSSARY OF INVESTMENT TERMS (Continued)

Master Custodian - An entity, usually a bank, used for safekeeping of securities and other assets. Responsible for other functions including accounting, performance measurement and securities lending.

Maturity Date - The date on which the principal amount of a bond or other debt instrument becomes payable or due.

Mezzanine Debt – Debt that incorporates equity –based options, such as warrants, with a lower – priority debt.

MFR Index (iMoneyNet's First Tier Institutional-only Rated Money Fund Report Averages™ Index) - An index which represents an average of the returns of institutional money market mutual funds that invest primarily in first-tier (securities rated A-1, P-1) taxable securities.

Modified Duration - A measure of the price sensitivity of a bond to interest rate movements. It is the primary basis for comparing the effect of interest rate changes on prices of fixed income securities.

Money Market Fund - An open-ended mutual fund that invests in commercial paper, bankers' acceptances, repurchase agreements, government securities, certificates of deposit, and other highly liquid and safe securities and pays money market rates of interest. The fund's net asset value remains a constant $1 per share - only the interest rate goes up or down.

Moody's (Moody's Investors Service) - A financial services rating agency.

MSCI-EAFE - Morgan Stanley Europe Australasia Far East foreign equity index. An arithmetic value weighted average of the performance of over 900 securities on the stock exchanges of 21 countries on three continents. The index is calculated on a total return basis, which includes reinvestment of dividends net of withholding taxes.

Net Asset Value (NAV) - The total assets (including any valuation gains or losses on investments or currencies) minus total liabilities divided by shares outstanding.

NCREIF (National Council of Real Estate Investment Fiduciaries) - An index consisting of investment-grade, non-agricultural, income-producing properties: apartments, hotels, offices, and warehouses. Its return includes appreciation, realized capital gains, and income. It is computed by adding the income return and capital appreciation return generated by the properties in the index, on a quarterly basis.

Par Value - The stated or face value of a stock or bond. It has little significance for common stocks, however, for bonds it specifies the payment amount at maturity.

Pension Fund - A fund set up by a corporation, labor union, governmental entity, or other organization to pay the pension benefits of retired workers.

Percentile - A description of the percentage of the total universe in which portfolio performance is ranked.

Price/Book (P/B) - A ratio showing the price of a stock divided by its book value. The P/B measures the multiple at which the market is capitalizing the net asset value per share of a company at any given time.

Price/Earnings (P/E) - A ratio showing the price of a stock divided by its earnings per share. The P/E measures the multiple at which the market is capitalizing the earnings per share of a company at any given time.

Present Value - The current value of a future cash flow or series of cash flows discounted at an appropriate interest rate or rates. For example, at a 12% interest rate, the receipt of one dollar a year from now has a present value of $0.89286.

Principal - Face value of an obligation, such as a bond or a loan, that must be repaid at maturity.

Prudent Person Rule - The standard adopted by some states to guide those fiduciaries with responsibility for investing money of others. Such fiduciaries must act as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investment.

Realized Gain (Loss) - A gain (loss) that has occurred financially. The difference between the principal amount received and the cost basis of an asset realized at sale.

Relative Volatility - The standard deviation of the Fund divided by the standard deviation of its selected benchmark. A relative volatility greater than 1.0 suggests comparatively more volatility in Fund returns than those of the benchmark.

Repurchase Agreements ("Repos") – A contract in which the seller of securities, such as Treasury Bills, agrees to buy them back at a specified time and price. Repos are widely used as a money market instrument.

Reverse Repurchase Agreements ("Reverse Repos") - A purchase of securities with an agreement to resell them at a higher price at a specific future date.

Return on Equity (ROE) - The net income for the accounting period after payment of preferred stock dividends and before payment of common stock dividends of a company divided by the common stock equity at the beginning of the accounting period.

Risk Adjusted Return - A modified (usually reduced) return which accounts for the cost of a specific investment exposure as well as the aggregate risk of such exposure.

Russell 3000 - An equity index comprised of the securities of the 3,000 largest public U.S. companies as determined by total market capitalization. This index represents approximately 98% of the U.S. equity market's capitalization.

GLOSSARY OF INVESTMENT TERMS (Continued)

Securities Lending - A carefully collateralized process of loaning portfolio positions to custodians, dealers, and short sellers who must make physical delivery of positions. Securities lending can reduce custody costs or enhance annual returns by a full percentage point or more in certain market environments.

Soft Dollars - The value of research or other services that brokerage houses and other service entities provide to a client "free of charge" in exchange for the client's brokerage.

S&P 500 (Standard & Poor's) – A basket of 500 stocks considered to be widely held. The performance of this index is thought to be representative of the stock market as a whole. The index selects its constituents based upon their market size, liquidity and sector. S&P 500 stocks are considered to be the leading large (to mid) cap corporations in a given sector.

S&P Credit Ratings Service - A financial services rating agency.

Standard Deviation - A statistical measure showing the deviation of an individual value in a probability distributed from the mean (average) of the distribution. The greater the degree of dispersion from the mean rate of return, the higher the standard deviation; therefore, the higher the risk.

Total Fund Benchmark - A hybrid benchmark customized to reflect the CRPTF's asset allocation and performance objectives. This benchmark is comprised of 36% Russell 3000 Index; 18% International Stock Fund benchmark; 29% Mutual Fixed Income benchmark; 5% Russell 3000 Index; 11% S&P 500 Index; and 1% MFR First Tier Rated Index. The International Stock Fund benchmark is comprised of 83% Citigroup Europe, Pacific, Asia Composite Broad Market Index (50% Hedged) and 17% MSCI Emerging Market Free Index. The Mutual Fixed Income benchmark consists of 73% Lehman Brothers U. S. Aggregate Index, 17% S&P/Citigroup High Yield Market Index, and 10% JPM Emerging Markets Bond Index.

Treasury Bill (T-Bill) - Short-term, highly liquid government securities issued at a discount from the face value and returning the face amount at maturity.

Treasury Bond or Note - Debt obligations of the Federal government that make semiannual coupon payments and are sold at or near par value in denominations of $1,000 or more.

Trust - A fiduciary relationship in which a person, called a trustee, holds title to property for the benefit of another person, called a beneficiary.

TUCS - Trust Universe Comparison Service. TUCS is based upon a pooling of quarterly trust accounting data from participating banks and other organizations that provide custody for trust assets.

Turnover - Security purchases or sales divided by the fiscal year's beginning and ending market values for a given portfolio.

Unrealized Gain (Loss) - A profit (loss) that has not been realized through the sale of a security. The gain (loss) is realized when a security or futures contract is actually sold or settled.

Variable Rate Note - Floating rate notes with a coupon rate adjusted at set intervals, such as daily, weekly, or monthly, based on different interest rate indices, such as LIBOR, Fed Funds, and Treasury Bills.

Volatility - A statistical measure of the tendency of a market price or yield to vary over time. Volatility is said to be high if the price, yield, or return typically changes dramatically in a short period of time.

Yield - The return on an investor's capital investment.

Yield Curve - A graph showing the term structure of interest rates by plotting the yields of all bonds of the same quality with maturities ranging from the shortest to the longest possible. The Y-axis represents the interest rate and the X-axis represents time, generally with a normal curve that is convex in shape.

Zero Coupon Bond - A bond paying no interest that sells at a discount and returns principal only at maturity.

UNDERSTANDING INVESTMENT PERFORMANCE

Introduction

This section discusses the Treasury's approach to measuring performance, including risk and return of the Connecticut Retirement Plans and Trust Funds (CRPTF).

Understanding Performance

To measure success in achieving the primary objective of the Asset Allocation Plan, the Fund's performance is evaluated in two principal areas: risk and return. The results of these reviews, coupled with information on portfolio characteristics, are used to monitor and improve the performance of the Fund's external investment advisors.

To bring accountability and perspective to Fund performance and measurements of risk and return, The Connecticut Retirement Plans and Trust Funds are compared to those of similarly structured peer groups and indices. These comparisons enable plan participants, the Treasurer and the Investment Advisory Council, to determine whether and by how much Fund returns exceeded or fell short of the benchmarks. Each Fund's benchmark is selected on the basis of portfolio composition, investment style, and objectives.

Comparative performance is reviewed over both the near-term and the long-term for two reasons. First, pension management is, by its very nature, a long-term process. While both young and old employees comprise the pool of plan beneficiaries, the average age of plan participants is relatively low and requires that plan assets be managed for the long term. Second, as experience has shown, results attained in the short term are not necessarily an indicator of results to be achieved over the long term. Performance must be viewed in a broader context.

Overall performance is measured by calculating monthly returns and linking them to provide one-, three-, five- and ten-year histories of overall investment performance. Short-term performance is measured by total return over one-month, quarter-end, and trailing one-year time periods. Risk is also measured over both short- and the long-term periods.

Risk

The measurement of risk is a critical component in investment management. It is the basis for both strategic decision-making and investment evaluation. As an investment tool, investors assume risk to enhance portfolio returns. These enhancements, viewed as returns in excess of those available on "risk-free" investments, such as Treasury Bills, vary in magnitude according to the degree of risk assumed. Many investors focus on the negative aspects of risk and in doing so forego substantial upside potential, which can significantly enhance long-term returns. Thus, while risk can never be completely eliminated from a portfolio, the prudent management of risk can maximize investment returns at acceptable levels of risk.

Risk can take several forms and include: market risk, the risk of fluctuations in the overall market for securities; company risk, the risk of investing in any single company's stock or bonds; currency-exchange risk, the risk that a foreign country's currency may appreciate or depreciate relative to the U.S. dollar, thus impacting the value of foreign investments; and political risk, risk incurred through investing in foreign countries with volatile economies and political systems.

With respect to fixed income investments, investors also assume: reinvestment risk, the risk that cash flows received from a security will be reinvested at lower rates due to declining interest rates; credit or default risk, the risk that the issuer of a fixed income security may fail to make principal and interest payments on the security; interest rate risk, the risk that prices of fixed coupon bonds will decline in the event of rising market interest rates; and inflation or purchasing power risk, the risk that the real value of a security and its cash flows may be reduced by inflation. The level of risk incurred in fixed income investing increases as the investment time horizon is lengthened. This is demonstrated by the comparatively higher yields available on "long bonds," or bonds maturing in 20 to 30 years, versus those available on short-term fixed income securities.

In the alternative investment category, risks are significantly greater than those of publicly traded investments. Assessment of progress is more tenuous and valuation judgments are more complex. The investor assumes not only management, product, market, and operations risk, similar to equity investing, but also assumes liquidity risk, the risk that one's investment cannot be immediately liquidated at other than substantially discounted value.

UNDERSTANDING INVESTMENT PERFORMANCE (Continued)

Volatility

To measure the effects of risk on the portfolio, the volatility of returns is calculated over time. Volatility, viewed as deviation of returns from an average of these returns over time, is measured statistically by standard deviation. Standard deviation is one of the most widely accepted and descriptive risk measures used by investment professionals today. Funds with high standard deviations are considered riskier than those with low standard deviations.

To evaluate the significance of the Funds' standard deviation, each Fund's relative volatility, or the ratio of the Fund's standard deviation to that of the benchmark is calculated. A relative volatility greater than 1.0 indicates that the Fund is more volatile than the benchmark while a measure less than 1.0 indicates less volatility. A relative volatility of 1.0 signifies an equal degree of volatility between the Fund and the benchmark.

As an extension of standard deviation, each Fund's beta, or a measure of the relative price fluctuation of the Fund to its benchmark, is also calculated. The measurement of beta allows one to evaluate the sensitivity of Fund returns to given movements in the market and/or its benchmark. A beta greater than 1.0 compared to the selected market benchmark signifies greater price sensitivity while a beta less than 1.0 indicates less sensitivity.

To measure the degree of correlation between Fund returns and the benchmark, the Division calculates the coefficient of determination, or R^2. This calculation, which is used in conjunction with beta, allows one to evaluate how much of the volatility in Fund returns is explained by returns in the selected market benchmark. An R^2 of 1.0 indicates that Fund returns are perfectly explained by returns of the benchmark, while a value less than 1.0 indicates that the returns of the benchmark explain only a portion of the fund return.

Finally, to evaluate how well each of the above measures actually predicted returns of the Fund, a calculation is performed on the Fund's alpha. This calculation measures the absolute difference between the Fund's monthly return and that predicted by its beta. Used together, these measures provide a comprehensive view of a Fund's relative risk profile.

Return

The Pension and Trust Funds are managed for maximum return with minimal risk. Return, viewed in this context, includes realized and unrealized gains in the market value of a security, including those attributable to currency fluctuations, as well as income distributed from a security such as dividends and interest. Return is measured through two calculations: compounded annual total return and cumulative total return.

Compounded Annual Total Return - This return measure evaluates performance over the short and long-term. Compounded annual total return measures the implicit annual percentage change in value of an investment, assuming reinvestment of dividends, interest, and realized and unrealized capital gains, including those attributable to currency fluctuations. In effect, compounded annual total return "smoothes" fluctuations in long-term investment returns to derive an implied year-to-year annual return.

Cumulative Total Return - This calculation measures the absolute percentage change in value of an investment over a specified period, assuming reinvestment of dividends, interest income, and realized capital gains. While this calculation does not "smooth" year-to-year fluctuations in long-term returns to derive implied annual performance, cumulative total return allows one to see on an absolute basis the percentage increase in the total Fund's value over a specified time. Viewed graphically, cumulative total return shows one what a $10 million investment in the CRPTF a set number of years ago would be worth today.

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CHANGES IN DEBT OUTSTANDING - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Bond Finance Type	Outstanding June 30, 2010	FY 2011 Issued	FY 2011 Retired	FY 2011 Refunded or Defeased	Outstanding June 30, 2011	FY 2011 [1] Interest Paid
General Obligation - Tax Supported[2]	$10,159,003,817	$1,247,035,000	$ 927,702,265	$ 47,985,000	$ 10,430,351,552	$ 531,538,831
General Obligation - Bond Anticipation Bonds	581,245,000	-	581,245,000	-	-	16,418,733
General Obligation Teachers' Retirement Fund Bonds[3]	2,276,578,271	-	-	-	2,276,578,271	121,386,576
General Obligation - Economic Recovery Notes	915,795,000	-	-	-	915,795,000	40,567,963
General Obligation - Revenue Supported	1,060,000	-	530,000	-	530,000	58,300
Special Tax Obligation	3,030,485,000	737,675,000	271,330,000	139,235,000	3,357,595,000	152,400,633
Bradley International Airport	188,785,000	152,380,000	10,630,000	161,445,000	169,090,000	5,126,815
Clean Water Fund	821,950,000	182,935,000	71,365,000	34,415,000	899,105,000	34,865,123
UCONN 2000[4]	877,492,441	-	73,182,441	-	804,310,000	40,347,835
CDA Increment Financing[5]	27,550,000	-	2,620,000	-	24,930,000	1,130,111
CDA Governmental Lease Revenue[6]	2,915,000	-	660,000	-	2,255,000	192,390
CHEFA Childcare Facilities Program[7]	68,240,000	-	1,665,000	-	66,575,000	3,658,842
Juvenile Training School[8]	16,080,000	-	455,000	-	15,625,000	780,619
Bradley International Parking Operations	43,005,000	-	1,755,000	-	41,250,000	2,752,508
CHFA Special Needs Housing Bonds[9]	61,775,000	17,785,000	2,840,000	-	76,720,000	3,133,217
CCEDA Bonds[10]	102,680,000	-	2,525,000	-	100,155,000	4,430,108
CHFA Emergency Mortgage Assistance Program [11]	-	30,000,000	835,000	-	29,165,000	814,640
TOTAL	**$19,174,639,529**	**$2,367,810,000**	**$1,949,339,706**	**$ 383,080,000**	**$ 19,210,029,823**	**$ 959,603,244**

(1) Includes interest rate swap payments and variable rate bond fees.

(2) Debt outstanding at June 30, 2011 includes $8,645,000.00 in Certificates of Participation for the Middletown Courthouse, which is not debt of the State. However, the State is obligated to pay a base rent under a lease for the courthouse, subject to the annual appropriation of funds or the availability of other funds. The base rent is appropriated as debt service. The Certificates of Participation are included on the Treasurer's Debt Management System for control purposes.

(3) The General Obligation Teachers' Retirement Fund Bonds were issued as taxable bonds pursuant to Public Act 07-186 to fund $2 billion of the unfunded liability of the Connecticut Teachers' Retirement Fund, capitalized interest and cost of issuance.

(4) UConn 2000 Bonds were authorized in three stages in a total amount of $2.8 billion over a 22 year period to be paid by the University of Connecticut from a State Debt Service commitment. As each series is issued, the debt service is appropriated from the State General Fund.

(5) The Connecticut Development Authority (CDA) has issued tax increment bonds for certain economic development projects. The debt service on the bonds is deemed appropriated from the State's General Fund.

(6) The Connecticut Development Authority (CDA) has issued its lease revenue bonds for the New Britain Government Center. The State is obligated to pay base rent subject to the annual appropriation of funds. These payments are budgeted in the Treasurer's debt service budget as lease payments.

(7) On July 1, 1999, the Treasurer's Office assumed the responsibility for the Connecticut Health and Educational Facilities Authority (CHEFA) Childcare debt service appropriation per Public Act 97-259.

(8) A lease purchase financing of the heating and cooling plant at the Juvenile Training School in Middletown.

(9) The Connecticut Housing Finance Authority (CHFA) Special Needs Housing bonds were issued pursuant to Public Act 05-280 and Public Act 05-3 for the purpose of financing costs of the Next Step Initiative. The State is required to make debt service payments on the bonds under a contract assistance agreement between CHFA, the Treasurer and OPM.

(10) The Capital City Economic Development Authority (CCEDA) Bonds were issued to provide funding for the Adriaen's Landing development project in Hartford. The bonds, issued in a combination of fixed and variable rate securities, have a final maturity of 2034. The State is required to make all debt service payments on the bonds up to a maximum annual amount of $9 million pursuant to a contract assistance agreement between CCEDA, the Treasurer, and the Office of Police and Management. CCEDA is required to reimburse the State for the debt service payments from net parking and central utility plant revenues.

(11) The Connecticut Housing Finance Authority (CHFA) Emergency Mortgage Assistance Program bonds were issued pursuant to Public Act 08-176 to fund the Emergency Mortgage Assistance Program. The State is required to make debt service payments on the bonds under a contract assistance agreement between CHFA, the Treasurer and the Office of Policy and Management.

Note 1: In accordance with Section 3-115 of the General Statutes, the State Comptroller shall provide accounting statements relating to the financial condition of the State as a whole in the same form and in the same categories as appear in the budget enacted by the General Assembly. The Budget Act enacted for the 2011 Fiscal Year is presented on a comprehensive basis of accounting other than generally accepted accounting principles. In order to be consistent with the Comptroller's statements and the budgetary act, the State Treasurer has employed the same comprehensive basis of accounting for the presentation of this schedule.

Note 2: GAAP accounting requires that Long-Term debt obligations be segregated into the portion payable within the next fiscal year (the current portion) and the remaining portion that is not due until after the next fiscal year. This manner of presentation is not used for the budgetary basis presentation.

For a detailed listing of debt outstanding for the fiscal year ended June 30, 2011, please see Statutory Appendix.

DEBT MANAGEMENT DIVISION

RETIREMENT SCHEDULE OF IN-SUBSTANCE DEFEASED DEBT OUTSTANDING (1) - BUDGETARY BASIS
JUNE 30, 2011

Date Escrow Established	Amount of Principal Outstanding	Last Payment Date on Refunded Debt	Market Value of Escrow	Investment Profile of Escrow Account
BOND TYPE: GENERAL OBLIGATION				
11/05/1999	$ 650,927	06/01/2013	$ 887,061	State & Local Government Series Bonds/Cash
04/08/2004	270,740,000	11/15/2012	278,284,182	State & Local Government Series Bonds/FNMA/FHLB/Cash
04/27/2005	253,235,000	11/15/2012	256,091,049	State & Local Government Series Bonds/Cash
11/09/2006	238,340,000	10/15/2013	244,356,014	State & Local Government Series Bonds/Cash
05/10/2007	170,140,000	10/15/2013	172,784,333	State & Local Government Series Bonds/Cash
06/23/2010	261,690,000	03/01/2014	277,013,934	State & Local Government Series Bonds/Cash
10/19/2010	47,985,000	10/15/2012	51,042,737	State & Local Government Series Bonds/Cash
SUBTOTAL	**$ 1,242,780,927**		**$ 1,280,459,310**	
BOND TYPE: SPECIAL TRANSPORTATION FUND				
01/23/2003	$ 90,130,000	10/01/2011	$ 92,448,374	State & Local Government Series Bonds/Cash
12/02/2004	60,005,000	12/01/2012	64,270,162	Resolution Funding Strips/Cash
11/10/2010	139,235,000	12/01/2012	147,807,634	State & Local Government Series Bonds/Cash
SUBTOTAL	**$ 289,370,000**		**$ 304,526,170**	
BOND TYPE: CLEAN WATER FUND				
07/10/2003	$ 60,220,000	10/01/2011	$ 61,720,243	US Foreign Government Bonds/Cash
06/30/2008	10,305,000	10/01/2012	10,568,299	FNMA/FHLB/FHLMC/Cash
03/24/2011	34,415,000	10/01/2013	37,974,878	State and Local Government Series Bonds/Cash
SUBTOTAL	**$ 104,940,000**		**$ 110,263,420**	
BOND TYPE: UCONN 2000				
01/29/2004	$ 28,685,000	04/01/2012	$ 29,048,447	State and Local Government Series Bonds/Cash
03/15/2006	4,460,000	04/01/2012	4,699,825	State and Local Government Series Bonds/Cash
04/12/2007	46,695,000	02/15/2013	47,374,893	State and Local Government Series Bonds/Cash
05/25/2010	15,915,000	02/15/2013	17,388,122	State and Local Government Series Bonds/Cash
SUBTOTAL	**$ 95,755,000**		**$ 98,511,287**	
TOTAL	**$ 1,732,845,927**		**$ 1,793,760,187**	

(1) Represents bonds which have been refunded with proceeds of other bond issues and bonds which have been defeased using budget surplus. Although the State is still legally responsible for principal and interest payments on the refunded bonds, the refunded bonds are not carried as a liability of the State since they have been "in-substance" defeased. Investments adequate to meet all payments have been irrevocably deposited in escrow accounts with an independent agent for the sole purpose of satisfying principal and interest. The adequacy of each escrow account to meet debt service payments has been verified by an independent accounting firm.

Note 1: In accordance with Section 3-115 of the General Statutes, the State Comptroller shall provide accounting statements relating to the financial condition of the State as a whole in the same form and in the same categories as appear in the budget enacted by the General Assembly. The Budget is presented on a comprehensive basis of accounting other than generally accepted accounting principles. In order to be consistent with the Comptroller's statements and the budgetary act, the State Treasurer has employed the same comprehensive basis of accounting for the presentation of this schedule.

Note 2: GAAP accounting requires that Long-Term debt obligations be segregated into the portion payable within the next fiscal year (the current portion) and the remaining portion that is not due until after the next fiscal year. This manner of presentation is not used for the budgetary basis presentation.

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12:15 pm, Aug 30, 2011

UNCLAIMED PROPERTY DIVISION

SCHEDULE OF EXPENSES IN EXCESS OF $5,000 [1]
FISCAL YEAR ENDED JUNE 30, 2011

Name of Firm	Description of Services	Contract Date	Aggregate Compensation Paid in FY 2011	Status As of 6/30/11
A & A Office Systems, Inc.	Photocopier Lease	N/A	$ 6,424	Active
ACS Unclaimed Property Clearinghouse	Securities Services & Claims Processing	July-06	878,998	Active
ACS Unclaimed Property Clearinghouse	Identification & Collection of Property	August-94	1,363,483	Active
Advance Corporate Networking Total	Comupter Equipment	N/A	7,216	Terminated
Audit Services US LLC	Identification & Collection of Property	May-06	164,422	Active
BlackRock Investment Management LLC	Security Commission Expense	May-09	77,203	Active
Bloomberg Financial LP	Subscription	N/A	19,080	Active
Dell Marketing LP	Computer Software	N/A	5,569	Terminated
Murphy Security Services LLC	Security Services	N/A	9,875	Active
Suburban Stationers Inc.	Office Supplies	N/A	9,658	Terminated
TOTAL			**$ 2,541,928**	

(1) Expenses are presented on a cash basis.

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8:28 am, Jul 12, 2011

UNCLAIMED PROPERTY DIVISION

FIVE YEAR SELECTED FINANCIAL INFORMATION

	Fiscal Year Ended June 30,				
	2011	2010	2009	2008	2007
Receipts (Net of fees) [(1) (4)]	$125,029,194	$222,107,523	$ 69,496,494	$ 64,037,656	$ 64,567,697
Gross Receipts	125,029,194	222,107,523	69,496,494	64,037,656	64,567,697
Claims Paid	51,946,468	33,408,124	32,341,525	30,626,832	25,280,243
Transfer to Citizens Election Fund [(3)]	18,373,174	18,191,261	17,940,100	17,300,000	16,000,000
Administrative Expenses:					
Salaries & Fringe benefits	3,743,050	3,771,592	3,646,721	3,396,050	3,896,514
Data processing & hardware	2,427,212	2,514,603	2,170,581	3,018,137	2,826,339
All Other	157,153	431,564	119,645	449,575	220,355
Total Disbursements	76,647,057	58,317,144	56,218,572	54,790,595	48,223,450
Excess of Receipts over Disbursements [(1)]	$ 48,382,137	$163,790,379	$ 13,277,922	$ 9,247,061	$ 16,344,247
Approximate Market Value of Securities at Fiscal Year End:					
Total Securities Inventory	$ 1,932,505	$ 22,097,989	$ 88,297,207	$ 95,399,474	$ 99,761,769
Securities liquidated	$ 56,953,027	$ 151,166,311	$ 1,142,461	$ 0	$ 0
Number of claims paid	17,933	17,360	14,481	16,787	20,930

(1) Excess of receipts over disbursements is remitted to the General Fund, however, amounts collected remain liabilities of the State until returned to rightful owners.

(2) The amounts disclosed above as “receipts” and “claims paid” represent actual cash flows and do not include the value of the marketable securities received by the Unclaimed Property Division , nor the value of the securities returned to owners. However, the amounts disclosed above as fiscal year end market values of securities help provide a general indication of the relative net activity in such assets over time. Receipts, include the proceeds from securities liquidated in a given year.

(3) Per P.A. 05-5, October 25, 2005 special session, required Unclaimed Property Division to deposit certain funds into the Citizens’ Election Fund and the balance is deposited into the General Fund.

Summary of Gross Receipts
Fiscal Year Ended June 30, 2011

Financial institutions	$18,824,884
Other corporations	32,920,767
Insurance companies	12,061,409
Govern agency/ public authorities	2,409,017
Dividends on securities held	179,927
Estates	18,058
Securities tendered	130,463
Securities sold	56,953,029
Sale of property lists, copying and other charges	5,000
Reciprocal exchange program with other states	1,526,640
Total Gross Receipts	$125,029,194

EX-OFFICIO DUTIES OF THE STATE TREASURER
BOARDS, COMMITTEES AND COMMISSIONS

STATE BOND COMMISSION (§ 3-20(c) CGS)

As authorized by the General Assembly, all projects and grants funded from State bonds, as well as the issuance of the bonds, must be authorized by the State Bond Commission. The members of the Commission include the Governor, Treasurer, Comptroller, Attorney General, Secretary of the Office of Policy and Management (OPM), Commissioner of Public Works, and the Cochairpersons and the ranking minority members of the joint standing committee of the General Assembly having cogniznace of matters relating to finance, revenue and bonding.

INVESTMENT ADVISORY COUNCIL (§ 3-13b(a) CGS)

The Investment Advisory Council advises on investment policy and guidelines, and also reviews the assets and performance of the pension funds. Additionally, the Council advises the Treasurer with respect to the hiring of outside investment advisors and on the appointment of the Chief Investment Officer. The Investment Advisory Council consists of the Treasurer, the Secretary of OPM and ten appointees of the Governor and State Legislature.

BANKING COMMISSION (§ 36a-70(h)(1) CGS)

The Banking Commission approves all applications for the creation of state banks or trust companies. As part of this process, the Commission holds public hearings on applications prior to granting approval. The Commission members are the Treasurer, Comptroller and Banking Commissioner.

FINANCE ADVISORY COMMITTEE (§ 4-93 CGS)

The Finance Advisory Committee approves budget transfers recommended by the Governor and has other such powers over the State budget when the General Assembly is not in session. The Committee members are the Governor, Lieutenant Governor, Treasurer, Comptroller, two Senate members who are members of the Legislature's Appropriations Committee and three House members who are members of the Legislature's Appropriations Committee.

CONNECTICUT LOTTERY CORPORATION BOARD OF DIRECTORS (§ 12-802(b) CGS)

The Connecticut Lottery Corporation manages the State lottery and is responsible to introduce new lottery games and maximize the efficiency of operations in order to provide a greater return to the general fund. The thirteen member Board of Directors includes the Treasurer, the Secretary of OPM, as well as appointees by the Governor and State Legislature.

CONNECTICUT HIGHER EDUCATION TRUST(CHET) ADVISORY COMMITTEE (§ 3-22e(a) CGS)

This committee advises the Treasurer on policies concerning CHET. The Connecticut Higher Education Trust allows families to make tax deferred investments for higher education costs. The Commissioner of Higher Education, the Secretary of OPM, the Cochairpersons and ranking members of the Legislature's education committee, and finance, revenue and bonding committees, and four representatives of private higher education and the public serve with the Treasurer on this board.

COUNCIL OF FISCAL OFFICERS (By Charter)

The purpose of the Council of Fiscal Officers is to provide a forum for discussion and participation in the development of State financial policies, practices and systems. Membership is open to all State officials or employees, elected or appointed, classified or unclassified, serving in a fiscal management position. The Treasurer is one of four permanent members of the Executive Board.

THE STANDARDIZATION COMMITTEE (§ 4a-58(a) CGS)

The standardization committee approves or grants waivers to existing purchasing regulations when it is in the best interests of the State to do so. The members of this committee include the Treasurer, Comptroller, Commissioner of Administrative Services, and such administrative heads of State departments as are designated for that duty by the Governor.

EX-OFFICIO DUTIES OF THE STATE TREASURER (Continued)
BOARDS, COMMITTEES AND COMMISSIONS

INFORMATION AND TELECOMMUNICATION SYSTEMS (IT)
EXECUTIVE STEERING COMMITTEE (§ 4d-12(b) CGS)

The IT Executive Steering Committee directs the planning, development, implementation and maintenance of State information and telecommunication systems. The Committee consists of the Treasurer, Comptroller, Secretary of OPM, Commissioner of Administrative Services, and the Chief Information Officer.

CONNECTICUT DEVELOPMENT AUTHORITY (CDA) (§ 32-11a(c) CGS)

The Connecticut Development Authority administers programs that support the State's economic development efforts. CDA has two basic types of loan programs: direct loans and loan guarantees (of bank loans). The Board membership includes the Treasurer, Commissioner of Economic and Community Development, Secretary of OPM, four members appointed by the Governor, and four members appointed by legislative leaders.

CONNECTICUT HOUSING FINANCE AUTHORITY (CHFA) (§ 8-244(a) CGS)

CHFA was created to increase the supply of, and encourage and assist in the purchase, development and construction of, housing for low and moderate-income families and persons throughout the State. It provides mortgages for single family homeowners at below market rates, mortgages for multi-family developers, and construction financing. The members of the board include the Treasurer, Commissioner of Economic and Community Development, Secretary of OPM, Banking Commissioner, seven members appointed by the Governor, and four members appointed by legislative leaders.

CONNECTICUT HEALTH AND EDUCATIONAL FACILITIES AUTHORITY (CHEFA)
BOARD OF DIRECTORS (§ 10a-179(a) CGS)

CHEFA is a conduit bond issuer for hospitals, nursing homes, private universities, private secondary schools and day care facilities. The board members include the Treasurer, Secretary of OPM, and eight members appointed by the Governor.

CONNECTICUT HIGHER EDUCATION SUPPLEMENTAL LOAN AUTHORITY (CHESLA)
BOARD OF DIRECTORS (§ 10a-224(a) CGS)

CHESLA finances supplemental student loans and issues bonds every two years. The Board consists of eight members including the Treasurer, Commissioner of Higher Education, Secretary of OPM, and five additional members appointed by the Governor.

STUDENT FINANCIAL AID INFORMATION COUNCIL (§ 10a-161b CGS)

The council develops procedures to improve student financial aid policy and increase resources, develops methods to improve financial aid awareness, especially amoung middle and high school students and their families, and coordinates financial aid delivery. The council is assisted in their responsibilities by the Department of Higher Education and the Connecticut Association of Professional Financial Aid Administrators. The Council consists of the Commissioners of Higher Education, the Treasurer, four members appointed by the Governor, and four members appointed by the legislative leadership.

CONNECTICUT STUDENT LOAN FOUNDATION (§10a-201)

The Student Loan Foundation is a non-profit corporation created to improve educational opportunity and promote repayment of loans. The corporation is governed by a board of directors consisting of fourteen members including the chairperson of the Board of Governors of Higher Education and the Commissioner of Higher Education; six public members appointed by the Governor; four members with knowledge of business or finance appointed by the legislature leadership; and the Treasurer.

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REVISED
2:07 pm, Aug 01, 2011

EXECUTIVE OFFICE

TOTAL ADMINISTRATION EXPENDITURES
FISCAL YEARS ENDED JUNE 30,

Fiscal Years Ended June 30,

	2011	%	2010	%	2009	%	2008	%	2007	%
GENERAL FUND										
Personal Services	$3,072,415	3.13%	$3,210,145	3.66%	$3,602,754	3.80%	$3,513,197	4.11%	$3,607,677	3.89%
Other Expenses	186,710	0.19%	155,429	0.18%	239,594	0.25%	305,232	0.36%	285,592	0.31%
Capital Equipment	0	0.00%	0	0.00%	-	0.00%	100	0.00%	100	0.00%
TOTAL	**3,259,125**	**3.32%**	**3,365,574**	**3.83%**	**3,842,348**	**4.05%**	**3,818,529**	**4.47%**	**3,893,369**	**4.20%**
PENSION FUNDS										
Personal Services	$4,045,025	4.12%	$3,992,849	4.55%	$3,581,005	3.78%	$3,394,051	3.97%	$3,250,644	3.50%
Other Expenses	75,849,755	77.24%	65,105,625	74.17%	72,325,071	76.29%	62,672,093	73.29%	69,572,587	74.97%
Capital Equipment	2,709	0.00%	0	0.00%	7,388	0.01%	2,763	0.00%	28,007	0.03%
TOTAL	**79,897,489**	**81.36%**	**69,098,474**	**78.72%**	**75,913,464**	**80.07%**	**66,068,907**	**77.26%**	**72,851,238**	**78.50%**
SECOND INJURY FUND										
Personal Services	$6,476,474	6.59%	$6,203,425	7.07%	$6,523,771	6.88%	$6,031,570	7.05%	$6,535,640	7.04%
Other Expenses	457,424	0.47%	597,001	0.68%	672,593	0.71%	834,908	0.98%	712,690	0.77%
Capital Equipment	4,895	0.00%	0	0.00%	10,242	0.01%	27,048	0.03%	54,784	0.06%
TOTAL	**6,938,793**	**7.07%**	**6,800,426**	**7.75%**	**7,206,606**	**7.60%**	**6,893,526**	**8.06%**	**7,303,114**	**7.87%**
UNCLAIMED PROPERTY FUND										
Personal Services	$3,743,050	3.81%	$3,771,596	4.30%	$3,646,721	3.85%	$3,396,090	3.97%	$3,896,514	4.20%
Other Expenses	2,580,964	2.63%	2,946,163	3.36%	2,282,854	2.41%	3,441,613	4.02%	3,017,579	3.25%
Capital Equipment	3,401	0.00%	0	0.00%	7,372	0.01%	26,059	0.03%	29,115	0.03%
TOTAL	**6,327,415**	**6.44%**	**6,717,759**	**7.65%**	**5,936,947**	**6.26%**	**6,863,762**	**8.03%**	**6,943,208**	**7.48%**
SHORT-TERM INVESTMENT FUND										
Personal Services	$1,024,744	1.04%	$1,007,303	1.15%	$994,643	1.05%	$913,106	1.07%	$1,008,349	1.09%
Other Expenses	233,068	0.24%	262,867	0.30%	312,325	0.33%	365,873	0.43%	205,828	0.22%
Capital Equipment	846	0.00%	0	0.00%	1,733	0.00%	863	0.00%	8,291	0.01%
TOTAL	**1,258,658**	**1.28%**	**1,270,170**	**1.45%**	**1,308,701**	**1.38%**	**1,279,842**	**1.50%**	**1,222,468**	**1.32%**
Other Financing Sources (1)	**$522,380**	**0.53%**	**$522,873**	**0.60%**	**$595,201**	**0.63%**	**$587,610**	**0.69%**	**$589,270**	**0.63%**
TOTAL AGENCY	**$98,203,860**	**100.00%**	**$87,775,276**	**100.00%**	**$94,803,267**	**100.00%**	**$85,512,176**	**100.00%**	**$92,802,667**	**100.00%**

(1) Other Financing Sources include: Clean Water Fund; Special Transportation Fund; Bonds Cost of Issuance Fund; and the Capital Equipment Fund.

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REVISED
2:30 pm, Aug 01, 2011

SCHEDULE OF EXPENSES IN EXCESS OF $5,000 (1)
FISCAL YEAR ENDED JUNE 30, 2011

Name of Firm	Description of Services	Contract Date	Aggregate Compensation Paid in FY 2011	Status As of 6/30/11
A & A Office Systems	Photocopier Lease	N/A	$ 9,637	Active
Advance Corporate Networking	Computer Software	N/A	10,824	Terminated
CERES, Inc.	Dues	N/A	20,000	Active
Corporate Governance Research Consulting, LLC	Corporate Governance Services	Mar-07	8,295	Active
Council of Institutional Investors	Dues	N/A	29,900	Active
Dell Marketing LP	Computer Software	N/A	8,353	Terminated
Interfaith Center on Corporate Responsibility	Subscription	N/A	-	Active
Investor Responsibility Support Services	Proxy Voting Services	Dec-02	25,000	Active
John Watts Assoc. INC	Remodeling New Offices	N/A	80,091	Terminated
JP Morgan Chase Bank	Purchasing Card Expenditures	N/A	6,134	Active
Murphy Security Service LLC	Security Service	N/A	14,813	Active
National Assocation Of StateTreasurer	Dues	N/A	7,200	Active
PRI Association	PRI Subscription	N/A	10,553	Active
Suburban Stationers Inc.	Office Supplies	N/A	7,109	Terminated
The Corporate Library	Subscription	N/A	25,000	Active
West Group	Subscription	N/A	25,768	Active
TOTAL				
TOTAL			$ 288,677	

(1) Expenses are presented on a cash basis.

SECOND INJURY FUND

SCHEDULE OF EXPENSES IN EXCESS OF $5,000 (1)
FISCAL YEAR ENDED JUNE 30, 2011

Name of Firm	Description of Services	Contract Date	Aggregate Compensation Paid in FY 2011	Status As of 6/30/11
A & A Office Systems Inc.	Photocopier Lease	N/A	$ 9,315	Active
Aegis International Inc.	Surveillance Services	January-06	25,869	Active
Advanced Corporate Networking	Computer Equipment	N/A	10,463	Termated
Automatic Data Processing Inc.	Check Processing	June-06	16,690	Active
Coventry Healthcare Workers Compensation Inc.	Provider Bill Audit Services	February-06	139,222	Active
Crowe Paradis Services Corp	Computer Software	N/A	7,700	Active
Dell Marketing LP Total	Computer Software	N/A	8,075	Termated
Iron Mountain Off-Site Data Protection Records Management Services	N/A	8,931	Active	
MCMC, LLC	IME/Case Mgmt./Job Placement	January-06	14,596	Active
Murphy Security Service, LLC	Security Services	NA	14,319	Active
Security Services of Connecticut Inc.	Surveillance Services	January-06	44,053	Active
Suburban Stationers Inc.	Office Supplies	N/A	10,323	Termated
TOTAL			**$ 309,556**	

(1) Expenses are presented on a cash basis. This schedule only includes services that were retained directly by the Fund and does not include medical services ordered by Workers Compensation Commissioners, claimants or their treating physicians.

Statutory Appendix

STATE OF CONNECTICUT

QUI TRANSTULIT SUSTINET

TREASURER'S OFFICE

DEBT MANAGEMENT DIVISION

SCHEDULE OF DEBT OUTSTANDING [1] - BUDGETARY BASIS

JUNE 30, 2011

Issue Date	Outstanding June 30, 2010	FY 2011 Issued	FY 2011 Retired	Refunded or Defeased	Outstanding June 30, 2011	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2011 [2]	Interest Paid During FY 2011 [3]
BOND TYPE: GENERAL OBLIGATION - TAX SUPPORTED											
11/20/1990	$ 5,645,889	$ -	$ 5,645,889	$ -	$ -				11/15/2010	$ -	$ 18,257,111
01/01/1991	1,240,622	-	1,240,622	-	-				01/01/2011	-	63,083
05/16/1991	5,333,307	-	5,333,307	-	-				05/15/2011	-	15,778,693
12/12/1991	5,752,615	-	1,932,943	-	3,819,672	6.701	6.701	12/15/2011	12/15/2011	10,035,415	4,865,057
01/21/1992	3,311,688	-	1,639,659	-	1,672,029	6.034	6.034	08/01/2011	02/01/2012	-	175,216
05/14/1992	5,275,284	-	2,214,743	-	3,060,541	6.777	6.777	05/15/2012	05/15/2012	7,890,798	5,670,257
11/17/1992	4,799,734	-	1,627,395	-	3,172,339	6.384	6.402	11/15/2011	11/15/2012	7,061,799	3,391,605
03/15/1993	17,340,000	-	8,670,000	-	8,670,000	5.500	5.500	03/15/2012	03/15/2012	-	953,700
03/15/1993	10,285,000	-	10,285,000	-	-	0.000	0.000	09/15/2010	09/15/2010	-	282,838
05/19/1993	6,151,940	-	3,034,900	-	3,117,040	5.923	5.923	06/15/2012	06/15/2012	5,855,736	5,713,100
10/01/1993	22,440,000	-	-	-	22,440,000	6.000	6.000	03/15/2012	03/15/2012	-	1,346,400
11/16/1993	7,998,362	-	1,636,958	-	6,361,404	5.362	5.383	12/01/2011	12/01/2012	9,837,963	2,382,042
03/15/1994	10,920,000	-	-	-	10,920,000	5.650	5.650	03/15/2012	03/15/2012	-	616,980
05/26/1994	8,876,076	-	1,729,524	-	7,146,552	6.394	6.414	06/01/2012	06/01/2013	13,836,130	3,297,476
11/22/1994	10,424,603	-	2,480,175	-	7,944,428	6.309	6.398	12/15/2011	12/15/2013	14,534,929	4,201,825
03/28/1996	2,709,056	-	382,500	-	2,326,556	5.030	5.030	11/01/2011	05/01/2018	-	131,471
05/14/1997	40,000,000	-	10,000,000	-	30,000,000	4.250	4.250	05/15/2012	05/15/2014	-	187,343
09/01/1997	10,010,402	-	914,591	-	9,095,811	5.081	5.081	03/01/2012	03/01/2020	-	508,628
09/30/1997	1,725,000	-	245,000	-	1,480,000	5.081	5.081	03/01/2012	03/01/2020	-	87,647
05/01/1999	11,568,240	-	784,800	-	10,783,440	4.633	4.633	09/01/2011	09/01/2022	-	517,777
05/06/1999	2,795,000	-	340,000	-	2,455,000	4.633	4.633	09/01/2011	09/01/2022	-	121,616
06/15/1999	4,675,000	-	-	-	4,675,000	5.250	5.250	06/15/2014	06/15/2014	-	245,438
08/01/1998 [4]	11,275,000	-	2,630,000	-	8,645,000	4.600	4.750	12/15/2011	12/15/2013	-	467,003
12/15/2000	33,000,000	-	33,000,000	-	-				12/15/2010	-	833,613
02/22/2001	100,000,000	-	-	-	100,000,000	3.500	3.500	02/15/2018	02/15/2021	-	802,293
06/12/2001	2,255,000	-	245,000	-	2,010,000	4.650	4.650	10/01/2011	10/01/2022	-	102,068
06/12/2001	7,251,000	-	489,260	-	6,761,740	4.652	4.652	10/01/2011	10/01/2022	-	325,922
06/15/2001	312,655,000	-	56,855,000	-	255,800,000	4.400	5.500	12/15/2011	12/15/2016	-	15,487,109
06/15/2001	20,000,000	-	20,000,000	-	-				06/15/2011	-	850,000
06/15/2001	20,000,000	-	-	-	20,000,000	4.330	4.330	06/15/2012	06/15/2012	-	866,000
11/15/2001	19,250,000	-	9,000,000	-	10,250,000	3.800	5.000	11/15/2011	11/15/2011	-	704,965
11/15/2001	194,840,000	-	16,325,000	-	178,515,000	5.000	5.125	11/15/2011	11/15/2019	-	9,523,469
12/15/2001	43,000,000	-	22,000,000	-	21,000,000	4.200	5.000	12/15/2011	12/15/2011	-	1,470,370
04/15/2002	28,500,000	-	14,250,000	-	14,250,000	4.250	5.250	04/15/2012	04/15/2012	-	1,384,845
06/15/2002	27,915,000	-	11,200,000	-	16,715,000	4.050	4.200	06/15/2012	06/15/2013	-	1,156,450
06/15/2002	34,470,000	-	-	-	34,470,000	5.000	5.500	12/15/2011	12/15/2018	-	1,820,100
08/15/2002	93,415,000	-	20,830,000	30,070,000	42,515,000	3.625	5.250	11/15/2011	11/15/2013	-	2,443,591
08/15/2002	212,350,000	-	11,770,000	-	200,580,000	4.000	5.500	11/15/2011	11/15/2015	-	11,214,950
11/01/2002	56,105,000	-	11,840,000	17,915,000	26,350,000	3.600	5.000	10/15/2011	10/15/2013	-	1,944,490
04/15/2003	88,130,000	-	15,000,000	-	73,130,000	3.600	5.000	04/15/2012	04/15/2023	-	4,038,008
04/15/2003	26,800,000	-	8,900,000	-	17,900,000	5.500	5.500	04/30/2012	04/30/2013	-	152,072

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REVISED
2:16 pm, Aug 17, 2011

DEBT MANAGEMENT DIVISION

SCHEDULE OF DEBT OUTSTANDING [1] - BUDGETARY BASIS (Continued)
JUNE 30, 2011

Issue Date	Outstanding June 30, 2010	FY 2011 Issued	FY 2011 Retired	Refunded or Defeased	Outstanding June 30, 2011	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2011 [2]	Interest Paid During FY 2011 [3]
05/01/2003	72,795,000	-	13,250,000	-	59,545,000	3.400	5.000	05/01/2012	05/01/2023	-	3,343,648
08/20/2003	32,425,000	-	32,425,000	-	-				08/01/2010	-	810,625
10/01/2003	101,285,000	-	10,000,000	-	91,285,000	3.125	5.000	08/15/2011	08/15/2023	-	4,200,976
11/13/2003	72,000,000	-	10,525,000	-	61,475,000	3.250	5.250	10/15/2011	10/15/2023	-	2,936,422
12/18/2003	21,370,000	-	21,370,000	-	-				03/15/2011	-	1,068,500
03/01/2004	195,480,000	-	15,000,000	-	180,480,000	3.000	5.000	03/01/2012	03/01/2024	-	8,978,615
04/08/2004	944,765,000	-	73,945,000	-	870,820,000	3.000	5.000	12/01/2011	06/01/2020	-	46,196,244
05/04/2004	175,000,000	-	30,000,000	-	145,000,000	3.500	5.000	04/01/2012	04/01/2024	-	8,619,081
12/22/2004	205,000,000	-	15,000,000	-	190,000,000	3.125	5.000	12/01/2011	12/01/2024	-	9,487,508
03/16/2005	280,000,000	-	-	-	280,000,000	4.500	4.500	03/01/2016	03/01/2023	-	9,610,563
04/27/2005	275,860,000	-	-	-	275,860,000	4.375	5.250	06/01/2017	06/01/2021	-	14,409,938
04/27/2005	15,620,000	-	-	-	15,620,000	3.990	3.990	06/01/2016	06/01/2016	-	623,238
04/27/2005	20,000,000	-	-	-	20,000,000	5.070	5.070	06/01/2017	06/01/2017	-	1,014,000
04/27/2005	20,000,000	-	-	-	20,000,000	5.200	5.200	06/01/2020	06/01/2020	-	1,040,000
06/01/2005	236,250,000	-	15,750,000	-	220,500,000	4.000	5.000	06/01/2012	06/01/2025	-	10,300,500
06/01/2005	30,000,000	-	6,000,000	-	24,000,000	4.350	4.450	06/01/2012	06/01/2015	-	1,317,000
11/15/2005	240,000,000	-	15,000,000	-	225,000,000	4.000	5.000	11/15/2011	11/15/2025	-	10,972,500
03/09/2006	232,000,000	-	14,500,000	-	217,500,000	3.500	5.000	12/15/2011	12/15/2025	-	9,931,805
05/01/2006	160,000,000	-	10,000,000	-	150,000,000	3.800	5.000	05/01/2012	05/01/2026	-	7,259,385
06/01/2006	188,000,000	-	11,750,000	-	176,250,000	3.700	5.000	06/01/2012	06/01/2026	-	8,985,250
11/09/2006	295,000,000	-	-	-	295,000,000	4.000	5.000	11/01/2012	11/01/2026	-	14,096,500
11/09/2006	307,005,000	-	-	-	307,005,000	4.000	5.000	12/15/2015	12/15/2022	-	14,895,375
12/14/2006	305,000,000	-	50,000,000	-	255,000,000	3.500	5.000	12/01/2011	12/01/2021	-	12,971,006
05/10/2007	167,240,000	-	11,005,000	-	156,235,000	4.000	5.000	05/01/2012	05/01/2027	-	7,341,525
05/10/2007	173,030,000	-	25,000	-	173,005,000	4.000	5.000	05/01/2012	05/01/2022	-	8,473,900
06/14/2007	202,510,000	-	10,745,000	-	191,765,000	3.750	5.000	06/01/2012	06/01/2027	-	9,357,378
12/19/2007	148,000,000	-	43,945,000	-	104,055,000	3.500	5.000	03/15/2012	03/15/2015	-	7,324,625
12/19/2007	26,000,000	-	10,000,000	-	16,000,000	4.240	4.290	12/01/2011	12/01/2012	-	878,900
12/19/2007	270,000,000	-	15,000,000	-	255,000,000	3.500	5.000	12/01/2011	12/01/2027	-	11,668,450
04/30/2008	25,000,000	-	12,500,000	-	12,500,000	3.500	3.500	05/01/2012	05/01/2012	-	382,456
06/26/2008	360,000,000	-	20,000,000	-	340,000,000	3.000	5.000	04/15/2012	04/15/2028	-	15,639,466
06/26/2008	350,100,000	-	19,450,000	-	330,650,000	3.000	5.000	04/15/2012	04/15/2028	-	16,750,960
11/06/2008	475,000,000	-	23,170,000	-	451,830,000	3.900	5.750	11/01/2011	11/01/2028	-	22,732,471
02/26/2009	385,000,000	-	19,000,000	-	366,000,000	2.250	5.000	02/15/2012	02/15/2029	-	16,877,515
03/26/2009	44,295,000	-	8,545,000	-	35,750,000	2.000	5.000	03/01/2012	03/01/2018	-	1,444,550
03/26/2009	142,250,000	-	10,580,000	-	131,670,000	2.000	5.000	03/01/2012	03/01/2023	-	5,732,650
03/26/2009	72,000,000	-	8,000,000	-	64,000,000	3.590	5.460	03/01/2012	03/01/2019	-	3,591,200
12/03/2009	165,750,000	-	-	-	165,750,000	5.000	5.000	01/01/2012	01/01/2014	-	8,287,500
12/23/2009	450,000,000	-	-	-	450,000,000	4.950	5.632	12/01/2020	12/01/2029	-	24,355,000
04/28/2010	184,250,000	-	-	-	184,250,000	4.407	5.257	04/01/2019	04/01/2026	-	8,211,204
04/28/2010	105,000,000	-	-	-	105,000,000	2.500	5.000	04/01/2015	04/01/2018	-	3,983,686
06/23/2010	200,000,000	-	56,250,000	-	143,750,000	2.000	5.000	12/01/2014	12/01/2018	-	6,398,305
06/23/2010	258,235,000	-	-	-	258,235,000	2.000	5.000	12/01/2012	12/01/2021	-	11,529,649

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DEBT MANAGEMENT DIVISION

SCHEDULE OF DEBT OUTSTANDING (1) - BUDGETARY BASIS (Continued)
JUNE 30, 2011

Issue Date	Outstanding June 30, 2010	FY 2011 Issued	FY 2011 Retired	FY 2011 Refunded or Defeased	Outstanding June 30, 2011	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2011 (2)	Interest Paid During FY 2011 (3)
10/19/2010	-	47,035,000	500,000	-	46,535,000	2.000	5.000	10/01/2014	10/01/2022	-	917,393
10/19/2010	-	203,400,000	-	-	203,400,000	5.295	5.295	10/01/2029	10/01/2029	-	4,846,514
10/19/2010	-	22,205,000	-	-	22,205,000	5.305	5.305	10/01/2030	10/01/2030	-	530,089
10/19/2010	-	294,395,000	-	-	294,395,000	5.090	5.090	10/01/2025	10/01/2030	-	6,743,118
05/19/2011	-	337,620,000	-	-	337,620,000	2.580	3.510	05/15/2012	05/15/2018	-	89,029
05/19/2011	-	15,465,000	-	-	15,465,000	1.000	1.000	05/18/2012	05/18/2012	-	-
05/31/2011	-	162,870,000	-	-	162,870,000	2.300	5.000	05/15/2019	05/15/2023	-	-
05/31/2011	-	89,045,000	-	-	89,045,000	0.380	2.120	05/15/2012	05/15/2015	-	-
05/31/2011	-	75,000,000	-	-	75,000,000	2.400	2.850	05/15/2016	05/15/2019	-	-
SUBTOTAL	**$10,159,003,817**	**$1,247,035,000**	**$927,702,265**	**$ 47,985,000**	**$10,430,351,552**					**$ 69,052,770**	**$531,538,831**
BOND TYPE: GENERAL OBLIGATION - BOND ANTICIPATION NOTES											
04/29/2009	$ 228,160,000	$ -	$228,160,000	$ -	$ -				06/01/2011	$ -	$ 8,945,100
04/28/2010	353,085,000	-	353,085,000	-	-				05/19/2011	-	7,473,633
SUBTOTAL	**$ 581,245,000**	**$ -**	**$581,245,000**	**$ -**	**$ -**					**$ -**	**$16,418,733**
BODY TYPE: GENERAL OBLIGATION TEACHERS' RETIREMENT FUND BONDS (5)											
04/30/2008	$2,089,675,000	$ -	$ -	$ -	$2,089,675,000	4.200	5.850	03/15/2014	03/15/2032	$ -	$120,857,076
04/30/2008	176,313,271	-	-	-	176,313,271	5.404	6.270	03/15/2014	03/15/2025	37,618,792	-
04/30/2008	10,590,000	-	-	-	10,590,000	5.000	5.000	03/15/2028	03/15/2028	-	529,500
SUBTOTAL	**$2,276,578,271**	**$ -**	**$ -**	**$ -**	**$2,276,578,271**					**$37,618,792**	**$121,386,576**
BOND TYPE: ECONOMIC RECOVERY NOTES											
12/03/2009	$ 915,795,000	$ -	$ -	$ -	$ 915,795,000	2.000	5.000	01/01/2012	01/01/2016	$ -	$40,567,963
SUBTOTAL	**$ 915,795,000**	**$ -**	**$ -**	**$ -**	**$ 915,795,000**					**$ -**	**$40,567,963**
BOND TYPE: GENERAL OBLIGATION - REVENUE SUPPORTED											
03/15/1993	$ 1,060,000	$ -	$ 530,000	$ -	$ 530,000	5.500	5.500	03/15/2012	03/15/2012	$ -	$ 58,300
SUBTOTAL	**$ 1,060,000**	**$ -**	**$ 530,000**	**$ -**	**$ 530,000**					**$ -**	**$ 58,300**
BOND TYPE: SPECIAL TAX OBLIGATION											
12/19/1990	$ 22,200,000	$ -	$22,200,000	$ -	$ -				12/01/2010	$ -	$ 672,950
09/15/1991	77,655,000	-	25,655,000	-	52,000,000	6.500	6.500	10/01/2011	10/01/2012	-	4,213,788
09/01/1992	64,010,000	-	20,045,000	-	43,965,000	6.125	6.125	09/01/2011	09/01/2012	-	3,306,734
04/15/1998	137,035,000	-	23,450,000	-	113,585,000	5.500	5.500	10/01/2011	10/01/2013	-	6,892,050
09/15/1998	51,650,000	-	11,895,000	-	39,755,000	5.500	5.500	11/01/2011	11/01/2013	-	2,513,638
07/15/2000	10,440,000	-	10,440,000	-	-				09/01/2010	-	274,050
09/15/2001	39,205,000	-	8,165,000	22,515,000	8,525,000	4.100	5.000	10/01/2011	10/01/2011	-	1,055,155
09/15/2001	217,600,000	-	47,160,000	-	170,440,000	5.375	5.375	10/01/2011	10/01/2015	-	10,428,575
05/01/2002	55,145,000	-	4,655,000	38,375,000	12,115,000	4.200	4.400	07/01/2011	07/01/2013	-	1,564,782
11/01/2002	127,945,000	-	9,160,000	78,345,000	40,440,000	3.400	5.000	12/01/2011	12/01/2022	-	2,039,259
07/01/2003	12,900,000	-	12,900,000	-	-				09/01/2010	-	247,750
11/15/2003	155,945,000	-	8,190,000	-	147,755,000	3.300	5.000	01/01/2012	01/01/2024	-	7,452,964

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DEBT MANAGEMENT DIVISION

SCHEDULE OF DEBT OUTSTANDING [1] - BUDGETARY BASIS (Continued)
JUNE 30, 2011

Issue Date	Outstanding June 30, 2010	FY 2011 Issued	FY 2011 Retired	FY 2011 Refunded or Defeased	Outstanding June 30, 2011	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accrued Through FY 2011 [2]	Interest Paid During FY 2011 [3]
11/15/2004	166,805,000	-	7,690,000	-	159,115,000	3.500	5.000	07/01/2011	07/01/2024	-	8,048,229
11/15/2004	89,460,000	-	5,845,000	-	83,615,000	3.125	5.250	07/01/2011	07/01/2019	-	4,212,838
12/15/2005	218,380,000	-	9,170,000	-	209,210,000	4.500	5.000	07/01/2011	07/01/2025	-	10,387,275
10/25/2007	233,675,000	-	8,680,000	-	224,995,000	3.750	5.000	08/01/2011	08/01/2027	-	10,681,533
10/01/2008	97,690,000	-	-	-	97,690,000	3.000	5.000	02/01/2012	02/01/2022	-	3,812,050
12/10/2008	290,540,000	-	9,750,000	-	280,790,000	3.000	5.000	11/01/2011	11/01/2028	-	13,754,431
01/29/2009	412,430,000	-	2,790,000	-	409,640,000	2.000	5.000	02/01/2012	02/01/2022	-	18,616,100
11/10/2009	195,970,000	-	15,275,000	-	180,695,000	3.000	5.000	12/01/2011	12/01/2029	-	7,303,286
11/10/2009	49,775,000	-	8,215,000	-	41,560,000	2.000	5.000	12/01/2011	12/01/2014	-	1,491,238
11/10/2009	304,030,000	-	-	-	304,030,000	4.855	5.740	12/01/2020	12/01/2029	-	16,663,351
11/10/2010	-	199,570,000	-	-	199,570,000	2.000	5.000	11/01/2011	11/01/2019	-	4,479,796
11/10/2010	-	400,430,000	-	-	400,430,000	4.126	5.459	11/01/2020	11/01/2030	-	9,822,138
11/10/2010	-	137,675,000	-	-	137,675,000	2.000	5.000	11/01/2012	11/01/2022	-	2,466,675
SUBTOTAL	**$3,030,485,000**	**$ 737,675,000**	**$271,330,000**	**$139,235,000**	**$3,357,595,000**					**$ -**	**$152,400,633**
BOND TYPE: BRADLEY INTERNATIONAL AIRPORT											
03/01/2001	$ 166,280,000	$ -	$ 4,835,000	$161,445,000	$ -					$ -	$ 4,268,785
03/01/2001	17,030,000	-	320,000	-	16,710,000	4.250	4.300	10/01/2011	10/01/2012	-	721,155
07/08/2004	5,475,000	-	5,475,000	-	-	0.000	0.000	10/01/2010	10/01/2010	-	136,875
03/31/2011	-	91,430,000	-	-	91,430,000	4.393	4.393	10/01/2011	10/01/2031	-	-
03/31/2011	-	60,950,000	-	-	60,950,000	4.463	4.463	10/01/2011	10/01/2031	-	-
SUBTOTAL	**$ 188,785,000**	**$ 152,380,000**	**$10,630,000**	**$161,445,000**	**$ 169,090,000**					**$ -**	**$ 5,126,815**
BOND TYPE: CLEAN WATER FUND											
07/01/2003	$ 96,530,000	$ -	$ 4,745,000	$34,415,000	$ 57,370,000	2.550	5.000	10/01/2011	10/01/2025	$ -	$ 3,440,262
07/01/2003	81,705,000	-	6,255,000	-	75,450,000	5.000	5.000	10/01/2011	10/01/2015	-	3,846,778
07/27/2006	136,235,000	-	9,195,000	-	127,040,000	3.800	5.000	07/01/2011	07/01/2027	-	5,871,258
07/27/2006	8,365,000	-	7,395,000	-	970,000	3.800	3.900	07/01/2011	07/01/2012	-	214,825
08/06/2008	149,820,000	-	23,875,000	-	125,945,000	3.000	5.000	02/01/2012	02/01/2018	-	6,640,775
06/25/2009	196,645,000	-	2,895,000	-	193,750,000	2.250	5.000	06/01/2012	06/01/2027	-	8,800,375
06/25/2009	36,815,000	-	9,150,000	-	27,665,000	2.250	5.000	06/01/2012	06/01/2015	-	1,328,063
07/30/2009	115,835,000	-	7,855,000	-	107,980,000	2.000	5.000	10/01/2011	10/01/2022	-	4,722,788
03/24/2011	-	182,935,000	-	-	182,935,000	1.000	5.000	01/01/2012	01/01/2028	-	-
SUBTOTAL	**$ 821,950,000**	**$ 182,935,000**	**$71,365,000**	**$34,415,000**	**$ 899,105,000**					**$ -**	**$34,865,123**
BOND TYPE: UCONN 2000 [6]											
02/21/1996	$ 2,122,441	$ -	$ 2,122,441	$ -	$ -				02/01/2011	$ -	$ 2,382,559
03/15/2001	4,960,000	-	4,960,000	-	-				04/01/2011	-	198,400
04/01/2002	10,000,000	-	5,000,000	-	5,000,000	4.300	4.300	04/01/2012	04/01/2012	-	438,200
03/01/2003	25,595,000	-	5,000,000	-	20,595,000	3.350	5.250	02/15/2012	02/15/2023	-	1,089,303
01/15/2004	59,445,000	-	4,895,000	-	54,550,000	3.000	5.000	01/15/2012	01/15/2024	-	2,441,285
01/15/2004	191,840,000	-	17,760,000	-	174,080,000	3.900	5.000	01/15/2012	01/15/2020	-	9,587,105
03/16/2005	71,970,000	-	6,540,000	-	65,430,000	3.625	5.000	02/15/2012	02/15/2025	-	3,212,821

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SCHEDULE OF DEBT OUTSTANDING [1] - BUDGETARY BASIS (Continued)
JUNE 30, 2011

Issue Date	Outstanding June 30, 2010	FY 2011 Issued	FY 2011 Retired	Refunded or Defeased	Outstanding June 30, 2011	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2011 [2]	Interest Paid During FY 2011[3]
03/15/2006	61,710,000	-	3,860,000	-	57,850,000	3.550	5.000	02/15/2012	02/15/2026	-	2,753,754
03/15/2006	59,555,000	-	-	-	59,555,000	4.750	5.000	02/15/2013	02/15/2020	-	2,970,888
04/12/2007	73,545,000	-	5,270,000	-	68,275,000	3.600	5.000	04/01/2012	04/01/2027	-	3,027,925
04/12/2007	46,030,000	-	-	-	46,030,000	5.000	5.000	04/01/2016	04/01/2022	-	2,301,500
04/16/2009	137,510,000	-	7,345,000	-	130,165,000	3.000	5.000	02/15/2012	02/15/2029	-	5,867,949
05/25/2010	97,115,000	-	4,855,000	-	92,260,000	3.000	5.000	02/15/2012	02/15/2030	-	3,083,326
05/25/2010	36,095,000	-	5,575,000	-	30,520,000	2.000	5.000	02/15/2012	02/15/2021	-	992,821
SUBTOTAL	**$ 877,492,441**	**$ -**	**$73,182,441**	**$ -**	**$ 804,310,000**					**$ -**	**$40,347,835**
BOND TYPE: CDA INCREMENT FINANCING [7]											
10/05/2004	$ 6,885,000	$ -	$ 350,000	$ -	$ 6,535,000	3.000	5.000	10/15/2011	10/15/2024	$ -	$ 274,989
10/05/2004	4,145,000	-	640,000	-	3,505,000	3.000	3.500	12/15/2011	12/15/2015	-	124,344
10/05/2004	8,370,000	-	1,025,000	-	7,345,000	5.000	5.125	05/01/2012	05/01/2017	-	423,413
12/20/2006	8,150,000	-	605,000	-	7,545,000	3.750	4.000	12/15/2011	12/15/2020	-	307,366
SUBTOTAL	**$ 27,550,000**	**$ -**	**$ 2,620,000**	**$ -**	**$ 24,930,000**					**$ -**	**$ 1,130,111**
BOND TYPE: CDA GOVERNMENTAL LEASE REVENUE [8]											
12/15/1994	$ 2,915,000	$ -	$ 660,000	$ -	$ 2,255,000	6.600	6.600	06/15/2012	06/15/2014	$ -	$ 192,390
SUBTOTAL	**$ 2,915,000**	**$ -**	**$ 660,000**	**$ -**	**$ 2,255,000**					**$ -**	**$ 192,390**
BOND TYPE: CHEFA CHILDCARE FACILITIES PROGRAM [9]											
04/15/1998	$ 4,750,000	$ -	$ 130,000	$ -	$ 4,620,000	6.750	6.750	07/01/2011	07/01/2028	$ -	$ 316,238
11/01/1998	6,690,000	-	220,000	-	6,470,000	4.500	5.000	07/01/2011	07/01/2028	-	323,590
09/01/1999	14,440,000	-	530,000	-	13,910,000	5.100	5.625	07/01/2011	07/01/2029	-	781,829
08/01/2000	3,340,000	-	90,000	-	3,250,000	5.000	5.500	07/01/2011	07/01/2030	-	179,080
04/01/2001	3,330,000	-	90,000	-	3,240,000	4.375	5.000	07/01/2011	07/01/2031	-	161,721
12/20/2006	18,815,000	-	365,000	-	18,450,000	4.000	5.000	07/01/2011	07/01/2036	-	908,897
10/23/2008	16,875,000	-	240,000	-	16,635,000	4.000	6.000	07/01/2011	07/01/2038	-	987,488
SUBTOTAL	**$ 68,240,000**	**$ -**	**$ 1,665,000**	**$ -**	**$ 66,575,000**					**$ -**	**$ 3,658,842**
BOND TYPE: JUVENILE TRAINING SCHOOL [10]											
02/15/2001	$ 16,080,000	$ -	$ 455,000	$ -	$ 15,625,000	4.250	5.250	12/15/2011	12/15/2030	$ -	$ 780,619
SUBTOTAL	**$ 16,080,000**	**$ -**	**$ 455,000**	**$ -**	**$ 15,625,000**					**$ -**	**$ 780,619**
BOND TYPE: BRADLEY INTERNATIONAL PARKING OPERATIONS											
03/15/2000	$ 43,005,000	$ -	$ 1,755,000	$ -	$ 41,250,000	6.375	6.600	07/01/2011	07/01/2024	$ -	$ 2,752,508
SUBTOTAL	**$ 43,005,000**	**$ -**	**$ 1,755,000**	**$ -**	**$ 41,250,000**					**$ -**	**$ 2,752,508**
BOND TYPE: CHFA SPECIAL NEEDS HOUSING BONDS [11]											
09/13/2007	$ 24,135,000	$ -	$ 950,000	$ -	$ 23,185,000	4.500	5.000	06/15/2012	06/15/2027	$ -	$ 1,161,288
05/19/2009	36,550,000	-	330,000	-	36,220,000	2.375	5.000	06/15/2012	06/15/2029	-	1,472,275
05/19/2009	1,090,000	-	1,090,000	-	-				06/15/2011	-	25,058

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DEBT MANAGEMENT DIVISION

SCHEDULE OF DEBT OUTSTANDING [1] - BUDGETARY BASIS (Continued)
JUNE 30, 2011

Issue Date	Outstanding June 30, 2010	FY 2011 Issued	FY 2011 Retired	Refunded or Defeased	Outstanding June 30, 2011	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2011 [2]	Interest Paid During FY 2011[3]
10/19/2010	-	15,685,000	-	-	15,685,000	4.000	5.000	06/15/2014	06/15/2031	-	456,398
10/19/2010	-	2,100,000	470,000	-	1,630,000	1.180	1.980	06/15/2012	06/15/2014	-	18,198
SUBTOTAL	**$ 61,775,000**	**$ 17,785,000**	**$ 2,840,000**	**$ -**	**$ 76,720,000**					**$ -**	**$ 3,133,217**
BOND TYPE: CCEDA BONDS [12]											
07/21/2004	$ 9,445,000	$ -	$ 1,365,000	$ -	$ 8,080,000	3.500	5.000	06/15/2012	06/15/2016	$ -	$ 375,335
07/21/2004	57,470,000	-	-	-	57,470,000	3.960	3.960	06/15/2017	06/15/2034	-	2,215,761
08/04/2005	13,750,000	-	665,000	-	13,085,000	5.000	5.000	06/15/2012	06/15/2029	-	687,500
12/16/2008	22,015,000	-	495,000	-	21,520,000	3.500	5.750	06/15/2012	06/15/2034	-	1,151,513
SUBTOTAL	**$102,680,000**	**$ -**	**$ 2,525,000**	**$ -**	**$ 100,155,000**					**$ -**	**$ 4,430,108**
BOND TYPE: CHFA EMERGENCY MORTGAGE ASSISTANCE PROGRAM [13]											
10/19/2010	$ -	$ 30,000,000	$ 835,000	$ -	$ 29,165,000	1.180	5.350	06/15/2012	06/15/2030	$ -	$ 814,640
SUBTOTAL	**$ -**	**$ 30,000,000**	**$ 835,000**	**$ -**	**$ 29,165,000**					**$ -**	**$ 814,640**
TOTAL	**$19,174,639,529**	**$ 2,367,810,000**	**$1,949,339,706**	**$383,080,000**	**$19,210,029,823**					**$106,671,562**	**$959,603,244**

DEBT MANAGEMENT DIVISION

SCHEDULE OF DEBT OUTSTANDING (1) - BUDGETARY BASIS (Continued)
JUNE 30, 2011

(1) Includes all outstanding debt issued by the State of Connecticut as of June 30, 2011.

(2) Includes interest accreted on Capital Appreciation Bonds (CABs) only. Interest on CABs accretes over the life of the bond and is paid at maturity. This amount is not included in the column shown as outstanding June 30, 2011.

(3) Includes interest rate swap payments and variable rate bond fees.

(4) Debt outstanding at June 30, 2011 includes $8,645,000.00 in Certificates of Participation for the Middletown Courthouse, which is not debt of the State. However, the State is obligated to pay a base rent under a lease for the courthouse, subject to the annual appropriation of funds or the availability of other funds. The base rent is appropriated as debt service. The Certificates of Participation are included on the Treasurer's Debt Management System for control purposes.

(5) The Teachers' Retirement Fund Bonds were issued as taxable bonds pursuant to Public Act 07-186 to fund $2 billion of the unfunded liability of the Connecticut Teachers' Retirement Fund, capitalized interest and cost of issuance.

(6) UConn 2000 Bonds were authorized in three stages, in a total amount of $2.8 billion over a 22 year period to be paid by the University of Connecticut from a State Debt Service commitment. As each series is issued, the debt service is appropriated from the State General Fund.

(7) The Connecticut Development Authority (CDA) has issued tax increment bonds for certain economic development projects. The debt service on the bonds is deemed appropriated from the State's General Fund.

(8) The Connecticut Development Authority (CDA) issued its lease revenue bonds for the New Britain Government Center. The State is obligated to pay base rent subject to the annual appropriation of funds. These payments are budgeted in the Treasurer's debt service budget as lease payments.

(9) On July 1, 1999, the Treasurer's Office assumed the responsibility for the Connecticut Health and Educational Facilities Authority (CHEFA) Childcare debt service appropriation per Public Act 97-259.

(10) A lease purchase financing of the heating and cooling plant at the Juvenile Training School in Middletown.

(11) The Connecticut Housing Finance Authority (CHFA) Special Needs Housing bonds were issued pursuant to Public Act 05-280 and Public Act 05-3 for the purpose of financing costs of the Next Step Initiative. The State is required to make debt service payments on the bonds under a contract assistance agreement between CHFA, the Treasurer and OPM.

(12) The Capital City Economic Development Authority (CCEDA) Bonds were issued to provide funding for Adriaen's Landing Development project in Hartford. The bonds, issued in a combination of fixed and variable rate securities, have a final maturity of 2034. The State is required to make all debt service payments on the bonds up to a maximum annual amount of $9 million pursuant to a contract assistance agreement between CCEDA, the Treasurer, and OPM. CCEDA is required to reimburse the State for the debt service payments from net parking and central utility plant revenues.

(13) The Connecticut Housing Finance Authority (CHFA) Emergency Mortgage Assistance Program bonds were issued pursuant to Public Act 08-176 to fund the Emergency Mortgage Assistance Program. The State is required to make debt service payments on the bonds under a contract assistance agreement between CHFA, the Treasurer and the Office of Policy and Management.

NOTE 1: In accordance with Section 3-115 of the General Statutes, the State Comptroller shall provide accounting statements relating to the financial condition of the State as a whole in the same form and in the same categories as appear in the budget enacted by the General Assembly. The Budget Act enacted for the 2011 Fiscal Year is presented on a comprehensive basis of accounting principles. In order to be consistent with the Comptroller's statements and the budgetary act, the State Treasurer has employed the same comprehensive basis of accounting for the presentation of this schedule.

NOTE 2: GAAP accounting requires that Long-Term debt obligations be segregated into the portion payable within the next fiscal year (the current portion) and the remaining portion that is not due until after the next fiscal year. This manner of presentation is not used for the budgetary basis presentation.

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2:09 pm, Aug 29, 2011

DEBT MANAGEMENT DIVISION

SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING (1)
JUNE 30, 2011

CORE Fund No.	Legacy Fund No.	Name	Inception to Date Amount Authorized	Inception to Date Amount Issued	Principal Outstanding June 30, 2011	Interest Accreted Through Fiscal Year 2011(2)	Outstanding Incl. Accreted Interest June 30, 2011
BOND TYPE: GENERAL OBLIGATION-TAX SUPPORTED							
12033	1501	ECONOMIC DEVELOPMENT FUND	$162,430,000	$114,430,000	$5,000,000	$ -	$5,000,000
12034	1502	ECONOMIC DEVELOPMENT ASSISTANCE	716,800,000	684,862,441	132,643,148	-	132,643,148
12050	1870	LOCAL CAPITAL IMPROVEMENT FUND	645,000,000	610,000,000	149,665,000	-	149,665,000
12051	1872	CAPITAL EQUIPMENT PURCHASE FUND	382,640,000	321,213,428	34,200,000	-	34,200,000
12052	1873	GRANTS TO LOCAL GOVTS. & OTHERS	2,074,412,738	1,376,732,272	104,104,429	14,534,929	118,639,358
12053	1874	ECONOMIC DEVELOPMENT & OTHER GRANTS	104,193,324	101,193,948	3,819,672	10,035,415	13,855,087
12055	1879	HOUSING HOMELESS PERSONS	7,511,280	7,095,696	920,000	-	920,000
12059	1971	HARTFORD REDEVELOPMENT	491,880,000	475,810,000	87,385,000	-	87,385,000
12063	1800	HOUSING BONDS	556,977,506	515,170,235	13,245,000	-	13,245,000
12066	2066	DECD - Housing Trust Fund	110,000,000	70,000,000	50,000,000	-	50,000,000
13009	3089	SCHOOL CONSTRUCTION	1,822,039,500	1,810,839,500	20,341,944	17,728,761	38,070,705
13010	3090	MAGNET SCHOOLS	6,632,930,770	6,315,029,694	4,465,500,000	-	4,465,500,000
13015	3783	AGRICULTURAL LAND PRESERVATION	130,250,000	114,498,716	31,000,000	-	31,000,000
13019	3795	GRANTS FOR URBAN ACTION	1,159,487,544	1,041,148,354	221,466,852	-	221,466,852
17001	3001	GENERAL STATE PURPOSES	305,022,094	295,134,149	76,649,250	-	76,649,250
17011	3011	GENERAL STATE PURPOSES	580,740,570	533,545,494	203,147,102	-	203,147,102
17021	3021	GENERAL STATE PURPOSES	449,673,502	439,134,446	314,548,119	-	314,548,119
17041	3041	GENERAL STATE PURPOSES	251,081,385	220,897,976	195,878,854	-	195,878,854
17051		GENERAL STATE PURPOSES	182,191,116	172,500,000	153,444,374	-	153,444,374
17061		GENERAL STATE PURPOSES	170,963,560	118,080,291	110,410,000	-	110,410,000
17071		GENERAL STATE PURPOSES	368,578,850	191,163,777	95,157,650	-	95,157,650
17081		GENERAL STATE PURPOSES	242,495,361	55,000,000	55,000,000	-	55,000,000
17091		GENERAL STATE PURPOSES	11,600,000	11,600,000	11,600,000	-	11,600,000
17101		GENERAL STATE PURPOSES	25,066,316	4,710,000	4,710,000	-	4,710,000
17861	3861	CAPITAL IMPROVEMENTS	119,859,926	119,463,359	8,278,388	-	8,278,388
17871	3871	CAPITAL IMPROVEMENTS	521,848,335	509,853,706	1,820,000	-	1,820,000
17891	3891	GENERAL STATE PURPOSES	416,558,089	413,978,686	3,405,000	-	3,405,000
17901	3901	GENERAL STATE PURPOSES	533,894,091	528,220,942	3,172,339	7,061,799	10,234,138
17911	3911	GENERAL STATE PURPOSES	145,616,930	142,314,892	3,592,041	5,855,736	9,447,777
17921	3921	GENERAL STATE PURPOSES	322,135,563	320,382,563	8,670,000	-	8,670,000
17931	3931	GENERAL STATE PURPOSES	628,254,036	615,735,971	7,691,552	13,836,130	21,527,682
17951	3951	GSP/UCONN BABBIDGE LIBRARY & PLAZA DECK	206,589,811	205,950,003	9,118,532	-	9,118,532
17961	3961	GENERAL STATE PURPOSES	262,574,910	259,071,813	49,726,981	-	49,726,981
17971	3971	GENERAL STATE PURPOSES	195,280,711	188,557,040	4,324,321	-	4,324,321
17981	3981	GENERAL STATE PURPOSES	208,069,445	206,844,656	103,315,000	-	103,315,000
17991	3991	GENERAL STATE PURPOSES	296,959,989	246,123,848	7,096,429	-	7,096,429
21014	6864	CLEAN WATER FUND	969,032,510	769,348,884	249,299,576	-	249,299,576
21016	6866	CLEAN WATER FUND-LONG ISLAND SOUNC ACC.	71,993,466	64,102,782	9,925,000	-	9,925,000
	5999	G. O. BOND ANTICIPATION NOTES ROLLOVER FUND(3)	-	934,330,000	581,245,000	-	581,245,000
	9986	G. O. REFUNDING BONDS OCTOBER 1993(4)	-	259,125,000	22,440,000	-	22,440,000
	9972	MIDDLETOWN COURT HOUSE 1998 REFUNDING(4)(5)	-	34,375,000	8,645,000	-	8,645,000

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DEBT MANAGEMENT DIVISION

SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING [1] (Continued)

JUNE 30, 2011

CORE Fund No.	Legacy Fund No.	Name	Inception to Date: Amount Authorized	Inception to Date: Amount Issued	Principal Outstanding June 30, 2011	Interest Accreted Through Fiscal Year 2011[2]	Outstanding Incl. Accreted Interest June 30, 2011
	9970	G. O. REFUNDING BONDS 2001 SERIES C[4]	-	504,575,000	255,800,000	-	255,800,000
	9966	G. O. REFUNDING BONDS 2001 SERIES E AND F[4]	-	432,835,000	178,515,000	-	178,515,000
	9965	G. O. REFUNDING BONDS SERIES 2002 C[4]	-	155,500,000	34,470,000	-	34,470,000
	9964	G. O. REFUNDING BONDS SERIES 2002 E[4]	-	256,375,000	200,580,000	-	200,580,000
	9956	G. O. REFUNDING BONDS SERIES 2004 B[4]	-	1,030,375,000	870,820,000	-	870,820,000
	9952	G. O. REFUNDING BONDS SERIES 2005 B[4]	-	335,550,000	331,480,000	-	331,480,000
	9951	G. O. REFUNDING BONDS SERIES 2006 E[4]	-	308,400,000	307,005,000	-	307,005,000
	9950	G. O. REFUNDING BONDS SERIES 2007 B[4]	-	173,300,000	173,005,000	-	173,005,000
	9949	G. O. REFUNDING BONDS SERIES 2007 E[4]	-	181,085,000	104,055,000	-	104,055,000
	9948	G. O. TAXABLE REFUNDING BONDS SERIES 2008 C[4]	-	50,000,000	12,500,000	-	12,500,000
	9945	G. O. REFUNDING BONDS SERIES 2009 C[4]	-	74,215,000	35,750,000	-	35,750,000
	9943	G. O. REFUNDING BONDS SERIES 2010 C[4]	-	258,235,000	258,235,000	-	258,235,000
	9942	G. O. REFUNDING BONDS SERIES 2011 D[4]	-	47,035,000	46,535,000	-	46,535,000
SUBTOTAL			**$22,482,633,228**	**$25,225,049,562**	**$10,430,351,552**	**$69,052,770**	**$10,499,404,322**
BOND TYPE: GENERAL OBLIGATION TEACHERS' RETIREMENT FUND BONDS [6]							
31006	3106	TEACHERS'S RETIEREMENT FUND G. O. BONDS TAXABLE SERIES 2008	$2,276,578,271	$2,276,578,271	$2,276,578,271	$37,618,792	$2,314,197,063
SUBTOTAL			**$2,276,578,271**	**$2,276,578,271**	**$2,276,578,271**	**$37,618,792**	**$2,314,197,063**
BOND TYPE: ECONOMIC RECOVERY NOTES							
	2030	ECONOMIC RECOVERY NOTES	$2,257,523,504	$2,198,440,000	$915,795,000	$ -	$915,795,000
SUBTOTAL			**$2,257,523,504**	**$2,198,440,000**	**$915,795,000**	**$ -**	**$915,795,000**
BOND TYPE: GENERAL OBLIGATION - REVENUE SUPPORTED							
13042	3876	UNIV.& STATE UNIVERSITY FACILITIES	$104,363,266	$104,192,153	$530,000	$ -	$530,000
SUBTOTAL			**$104,363,266**	**$104,192,153**	**$530,000**	**$ -**	**$530,000**
BOND TYPE: SPECIAL TAX OBLIGATION							
13033	3842	INFRASTRUCTURE IMPROVEMENT	$9,891,577,104	$7,296,650,752	$2,303,390,000	$ -	$2,303,390,000
14005	9975	STO 1998 SERIES A REFUNDING BONDS[4]	-	197,500,000	113,585,000	-	113,585,000
14005	9967	STO 2001 SERIES B REFUNDING BONDS[4]	-	533,335,000	170,440,000	-	170,440,000
14005	9953	STO 2004 SERIES B REFUNDING BONDS[4]	-	89,725,000	83,615,000	-	83,615,000
14005	9947	STO 2008 SERIES 1 REFUNDING BONDS[4]	-	97,690,000	97,690,000	-	97,690,000
14005	9946	STO 2009 SERIES 1 REFUNDING BONDS[4]	-	415,035,000	409,640,000	-	409,640,000
14005	9944	STO 2009 SERIES C REFUNDING BONDS[4]	-	526,060,000	179,235,000	-	179,235,000
SUBTOTAL			**$9,891,577,104**	**$9,155,995,752**	**$3,357,595,000**	**$ -**	**$3,357,595,000**

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3:14 pm, Aug 17, 2011

DEBT MANAGEMENT DIVISION

SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING [1] (Continued)

JUNE 30, 2011

CORE Fund No.	Legacy Fund No.	Name	Inception to Date Amount Authorized	Inception to Date Amount Issued	Principal Outstanding June 30, 2011	Interest Accreted Through Fiscal Year 2011[2]	Outstanding Incl. Accreted Interest June 30, 2011
BOND TYPE: BRADLEY INTERNATIONAL AIRPORT							
	9954	BRADLEY AIRPORT GENERAL REVENUE REFUNDING BONDS[4]	$ -	$183,020,000	$152,380,000	$ -	$152,380,000
	9969	BRADLEY AIRPORT REVENUE REFUNDING SERIES 2001 B[4]	-	19,180,000	16,710,000	-	16,710,000
SUBTOTAL			**$ -**	**$202,200,000**	**$169,090,000**	**$ -**	**$169,090,000**
BOND TYPE: CLEAN WATER FUND							
21015	6865	CLEAN WATER FUND - FED. ACCT.	$1,865,731,375	$1,515,901,103	$646,880,850	$ -	$646,880,850
21018	6868	DWF FEDERAL REVOLVING	87,668,625	75,753,897	40,159,150	-	40,159,150
	9983	CLEAN WATER REFUNDING[4]	-	476,070,000	212,065,000	-	212,065,000
SUBTOTAL			**$1,953,400,000**	**$2,067,725,000**	**$899,105,000**	**$ -**	**$899,105,000**
BOND TYPE: UCONN 2000 [7]							
13045	3952	UCONN 2000	$1,557,862,147	$1,419,062,147	$494,125,000	$ -	$494,125,000
	9958	UCONN 2000 REFUNDING BONDS[4]	-	360,095,000	310,185,000	-	310,185,000
SUBTOTAL			**$1,557,862,147**	**$1,779,157,147**	**$804,310,000**	**$ -**	**$804,310,000**
BOND TYPE: CDA INCREMENT FINANCING [8]							
88004	8004	CABELA'S INC. - TAX INCREMENTAL FINANCING	$9,950,000	$9,825,000	$7,545,000	$ -	$7,545,000
	9955	CDA REFUNDING BONDS SERIES A, B AND C[4]	-	22,435,000	17,385,000	-	17,385,000
SUBTOTAL			**$9,950,000**	**$32,260,000**	**$24,930,000**	**$ -**	**$24,930,000**
BOND TYPE: CDA GOVERNMENTAL LEASE REVENUE [9]							
88500	8500	NEW BRITAIN GOVERNMENT CENTER	$9,275,000	$9,275,000	$2,255,000	$ -	$2,255,000
SUBTOTAL			**$9,275,000**	**$9,275,000**	**$2,255,000**	**$ -**	**$2,255,000**
BOND TYPE: CHEFA CHILDCARE FACILITIES PROGRAM [10]							
77800	7800	CHEFA CHILDCARE - NOW	$ -	$5,375,000	$4,620,000	$ -	$4,620,000
77802	7802	CHILDCARE POOL 1 SERIES A	-	10,175,000	6,470,000	-	6,470,000
77804	7804	CHEFA CHILDCARE - SERIES C	-	18,690,000	13,910,000	-	13,910,000
77805	7805	CHEFA CHILDCARE - SERIES D	-	3,940,000	3,250,000	-	3,250,000
77806	7806	CHEFA CHILDCARE - SERIES E	-	3,865,000	3,240,000	-	3,240,000
77807	7807	CHEFA CHILDCARE - SERIES F	-	19,165,000	18,450,000	-	18,450,000
77808	7808	CHEFA CHILDCARE - SERIES G	-	16,875,000	16,635,000	-	16,635,000
SUBTOTAL			**$ -**	**$78,085,000**	**$66,575,000**	**$ -**	**$66,575,000**

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DEBT MANAGEMENT DIVISION

SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING [1] (Continued)

JUNE 30, 2011

CORE Fund No.	Legacy Fund No.	Name	Inception to Date Amount Authorized	Inception to Date Amount Issued	Principal Outstanding June 30, 2011	Interest Accreted Through Fiscal Year 2011[2]	Outstanding Incl. Accreted Interest June 30, 2011
BOND TYPE: JUVENILE TRAINING SCHOOL [11]							
88800	8800	CT JUVENILE TRAINING SCHOOL ENERGY CENTER	$ -	$19,165,000	$15,625,000	$ -	$15,625,000
SUBTOTAL			**$ -**	**$19,165,000**	**$15,625,000**	**$ -**	**$15,625,000**
BOND TYPE: BRADLEY INTERNATIONAL PARKING OPERATIONS [12]							
21008	6299	BRADLEY INTERNATIONAL PARKING OPERATIONS	$55,000,000	$53,800,000	$41,250,000	$ -	$41,250,000
SUBTOTAL			**$55,000,000**	**$53,800,000**	**$41,250,000**	**$ -**	**$41,250,000**
BOND TYPE: CHFA SPECIAL NEEDS HOUSING BONDS [13]							
12060	7500	CHFA SUPPORTIVE HOUSING BONDS	$85,000,000	$83,540,000	$76,720,000	$ -	$76,720,000
SUBTOTAL			**$85,000,000**	**$83,540,000**	**$76,720,000**	**$ -**	**$76,720,000**
BOND TYPE: CCEDA BONDS [14]							
12060	7300	CCEDA	$ -	$110,000,000	$100,155,000	$ -	$100,155,000
SUBTOTAL			**$ -**	**$110,000,000**	**$100,155,000**	**$ -**	**$100,155,000**
BOND TYPE: CHFA EMERGENCY MORTGAGE ASSISTANCE PROGRAM [15]							
12067	7700	CHFA EMERGENCY MORTGAGE ASSISTANCE PROGRAM	$50,000,000	$30,000,000	$29,165,000	$ -	$29,165,000
SUBTOTAL			**$50,000,000**	**$30,000,000**	**$29,165,000**	**$ -**	**$29,165,000**
GRAND TOTAL			**$40,733,162,519**	**$43,425,462,884**	**$19,210,029,823**	**$106,671,562**	**$19,316,701,385**

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2:08 pm, Aug 29, 2011

DEBT MANAGEMENT DIVISION

SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING (1) (Continued)
JUNE 30, 2011

(1) Includes all outstanding debt issued by the State of Connecticut as of June 30, 2011. All debt except refunding issues is authorized by the General Assembly and the State Bond Commission prior to issuance. Total amount issued includes refunding issues for which no additional authorization is required.

(2) Includes interest accreted on Capital Appreciation Bonds (CABs) only. Interest on CABs accretes over the life of the bond and is paid at maturity. This amount is not included in the column shown as outstanding June 30, 2011.

(3) On April 28, 2009, the State issued $581,245,000 Bond Anticipation Notes (BANs) Series A and Series B. On April 28, 2010, $353,085,000 Bond Anticipation Notes (BANs) were issued to pay down the 2009 Series A BANs maturing on April 28, 2010. No new authorization was required. The 2009 B and 2010 A BANs were refunded with General Obligation Bonds on May 31, 2011.

(4) Refunding issues. Proceeds used to refund other bonds reducing overall debt service expense.

(5) Debt outstanding at June 30, 2011 includes $8,645,000.00 in Certificates of Participation for the Middletown Courthouse which is not debt of the State. However, the State is obligated to pay a base rent under a lease for the Courthouse, subject to the annual appropriation of funds or the availability of other funds; therefore, the base rent is appropriated as debt service.

The Certificates of Participation are included in the Treasurer's Debt Management System for control purposes.

(6) The General Obligation Teachers' Retirement Fund Bonds were issued as taxable bonds pursuant to Public Act 07-186 to fund $2 billion of the unfunded liability of the Connecticut Teachers' Retirement Fund, capitalized interest and cost of issuance.

(7) UConn 2000 Bonds were authorized in three stages in a total amount of $2.8 billion over a 22 year period to be paid by the University of Connecticut from a State Debt Service commitment. As each series is issued, the debt service is validly appropriated from the State General Fund.

(8) The Connecticut Development Authority (CDA) has issued tax increment bonds for certain economic development projects. The debt service on the bonds is deemed appropriated from the State's General Fund.

(9) The Connecticut Development Authority (CDA) has issued its lease revenue bonds for the New Britain Government Center. The State is obligated to pay base rent subject to the annual appropriation of funds. These payments are budgeted in the Treasurer's debt service budget as lease payments.

(10) On July 1, 1999, the Treasurer's Office assumed the responsibility for the Connecticut Health and Educational Facilities Authority (CHEFA) Childcare debt service appropriation per Public Act 97-259.

(11) A lease-purchase financing of the heating and cooling plant at the Juvenile Training School in Middletown.

(12) Includes Bradley International Airport Special Obligation Parking Revenue Bonds, 2000 Series A $41,250,000.

(13) The Connecticut Housing Finance Authority (CHFA) Special Needs Housing bonds were issued pursuant to Public Act 05-280 and Public Act 05-3 for the purpose of financing costs of the Next Step initiative. The State is required to make debt service payments on the bonds under a contract assistance agreement between CHFA, the Treasurer and OPM.

(14) The Capital City Economic Development Authority (CCEDA) Bonds were issued to provide funding for the Adriaen's Landing development project in Hartford. The bonds, issued in a combination of fixed and variable rate securities, have a final maturity of 2034. The State is required to make all debt service payments on the bonds up to a maximum annual amount of $9 million, pursuant to a contract assistance agreement between CCEDA, the Treasurer, and OPM. CCEDA is required to reimburse the State for the debt service payments from net parking and central utility plant revenues.

(15) The Connecticut Housing Finance Authority (CHFA) Emergency Mortgage Assistance Program bonds were issued pursuant to Public Act 08-176 to fund the Emergency Mortgage Assistance Program. The State is required to make debt service payments on the bonds under a contract assistance agreement between CHFA, the Treasurer and the Office of Policy and Management.

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