

**S.E.C. RULE 15c2-12  
ANNUAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2019**

The Treasurer of the State of California (the "State Treasurer") hereby provides an annual report for the fiscal year ended June 30, 2019, in connection with the following:

**Bond Issues**

Name of Issue	Dated Date	Date of Continuing Disclosure Certificate
California Health Facilities Financing Authority No Place Like Home Program Senior Revenue Bonds, Series 2019 (Social Bonds—Federally Taxable) (the "2019 Bonds")	11/25/19	11/25/19

The base CUSIP number for the bonds listed above is 13032U- \_ \_ \_.

Note: The base CUSIP number provided is for the convenience of Bondholders. The State Treasurer is not responsible for the accuracy or completeness of such numbers. Capitalized terms used in this Report have the meanings set forth in the Continuing Disclosure Certificate or in the Official Statement for the 2019 Bonds.

**Annual Report**

The Annual Report (as defined in the Continuing Disclosure Certificate for the 2019 Bonds) for the fiscal year ended June 30, 2019, consists of:

1. Notice to the Municipal Securities Rulemaking Board of Failure to Provide Financial Statements, attached as Exhibit 1.
2. Financial information relating to various tables contained under the caption "PROPOSITION 63 TAX" in the Official Statement of the 2019 Bonds, as required by Section 4(b) of the Continuing Disclosure Certificate for the 2019 Bonds, are attached as Exhibit 2. Note that the annual report omits certain data from the tables titled "Estimated Components of Proposition 63 Tax Liability" and "Total Tax Returns and Taxpayers" as final data for taxable year 2018 is not yet available. A supplemental filing will be submitted once the data for these tables is finalized.
3. The following information as required by Section 4(c) of the Continuing Disclosure Certificate for the 2019 Bonds:

Principal, interest and annual total debt requirements for the 2019 Bonds as of November 25, 2019 have not changed from those presented in the Official Statement for the 2019 Bonds. No other bonds are outstanding under the Indenture.

Since the 2019 Bonds were issued on November 25, 2019, there were no required deposits or withdrawals to or from the Supportive Housing Program Subaccount during the calendar year ended December 31, 2019 and none were made.

### **Other Matters**

This annual report is provided solely for purposes of compliance with the Continuing Disclosure Certificate. The filing of this report does not constitute or imply any representation (i) that all of the information provided is material to investors, (ii) regarding any other financial, operating or other information about the State or the Bonds, or (iii) that no changes, circumstances or events have occurred since the end of the fiscal year to which this report relates (other than as referred to in this report), or that no other information exists which may have a bearing on the State's financial condition, the security for the Bonds, or an investor's decision to buy, sell, or hold the Bonds. The information contained in this report has been obtained from sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness. No statement in this annual report should be construed as a prediction or representation about future financial performance of the State.

**The financial information in this annual report does not reflect any fiscal or economic impacts of the COVID-19 pandemic.**

The information provided herein may relate to bonds or other obligations of the State in addition to the ones listed above.

Dated: March 27, 2020

TREASURER OF THE STATE OF CALIFORNIA

Original signed by Julie Giordano  
Deputy Treasurer  
For California State Treasurer Fiona Ma

**EXHIBIT 1**

**NOTICE TO THE MUNICIPAL SECURITIES RULEMAKING BOARD**

**OF**

**FAILURE TO PROVIDE FINANCIAL STATEMENTS**

NOTICE TO THE MUNICIPAL SECURITIES RULEMAKING BOARD  
OF FAILURE TO FILE A COMPLETE ANNUAL REPORT  
DUE TO ABSENCE OF FINANCIAL STATEMENTS

Name of Issuer: CALIFORNIA HEALTH FACILITIES FINANCING  
AUTHORITY

Name of Bond Issue: No Place like Home Program Senior Revenue Bonds,  
Series 2019 (Social Bonds—Federally Taxable (the  
“Bonds”)

Date of Issuance: November 25, 2019

NOTICE IS HEREBY GIVEN that the Treasurer of the State of California (“State Treasurer”) has not filed with the Municipal Securities Rulemaking Board a complete Annual Report with respect to the Bonds as required by the Continuing Disclosure Certificate (“Certificate”) executed in connection with the issuance of the Bonds. The State Treasurer is required by such Certificate to file an Annual Report no later than April 1 of each year and include in such Annual Report audited financial statements of the State of California (“State”) if available. If the State’s audited financial statements are not available at the time the Annual Report is required to be filed the Annual Report shall include the State’s unaudited financial statements.

According to the State Controller, there is a delay by a significant number of state departments in providing financial information to the State Controller necessary for the preparation of the audited State of California Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2019 (the “2019 CAFR”). The process of transitioning a large number of state departments from several separate legacy accounting systems to a new statewide accounting, budget, cash management and procurement information technology system has, in part, contributed to this delay. This delay also prevented the State Controller from preparing unaudited financial statements for fiscal year ended June 30, 2019, by April 1, the date the Annual Report is required to be filed. Therefore, the Annual Report filed on the date hereof does not contain financial statements.

The State Controller expects the 2019 CAFR to be available in June 2020. When the 2019 CAFR is released, it will be available on the website of the State Controller and filed by the State Treasurer on the Electronic Municipal Market Access website (“EMMA”) in the same manner as the Annual Report. The State Treasurer, at her discretion, may cause the State’s unaudited financial statements to be filed on EMMA, if the State’s unaudited financial statements become available from the State Controller prior to the expected June 2020 release of the 2019 CAFR.

Dated: March 27, 2020

TREASURER OF THE STATE OF CALIFORNIA

Original signed by Julie Giordano  
Deputy Treasurer  
For California State Treasurer Fiona Ma

**EXHIBIT 2**

**FINANCIAL INFORMATION RELATING TO VARIOUS TABLES  
CONTAINED UNDER THE CAPTION "PROPOSITION 63 TAX"  
IN THE OFFICIAL STATEMENT OF THE 2019 BONDS**

**Table 1**  
**Historical Proposition 63 Tax Transfers and**  
**Coverage of Maximum Allowable Debt Service**  
**Fiscal Years 2004-05 through 2018-19**  
**(In Millions)**

Fiscal Year	Monthly Proposition 63 Tax Transfers <sup>(2)</sup> (a)	Annual Adjustment Transfers <sup>(3)</sup> (b)	Total Proposition 63 Tax Transfers <sup>(4)</sup> (c=a+b)	Maximum Service Contract Payments <sup>(5)</sup> (d)	Coverage Pre- Adjustment <sup>(6)</sup> (e=a/d)	Coverage Post- Adjustment <sup>(7)</sup> (f=c/d)
2004-05 <sup>(1)</sup>	\$170.4	–	\$170.4	–	–	–
2005-06	895.0	–	895.0	\$140.0	6.4x	6.4x
2006-07	938.8	\$83.6	1,022.3	140.0	6.7x	7.3x
2007-08	982.8	423.7	1,406.5	140.0	7.0x	10.0x
2008-09	796.8	438.4	1,235.2	140.0	5.7x	8.8x
2009-10	798.6	581.1	1,379.7	140.0	5.7x	9.9x
2010-11	905.4	225.1	1,130.4	140.0	6.5x	8.1x
2011-12	910.0	(64.5)	845.6	140.0	6.5x	6.0x
2012-13	1,204.4	157.1	1,361.6	140.0	8.6x	9.7x
2013-14	1,187.4	153.5	1,340.9	140.0	8.5x	9.6x
2014-15	1,366.5	479.8	1,846.3	140.0	9.8x	13.2x
2015-16	1,423.5	94.3	1,517.8	140.0	10.2x	10.8x
2016-17	1,484.1	464.1	1,948.2	140.0	10.6x	13.9x
2017-18	1,675.4	446.0	2,121.5	140.0	12.0x	15.2x
2018-19	1,774.2	272.5	2,046.7	140.0	12.7x	14.6x

Source: California Department of Finance.

- (1) Fiscal Year 2004-05 reflects a partial year of monthly Proposition 63 Tax Transfers following approval of Proposition 63 in November 2004.
- (2) Each month, the State Controller transfers 1.76% of actual net PIT collections into the Mental Health Services Fund as a statutory approximation of the amount of Proposition 63 Tax receipts. See “—Transfers and Annual Adjustment of Proposition 63 Tax into Mental Health Services Fund” above.
- (3) The California Department of Finance, together with the FTB, annually determines an adjustment amount equal to the difference between monthly transfers by the State Controller and Proposition 63 Tax liability. The annual adjustment amount is shown on an actual cash basis and reflects the shortfall or (excess) of monthly cash transfers from the prior Fiscal Year as compared with the Proposition 63 Tax liability from two tax years prior. For example, the \$1,423.5 million of monthly Proposition 63 Tax Transfers in Fiscal Year 2015-16 was \$446 million less than Proposition 63 Tax liability for calendar year 2015. A \$446 million cash transfer was thus made from the General Fund to the Mental Health Services Fund in Fiscal Year 2017-18. See “—Transfers and Adjustment of Proposition 63 Tax into Mental Health Services Fund” above.
- (4) The Total Proposition 63 Tax Transfers column represents the sum of monthly Proposition 63 Tax Transfers plus or minus the amount of any annual adjustment.
- (5) Maximum Service Contract Payments column presents the maximum amount of Service Contract Payments under the No Place Like Home Legislation as though the No Place Like Home Program was in effect from Fiscal Year 2005-06. The 2019 Bonds are the first issuance of bonds under the No Place Like Home Program and Service Contract Payments will commence after the issuance of the 2019 Bonds.
- (6) Coverage Pre-Adjustment column represents the ratio of the Proposition 63 Tax Monthly Transfers column to the Maximum Service Contract Payments column.
- (7) Coverage Post-Adjustment column represents the ratio of the Total Proposition 63 Tax Transfers column to the Maximum Service Contract Payments column.

**Table 2**  
**Historical Monthly Transfers to the Mental Health Services Fund**  
**(in millions)**

<b>Month</b>	<b>Fiscal Year 2008-09</b>	<b>Fiscal Year 2009-10</b>	<b>Fiscal Year 2010-11</b>	<b>Fiscal Year 2011-12</b>	<b>Fiscal Year 2012-13</b>	<b>Fiscal Year 2013-14</b>	<b>Fiscal Year 2014-15</b>	<b>Fiscal Year 2015-16</b>	<b>Fiscal Year 2016-17</b>	<b>Fiscal Year 2017-18</b>	<b>Fiscal Year 2018-19</b>
July	\$ 52.0	\$ 47.7	\$ 54.8	\$ 56.5	\$ 57.1	\$ 65.0	\$ 72.0	\$ 79.1	\$ 78.5	\$ 84.0	\$ 92.8
August	52.8	45.8	54.9	58.6	65.2	67.0	70.7	74.8	85.9	93.2	106.7
September	99.4	77.8	72.6	77.0	78.7	95.0	108.1	119.9	127.9	136.6	150.3
October	54.9	45.5	67.0	55.3	71.2	74.5	83.7	91.4	90.1	94.1	93.1
November	37.6	33.7	44.3	56.8	63.8	54.8	58.4	67.9	82.0	85.4	113.6
December	83.7	88.8	110.2	94.2	132.6	140.7	175.1	190.1	177.3	247.2	135.7
January	118.5	108.2	130.4	128.5	224.6	173.2	182.4	187.7	213.4	233.9	287.4
February	49.1	30.2	28.6	26.0	29.5	36.9	42.5	49.8	49.6	49.4	52.4
March	0.0 <sup>(1)</sup>	42.8	40.3	41.5	43.6	53.5	62.0	60.6	68.8	77.9	82.5
April	137.7	132.0	131.7	133.1	229.0	200.4	250.6	244.0	235.8	258.4	328.2
May	30.7	43.7	53.0	56.0	64.2	59.2	64.2	72.3	76.6	87.9	100.7
June	80.6	102.3	117.5	126.6	144.8	167.1	196.7	185.8	198.1	227.5	230.7

Source: California Department of Finance.

<sup>(1)</sup> The monthly transfer in March 2009 was \$0.00 as a result of an unusually large amount of refunds.

**Table 3**  
**Estimated Components of Proposition 63 Tax Liability<sup>(1)(2)</sup>**  
**Tax Years 2008 through 2018**

<u>Tax Year</u>	<u>Wages</u>	<u>Capital Gains</u>	<u>S-Corp, Partnership</u>	<u>All Other<sup>(3)</sup></u>	<u>Total<sup>(4)</sup></u>
2008	25.62%	31.27%	27.97%	15.15%	100%
2009	28.98	21.52	35.60	13.90	100
2010	25.52	32.86	27.08	14.55	100
2011	28.67	29.52	28.12	13.69	100
2012	24.72	39.61	21.88	13.79	100
2013	28.97	30.24	28.34	12.44	100
2014	26.88	36.06	24.48	12.58	100
2015	27.38	36.15	23.96	12.51	100
2016	26.41	34.40	27.32	11.87	100
2017	26.74	35.15	25.44	12.67	100
2018 <sup>(5)</sup>	N/A	N/A	N/A	N/A	N/A

Source: California Department of Finance.

- (1) The figures shown in this table are unofficial estimates by the Franchise Tax Board of estimated components of Proposition 63 Tax liability for PIT returns, but do not include fiduciary returns, which include estates and trusts. Historically, PIT returns compose more than 90% of the Proposition 63 Tax liability.
- (2) The percentages of sources of income are based on federal AGI reported by California taxpayers with federal AGI of \$1 million or more for tax years 2008 through 2017. The Proposition 63 Tax is a personal income tax equal to 1% of taxable income in excess of \$1 million for California residents and equal to 1% of taxable income from California sources in excess of \$1 million for nonresidents. Taxable income differs from federal AGI in two respects. First, taxable income is calculated using California AGI, which differs from federal AGI. Second, taxable income reflects deductions. Thus, by selecting those taxpayers who report more than \$1 million in federal AGI, the percentages of sources of income likely include taxpayers who do not have more than \$1 million in taxable income and thus likely includes some taxpayers who are not subject to the Proposition 63 Tax.
- (3) "All Other" includes passive income such as net rental income or income from trusts or estates, and all other income.
- (4) Totals may not add due to rounding.
- (5) Final data for tax year 2018 is not available as of the date of this report.



**Table 4**  
**Total Tax Returns and Taxpayers**  
**Tax Years 2008 through 2018<sup>(1)(2)</sup>**

<b>Tax Year</b>	<b>Proposition 63 Tax Returns</b>	<b>Total PIT Tax Returns</b>	<b>Proposition 63 Taxpayers</b>	<b>Total PIT Taxpayers</b>
2008	39,589	14,806,335	68,074	20,501,474
2009	31,570	14,638,204	55,678	20,332,167
2010	38,944	14,814,427	67,920	20,502,893
2011	42,390	15,042,362	73,985	20,787,646
2012	54,161	15,199,519	96,552	20,986,623
2013	50,080	15,493,857	90,976	21,318,043
2014	57,065	15,854,656	103,442	21,711,988
2015	67,269	16,293,951	119,450	22,258,924
2016	65,750	16,454,395	117,682	22,401,009
2017	76,169	16,849,282	137,348	22,905,741
2018	85,473	N/A <sup>(3)</sup>	149,071	N/A <sup>(3)</sup>

Source: California Department of Finance.

<sup>(1)</sup> The figures shown in this table are unofficial estimates by the Franchise Tax Board of total returns and taxpayers for PIT returns, but do not include fiduciary returns, which include estates and trusts. Historically, PIT returns compose more than 90% of the Proposition 63 Tax liability.

<sup>(2)</sup> Differences between numbers of taxpayers and returns is attributable to joint filings.

<sup>(3)</sup> Final data for tax year 2018 is not available as of the date of this report.

**Table 5**  
**Historical Proposition 63 Tax Liability by Taxable Income Class**  
**Tax Years 2005 through 2018<sup>(1)</sup>**  
**(In Millions)**

<b>Tax Year</b>	<b>Taxable Personal Income</b>			<b>Total Proposition 63 Tax Liability</b>
	<b>\$1 million to \$2 million</b>	<b>\$2 million to \$50 million</b>	<b>Greater than \$50 million</b>	
2005	\$94.7	\$845.3	\$306.8	\$1,246.8
2006	105.5	929.8	306.9	1,342.2
2007	114.0	1,005.5	356.5	1,476.1
2008	89.4	678.5	186.5	954.3
2009	71.6	499.5	124.4	695.5
2010	86.7	675.4	203.9	966.0
2011	94.2	726.1	170.4	990.6
2012	118.3	1,025.8	421.4	1,565.6
2013	113.2	827.3	214.8	1,155.3
2014	175.4	1,208.8	339.3	1,723.2
2015	135.9	1,063.9	558.1	1,757.9
2016	148.6	1,071.3	453.5	1,673.4
2017	152.4	1,185.5	654.2	1,992.1
2018	192.7	1,448.3	563.5	2,204.5

Source: California Department of Finance.

<sup>(1)</sup> The figures shown in this table are unofficial estimates by the Franchise Tax Board of historical Proposition 63 Tax liability by taxable income class for PIT returns, but do not include fiduciary returns, which include estates and trusts. Historically, PIT returns compose more than 90% of the Proposition 63 Tax liability.

**Table 6**  
**Historical Number of Taxpayers Subject to Proposition 63 Tax**  
**Tax Years 2005 through 2018<sup>(1)</sup>**

<b>Tax Year</b>	<b>Taxable Personal Income</b>			<b>Total Number of Taxpayers</b>
	<b>\$1 million to \$2 million</b>	<b>\$2 million to \$50 million</b>	<b>Greater than \$50 million</b>	
2005	39,068	32,364	695	72,127
2006	43,744	37,176	765	81,685
2007	47,436	41,155	995	89,586
2008	38,401	29,124	549	68,074
2009	32,101	23,179	398	55,678
2010	38,321	29,020	579	67,920
2011	41,356	32,049	580	73,985
2012	51,799	43,648	1,105	96,552
2013	51,133	39,170	673	90,976
2014	58,301	44,427	714	103,442
2015	66,355	52,112	983	119,450
2016	66,628	50,227	827	117,682
2017	76,441	59,712	1,195	137,348
2018	85,011	62,953	1,107	149,071

Source: California Department of Finance.

<sup>(1)</sup> The figures shown in this table are unofficial estimates by the Franchise Tax Board of historical number of Proposition 63 Tax taxpayers by taxable income class for PIT returns, but do not include fiduciary returns, which include estates and trusts. Historically, PIT returns compose more than 90% of the Proposition 63 Tax liability.

**Table 7**  
**Top Ten Counties by Proposition 63 Tax Returns**  
**Tax Years 2008 through 2018<sup>(1)</sup>**

<b>Tax Year</b>	<b>Los Angeles</b>	<b>Santa Clara</b>	<b>Orange</b>	<b>San Mateo</b>	<b>San Francisco</b>	<b>San Diego</b>	<b>Alameda</b>	<b>Contra Costa</b>	<b>Marin</b>	<b>Ventura</b>
2008	11,717	3,110	4,499	2,650	2,172	2,985	1,378	1,572	1,430	884
2009	9,653	2,543	3,388	2,490	1,777	2,113	1,115	1,176	1,122	673
2010	11,359	4,150	4,215	2,918	2,306	2,567	1,465	1,453	1,292	793
2011	12,122	4,749	4,255	3,248	2,727	2,846	1,611	1,622	1,494	789
2012	14,681	6,316	5,442	4,225	3,759	3,777	2,094	2,017	1,901	1,055
2013	13,570	5,801	4,782	4,217	3,584	3,474	2,057	2,025	1,725	947
2014	14,459	6,972	5,391	4,784	4,426	3,833	2,513	2,230	1,986	1,079
2015	17,386	7,915	6,806	5,590	4,908	4,456	2,856	2,550	2,360	1,342
2016	17,377	7,905	6,767	5,274	4,693	4,222	2,897	2,587	2,290	1,183
2017	19,279	10,296	7,414	6,466	5,619	4,754	3,564	3,003	2,636	1,405
2018	21,769	12,165	8,192	7,519	6,924	5,668	4,244	3,577	3,068	1,446

Source: California Department of Finance.

<sup>(1)</sup> The figures shown in this table are unofficial estimates by the Franchise Tax Board of top ten counties by tax return, but do not include fiduciary returns, which include estates and trusts. Historically, PIT returns compose more than 90% of the Proposition 63 Tax liability.