State of Connecticut

Annual Report of the Treasurer

Fiscal Year Ended June 30, 2000

Denise L. Nappier
Treasurer

STATE OF CONNECTICUT

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TREASURER'S OFFICE

Office of the State Treasurer

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State of Connecticut

Annual Report of the Treasurer

Fiscal Year Ended June 30, 2000

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2000 TREASURER'S LETTER TO THE GOVERNOR

October 13, 2000

The Honorable John G. Rowland
Governor of Connecticut

The Honorable Members of the Connecticut General Assembly

The People of Connecticut

In accordance with the Connecticut General Statutes and in keeping with past practice, I am pleased to present the first Office of the Treasurer Annual Report for the new millennium. This also is the first Annual Report which covers a full year of my administration as Treasurer.

I take great pride in the accomplishments which this report represents, especially under the extraordinary circumstances created by the criminal misconduct of the former Treasurer. While discharging all of our statutory and constitutional duties, as more fully described herein, this Office:

- withdrew or reduced hundreds of millions of dollars in commitments of pension assets to funds selected by the former Treasurer, thereby restoring balance and integrity to the Connecticut Retirement Plans and Trust Funds (CRPTF);

- designed and implemented protocols – including mandatory disclosure of third party fees, the promulgation of investment policy statements for all funds and bars against doing business with financial firms engaged in misconduct with the former Treasurer — intended to protect against the types of misconduct perpetrated by the former Treasurer;

- proposed and worked with the General Assembly to enact comprehensive Treasury reform legislation which not only codifies the reforms I already have implemented but will protect this Office and its functions against future abuses long after the end of my administration; and

- cooperated (and continues to cooperate) with the numerous state and federal agencies investigating the conduct of this Office prior to my administration.

The preceding list deals only with activities related to the scandal. Those activities consumed enormous amounts of our time and energy. Nevertheless, during the period covered by the following report, we also:

- redesigned the College Higher Education Trust (CHET) program, which encourages college savings, to make the program more accessible and less costly for those trying to provide for loved ones;

- formed the citizen task force which initiated Individual Development Accounts — a tax-advantaged savings program which permits poor families to put money away to make a first-time home purchase, acquire additional job training or start a new business — in Connecticut;

- reformed the financial structure and operations of the Second Injury Fund and, as a result, avoided having to increase the rates charged to Connecticut businesses to operate the fund; and

- revived and revitalized our process at the Treasury for voting the proxy rights associated with securities being held by the CRPTF in a manner which protects our investments and promotes good corporate citizenship.

These are just some of the extraordinary accomplishments that took place during an extraordinary year at the Connecticut Office of the Treasurer. While accomplishing everything on the preceding lists, we also – in the normal course of business — conducted some of the most successful bond sales in Connecticut's history, consistently achieving low rates and wide distribution for Connecticut securities; managed the Short Term Investment Fund to achieve returns significantly greater than our benchmark rates; collected more than $35 million in unclaimed property, while returning a record-setting $9.4 million to its rightful owners; and reduced the unfunded liability of the Second Injury Fund by $2.386 million.

Managing the investment of the CRPTF, of course, lies at the very center of Treasury activities. The past year witnessed superb accomplishment there as well. As is more completely detailed within the accompanying report, Connecticut's pension funds achieved a rate of return during Fiscal Year 2000 which exceeded the returns at 82% of other public pension funds with assets greater than $1 billion, as reported by Trust Universe Comparison Service (TUCS) peer group public funds survey.

The accomplishments highlighted above deserve special mention and distinction from the many facts and figures provided in the attached report, which covers the fiscal year ended June 30, 2000 and is required under Connecticut General Statutes, Section 3-37.

The report contains quantitative data and explanatory comments on operations regarding the $21.9 billion Combined Investment Fund, $3.7 billion Short-Term Investment Fund and $56.6 million Connecticut Higher Education Trust, as well as a description of activities and transactions in the administration of Cash Management, Debt Management, Second Injury Fund and the Unclaimed Property Fund. These reports have been prepared in a manner consistent with the requirements of law and generally accepted accounting principles.

As State Treasurer, I am responsible for the prudent management and investment of Connecticut's CRPTF, the largest fund managed by the Office of Treasurer. I am pleased to report that the returns for the Pension Plans and Trusts for 2000 were 13.38% (13.13% net of management fees). We have achieved these outstanding rates of return while taking on less risk in our investment portfolio than other funds within our peer group which we have outperformed.

The Investment Advisory Council (IAC), working with me and the Treasury's Pension Funds Management Division continues to provide the practical oversight necessary for the diligent investment of CRPTF assets and to evaluate the CRPTF investment returns. Asset allocation and diversification are critical investment strategies requiring in-depth market analysis based on fundamentals that are not market timed for investment decisions. I am grateful for the insight and commitment to the State of Connecticut by the IAC members.

Shortly after the conclusion of Fiscal Year 2000, Mr. Thomas Flanigan, formerly Chief Investment Officer of the California State Teachers' Retirement System (CalSTRS), accepted the Chief Investment Officer position over the Funds as provided in the Treasury Reform Act. Mr. Flanigan's appointment continues my agenda of restoring public confidence in Connecticut's Treasury Department.

While the level of State debt continues to increase with $11.1 billion outstanding this fiscal year, one of the major credit rating agencies, Moody's Investor Services, moved the State's credit rating outlook from Stable to Positive. This report will help us as we continue to work to improve the future assigned credit risk classification of the State, which should result in lower debt service cost to Connecticut residents.

I am also very pleased to report that all the assets administered by the Office of the Treasurer are safe and secure without any loss of accountability as a result of the computer generated information changeover into calendar year 2000. Treasury Department hardware and software systems are functioning without incident regarding the Y2K issue. Similarly, we have not experienced any significant problems from the investment management or vendor firms with which the Treasury Department conducts business. All Treasury Office computer information systems are Y2K compliant and operating normally.

I hope you will find the 2000 Annual Report of the Office of the Treasurer informative and useful and that you will join me in acknowledging the dedicated efforts of every employee of the Office of the Treasurer in working to overcome past adversity so as to protect the future financial security of all of Connecticut's residents.

Sincerely,

Denise L. Nappier
Treasurer

cc: Steven W. Hart, Chairman
Investment Advisory Council

Mission Statement

To serve as the premier State Treasurer's Office in the nation through effective management of public resources, high standards of professionalism and integrity, and expansion of opportunity for the citizens and businesses of Connecticut.

Duties of the Treasury

The duties and authority of the Office of the Treasurer are set out in Article Four, Section 22 of the Connecticut Constitution and in Title 3 of the Connecticut General Statutes. In general, the Treasurer is responsible for the safe custody of the property and money belonging to the State.

The Treasurer receives all money belonging to the State, makes disbursements as directed by Statute, and manages, borrows, and invests all funds for the State.

More than $12 billion is deposited into the Treasury each year. As caretaker of the public's money, the Treasurer is responsible with safeguarding the more than $21 billion in State and custodial funds and more than $3 billion in short-term investments. The Treasurer maintains an accurate account of all funds through sophisticated security measures and procedures.

Boards, Committees, and Commissions

By law, the Treasurer is a member of the following:

- State Bond Commission
- Banking Commission
- Connecticut Lottery Corporation Board of Directors
- Council of Fiscal Officers
- Information and Telecommunication Systems Executive Steering Committee
- Connecticut Development Authority
- Connecticut Health and Educational Facilities Authority Board of Directors
- Investment Advisory Council
- Finance Advisory Committee
- Connecticut Higher Education Trust Advisory Committee
- The Standardization Committee
- The Private Activity Bond Commission
- Connecticut Housing Finance Authority
- Connecticut Higher Education Supplemental Loan Authority Board of Directors

Additional information on responsibilities of each is provided on Supplemental pages S36 and S37.

Office of the State Treasurer Organization

The Office of the Treasurer consists of six divisions, which are as follows:

The Executive Office of the Treasurer has responsibility for policy-setting, investor and corporate relations, legal and legislative affairs, public education and information, business and information services, and special projects. The Executive Office ensures that the Treasury adheres to the highest order of public values, fiscal prudence and ethics in the conduct of the public's business.

The Pension Funds Management Division, under the direction of an Assistant Treasurer, manages the State's six multi-billion dollar pension funds and eight State trust funds with a combined market value portfolio in excess of $22 billion ranging in investment diversity from domestic and international stocks to real estate and private investment equity. Clients include more than 160,000 teachers, State and municipal employees, as well as academic programs, grants, and initiatives throughout the State. The Teachers' Retirement Fund is the Treasury's largest fund under management containing approximately $11.9 billion, followed by the State Employees' Retirement Fund containing $8.3 billion and the Municipal Employees' Retirement Fund with $1.4 billion. The Pension Funds Management Division also serves as staff to the Investment Advisory Council.

The Cash Management Division, under the direction of an Assistant Treasurer, has responsibility for cash accounting and reporting, cash positioning and forecasting, bank and fund reconciliation, bank administration and check processing. Over 3 million banking transactions are accounted for and reconciled annually. The division maintains accountability over the State's approximately $140 billion internal and external cash flows through the Treasury's 27 bank accounts annually. The Division prudently and productively manages clients' cash, including that of State agencies and authorities, and 200 municipal and local government entities utilizing the Short-Term Investment Fund, which had a market value of $3.7 billion as of June 30.

The Debt Management Division, under the direction of a Deputy Assistant Treasurer, administers the State's bond and debt financing program, including the sale of State bonds. Monitoring the bond markets and the financing structures and economic trends that affect interest rates are critical requirements for favorable bond issuances. The Division issues bonds to finance State capital projects, manages debt service payments and cash flow borrowing, provides information and data to private credit rating agencies, and administers the Clean Water and Drinking Water loan program. Over $11 billion of State debt was outstanding as of June 30.

The Second Injury Fund Division, under the direction of an Assistant Treasurer, is a workers' compensation program for employees with a preexisting condition who sustain an injury on the job that results in a material worsening of the condition. The Division adjudicates qualifying workers' compensation claims in accordance with applicable Connecticut General Statutes and insurance industry standards and practice. Where possible, the Second Injury Division seeks to help injured workers return to gainful employment.

The Unclaimed Property Division, under the direction of an Assistant Treasurer, safeguards all property, real and personal, left unclaimed by its owners until they can be located. The Division publicizes the names of rightful owners in an attempt to return unclaimed property to them.

2000 Annual Report Year at a Glance

COMBINED INVESTMENT FUNDS, JUNE 30

Market Value of Assets Under Management	$ 22,711,717,228
Net Assets Under Management	$ 21,914,223,998
Total Investment Returns for the Fiscal Year	$ 2,565,717,499
Total Management Fees for the Fiscal Year	$ 85,644,006
Total Number of Advisors	71
Decrease in Total Advisors from Prior Year	3
One-Year Total Return	13.13%
Five-Year Compounded Annual Total Return	14.86%
Ten-Year Compounded Annual Total Return	11.53%

2000 TREASURY OVERVIEW

DEBT MANAGEMENT, JUNE 30

Total Debt Outstanding	$11,134,524,730
General Obligation Debt included above	$ 6,429,654,759
Total New Debt Issued During the Fiscal Year	$ 1,198,340,000
General Obligation Debt Issued included above	$ 845,000,000
Total Debt Retired and Defeased During the Fiscal Year	$ 1,170,734,718
General Obligation Debt Retired and Defeased included above	$ 696,455,747
Total Debt Service Paid on Outstanding Debt During the Fiscal Year	$ 1,783,711,448
Total Interest Paid on Outstanding Debt included above	$ 612,976,730

CASH MANAGEMENT, JUNE 30

Total Cash Inflows:	$70,366,666,553
Total Cash Outflows:	$70,436,787,014
Number of State Bank Accounts at June 30, 2000	502
Number of State Bank Accounts at June 30, 1999	538

SHORT-TERM INVESTMENT FUND, JUNE 30

Market Value of Assets Under Management	$ 3,688,311,175
One-Year Total Return	6.01%
Five-Year Compounded Annual Total Return	5.76%
Ten-Year Compounded Annual Total Return	5.59%
Weighted Average Maturity	29.9 days
Number of Participant Accounts	800

SECOND INJURY FUND, JUNE 30

Number of Claims Settled During the Fiscal Year	345
Total Cost of Claims Settled	$ 24,600,000
Second Injury Fund Reserve	$ 839,000,000
Number of Claims Outstanding	4,631

UNCLAIMED PROPERTY, JUNE 30

Dollar Value of Gross Unclaimed Property Receipts	$ 37,721,525
Dollar Value of Claims Paid	$ 9,475,207
Number of Property Claims Paid	4,466

CONNECTICUT HIGHER EDUCATION TRUST, JUNE 30

Number of Participants	7,680
Net Asset Value	$ 56,629,128

October 13, 2000

Honorable John G. Rowland
Governor
State of Connecticut
Hartford, Connecticut

Dear Governor Rowland:

As Chairman of the Investment Advisory Council (IAC), I am pleased to present this report on the performance of the State of Connecticut Retirement Plans and Trust Funds (CRPTF) for the fiscal year ended June 30, 2000.

The CRPTF continued its multiple billion dollar earnings pace for the sixth consecutive year with investment income of $2.1 billion, or a net return of 13.13 percent, growing assets eleven percent, from $19.8 billion at June 30, 1999 to $21.9 billion at June 30, 2000. For the fiscal year ending June 30, 2000 the CRPTF outperformed 82 percent of the other public funds in the Trust Universe Comparison Service (TUCS), its peer group for Public Funds with assets greater than $1 billion dollars.

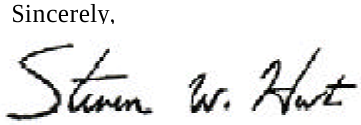
For the fiscal year, the ***Mutual Equity Fund, Mutual Fixed Income Fund, Commercial Mortgage Fund, Private Investment Fund,*** **and *Cash Reserve Fund* outperformed their benchmarks, while the *International Stock Fund and the Real Estate Fund* produced below benchmark returns.**

During the fiscal year the legislature instituted significant reform with the passage of An Act Concerning Powers And Duties Of The Treasurer and The Investment Advisory Council (Public Act No. 00-43). The Office of the Treasurer and IAC have been actively working to implement the new reforms.

Much progress has been made during the last six years in terms of improving the investment performance of the CRPTF and structurally we are well positioned for above average performance. However, in light of recent events, I believe we must also look at how the overall fund is managed including the role of the IAC.

As the Chairman of the Investment Advisory Council, I am gratified to be amongst fellow committee members whose care and attentiveness to the IAC's mission demonstrates an unwavering commitment to those whom they represent. It is with this sense of duty and solemn pledge to maintain our commitment to more than 160,000 pension beneficiaries that I submit this brief summary on behalf of the Investment Advisory Council.

Sincerely,



Steven W. Hart
Chairman
Investment Advisory Council

INVESTMENT ADVISORY COUNCIL

The Investment Advisory Council (IAC), created by Public Act 73-594, shall recommend to the State Treasurer investment policies consistent with the law pertaining to the kind or nature of investment, including limitations, conditions or restrictions upon the methods, practices or procedures for investment, reinvestment, purchase, sale or exchange transactions (CGS Sec. 3-13b). The IAC consists of the Secretary of the Office of Policy and Management (ex-officio) and State Treasurer (ex-officio), five public members all of whom shall be experienced in matters relating to investments appointed by the Governor and legislative leadership, and three representatives of the teachers' unions and two representatives of the state employees' unions.

Council members who contributed their time and knowledge to the IAC during fiscal 2000 include:

STEVEN W. HART, Chairman, as appointed by the Governor
President, Hart Capital LLC

CLARE H. BARNETT, (Representative of State Teachers' unions)
Teacher and Social Studies Chair, Danbury school system

REGINALD U. MARTIN,
(Appointed October 22, 1999) Managing Partner, Insurance Planning Associates

GEORGE H. MASON,
Director, Business Applications Center, The Barney School of Business & Public Administration, University of Hartford

JEFFREY H. MOCKLER, (Representative of State Employees' unions)
Staff Representative, AFSCME Council 4

DENISE L. NAPPIER, Treasurer, State of Connecticut
(Ex-officio member)

SHARON M. PALMER, (Representative of State Teachers' unions)
(Appointed June 30, 2000) First Vice President, CT Federation of Educational and Professional Employees

HENRY E. PARKER, Former Treasurer, State of Connecticut 1975-1986
(Appointed August 5, 1999) Former Senior Vice President, Atalanta/Sosnoff Capital Corporation (Retired January 1998)

JOHN J. QUIRKE, (Representative of State Teachers' unions)
(Term expired June 30, 2000) Retired teacher, Newtown Public Schools

CLARENCE L. ROBERTS, JR.
(Appointed August 9, 2000) Former Assistant Treasurer, Unilever United States, Inc. (Retired 1994)

MARC S. RYAN, Secretary, State Office of Policy and Management
(Ex-officio member)

ROSALYN B. SCHOONMAKER, (Representative of State Teachers' unions)
Retired teacher and retirement counselor

CAROL M. THOMAS, (Representative of State Employees' unions)
State Department of Mental Retardation

WILSON WILDE,
(Term expired October 12, 1999) Chairman, Executive Committee of Hartford Steam Boiler Inspection and Insurance Company

Term expired June 30, 1999 but replaced in fiscal 2000:

SHERRY L. BROWN,
State Director for U.S. Senator Joseph Lieberman

ROBERT K. KILLIAN, JR.,
Judge, Probate Court, Hartford

Division Overview

Introduction

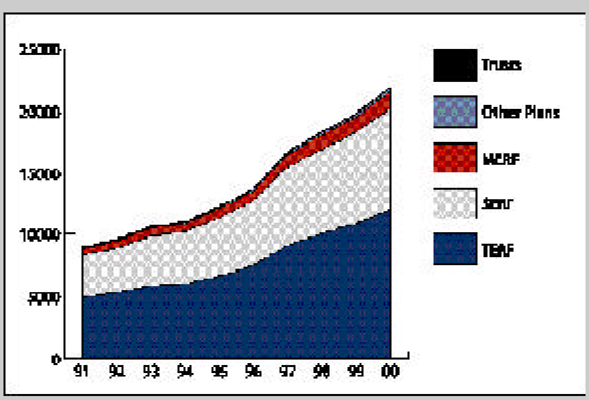
As principal fiduciary for six State pension and eight trust funds, the Treasurer is responsible for prudently managing approximately $21.9 billion of investment assets on behalf of the more than 160,000 teachers, State and municipal employees as well as trust funds financing academic programs, grants, and initiatives throughout the State. The Pension Funds Management Division is responsible for the day to day operations associated with the Connecticut's Retirement Plans and Trust Funds.

Prudent investment management not only affects the retirement security of the beneficiaries, but the size of the State budget as well. Funding of the pension benefit liability is dependent on investment returns, State (taxpayer) contributions and the contribution requirements of retirement plan members. If investment returns fall below the actuarial target return, more tax dollars must be contributed to ensure full payment of benefits. When pension investment returns exceed the target return, excess returns are applied against the unfunded liability.

As shown in Figure 1, over the last ten years pension and trust assets have grown from $8.6 billion to $21.9 billion, or 155%. The Teachers' Retirement Fund (TERF), with $11.9 billion under management at June 30, 2000, is the largest participating fund, followed by the State Employees' Retirement Fund (SERF) and the Municipal Employees' Retirement Fund (MERF) with $8.3 billion and $1.4 billion, respectively. During the last fiscal year ended June 30, 2000, total annual investment returns, comprising interest income, dividends, securities lending income, and net realized and unrealized capital gains, net of Fund operating expenses, were $2.6 billion. (See figure 2.)

Figure 1

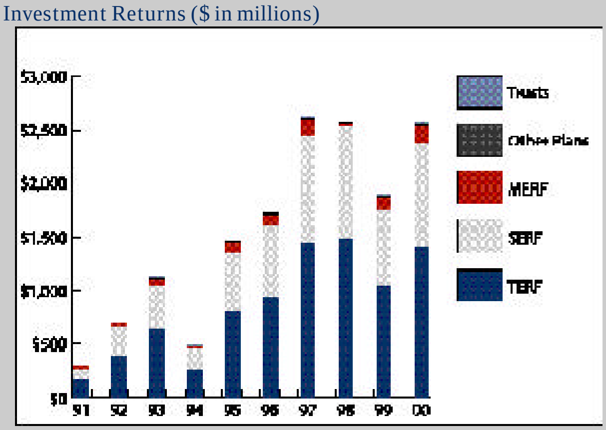
PENSION AND TRUST FUNDS
Growth in Assets ($ in millions)



TERF - Teachers' Retirement Fund
SERF - State Employees Retirement Fund
MERF - Connecticut Municipal Employees' Retirement Fund

Figure 2

PENSION AND TRUST FUNDS
Investment Returns ($ in millions)



TERF - Teachers' Retirement Fund
SERF - State Employees Retirement Fund
MERF - Connecticut Municipal Employees' Retirement Fund

Organization/Staff Review

Under the supervision of an Assistant Treasurer, the Division executes and manages the investment programs of the pension and trust funds. The ten-member professional staff are responsible for: analyzing plan liabilities; recommending asset allocation policy; selecting, monitoring, and reporting on the investment advisors retained to invest the State's pension and trust assets; supervising the activities of the custodian bank which retains physical custody of, safeguards, and provides record keeping services for plan assets; reviewing the accounting for the assets to ensure that the earnings of the Funds are properly determined and that each of the pension plans and trust funds receive their correct share of such earnings; analyzing investment valuations for propriety to ensure consistency and integrity in performance presentation; and reporting on the investment performance of the pension and trust assets to the Treasurer and the Investment Advisory Council. The Division's operations are conducted through three units: Pension Management, Alternative Investments, and Accounting and Control.

Operating Expenses

The Division allocates all operating overhead directly to the earnings of the pension and trust fund assets under management. It is therefore incumbent upon the Division to manage assets in a cost-effective manner consistent with maximizing long-term returns.

Investment Policy

It is an immutable principle of pension fund management that the decision on how fund assets are allocated represents as much as 90% of the returns. In August, 1999, the Investment Advisory Council (see page 14) endorsed the asset allocation plan, which governs Fund investments today. The Asset Allocation Plan's main objective is to maximize investment returns over the long term at an acceptable level of risk, primarily through asset diversification. Risk, in this context, is defined as volatility of investment returns. (See Investment Performance discussion.)

Diversification across asset classes is a critical component in structuring portfolios to maximize return at a given level of risk. Likewise, asset allocation is used to minimize risk while seeking a specific level of return. In selecting an asset allocation strategy, there is a careful examination of the expected risk/return tradeoffs, correlation of investment returns, and diversification benefits of the available asset classes (i.e., those not restricted by statute) under different economic scenarios.

As shown in Figure 3, the number and complexity of asset classes comprising the Investment Policy have fluctuated during the last ten years. New asset classes have been introduced to diversify the pension and trust assets while changing economic environments have required different allocation strategies. As of June 30, 2000, multiple asset classes were included in the Investment Policy, including U.S. Equity, International Equity, U.S. Fixed Income, Equity Real Estate, and Alternative Investments.

At fiscal year-end, domestic and international equities comprised the largest asset allocation, at 54%. Equities have an established record of maximizing investment returns over the long term. Fixed income and alternative investments were also included to allow the Fund both to leverage portfolio returns during highly inflationary or deflationary environments and to mitigate the effects of volatility in the stock market. The actual asset allocations at fiscal year-end differed slightly from the Investment Policy targets as shown in Figure 4.

Figure 3

PENSION AND TRUST FUNDS
Asset Class Diversification

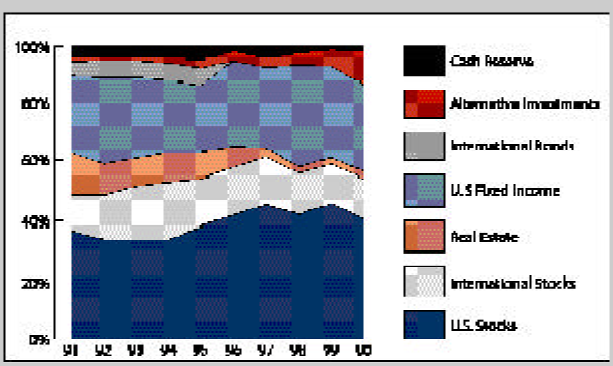


Figure 4

PENSION AND TRUST FUND ASSET ALLOCATION
Actual vs. Policy at June 30, 2000

	Actual	Target Policy
U.S. EQUITY	**40.4%**	**36.0%**
Mutual Equity Fund (MEF)	40.4%	
INTERNATIONAL EQUITY	**13.4%**	**18.0%**
International Stock Fund (ISF)	13.4%	
EQUITY COMMERCIAL REAL ESTATE	**2.3%**	**5.0%**
Real Estate Fund (REF)	2.3%	
U.S. FIXED INCOME	**32.2%**	**30.0%**
Mutual Fixed Income Fund (MFIF)	29.6%	
Commercial Mortgage Fund (CMF)	0.8%	
Cash Reserve Account (CRA)	1.8%	
NON U.S. FIXED INCOME(1)	**n/a**	**n/a**
ALTERNATIVE INVESTMENTS	**11.7%**	**11.0%**
Venture Capital Fund (VCF)	11.7%	
TOTAL	**100.0%**	

(1) MFIF's advisors are allowed to invest in non U.S. fixed income assets on an opportunistic basis.

To realize the allocations set forth in the Asset Allocation Plan, the Division operates seven Combined Investment Funds ("CIF" or the "Funds") as a series of mutual funds in which the pension and trust funds may invest through the purchase of ownership interests. Each Fund is designed to replicate one or more of the six asset classes outlined in the Policy.

During the 2000 General Assembly, Public Act 00-43, *An Act Concerning Powers and Duties of the Treasurer and the Investment Advisory Council*, was passed and signed into law by the Governor. At the behest of the Treasurer, the requirement that a comprehensive Investment Policy Statement be developed, under which the Connecticut Retirement Pension and Trust Funds would be governed, was included in the Act. The Act requires that the Treasurer develop and submit to the Investment Advisory Council an Investment Policy Statement that includes the following: (A) investment objectives; (B) asset allocation policy and risk tolerance; (C) asset and specific limitation or other considerations governing the investment of any funds; (D) investment manager guidelines; (E) investment performance evaluation guidelines; (F) guidelines for the selection and termination of providers of investment related services; and (G) proxy voting guidelines.

Fund Management

The Treasurer employs external advisors to invest each Fund. Advisors are selected based on asset class expertise, investment performance and style and are expected to comply with the parameters, guidelines, and restrictions set forth in the Policy.

As of June 30, 2000, 71 external advisors were employed by the Treasury to invest the pension and trust assets, a decrease of 3 advisors from June 30, 1999.

Securities Lending

Since November 1973, the Treasury has maintained a securities lending program for the Combined Investment Funds designed to enhance investment returns. This program involves the lending of securities to broker/dealers secured by collateral valued slightly in excess of the market value of the loaned securities. Typically, the loaned securities are used by broker/dealers as collateral for repurchase agreements and other structured investment products, as well as to cover short sales, customer defaults, dividend recapture, and arbitrage trades. To mitigate the risks of securities lending transactions, the master custodian carefully monitors the credit ratings of each counter-party and overall collateral level. Collateral held is marked-to-market on a daily basis to ensure adequate coverage.

Figure 5

COMBINED INVESTMENT FUNDS
Advisor Breakdown

Fund	June 30, 1999	June 30, 2000
MEF	10	10
ISF	6	6
PIF	35	35
MFIF	11	11
CMF	1	1
REF	10	7
CRA	1	1
Total(1)	74	71

(1) Actual total advisors was 68 and 66, respectively when factoring in advisors across multiple funds.

State Street Bank and Trust Company, the current master custodian for the Funds, is responsible for marketing the program, lending the securities, and obtaining adequate collateral. For the year ended June 30, 2000, securities with a market value of approximately $1.84 billion had been loaned against collateral of approximately $1.93 billion. Income generated by securities lending totaled $6.6 million for the fiscal year.

The Year in Review

Total Fund Performance

During the fiscal year ended June 30, 2000, the Combined Investment Funds achieved an annual total return of 13.13%, net of all expenses. The Funds continued to be well diversified given the long-term risk/return objectives, while adhering to established investment guidelines. For the sixth year in a row, the Funds have outperformed their actuarially determined assumed rate of return of 8.5%. For a detailed explanation of Fund performance, see the 2000 Investment Performance discussion that follows.

Investment Policy

Domestic Equity

Management of the equity portfolio uses both a pure indexing and enhanced indexing strategy. Enhanced indexing involves identifying, through market analysis and research, those securities in the index which are most likely to under-perform, and discarding them from the portfolio. This is achieved while maintaining industry weightings consistent with the overall index. The goal of enhanced indexing is to generate a return slightly in excess of the selected index. Indexing is a particularly appropriate strategy for the "large-cap" segment of the equity markets, which is defined as the securities of the largest capitalized public companies, typically comprising the major market indices. Moreover, significant research demonstrates that the U.S. equity markets, particularly the large-cap segment, are widely considered the world's most "efficient" markets, and therefore are the most difficult to "beat" with active investment management.

Within the "small- and mid-cap" sections of the equity markets, active management continues allow pension funds the opportunity to receive enhance returns. Small- and mid-cap securities are issued by companies that are much smaller and not as closely monitored, researched or analyzed as the larger capitalization companies. Consequently, the small-cap segment of the U.S. equity market is less "efficient." Certain active investment advisors are therefore more likely to outperform the markets over the long term, while earning an acceptable level of return per unit of risk.

As currently structured, the domestic equity portfolio replicates the approximate capitalization of the market as a whole with 77.4% of the Fund invested in large-cap stocks and 22.6% in small-cap stocks. More than 84% of the entire domestic equity portfolio adheres to an indexing or enhanced indexing strategy.

INTERNATIONAL EQUITY

During fiscal year 2000, the structure of the International Stock Fund (ISF) was revised to reflect the long-term performance objectives of this asset class. It was determined that the Fund would consist of a series of externally managed equity portfolios which, in aggregate, are structured to achieve long-term performance consistent with non-U.S. equity markets and add diversification of the total portfolio. The ISF's hybrid benchmark is 83% of the Morgan Stanley Extended Index-ex U.S.-half-hedged and 17% of the Morgan Stanley Emerging Markets Free Index.

The ISF performance objective is to outperform the hybrid benchmark net of management fees by 100 basis points per annum over rolling five-year time periods. The revised structure and new benchmark will be implemented during fiscal year 2001.

FIXED INCOME

The Mutual Fixed Income Fund serves as an investment tool for the Pension and Trust Funds with the goal of reducing volatility in Fund returns under various economic scenarios. During periods of low inflation, fixed income investments may enhance the overall performance of the Pension and Trust Funds, while in times of moderate inflation and high nominal interest rates, these investments may contribute investment returns. The Fund measures its performance against the Lehman Brothers Aggregate Index, widely considered to be a surrogate for the performance of the U.S. bond market.

The current fixed income structure includes convertible bonds and high yield bonds as security classes. Convertible bonds allow bondholders to exchange bonds for a specified number of shares of common stock in a firm. This gives holders of the bonds an option to share in the price appreciation of the company's stock and is an effective diversification tool for the fixed income portfolio. The high yield asset class allows the fund to take advantage of attractive yields of securities of companies with the potential for improving credit quality.

REAL ESTATE AND PRIVATE EQUITY INVESTMENTS

During fiscal year 2000, hundreds of millions of dollars in commitments of pension assets were withdrawn or reduced from private equity investments selected by the former Treasurer. In addition, new protocols including mandatory disclosure of third party fees were designed and implemented to protect against the types of misconduct committed by the former Treasurer.

The portion of the Policy governing the structure of the alternative investment portfolios, comprising investments in real estate and private equity, is under review. The strategic asset allocation that was determined for the real estate asset class was 5% , and 11% for Private equity.

2000 Investment Performance

Introduction

This section presents the performance of the Combined Investment Funds and discusses the Treasury's approach to measuring performance, including risk and return.

The charts, tables, and graphs on the following pages represent a synthesis of techniques and formats used by the mutual fund industry, public and private sector pension funds, and recognized investment authorities.

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 Pension 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.

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 Combined Investment Funds a set number of years ago would be worth today.

TOTAL FUND PERFORMANCE

The return of the Combined Investment Funds is evaluated as a whole against two benchmarks: the actuarially determined assumed rate of return of 8.5%, which when combined with scheduled funding will allow the plan to meet future benefits payments as they become due, and a 50/50 blend of the S&P 500 and the Lehman Brothers Aggregate Index ("blended index"). The actuarially determined assumed rate of return includes normal pension costs and past service amortization payments as well as payments necessary to reduce the unfunded liabilities. Performance, evaluated against the blended indices, is shown graphically on the basis of net total Fund returns versus those achieved by the benchmarks.

Figure 6

COMBINED INVESTMENT FUNDS
Periods ending June 30, 2000

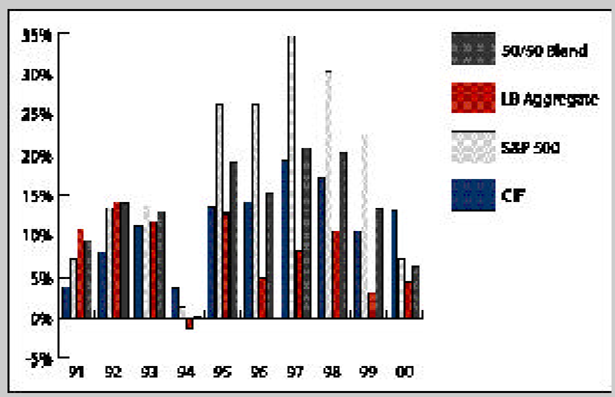
	1 YR	3 YRS	5 YRS	10 YRS
Compounded, Annual Total Return (%)				
CIF	**13.13**	**13.57**	**14.81**	**11.42**
S&P 500	7.30	19.65	23.79	17.80
Lehman Agg	4.56	6.03	6.25	7.82
50/50 Blend	6.22	13.09	15.02	12.92
Cumulative Total Return (%)				
CIF	**13.13**	**46.49**	**99.47**	**194.76**
S&P 500	7.30	71.35	190.82	414.57
Lehman Agg	4.56	19.21	35.39	112.22
50/50 Blend	6.22	44.62	101.33	237.14

As shown in Figure 6, for the one-year period ended June 30, 2000, the Combined Investment Funds achieved a net annual total return of 13.13%. This return outperformed the blended index return of 6.22% by 691 basis points. For the past one-year and three-year periods, the Funds outperformed the actuarial rate by 4.6 and 5.1 percentage points, respectively. It should be noted that performance above the actuarially determined assumed rate of return helps further reduce the unfunded pension obligation.

Solid returns produced in the Mutual Equity Fund, International Stock Fund, and Private Investment Fund helped to enhance the CRPTF's return. An explanation of each Fund's performance, including portfolio characteristics and benchmark comparisons, is included in the individual Fund discussion, which follows.

Figure 7

COMBINED INVESTMENT FUNDS
Annual Total Return

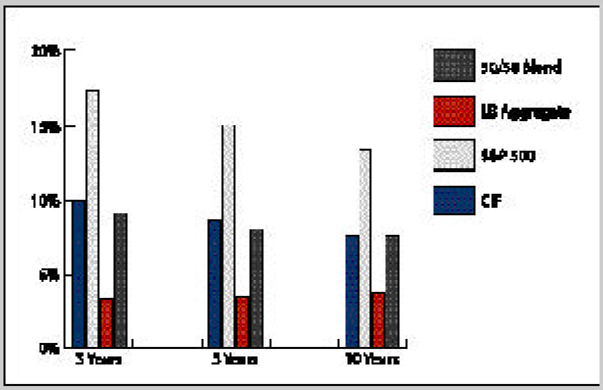


While volatility in investment returns is expected in the short-term, the Treasurer's long-term performance with respect to managing the Pension and Trust assets is most important. The Combined Investment Funds generated compounded annual total returns of 13.57%, 14.81%, and 11.42%, net of all expenses, over the last three-, five-, and ten-year periods, respectively. These returns outperformed those generated by the blended index for three years by 0.48 percentage points, and underperformed by 0.21, and 1.50 percentage points for the five- and ten-year periods, respectively. Principal reasons include investment environments and asset allocation strategy in effect over the selected time periods. Viewed on a dollar-for-dollar basis, had one invested $10 million in the Combined Investment Funds ten years ago, that investment would have been worth $29.4 million at June 30, 2000, versus $33.7 million for an investment in the blended index.

Figure 8 shows the Combined Investment Funds annualized standard deviation relative to its benchmark, the blended Index and the two Indices that make up the benchmark, the S&P 500 and the LB Aggregate, over the last three, five, and ten-year periods. As the chart shows, the Funds standard deviation was slightly higher than the blended index. The Fund was 1.10, 1.06, and equally as risky as the blended index over the respective time periods.

Figure 8

COMBINED INVESTMENT FUNDS
Annualized Standard Deviation



During fiscal year 2000, the total Pension and T rust net assets under management of the Treasurer grew from $19.8 billion to $21.9 billion, an increase of approximately $2.1 billion. Of this total, $2.6 billion was due primarily to net investment income and realized and unrealized capital gains, offset by $473 million in net cash outflows to participating pension plans and trusts.

Figure 9

CONNECTICUT PENSION AND TRUST FUNDS
TUCS Ranking (%) for Periods ending June 30, 2000

	1 YR	3 YRS	5 YRS	10 YRS
Public Funds >$1 Billion				
Percentile Return				
5th	20.21	15.43	17.45	13.97
25th	12.69	14.35	16.10	13.49
50th	9.56	13.10	15.35	12.77
75th	7.63	11.59	13.56	12.23
95th	6.13	10.43	12.56	11.52
CT Pension and Trust Funds				
Return[1]	13.38	13.85	15.09	11.74
Public Funds Ranking	18	42	50	84
Total Master Trusts Ranking	26	44	60	86

Source: State Street Bank
(1) Gross Return (net of fees)

Combined Investment Funds

Total Return Analysis (%)

Asset Class (% of Total Fund)	Fiscal Years Ending June 30, 2000	1999	1998	1997	1996	Annualized 3 Years	5 Years	10 Years
Total Fund (100.0%)								
Combined Investment Funds	13.13%	10.49%	17.19%	19.35%	14.14%	13.57%	14.81%	11.42%
S&P 500	7.30	22.74	30.21	34.56	26.12	19.65	23.79	17.80
LB Aggregate	4.56	3.13	10.54	8.16	5.01	6.03	6.25	7.82
50/50 Blend	6.22	13.22	20.26	20.90	15.17	13.09	15.02	12.92
U.S. Stocks (46.0%)								
Mutual Equity Fund (46.0%)	10.03	19.38	28.40	30.74	23.98	19.04	22.28	16.65
Russell 3000 Index	9.60	20.10	28.81	30.58	26.05	19.24	22.78	17.52
Russell 1000 Index	9.25	21.92	30.15	32.26	26.24	20.13	23.69	17.93
International Stocks (12.5%)								
International Stock Fund (12.5%)	20.13	6.77	1.52	15.67	12.58	9.20	11.14	7.62
MSCI EAFE Index (Unhedged)	17.16	7.62	6.10	12.84	13.28	10.18	11.32	7.95
MSCI EAFE Index (Hedged)	19.93	7.83	14.89	19.94	28.74	14.11	18.06	6.22
MSCI Europe Index	15.10	(0.84)	37.06	29.99	14.67	16.08	18.45	12.86
MSCI Pacific Index	21.60	32.64	(34.60)	(4.53)	11.89	1.79	2.41	2.34
Real Estate (2.2%)								
Real Estate Fund	9.18	9.96	25.63	10.69	0.83	14.68	10.98	1.77
Russell NCREIF(1 Qtr. Lag)	11.10	14.32	15.48	10.21	7.85	13.82	11.88	5.82
U.S. Fixed Income (32.3%)								
Mutual Fixed Income Fund (31.1%)	5.77	2.64	10.52	10.62	5.97	6.26	7.06	8.96
Commercial Mortgage Fund (1.2%)	8.26	6.10	17.71	9.82	6.46	10.58	9.59	8.72
LB Aggregate	4.56	3.13	10.54	8.16	5.01	6.03	6.25	7.82
Lehman Treasury	5.33	2.97	11.32	7.30	4.47	6.48	6.24	7.78
Lehman Agency	3.96	3.24	10.76	8.05	4.79	5.94	6.12	7.76
Lehman Corporate	3.02	1.90	11.39	8.79	5.11	5.35	5.98	8.18
Lehman Mortgage	5.04	4.01	8.92	9.09	5.86	5.97	6.56	7.78
Lehman Asset Backed	4.77	4.44	8.07	7.52	5.51	5.75	6.05	N/A
Alternative Assets (6.0%)								
Private Investment Fund (6.0%)	53.86	-0.81	18.55	5.68	43.78	21.85	21.99	13.30
Russell 3000 Index	9.60	20.10	28.81	30.58	26.05	19.24	22.78	17.52
Cash (1.0%)								
Cash Reserve Account (1.0%)	5.96	5.46	5.86	5.70	5.90	5.76	5.78	5.62
Consumer Price Index All Urban	3.69	1.96	1.76	2.31	2.75	2.44	2.47	2.87
Salomon Bros 3 Month T-Bills	5.31	4.71	5.23	5.26	5.44	5.08	5.19	4.93
Salomon Bros 3 Month CD	6.00	5.37	5.82	5.64	5.79	5.73	5.72	5.38
IBC	5.58	5.03	5.49	5.27	5.44	5.37	5.36	4.98

CASH RESERVE ACCOUNT

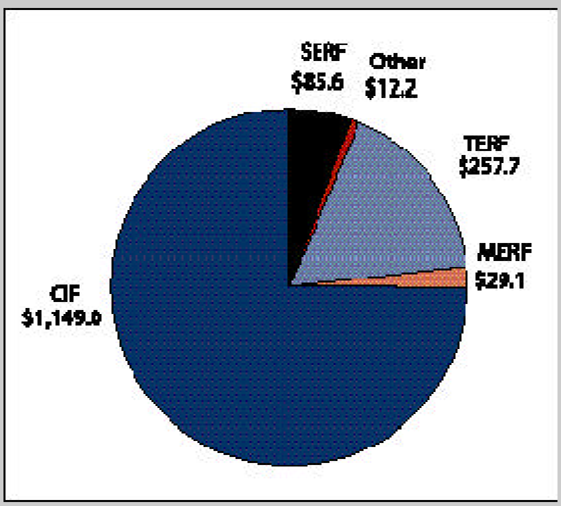
Fund Facts at June 30, 2000

Investment Strategy/Goals: To serve as a cash management tool for the pension and trust funds by investing in high quality, liquid money market securities.

Performance Objective: An annual total return in excess of the index.

Benchmark:	IBC Index
Date of Inception:	September 1, 1987
Total Net Assets:	$1,533,613,137
Number of Advisors:	1 external
Management Fees:	$297,695
Operating Expenses:	$164,316
Expense Ratio:	0.03 %

CASH RESERVE ACCOUNT
Ownership Analysis at June 30, 2000 ($ in millions)



CIF - Combined Investment Funds
TERF - Teachers' Retirement Fund
SERF - State Employees Retirement Fund
MERF - Connecticut Municipal Employees' Retirement Fund

Performance Summary

For the fiscal year ended June 30, 2000, the Cash Reserve Account (CRA) generated a total return of 6.0%, outperforming the benchmark IBC Index of 5.6%, by 40 basis points. The Fund's return also outperformed the 90 Day Treasury Bill (5.3%) by 70 basis points.

For the trailing three, five, and ten-year periods, CRA's compounded annual total return was 5.8%, 5.8%, and 5.6%, respectively, net of expenses. The returns exceeded those of the IBC Index for all time periods.

Description of the Fund

The Cash Reserve Account is an externally managed money-market pool investing in high-quality liquid money market securities. It serves as a cash management investment tool for the State's Pension and Trust Funds and is considered a separate asset class in the Combined Investment Funds, offering protection against inflation.

CASH RESERVE ACCOUNT INVESTMENT ADVISOR
June 30, 2000

Investment Advisor	Net Asset Value	% of Fund
State Street Global Advisors	$1,533,613,137	100.0%
TOTAL	**$1,533,613,137**	**100.0%**

The Account uses the basic strategy of buying on market weakness, that is, when interest rates rise, CRA takes advantage by investing in higher fixed yields and by extending the average maturity for the Fund. Conversely, CRA increases exposure in floating rate securities, which perform well in a declining interest rate environment. To ensure sufficient liquidity for unexpected plan withdrawals, CRA maintains adequate investments in extremely short-term assets. CRA continually analyzes potential interest rate movement and change in the shape of the yield curve to ensure the most effective short-term money management for the Pension and Trust Funds. Due to the short-term investment nature of CRA, it is considered to be low-risk. Consequently, returns realized by CRA may be lower than those realized by funds with fixed income investments maturing over a longer time horizon.

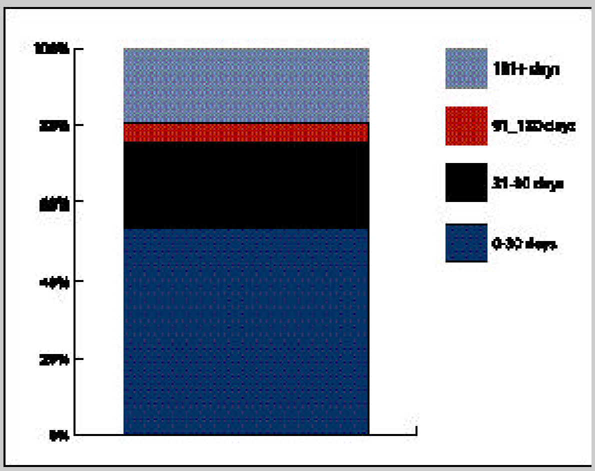
CRA's performance objective is to exceed the IBC First Tier Institutions Only Rated Money Fund Report Index, an average of rated institutional money market mutual funds that invest primarily in first-tier (securities rated A1, P1) taxable securities.

During the fiscal year, CRA assets under management grew from $1.373 billion to $1.534 billion, an increase of $161 million or 12%.

Portfolio Characteristics

Persistent consumer demand and tight labor markets in the U.S. combined with recovering economies abroad led Federal Reserve policy makers to conduct a string of three increases of 25 basis point beginning June 30, 1999 and ending November 16, 1999. During this period, the CRA investment portfolio was shortened from 67 days on June 30, 1999 to 40 days on November 30, 1999 primarily due to an influx of cash to maintain a greater liquid position than normal throughout the last quarter of 1999 (to hedge against Y2K liquidity concerns). This investment decision resulted in the fund calendar year-end investment maturity of 44 days, slightly lower than IBC benchmark of 48 days. United States Y2K liquidity reserves dried up throughout the first quarter of 2000, and excessive consumer demand along with continued labor market tightness stirred fears of higher inflation with Federal Reserve governors. Prompted by changing economic data, the Federal Reserve tightened monetary policy with additional interest rate increases of 25 basis points on February 2, 2000, followed by 25 basis points on March 21, 2000, and finally 50 basis points on May 16, 2000. This fairly aggressive 100 basis point tightening in the first half of 2000, combined with the markets perception of the need for further tightening, created a very steep yield curve environment.

CASH RESERVE ACCOUNT
Security Maturity [1] Analysis at June 30, 2000



(1) Or interest rate reset period.

During this time, a favorable backdrop for fixed income securities set the tone for an aggressive posture of buying on market weakness and thereby extending CRA average investment maturity to 81 days at year-end, compared to the index benchmark of 52 days. The distribution

CASH RESERVE ACCOUNT
Distribution by Yield[1] at June 30, 2000

Yield	
5.00% - 6.00%	11.9%
6.01% - 6.75%	49.5%
6.76% - 7.25%	35.5%
7.26+%	3.1%
TOTAL	100.0%

(1) Represents yield to maturity.

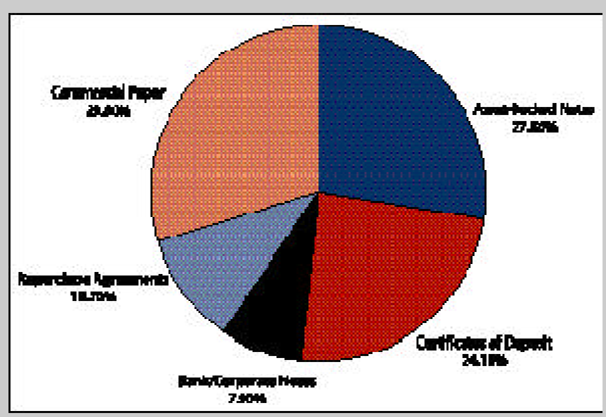
of investments by maturity at June 30, 2000 included: overnight (16%), 2-90 days (60%), over 90 days (24%). The Fund's three largest security weightings included adjustable and fixed rate Asset-Backed Securities (27.5%), Certificates of Deposit (24.1%), and Commercial Paper (29.8%).

CASH RESERVE ACCOUNT
Quarterly Weighted Average Maturity

Quarter End	CRA	IBC Index
6/30/00	81 days	52 days
3/31/00	80 days	48 days
12/31/99	44 days	48 days
9/ 30/99	86 days	49 days
6/ 30/99	67 days	58 days

Over the last year the Fund's assets ranged from $1.0 billion to $1.9 billion, ending the year at $1.5 billion. The average days to maturity ranged as short as 40 days to as long as 86 days. Due to aggressive Federal Reserve posture and market perception of higher future rates, the short-term yield remained relatively steep throughout the year. The Fund's average days to maturity were permitted to decline in anticipation of Y2K related liquidity risks, and then promptly extended during the first and second quarter of 2000. Exposure was increased in fixed and floating rate Asset Backed Securities to 27.5% on June 30, 2000 from 26.8% on June 30, 1999. This increased exposure to secured debt helps to hedge against credit risk, which generally deteriorates in a high interest rate environment. Exposure was also increased in one to three month Asset Backed Securities-Commercial Paper, which was priced from 2 basis points to 5 basis points less than the corresponding matu-

CASH RESERVE ACCOUNT
Distribution by Security Type at June 30, 2000



rity of bank and finance Commercial Paper. Management continues to look for opportunities to increase the floating rate note exposure, using standard money market indices such as one month LIBOR, three month LIBOR, prime and Federal Reserve funds, which will perform well in a rising interest rate environment.

CASH RESERVE ACCOUNT
Comprehensive Profile

Date	Number of Issues	Yield[1]	Average Maturity	Average Quality
2000	109	5.96%	81 days	A-1+/AA+
1999	102	5.46%	67 days	A-1+/AA+
1998	81	5.86%	60 days	A-1+/AA+
1997	53	5.70%	71 days	A-1+/ AA+
1996	46	5.90%	50 days	A-1+/ AA
1995	48	5.83%	32 days	TBW-1/ AAA

(1) Represents annual total return of the Fund for the year ended June 30.

CASH RESERVE ACCOUNT
Quarterly Yield [1] Analysis

Quarter End	CRA	IBC Index
6/30/00	6.59%	5.86%
3/31/00	6.26%	5.26%
12/31/99	5.85%	5.08%
9/30/99	5.44%	4.69%
6/30/99	5.16%	4.78%

(1) An annualized historical yield based on the preceding month's level of income earned by the Fund.

CASH RESERVE ACCOUNT
Periods ending June 30, 2000

	1 YR	3 YRS	5 YRS	10 YRS
Compounded, Annual Total Return (%)				
CRA	5.96	5.76	5.78	5.62
IBC	5.58	5.37	5.36	4.98
CPI-Urban	3.69	2.44	2.47	2.87
Salomon 3 Month CD	6.00	5.73	5.72	5.38
Salomon 3 Month T-Bill	5.31	5.08	5.19	4.93
Cumulative Total Return (%)				
CRA	5.96	18.30	32.44	72.71
IBC	5.58	16.98	29.85	62.54
CPI-Urban	3.69	7.50	13.00	32.67
Salomon 3 Month CD	6.00	18.18	32.08	68.94
Salomon 3 Month T-Bill	5.31	16.03	28.77	61.80

Risk Profile

Due to the short-term nature of CRA, it is generally considered to be low-risk. Consequently, returns realized by CRA may be significantly lower than those realized by funds with fixed income investments maturing over a longer time horizon. Similarly, the investments' short time horizon, along with the quality of the issuing entities, mitigates traditional concerns over interest rate, default and currency exchange risk.

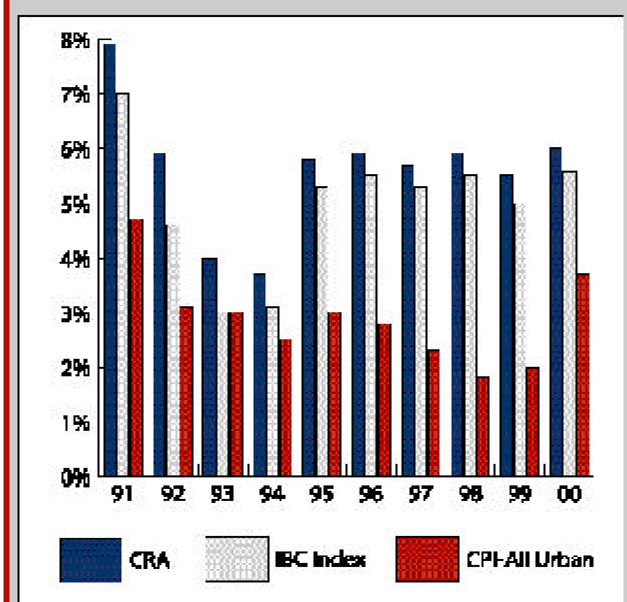
Based on returns over the last five years, the Fund exhibited a higher degree of risk relative to the IBC Index, as evidenced by its relative volatility of 1.00. Its standard deviation of .14 suggests comparatively low overall volatility, while its beta of .94 indicates a high overall correlation to returns achieved by the Index. The R^2 of .81 indicates a moderate correlation to returns achieved by the Index. In the aggregate, CRA achieved a positive annual alpha, or return in excess of that predicted by returns of its benchmark of .48.

CASH RESERVE ACCOUNT [1]
Risk Profile at June 30, 2000

Relative Volatility	1.00
Standard Deviation	0.14
R^2	0.81
Beta	0.94
Alpha	0.48

(1) Based upon returns over the last five years.

CASH RESERVE ACCOUNT
Annual Total Return



(1) Represents annual total return of the Fund for year ended June 30.

MUTUAL EQUITY FUND

Fund Facts at June 30, 2000

Investment Strategy/Goals: To participate in the growth of the U.S. economy through the ownership of domestic equity securities.

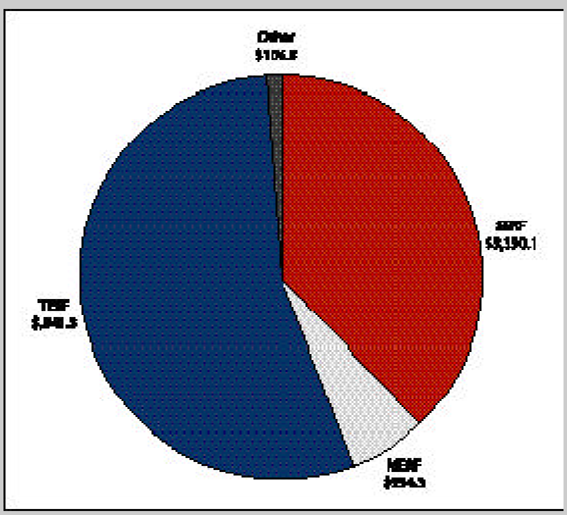
Performance Objective: An annual total return which is one percentage point greater than that of the Russell 3000 after expenses.

Benchmark:	Russell 3000 Index
Date of Inception:	July 1, 1972
Total Net Assets:	$8,852,556,642
Number of Advisors:	10 external
Management Fees:	$19,427,107
Operating Expenses (1):	$766,095
Expense Ratio (1):	0.22 %
Turnover:	56.2 %

(1) Excludes securities lending fees and rebates.

MUTUAL EQUITY FUND

Ownership Analysis at June 30, 2000 ($ in millions)



TERF - Teachers' Retirement Fund
SERF - State Employees Retirement Fund
MERF - Connecticut Municipal Employees' Retirement Fund

Performance Summary

For the fiscal year ended June 30, 2000, the Mutual Equity Fund (MEF) generated a total return of 10.0%, net of fees, outperforming the benchmark Russell 3000 index (9.6%) by 43 basis points. The Fund's superior performance was driven primarily by advantageous stock selection by the managers during the year.

During this same period, MEF's net assets declined from $9.124 billion to approximately $8.853 billion, a decrease of $0.271 billion. Of this net total change, approximately $0.825 billion was added due to net investment income including realized and unrealized capital gains, while $1.096 billion was subtracted due to net cash outflows to participating pension plans and trusts.

While volatility in investment returns is expected in the short-term, the Fund's long-term performance is most important. As the table below illustrates, MEF has generated compounded annual total returns, net of all expenses, of 19.0%, 22.3%, and 16.7% over the last three, five, and ten-year periods, respectively. However, while investment performance has been impressive, the returns under-performed the Russell 3000 for the same time periods by 20, 50, and 87 basis points, respectively.

MUTUAL EQUITY FUND

Periods ending June 30, 2000

	1 YR	3 YRS	5 YRS	10 YRS
Compounded, Annual Total Return (%)				
MEF	10.03	19.04	22.28	16.65
Russell 3000	9.60	19.24	22.78	17.52
Cumulative Total Return (%)				
MEF	10.03	68.66	173.41	366.46
Russell 3000	9.60	69.55	179.00	402.55

The MEF's cumulative total returns for the three, five, and ten year periods ending June 30, 2000, were 68.7%, 173.4%, and 366.5%, respectively.

Description of the Fund

The Mutual Equity Fund (MEF) is an externally managed fund investing in domestic equity securities. It serves as an investment vehicle for the Pension and Trust Funds with the goal of earning prudent returns while participating in the growth of the U.S. economy.

MEF's performance objective is an annual total return, net of management fees and Division operating expenses, which exceeds that of the Russell 3000 Index by 100 basis points per annum. The Russell 3000 Index is a broad stock market index of the securities from the largest 3,000 publicly traded U.S. companies.

At the close of the fiscal year, MEF consisted of 10 externally managed equity portfolios structured to approximate the composition of the Russell 3000 Index. Five advisors actively managed approximately 15% of the portfolio in small to mid-capitalization stocks. Two advisors invested a total of 7% of the portfolio in small to mid-capitalization stocks using an enhanced indexing strategy. Three advisors in large capitalization stocks (of which 53% was invested using enhanced indexing strategies and 25% was invested using a passive strategy) managed the balance of the portfolio, or approximately 78%. At fiscal year end, approximately $7.5 billion, or 86%, of the Fund's net assets were invested in indexed or enhanced index portfolios.

MUTUAL EQUITY FUND INVESTMENT ADVISORS
June 30, 2000

Investment Advisor	Net Asset Value	% of Fund
Large Cap	**$6,849,223,561**	**77.4%**
(Enhanced/Risk Controlled)		
J.P. Morgan Investment Management, Inc.	2,476,874,063	28.0
BGI Barclays Global Investors, N.A.	2,199,400,548	24.8
(Index Passive)		
State Street Global Advisors	2,172,948,950	24.6
Small/Mid Cap	**$1,351,525,119**	**15.3%**
(Active Management)		
Brown Capital Management, Inc.	357,587,492	4.0
ValueQuest Ltd.	237,476,167	2.7
Cowen Asset Management	225,115,171	2.6
Dresdner RCM Global Investors LLC	360,683,506	4.1
Alliance Capital	170,662,783	1.9
Small/Mid Cap	**$ 648,189,749**	**7.3%**
(Enhanced/Risk Controlled)		
The Travelers Investment Management Co.	329,488,679	3.7
AXA Rosenberg Investment Management	318,701,070	3.6
Other (1)	**$ 3,618,213**	**0.0%**

(1) Other represents funds earmarked for distribution to participants, reinvestment, and expenses.

Portfolio Characteristics

At fiscal year-end, MEF was 99.3% invested, primarily in domestic stocks, reflecting the Fund's policy that it be fully invested. The largest industry weighting at June 30, 2000 was technology (33.2%), followed by financials (14.5%) and health care (11.3%).

The MEF's ten largest holdings, aggregating to 21.4% of Fund investments, included a variety of blue chip companies.

Company	Industry	Market Value	%
General Electric	Technology	$309,429,900	3.5
Intel	Technology	280,837,331	3.2
Cisco Systems	Technology	275,238,338	3.1
Microsoft	Technology	249,056,000	2.8
Nortel Networks	Technology	158,770,248	1.8
Wal Mart Stores	Consumer Non-Durables	150,072,788	1.7
Citigroup	Finance	140,677,424	1.6
Oracle	Technology	112,557,502	1.3
Exxon Mobil	Energy	111,964,864	1.3
Sun Microsystems	Technology	110,170,781	1.2
TOTAL		**$1,898,775,175**	**21.4%**

Risk Profile

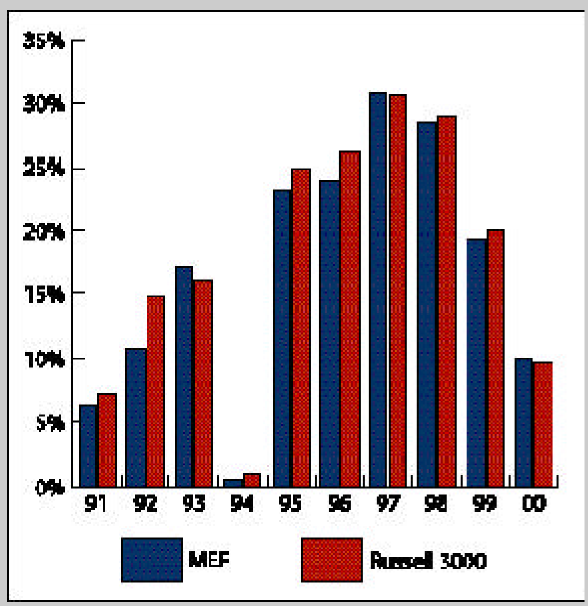
Based on returns over the last five years, the Fund has exhibited a similar degree of risk as that of its benchmark, the Russell 3000 Index. With a realized tracking error of 1.2%, the MEF's returns have almost equal volatility to those of the Index and reflect a strong degree of correlation, 0.99, to those of the Index. However, MEF's annual alpha during the period, or return relative to that achieved by the benchmark, was a negative 0.27.

MUTUAL EQUITY FUND (1)
Risk Profile at June 30, 2000

Relative Volatility	1.00
Standard Deviation	14.83
R^2	0.99
Beta	0.99
Alpha	-0.27

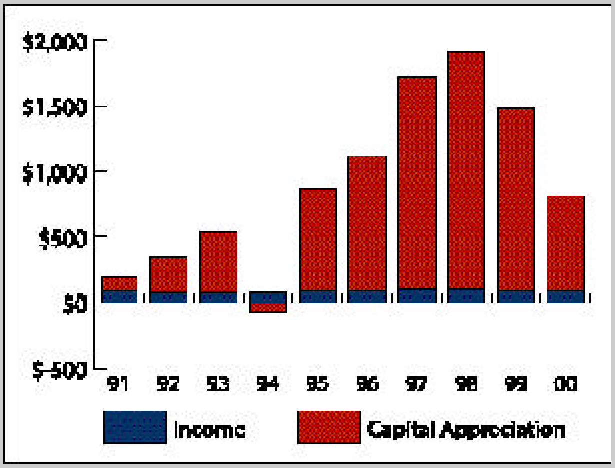
(1) Based upon returns over the last five years.

MUTUAL EQUITY FUND
Annual Total Return



CHARTS PROVIDED FOR ILLUSTRATION OF FINANCIAL INFORMATION.

MUTUAL EQUITY FUND
Components of Total Return ($ in Millions)



MUTUAL EQUITY FUND
Fiscal 2000 Industrial Sector vs. Index (%)
Based on Investments in Securities, at Value [1]

	MEF Percent of Net Assets 6/30/00	Russell 3000 Percent of Net Assets 6/30/00
Banks	6.0	6.9
Business Services	6.5	7.0
Capital Goods	5.8	5.5
Consumer Durables	1.9	2.0
Consumer Non-Durables	5.0	4.6
Consumer Services	4.4	5.5
Energy	5.4	4.2
Financial Services	6.4	6.8
Health Care	9.2	9.6
Multi-Industry	0.1	0.1
Raw Materials	3.8	2.7
Retail	5.2	4.9
Technology	31.2	30.7
Transportation	0.8	0.7
Utilities	8.3	8.8
	100.0	100.0

[1] Excludes the Cash Reserve Account.
[2] Sector Breakdown changed during fiscal 2000 and prior fiscal data not available.

MUTUAL EQUITY FUND
Comprehensive Profile for Fiscal Years Ending June 30,

	2000		1999		1998		1997		1996	
	MEF	Russell	MEF	Russell	MEF	Russell	MEF	Russell	MEF	Russell
Number of Issues	2,325	3,000	2,370	3,000	1,568	3,000	2,397	3,000	1,498	3,000
Cap ($ Bil)	$118.2	$121.3	$85.4	$86.6	$54.0	$56.0	$37.4	$39.5	$25.4	$26.7
P/E	26.8x	30.2x	31.4x	32.9x	28.3x	26.9x	23.2x	22.3x	20.2x	18.4x
Div Yield	1.10%	1.10%	1.20%	1.20%	1.30%	1.30%	1.50%	1.60%	1.89%	2.00%
ROE	19.4%	20.5%	20.2%	20.4%	20.2%	20.6%	19.4%	20.0%	20.2%	18.7%
P/B	9.8x	10.7x	7.5x	7.8x	7.6x	7.9x	5.9x	5.9x	5.00x	3.03x
Cash & Equivalents	0.9%	0.0%	1.1%	0.0%	1.4%	0.0%	2.16%	0.0%	2.1%	0.0%

INTERNATIONAL STOCK FUND

Fund Facts at June 30, 2000

Investment Strategy/Goals: To participate in the growth of the global economy through the ownership of foreign equity securities.

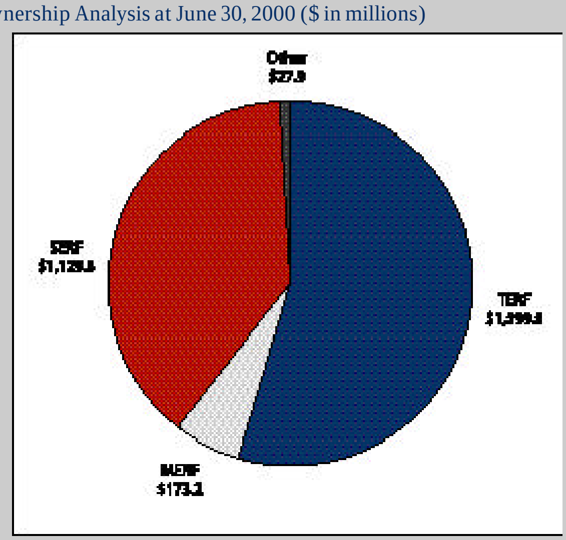
Performance Objective: An annual total return which is one percentage point greater than the MSCI- EAFE index after expenses.

Benchmark: Morgan Stanley Europe Australasia Far East Index (MSCI-EAFE).

Date of Inception:	January 1, 1988
Total Net Assets:	$2,929,966,291
Number of Advisors:	6 external
Management Fees:	$8,736,651
Operating Expenses (1):	$933,072
Expense Ratio (1):	0.36%
Turnover:	61.30%

(1) Excludes securities lending fees and rebates.

INTERNATIONAL STOCK FUND
Ownership Analysis at June 30, 2000 ($ in millions)



TERF - Teachers' Retirement Fund
SERF - State Employees Retirement Fund
MERF - Connecticut Municipal Employees' Retirement Fund

Performance Summary

For the fiscal year ended June 30, 2000, the International Stock Fund (ISF) generated a total return of 20.1%, net of fees, but under-performed the hybrid benchmark index (20.7%) by 54 basis points. The principal reason for the Fund's below-benchmark performance was the relative weakness of several of the program's active managers.

During fiscal year 2000, ISF increased from $2.469 billion to approximately $2.930 billion. This included net investment income of $35 million and realized and unrealized net capital gains of $460 million, which was partially offset by $34 million due to net cash outflows to participating pension plans and trusts.

The Fund has under-performed relative to its benchmark over the last three, five and ten year periods, as illustrated below. For the trailing ten-year period, ISF's compounded annual total return fell short of the hybrid index by 66 basis points, and was behind the Morgan Stanley Capital International Europe, Australasia, Far East Index (MSCI-EAFE) by 33 basis points over the same time period. The three and five-year results lagged those of the index due primarily to the Fund's significant underperformance in 1998.

For an additional perspective on long-term performance, (see below), which shows that ISF's cumulative total return over the three, five and ten-year periods ending June 30, 2000 was 30.2%, 69.6%, and 108.4%, respectively.

INTERNATIONAL STOCK FUND
Periods ending June 30, 2000

	1 YR	3 YRS	5 YRS	10 YRS
Compounded, Annual Total Return (%)				
ISF	20.13	9.20	11.14	7.62
MSCI-EAFE	17.16	10.18	11.32	7.95
Cumulative Total Return (%)				
ISF	20.13	30.21	69.59	108.41
MSCI-EAFE	17.16	33.77	70.99	114.99

Description of the Fund

The International Stock Fund is an externally managed fund which invests in foreign equity securities. It serves as an investment tool for the Pension and Trust Funds, with the goal of participating in the growth of international economies. It is used to reduce short-term volatility in the Pension and Trust Funds returns by providing an additional layer of asset and currency diversification. In environments where the value of the U.S. dollar is declining relative to other currencies, international stocks are expected to enhance total Pension and Trust Funds returns.

Established in 1988, ISF's performance objective was an annual total return, net of management fees and Division operating expenses, which exceeds that of the MSCI EAFE index, a measure of the returns of developed, non-U.S. stock markets, by 100 basis points. During the structure review in fiscal year 2000, the objective was changed to reflect the Fund's strategic exposure to emerging markets, as well as an exposure to stocks of smaller companies in the developed markets. The new objective is for the net of fees return of the Fund to exceed the return of a hybrid index comprising 83% of the MSCI EAFE Extended (50% Hedged) and 17% of the Morgan Stanley Capital International Emerging Market Free Index (MSCI EMF) by 100 basis points.

INTERNATIONAL STOCK FUND INVESTMENT ADVISORS

June 30, 2000

Investment Advisor	Net Asset Value	% of Fund
Portfolio benchmark countries	**$1,767,005,941**	**60.4%**
(Core Management)		
Morgan Stanley Asset Management	726,141,347	24.8
(Active Management)		
Grantham, Mayo, Van Otterloo & Co.	594,587,545	20.3
Smith Barney Capital Management	248,201,259	8.5
(Enhanced Risk Controlled)		
DSI International Management	198,075,790	6.8
European (MSIC-EAFE)	**$ 680,963,252**	**23.2%**
(Index Passive)		
State Street Global Advisors	680,963,252	23.2
Emerging Markets	**$ 468,627,576**	**16.0%**
(Active Management)		
Morgan Stanley Asset Management	293,534,365	10.0
Pictet International Management	175,093,211	6.0
Other (1)	**$ 13,369,522**	**0.4%**

(1)Other represents funds earmarked for distribution to participants, reinvestment, and expenses.

At the end of fiscal year 2000, the Fund had six external advisors, selected on the basis of expected future performance and investment style: One advisor managed both an emerging market and a core portfolio. Based on the Fund's holdings as of June 30, 2000, approximately 60% of the portfolio was managed by four advisors in countries comprising the Fund's benchmark, 16% was actively managed by two advisors within the emerging markets, and 23% was allocated to one advisor for passive management against the European portion of the MSCI EAFE Index.

Near the end of the fiscal year, the Office of the Treasurer issued a Request For Proposal (RFP) for Fund managers, as part of its continuing implementation of the Asset Allocation Plan for the Connecticut Retirement Plans and Trust Funds (CRPTF).

Portfolio Composition

At fiscal year-end, ISF was 97.6% invested in international securities. Japanese equity securities continued to be the largest percentage of Fund assets, at 16.9%. The United Kingdom accounted for 14.8% and German securities, 10.6% of investments. The Fund's allocation to non-EAFE countries, including the emerging markets, stood at 15.2% of investment in securities at the end of fiscal year 2000. These geographic concentrations differed from those comprising the EAFE index, reflecting the Fund's allocation to active management strategies.

INTERNATIONAL STOCK FUND
Comprehensive Profile at June 30, 2000

	ISF	EAFE
Number of Issues	**2,507**	**953**
European Allocation (%)	**57.7**	**67.3**
Pacific Allocation (%)	**22.9**	**32.7**
Other (%)	**19.4**	**0.0**
Annual Total Return (%)	**20.13**	**17.16**

(1) Represents securities for which the Macaulay Duration could not be calculated.
(2) Represents funds invested in the Cash Reserve Account.

The ISF was well diversified at year-end, holding more than 2,507 securities in the portfolio. The ISF's ten largest holdings, not including cash, included a variety of companies located throughout Europe and the Far East. The Fund's largest investment, comprising 1.5% of investment securities, was Deutsche Telekom of Germany.

In the aggregate, these ten holdings accounted for 10.0% of the Fund's investments at June 30, 2000.

Company	Country	Net Asset Value	% of Fund
Deutsche Telekom NPV(REGD)	Germany	$ 43,357,515	1.5
Vodafone Airtouch Ord USDO.10	United Kingdom	42,703,702	1.5
Total Fina ELF Eur10	France	32,116,921	1.1
Telefonica CA EUR 1	Spain	31,403,008	1.1
Nokia AB OY Euro 0.06	Japan	31,069,042	1.1
Telecom Italia SPA ITL 1000	Italy	23,256,718	0.8
BP Amoco Ord USDO.25	United Kingdom	22,614,333	0.8
Aventis SA EUR 3.82	France	22,194,904	0.7
Samsung Electronics KRW 5000	Korea	21,939,350	0.7
Canon Inc. JPY50	Japan	21,908,195	0.7
TOTAL		**$ 292,563,686**	**10.0%**

INTERNATIONAL STOCK FUND
Diversification by Benchmark Country with Return (%) at June 30, 2000 (1)

	ISF			EAFE INDEX		
	% of Net Assets 6/30/99	% of Net Assets 6/30/00	Total Return	% of Net Assets 6/30/99	% of Net Assets 6/30/00	Total Return
Japan	15.8	16.9	30.9	24.0	26.8	26.6
United Kingdom	12.9	14.8	5.9	22.1	19.5	-3.3
Germany	10.5	10.6	11.7	9.8	8.6	16.0
France	9.2	8.8	35.5	9.7	11.4	35.5
Italy	6.5	5.9	25.8	4.4	4.4	19.2
Switzerland	3.7	3.0	18.6	6.8	5.8	6.3
Netherlands	3.4	3.2	12.1	5.7	5.4	15.7
Spain	3.3	3.4	9.1	3.0	2.7	5.1
Hong Kong	2.4	3.0	20.8	2.5	2.1	5.5
Sweden	1.8	2.2	28.7	2.3	3.3	64.9
Australia	1.7	1.7	2.5	2.9	2.7	3.1
Finland	1.6	1.3	73.5	1.9	3.1	101.1
Belgium	1.2	1.1	-8.5	1.3	0.8	-10.7
Singapore	1.1	0.8	0.6	1.0	1.0	-3.9
Denmark	0.9	0.5	20.6	0.8	0.8	27.3
Ireland	0.8	0.5	-19.4	0.4	0.4	-19.0
Norway	0.8	1.3	13.2	0.4	0.4	17.6
Malaysia	0.7	0.9	17.2	0.0	0.0	26.4
Austria	0.5	0.6	-13.2	0.3	0.2	-12.8
New Zealand	0.5	0.5	-11.1	0.2	0.1	-12.2
Portugal	0.5	0.5	9.5	0.5	0.5	9.0
Other	20.2	18.5		0.0	0.0	
Total	100.0	100.0		100.0	100.0	

(1) Includes Cash Reserve Account and cash equivalents at each country level.

Risk Profile

Given ISF's investment policies and objectives, the Fund is exposed to several forms of risk. These include, but are not limited to, political and economic risk, currency exchange risk, market risk, and individual company risk. Effective February 1, 1998, the three developed market managers were given 100% hedged benchmarks, and the benchmark for the three core managers was changed to a 100% hedged benchmark from an unhedged benchmark. This was the result of an analysis which determined that although the historical long-term effects of currency returns sum to zero, the short-term effects could be dramatic given the market volatility. As part of the implementation of the current Asset Allocation Plan, it was decided that the most efficient and cost effective method of mitigating this short-term volatility was to change the benchmark to a completely hedged one.

INTERNATIONAL STOCK FUND (1)
Risk Profile at June 30, 2000

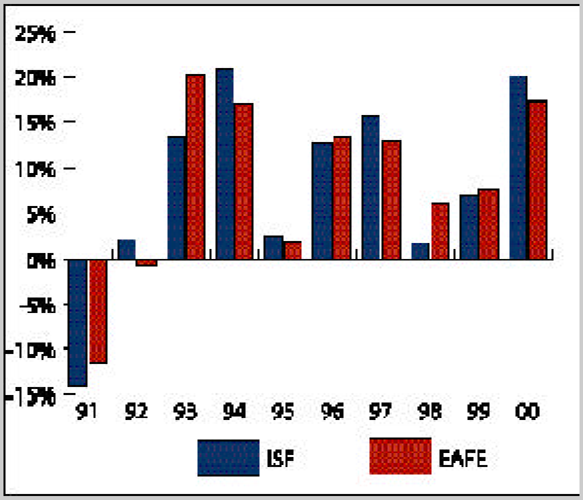
Relative Volatility	1.05
Standard Deviation	15.10
R^2	0.83
Beta	0.96
Alpha	0.27

(1) Based upon returns over the last five years.

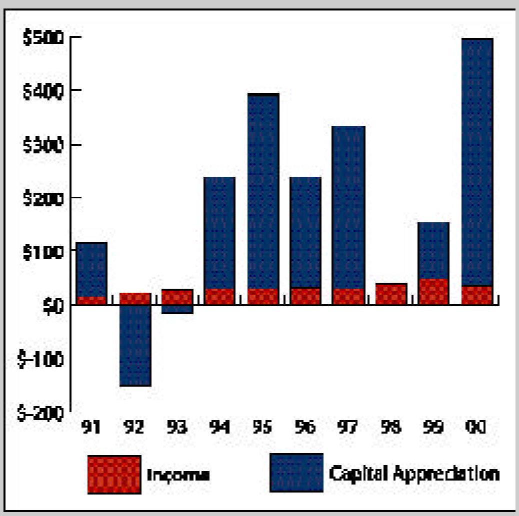
The Treasurer determined that 100% hedging may reduce some of the potential short-term benefits of currency movements as well as increase the risk of the international investments, and that a 50% hedge ratio would provide the greatest reduction in portfolio risk over time. It has also been decided to implement the currency hedging strategy by hiring a dedicated currency overlay manager, who would ensure that the Fund's foreign currency exposure is always 50% hedged. The outstanding RFP includes this currency mandate, and once all of the new managers are in place, hedging will not be part of any of the equity managers' mandates.

Based on returns over the last five years, the Fund's risk profile is similar to that of the MSCI-EAFE index. The Fund's active risk relative to its benchmark over the five-year period ending June 30, 2000 has been 1.05%, while its high R^2 of 0.83 demonstrates a relatively strong overall correlation. In the aggregate, ISF's annual alpha over the five-year period, or return in excess of that predicted by the benchmark, was 0.27.

INTERNATIONAL STOCK FUND
Annual Total Return



INTERNATIONAL STOCK FUND
Components of Total Return ($ in Millions)



REAL ESTATE FUND

Fund Facts at June 30, 2000

Investment Strategy/Goals: To hedge against inflation, reduce volatility of returns, and provide a long-term rate of return similar to equity investments by investing in equity commercial real estate.

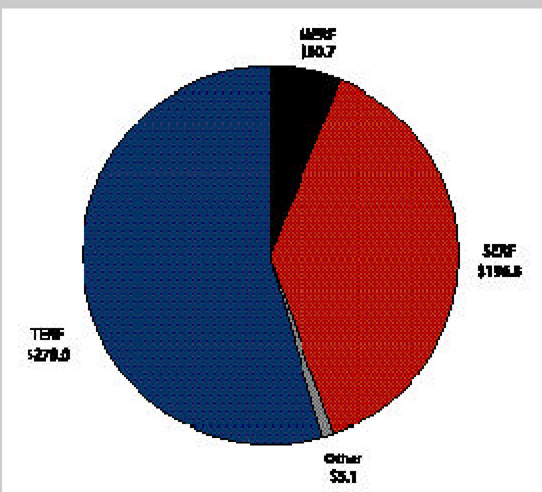
Performance Objective: An annual total return which is one percentage point greater than the index.

Benchmark: National Council of Real Estate Investment Fiduciaries Index (NCREIF) 1 quarter lag.

Date of Inception:	July 1, 1982
Total Net Assets:	$510,123,003
Number of Advisors:	7 external
Management Fees [1]:	$3,741,055
Operating Expenses:	$116,227
Expense Ratio:	0.17 %

(1) See Note 1 to the Financial Statements for a discussion of similar fees incurred at the investment level.

REAL ESTATE FUND
Ownership Analysis at June 30, 2000 ($ in millions)



TERF - Teachers' Retirement Fund
SERF - State Employees Retirement Fund
MERF - Connecticut Municipal Employees' Retirement Fund

Performance Summary

For the fiscal year ended June 30, 2000, the Real Estate Fund (REF) generated a total return of 9.2%, but fell short of the National Council of Real Estate Investment Fiduciaries Index (NCREIF), (11.1%), by 192 basis points. This underperformance is primarily attributable to the "J curve" effect of the four opportunity fund investments. Such funds were recently invested in and are at a point where significant investment returns are just beginning to be evident. These returns are not yet enough to overcome the negative impact of fees and other investment expenses incurred to date.

During the fiscal year, the value of REF's portfolio grew from $428 million to $510 million, an increase of $82 million. The increase was primarily due to net funds generated by operations in the amount of $42 million and the net funding of commitments to existing investment funds totaling $72 million. These were offset by the net distributions to participating pension plans of $32 million.

For the trailing three, five, and ten-year periods, REF's compounded annual total return was 14.7%, 11.0%, and 1.8%, respectively, net of all expenses. For the three-year period, the REF return exceeded the NCREIF index by 86 basis points. The REF returns significantly under performed the benchmark in each of the other corresponding time periods. Principal reasons for this underperformance include adverse asset selection and asset sales in a weak domestic real estate market in the early and mid 1990's. Management fees, operating expenses and significant write-downs taken in the mid 1990's have also contributed to the Fund's below-benchmark performance.

REAL ESTATE FUND
Periods ending June 30, 2000

	1 YR	3 YRS	5 YRS	10 YRS
Compounded, Annual Total Return (%)				
REF	9.18	14.68	10.98	1.77
NCREIF Property	11.10	13.82	11.88	5.82
Cumulative Total Return (%)				
REF	9.18	50.83	68.33	19.15
NCREIF Property	11.10	47.45	75.29	76.04

Description of the Fund

The Real Estate Fund is an externally managed fund which invests in real estate properties and mortgages. It serves as a long-term investment tool for the pension funds and is designed to dampen volatility of overall returns through diversification and to provide long-term rates of return similar to the Mutual Equity Fund. Over the short-term, REF is expected to provide a real rate of return above the rate of inflation during most economic conditions. In periods of rising inflation, REF is expected to add substantially to the performance of the pension funds.

REF's performance objective is an annual total return, net of management fees and operating expenses, which exceeds that of the NCREIF index by 100 basis points, or one percentage point, per annum.

REAL ESTATE FUND INVESTMENT ADVISORS
June 30, 2000

Investment Advisor	Net Asset Value	% of Fund
AEW Capital Management, LP	201,312,626	39.5
Apollo Real Estate	85,823,060	16.8
Walton Street Real Estate Fund II, LP	69,677,100	13.7
Westport Senior Living	46,291,546	9.1
Tishman	45,789,637	9.0
Wachovia Bank of Georgia, N.A.	15,477,072	3.0
TimeSquare Realty Investors	14,595,292	2.9
Other (1)	31,156,670	6.0

(1) Other represents funds earmarked for distribution to participants, reinvestment, and expenses.

Portfolio Activity

The Connecticut Pension and Trust Fund (CRPTF) continues to maintain an investment strategy, which focuses on investing with strong real estate operators who offer significant co-investment opportunities. In addition, staff has overseen the successful disposition of many of the portfolio assets as REF continues the transition from older single-asset real estate investments.

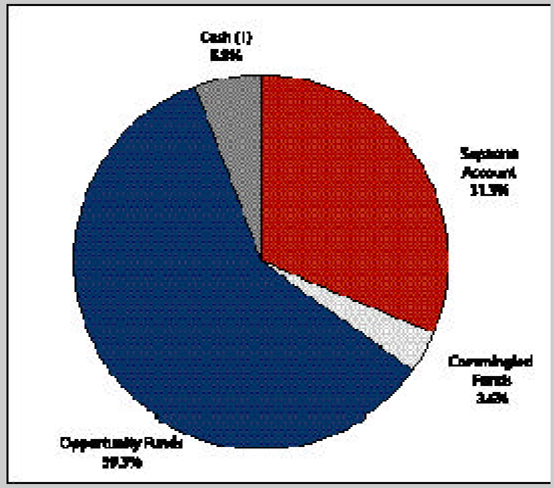
REAL ESTATE FUND
Investment Analysis (1)

At	No. of REF Investments	REF Book Value	REF Market Value
6/30/00	11	434,881,420	478,966,334
6/30/99	14	395,221,763	380,769,286
6/30/98	20	407,989,996	379,124,673
6/30/97	24	540,133,490	475,213,540
6/30/96	41	1,111,459,897	924,414,185
6/30/95	51	1,185,277,530	1,055,418,296
6/30/94	46	1,362,061,563	1,031,355,740
6/30/93	46	1,325,161,790	993,261,272

(1) Number of investments in annuities, partnerships, corporations, and trusts, excluding the Cash Reserve Account.

During the fiscal year, the REF pursued new real estate investment opportunities by funding existing commitments to commingled funds. The major focus of these funds is opportunistic investing with private operators and owners. During the fiscal year, REF funded $97 million associated with four commitments to such funds, totaling $350 million, leaving an unfunded balance of $70 million. The Fund achieved asset reductions through the sales of separate account real estate investments. Two such positions were sold for net sales proceeds of approximately $60 million. Another investment, a commingled fund, made its final disposition of funds. REF continues to position the remaining single-asset investments for sale. The focus during this process is on maximizing returns.

REAL ESTATE FUND
Distribution by Investment Type at June 30, 2000
Based on Investments in Securities, at Fair Value



(1) Cash Reserve Account.

The portfolio has benefited from both healthy real estate markets and consistently strong investor interest in this asset class. Market value increases were recognized on many investments.

During the reporting period, real estate property market conditions paralleled the favorable conditions in the overall economy, with moderate new construction and solid demand growth across most markets. Risk relative to the overall health of the property markets still appears to lie more on the demand side than on the supply side.

Looking ahead, demand appears to be moderating. In fact, new supply is starting to outpace demand in most sectors. Accordingly, it appears vacancies will rise. The extent to which this trend impacts property values is dependent on the economy's reaction to a new and somewhat unsettled financial environment. Interest rates and fuel prices are up and the labor market is tight. These circumstances could adversely impact continued economic growth. Significant negative impacts to the economy as a result of these factors would prove detrimental to returns.

Portfolio Characteristics

Real estate investment is a complex and intensive asset management process. REF's investments are restricted by policy to the purchase of shares in group annuities, limited partnerships, group trusts, corporations, and other indirect ownership structures managed by professional commercial real estate investment firms. At June 30, 2000, the portfolio consisted of 11 externally managed portfolios, with 22% of the Fund's net assets invested in real estate separate accounts, 13% invested in commingled funds, 59% invested in opportunity funds and 6% invested in cash and other net assets.

The Funds ten largest holdings, aggregating 93.6% of REF investments, include:

Property Name	Location	Property Type	$	%
AEW Partners III	Various	Various	$100,784,007	19.8
Apollo RE Fund III	Various	Various	85,823,060	16.8
Walton St. RE II LP	Various	Various	69,677,100	13.7
Connecticut Storage Fund	Various	Storage Facilities	48,750,000	9.5
Westport Senior Living	Various	Senior Living	46,291,546	9.1
Goodwin Square	Hartford, CT	Mixed Use	45,789,637	9.0
Union Station	Washington, DC	Mixed Use	33,653,322	6.6
AEW 221 Trust	Various	Various	18,125,297	3.5
Worcester Center	Worcester, MA	Mixed Use	14,595,292	2.9
Wachovia Timber Fund	Various	Timber	13,887,577	2.7
TOTAL			**$477,376,838**	**93.6%**

As currently structured, office properties constitute the single largest component of REF's portfolio at 22% with industrial 18%, retail 11%, apartments 14%, and hotel 16% comprising 81% of the Fund. The "other" category, 19% of net assets, includes mixed-use, land, timberland and storage facilities.

REAL ESTATE FUND
Diversification by Property Type vs. Index at June 30, 2000
Based on Investments in Securities, at Fair Value

	REF	NCREIF	Variance
Apartment	13.7%	17.8%	-4.1%
Industrial	17.5	16.4	1.1
Office	22.0	41.2	-19.2
Retail	11.4	23.2	-11.8
Hotel	16.2	1.4	14.9
Cash and Other Assets(1)	19.2	0.0	19.2
	100.0%	100.0%	

(1) Other includes mixed use, land, timberland, public storage, and cash an d other assets.

The portfolio is reasonably well diversified geographically with 34% of its assets invested in the East, 17% in the West, 16% in the South, and 12% in the Midwest. The remaining 21% comprise "other" and include investments distributed nationally across the U.S. (7%), and internationally (8%), while cash and other net assets account for the remainder (6%).

REAL ESTATE FUND
Distribution by Geographic Location at June 30, 2000
Based on Investments in Securities, at Fair Value

	REF	NCREIF	Variance
Northeast	26.0%	14.4%	11.6%
Mideast	11.3%	12.8%	-1.5%
East North Central	4.5%	12.4%	-7.9%
West North Central	0.9%	4.2%	-3.3%
Southeast	14.5%	12.5%	2.0%
Southwest	6.9%	10.4%	-3.5%
Pacific	13.9%	25.2%	-11.3%
Mountain	1.2%	8.1%	-6.9%
Other Assets(1)	14.7%	0.0%	14.7%
Cash (2)	6.1%	0.0%	6.1%
	100.0%	100.0%	

(1) Includes properties held in a commingled fund and other properties located in various U.S. and non-U.S. geographic locations.
(2) Cash Reserve Account.

Risk Profile

Given REF's investment policy and objectives, the Fund is exposed to several forms of risk. These include risks attendant to alternative investments, such as management, operations, market, and liquidity risk, but also include geographic, financing, and construction risks specific to real estate investments.

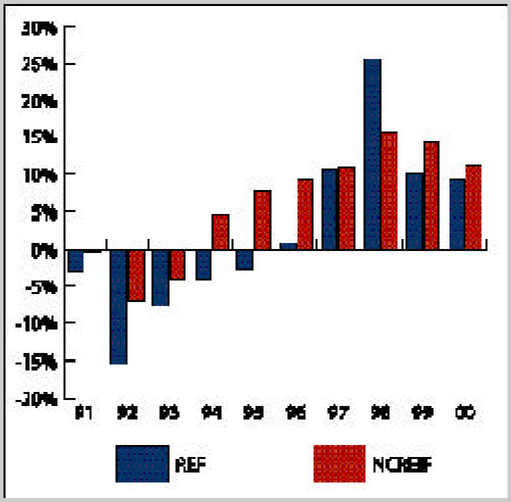
As shown below, based on returns over the last five years, the Fund has exhibited substantially more volatility than its benchmark. The Fund's statistics are consistent with its extraordinarily low $R^{(2)}$ of 0.03 which signifies almost no correlation between Fund returns and those of the benchmark, and its beta of –0.27, which indicates little sensitivity to overall fluctuations in the benchmark. In the aggregate, the Fund's monthly alpha, or return relative to that achieved by the benchmark, was a –0.34 over the five-year time period.

REAL ESTATE FUND (1)
Risk Profile at June 30, 2000

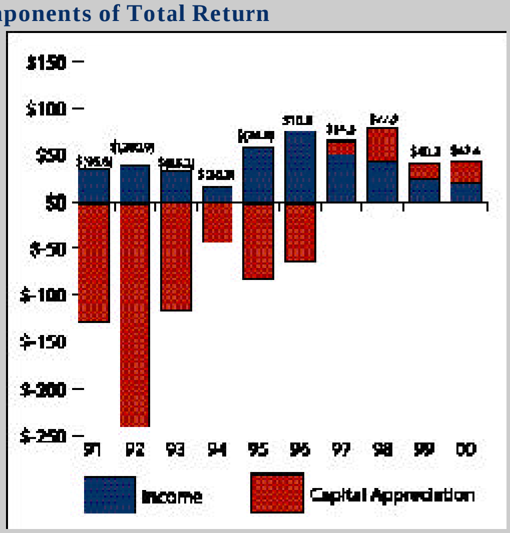
Relative Volatility	1.48
Standard Deviation	7.38
R^2	0.03
Beta	-0.27
Alpha	-0.34

(1) Based upon returns over the last five years.

REAL ESTATE FUND
Annual Total Return



REAL ESTATE FUND
Components of Total Return



MUTUAL FIXED INCOME FUND

Fund Facts at June 30, 2000

Investment Strategy/Goals: To provide diversification in different economic environments.

Performance Objective: An annual total return which is 0.5 percentage points greater than that of the index.

Benchmark: Lehman Brothers Aggregate Index (LB Aggregate)

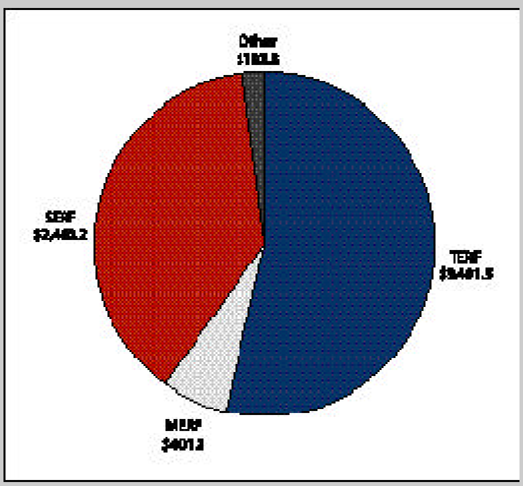
Date of Inception:	July 1, 1972
Total Net Assets:	$6,496,139,181
Number of Advisors:	11 external
Management Fees [(1)]:	$9,469,542
Operating Expenses:	$478,314
Expense Ratio [(2)]:	0.16 %
Turnover:	315.90 %

(1) See note 1 to the Financial Statement for a discussion of similar fees incurred at the investment level.

(2) Excludes securities lending fees and rebates.

MUTUAL FIXED INCOME FUND

Ownership Analysis at June 30, 2000 ($ in millions)



TERF - Teachers' Retirement Fund
SERF - State Employees Retirement Fund
MERF - Connecticut Municipal Employees' Retirement Fund

Performance Summary

For the fiscal year ended June 30, 2000, the Mutual Fixed Income Fund (MFIF) generated a total return of 5.8%, slightly better than the hybrid benchmark, (5.5%), and the Lehman Brothers Aggregate Index, (4.6%) (LB Aggregate).

Principal reasons for the Fund's favorable returns are the strength of the high yield managers in the Fund (despite a decline in the overall high yield market), as well as an allocation to convertibles, which posted strong gains over the year.

Comparative returns from other indexes include: The Salomon High Yield Market Index (–1.4%), LB Aggregate (1.9%), and JP Morgan Emerging Markets Bond Index+ (23.2%) (JP EMBI+).

During the fiscal year, the Fund increased from $6.169 billion to $6.496 billion. Of this total, approximately $430 million resulted from net investment income, partially offset by $77 million from realized and unrealized losses, and $26 million due to net cash outflows to participating Pension and Trust Funds.

For the trailing three, five and ten-year periods, MFIF's compounded annual total return was 6.3%, 7.1% and 9.0%, respectively, net of all expenses. These returns exceeded those of the Fund's benchmark for the five and ten year periods, but were slightly behind the index for the three-year period. Principal reasons for this long-term success included effective management of the Fund's duration in response to changing market interest rates and strong security analysis, which enabled advisors to identify undervalued credits offering comparatively higher yields.

The cumulative total returns for the three, five, and ten-year periods ending June 30, 2000, were 20.0%, 40.6% and 135.8% respectively.

MUTUAL FIXED INCOME FUND

Periods ending June 30, 2000

	1 YR	3 YRS	5 YRS	10 YRS
Compounded, Annual Total Return (%)				
MFIF	5.77	6.26	7.06	8.96
LB Aggregate	4.56	6.03	6.25	7.82
Cumulative Total Return (%)				
MFIF	5.77	19.98	40.64	135.82
LB Aggregate	4.56	19.21	35.39	112.22

Description of the Fund

The Mutual Fixed Income Fund is an externally managed fund investing primarily in domestic fixed income securities. The Fund serves as an investment tool for the Pension and Trust Funds with the goal of reducing volatility in returns under various economic scenarios. Fixed income securities represent fixed, variable, and zero coupon bonds issued by the federal and state governments, foreign governments, domestic and international corporations, and municipalities. During periods of low inflation, fixed income investments may enhance the overall performance of the Pension and Trust Funds, while in times of moderate inflation and high nominal interest rates, these investments may contribute satisfactory investment returns.

As a consequence of the restructuring of the liquid portfolios in fiscal year 1996, including the termination of the International Bond Fund, MFIF's mandate was expanded to include investments in international fixed income securities. Investments in these types of securities are permitted when, in the opinion of the Fund's advisors, there is opportunity to increase return with no, or nominal, increase in relative risk. MFIF's mandate was also expanded to include both convertible and high-yield bonds. Convertible bonds allow bondholders to exchange a company's bond for a specified number of shares of common stock in the company, giving holders of the bonds an option to share in the price appreciation of the company's stock.

At June 30, 2000, eleven advisors managed investments in the Fund.

MUTUAL FIXED INCOME FUND INVESTMENT ADVISORS
June 30, 2000

Investment Advisor	Net Asset Value	% of Fund
Core	**$5,039,188,557**	**77.6%**
(Active Management)		
BlackRock Financial Management, Inc.	1,039,954,165	16.0
Western Asset Management Co.	734,031,906	11.3
Wellington	703,638,814	10.8
J.P. Morgan Investment Management Inc.	618,938,006	9.5
Phoenix	296,411,626	4.6
Mitchell Hutchins	290,455,613	4.5
(Index Passive)		
State Street Global Advisors	1,355,758,427	20.9
High Yield	**$1,079,289,028**	**16.6%**
(Active Management)		
Loomis Sayles & Co., Inc.	355,534,523	5.5
W.R. Huff Asset Management	289,967,580	4.4
Oaktree Capital Management, L.L.C.	234,566,525	3.6
Triumph II LP	199,220,400	3.1
Convertibles	**$ 349,224,546**	**5.4%**
(Active Management)		
Oaktree Capital Management, L.L.C.	349,224,546	5.4
Other (1)	**$ 28,437,050**	**0.4%**

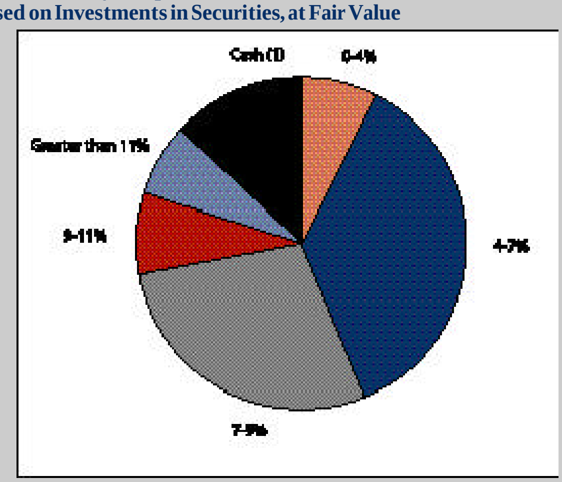
(1) Other represents funds earmarked for distribution to participants, reinvestment, and expenses.

The Fund's investments were allocated to seven advisors investing 78% of the portfolio in core/core-plus strategies, one advisor with 5% in a convertible bond mandate, and four advisors actively investing 17% of the portfolio in domestic high yield products. A few managers were allowed to expand their investment opportunity set to include below investment grade bonds and/or international bonds, these mandates have been classified as core-plus strategies. One of the Fund's emerging debt mangers was terminated near the end of fiscal year 1999, although their holdings had not been liquidated as of June 30, 2000, and still accounted for over 3% of the portfolio at the end of the fiscal year. (Note that one advisor manages both a convertible and high yield portfolio.)

Since inception, the MFIF's objective was an annual return, net of management fees and operating expenses, of 50 basis points in excess of the LB Aggregate, which is widely considered to be parallel to the performance of the U.S. bond market.

During fiscal year 2000, the performance measurement benchmark for the MFIF was changed to reflect the Fund's strategic allocation to other fixed income markets, such as high yield securities and emerging market debt. The new benchmark is a hybrid comprising 73% LB Aggregate, 17% Salomon High Yield Market Index, and 10% JP EMBI+, and the Fund's goal is to exceed the return of the hybrid index by 50 basis points annually.

MUTUAL FIXED INCOME FUND
Distribution by Coupon at June 30, 2000
Based on Investments in Securities, at Fair Value



(1) Represents securities for which the Macaulay Duration could not be calculated by the Custodian..

MUTUAL FIXED INCOME FUND
Maccaulay Duration Distribution at June 30, 2000
Based on Investment in Securities, at Fair Value

0-3 Years	13.8
3-5 Years	29.4
5-7 Years	22.9
7-10 Years	7.0
10+ Years	10.5
Unknown (1)	3.4
Cash (2)	13.0
Total	100.0

(1) Represents securities for which the Macaulay Duration could not be calculated.
(2) Represents funds invested in the Cash Reserve Account.

Portfolio Characteristics

MFIF continues to be well diversified across the spectrum of available fixed income securities. The Fund maintained a strong concentration in corporate securities, comprising approximately 27.3% of the Fund's investment securities at fiscal year-end. Government securities were slightly above the benchmark at 42.3% of the Fund, compared to 41.2% for the benchmark. Sector concentrations differed from those comprising the LB Aggregate, reflecting the collective allocations of the Fund's active investment advisors. The Fund's average quality rating was A-1, as judged by Moody's Investor Services, supported by its 50.1% concentration in mortgage-backed U.S. Treasury and Agency securities. Relative to the Index, MFIF held a greater degree of below investment grade securities including emerging market debt.

MUTUAL FIXED INCOME FUND
Distribution by Sector at June 30, 2000
Based on Investments in Securities, at Fair Value

	MFIF	LB Aggregate	Variance
Treasury	16.3%	33.3%	-17.0%
Agency	26.0%	7.9%	18.1%
Corporate	27.3%	17.4%	9.9%
Mortgage-Backed	7.8%	34.2%	-26.4%
Asset-Backed	2.3%	1.4%	0.9%
Other[1]	20.3%	5.8%	14.5%

(1) Other category includes non fixed-income securities such as common and preferred stock and convertible securities, cash and other assets.

At fiscal year end, 87% of Fund investments were in fixed income securities with the balance held in cash.

Risk Profile

Given MFIF's investment policies and objectives, the Fund is exposed to several forms of risk. These include, but are not limited to, purchasing power risk, default risk, reinvestment risk, and market risk. In addition, the Fund is occasionally exposed to political and economic risk and currency risk resulting from investments in international fixed income securities.

MUTUAL FIXED INCOME FUND (1)
Risk Profile at June 30, 2000

Relative Volatility	1.09
Standard Deviation	3.67
R^2	0.60
Beta	0.86
Alpha	0.98

(1) Based upon returns over the last five years.

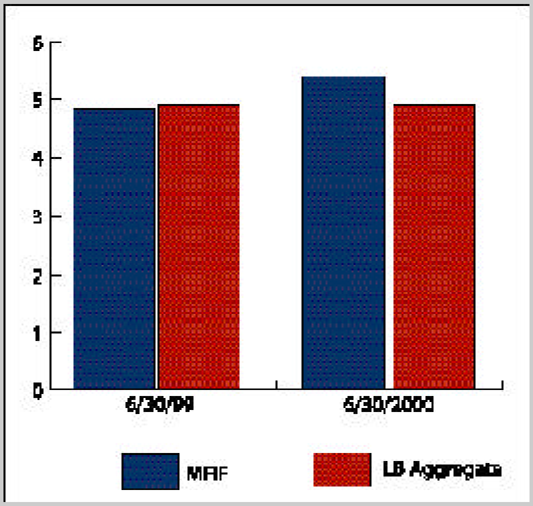
In fixed income investing, returns are extremely sensitive to changes in market interest rates. As such, the longer the time to maturity of a fixed income investment (and the resultant increase in time during which interest rates may change), the greater the level of risk assumed. To measure the degree of MFIF's price sensitivity to changes in market interest rates, the Fund's duration, or the weighted average time period over which cash flows are received by the investor, is monitored. At June 30, 2000, the Fund's duration was at 5.4 years versus 4.9 years for the hybrid index. While often viewed as an indicator of risk, duration can, if managed effectively, contribute significantly to total Fund returns.

The Fund's ten largest holdings, not including cash, included the following:

Security Name	Coupon	Maturity	Security Type	Net Asset Value	% of Fund
Triumph Connecticut II LLP	NA	NA	NA	$ 199,220,400	2.7
FNMA TBA Jul 30 Single	FAM 6.5%	10/1/2030	U.S. Govt.Agency	128,680,366	1.8
FNMA TBA Jul 30 Single	FAM 7.5%	10/1/2030	U.S. Govt. Agency	102,343,680	1.4
FHLMC TBA Jul 30 Gold	Single 6.5%	10/1/2030	U.S. Govt. Agency	95,340,987	1.3
FNMA TBA Jul 30 Single	FAM 7.0%	10/1/2030	U.S. Govt. Agency	74,148,096	1.0
U. S. Treasury Bonds	FAM 3.625%	4/15/2028	U.S. Govt. Agency	67,612,318	0.9
U.S. Treasury Bonds	12.00%	8/15/2013	U.S. Govt. Treasury	62,647,424	0.9
FHLMC TBA Jul 30 Gold	Single 7.5%	10/1/2030	U.S. Govt. Agency	58,823,148	0.8
FNMA TBA Jul 15 Single	FAM 6.5%	10/1/2030	U.S. Govt. Agency	56,561,526	0.8
FNMA TBA Jul 30 Single	FAM 8.0%	10/1/2030	U.S. Govt. Agency	56,070,624	0.8
TOTAL				**$ 901,448,569**	**12.4%**

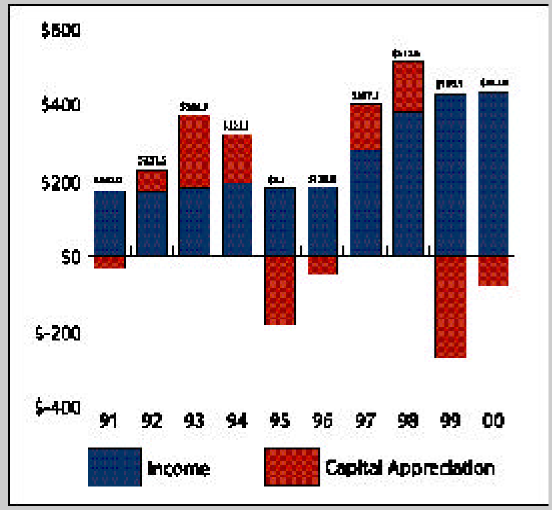
CHARTS PROVIDED FOR ILLUSTRATION OF FINANCIAL INFORMATION.

MUTUAL FIXED INCOME FUND
Modified Duration vs. Index [1] (in Years)

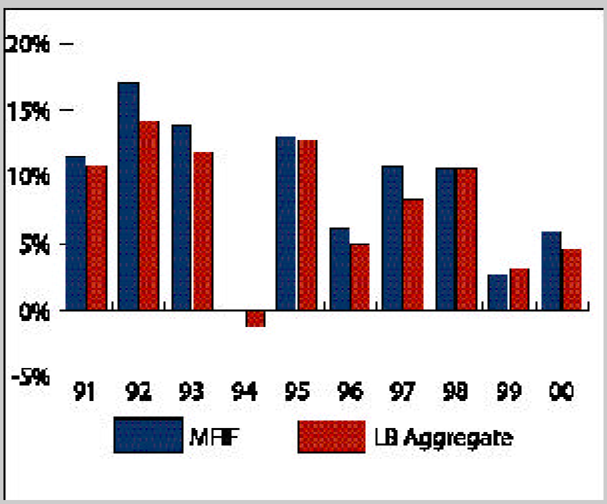


[1] *Computed without the effect of Cash and other Net Assets.*

MUTUAL FIXED INCOME FUND
Components of Total Return ($ in Millions)



MUTUAL FIXED INCOME FUND
Annual Total Return



MUTUAL FIXED INCOME FUND
Quarterly Current Yield [1] vs. Indices (%)

	6/30/00	3/31/00	12/31/99	9/30/99	6/30/99
MFIF	**6.41**	**6.54**	**6.51**	**6.57**	**6.02**
LB Aggregate	6.68	6.55	6.49	6.48	6.68
Salomon 3 Month T-Bill	4.64	4.67	4.52	4.89	4.64
Lehman Treasury	6.35	6.23	6.09	6.07	6.35
Lehman Agency	5.96	5.93	5.92	5.93	5.96
Lehman Mortgage	6.91	6.83	6.89	6.93	6.91
Lehman Corporate	7.15	6.96	6.82	6.82	7.15
Lehman Asset Backed	6.21	6.16	6.25	6.06	6.21

[1] *Current Yield represents annual coupon interest divided by the market value of securities.*

MUTUAL FIXED INCOME FUND
Comprehensive Profile for Fiscal Years Ending June 30,

	2000		1999		1998		1997		1996	
	MFIF	LB Agg	MFIF	LB Agg	MFIF	LB Agg	MFIF	LB Agg	MFIF	LB Agg
Number of Issues	3,226	5,974	2,689	5,381	2,086	6,860	1,631	6,055	1,365	5,492
Average Coupon	7.00%	7.00%	6.60%	6.90%	7.00%	7.20%	7.18%	7.34%	7.20%	7.23%
Yield Maturity	8.20%	7.20%	7.60%	6.50%	6.80%	6.10%	7.50%	6.87%	7.80%	NA
Average Maturity	9.70	8.50	10.30	8.90	9.70	7.90	8.40	8.09	8.60	8.76
Modified Duration [2]	5.40	4.90	6.20	5.10	5.70	4.60	5.06	4.62	5.30	4.76
Average Quality	AA-3	AAA	A1	AAA	A1	AAA	A1	AA1	AA1	AAA
Cash [1]	13.0%	0.0%	13.1%	0.0%	10.1%	0.0%	12.9%	0.0%	7.70%	0.0%

[1] *Includes funds invested in the Cash Reserve Fund.*
[2] *Compounded without the effect of Cash and Other Net Assets.*

COMMERCIAL MORTGAGE FUND
Fund Facts at June 30, 2000

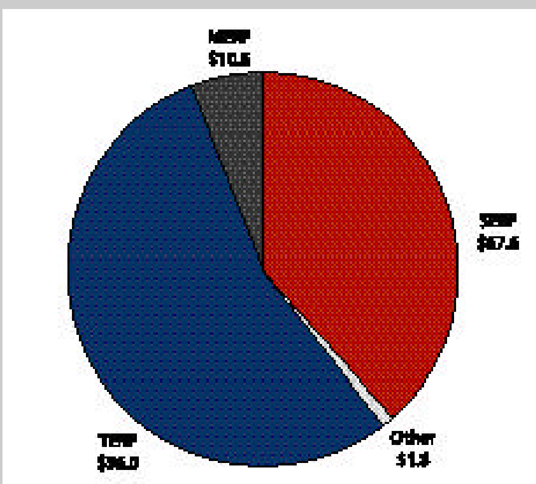
Investment Strategy/Goals: To achieve yields in excess of those available on domestic fixed income securities by investing in mortgages on income producing property or in commercial mortgage backed securities (CMBS).

Performance Objective: An annual total return which is one percentage point greater than that of the LB Aggregate after expenses.

Benchmark: Lehman Brothers Aggregate Index.

Date of Inception:	November 2, 1987
Total Net Assets:	$176,059,423
Number of Advisors:	1 external
Management Fees:	$763,333
Operating Expenses:	$50,325
Expense Ratio:	0.39 %

COMMERCIAL MORTGAGE FUND
Ownership Analysis at June 30, 2000 ($ in millions)



TERF - Teachers' Retirement Fund
SERF - State Employees Retirement Fund
MERF - Connecticut Municipal Employees' Retirement Fund

Performance Summary

For the fiscal year ended June 30, 2000, the Commercial Mortgage Fund (CMF) generated a total return of 8.3%, net of management fees and operating expenses, outperforming the Lehman Brothers Aggregate Index (4.6%) by 370 basis points.

The Fund's favorable performance is attributable to the receipt of prepayment penalties, high weighted-average coupon, current yield advantages relative to the benchmark and shorter duration than the benchmark in a rising interest rate environment.

COMMERCIAL MORTGAGE FUND
Quarterly Current (1) Yield Analysis

	CMF	LB Agg
6/30/00	9.48%	6.68%
3/31/00	10.43	6.55
12/31/99	10.51	6.49
9/30/99	11.00	6.48
6/30/99	7.25	6.68

(1) Current yield represents annual coupon interest divided by the market value of securities.

During the fiscal year, CMF declined from $237 million to $176 million, a decrease of approximately $61 million. The majority of this decrease was due to $56 million of net cash outflows to the participating pension plans resulting from prepayments and normal loan amortization and $20 million relating to income distributions to these participants. These outflows were partially offset by a $15 million increase in net assets from operations.

For the trailing three, five, and ten-year periods, CMF's compounded annual portfolio total return was 10.6%, 9.6% and 8.7%, net of all expenses and exceeded the index over the three, five, and ten-year periods by 455 basis points, 334 basis points and 90 basis points, respectively.

COMMERCIAL MORTGAGE FUND
Periods ending June 30, 2000

	1 YR	3 YRS	5 YRS	10 YRS
Compounded, Annual Total Return (%)				
CMF	8.26	10.58	9.59	8.72
LB Aggregate	4.56	6.03	6.25	7.82
Cumulative Total Return (%)				
CMF	8.26	35.21	58.06	130.81
LB Aggregate	4.56	19.21	35.39	112.22

Description of the Fund

The Commercial Mortgage Fund is an externally managed fund which invests in mortgages on income-producing commercial property. Established in 1987, it serves as a fixed income investment tool for the pension plans with the goal of realizing yields in excess of those available from traditional domestic fixed income securities, while accepting slightly greater credit risk.

CMF's assets consist of an externally managed portfolio of commercial real estate mortgage loans and commercial mortgage-backed securities (CMBS), and an interest in a number of mortgage-backed securities, which were created through a residential mortgage program known as Yankee Mac.

COMMERCIAL MORTGAGE FUND INVESTMENT ADVISOR
June 30, 2000

Investment Advisor	Net Asset Value	% of Fund
AEW Capital Management, LP	145,376,373	82.6
Other (1)	30,683,050	17.4

(1) Other also includes residential mortgage-backed securities and funds ear-marked for distributions to participants and expenses.

CMF's performance objective is an annual total return, net of management fees and operating expenses, which exceeds that of LB Aggregate Index by 100 basis points.

Mortgage Market

Last year the economic environment resulted in two concerns for investors. The first was whether economic growth predicated on wealth induced spending was sustainable. It appears to have been sustainable, but continuance of this trend is in doubt due to tightening by the Federal Reserve Bank. The other concern was whether above trend Gross Domestic Product (GDP) (6.0%) would result in the inflationary pressures often associated with tight labor markets and high labor utilization rates. So far in 2000, this fear is somewhat more evident as the Consumer Price Index (CPI) rose at an annual rate of 3.7%. The impact of higher fuel and food costs account for the difference between this rate and the more benign core rate of 2.4%. Looking forward, the impact of rising prices, especially energy prices, could have a significant effect on economic growth.

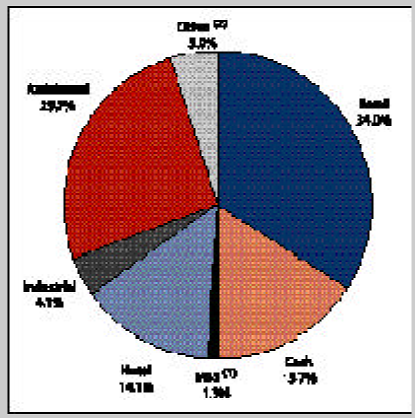
Although core inflation remains less than 2.5%, tight labor markets and increased economic activity abroad have contributed to the Federal Reserve Board's continuing inflationary fears. Over the past year the Fed has raised the Federal Funds Rate four times. These actions have resulted in an increase in the Ten Year Treasury yield of more than 190 basis points. The resulting increase in mortgage rates has had the anticipated affect of slowing the rate of refinancing and new construction activity. To a lesser extent, this has also impacted asset sales. Commercial mortgage rate spreads have widened to yield about 225 to 250 basis points over Treasury securities.

Portfolio Characteristics

During fiscal year 2000, the Fund did not close any new commercial mortgage loan investments. Two mortgage-backed securities and five portfolio loans were paid off during the fiscal year. The loans payoffs resulted in the receipt of prepayment penalties totaling $3.5 million.

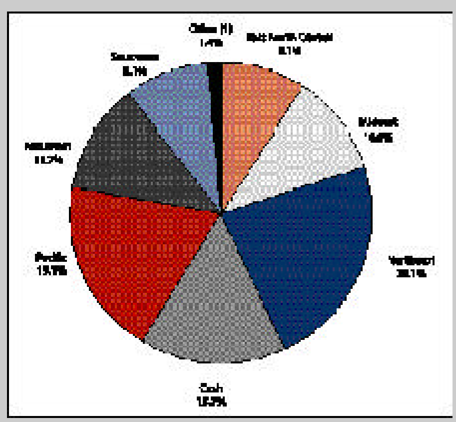
Consistent with its goal of broad diversification, the largest portion of the Fund's net assets, 34%, was invested in retail properties at fiscal year-end, followed by a 26% investment in the residential sector and 14% in the hotel sector. The Fund continues to be well diversified across geographic regions with 23% of investments located in the Northeast, 19% in the Pacific, 12% in the Mountain and 9% in both the North Central and Southwest regions.

COMMERCIAL MORTGAGE FUND
Distribution by Property Type at June 30, 2000
Based on Investments in Securities, at Fair Value



(1) Mortgage Backed Securities include certain mortgage loans classified as trusts and common stock on the balance sheet.
(2) Includes loans secured by self storage facilities and senior ground lease.

COMMERCIAL MORTGAGE FUND
Distribution by Location at June 30, 2000
Based on Investments in Securities, at Fair Value



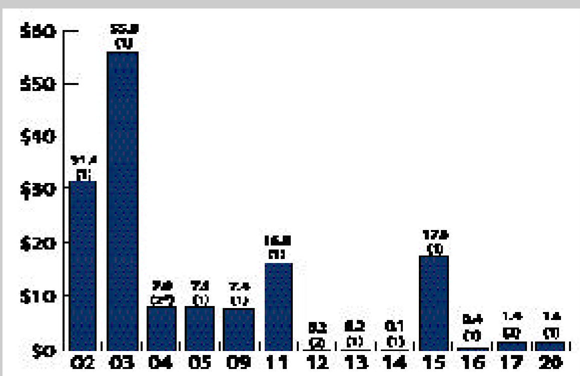
(1) Other represents mortgage backed security holdings which include certain mortgage loans classified as trusts and common stock on the balance sheet.

The CMF's ten largest holdings, aggregating to 83.6% of Fund investments, included the following:

Property Name	Location	Property Type	Market Value	%
SASCO	Various	Other	$ 55,824,299	31.9
Vancouver Mall	Vancouver, WA	Retail	31,375,244	17.9
57 Park Plaza	Boston, MA	Hotel	17,278,612	9.9
Green Hill Apts.	Detroit, MI	Residential	16,255,447	9.3
Sheraton Denver West	Lakewood, CO	Hotel	7,887,668	4.5
North Haven Crossing	No. Haven, CT	Retail	7,425,098	4.2
Bidderman	Secaucus, NJ	Warehouse	6,552,358	3.7
1992 LBM I Class B	Various	CMBS	1,571,916	0.9
Upland Commerce Center	Upland, CA	Retail	1,205,731	0.7
Yankee Mac	Various	Residential	1,065,076	0.6
TOTAL			**$ 146,441,449**	**83.6%**

The portfolio is healthy with no delinquent or non-performing loans at fiscal year end. Over the next 12 months, none of the Fund's investments are scheduled to mature.

COMMERCIAL MORTGAGE FUND
Maturity [(1)] Dollar Value ($ in millions)/Number of Loans per Calendar Year 20--



(1) Or interest rate reset period.

Risk Profile

Given CMF's investment policies and objectives, the Fund is exposed to several forms of risk. These include risks specific to fixed income investing, such as purchasing power risk, market risk, and default risk. Moreover, falling interest rates subject commercial mortgages to the risk of prepayment, thereby shortening investors' assumed time horizon and exposing them to reinvestment risk. However, yield maintenance-based prepayment penalties, which are included in the majority of the Fund's commercial mortgage investments, help minimize this risk.

To measure the Fund's price sensitivity to changes in market interest rates, the Fund's duration, or weighted average time period over which cash flows are received by the investor, is monitored. At June 30, 2000, the Fund's duration was 3.1 years versus 4.9 years for the LB Aggregate Index. Therefore, the Fund is less sensitive to interest rate changes than the LB Aggregate Index.

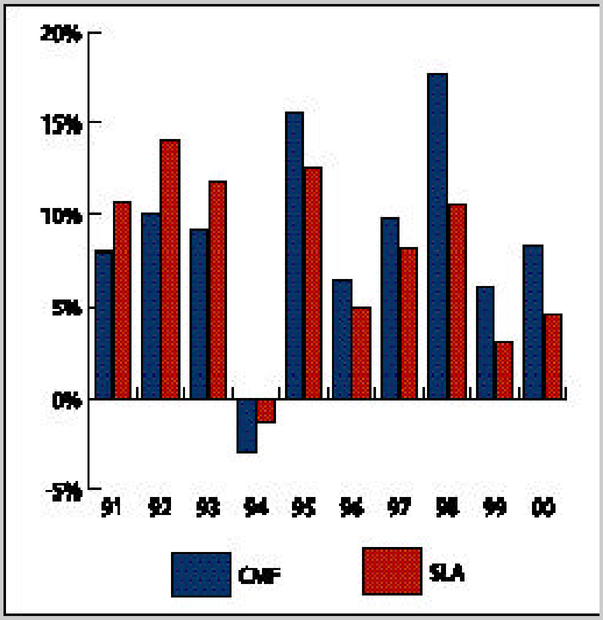
Based on returns over the last five years, the Fund's risk profile is similar to that of the LB Aggregate Index. With a relative volatility of 1.69, its returns are slightly more volatile than the index; however, its returns show very little correlation to those achieved by the benchmark. While the Fund's beta of 0.24 signifies low sensitivity to movements in the index as a whole, CMF's five-year monthly alpha at June 30, 2000, or return in excess of that predicted by returns in the overall market, was 3.72.

COMMERCIAL MORTGAGE FUND [(1)]
Risk Profile at June 30, 2000

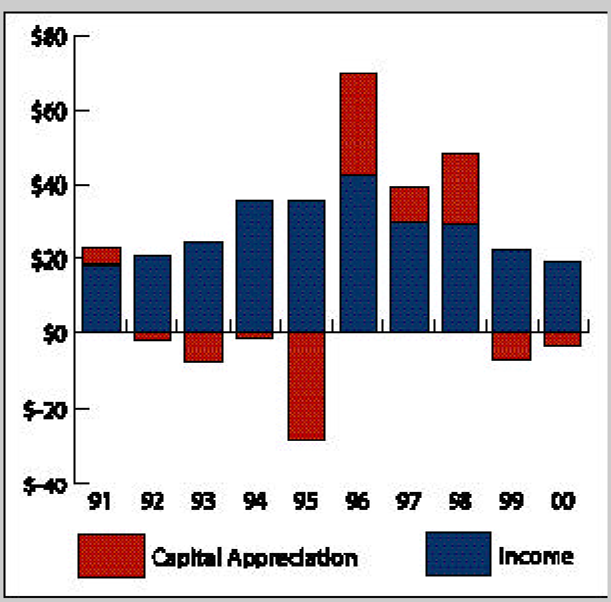
Relative Volatility	1.69
Standard Deviation	5.79
R^2	0.02
Beta	0.24
Alpha	3.72

(1) Based upon returns over the last five years.

COMMERCIAL MORTGAGE FUND
Annual Total Return



COMMERCIAL MORTGAGE FUND
Components of Total Return



PRIVATE INVESTMENT FUND

Fund Facts at June 30, 2000

Investment Strategy/Goals: To participate in the fastest growing segments of the domestic and international economies, including emerging industries and technologies, by investing in private equity partnerships.

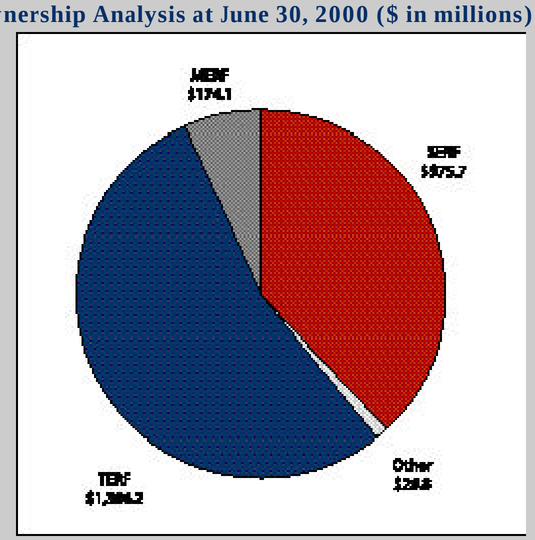
Performance Objective: To outperform the Russell 3000 Index by 500 basis points at the end of ten years.

Benchmark:	Russell 3000 Index
Date of Inception:	July 1, 1987
Total Net Assets:	$2,564,787,182
Number of Advisors:	35 external
Management Fees (1)**:**	$43,428,630
Operating Expenses:	$735,626
Expense Ratio:	0.48 %

(1) See Note 1 to the Financial Statements for a discussion of similar fees incurred at the investment level.

PRIVATE INVESTMENT FUND

Ownership Analysis at June 30, 2000 ($ in millions)



TERF - Teachers' Retirement Fund
SERF - State Employees Retirement Fund
MERF - Connecticut Municipal Employees' Retirement Fund

Performance Summary

For the fiscal year ended June 30, 2000, the Private Investment Fund (PIF) generated a total return of 53.9%. The positive performance is an indication that many of the Fund's investments are emerging from the "J-Curve effect". The J-Curve effect often results in negative performance during the early stages of an investment's life cycle as a result of investments being valued at cost, while managerial and organizational expenses are incurred. Investments are expected to have positive performance during the later stages of the life cycle, as investments appreciate and/or are liquidated through strategic sales or initial public offerings. As investments exit this stage, significant returns become evident. The PIF is currently benefiting from the fact that a majority of invested assets are with partnerships whose vintage years (initial years of investment) are 1997 or the early part of 1998. This, combined with the continued economic expansion has greatly benefited Fund returns.

During fiscal year 2000, PIF's assets increased from $1.186 billion to $2.565 billion, an increase of $1.379 billion. The increase was due to $813 million of net investment income, including realized and unrealized capital gains and $566 million of net cash inflow from participating pension plans and trusts.

The Fund significantly outperformed the assigned benchmark, which had a return of 9.60 percent for the fiscal year. While staff monitors and evaluates short-term performance, the Fund has a long-term perspective in evaluating performance, in that it measures the performance over a 10-year time period. This long-term perspective reflects the illiquid nature of the Fund's underlying partnership holdings that require a meaningful length of time to progress through specific developmental periods. As an additional check on long-term performance, the table below shows PIF's cumulative total return over the three, five and ten-year periods. These returns are consistent with those achieved on an annualized basis over the same time periods.

PRIVATE INVESTMENT FUND

Periods ending June 30, 2000

	1 YR	3 YRS	5 YRS	10 YRS
Compounded, Annual Total Return (%)				
PIF	53.86	21.85	21.99	13.30
Russell 3000	9.60	19.24	22.78	17.52
Cumulative Total Return (%)				
PIF	53.86	80.93	170.14	248.70
Russell 3000	9.60	69.55	179.00	402.55

In reporting values for PIF, private market valuations are often imprecise. Accordingly, the PIF advisors adopt a conservative valuation policy, carrying the investments at cost unless and until there is concrete evidence to write the values up, or reasonable doubt, which indicates that they should be written down. One cause for a write-up would be a successful initial public offering of stock in a private company where the value is determined in an arms-length, public transaction. Likewise, consistently missing important milestones in a company's business plan signifying a reversal in the company's fortunes is considered a reason to write-down the value of an investment. These determinations are made on an on-going basis.

PIF's earliest tranche of committed capital is now ten years old and should continue, along with mezzanine debt, to provide the Fund with positive cash flow from its investments.

Description of the Fund

The Private Investment Fund (PIF) is an externally managed fund which invests in venture capital, corporate buyout, mezzanine, fund of funds, and international financing opportunities. It serves as a long-term investment tool for the Pension and Trust Funds, with the goal of participating in the fastest growing segments of domestic and international economies, including emerging industries and technologies. PIF also invests in selected opportunities in mature industries.

At fiscal year-end, thirty-five advisors were responsible for investing the PIF's $3.2 billion in committed capital in the outlined strategic investment areas.

The strategic focus of the PIF is divided among four specific areas: fifteen partnerships focus on corporate buyout strategies, ten on venture capital strategies, six on mezzanine debt strategies, and five on international strategies. Five advisors each managed two separate partnerships for the Fund.

Four of the limited partnerships are in "fund of funds" arrangements whereby advisors are responsible for investor's committed capital across a number of selected private equity limited partnerships, which subsequently invest in underlying companies.

This Fund structure allows for experienced industry professionals to manage PIF's assets while allowing the Fund to realize the benefits of a diversified private market portfolio. The performance objective of the Fund is to outperform, net of management fees and Division operating expenses over a ten-year period, the Russell 3000 Index by 500 basis points, or five percentage points, per annum.

PRIVATE INVESTMENT FUND INVESTMENT ADVISORS

June 30, 2000

Investment Advisor	Net Asset Value	% of Fund
Corporate Buyout	**$795,828,287**	**31.0%**
Hicks, Muse Tate & Furst Equity Fund III	210,449,050	8.2
SCP Private Equity Partners	90,774,965	3.5
Thomas H. Lee Equity Fund IV	78,347,895	3.0
Welsh Carson Anderson & Stowe VIII	60,423,689	2.4
DLJ Merchant Banking Fund II	56,856,485	2.2
Conning Insurance Capital Fund V	56,083,357	2.2
Veritas Capital Fund	56,282,309	2.2
KKR 1996 Fund	38,764,853	1.5
Greenwich Street Capital Partners II	37,963,562	1.5
Wellspring Capital Partners II	25,841,247	1.0
Thayer Equity Investors IV	22,109,822	0.9
Kelso Investment Associates VI	18,646,905	0.7
Forstmann Little Equity Fund VI (4)	18,095,296	0.7
Blackstone Capital Partners III	14,972,969	0.6
Green Equity Investors III	10,215,883	0.4
Fund of Funds	**$707,804,267**	**27.6%**
Crossroads Constitution Fund	579,000,910	22.6
Landmark Private Equity Fund VIII	69,254,924	2.7
Goldman Sachs Private Equity Fund	51,567,871	2.0
Lexington Capital Partners II	7,980,562	0.3
Venture Capital	**$399,337,624**	**15.6%**
Crescendo World Fund	158,972,651	6.2
Grotech Partners V	59,117,076	2.3
Crescendo Venture Fund III	46,947,698	1.8
Pioneer Ventures Associates	37,964,558	1.5
Shawmut Equity Partners	29,159,641	1.1
Keystone Ventures V	25,137,922	1.0
CT Financial Development Fund	18,426,060	0.7
Connecticut Futures Fund	15,351,244	0.6
Connecticut Greene Ventures	3,845,408	0.2
RFE Investment Partners VI	4,415,366	0.2
Mezzanine Debt	**$364,161,698**	**14.2%**
Triumph Capital Partners III	99,529,585	3.9
Welsh Carson Anderson & Stowe III	87,349,821	3.4
Forstmann Little MBO VII (4)	69,091,241	2.7
Triumph CT Partners	65,183,217	2.5
GarMark Partners	29,129,904	1.2
SW Pelham Fund	13,877,930	0.5
International Private Equity	**$202,636,375**	**7.9%**
Gilbert Global Equity Fund	75,313,136	2.9
Compass European Partners	50,354,343	2.0
Carlyle European Fund	35,123,033	1.4
AIG Global Emerging Markets Fund	33,196,223	1.3
Carlyle Asia Partners	8,649,640	0.3
Other (1)	**$ 95,018,931**	**3.7%**

(1) Other represents funds earmarked for distribution to participants, reinvestment, and expenses.

Portfolio Characteristics

The Private Investment Fund consists of private equity investments, which include five primary areas of strategic focus: venture capital, corporate buyout, mezzanine debt, fund of funds, and international private equity strategies.

Corporate Buyout focused investments can be defined as controlling or majority investments in private equity or equity-like securities of more established companies on the basis of the company's asset values and/or cash flow. Corporate buyout investors usually target two types of companies: special situations and turnaround opportunities.

Fund of Funds investments are investment funds which may have multiple areas of strategic focus. These funds invest in multiple partnerships that invest in underlying companies.

Venture Capital focused investments can be narrowly defined as investments in the private equity or equity-like securities of developing companies in need of growth or expansion capital. These investments can range from early-stage financing, where the principals have little more than a marketable idea, to expansion financing, where a company has a marketable product but requires additional capital to bring the product to market.

Mezzanine Debt focused investments can be defined as investments in securities located between equity and senior debt in the company's capital structure. Mezzanine debt investments offer higher current income than senior debt securities and often offer equity participation features that may take the form of warrants, convertibility features, or common stock.

International Private Equity focused investments can be defined as controlling or majority investments in private equity or equity-like securities in companies located outside the continental United States. International Private Equity investment opportunities often offer more attractive return/risk characteristics as a result of the above average rates of growth available in select international economies.

In order to protect the Fund from various risks associated with this asset class, the PIF is diversified by investment type, strategic focus, industry type and geographic region. This strategy allows for experienced industry professionals to manage a portion of PIF's assets while realizing additional benefits from broad market diversification.

Through June 30, 2000, the PIF had aggregate capital commitments in the amount of $3.2 billion to 40 partnerships of which approximately 66 percent, or $2.1 billion has been "drawn down" for investment purposes while the balance of approximately $1.1 billion or 34 percent is committed but uninvested. The amount committed but uninvested has increased significantly from the prior year as a number of new partnerships were closed during fiscal year 2000.

Risk Profile

Given PIF's investment policy and objectives, the Fund is exposed to several forms of risk. These include, but are not limited to, risks attendant with alternative investments, such as management, operations, and product risk, as well as overall liquidity risk. Assuming these risks as part of a prudent, total portfolio strategy enables the Private Investment Fund to participate in the possibility of substantial long-term investment returns.

Due to the Fund's focus on alternative investments, PIF's risk profile relative to its benchmark is very difficult to evaluate. Its relative volatility of 1.07 indicates comparable volatility to the Russell 3000 Index: However, the Fund's risk profile is more complex given the valuation judgments and liquidity constraints placed on it due to its alternative investment strategy. In the aggregate, the Fund shows almost zero correlation with returns achieved by the benchmark, and has returned an annual alpha, or return relative to that predicted by its benchmark, of negative .04.

PRIVATE INVESTMENT FUND (1)
Risk Profile at June 30, 2000

Relative Volatility	1.07
Standard Deviation	15.87
R^2	0.04
Beta	-0.21
Alpha	-0.04

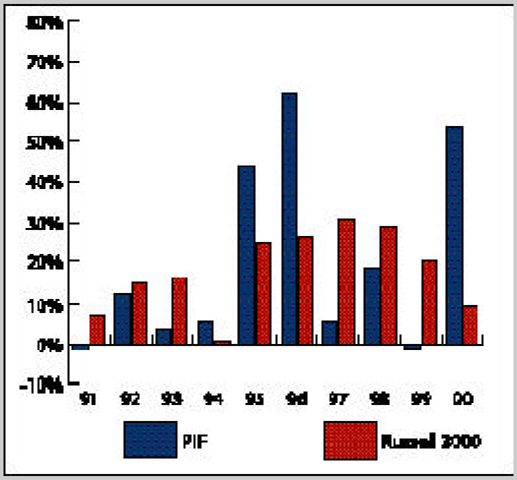
(1) Based upon returns over the last five years.

The Fund's ten largest holdings aggregating 9.7% of Fund investments include:

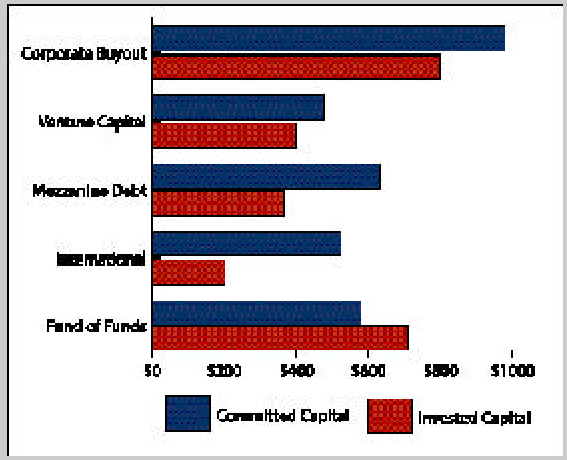
Date of Purchase	Company	Industry	Net Asset Value	% of Fund
6/5/98	US Internet Working	Computer Related	38,324,291	1.5
1/6/98	Amdocs Limited	Communications	27,205,126	1.0
8/31/98	Republic Engineered Steels, Inc.	Manufacturing	26,845,559	1.0
1/7/99	BC Components Holdings B. V.	Electronics	25,852,506	1.0
12/9/98	Metris Companies, Inc..	Services	25,327,594	1.0
9/30/98	Electrolux Zanussi Vending	Manufacturing	22,199,508	0.9
1/6/99	Centennial Cellular	Communications	22,180,526	0.9
12/27/96	Rossi American Hardwoods	Industrial Products	21,485,829	0.8
11/4/97	AirNet Communications Corp.	Communications	20,561,699	0.8
9/16/98	PacWest Telecommunication	Communications	19,379,874	0.8
TOTAL			**$249,362,512**	**9.7%**

CHARTS PROVIDED FOR ILLUSTRATION OF FINANCIAL INFORMATION.

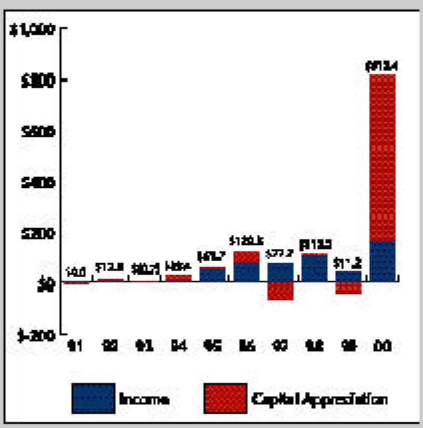
PRIVATE INVESTMENT FUND
Annual Total Return



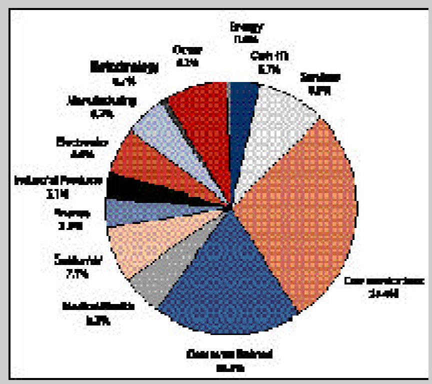
PRIVATE INVESTMENT FUND
Distributed by Committed and Invested Capital
As of June 30, 2000 ($ in Millions)



PRIVATE INVESTMENT FUND
Components of Total Return



PRIVATE INVESTMENT FUND
Distribution by Industry at June 30, 2000
Based on Investment in Securities, at Fair Value



(1) Includes the Cash Reserve Account and cash and other assets at the partnership level.

PRIVATE INVESTMENT FUND
Distribution by Geographic Location at June 30, 2000
Based on Investments in Securities, at Fair Value

Region	% of Market Value
Mid-Atlantic	16.5%
West Coast	21.8
Northeast	8.5
Southeast	12.7
Southwest	6.1
MidWest	12.1
International	15.9
Cash/Other Assets & Liabilities (1)	3.7
Unclassified (2)	2.7
TOTAL	100.0%

(1) Includes the Cash Reserve Account and cash and other assets at the partnership level.

CHARTS PROVIDED FOR ILLUSTRATION OF FINANCIAL INFORMATION.

PRIVATE INVESTMENT FUND
New Investments Made in Fiscal Year 2000 (1) (in Excess of $3 Million)

Description	Industry	Investment Date	PIF Cost Basis	Investment Type
NextLink Communications	Communications	January-00	$52,964,308	Buyout
McLeod USA	Communications	September-99	32,215,055	Mezzanine
Electrolux Zanussi Vending	Manufacturing	September-99	24,738,601	International
Internet Capital Group, Inc.	Computer Related	May-00	19,896,324	Buyout
VeloCom, Inc.	Communications	March-00	19,491,531	Venture Capital
Phone.com, Inc.	Communications	January-00	18,435,010	Venture Capital
Integrated Defense Technologies	Electronics	October-99	17,422,918	Buyout
Optical Capital Group, Inc.	Communications	June-00	16,730,842	Buyout
Amkor Technology, Inc.	Electronics	April-00	15,771,992	Buyout
Fitness Holdings Worldwide	Medical/Health Related	October-99	15,756,565	Mezzanine
Alteon Websystems, Inc.	Communications	December-99	13,614,730	Venture Capital
Paragon Trade Brands, Inc.	Consumer	January-00	12,649,731	Buyout
Conseco, Inc.	Finance	October-99	12,498,900	Buyout
Ionex Telecommunications	Communications	November-99	11,250,049	Buyout
BancTec	Computer Related	July-99	10,586,586	Mezzanine
BORN Information Services, Inc.	Computer Related	March-00	10,171,707	Mezzanine
Algety	Communications	March-00	9,042,927	Venture Capital
Big Flower Holdings, Inc.	Services	November-99	8,048,127	Buyout
Nuspeed	Communications	January-00	7,786,813	Venture Capital
Advertising.com, Inc.	Computer Related	September-99	7,640,731	Venture Capital
Transworld Healthcare	Medical/Health Related	December-99	7,486,341	Mezzanine
Rite Aid Corporation	Services	October-99	6,446,208	Buyout
Citation Corporation	Manufacturing	December-99	6,375,905	Buyout
SHPS, Inc.	Medical/Health Related	June-00	5,573,537	Mezzanine
Ouintus Corporation	Computer Related	January-00	5,521,078	Venture Capital
Le Figaro	Communications	July-99	5,292,589	International
CapeSuccess	Computer Related	December-99	5,272,337	Buyout
Corvis Corporation	Communications	December-99	5,235,225	Buyout
Yorkshire Global Restaurants, Inc.	Services	September-99	5,145,825	Venture Capital
LifeMasters Supported Selfcare, Inc.	Medical/Health Related	June-00	5,088,977	Buyout
RealPulse.com, Inc.	Services	March-00	5,088,977	Buyout
Tessera Enterprise Systems, Inc.	Computer Related	February-00	5,088,977	Buyout
World Access	Communications	December-99	4,740,209	Buyout
Brook Mays Music Co.	Consumer	April-00	4,711,260	Buyout
Diasan B.V.	Services	January-00	4,466,992	International
Event Zero, Inc.	Services	November-99	4,129,953	Venture Capital
OneCoast Network Corporation	Manufacturing	August-99	3,966,363	Buyout
IASIS Healthcare	Medical/Health Related	October-99	3,939,141	Mezzanine
Allied Waste Industries, Inc.	Industrial Products	July-99	3,890,810	Buyout
360networks, Inc.	Communications	July-99	3,791,210	Buyout
Dayton Power & Light	Energy Related	February-00	3,757,990	Buyout
Unilab Corporation	Biotechnology	November-99	3,623,312	Buyout
Intersections, Inc.	Services	January-00	3,570,293	Buyout
IconixGroup	Computer Related	August-99	3,554,221	Buyout
Concentra Managed Care	Medical/Health Related	October-99	3,524,260	Mezzanine
Politzer & Hanley, Inc.	Finance	February-00	3,459,583	Venture Capital
Lease Forum, Inc.	Services	March-00	3,441,627	Venture Capital
NexClaim Technologies	Computer Related	September-99	3,441,627	Venture Capital
BTI Telecom Corporation	Communications	December-99	3,355,872	Buyout
Concur Technologies	Computer Related	November-99	3,285,871	Venture Capital
VirtualRelocation.com, Inc.	Services	November-99	3,249,201	Buyout
Impresse Corporation	Services	November-99	3,160,139	Buyout
B2	Communications	July-99	3,150,683	International
LogistiCare, Inc.	Services	August-99	3,119,800	Mezzanine
TOTAL			$485,659,840	

(1) These holdings represent underlying portfolio companies that were invested in by the Fund during fiscal year 2000 through one or more of its 40 partnerships. The investments listed in this chart each had a cost basis in excess of $3.0 million at June 30, 2000. Additional investments of less than $3.0 million were made in 518 companies totaling $271.9 million.

Division Overview

The Debt Management Division is responsible for the cost-effective issuance and management of the State of Connecticut's bonded debt. The State's strategic investment in roads, bridges, airports, higher education, clean water and economic development are the foundation of Connecticut's physical and social infrastructure. Under the supervision of the Treasurer, the Debt Management Division acts with the Governor and State Legislators to utilize the latest financial instruments available in the public financing market when issuing new debt. The Debt Management Division consists of ten professionals under the direction of the Deputy Assistant Treasurer.

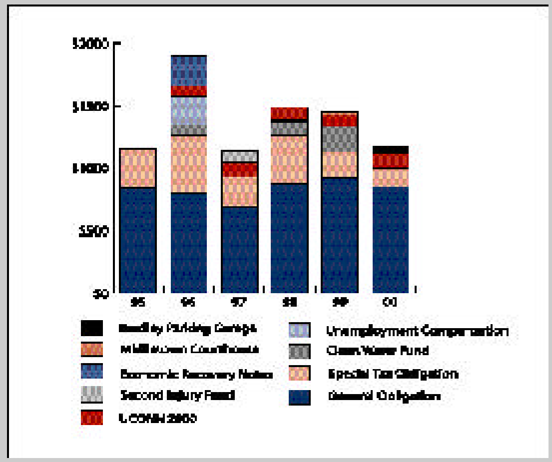
The Division maintains close relationships with institutional and retail investors who have shown confidence in the State's improving economy by purchasing bonds and notes at the lowest rates in recent history. The continuing improvement in the State's credit rating is critical to obtaining low rates in the future. Debt Management actively participates in rating presentations and is in constant contact with the three major rating agencies, Fitch Investors Service, Moody's Investor Services and Standard and Poor's Ratings Group.

Over the last several Legislative sessions, the Division has been integral in the drafting of new law by providing financial advice on new legislative initiatives. This has resulted in the integration of new bonding programs into the existing Treasury portfolio, at the lowest cost while maintaining exemption from Federal and State taxes. Specific examples of these programs include bonding for electric deregulation, Second Injury, unemployment, school construction, open space and urban economic development in Bridgeport, Hartford and New Haven.

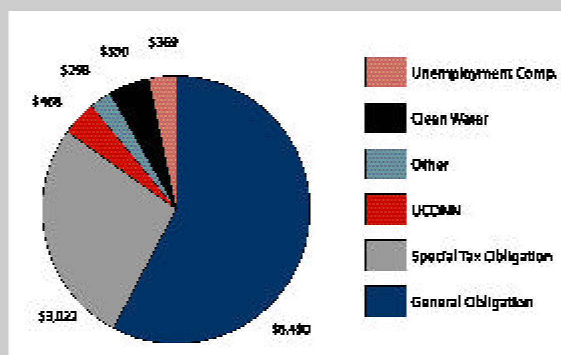
The Division also manages all financing programs for the State and coordinates the issuance of bonds with State quasi-public authorities, including the Connecticut Development Authority, the Connecticut Health and Educational Facilities Authority, the Connecticut Housing Finance Authority, the Connecticut Resource Recovery Authority, and the Connecticut Higher Education Supplemental Loan Authority.

CHARTS PROVIDED FOR ILLUSTRATION OF FINANCIAL INFORMATION.

BOND ISSUANCE INCLUDING REFUNDING BONDS
Fiscal Years Ended June 30, ($ in millions)



TOTAL DEBT OUTSTANDING
June 30, 2000 ($ in millions)



The active municipal financing programs for the State include:

	Amount Outstanding June 30, 2000
GENERAL OBLIGATION BONDS	**$6,429,654,759**

General Obligation bonds are paid out of the revenues of the State General Fund and are supported by the full faith and credit of the State of Connecticut. General Obligation bonds are issued for construction of State buildings, grants and loans for housing, local school construction, economic development, community care facilities, State parks and open space.

GENERAL FUND APPROPRIATION DEBT **$545,992,147**

The State has committed to pay interest and principal on these bonds by appropriation from the State's General Fund. This debt consists of the following programs.

The University of Connecticut pays UCONN 2000 bonds from a debt service commitment appropriated from the State General Fund. Established under P.A. 95-230, up to $962 million of Debt Service Commitment bonds will be issued under a ten-year $1.25 billion capital program to rebuild and refurbish the University of Connecticut. ($468,717,147)

Connecticut Health and Educational Facilities Authority special obligation bonds were assumed by the State for CHEFA's child care facilities program and the State has committed to pay interest and principal on these bonds by appropriation from the State's General Fund. ($34,160,000)

Other appropriated debt includes CDA Tax Incremental Financings and lease revenue bonds for a State facility. ($43,115,000)

SPECIAL TAX OBLIGATION BONDS **$3,022,162,825**

Transportation related bonds are paid out of revenues pledged in the State Transportation Fund. Special Tax Obligation bonds are issued for the State's portion of highway and bridge construction, maintenance and capital needs of mass transit systems, state pier and general aviation airports and limited grants to towns for local road improvement.

CLEAN WATER FUND REVENUE BONDS **$549,880,000**

Clean water fund bonds are paid out of resources secured by loan repayments from Connecticut municipalities and a debt service reserve fund of $269 million as of June 30, 2000. The reserve fund is funded with State General Obligation Bonds and Federal Capitalization Grants.

The Clean Water Fund is the State's water pollution control revolving fund. The revenue bonds provide below market loans to Connecticut municipalities for planning, design and construction of water quality improvement projects. A subsidy is provided from earnings on the reserve fund and from State general obligation subsidy bonds. The State also provides grants and some loans for the program through its general obligation bond program.

SECOND INJURY FUND REVENUE BONDS **$86,080,000**

Second Injury revenue bonds are issued to reduce long-term liabilities of the fund by settling claims on a one-time lump sum basis and will be repaid by special assessments on workers' compensation insurers and self- insured employers.

UNEMPLOYMENT COMPENSATION REVENUE BONDS **$368,985,000**

Special Assessment Unemployment Compensation Advance Fund bonds of approximately $1.0 billion were issued in 1993 to repay loans made by the United States Treasury for payment of unemployment benefits, and to pay for some unemployment benefits in 1994. These bonds are financed through assessments on Connecticut employers.

BRADLEY INTERNATIONAL AIRPORT REVENUE BONDS **$77,970,000**

The airport revenue bonds are payable solely from gross operating revenues from the operation of Bradley International Airport and were used for capital improvements at the airport.

BRADLEY PARKING GARAGE REVENUE BONDS **$53,800,000**

Parking garage bonds are payable from garage parking revenues and by a guarantee from the project developer/lessee. The bonds financed the design and construction of a new parking garage at Bradley International Airport with approximately 3,450 parking spaces on five levels.

TOTAL DEBT OUTSTANDING AT JUNE 30, 2000 **$11,134,524,731**

DEBT MANAGEMENT DIVISION

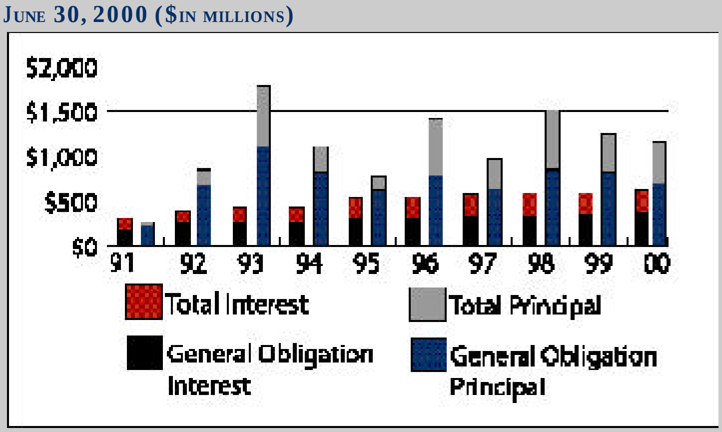
The Debt Management Division managed the sale of approximately $1.2 billion in bonds issued to fund new capital projects and the UCONN 2000 program. The following table summarizes the bonds issued during the last fiscal year.

NEW MONEY ISSUES

BOND TYPE	PAR AMOUNT	TRUE INTEREST COST (1)	AVERAGE LIFE (YEARS)	ISSUE DATE
GENERAL OBLIGATION				
- 1999 Series B	$245,000,000	5.42%	10.4	November 1, 1999
- 2000 Series A	150,000,000	5.47%	10.5	April 15, 2000
- 2000 Series B	450,000,000	5.32%	10.5	June 15, 2000
SPECIAL TAX OBLIGATION				
- 1999 Series A	150,000,000	5.46%	12.8	November 15, 1999
UCONN 2000 SERIES A	130,850,000	5.42%	10.2	March 1, 2000
REVENUE BONDS				
Bradley Parking Garage (2)	53,800,000	6.91%	16.1	March 15, 2000
DEBT ISSUE (3)				
CHEFA Daycare Bonds	18,690,000			September 1, 1999
Total	$1,198,340,000			

(1) An industry defined term representing a composite overall present-value based interest rate on all maturities in a bond issue.
(2) Includes $6,135,000 of Taxable Bradley International Airport Special Obligation Parking Revenue Bonds, Series 2000 B dated April 1, 2000.
(3) On July 1, 1999, the Treasurer's office assumed the responsibility for the CHEFA Childcare debt service appropriation per Public Act 97-259. As of that date CHEFA had issued $16,315,000 in bonds and another $18,690,000 was issued on September 1, 1999.

TOTAL DEBT SERVICE COSTS
JUNE 30, 2000 ($IN MILLIONS)



The Year in Review

Highlights of the Division's accomplishments and important initiatives in fiscal year 2000 include:

- Cash defeased $127.5 million of State General Obligation Bonds and $75.5 million of State Special Tax Obligation Bonds by using State budget surplus funds, thereby reducing future debt service by $293.3 million through 2014 and providing the State greater flexibility in the disposition of certain facilities financed with tax-exempt bonds;

- Recommended improvements to Connecticut Light & Power's financing order application to ensure a financing structure for securitization of electric utility stranded costs that will provide the greatest savings for Connecticut residents;

- Assisted the University of Connecticut in the fifth successful sale of UCONN 2000 debt service commitment bonds for $130 million, which earned a credit rating upgrade from Moody's Investors Services from A1 to Aa3 resulting in a record favorable price versus benchmarks;

- Assisted with the development of a new University of Connecticut Student Fee Revenue Bond issue which did not require a State guarantee or debt service reserve fund and earned a high quality credit ratings of AA- from Standard & Poor's Rating Service and A1 from Moody's Investors Services;

- Successfully executed a $450 million General Obligation bond sale, which attracted the largest number of individual retail investor orders in State history. Prior to the sale, Moody's Investor Services upgraded the State's credit rating outlook from stable to positive;

- Assisted the Second Injury Fund in developing a multi-year budget and financial plan that allowed the Treasurer to hold the rate on assessments paid into the Fund by Connecticut businesses at current levels;

- Managed the sale of $53.8 million of stand-alone Bradley International Airport Parking Revenues Bonds for the first phase of an extensive improvement plan for the airport, and began planning the financing of the airport's terminal expansion;

- Continued the development of the Clean Water Program and the new Drinking Water Program closing on eleven loans for $64.4 million thereby preserving the available federal funding for the programs;

- Completed several debt management information technology projects with assistance of Information Services, including:

  - The development of reporting capabilities and implementation of the new debt management computer system;

  - The establishment of an interface with the Department of Environmental Protection computer systems related to administration of the State's Clean Water Fund;

  - The development of system evaluations and contingency plans for the Year 2000 (Y2K) date change with no problems encountered;

- Completed Requests for Proposals for bond counsel, verification agent and Rate Reduction Bond program financial advisor;

- Worked with the Connecticut Health and Education Facilities Authority (CHEFA), the Department of Social Services and the Department of Education to set up a program to transfer the administration of the CHEFA debt service for childcare facilities to the Treasury pursuant to recent legislation;

- Assisted a State municipality in the review of its plans to issue pension obligation bonds to fund a pension plan deficit in accordance with legislation developed last year; and

- Undertook several investor relations initiatives over the last year that included:

  - Participation in three sets of rating agency meetings during the year;

  - Conducting four institutional investor conference calls;

  - Developing plans for increased use of the Internet for investor communications;

  - Assisting with development of investor brochures and radio announcements to market the UCONN 2000 bond sale.

Plans for 2001

For fiscal year 2001, the State is projected to issue $1.65 billion in new debt including General Obligation, Special Tax Obligation, Clean Water Fund, Bradley Airport, Second Injury Fund and UCONN 2000 programs. In addition, the State expects to establish a trust to issue up to $1.46 billion of Rate Reduction Bonds (1) to securitize electric utility stranded costs pursuant to the electric utility deregulation legislation.

Key objectives for the Debt Management Division during fiscal year 2001 include:

- Completing a program to finance the electric utility stranded costs eligible for financing under electric deregulation legislation enacted by Connecticut in 1998 and introducing this new credit to the financial markets;
- Completing a Second Injury Fund bond financing in order to lock in the program's fixed costs, thereby stabilizing assessments;
- Planning and structuring the issuance of Bradley International Airport Revenue Bonds to provide for the expansion of Bradley International Airport and related facilities;
- Continuing to work with Connecticut's cities and towns as required to assist with pension fund bonding and funding of qualified Clean Water Fund and Drinking Water Fund loans;
- Developing a plan for implementing the State's 2000 fiscal year General Fund surplus which provided over $300 million to fund school construction in lieu of new bonding;
- Coordinating a plan with the State Department of Labor to close out the Connecticut Unemployment Revenue Bond Program on or before the final payment date of November 15, 2001;
- Continuing to promote the improvements in the Connecticut economy to the three major credit rating agencies with the objective of further improving credit ratings;
- Continuing to identify debt service savings opportunities including evaluating the benefits of variable rate bonds and interest rate hedge programs;
- Developing additional methods of using the Internet to communicate with investors and the financial community and improving the presentation of information in various Division publications;
- Working with the Office of the Comptroller on the implementation of the new GASB-34 Financial Reporting Model as it relates to bonding programs;
- Assisting the University of Connecticut in assessing financial needs and supporting the UCONN 2000 program in achieving its goals; and
- Developing and/or acquiring additional analytical tools and skills to assist with managing the current debt portfolio and the structuring of new issues in the future.

(1) Public Act 98-28 provided comprehensive legislation to transition the State to full electric competition. It mandates the State's electric utilities exit the generation business and provides consumers the opportunity to choose their electric supplier. As part of the transition, the law allows the utilities to recover approved generation related stranded costs and commitments from ratepayers through a non-bypassable competitive transition adjustment (CTA) charge on customer bills. Non-nuclear stranded costs are further eligible to be securitized through the issuance of rate reduction bonds, which utilizes a large portion of the CTA to refinance these costs at a savings to ratepayers. Public Act 98-28 provided that the rate reduction bonds will be issued by a finance entity, which is the State Treasurer or a special purpose trust or entity designated by the Treasurer, pursuant to such terms and conditions as the State Treasurer may specify.

Division Overview

The Cash Management Division is responsible for managing the State's cash movements, banking relationships, Short-Term Investment Fund (STIF) and Community Reinvestment Initiative (CRI). Under the administration of an Assistant Treasurer, the 23 employees of the Division are organized into four Treasury units.

Bank Control and Reconciliation

The Bank Control and Reconciliation unit maintains accountability of the State's $140 billion annual internal and external cash flow. The unit records and tracks the flow of funds through 27 Treasury bank accounts and by authorizing the release of State payroll, retirement and vendor checks. More than three million transactions are accounted for and reconciled annually. The unit also processes stop payments and check reissues.

Cash Control

The Cash Control unit, on a daily basis, forecasts available cash, funds disbursement accounts, concentrates cash from depository banks and sweeps available cash into short-term investment vehicles to maximize investment balances, and executes electronic transfers. The unit also prepares annual cash flow projections for various State and bond rating agencies, and monitors actual cash receipts and disbursements. During fiscal year 2000, the unit controlled movement of over $30 billion between banks and investment vehicles.

Short-Term Investments

The Short-Term Investment unit invests STIF assets, monitors custodian activity, and prepares quarterly and annual performance reports on the Fund. During fiscal year 2000, the unit invested an average of $3.6 billion in short-term money market instruments. As of June 30, 2000, the unit administered 800 STIF accounts for 60 State agencies and authorities and 226 municipalities and local entities. In addition, the unit manages the Grant Express program that enables municipalities to deposit certain grant payments directly into their STIF accounts. The unit also provides market data used in negotiating CRI investment interest rates.

Client Services

The Client Services unit works with State agencies to speed the deposit of funds and identify mechanisms to reduce banking costs. The unit also reviews State agencies' requests to open new bank accounts, maintains records of the State's bank accounts held by individual banks, manages CRI records, and reviews bank invoices and compensation. The Client Services unit also manages the insurance collateral program in conjunction with the Department of Insurance, which requires companies writing insurance policies in the State to deposit securities and funds totaling a fixed percentage of the policies' value. At June 30, 2000, approximately $490 million in securities was pledged to the program and $50 million was deposited in STIF.

The Year In Review

The Cash Management Division's goals for 2000 included:

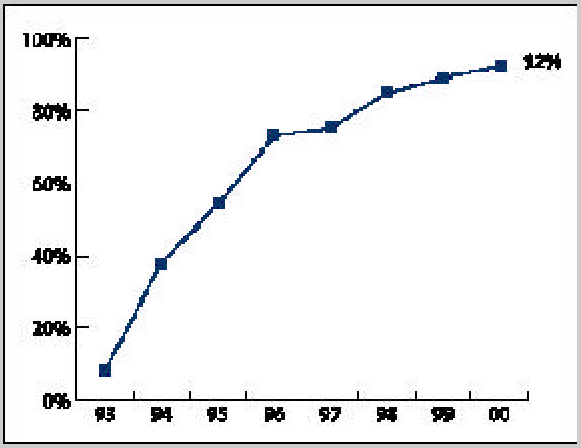
- Maintaining maximum investment balances by ensuring more timely deposits, controlling disbursements, minimizing banking costs and balances, and providing accurate cash forecasts;
- Earning the highest current income level in STIF consistent with the safety of principal and the provision of liquidity;
- Providing responsive services to STIF investors;
- Prudently investing more stable fund balances for longer periods and higher yields, including banks that meet standards for financial strength and community support;
- Protecting State deposits through well controlled internal operations and use of high quality banks;
- Improving operating efficiency by more use of electronic data communication and processing; and
- Providing State agencies technical assistance with banking issues.

Administrative/Organizational Initiatives

To achieve the Treasurer's Office objectives and goals identified for 2000, the Division undertook several initiatives, as highlighted below:

- Implemented and placed into operation with the State Comptroller's Office a system for making electronic payments to municipalities and vendors;
- Assisted the State Comptroller's Office in developing new control procedures for processing of payroll, retirement and vendor checks by using a more efficient laser printing system that will reduce material and administrative costs, and improve security;

STATE OF CONNECTICUT
Agency Deposit Data Reported Electronically



- Continued to consolidate separate State agency checking accounts;
- Developed comprehensive division-wide business disruption contingency plans to allow critical operations to continue through potential disasters or other disruptions;
- Developed an automated database of Civil List investment transaction records to reduce manual data entry tasks;
- Continued the Treasurer's Community Reinvestment Initiative (CRI) in which State funds are invested for up to one year in financially qualified banks that have an outstanding Community Reinvestment Act (CRA) rating or that are participating in Connecticut Development Authority programs;
- Began rolling out the Treasury's electronic data system for transmitting bank data to State agencies in order to improve the efficiency and accuracy of their reporting of bank deposits to the Treasury;
- Implemented a new and more efficient system for drawing federal funds;
- Received STIF's AAAm rating for 2000 by Standard & Poor's (S&P), the leading rating agency of money market funds and local government investment pools. This rating by S&P signifies that safety of invested principal is excellent and a superior capacity to maintain a $1 per share net asset value exists at all times;
- Continued to hold annual STIF meetings, with the fifth annual meeting attended by 70 investors;
- Implemented Clean Water Fund Express, in which participating towns have Clean Water Program payments deducted from their STIF accounts by the program trustee;
- Developed and implemented Debt Service Express, in which participating towns have debt service payments deducted from their STIF accounts by their bond paying agent;
- Assisted two state agencies in implementing systems to process payments over the Internet;
- Initiated a competitive bid and negotiation process for a variety of other banking services that annually cost the State over $600,000;
- Increased State employee participation in direct deposit of payroll to 68% from 64% in 1999;
- Expanded, with the State Comptroller and Department of Administrative Services, procurement cards for small purchases to include 31 State agencies; and
- Implemented a new electronic database of State bank accounts designed for easier and faster monitoring and information retrieval.

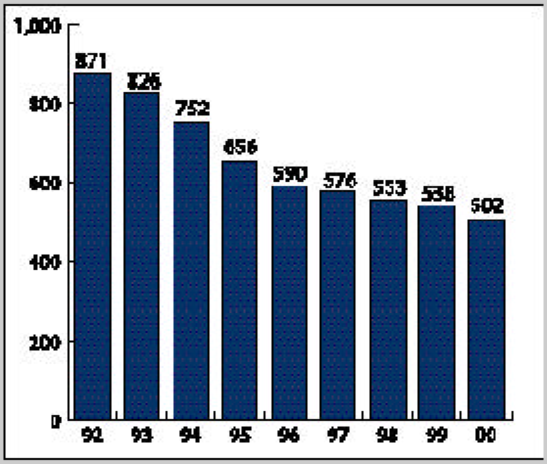
2000 Division Performance

As a result of these initiatives, the Cash Management Division successfully realized many achievements throughout the 2000 fiscal year including:

- Total annual return of 6.01 percent in STIF. This exceeded its primary benchmark by 43 basis points, resulting in $16 million in additional interest income for Connecticut governments and their taxpayers. (For a detailed discussion of STIF performance, please see the STIF Performance discussion which follows.);
- Total annual return of 6.02 percent in CRI investments which exceeded STIF's benchmark by 44 basis points, resulting in $207,000 in additional interest income for the State;
- STIF's Comprehensive Annual Financial Report (CAFR) was awarded the Certificate of Achievement for Excellence in Financial Reporting for 1999 by the Government Finance Officers Association (GFOA);
- The addition of 59 participant STIF accounts with $41 million of assets, an increase of 16% from 1999;
- Total CRI investments reached $55 million;

- Closed 36 State bank accounts bringing total number of closed accounts to 369 over the past eight years, thereby saving on servicing fees;

STATE OF CONNECTICUT
Number of Bank Accounts



- The recapture of more than $300,000 in annualized bank overcharges;
- Expansion of Grant Express program, in which certain State grants are deposited directly into municipal STIF accounts, now totaling 84 municipalities. Since the inception of this program, $5.9 billion has been deposited into municipal STIF accounts, thereby accelerating the availability of municipal funds;
- Reduced idle bank balances by 10 percent, resulting in an additional $75,000 in investment earnings; and
- Increased electronic reporting of agency bank deposits from 89 to 92%.

CASH MANAGEMENT ADVISORY BOARD

MR. J. VICTOR THOMPSON
State Street Global Advisors

MS. BARBARA CZAPLICKI
Assistant Comptroller, Town of Bristol

MR. WILLIAM DESAUTELLE, JR.

SHORT TERM INVESTMENT FUND

Fund Facts at June 30, 2000

Investment Strategy/Goals: To provide a safe, liquid and effective investment vehicle for the operating cash of the State, municipalities and other Connecticut political subdivisions.

Date of Inception: 1972

Total Net Assets: $3.7 billion

Benchmarks: IBC First Tier Instistutions-Only Rated Money Fund Report Index (IBC), Federal Reserve Three-Month CD, Federal Reserve Three-Month T-Bill.

Performance Objective: As high a level of current income as is consistent with, first, the safety of principal and, second, the provision of liquidity.

Internally Managed

External Management Fees: None

Expense Ratio: Less than 3 basis points (includes internal management and personnel salaries).

Description of the Fund

The Treasurer's Short-Term Investment Fund ("STIF" or the "Fund") is a Standard & Poor's AAAm rated investment pool of high-quality, short-term money market instruments managed by the Cash Management Division. Created in 1972, STIF serves as an investment vehicle for the operating cash of the State Treasury, State agencies and authorities, State municipalities, and other political subdivisions of the State. STIF's investment objective is to provide the greatest income within the parameters of first, ensuring the preservation and safety of principal and, second, providing immediate liquidity to meet participants' daily cash flow requirements. During the fiscal year 2000, STIF's portfolio averaged $3.6 billion.

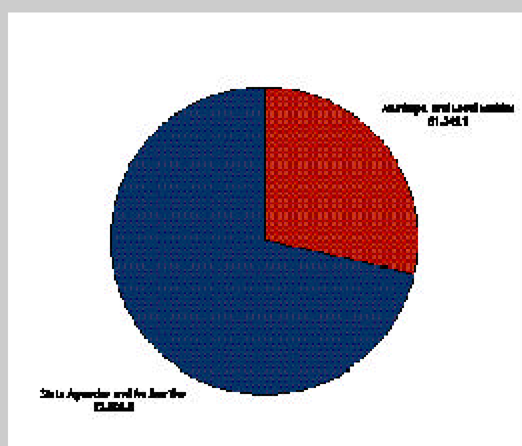
STIF employs the basic investment strategy of buying on market weakness. For example, when interest rates rise, STIF is in the market taking advantage of higher yields. To ensure sufficient liquidity due to any unexpected participant withdrawals, STIF closely monitors the portfolio's "average maturity" (time to maturity or interest rate reset date of all securities in the portfolio). STIF continually analyzes future expectations of interest rate movements and changes in the shape of the yield curve to ensure the most prudent and effective short-term money management for its clients. Ongoing credit analysis enables STIF to enhance yield by identifying high-quality credits in undervalued sectors of the economy.

STIF pays interest monthly based on the daily earnings of the Fund less expenses and an allocation to the Fund's Designated Surplus Reserve. The reserve allocation equals one-tenth of one percent of the Fund's daily balances divided by the number of days in the year. The total Designated Surplus Reserve is limited to one percent of the Fund's daily balance. This reserve, currently $33.7 million, contributes significantly to STIF's low risk profile.

The Fund evaluates its performance by comparing its returns to three indices. The first index, the IBC First Tier Institutions-Only Rated Money Fund Report Index ("IBC Index") represents an average of institutional money market mutual funds rated AAA or AA investing primarily in first-tier (securities rated A-1, P-1) taxable securities. While STIF's investment policy allows for greater flexibility than the SEC-registered funds, the IBC Index is considered the most appropriate benchmark against which to evaluate STIF's performance.

STIF's returns are also compared to the Federal Reserve three-month T-Bill rate and the Federal Reserve three-month CD rate. The T-Bill rate index is used to measure STIF's effectiveness in achieving returns in excess of a "risk-free" investment. The CD rate index is shown for the benefit of STIF investors, many of whom invest in bank certificates of deposit. In viewing these indices, it is important to keep in mind that yields of the CD index will exceed those of the T-Bill index due to a CD's slightly higher risk profile and comparatively lower liquidity. Furthermore, indices

SHORT-TERM INVESTMENT FUND
Ownership Analysis at June 30, 2000 ($ in Millions)



are "unmanaged" and are not affected by management fees or operating expenses.

Among the Fund's achievements during the 2000 fiscal year was the continuation of an AAAm rating by Standard & Poor's in December 1999. This is S&P's highest rating for money market funds and investment pools and signifies that the Fund's safety of investors' principal is excellent and that superior capacity exists to maintain a $1 per share net asset value at all times.

Risk Profile

STIF is considered very low risk for several reasons. First, STIF's portfolio is comprised of high-quality, very liquid securities, which insulate the Fund from default and liquidity risk. Second, STIF's relatively short average maturity reduces the Fund's price sensitivity to changes in market interest rates. Third, strong asset diversification by security type and issuer, as required by STIF's investment policy, strengthens the overall risk profile. Finally, STIF's Designated Surplus Reserve, which totals approximately one percent of Fund assets, is available to protect against security defaults or the erosion of security values due to any significant unforeseen market changes. Although the reserve has never been drawn upon during STIF's 28-year history, it provides additional security to preserve the Fund's low risk profile. As the short-term investment vehicle for the operating cash of the State, STIF reflects the ultimate confidence of the State government.

Whereas STIF is professionally managed to protect against losses from credit and market changes, the Fund is not insured or guaranteed by any government. Therefore, the loss of capital cannot be fully assured.

Portfolio Composition

Throughout the year, STIF monitored the activities of the Federal Reserve and economic indicators, adjusting the Fund's portfolio and characteristics as required. At the beginning of the fiscal year, STIF's weighted average maturity equaled 52 days. During the year the Fund's average maturity ranged from 27 to 64 days as market rates fluctuated. At the end of the 2000 fiscal year, the average maturity was 30 days.

STIF's assets continued to be well diversified by utilizing quality short-term securities during the year. The Fund ended the year with a 77 percent concentration in investments rated A-1+ or AAA (the highest ratings of Standard & Poor's) or overnight repurchase agreements. The Fund's yield distribution was concentrated in the 6 percent range, with 85 percent of the Fund invested in securities with maturities, or interest rate reset dates for adjustable rate securities, of less than 30 days, versus 52 percent at previous year end. The Fund's three largest security weightings included securities-backed commercial paper (27.5 percent), bank notes (19.5 percent) and overnight repurchase agreements (12.6 percent). Asset-backed commercial paper reported in the distribution by security type pie chart includes receivable-backed, loan-backed, securities-backed, and multi-backed commercial paper.

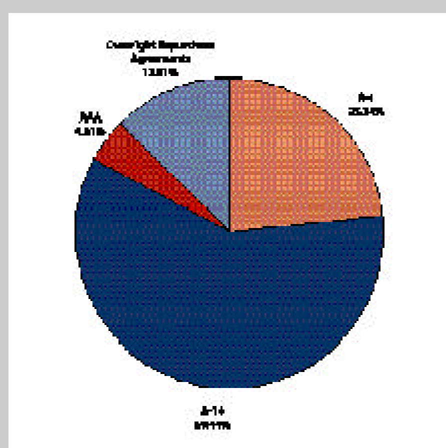
Performance Summary

For the one-year period ended June 30, 2000, STIF reported an annual total return of 6.01 percent, net of operating expenses and allocations to Designated Surplus Reserve. The annual total return is a computation of the total investment income a participant would earn with monthly compounding at the Fund's monthly net earned rate during the year. This figure exceeded STIF's benchmark, the IBC index, which equaled 5.58 percent, by 43 basis points, as well as three-month T-Bills, which yielded 5.37 percent and three-month CDs which yielded 5.99 percent. (Yields for T-Bills and CDs have not been compounded.)

Principal reasons for STIF's strong performance include low expenses, effective security selection and fluctuating the Fund's average maturity in response to the changing interest rate environment.

Over the long-term, STIF has performed exceptionally well. For the trailing three, five, seven and ten-year periods, STIF's compounded annual total return was 5.73 percent, 5.76 percent, 5.44 percent, and 5.59 percent, respectively, net of operating expenses and contributions to the Designated Surplus Reserve, exceeding returns of each

SHORT-TERM INVESTMENT FUND
Distribution by Quality Rating at June 30, 2000



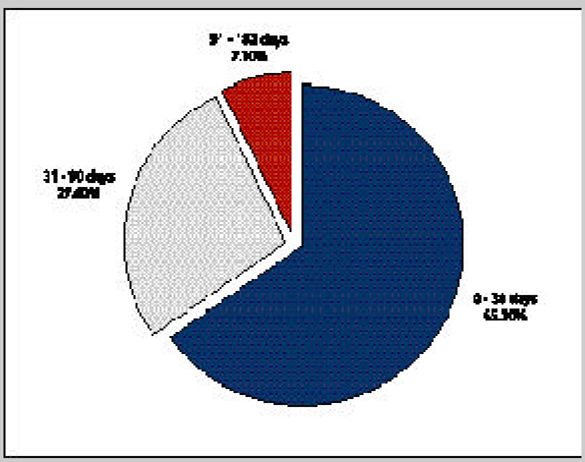
of its benchmarks for all time periods. Viewed on a dollar-for-dollar basis, had one invested $10 million in STIF ten years ago, that investment would have been worth $17.2 million at June 30, 2000, versus $16.3 million for the same hypothetical investment in the IBC Index.

In addition to management's effective security selection, STIF's unique low cost structure contributed significantly to these returns. Compared to STIF's operating expenses of 3 basis points, or 0.03 percent of average net assets, the average rated institutional money market mutual fund charges investors approximately 36 basis points. Reducing costs is the most prudent and safest way to increase yield. Thus, STIF has a risk-free advantage of 33 basis points, or a net of 23 basis points after deducting the annual 10 basis point allocation to the Fund's Designated Surplus Reserve.

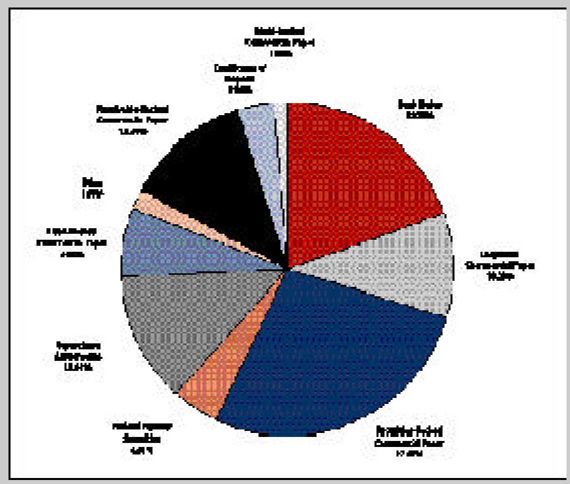
During the fiscal year, STIF assets under management of approximately $3.6 billion increased to $3.7 billion, an increase of approximately $100 million. The principal reason for this growth was an increase in municipal and local customers cash balances of about $200 million, offset by a $100 million reduction in the State's cash balances.

CHARTS PROVIDED FOR ILLUSTRATION OF FINANCIAL INFORMATION.

SHORT-TERM INVESTMENT FUND
Maturity Analysis at June 30, 2000



SHORT-TERM INVESTMENT FUND
Distribution by Security Type at June 30, 2000

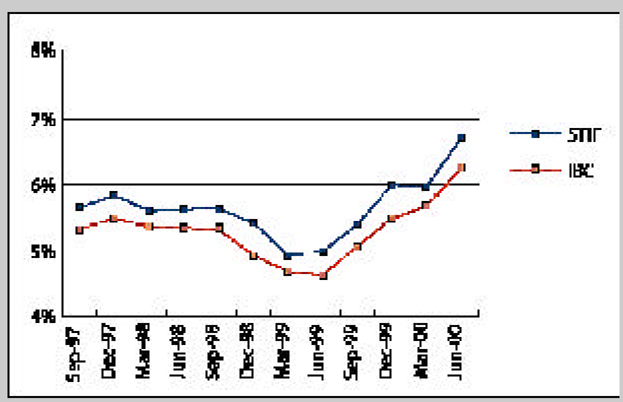


SHORT-TERM INVESTMENT FUND
Periods Ended June 30, 2000

	1 Year	3 Years	5 Years	7 Years	10 Years
Compounded Annual Total Return (%)					
STIF	6.01	5.73	5.76	5.44	5.59
IBC Index*	5.58	5.37	5.36	5.03	4.98
Fed. Three-Month T-Bill	5.37	5.04	5.12	4.91	4.86
Fed. Three-Month CD	5.99	5.59	5.61	5.29	5.23
Cumulative Total Return (%)					
STIF	6.01	18.20	32.33	44.85	72.20
IBC Index*	5.58	16.98	29.85	40.97	62.55
Fed. Three-Month T-Bill	5.37	15.90	28.34	39.86	60.77
Fed. Three-Month CD	5.99	17.72	31.39	43.50	66.44

Represents IBC First Tier Institutions-Only Index prior to December 31, 1995 and IBC First Tier Institutions-Only IRated Index through June 30, 2000.

SHORT-TERM INVESTMENT FUND
Quarterly Yield versus Benchmark



Division Overview

The Unclaimed Property Division has responsibility to reunite rightful owners with their missing property. To do that, the Division performs two essential outreach functions. It helps businesses comply with their obligation to report unclaimed property in their possession to the State by promoting positive relationships between State government and the business community. And the Division reaches out through every available channel of communication to the rightful owners of unclaimed property so that they may claim what is lawfully theirs. All activities of the Division support its principal mission, which is to function as a consumer protection service, safeguarding property and overseeing its return to the rightful owners, therby safeguarding the ownership rights of all Connecticut citizens.

In fiscal year 2000, the Unclaimed Property Division collected $35.2 million, net of fees. Unclaimed financial assets are received from banks, insurance companies and businesses, which are required to relinquish this property to the State Treasurer following a loss of contact with the owner of record.

Organization

Under the administration of an Assistant Treasurer, the 27 employees of the Division of Unclaimed Property are organized into three units consisting of Holder Reporting and Database Management, Claims/Securities Processing and Field Examination/Auditing.

Holder Reporting and Database Management maintains the unclaimed property owner and holder database. This unit records all property received for the current year reporting cycle and maintains all holder data for property which has not been claimed in previous reporting years.

Claims/Securities Processing reunites owners with their unclaimed property held in the State Treasurer's custody. Claims staff respond to inquiries, research claims, download claim forms for owner filing, and complete the claims processing and approval process. All property types are returned through the Claims/Securities Processing, including stocks and mutual funds.

Field Examination and Auditing, consisting of six staff auditors, is responsible for general ledger examinations of the records of banks, insurance companies, hospitals, universities, and other business entities to determine whether all unclaimed property is being reported.

Auditing works closely with two contract vendors who deliver abandoned property held by companies in other states belonging to Connecticut residents.

The Year in Review

In fiscal year 2000, the Division created and began to launch an intensive outreach campaign to claimants through various initiatives of its *Name It and Claim It* Campaign, including:

- Preparation of the bi-annual publication of the *Official List of Names*, a list of new owners distributed statewide through newspapers;
- Creation of a dedicated web site, *www.nameitandclaimit.org*, containing a database of more than a half million names of owners, as well as online inquiry forms and instructions which owners can use to initiate claims;
- Year-around exhibits and presentations at public events to increase awareness and research inquiries of unclaimed property held by the State.

The *Holder Outreach* program, a marketing campaign targeted to businesses and organizations both incorporated and/or doing business within the State, promotes compliance with the statutory obligation to *report and remit* unclaimed property to the State Treasurer's Office by the annual March 31st deadline. A completely revised *Holder Reporting Manual* provides complete instructions and forms for reporting and remitting property and is available in print and online (www.state.ct.us/ott).

During Fiscal Year 2000, the Division:

- Paid $9.4 million in claims and issued 4,466 checks to claimants;
- Received $33,630,167 in unclaimed property receipts voluntarily reported by holders;
- Collected $1,527,714 as a result of the UCPD compliance examinations of holders;
- Increased the owner database by 148, 223 records;
- Launched *Name It and Claim It*, an outreach program designed to locate new owners, in order to increase awareness of the Treasurer's Office custody of unclaimed property and to reunite owners with their property; and
- Administered the Amnesty Program, enabling holders of abandoned property to become compliant with the unclaimed property laws of all participating States with no penalties or interest.

The Unclaimed Property Division, during Fiscal Year 2000, undertook a major initiative to update its owner database, beginning with all historical corporate actions since 1985. The update assures that all claimants receive full credit for all accruals on their securities, thus expediting operations that previously relied on manual processing. When completed, the update will streamline internal securities processing for all future claims.

Division Overview

The Second Injury Fund ("the Fund") pays lost wages and medical benefits to qualified injured workers as a state-run workers' compensation insurance program.

The Fund has a staff of 58 employees who work under the supervision of an Assistant Treasurer. It is organized into four areas:

Organization

Administrative Services. The Assistant Treasurer maintains general oversight over the division as well as administrative support functions such as the Return-to-Work program, Medical Case Management, the management team and clerical support.

Attorneys and support staff in the Office of the Attorney General, who represent the Fund before the State's Workers' Compensation Commission, fall within administrative services. In addition, the Fund works closely with the Workers' Compensation Commission, the Chief State's Attorney's office and other state agencies in the fulfillment of its mission.

Claims and Specialty Claims Reimbursement. The claims units, supervised by two claim managers, are responsible for adjudicating approximately 4,631 open claims. These include "second injury" claims, widow and dependent benefit claims, uninsured employer claims and permanent total disability claims. The specialty reimbursement unit also processes reimbursement to employers for concurrent employment claims. Both units actively negotiate stipulated settlements of these claims.

Accounting. The accounting unit, under the supervision of a controller, provides all aspects of service inherent in an accounting operation, processes the benefit payroll, oversees the collection of assessments and performs desk and site audits of insurance companies and self-insured employers.

Investigations. The investigations unit, under the supervision of a director, conducts investigations for assets, fraudulent receipt of benefits, gathers data for collection of receivables, assists in the litigation process and monitors employer compliance with workers' compensation insurance coverage.

Description of the Second Injury Fund

The Fund was established in 1945 by the State of Connecticut to discourage discrimination against veteran and encourage the assimilation of workers with a pre-existing injury in the workforce. The Fund's responsibilities were expanded over the years through judicial and legislative reform resulting in annual claim growth in excess of 20% for the period 1970 to 1995. After 55 years, it had become the largest disburser of workers' compensation benefits in the State. Second Injury Fund operations, which are financed by assessments on Connecticut employers, reached a dollar value high of $146.5 million in 1996.

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").

In 1995 the Connecticut General Assembly closed the Fund to new "second injury" claims sustained on or after July 1, 1995. However, the Fund will continue to be liable for payment of claims which involve an uninsured 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 injury.

In addition, the Fund will continue to be liable and make payments with respect to:

- dependent death benefits for any employee who was injured on or after January 1, 1974 and who died not later than November 1, 1991;
- dependent death benefits for any employee who was injured before January 1952 and who died after October 1991;
- reimbursement to insurers and self-insured employers for cost of living adjustments paid to totally disabled employees with injuries occurring prior to October 1969;
- reimbursement to insurers and self-insured employers for adjustments they paid to totally disabled employees suffering a relapse from an injury occurring prior to October 1969 after returning to work;
- reimbursement to insurers and self-insured employers for cost of living adjustments paid to totally incapacitated employees who received a total incapacity award prior to October 1953;
- injured workers who become permanently and totally disabled; and
- second injury claims transferred to the Fund prior to July 1999.

Assessments

Insured employers pay a surcharge on their workers' compensation insurance policies based on annual standard premiums. Currently an assessment surcharge of 10% is applied to all insured employers for policies with effective dates between January 1st and June 30th of the current year.

The assessment for self-insured employers is a flat rate of 14.5% and is based on workers' compensation loss costs for medical and indemnity benefits incurred in the prior calendar year. The Treasurer establishes the assessment rate on or before May 1st of each year and has kept rates level for the second consecutive year.

Despite its statutory closure to "second injury" claims, the Fund will continue to assess Connecticut employers and their insurers for its ongoing responsibilities and expenses (as previously noted). Furthermore, levying assessments will continue to be necessary to pay off principal and interest payments on bonds and commercial paper issued for full and final settlements.

The Year in Review

Major Reforms Reuslt in No Assessment Rate Increase: When presented late in fiscal year 1999 with financial forecasts of future deficits in the Fund, the Treasurer rejected a recommendation from outgoing staff that assessment rates paid by Connecticut businesses be increased. Instead, she froze assessment rates and launched a series of initiatives designed to identify, analyze and overcome any problems contributing to the deficit forecast. With the assistance of a Blue Ribbon Commission of accounting, financial and insurance experts, these initiatives produced a financially stronger Second Injury Fund and enabled the Treasurer to hold assessment rates constant for a second consecutive year.

Measures taken by the Treasurer in the current year brought the fiscal problem under control and restored sound management and fiscal integrity to the Fund. Those measures included:

- Placing tighter controls on the claims settlement process, thereby reducing the cost of settlements and borrowing;
- Ordering a complete fiscal audit of the Fund;
- Establishing a Blue Ribbon Commission made up of actuarial, financial and insurance experts to oversee the audit;
- Appointing the first controller in the Fund's history to strengthen internal financial management controls;
- Developing an alternative financing structure which will lower the total debt burden;
- Instituting an audit program to ensure that self-insured employers and insurance companies accurately report paid losses and premiums, and correctly pay assessments; and
- Implementing improvements to claims management and the management information system in order to reduce operating expenses in future years.

Lower Operating Expenses: The Fund's year-end financial statistics reflect the impact of recent administrative reforms. As a result of fewer claims transferred, tighter controls on the settlement process and an alternative financing structure we anticipate a savings of $485.3 million over the life of the Fund and $19.5 million in FY 2001 alone. The alternative financing program utilizes commercial paper to a greater degree with less reliance on long term borrowing than as previously planned. The Fund's debt will be paid off in 15 years.

Declining Assessments: Assessments levied in fiscal year 2000 were $82,567,047, a decline from $85,516,460 in the preceding year. This continues a trend begun in 1995, as enhanced by reforms which became effective in this fiscal year. Since the 1995 legislative act, assessment revenue collected from Connecticut employers has decreased by $43,579,069 (or 34.8%) reflecting the positive impact of legislative reforms which reduce the expenses of the Fund through stipulated settlements as well as the recent management improvements. Projected assessments for fiscal year 2001 is $75,576,958, a decrease of $7 million.

Reduction of Commercial Paper Debt: During fiscal year 2000, the Fund utilized $21,088,392 in excess reserves to pay off commercial paper debt ($10,000,000) and stipulated settlements ($11,088,392) thereby reducing long-term bond debt requirements.

Savings from Use of Full and Final Settlements: During fiscal year 2000, stipulated settlements were negotiated on 345 claims at a cost of $24,600,000. Since January 1, 1995, a total of 5,262 settlements have been negotiated and settled at a cost of $391,640,000. The strategy of full and final settlements to reduce the Fund's long-term liabilities can be considered a success since the reserve value for these claims was $1.528 billion.

Second Injury Fund Unfunded Liability (expressed as reserves): The estimated unfunded liability (expressed as reserves), as of July 1, 2000 is $838,717,000, a $2,386,000 net reduction from July 1, 1999. While the Fund settled 345 claims in fiscal year 2000 with a reduction on reserves of $35 million, the Fund established reserves for the first time on 21 claims that involve lifetime payment of death benefits at a value of $18 million. The Fund is halfway through a reserve adjustment project on active payroll cases which so far has resulted in an increase reserve value of $17 million on 40 claims. However, the Fund anticipates significant decreases in total reserve value after the non-payroll claims are adjusted.

The reserves are based on an estimate of expenses over the life of a claim as calculated by internal staff. A new actuarial analysis of Fund liabilities will be done in fiscal year 2001 and will likely result in lower reserves.

2000 Division Performance

The new program to audit insurance companies and self-insured employers to ensure they are correctly paying assessments has brought in nearly $4 million in fiscal year 2000. In addition, new internal audit controls implemented by the controller saved the Fund $119,309 from duplicate billing and overcharges.

The assignment of two dedicated staff members to collection efforts has generated recoveries in the amount of $539,000.

The Fund continues to work closely with the State's Attorney's Office on the investigation and prosecution of claimants alleged to be fraudulently receiving benefits from the Fund. During fiscal year 2000, three fraud cases were referred to that office.

As compared to 1995 estimates, open reserved claims have dropped from 5,700 to 4,631. During fiscal year 2000 alone, active payroll cases have been reduced from 1,100 to 753 or 31.5%. Medical and indemnity payments to injured workers were reduced by $8.9 million or 21%.

The Fund projects 150 new claims for fiscal year 2001 in the categories of uninsured employers and claimants' concurrent employment. In addition a dedicated Reimbursement unit was formed to process reimbursement requests from carriers, self-insured employers and third party administrators.

The Return-to-Work Program provided 65 individuals with employment opportunities, 43 of whom are now participating in vocational rehabilitation service programs. The Fund continues to pursue quality medical care and rehabilitative services for injured workers. Program initiatives include internal medical bill review and increased oversight of medical case management vendors.

The performance of the Second Injury Fund is measured by its success rate in achieving the basic tenets of its mission. That success can best be summarized in the following areas:

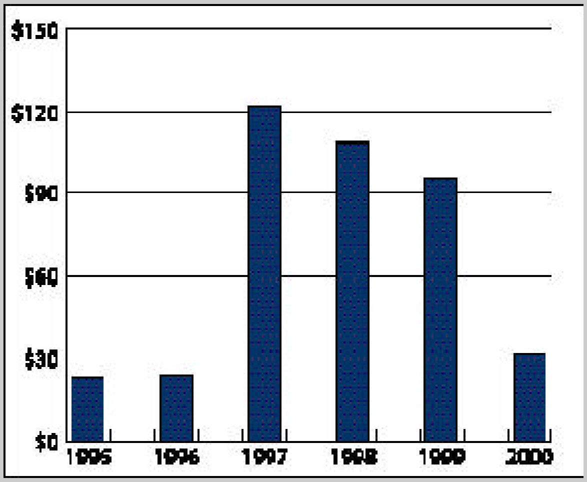
- Assessment rates kept level for the second consecutive year;
- Alternative financing structure developed to lower total debt burden;
- Assessment audits and recoveries yielded approximately $4.0 million dollars in additional revenue;
- Tighter controls placed on the settlement process;
- Controller appointed for the first time in Fund history;
- Appointment of a Blue Ribbon Commission and independent audit of operations completed;
- $21,088,392 in excess reserves used to pay off commercial paper and stipulated settlements;
- 345 claims settled at a cost of $24,600,000, a $2,386,000 reduction in the unfunded liability (expressed as reserves);
- Claim count dropped from 5,700 to 4,631;
- Active payroll cases were reduced from 1,100 to 753;
- Medical and indemnity payments reduced by $8.9 million or 21%;
- Three claims referred to State's Attorney office for fraud; and
- 65 individuals provided with employment opportunities.

Plans for 2001

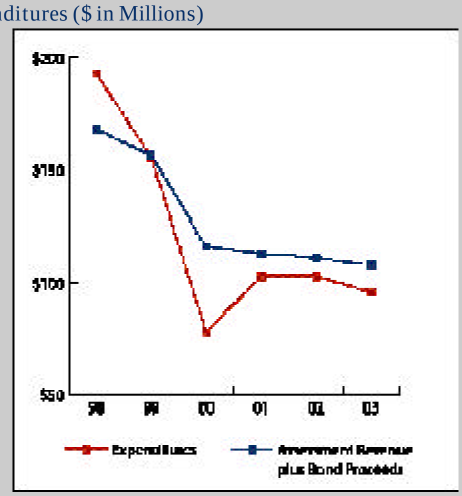
- Implementation of Blue Ribbon Commission's recommendations for operational and risk management information system improvements will begin in Fiscal Year 2001 and have a potential operational cost savings of 10-30% after being fully implemented. Once implemented, these improvements will also bring the Fund's operations up to industry standards.
- New actuarial review and analysis of Fund claims to determine current and future liabilities will be done in Fiscal Year 2001.
- Audits of the five largest insurance companies for assessment payment compliance.

CHARTS PROVIDED FOR ILLUSTRATION OF FINANCIAL INFORMATION.

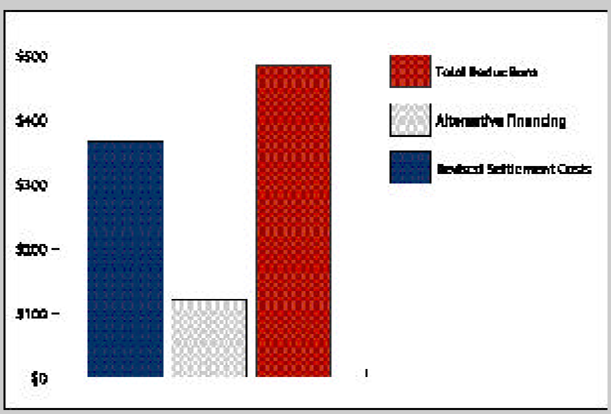
SECOND INJURY FUND
Settlements Paid (cash basis)



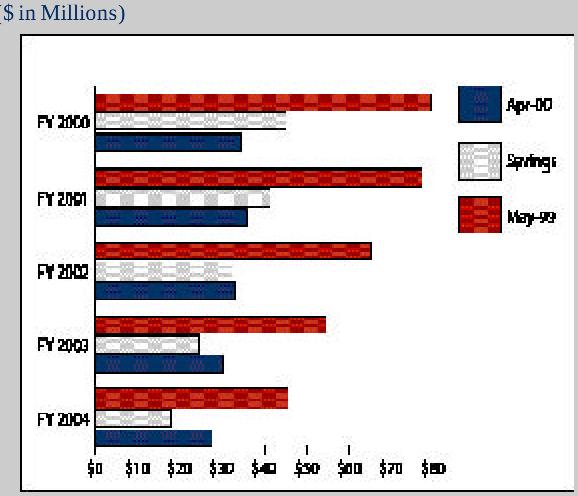
SECOND INJURY FUND
Assessment Revenue Plus Bond Proceeds vs. Expenditures ($ in Millions)



SECOND INJURY FUND
Total Reduction in Debt Service Costs
($ in Millions)



SECOND INJURY FUND
Settlements Cost Projections
($ 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 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 taxes (either federal or State) on earnings. Amounts can 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 are taxed after qualified withdrawals for higher education expenses from the Trust at the beneficiary's federal tax rate. The State of Connecticut does not tax the earnings after withdrawal. Earnings withdrawn for non-qualified expenses incur a penalty tax of 10%.

CHET consists of ten individual Trust Funds ("Funds"). The Funds are open-ended, unitized portfolios consisting of investments in various mutual funds and trusts. The units of the Funds are directly owned by the participants. Each Fund represents a different asset allocation based on the age of the child ("Beneficiary") for whom the account has been established. As the child (beneficiary) grows older and approaches college age, each Fund's assets will be moved from more aggressive to more conservative investments in accordance with the Trust's investment policy.

During fiscal year 1999-2000, the Trust changed program managers from Collegiate Capital Group (CCG) to TIAA-CREF Tuition Financing, Inc. (TFI). This change was accompanied by program enhancements, including:

- Fees charged to participants were reduced from 1.55% of assets to 0.79% of assets. The $15 annual administrative fee was eliminated.
- The minimum for opening an account was reduced from $500 to $25 ($15 if payroll deduction is used).
- The number of Funds was increased from five to ten. Assets were moved from five mutual funds managed by four different asset managers, to four TIAA-CREF institutional mutual funds.
- New program disclosure documentation was written and sent to all CHET participants. This provides CHET participants with more detailed information about the program and all of its components.

The Act also establishes a CHET Advisory Committee, which meets annually. The Committee met on December 20, 1999.

CONNECTICUT HIGHER EDUCATION TRUST

There is established a [Family College Savings Plan] CONNECTICUT HIGHER EDUCATION TRUST Advisory Committee which shall consist of the State Treasurer, the Commissioner of Higher Education, the Secretary of the Office of Policy and Management and the cochairpersons 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 are:

DENISE L. NAPPIER,
State Treasurer

MARC S. RYAN,
Secretary Office of Policy and Management

VALERIE F. LEWIS,
Interim Commissioner, Department of Higher Education

MR. ROBERT LOCKERT,
Designee of Sen. Thomas Gaffey, Chair, Education Committee

REP CAMERON C. STAPLES,
Chairman, Education Committee

SEN. JUDITH G. FREEDMAN,
Ranking Member, Education Committee

REP. BRIAN E. MATTIELLO,
Ranking Member, Education Committee

SEN. MARTIN M. LOONEY,
Chair, Finance Committee

REP. ANNE B. MCDONALD,
Chair, Finance Committee

SEN. WILLIAM H. NICKERSON,
Ranking Member, Finance Committee

REP. RICHARD BELDEN,
Ranking Member, Finance Committee

CHRISTOPHER SIMSIK,
Student Financial Aid Officer, Central Connecticut State University

FRANK RESNICK,
Chief Financial Officer, Central Connecticut State University

WILLIAM LUCAS,
Vice President Finance, Fairfield University

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

STATE OF CONNECTICUT

AUDITORS OF PUBLIC ACCOUNTS
STATE CAPITOL
210 CAPITOL AVENUE
HARTFORD, CONNECTICUT 06106-1559

KEVIN P. JOHNSTON

ROBERT G. JAEKLE

CERTIFICATION BY AUDITORS OF PUBLIC ACCOUNTS
AND STATE COMPTROLLER

We have audited the accompanying statement of net assets of the Combined Investment Funds, as of June 30, 2000, the related statement of operations for the fiscal year then ended and the statement of changes in net assets for the fiscal years ended June 30, 2000, and 1999. We have audited the accompanying statement of net assets of the Short Term Investment Fund as of June 30, 2000 and the statements of changes in net assets for the fiscal years ended June 30, 2000, and 1999. We have audited the balance sheet of the Second Injury Fund and the statements of condition of the other Non-Civil List Trust Funds as of June 30, 2000, together with the related statements of revenue and expenditures and statements of changes in fund balance for each and the statement of cash flows for the other Non-Civil List Trust Funds, for the fiscal year ended June 30, 2000. We have also examined the schedules of Civil List Funds investments, and debt outstanding, as of June 30, 2000, and changes in debt outstanding during the fiscal year ended June 30, 2000. These financial statements and schedules are the responsibility of the management of the State Treasury. Our responsibility is to express an opinion on the financial statements and schedules based on our audit.

We did not audit the accompanying financial statements of the Tax Exempt Proceeds Fund or the Connecticut Higher Education Trust. These financial statements were audited by other auditors whose reports thereon have been included with the accompanying financial statements.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and schedules.

Our procedures included confirmation of securities owned as of June 30, 2000, by correspondence with the custodians. 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 audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Combined Investment Funds, Short Term Investment Fund, Second Injury Fund and other Non-Civil List Trust Funds as of June 30, 2000, and the results of their operations, the changes in net assets for the Combined Investment Funds and the Short Term Investment Fund, changes in fund balance for the Second Injury Fund and other Non-Civil List Trust Funds and cash flows for the other Non-Civil List Trust Funds for the year then ended, in conformity with generally accepted accounting principles.

In our opinion, the schedules referred to above present fairly, in all material respects the investments of the Civil List Funds as of June 30, 2000, and the balance of bonds outstanding as of June 30, 2000, and bonds issued, retired and refunded, and bond interest payments made during the year ended on that date, all in accordance with the modified cash basis of accounting, a comprehensive basis of accounting other than generally accepted accounting principles.

As explained in Note lB to the financial statements of the Combined Investment Funds, the State Treasurer's policy is to present investments at fair value. The fair value of most of the assets of the Real Estate Fund, the Commercial Mortgage Fund and the Private Investment Fund and the limited partnership investment of the Mutual Fixed Income Fund are estimated by investment advisors in the absence of readily ascertainable market values, and reviewed and adjusted, when appropnate, by the State Treasurer. The fair value of most of the assets of the Real Estate Fund and the Private Investment Fund and the limited partnership investment of the Mutual Fixed Income Fund are presented at the cash adjusted fair values, which utilize the investment advisors' March 31, 2000, quarter ending estimated values adjusted for cash flows of the Funds during the subsequent quarter that affect the value at the Funds' level. Adjustments are made for underlying investments that experienced significant changes in value during the quarter, if deemed appropriate. We have reviewed the investment advisors' values, the relevant cash flows and the procedures used by the State Treasurer in reviewing the estimated values and have read underlying documentation and, in the circumstances, we believe the procedures to be reasonable and the documentation appropnate. However, because of the inherent uncertainty of valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material.

Our audit was made for the purpose of forming an opinion on the financial statements of the Combined Investment Funds taken as a whole. The Combined Investment Funds Total Net Asset Value by Pension Plans and Trust Funds and the Statements of Investment Activity by Pension Plan and by Trust Fund, contained within the Supplemental Information Section of this document, are presented for purposes of additional analysis and are not a required part of the financial statements of the Combined Investment Funds. Such information has been subjected to the auditing procedures applied in the audit of the financial statements of the Combined Investment Funds and, in our opinion, is fairly presented in all material respects in relation to the financial statements of the Combined Investment Funds taken as a whole. The introduction section, supplemental information section and the statutory appendix have not been audited except as specifically noted in this auditors' opinion.

CERTIFICATION BY AUDITORS OF PUBLIC ACCOUNTS AND STATE COMPTROLLER

At the present time, separate auditors' reports are being prepared by the Auditors of Public Accounts covering the State-Wide operations of the State Treasury and the Investment Advisory Council. These auditors' reports, consisting of comments, recommendations, and certifications, will be maintained on file in the offices of the Auditors of Public Accounts.

This particular certification is issued by the Auditors of Public Accounts and the State Comptroller in accordance with Section 2-90 of the General Statutes.

Kevin P. Johnston
Auditor of Public Accounts

Robert G. Jaekle
Auditor of Public Accounts

Nancy Wyman
State Comptroller

October 13, 2000

The Honorable John G. Rowland
Governor of Connecticut

The Honorable Denise L. Nappier
Treasurer of Connecticut

The Honorable Members of the Connecticut General Assembly

The People of Connecticut

This report was prepared by the Department of Treasury, which is responsible for the accuracy of the data, the completeness and fairness of the presentation and all disclosures. We present the financial statements and data as being accurate in all material respects and prepared in conformity with generally accepted accounting principles and such financial statements are audited annually by the State of Connecticut Auditors of Public Accounts.

To carry out this responsibility, the Treasury Department maintains financial policies, procedures, accounting systems and internal controls that management believes provide reasonable, but not absolute, assurance that accurate financial records are maintained and investments and other assets are safeguarded.

It is our belief that the contents of this Annual Report make evident the State of Connecticut Treasury Department support of the safe custody and conscientious stewardship of the State's property and money including Trusts and Custodial accounts held by the State Treasurer. In addition, the Treasury Department has sought to maximize earnings on the assets held by the State Treasurer within the boundaries of prudent investment guidelines authorized by Article Four, Section 22 of the Connecticut Constitution and in Title 3 of the Connecticut General Statutes, thereby stabilizing taxpayer costs and securing the safety of benefit commitments established under various General Statutes regarding the State retirement systems and other retirement systems administered by the State.

The State of Connecticut also issues a Comprehensive Annual Financial Report (the "CAFR") available from the State Comptroller's Office. The material presented herein is intended to expand on, but not to conflict with, the State's CAFR.

In management's opinion, the internal control structure of the State Treasury is adequate to ensure that the financial information is this report presents fairly the financial condition and results of operations of the funds that follow.

Sincerely,

Howard G. Rifkin
Deputy Treasurer

COMBINED INVESTMENT FUNDS

STATEMENT OF NET ASSETS

JUNE 30, 2000

	CASH RESERVE FUND	MUTUAL EQUITY FUND	FIXED INCOME FUND	INTER-NATIONAL STOCK FUND	REAL ESTATE FUND	COMMERCIAL MORTGAGE FUND	PRIVATE INVESTMENT FUND	ELIMI-NATION ENTRY	TOTAL
ASSETS									
Investments in Securities, at Fair Value									
Cash Reserve Fund	$ -	$ 78,886,019	$ 847,227,707	$ 79,417,683	$ 29,828,197	$ 27,496,107	$ 86,165,136	$(1,149,020,849)	$ -
Cash Equivalents	953,245,946	-	-	-	-	-	-	-	953,245,946
Asset Backed Securities	341,806,886	-	165,155,478	-	-	-	-	-	506,962,364
Government Securities	-	-	1,190,490,402	-	-	-	-	-	1,190,490,402
Government Agency Securities	28,513,421	-	1,892,619,352	-	-	-	-	-	1,921,132,773
Mortgage Backed Securities	57,170,766	-	569,633,594	-	-	2,343,728	-	-	629,148,088
Corporate Debt	146,967,316	-	1,984,533,560	2,340,766	-	-	-	-	2,133,841,642
Convertible Securities	-	-	290,775,777	-	-	-	-	-	290,775,777
Common Stock	-	8,764,317,380	16,366,287	2,795,458,179	61,266,709	143,804,457	5,108,845	-	11,786,321,857
Preferred Stock	-	631,250	88,974,946	45,946,878	-	-	-	-	135,553,074
Real Estate Investment Trust	-	32,233,501	517,300	-	-	-	-	-	32,750,801
Mutual Fund	-	-	36,488,020	5,529,840	-	-	-	-	42,017,860
Limited Liability Corporation	-	-	-	-	-	-	72,788,985	-	72,788,985
Trusts	-	-	-	-	52,995,032	1,571,916	-	-	54,566,948
Limited Partnerships	-	-	199,220,400	-	351,325,713	-	2,396,979,306	-	2,947,525,419
Partnerships	-	-	-	-	-	-	-	-	-
Annuities	-	-	-	-	14,595,292	-	-	-	14,595,292
Total Investments in Securities, at Fair Value	1,527,704,335	8,876,068,150	7,282,002,823	2,928,693,346	510,010,943	175,216,208	2,561,042,272	(1,149,020,849)	22,711,717,228
Cash	-	1,441,657	113,577	21,372,333	-	-	-	-	22,927,567
Receivables									
Foreign Exchange Contracts	-	-	23,878,858	1,647,105,232	-	-	-	-	1,670,984,090
Interest Receivable	14,866,286	396,615	83,858,537	562,397	158,061	148,953	650,003	(6,764,491)	93,876,361
Dividends Receivable	-	6,989,267	345,118	2,096,981	-	667,295	-	-	10,098,661
Due from Brokers	-	109,560,767	174,485,296	67,317,473	-	-	-	-	351,363,536
Management Fee Receivable	-	-	-	6,605,917	-	-	-	-	6,605,917
Foreign Taxes	-	2,699	7,500	1,673,145	-	-	-	-	1,683,344
Securities Lending Receivable	-	151,207	135,791	348,217	-	-	-	-	635,215
Reserve for Doubtful Receivables	-	(165)	(1,579,102)	(420,627)	-	-	-	-	(1,999,894)
Total Receivables	14,866,286	117,100,390	281,131,998	1,725,288,735	158,061	816,248	650,003	(6,764,491)	2,133,247,230
Invested Securities Lending Collateral	-	322,292,768	736,407,541	607,418,957	-	-	-	-	1,666,119,266
Other Funds on Deposit	-	-	-	-	-	31,257	-	-	31,257
Prepaid Expenses	-	-	-	-	-	-	3,495,781	-	3,495,781
Total Assets	**1,542,570,621**	**9,316,902,965**	**8,299,655,939**	**5,282,773,371**	**510,169,004**	**176,063,713**	**2,565,188,056**	**(1,155,785,340)**	**26,537,538,329**
LIABILITIES									
Payables									
Foreign Exchange Contracts	-	-	23,762,583	1,665,553,211	-	-	-	-	1,689,315,794
Due to Brokers	-	124,856,950	1,039,566,952	74,135,253	-	-	-	-	1,238,559,155
Income Distribution	8,660,724	-	-	-	-	-	-	(6,619,426)	2,041,298
Other Payables	95,055	-	-	-	-	-	-	(95,055)	-
Total Payables	8,755,779	124,856,950	1,063,329,535	1,739,688,464	-	-	-	(6,714,481)	2,929,916,247
Securities Lending Collateral	-	322,292,768	736,407,541	607,418,957	-	-	-	-	1,666,119,266
Accrued Expenses	201,705	17,196,605	3,779,682	5,699,659	46,001	4,290	400,874	(49,998)	27,278,818
Total Liabilities	**8,957,484**	**464,346,323**	**1,803,516,758**	**2,352,807,080**	**46,001**	**4,290**	**400,874**	**(6,764,479)**	**4,623,314,331**
NET ASSETS	**$1,533,613,137**	**$8,852,556,642**	**$6,496,139,181**	**$2,929,966,291**	**$510,123,003**	**$176,059,423**	**$2,564,787,182**	**$(1,149,020,861)**	**$21,914,223,998**
Units Outstanding	**1,533,613,137**	**9,736,955**	**59,940,364**	**10,784,603**	**8,424,019**	**2,406,274**	**22,301,491**		
Net Asset Value and Redemption Price per Unit	**$1.00**	**$909.17**	**$108.38**	**$271.68**	**$60.56**	**$73.17**	**$115.01**		

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

COMBINED INVESTMENT FUNDS

STATEMENTS OF OPERATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	CASH RESERVE FUND	MUTUAL EQUITY FUND	FIXED INCOME FUND	INTER-NATIONAL STOCK FUND	REAL ESTATE FUND	COMMERCIAL MORTGAGE FUND	PRIVATE INVESTMENT FUND	ELIMI-NATION ENTRY	TOTAL
Investment Income									
Dividends	$ -	$103,706,517	$ 27,991,679	$38,905,715	$17,446,577	$ 19,101,486	$162,666,058	$ -	$ 369,818,036
Interest	86,748,226	4,748,676	410,315,952	3,107,410	1,796,643	738,905	6,090,497	(64,109,888)	449,436,421
Other Income	-	386,572	-	271,609	133,882	1,795	-	-	793,858
Securities Lending	-	20,960,254	36,834,238	32,340,718	-	-	-	-	90,135,210
Total Income	**86,748,226**	**129,802,019**	**475,141,869**	**74,625,452**	**19,377,102**	**19,842,186**	**168,756,555**	**(64,109,888)**	**910,183,525**
Expenses									
Investment Advisory Fees	297,695	19,427,107	9,469,542	8,736,651	703,555	763,333	8,191,141	(220,007)	47,369,017
Salary and Fringe Benefits	79,557	466,562	283,628	142,975	71,535	30,433	251,519	(58,795)	1,267,414
Custody and Transfer Agent Fees	64,859	179,283	123,180	808,161	38,396	8,380	202,876	(47,933)	1,377,202
Professional Fees	19,900	120,250	71,506	41,936	6,296	2,164	281,231	(14,707)	528,576
Security Lending Fees	-	578,059	800,702	1,155,577	-	-	-	-	2,534,338
Security Lending Rebates	-	18,299,477	34,174,927	28,531,517	-	-	-	-	81,005,921
Investment Expenses	-	-	-	-	-	9,348	-	-	9,348
Total Expenses	**462,011**	**39,070,738**	**44,923,485**	**39,416,817**	**819,782**	**813,658**	**8,926,767**	**(341,442)**	**134,091,816**
Net Investment Income	**86,286,215**	**90,731,281**	**430,218,384**	**35,208,635**	**18,557,320**	**19,028,528**	**159,829,788**	**(63,768,446)**	**776,091,709**
Net Realized Gain (Loss)	**(2,242)**	**1,252,402,094**	**(76,770,587)**	**378,895,174**	**(35,932,863)**	**(6,729,482)**	**15,305,220**	**1,657**	**1,527,168,971**
Net Change in Unrealized Gain(Loss) on Investments and Foreign Currency	**-**	**(518,550,311)**	**(647,406)**	**81,372,710**	**59,753,801**	**3,233,235**	**637,294,789**	**-**	**262,456,818**
Net Increase (Decrease) in Net Assets Resulting from Operations	**$86,283,973**	**$824,583,064**	**$352,800,391**	**$495,476,519**	**$42,378,258**	**$15,532,281**	**$812,429,797**	**$(63,766,789)**	**$2,565,717,498**

The accompanying notes are an integral part of these financial statements

STATEMENT OF CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	CASH RESERVE FUND	MUTUAL EQUITY FUND	FIXED INCOME FUND	INTER-NATIONAL STOCK FUND	REAL ESTATE FUND	COMMERCIAL MORTGAGE FUND	PRIVATE INVESTMENT FUND	ELIMI-NATION ENTRY	TOTAL
Net Increase in Net Assets Resulting from Operations	**$ 86,283,973**	**$824,583,064**	**$352,800,391**	**$495,476,519**	**$ 42,378,258**	**$ 15,532,281**	**$812,429,797**	**$ (63,766,789)**	**$ 2,565,717,498**
Distributions to Unit Owners:									
Income Distributed	(86,283,973)	(96,128,150)	(394,172,680)	(34,388,207)	(32,632,888)	(20,350,724)	(158,887,290)	63,766,789	(759,077,123)
Unit Transactions									
Purchase of Units by Participants	3,471,415,552	-	601,000,000	-	97,000,000	-	725,000,000	(2,457,704,784)	2,436,710,768
Redemption of Units by Participants	(3,311,065,052)	(1,000,000,000)	(233,000,000)	(400,000)	(25,000,000)	(56,000,000)	-	2,475,378,423	(2,150,086,629)
Net Inc. (Dec.) in Net Assets Resulting from Unit Transactions	**160,350,500**	**(1,000,000,000)**	**368,000,000**	**(400,000)**	**72,000,000**	**(56,000,000)**	**725,000,000**	**17,673,639**	**286,624,139**
Total Inc. (Dec.) in Net Assets	**160,350,500**	**(271,545,086)**	**326,627,711**	**460,688,312**	**81,745,370**	**(60,818,443)**	**1,378,542,507**	**17,673,639**	**2,093,264,514**
Net Assets- Beginning of Period	**1,373,262,637**	**9,124,101,728**	**6,169,511,470**	**2,469,277,979**	**428,377,633**	**236,877,866**	**1,186,244,675**	**(1,166,694,500)**	**19,820,959,484**
Net Assets- End of Period	**$1,533,613,137**	**$8,852,556,642**	**$6,496,139,181**	**$2,929,966,291**	**$510,123,003**	**$176,059,423**	**$2,564,787,182**	**$(1,149,020,861)**	**$21,914,223,998**
Change in Units Outstanding:									
Purchased	3,471,415,552	-	5,549,908	-	1,641,244	-	7,729,045		
Redeemed	(3,311,065,052)	(1,183,953)	(2,140,771)	(1,748)	(419,738)	(753,330)	-		
Net Increase (Decrease)	160,350,500	(1,183,953)	3,409,137	(1,748)	1,221,506	(753,330)	7,729,045		

The accompanying notes are an integral part of these financial statements

STATEMENT OF CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

	CASH RESERVE FUND	MUTUAL EQUITY FUND	FIXED INCOME FUND	INTER-NATIONAL STOCK FUND	REAL ESTATE FUND	COMMERCIAL MORTGAGE FUND	PRIVATE INVESTMENT FUND	ELIMI-NATION ENTRY	TOTAL
Net Increase in Net Assets									
Resulting from Operations	**$ 69,201,663**	**$1,482,556,234**	**$ 160,089,330**	**$ 152,068,787**	**$ 40,151,944**	**$ 15,821,790**	**$ 11,168,810**	**$ (49,414,862)**	**1,881,643,698**
Distributions to Unit Owners:									
Income Distributed	(69,201,663)	(98,838,804)	(381,768,132)	(30,295,768)	(30,844,898)	(22,581,737)	(59,510,561)	49,414,861	(643,626,703)
Unit Transactions									
Purchase of Units by Participants	3,760,120,119	6,859,157	219,834,231	-	197,320,424	203,055	540,000,000	(2,716,618,488)	2,007,718,498
Redemption of Units by Participants	(3,761,862,436)	(1,984,000)	(130,994,000)	(90,557,000)	(195,000,000)	(32,000,000)	(100,000,000)	2,513,454,383	(1,798,943,053)
Net Inc. (Dec.) in Net Assets Resulting from Unit Transactions	**(1,742,317)**	**4,875,157**	**88,840,231**	**(90,557,000)**	**2,320,424**	**(31,796,945)**	**440,000,000**	**(203,164,105)**	**208,775,445**
Total Inc. (Dec.) in Net Assets	**(1,742,317)**	**1,388,592,587**	**(132,838,571)**	**31,216,019**	**11,627,470**	**(38,556,893)**	**391,658,249**	**(203,164,106)**	**1,446,792,440**
Net Assets-Beginning of Period	**1,375,004,953**	**7,735,509,143**	**6,302,350,040**	**2,438,061,960**	**416,750,163**	**275,434,758**	**794,586,427**	**(963,530,394)**	**18,374,167,050**
Net Assets-End of Period	**$1,373,262,637**	**$9,124,101,728**	**$6,169,511,470**	**$2,469,277,979**	**$428,377,633**	**$236,877,866**	**$1,186,244,675**	**$(1,166,694,500)**	**$19,820,959,484**
Change in Units Outstanding:									
Purchased	3,760,120,119	9,239	1,989,554	-	3,348,457	2,636	6,729,369		
Redeemed	(3,761,862,436)	(2,724)	(1,157,755)	(447,522)	(3,266,283)	(414,697)	(1,260,743)		
Net Increase(Decrease)	(1,742,317)	6,515	831,799	(447,522)	82,174	(412,061)	5,468,626		

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Combined Investment Funds (the "Funds") are separate legally defined funds which have been created by the Treasurer of the State of Connecticut (the "Treasurer") under the authority of the Connecticut General Statutes (CGS) Section 3-31b. The Funds are open-end, unitized portfolios consisting of the Cash Reserve Fund, Mutual Equity Fund, Mutual Fixed Income Fund, International Stock Fund, Real Estate Fund, Commercial Mortgage Fund and the Private Investment Fund. The Funds were established to provide a means for investing pension and other trust fund assets entrusted to the Treasurer in a variety of investment classes. The units of the Funds are owned by these pension and trust funds. For financial reporting purposes of the State of Connecticut, the Funds are considered to be internal investment pools and are not reported in the State's combined financial statements. Instead, each fund type's investment in the fund is reported as "equity in combined investment funds" in the State's combined balance sheet.

The Treasurer, as sole fiduciary of the Funds, is authorized to invest in a broad range of fixed income and equity securities, as well as real estate properties, mortgages and private equity. This authority is restricted only by statute. Such limitations include prohibitions against investment in companies doing business in Iran, and those doing business in Northern Ireland but who have failed to implement the MacBride principles (CGS Section 3-13h). Other legislation restricts the maximum aggregate investment in equity securities to 55% of the fair value of the Trust Funds.

The Funds of the Treasurer are proprietary in nature; the activities in these funds 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 such funds are generally those applicable to similar businesses in the private sector. In accordance with Government Accounting Standards Board ("GASB") Statement No. 20, the Treasurer has elected to apply all GASB pronouncements, as well as all Financial Accounting Standards Board Statements, Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins, except those that conflict with GASB pronouncements. The Funds are not subject to regulatory oversight and are not registered with the Securities and Exchange Commission as an investment company.

The following is a summary of significant accounting policies consistently followed by the Funds in the preparation of their financial statements.

A. New Pronouncements

There were no relevant new pronouncements for the fiscal year ended June 30, 2000.

B. Security Valuation

Investments are stated at fair value for each of the Funds as described below. For the Commercial Mortgage Fund, the investments listed on the Statement of Net Assets, other than the amounts invested in the Cash Reserve Fund, are shown at fair values provided to the Fund by the investment advisor, and adjusted, when appropriate, by the Treasurer's staff. For the Real Estate and Private Investment Funds and one limited partnership in the Mutual Fixed Income Fund, substantially all of the investments, other than those in the Cash Reserve Fund, are shown at values that are estimated by the Treasurer's staff. Such estimations utilize the investment advisors' prior quarter end estimated fair value, plus or minus the appropriate related cash flows as described later in this section. The Treasurer's staff reviews the valuations for all investments in these alternative asset classes (Commercial Mortgage, Real Estate, and Private Investment Funds) to see that they are reasonable and consistent. Due to the inherent uncertainty of valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the securities existed and the differences could be material.

Cash Reserve Fund

Investments are valued at amortized cost which approximates fair value. Repurchase Agreements held are collateralized at 102 percent of the securities' value. Such transactions are only entered into with primary government securities dealers who report directly to the Federal Reserve Bank of New York. The collateral is evaluated daily to ensure its fair value exceeds the current fair value of the repurchase agreements including accrued interest.

Mutual Equity Fund

Securities traded on securities exchanges are valued at the last reported sales price on the last business day of the fiscal year. Corporate bonds and certain over-the-counter stocks are valued at the mean of bid and asked prices as furnished by broker-dealers.

Mutual Fixed Income Fund

Investments are valued based on quoted market prices when available. For securities that have no quoted market value, fair value is estimated based on yields currently available on comparable securities of issuers with similar credit ratings.

An investment with a market value of $199,220,400 and a cost value of $201,614,206 is held through a limited partnership. The fair value of the underlying securities is based on quoted market prices when available. When quoted market prices are not available, the underlying securities are valued by the General Partner at the fair value as determined in good faith under consistently applied procedures.

When-issued securities held are fully collateralized by U.S Government securities and such collateral is in the possession of the Fund's custodian. The collateral is evaluated daily to ensure its market value exceeds the current market value of the instruments including accrued interest.

The Mutual Fixed Income Fund invests in Mortgage Backed Securities (MBSs) and Asset Backed Securities (ABSs), which are included in the Statement of Net Assets. These are bonds issued by a special purpose trust that collects payments on an underlying collateral pool of mortgage or other loans and remits payments to bondholders. The bonds are structured in a series of classes or tranches, each with a different coupon rate and stated maturity date. Interest payments to the bondholders are made in accordance with the trust indentures and amounts received from borrowers in excess of interest payments and expenses are used to amortize the principal on the bonds. Such principal payments are made to retire the tranches of bonds in order of their stated maturity. Because mortgage prepayments are largely dependent on market interest rates, the ultimate maturity date of the bonds is unpredictable and is sensitive to changes in market interest rates, but is generally prior to the stated maturity date. At June 30, 2000, the Fund held MBSs of $569,633,594 and ABSs of $165,155,478.

Interest-only stripped mortgage backed securities (IOs), a specialized type of Collateralized Mortgage Obligation (CMO), are included as Mortgaged Backed Securities on the statement of Net Assets. The cash flow on these investments is derived from the interest payments on the underlying mortgage loans. Prepayments on the underlying loans curtail these interest payments, reducing the value of the IOs and, as such, these instruments are extremely sensitive to changes in interest rates, which encourage or discourage such prepayments. At June 30, 2000 the Fund's holdings had a fair value of $7.7 million and a cost of $9.6 million. The valuations were provided by the custodian.

Investments in non-U.S. fixed income securities are utilized on an opportunistic basis. Certain advisors within the Mutual Fixed Income Fund are authorized to invest in global fixed income securities.

International Stock Fund

Investments in securities listed on security exchanges are valued at the last reported sales price on the last business day of the fiscal year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean of the last reported bid and asked prices.

Certain cash held in non-U.S. dollar denominated trading accounts is non-interest bearing.

Real Estate Fund

Investments in securities not listed on security exchanges and investments in trusts, limited partnerships, and annuities, which comprise substantially all of the Fund's investments, are carried at the cash adjusted fair value. The cash adjusted fair value utilizes the prior calendar quarter end fair value as estimated by the investment advisor, (i) plus cash flows relating to capitalized expenses and principal contributions disbursed from and (ii) minus amounts received by the Real Estate Fund, to estimate the current fair value. The Treasurer's staff reviews the prior quarter estimated fair values provided by the investment advisors for reasonableness. In those instances where an advisor's value appears to be overstated, this estimated fair value is adjusted accordingly. Additionally, the staff monitors the estimated cash adjusted fair values against the estimated values subsequently reported by the investment advisors. In the event of significant total Fund-level differences between the cash adjusted estimates and the investment advisors' estimated values, adjustments to the reported cash adjusted fair values are made to prevent overstatement. At June 30, 2000, the estimated investment values provided by the investment advisors, net of the adjustments noted above, exceeded cash adjusted fair values reported on the Statement of Net Assets by approximately $11 million. Consistent with the cash adjusted fair value presentation this increase will be considered for the next quarter's adjustment.

Commercial Mortgage Fund

This Fund invests in commercial mortgage loans and mortgage backed securities generally through indirect ownership vehicles such as trusts and corporations. The value of the Fund's interest in these entities is based on the fair value of the underlying commercial loan portfolio or securities held. Fair value for the mortgage portfolio is computed by discounting the expected cash flows of the loans at a rate commensurate with the risk inherent in the loans. The discount rate is determined using the yield on U.S. Treasury securities of comparable remaining maturities plus an appropriate market spread for credit and liquidity risk. The Fund does not record fair values in excess of amounts at which the borrower could settle the obligation, giving effect to any prepayment premiums. In the event that the fair value of the loan collateral, based on an appraisal, is less than the outstanding principal balance, the collateral value is used as fair value. These calculations are performed by the investment advisor and reviewed by Treasury personnel.

The Fund has one commercial mortgage backed security. This security is included on the Statement of Net Assets under Trusts. The Mortgage Backed Securities on the Statement of Net Assets consist of certificates of beneficial interest in a collateralized mortgage obligation (CMO) created pursuant to a securitization of a residential mortgage pool.

Private Investment Fund

The Private Investment Fund is comprised of investments in various limited partnerships and limited liability companies. The general partner or managing member is the investment advisor and is compensated on a fee basis for management services in addition to its participation in partnership profits and losses. These investments are carried at their cash adjusted fair values. The cash adjusted fair value utilizes the prior quarter fair value as estimated by the investment advisor, (i) plus cash flows relating to capitalized expenses and principal contributions disbursed from and (ii) minus amounts received by the Private Investment Fund, to estimate the current fair value. The Treasurer's staff reviews the prior quarter estimated fair values provided by the investment advisors for reasonableness. In those instances where an advisor's value appears to be overstated, the estimated fair value is adjusted accordingly. Additionally, the staff monitors the estimated cash adjusted fair values against the estimated values subsequently reported by the investment advisors. In the event of significant total Fund-level differences between the cash adjusted estimates and the investment advisors' estimated values, adjustments of reported cash adjusted values are made to prevent overstatement. At June 30, 2000, the estimated investment values provided by the investment advisors, net of the adjustments noted above, exceeded the cash adjusted fair value reported on the Statement of Net Assets by approximately $38 million. Consistent with the cash adjusted fair value presentation this increase will be considered for the next quarter's adjustment.

Fair values of the underlying investments are generally represented by cost unless there has been an additional arms-length indication of value, such as a public offering or a new investment by a third party.

C. Investment Transactions and Related Income

Investment transactions are accounted for on a trade date basis. Dividend income is recognized as earned on the ex-dividend date. Interest income is recorded on the accrual basis as earned. Realized gains and losses are computed on the basis of the average cost of investments sold. Such amounts are calculated independent of and are presented separately from the Net Change in Unrealized Gains and Losses on the Statement of Operations and the Statement of Changes in Net Assets. Realized gains and losses on investments held more than one fiscal year and sold in the current year were included as a change in the fair value of investments reported in the prior year(s) and the current year. Unrealized gains and losses represent the difference between the fair value and the cost of investments. The increase (decrease) in such difference is accounted for as a change in unrealized gain (loss). In the Funds' cost basis records, premiums are amortized using the straight-line method which approximates the interest method.

Dividends earned by the Private Investment, Real Estate, Commercial Mortgage Funds and one limited partnership in the Mutual Fixed Income Fund relate to investments that are not listed on security exchanges. Such dividends are recognized as income when received, generally net of advisory fees.

D. Foreign Currency Translation

The value of investments, assets and liabilities denominated in currencies other than U.S. dollars are translated into U.S.dollars based upon appropriate fiscal year end foreign exchange rates. Purchases and sales of foreign investments and income and expenses are converted into U.S. dollars based on currency exchange rates prevailing on the respective dates of such transactions. The Funds do not isolate that portion of the results of operations arising from changes in the exchange rates from that portion arising from changes in the market prices of securities.

E. Share Transactions and Pricing

All unit prices are determined at the end of each month based on the net asset value of each fund divided by the number of units outstanding. Purchases and redemptions of units are based on the prior month end price and are generally processed on the first business day of the month.

F. Expenses

Expenses of the funds are recognized on the accrual basis and are deducted in calculating net investment income and net asset value on a monthly basis. Fees and expenses of the Real Estate Fund are generally recognized when paid, by netting them against dividends received. Each of the funds bears its direct expenses, such as investment advisory fees, and, in addition, each of the funds is allocated a portion of the overhead expenses of the Pension Funds Management Division of the Office of the State Treasurer, which services the funds. These expenses include salary and fringe benefit costs and other administrative expenses. Certain of these costs are allocated among the Funds based on relative net asset values. Other costs are charged directly based on the specific duties of personnel.

G. Distributions

Net investment income earned by the Combined Investment Funds is distributed monthly to the unit owners of the funds, generally in the following month.

H. Derivative Financial Instruments

GASB Technical Bulletin Number 94-1 states that derivatives are generally defined as contracts whose value depends on, or derives from, the value of an underlying asset, reference rate, or index. For the fiscal year ended June 30, 2000, the funds maintained positions in a variety of such securities. The Cash Reserve Fund held adjustable rate and asset backed securities. The Mutual Fixed Income Fund held CMOs, including IOs, and other asset backed securities, indexed Treasury securities and option contracts. The International Stock and Mutual Fixed Income Funds were invested in foreign exchange contracts and the Commercial Mortgage Fund held CMOs and CMO residuals. The specific nature of these investments is discussed more fully in the accounting policy note for each respective fund, where appropriate. These financial instruments are utilized for trading and other purposes. Those that are used for other than trading purposes are foreign exchange contracts, which can be used to facilitate trade settlements, and may serve as foreign currency hedges. The credit exposure resulting from such contracts is limited to the recorded fair value of the contracts on the Statement of Net Assets.

The remaining such securities are utilized for trading purposes and are intended to enhance investment returns. All positions are reported at fair value and changes in fair value are reflected in income as they occur. The funds' credit exposure resulting from such investments is limited to the recorded fair value of the derivative financial instruments.

The Mutual Fixed Income and International Stock Funds also utilize derivatives indirectly through participation in mutual funds and a limited partnership. These mutual funds may hold derivatives from time to time. Such derivatives may be used for hedging, investment and risk management purposes. These transactions subject the investor to credit and market risk.

I. Combination/Elimination Entry

The financial statements depict a full presentation of each of the Combined Investment Funds. However, one of these funds, the Cash Reserve Fund, is owned both directly by the pension plans and trust funds which have accounts in the Fund, and also indirectly because each of the other Combined Investment Funds has an account with the Cash Reserve Fund. As a result, elimination entries are presented for the purpose of netting out balances and transactions relating to the ownership of the Cash Reserve Fund by the other Combined Investment Funds. The combined presentation totals to the overall net assets owned by the pension plans and trust funds.

J. Fees and Realized Gains

Investment advisory fees incurred for the Private Investment Fund are generally charged to the entity in which the Fund has been invested. In such cases, these amounts are either capitalized in the cost basis of the investment and become a component of unrealized gain (loss) or are netted against the corresponding income generated. Certain other fees are incurred directly by the Funds. These amounts are expensed and are reflected as Investment Advisory Fees on the Statement of Operations. The appropriate treatment is determined depending on the terms of the investment agreement. Capitalized fees are not separately presented on the Statement of Operations. These fees are borne by the partners in their respective shares. The following is a listing of the Fund's total fees for the fiscal year ended June 30, 2000:

	Netted	Capitalized	Expensed	Total
Private Investment Fund	$ 15,630,620	$ 19,606,869	$ 8,191,141	$ 43,428,630

In addition, realized gains and losses are not reported at the level of the Fund's investment since these relate to realized gains and losses on the underlying securities held by the Funds' investment vehicles. The following is the Fund's share of such realized gains for the fiscal year ended June 30, 2000:

Private Investment Fund	$ 42,536,455

Past practice of partnerships was to distribute realized gains on a consistent basis. Not included in the above realized gain is approximately $202 million which has not been distributed by one of the general partners.

Periodically the Private Investment Fund may receive stock distribution in lieu of cash. These securities are included as common stock on the Statement of Net Assets. When one of these individual securities is sold the realized gain or loss is presented on the Statement of Operations. Relaized gains for such transactions for the fiscal year ended June 30, 2000 were $15,305,220.

The Mutual Fixed Income Fund includes an investment in a mutual fund and a limited partnership interest. Fees incurred are deducted from the operations of the fund and are not separately presented on the Statement of Operations. The corresponding fees incurred for the fiscal year ended June 30, 2000 totaled $2.2 million.

Investment advisory fees incurred for certain investments in the Real Estate Fund are generally charged to the entity in which the Fund has been invested. In such cases, these amounts are either capitalized in the cost basis of the investment and become a component of unrealized gain (loss) or are netted against the corresponding income generated. Certain other fees are incurred directly by the Funds. These amounts are expensed and are reflected as Investment Advisory Fees on the Statement of Operations. The appropriate treatment is determined depending on the terms of the investment agreement. Capitalized fees are not separately presented on the Statement of Operations. These fees are borne by the partners in their respective shares. The following is a listing of the Fund's total fees for the fiscal year ended June 30, 2000:

	Netted	Capitalized	Expensed	Total
Real Estate Fund	$ 753,839	$ 2,283,661	$ 703,555	$ 3,741,055

Additionally, the Real Estate Fund incurred disposition fees of $2,783,390 on investments sold with a Net Asset Value of $112,687,396. Such amounts are netted against the proceeds realized upon the disposition. These amounts are reflected in the Realized Gain (Loss) on the Statement of Operations.

Investment advisory fees for the Cash Reserve, Mutual Equity, Mutual Fixed Income (except as noted above) and International Stock Funds are estimated monthly based on periodic reviews of asset values and performance results. Accordingly, the amounts listed as Investment Advisory Fees on the Statement of Operations represent estimates of annual management fee expenses.

K. Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

L. Related Party and Other Transactions

There were no related party transactions during the fiscal year. Additionally, there were no "soft dollar" transactions. Soft dollar transactions result from arrangements whereby firms doing business with organizations such as the Treasury arrange for third parties to provide other services in lieu of cash payment. These arrangements tend to obscure the true cost of operations and can result in potential overpayment for services. Such transactions have been prohibited by the Treasurer.

M. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2: CASH, INVESTMENTS AND SECURITIES LENDING

Investments in the alternative asset classes generally utilize investment vehicles such as annuity contracts, common stocks, limited partnerships and trusts to comply with investment guidelines against direct ownership of such investment assets.

The investments of the Cash Reserve, Mutual Equity, Mutual Fixed Income and the International Stock Funds were securities registered under the State Street Bank and Trust Co. nominee name Pondwave & Co. and held by a designated agency of the Pension Plans and Trust Funds of the State of Connecticut, or bearer and held by a designated agency of the Pension Plans and Trust Funds of the State of Connecticut. Investments, as defined by GASB Statement No. 3, are categorized to give an indication of the credit risk assumed by the Treasurer at year-end. Category 1 includes investments which are insured or registered or for which securities are held by the Treasurer or its agent in the Treasurer's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Treasurer's name. Category 3 includes uninsured or unregistered investments for which the securities are held by the counterparty's trust department or agent, but not in the Treasurer's name.

All registered securities, as noted above, are classified under GASB risk category 1, except as follows:

Amounts listed as Due to Brokers are for securities purchased which are held by broker-dealers and not classified as to credit risk. Amounts listed as Due from Brokers are for securities sold and would have been classified under category 1 of credit risk if they were included in Investments in Securities, at Fair Value on the Statement of Net Assets.

Investments of cash collateral received under securities lending arrangements are registered in the master custodian's name and are invested in a fund maintained by the master custodian exclusively for the Funds. Accordingly, these investments are classified under GASB risk category 3. In circumstances where securities or letters of credit are received as collateral under securities lending arrangements, the collateral is held by the master custodian in a commingled pool in the master custodian's name, as trustee. When "tri-party" collateral is received, the collateral consists of cash, letters of credit or securities but is held in a commingled pool by a third party master custodian in the Funds' master custodian's name. The collateral received is unable to be pledged or sold without borrower default. The underlying securities are classified under GASB risk category 3.

Private Investment Fund

Investments in the form of limited partnership and limited liability corporation interests are not evidenced by securities existing in physical or book entry form and therefore are not classified as to credit risk.

Commercial Mortgage Fund

At June 30, 2000, investments with a cost of $137,173,790 and a fair value of $143,804,457 in the form of common stock certificates are classified as category 1. Other Funds on Deposit represent portfolio level net assets consisting of escrow accounts. These are maintained by the portfolio manager and are not classified, as they are not investments.

Investments in the form of trusts are not evidenced by securities existing in physical or book entry form and are not classified as to credit risks as defined in GASB Statement No. 3.

The composition of the Fund's investment portfolio by the underlying assets in which the investee corporations and trusts are invested in are as follows at June 30, 2000:

Investment	Fair Value	Cost
Cash Reserve	$ 27,496,106	$ 27,496,107
Commercial Mortgage loans	143,804,457	137,173,790
CMO's	3,915,645	3,593,792
Total	$175,216,208	$168,263,689

Real Estate Fund

Certain investments in the form of common stock certificates with a cost of $32,562,540 and a fair value of $61,266,709 are classified under risk category 1.

The remaining investments, which comprise the substantial majority of the Fund's investments, are in the form of trusts, annuities and limited partnerships and are not evidenced by securities existing in physical or book entry form and are therefore not classified as to credit risk.

Summary of Credit Risk Categories

Breakdown by investment type of the GASB 3 credit risk categories is as follows:

Carrying Amount (Fair Value)

Investment Type	Category 1	Category 2	Category 3	Total
Cash Equivalents	$953,245,946			$953,245,946
Asset Backed	506,962,364			506,962,364
Government	778,819,064		$10,163,895	788,982,959
Agency	737,977,998		16,401,805	754,379,803
Mortgage Backed	633,562,616			633,562,616
Corporate Debt	2,107,783,828			2,107,783,828
Convertible	292,054,772			292,054,772
U.S. Corporate Stock	8,488,071,028		177,354,864	8,665,425,892
International Equity	2,187,925,444		12,883,139	2,200,808,583
Preferred Stock	135,716,706			135,716,706
Collateral Securities held by Investment Pool under Securities Lending Arrangements:				
Cash Equivalents			403,585,678	403,585,678
Corporate Debt			1,261,148,007	1,261,148,007
SUBTOTAL	$16,822,119,766	$ —	$1,881,537,388	18,703,657,154

Investments not categorized because they are not evidenced by securities that exist in physical or book entry form:

Real Estate Investment Trusts	31,908,165
Mutual Funds	42,017,860
Limited Liability Corporation	72,788,985
Trusts	54,566,948
Limited Partnerships	2,947,525,419
Annuities	14,595,292
Investments held by broker-dealers under securities loans:	
U.S.Government and Agency	607,879,981
U.S. Corporate Stock	378,132,102
International Equity	525,141,937
Domestic Fixed	102,011,688
International Fixed	9,029,760
Total Investments	**$23,489,255,291**

Cash balances included on the Statement of Net Assets of $22,927,567 are fully insured by the FDIC and are, therefore, classified as Category 1.

Cash Equivalents listed on the breakdown by investment type under Category 1 consist of corporate debt. Cash Equivalents reported under Category 3 consist of certificates of deposit of $138,830,260 and time deposits of $264,755,418.

Securities Lending

Certain of the Combined Investment Funds engage in securities lending transactions to provide incremental returns to the Funds. The Funds are permitted to enter into securities lending transactions pursuant to Section 3-13d of the Connecticut General Statutes. The Funds' master custodian is authorized to lend available securities to authorized broker-dealers and banks subject to a form loan agreement.

During the period ended June 30, 2000, the master custodian lent, at the direction of the Funds, securities and received cash (in both U.S. and foreign currency), U.S. government securities, sovereign debt rated A or better, convertible bonds, and irrevocable bank letters of credit as collateral. The master custodian did not have the ability to pledge or sell collateral securities delivered therefore absent a borrower default. Borrowers were required to deliver collateral for each loan equal to: (i) in the case of loaned securities denominated in United States dollars or whose primary trading market was located in the United States or sovereign debt issued by foreign governments, 102% of the market value of the loaned securities; and (ii) in the case of loaned securities not denominated in United States dollars or whose primary trading market was not located in the United States, 105% of the market value of the loaned securities.

The Funds did not impose any restrictions during the fiscal year on the amount of the loans that the master custodian made on its behalf and the master custodian indemnified the Funds by agreeing to purchase replacement securities, or return the cash collateral thereof in the event any borrower failed to return the loaned securities or pay distributions thereon. There were no such failures by any borrowers to return loaned securities or pay distributions thereon during the fiscal year. Moreover, there were no losses during the fiscal year resulting from a default of the borrowers of the master custodian. During the fiscal year, the Funds and the borrowers maintained the right to terminate all securities lending transactions on demand. The cash collateral received on each loan was invested in an individual account known as the State of Connecticut Collateral Investment Trust. On June 30, 2000, the Funds had no credit risk exposure to borrowers. The value of collateral held and the market value of securities on loan for the Funds as of June 30, 2000 were $1,922,690,204 and $1,838,999,170, respectively.

Under ordinary circumstances, the average effective duration of the security lending operations will be managed such that it will not exceed 120 days, or fall below 1 day. Under such ordinary circumstances, the net duration, as defined by the duration of assets less the duration of liabilities, will not exceed 45 days. In the event that the average effective duration does exceed 120 days, or the net duration does exceed 45 days for any 3-day period, the Trustee shall, (i) notify the Funds within 5 business days and (ii) take appropriate action as is reasonable to return an average effective duration below 120 days or a net duration below 45 days. The average effective duration is calculated using the weighted average effective duration of holdings. The average effective duration of the security lending program at June 30, 2000 was 44 days.

The average effective duration is managed to be within 45 days due to the inability to monitor the weighted average duration of liabilities. The weighted average duration of liabilities is assumed to remain at 1 day.

The fair value of collateral held and the fair value of securities on loan are as follows for the Funds as of June 30, 2000:

Fund	Fair Value of Collateral	Fair Value of Securities Lent
Mutual Equity	$532,949,365	$ 488,339,124
International Stock	631,046,493	600,580,311
Mutual Fixed Income	767,166,454	750,079,735
Total	$1,931,162,312	$1,838,999,170

Investments made using the cash collateral received from security loans were included in the Statement of Net Assets. The fair value of these amounts is as follows:

Fund	Cash Equivalents	Corporate Debt	Total Investments
Mutual Equity	$ 78,069,288	$ 243,955,926	$ 322,025,214
International Stock	147,135,680	459,777,786	606,913,466
Mutual Fixed Income	178,380,710	557,414,295	735,795,005
Total	$403,585,678	$1,261,148,007	$1,664,733,685

These amounts are categorized in the Summary of Credit Risk Categories as Category 3 in that they are invested in a pool which is maintained solely on behalf of the Funds, but whose investments are held in the master custodian's name. The above total amounts were included on the Statement of Net Assets in "Invested Securities Lending Collateral".

NOTE 3: PURCHASES AND SALES OF INVESTMENT SECURITIES

For the period ended June 30, 2000, the aggregate cost of purchases and proceeds from sales of investment securities (excluding all U.S. Government securities and short-term securities) were as follows:

Fund	Purchases	Sales
Mutual Equity	$ 4,803,691,599	$ 5,794,844,510
Mutual Fixed Income	18,696,250,009	17,859,343,030
International Stock	1,896,752,004	1,838,484,421
Real Estate	154,079,738	114,393,543
Commercial Mortgage	-	82,640,080
Private Investment	827,535,134	100,380,890

The above amounts include the effect of cost adjustments processed during the year.

NOTE 4: UNREALIZED APPRECIATION AND DEPRECIATION ON INVESTMENTS AND FOREIGN EXCHANGE CONTRACTS

At June 30, 2000, the gross appreciation of investment securities and foreign currency in which there was an excess of fair value over cost, the gross depreciation of investment securities and foreign currency in which there was an excess of cost over fair value and the resulting net appreciation (depreciation) by fund were as follows:

Fund	Gross Appreciation	Gross Depreciation	Net Appreciation (Depreciation)
Mutual Equity	$ 2,892,567,225	$ 594,760,137	$2,297,807,088
Mutual Fixed Income	87,487,597	268,948,523	(181,460,926)
International Stock	777,961,938	165,045,481	612,916,457
Real Estate	76,154,331	30,853,005	45,301,326
Commercial Mortgage	7,389,366	436,847	6,952,519
Private Investment	617,530,996	107,545,716	509,985,280

NOTE 5: FOREIGN EXCHANGE CONTRACTS

From time to time, the International Stock, Mutual Fixed Income, and Private Investment Funds utilize foreign currency contracts to facilitate transactions in foreign securities and to manage the Funds' currency exposure. Contracts to buy are used to acquire exposure to foreign currencies, while contracts to sell are used to hedge the Funds' investments against currency fluctuations. Also, a contract to buy or sell can offset a previous contract. Losses may arise from changes in the value of the foreign currency or failure of the counterparties to perform under the contracts' terms.

The U. S. dollar value of forward foreign currency contracts is determined using forward currency exchange rates supplied by a quotation service.

Investing in forward currency contracts may increase the volatility of the Funds' performance. Price movements of currency contracts are influenced by, among other things, international trade, fiscal, monetary, and exchange control programs and policies; national and international political and economic events; and changes in worldwide interest rates. Governments from time to time intervene in the currency markets with the specific intent of influencing currency prices. Such intervention may cause certain currency prices to move rapidly. Additionally, the currency markets may be particularly sensitive to interest rate fluctuations.

At June 30, 2000, the Funds had recorded unrealized gains (losses) from open forward currency contracts as follows:

International Stock Fund: Foreign Currency	Value	Unrealized Gain/(Loss)
Contracts to Buy:		
Australian Dollar	$ 219,706	$ 10,944
Danish Krone	1,847,496	10,653
Euro Currency	37,567,181	176,202
Greek Drachma	404,593	2,396
Hong Kong Dollar	1,570,243	374
Japanese Yen	17,001,171	154,695
New Zealand Dollar	64,550	1,833
Norwegian Krone	1,900,000	1,898
Pound Sterling	23,550,854	709
Singapore Dollar	553,212	180
Swedish Krona	4,703,662	(2,693)
Swiss Franc	2,774,925	31,129
Thailand Baht	25,034	(47)
	92,182,627	388,273
Contracts to Sell:		
Australian Dollar	38,828,561	(448,076)
Danish Krone	10,867,046	(332,998)
Euro Currency	582,906,358	(18,535,092)
Hong Kong Dollar	15,224,690	1,244
Indonesian Rupiah	26,315	92
Japanese Yen	533,337,245	894,729
Mexican Peso	85,465	28
New Zealand Dollar	2,442,146	50,712
Norwegian Krone	6,117,403	(168,544)
Pound Sterling	248,956,909	1,533,233
Singapore Dollar	4,752,391	54,731
Swedish Krona	52,702,635	(510,960)
Swiss Franc	58,245,501	(1,375,434)
Thailand Baht	41,667	83
	1,554,534,332	(18,836,252)
Total	$ 1,646,716,959	$ (18,447,979)

Financial Statement Amounts:

	Receivable	Payable	Net
Amount In US Dollars	$ 1,646,716,959	$ 1,646,716,959	$ -
Unrealized Gain (Loss)	388,273	(18,836,252)	(18,447,979)
Net	$ 1,647,105,232	$ 1,665,553,211	$(18,447,979)

Mutual Fixed Income Fund: Foreign Currency	Value	Unrealized Gain/(Loss)
Contracts to Buy:		
Euro Currency	$ 4,333,569	$ 24,820
New Zealand Dollar	3,244,640	(49,605)
South African Rand	4,265,988	22,151
	11,844,197	(2,634)
Contracts to Sell:		
New Zealand Dollar	3,379,763	184,728
South African Rand	8,657,532	(65,819)
	12,037,295	118,909
Total	$ 23,881,492	$ 116,275

Financial Statement Amounts:

	Receivable	Payable	Net
Amount In US Dollars	$ 23,881,492	$ 23,881,492	$ -
Unrealized Gain (Loss)	(2,634)	118,909	116,275
Net	$ 23,878,858	$ 23,762,583	$ 116,275

The net unrealized gain has been included in the Statement of Operations as a component of Net Change in Unrealized Gain (Loss) on Investments.

NOTE 6: COMMITMENTS

In accordance with the terms of the individual investment agreements, the Private Investment Fund and the Real Estate Fund have outstanding commitments to make additional investments. These commitments will be fulfilled as suitable investment opportunities become available. Unfunded commitments at June 30, 2000, were as follows:

Fund	Total Commitment	Cumulative Amounts Funded	Unfunded Commitment
Real Estate	$ 365,000,000	$ 294,570,877	$ 70,429,123
Private Investment	3,184,378,765	2,101,948,470	1,082,430,295

NOTE 7: SUBSEQUENT EVENTS

Subsequent to June 30, 2000, net proceeds of $67.1 million were received on the sale of one Real Estate Fund investment. The cost basis of this investment at the time of the sale was $50.7 million, resulting in a realized gain of $16.4 million. The proceeds of this sale exceeded the fair value of the investment included on the Statement of Net Assets by approximately $18.4 million. This sale was negotiated after June 30, 2000. No adjustments were made to the financial statements.

One of the Private Investment Fund partnerships indicated that realized gains not distributed during the current fiscal year were re-committed prior to June 30, 2000. The Funds' Private Investment consultant is reviewing this matter.

On October 10, 2000 a temporary receiver was appointed for an investment in a limited partnership in the Mutual Fixed Income Fund. This investment has a market value of $199.2 million as reported on the Statement of Net Assets.

NOTE 8: COST BASIS OF INVESTMENTS.

The aggregate cost values of investments in the Funds are as follows at June 30, 2000:

	CASH RESERVE FUND	MUTUAL EQUITY FUND	MUTUAL FIXED INCOME FUND	INTER-NATIONAL STOCK FUND	REAL ESTATE FUND	COMMERCIAL MORTGAGE FUND	PRIVATE INVESTMENT FUND
Investments, at Cost							
Cash Reserve Fund	$ -	$ 78,886,019	$ 847,227,707	$ 79,417,683	$ 29,828,197	$ 27,496,107	$ 86,165,136
Cash Equivalents	953,245,946	-	-	-	-	-	-
Asset Backed Securities	341,806,886	-	166,498,749	-	-	-	-
Government Securities	-	-	1,198,382,027	-	-	-	-
Government Agency Securities	28,513,421	-	1,910,120,302	-	-	-	-
Mortgage Backed Securities	57,170,766	-	579,931,183	-	-	2,343,728	
Corporate Debt	146,967,316	-	2,110,143,289	2,606,501	-	-	-
Convertible Securities	-	-	289,104,570	-	-	-	-
Common Stock	-	6,468,338,416	29,401,050	2,185,890,846	32,562,540	137,173,790	414,317
Preferred Stock	-	256,260	89,565,801	42,780,353	-	-	-
Real Estate Investment Trust	-	30,780,367	1,502,763	-	-	-	-
Mutual Fund	-	-	39,972,101	5,081,507	-	-	-
Limited Liability Corporation	-	-	-	-	-	-	59,372,102
Trusts	-	-	-	-	34,722,394	1,250,064	-
Limited Partnerships	-	-	201,614,206	-	327,269,149	-	1,733,149,377
Partnerships	-	-	-	-	-	-	-
Annuities	-	-	-	-	40,327,336	-	-
Total Investments, at Cost	$ 1,527,704,335	$ 6,578,261,062	$ 7,463,463,748	$ 2,315,776,890	$ 464,709,616	$ 168,263,689	$ 1,879,100,932

Note: Cash Reserve Fund is presented gross of the $1,149,020,849 elimination entry which is included in the other funds.

SUPPLEMENTAL SCHEDULE OF FINANCIAL HIGHLIGHTS

	MUTUAL EQUITY FISCAL YEAR ENDED JUNE 30,					PRIVATE INVESTMENT FISCAL YEAR ENDED JUNE 30,				
	2000	**1999**	**1998**	**1997**	**1996**	**2000**	**1999**	**1998**	**1997**	**1996**
PER SHARE DATA										
Net Asset Value- Beginning of Period	$835.47	$708.74	$558.77	$434.79	$356.79	$81.40	$87.28	$86.79	$102.98	$86.82
INCOME FROM INVESTMENT OPERATIONS										
Net Investment Income (Loss)	8.87	8.46	8.84	8.32	7.47	18.12	4.23	11.84	17.96	26.08
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	74.23	127.32	148.87	123.88	77.60	24.17	(5.30)	4.29	(14.09)	15.88
Total from Investment Operations	83.10	135.78	157.71	132.20	85.07	42.29	(1.07)	16.13	3.87	41.96
LESS DISTRIBUTIONS										
Dividends from Net Investment Income	(9.40)	(9.05)	(7.74)	(8.22)	(7.07)	(8.68)	(4.81)	(15.64)	(20.06)	(25.80)
Net Asset Value - End of Period	$909.17	$835.47	$708.74	$558.77	$434.79	$115.01	$81.40	$87.28	$86.79	$102.98
TOTAL RETURN	**10.03%**	**19.38%**	**28.40%**	**30.74%**	**23.98%**	**53.86%**	**-0.81%**	**18.55%**	**5.68%**	**43.78%**
RATIOS										
Net Assets - End of Period ($000,000 Omitted)	$8,853	$9,124	$7,736	$7,340	$5,715	$2,565	$1,186	$795	$542	$303
Ratio of Expenses to Average Net Assets (excl. sec. lending fees & rebates)	0.22%	0.27%	0.17%	0.13%	0.20%	0.48%	1.21%	0.55%	0.06%	0.03%
Ratio of Expenses to Average Net Assets	0.43%	0.57%	0.56%	0.63%	0.28%	na	na	na	na	na
Ratio of Net Investment Income (Loss) to Average Net Assets	1.01%	1.10%	1.42%	1.74%	1.88%	17.91%	5.28%	14.25%	17.65%	31.87%

	INTERNATIONAL STOCK FISCAL YEAR ENDED JUNE 30,					MUTUAL FIXED INCOME FISCAL YEAR ENDED JUNE 30,				
	2000	**1999**	**1998**	**1997**	**1996**	**2000**	**1999**	**1998**	**1997**	**1996**
PER SHARE DATA										
Net Asset Value- Beginning of Period	$228.93	$217.03	$216.52	$189.26	$170.57	$109.13	$113.15	$108.04	$104.20	$104.94
INCOME FROM INVESTMENT OPERATIONS										
Net Investment Income (Loss)	3.26	5.29	3.54	2.78	3.05	8.01	6.79	8.65	7.47	8.20
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	42.68	9.34	(0.17)	26.76	18.39	(1.44)	(4.44)	3.21	3.26	(1.80)
Total from Investment Operations	45.94	14.63	3.37	29.54	21.44	6.57	2.35	11.86	10.73	6.40
LESS DISTRIBUTIONS										
Dividends from Net Investment Income	(3.19)	(2.73)	(2.86)	(2.28)	(2.75)	(7.32)	(6.37)	(6.75)	(6.89)	(6.63)
Distributions from Capital Gains	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.51)
Net Asset Value - End of Period	$271.68	$228.93	$217.03	$ 216.52	$189.26	$108.38	$109.13	$113.15	$108.04	$104.20
TOTAL RETURN	**20.13%**	**6.77%**	**1.52%**	**15.67%**	**12.58%**	**5.77%**	**2.64%**	**10.52%**	**10.62%**	**5.97%**
RATIOS										
Net Assets - End of Period ($000,000 Omitted)	$2,930	$2,469	$2,438	$2,440	$2,133	$6,496	$6,170	$6,302	$4,250	$3,696
Ratio of Expenses to Average Net Assets (excl. sec. lending fees & rebates)	0.36%	0.24%	0.52%	0.65%	0.39%	0.16%	0.17%	0.16%	0.23%	0.19%
Ratio of Expenses to Average Net Assets	1.46%	1.27%	1.71%	1.62%	0.70%	0.71%	0.69%	0.61%	0.67%	0.40%
Ratio of Net Investment Income (Loss) to Average Net Assets	1.30%	1.98%	1.69%	1.45%	1.70%	6.79%	6.83%	7.09%	7.06%	6.90%

	COMMERCIAL MORTGAGE FISCAL YEAR ENDED JUNE 30,					REAL ESTATE FISCAL YEAR ENDED JUNE 30,				
	2000	**1999**	**1998**	**1997**	**1996**	**2000**	**1999**	**1998**	**1997**	**1996**
PER SHARE DATA										
Net Asset Value- Beginning of Period	$74.97	$77.12	$72.87	$71.67	$72.93	$59.48	$58.53	$54.06	$51.91	$55.48
INCOME FROM INVESTMENT OPERATIONS										
Net Investment Income (Loss)	6.98	6.24	8.33	6.70	5.66	2.34	1.71	6.33	3.58	3.89
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	(1.29)	(1.78)	5.01	0.66	(1.20)	3.00	0.03	8.60	1.62	(3.34)
Total from Investment Operations	5.69	4.46	13.34	7.36	4.46	5.34	1.74	14.93	5.20	0.55
LESS DISTRIBUTIONS										
Dividends from Net Investment Income	(7.49)	(6.61)	(9.09)	(6.16)	(5.72)	(4.26)	(0.79)	(10.46)	(3.05)	(4.12)
Net Asset Value - End of Period	$73.17	$74.97	$77.12	$72.87	$71.67	$60.56	$59.48	$58.53	$54.06	$51.91
TOTAL RETURN	8.26%	6.10%	17.71%	9.82%	6.46%	9.18%	9.96%	25.63%	10.69%	0.83%
RATIOS										
Net Assets - End of Period ($000,000 Omitted)	$176	$237	$275	$328	$449	$510	$428	$417	$488	$986
Ratio of Expenses to Average Net Assets (excl. sec. lending fees & rebates)	0.39%	0.35%	0.32%	0.44%	0.39%	0.17%	0.42%	0.70%	0.70%	0.94%
Ratio of Expenses to Average Net Assets	na	na	na	na	na	na	na	na	na	na
Ratio of Net Investment Income (Loss) to Average Net Assets	9.22%	8.64%	9.43%	8.91%	11.13%	3.95%	6.65%	6.75%	5.86%	6.99%

Source: Amounts were derived from custodial records.

SHORT-TERM INVESTMENT FUND

STATEMENT OF NET ASSETS
JUNE 30, 2000

	June 30, 2000
ASSETS	
Investment in Securities, at Amortized Cost (Note 7)	$ 3,687,905,501
Accrued Interest and Other Receivables	13,780,673
Prepaid Assets	13,601
TOTAL ASSETS	3,701,699,775
LIABILITIES	
Distribution Payable	17,784,976
Payable to Transfer Agent (Note 6)	322,695
Other Liabilities	2,630
TOTAL LIABILITIES	18,110,301
NET ASSETS	$ 3,683,589,474
NET ASSETS CONSIST OF:	
Participant Units Outstanding($1.00 Par)	$ 3,649,928,733
Designated Surplus Reserve (Note 1)	33,660,741
TOTAL NET ASSETS	$ 3,683,589,474
Participant Net Asset Value, Offering Price and Redemption Price per share ($3,649,928,733 in Net Assets divided by 3,649,928,733 shares)	$ 1.00

See accompanying Notes to the Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

FOR THE YEARS ENDED JUNE 30, 2000 AND JUNE 30, 1999

	For the Year Ended June 30, 2000	1999
Operating Revenue		
Interest Income	$ 213,761,049	$ 198,420,882
Operating Expenses		
Interest Expense on Reverse Repurchase Agreements	-	(141,000)
Administrative Expenses	(951,648)	(812,558)
Net Investment Income	212,809,401	197,467,324
Net Realized Gains	493,776	59,690
Net Increase in Net Assets Resulting from Operations	213,303,177	197,527,014
Distribution to Participants (Notes 1 & 6)		
Distributions to Participants	(210,142,470)	(193,792,259)
Total Distributions Paid and Payable	(210,142,470)	(193,792,259)
Share Transactions at Net Asset Value of $1.00 per Share		
Purchase of Units	10,664,235,963	10,090,642,966
Redemption of Units	(10,615,616,297)	(9,636,639,596)
Net Increase in Net Assets and Shares Resulting from Share Transactions	48,619,666	454,003,370
Total Increase in Net Assets	51,780,373	457,738,125
Net Assets		
Beginning of Year	3,631,809,101	3,174,070,976
End of Year	$ 3,683,589,474	$ 3,631,809,101

See accompanying Notes to the 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. Sec. 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. The State Treasurer is authorized to invest monies of STIF in United States government and agency obligations, certificates of deposit, commercial paper, corporate bonds, saving accounts, bankers' acceptances, repurchase agreements, asset-backed securities, and student loans. 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 participants that are part of the State's financial reporting entity) is not displayed in the State's combined financial statements. Instead, each fund type's investment in STIF is reported as "cash equivalents" in the combined balance sheet. The external portion (i.e., the portion that belongs to participants which are not part of the State's financial reporting entity) is recorded in an investment trust fund in the combined 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 it's 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 proprietary fund type. A proprietary 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 proprietary funds are generally those applicable to similar businesses in the private sector. The Fund uses the accrual basis of accounting.

In accordance with Government Accounting Standards Board ("GASB") Statement Number 20 "Accounting and Financial Reporting for Proprietary Funds and other Governmental Entities that use Proprietary Fund Accounting", the Treasurer has elected to apply all GASB pronouncements as well as all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARB's), except those that conflict with GASB pronouncements. During fiscal year 1998, the Fund adopted the financial statement presentation and disclosure requirements of GASB 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools".

Security Valuation of Financial Instruments.
The assets of the Fund are carried at amortized cost (which approximates fair 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 are accrued as incurred.

Fiscal Year.
The fiscal year of STIF ends on June 30. Prior to fiscal year 1997, STIF's fiscal year ended on May 31.

Distributions to Participants.
Distributions to participants 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. Prior to December 1, 1996 distributions were based upon the actual number of days in the year at an interest rate established by the Treasurer on or before the first date of the month ("the guaranteed rate"). The interest distributions earned by participants were distributed within fifteen business days after the close of the periods ending on the last day of August and November.

Earnings Subject to Special Distribution.

In December 1996, a special distribution was paid to participants based upon net earnings of STIF less previously distributed quarterly payments and an allocation to the Designated Surplus Reserve. This special distribution was paid out in proportion to the total interest paid on the guaranteed rates since June 1, 1996. Following this special distribution, the method for computing distributions to participants after November 30, 1996 was changed, thereby eliminating future special distributions.

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 distribution to shareholders. In December 1996, a transfer was made to the Designated Surplus Reserve at the annualized rate of 0.1 percent of the average month-end investment balances for June through November 1996. Beginning December 1, 1996, 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. No transfer is to be made if 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 Participant Units Outstanding.

As of June 30, 2000, the balance in the Designated Surplus Reserve was $33,660,741, an increase of $3,160,707 from the June 30, 1999 balance of $30,500,034.

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.

Accounting Pronouncements.

In June 1998, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities," which establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. As issued, SFAS No. 133 was effective for fiscal years beginning after June 15, 1999. It requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. STIF does not designate a derivative as a hedging instrument and recognizes gains in the earnings period of change.

Although the effective implementation date of SFAS No. 133 was deferred by SFAS No. 137 until fiscal years beginning after June 15, 2000, and was again amended in June 2000 by the FASB issuing SFAS No. 138, STIF continues to meet the compliance requirement.

NOTE 3: INVESTMENT RISK CLASSIFICATION

STIF's investment practice is to invest all cash balances; as such, there was no uninvested cash at June 30, 2000. All certificates of deposit within the portfolio are considered negotiable instruments. The certificates of deposit and all other 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.

All investments of STIF are classified in category 1 of the custodial credit risk defined by GASB Statement No. 3 "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements". Classification in category 1 means that the exposure of deposits or investments to potential custodial credit risk is low.

Category 1 includes investments which are insured or registered or for which the Treasurer or his agent in the Treasurer's name holds securities.

NOTE 4: CUSTODIAN

State Street Bank was appointed as custodian for STIF effective February 1, 1996. STIF pays fees to the custodian for transactions and accounting services at a fixed annual rate of $35,000.

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: RECEIVABLE FROM OR PAYABLE TO TRANSFER AGENT

In an effort to invest all cash balances each day, estimates of participant purchase and sale activity are made. Occasionally, the timing of cash movements by participants may not exactly match the net activity of purchases and sales, resulting in a difference between investments held in securities relative to participants' net account value. As of June 30, 2000, STIF recorded a liability of $322,695, payable to the transfer agent, for investments purchased which did not match actual movements of cash by participants into the Fund.

NOTE 7: DISTRIBUTIONS TO PARTICIPANTS

The components of the distributions to participants are as follows for the income earned during the twelve months ended June 30:

Distributions:	2000	1999
July	$15,369,550	$14,869,926
August	18,626,337	17,980,323
September	18,327,219	17,448,280
October	17,962,446	17,360,524
November	16,080,280	16,212,546
December	16,350,536	15,438,709
January	17,113,994	16,389,685
February	18,204,877	16,298,605
March	18,276,157	16,745,275
April	17,371,981	15,542,275
May	18,674,115	15,817,450
June (Payable at June 30)	17,784,976	13,688,661
Total Distribution Paid & Payable	**$210,142,470**	**$193,792,259**

NOTE 8: INVESTMENTS IN SECURITIES

The following is a summary of investments in securities, at amortized cost and fair value as of June 30, 2000:

Investment	Amortized Cost	Fair Value
Securities-Backed Commercial Paper	$1,013,093,398	$1,013,093,398
Bank Notes	719,640,870	720,635,424
Repurchase Agreements	464,865,000	464,865,000
Receivable-Backed Commercial Paper	451,541,348	451,541,348
Corporate Notes	369,896,875	369,896,875
Loan-Backed Commercial Paper	246,283,133	246,283,132
Federal Agency Securities	170,190,332	169,743,516
Certificates of Deposit	132,228,503	132,128,525
Multi-Backed Commercial Paper	47,565,248	47,565,248
Commercial Paper	37,083,044	37,013,882
Bankers Acceptances	34,017,500	34,044,577
State of Israel Bonds	1,500,000	1,500,000
Liquidity Management Control System	250	250
TOTAL	$3,687,905,501	$3,688,311,175

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.

GASB Technical Bulletin Number 94-1 "Disclosures about Derivatives and Similar Debt and Investment Transactions" states that derivatives are generally defined as contracts whose value depends on, or derives from, the value of an underlying asset, reference rate, or index. At June 30, 2000, STIF held adjustable-rate federal agency, bank notes, and State of Israel securities whose interest rates vary directly with short-term money market indices and are reset daily, weekly, monthly, quarterly or semi-annually. According to GASB Technical Bulletin Number 94-1, these securities are derivatives. 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. The adjustable-rate federal agency securities are rated AAA by a nationally-recognized credit rating agency. The bank notes are rated either A-1+ or A-1. All of the adjustable rate securities have similar exposures to credit and legal risks as fixed-rate securities from the same issuers.

NOTE 9: CREDIT RATING OF THE FUND

Throughout the year ended June 30, 2000, STIF was rated AAAm, its highest rating, by Standard and Poor's Corporation ("S&P"). In December 1999, following a review of the portfolio and STIF's investment policies, management and procedures, S&P reaffirmed STIF's AAAm rating. In order to maintain an AAAm rating, STIF is subject to certain requirements which include:

- Weekly portfolio and market value calculations;
- Maintenance of credit quality standards for portfolio securities with at least 75% 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 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.

SHORT-TERM INVESTMENT FUND

LIST OF INVESTMENTS AT JUNE 30, 2000

Par Value	Security (Coupon, Maturity or Reset Date)	Yield %	Amortized Cost	Fair Value	Asset ID	Quality Rating
BANKERS ACCEPTANCES (0.95% of total investments)						
$ 10,000,000	Fleet Bank, 6.75, 11/27/00	6.95	$ 9,720,625	$ 9,727,022	339998007	A-1
25,000,000	Fleet Bank, 6.75, 11/28/00	6.95	24,296,875	24,317,555	339998007	A-1
$ 35,000,000	**Total**		**$ 34,017,500**	**$ 34,044,577**		
CERTIFICATES OF DEPOSITS (3.58% of total investments)						
$ 10,000,000	ABN Amro, 5.91, 8/9/00	5.94	$ 9,999,591	$ 9,999,591	00077X006	A-1+
10,000,000	Banc One, 5.93, 10/2/00	6.72	9,994,039	9,972,000	06420S008	A-1
2,250,000	Canadian Imperial Bank, 6.20, 8/1/00	5.94	2,250,526	2,250,526	13606Q004	A-1+
10,000,000	Commerzbank, 6.53, 1/8/01	6.93	9,997,514	9,968,824	20259V008	A-1+
10,000,000	Deutsche Bank, 5.95, 8/10/00	5.95	9,999,476	9,999,476	25152Y009	A-1+
10,000,000	First Union, 7.10, 5/15/01	7.10	10,000,000	10,000,000	33799J005	A-1
10,000,000	First Union, 7.26, 6/1/01	7.26	10,000,000	10,000,000	33799M008	A-1
10,000,000	First Union, 7.06, 6/5/01	7.06	10,000,000	10,000,000	3209959H8	A-1
10,000,000	Rabobank, 5.755, 7/5/00	5.76	9,999,953	9,999,953	74977D006	A-1+
10,000,000	Rabobank, 7.16, 5/10/01	7.13	9,999,189	10,003,063	74977D006	A-1+
10,000,000	Union Bank of Switzerland, 5.80, 8/2/00	5.94	9,999,581	9,999,581	90261EOO5	A-1+
10,000,000	Union Bank of Switzerland, 5.93, 10/2/00	6.72	9,995,279	9,979,727	90261EOO5	A-1+
10,000,000	Union Bank of Switzerland, 5.93, 10/2/00	6.72	9,995,765	9,979,727	90261EOO5	A-1+
10,000,000	Union Bank of Switzerland, 6.45, 1/2/01	6.93	9,997,589	9,976,057	9O261E005	A-1+
$ 132,250,000	**Total**		**$ 132,228,503**	**$ 132,128,525**		
BANK NOTES (19.48% of total investments)						
$ 10,000,000	Bank of New York, 7.22, 5/9/01	6.90	$ 9,997,578	$ 10,020,300	06406KJA1	A-1+
5,000,000	Bank One, 6.19, 10/16/00	6.72	4,999,162	4,992,207	06423EBB0	A-1
10,000,000	Bank One, 6.73, 2/7/01	6.93	9,997,703	9,988,172	06423EEY7	A-1
13,000,000	Bank One, 6.35, 3/19/01	7.00	13,003,668	12,939,940	06421VAC3	A-1
2,500,000	Bank One, 6.35, 3/19/01	7.00	2,492,972	2,488,450	06421VAC3	A-1
50,000,000	Bank One, 6.81, 9/6/01	6.77	49,988,485	50,020,000	06423EHF5	A-1
50,000,000	Bank One, 6.78, 9/27/01	6.79	49,982,154	50,005,500	06423EHT5	A-1
50,000,000	Bank One, 6.78, 9/27/01	6.79	49,976,208	50,005,500	06423EHT5	A-1
25,000,000	Bank One, 6.83, 4/15/02	6.84	24,993,691	24,994,750	06423EJP1	A-1
25,000,000	Bank One, 6.83, 4/15/02	6.84	24,987,358	24,994,750	06423EJP1	A-1
25,000,000	Bank One, 6.84, 4/17/02	6.84	25,000,000	24,999,000	06423EJN6	A-1
50,000,000	BankAmerica, 6.78, 9/6/01	6.70	50,000,000	50,043,000	06050TCE0	A-1+
10,000,000	FCC National Bank, 6.03, 8/11/00	6.60	9,999,571	9,999,571	30241N2M6	A-1
10,000,000	FCC National Bank, 6.34, 4/23/01	6.29	9,993,146	10,000,600	30241NS71	A-1
25,000,000	First Union, 7.16, 11/1/00	6.96	25,000,000	25,015,250	33737XKK3	A-1
25,000,000	First Union, 7.08, 6/4/01	7.01	25,000,000	25,014,500	33737XGL6	A-1
25,000,000	First Union, 6.85, 6/4/01	6.78	25,000,000	25,016,750	33737XGS1	A-1
25,000,000	First Union, 7.09, 6/7/01	7.01	25,000,000	25,017,000	33737XGM4	A-1
5,000,000	First USA Bank, 6.125, 6/25/01	7.10	4,987,060	4,954,200	33744CAB1	A-1
1,000,000	First USA Bank, 6.125, 6/25/01	7.10	996,951	990,840	33744CAB1	A-1
2,000,000	Fleet Bank, 6.82, 4/9/01	7.00	2,002,433	1,997,040	338925AN0	A-1
50,000,000	Fleet Bank, 7.05, 4/26/01	7.00	49,992,128	50,017,000	33901MMU3	A-1
25,000,000	Fleet Bank, 6.79, 6/1/01	6.73	24,997,823	25,012,000	33901MBB7	A-1
25,000,000	Fleet Bank, 7.00, 8/10/01	6.74	25,000,000	25,682,500	33901MHB1	A-1
25,000,000	Fleet Bank, 7.22, 9/27/01	7.01	25,000,000	25,062,750	33901MJV5	A-1
15,000,000	Fleet Bank, 6.64, 8/2/02	6.54	15,000,000	15,025,050	33901MEP3	A-1

LIST OF INVESTMENTS AT JUNE 30, 2000 (Continued)

Par Value	Security (Coupon, Maturity or Reset Date)	Yield %	Amortized Cost	Fair Value	Asset ID	Quality Rating
10,000,000	Fleet Bank, 6.64, 8/2/02	6.54	10,000,000	10,016,700	33901MEP3	A-1
6,666,667	Key Bank, 6.64, 11/2/00	6.37	6,665,560	6,670,866	49306BGY3	A-1
6,666,667	Key Bank, 6.64, 11/2/00	6.37	6,665,668	6,670,866	49306BGY3	A-1
1,666,667	Key Bank, 6.64, 11/2/00	6.37	1,666,525	1,667,716	49306BGY3	A-1
6,275,000	Key Bank, 5.03, 12/11/00	6.80	6,265,513	6,226,306	49306BHA4	A-1
25,000,000	Key Bank, 7.06, 1/25/01	6.98	24,996,932	25,009,750	49306BHK2	A-1
25,000,000	Key Bank, 7.06, 1/25/01	6.98	24,994,177	25,009,750	49306BHK2	A-1
50,000,000	Key Bank, 7.18, 7/20/01	7.01	50,000,000	50,083,500	49306BJS3	A-1
1,000,000	US Bank, 6.66, 6/20/01	6.70	998,405	999,630	90332WAC3	A-1
4,000,000	Wachovia Bank, 6.30, 3/15/01	6.90	4,000,000	3,983,720	92976QFQ7	A-1+
$ 719,775,000	**Total**		**$ 719,640,870**	**$ 720,635,424**		
CORPORATE NOTES (10.02% of total investments)						
$ 175,000,000	General Electric Capital Corp., 6.95, 7/3/00	6.95	$ 174,932,431	$ 174,932,431	36959H008	A-1+
175,000,000	General Electric Capital Corp. , 6.95, 7/3/00	6.95	175,000,000	175,000,000	369622006	A-1+
20,000,000	General Electric Capital Int. , 6.40, 7/11/00	6.41	19,964,444	19,964,444	3615T3005	A-1+
$ 370,000,000	**Total**		**$ 369,896,875**	**$ 369,896,875**		
LOAN - BACKED COMMERCIAL PAPER (6.69% of total investments)						
$ 5,027,000	Atlantis One Funding, 6.61, 7/13/00	6.63	$ 5,015,924	$ 5,015,924	04915T003	A-1+
25,000,000	Centric Capital Corp., 6.75, 7/7/00	6.76	24,971,875	24,971,875	1563X0000	A-1+
39,175,000	Fountain Square, 7.20, 7/3/00	7.20	39,159,330	39,159,330	35075R007	A-1+
30,721,000	Fountain Square, 6.65, 7/3/00	6.65	30,709,650	30,709,650	35075R007	A-1+
18,947,000	Fountain Square, 6.62, 7/3/00	6.62	18,940,032	18,940,032	35075R007	A-1+
1,822,000	Fountain Square, 6.90, 7/3/00	6.90	1,821,302	1,821,302	35075R007	A-1+
8,205,000	Fountain Square, 6.60, 7/5/00	6.61	8,198,983	8,198,983	35075R007	A-1+
6,017,000	Fountain Square, 6.63, 7/5/00	6.64	6,012,567	6,012,567	35075R007	A-1+
3,421,000	Fountain Square, 6.62, 7/5/00	6.63	3,418,484	3,418,484	35075R007	A-1+
1,078,000	Fountain Square, 6.58, 7/5/00	6.59	1,077,212	1,077,212	35075R007	A-1+
4,487,000	Fountain Square, 6.58, 7/7/00	6.59	4,482,079	4,482,079	35075R007	A-1+
1,434,000	Fountain Square, 6.58, 7/10/00	6.59	1,431,641	1,431,641	35075R007	A-1+
4,559,000	Fountain Square, 6.57, 7/11/00	6.58	4,550,680	4,550,680	35075R007	A-1+
19,199,000	Fountain Square, 6.58, 7/12/00	6.59	19,160,399	19,160,399	35075R007	A-1+
2,843,000	Fountain Square, 6.80, 7/14/00	6.82	2,836,019	2,836,019	35075R007	A-1+
1,857,000	Fountain Square, 6.06, 7/28/00	6.09	1,848,560	1,848,560	35075R007	A-1+
15,020,000	Fountain Square, 6.44, 7/31/00	6.48	14,939,393	14,939,393	35075R007	A-1+
5,186,000	Fountain Square, 6.45, 8/1/00	6.49	5,157,196	5,157,196	35075R007	A-1+
3,612,000	Fountain Square, 6.67, 8/1/00	6.71	3,591,254	3,591,254	35075R007	A-1+
3,612,000	Fountain Square, 6.63, 8/8/00	6.68	3,586,722	3,586,722	35075R007	A-1+
20,635,000	Fountain Square, 6.15, 8/14/00	6.20	20,479,894	20,479,894	35075R007	A-1+
10,192,000	Fountain Square, 6.67, 9/15/00	6.77	10,048,485	10,048,485	35075R007	A-1+
1,000,000	Govco Incorporated, 6.72, 8/2/00	6.76	994,027	994,027	38362V004	A-1+
2,000,000	Govco Incorporated, 6.72, 8/10/00	6.77	1,985,067	1,985,067	38362V004	A-1+
3,954,000	Peacock Funding, 6.60, 7/18/00	6.62	3,941,677	3,941,677	70467L003	A-1+
7,951,000	Sweetwater Capital, 6.62, 7/19/00	6.64	7,924,682	7,924,682	87047N002	A-1+
$ 246,954,000	**Total**		**$ 246,283,133**	**$ 246,283,132**		
MULTI BACKED COMMERCIAL PAPER (1.29% of total investments)						
$ 10,000,000	Compass Securitization, 6.60, 7/5/00	6.61	$ 9,992,667	$ 9,992,667	2044WC005	A-1+
2,300,000	Compass Securitization, 6.61, 7/13/00	6.63	2,294,932	2,294,932	2044WC005	A-1+

LIST OF INVESTMENTS AT JUNE 30, 2000 (Continued)

Par Value	Security (Coupon, Maturity or Reset Date)	Yield %	Amortized Cost	Fair Value	Asset ID	Quality Rating
10,431,000	Compass Securitization, 6.61, 7/18/00	6.63	10,398,441	10,398,441	2044WC005	A-1+
25,000,000	Compass Securitization, 6.69, 7/27/00	6.73	24,879,208	24,879,208	2044WC005	A-1+
$ 47,731,000	**Total**		**$ 47,565,248**	**$ 47,565,248**		
	RECEIVABLE BACKED COMMERCIAL PAPER (12.25% of total investments)					
$ 3,737,000	Barton Capital Corp., 6.70, 7/7/00	6.71	$ 3,732,827	$ 3,732,827	06945F002	A-1+
16,356,000	Barton Capital Corp., 6.85, 7/10/00	6.85	16,327,990	16,327,990	06945F002	A-1+
25,000,000	Edison Asset Securitization, 6.42, 7/17/00	6.44	24,928,667	24,928,667	28100L004	A-1+
25,466,000	Kittyhawk Funding, 6.80, 7/10/00	6.81	25,422,708	25,422,708	49833M002	A-1+
25,000,000	Kittyhawk Funding, 6.81, 7/13/00	6.83	24,943,250	24,943,250	49833M002	A-1+
25,000,000	Madison Funding, 6.48, 7/5/00	6.49	24,982,000	24,982,000	557990009	A-1
25,000,000	Madison Funding, 6.58, 7/10/00	6.59	24,958,875	24,958,875	557990009	A-1
25,000,000	Madison Funding, 6.63, 7/10/00	6.64	24,958,563	24,958,563	557990009	A-1
19,515,000	Madison Funding, 6.64, 7/10/00	6.65	19,482,605	19,482,605	557990009	A-1
25,000,000	Madison Funding, 6.60, 7/27/00	6.63	24,880,833	24,880,833	557990009	A-1
10,550,000	Madison Funding, 6.64, 7/27/00	6.67	10,499,407	10,499,407	557990009	A-1
25,000,000	Monte Rosa Capital Corp., 6.53, 7/10/00	6.54	24,959,188	24,959,188	61224T009	A-1+
25,000,000	Monte Rosa Capital Corp., 6.50, 7/17/00	6.52	24,927,778	24,927,778	61224T009	A-1+
25,000,000	Pooled Accounts Receivable, 6.70, 7/7/00	6.71	24,972,083	24,972,083	73278Y008	A-1+
9,772,000	Quincy Capital Corp., 6.82, 7/14/00	6.84	9,747,934	9,747,934	74838U007	A-1+
1,102,000	Receivables Capital Corp., 6.61, 7/19/00	6.63	1,098,358	1,098,358	7561V5009	A-1+
25,000,000	Tulip Funding Corp., 6.57, 7/10/00	6.58	24,958,938	24,958,938	89929T008	A-1+
25,000,000	Tulip Funding Corp., 6.61, 7/17/00	6.63	24,926,556	24,926,556	89929T008	A-1+
25,000,000	Tulip Funding Corp., 6.62, 7/17/00	6.64	24,926,444	24,926,444	89929T008	A-1+
25,000,000	Tulip Funding Corp., 6.30, 7/27/00	6.33	24,886,250	24,886,250	89929T008	A-1+
7,500,000	Twin Towers, 6.62, 7/14/00	6.64	7,482,071	7,482,071	901993006	A-1+
11,996,000	Twin Towers, 6.62, 7/17/00	6.64	11,960,705	11,960,705	901993006	A-1+
21,600,000	Windmill Funding, 6.30, 7/7/00	6.31	21,577,320	21,577,320	973993009	A-1+
$ 452,594,000	**Total**		**451,541,348**	**451,541,348**		
	SECURITIES BACKED COMMERCIAL PAPER (27.50% of total investments)					
$ 12,500,000	Aeltus CBO V, 6.75, 8/4/00	6.80	$ 12,420,313	$ 12,420,313	0076A3003	A-1+
21,000,000	Aeltus CBO V, 6.75, 8/11/00	6.80	20,838,563	20,838,563	0076A3003	A-1+
7,900,000	Aeltus CBO V, 6.75, 8/18/00	6.81	7,828,900	7,828,900	0076A3003	A-1+
175,000,000	Aquinas Funding, 7.04, 7/5/00	7.05	174,863,111	174,863,111	03839U005	A-1+
35,435,000	Exelsior Inc., 6.58, 7/10/00	6.59	35,376,709	35,376,709	30161T009	A-1+
5,489,000	Giro Multi Funding, 6.92, 7/6/00	6.93	5,483,724	5,483,724	35075R007	A-1+
15,785,000	Giro Multi Funding, 6.61, 7/10/00	6.62	15,758,915	15,758,915	3763K3002	A-1+
1,827,000	Giro Multi Funding, 6.61, 7/10/00	6.62	1,823,981	1,823,981	3763K3002	A-1+
3,387,000	Grand Funding, 6.62, 7/5/00	6.63	3,384,509	3,384,509	38551L007	A-1+
25,000,000	Grand Funding, 6.85, 7/6/00	6.86	24,976,215	24,976,215	38551L007	A-1+
25,000,000	Grand Funding, 6.90, 7/6/00	6.91	24,976,042	24,976,042	38551L007	A-1+
22,000,000	Grand Funding, 6.64, 7/7/00	6.65	21,975,653	21,975,653	38551L007	A-1+
8,000,000	Grand Funding, 6.57, 7/11/00	6.58	7,985,400	7,985,400	38551L007	A-1+
25,000,000	Grand Funding, 6.80, 7/12/00	6.82	24,948,056	24,948,056	38551L007	A-1+
1,499,000	Grand Funding, 6.80, 7/12/00	6.82	1,495,885	1,495,885	38551L007	A-1+
25,000,000	Grand Funding, 6.57, 7/17/00	6.59	24,927,000	24,927,000	38551L007	A-1+
8,000,000	Grand Funding, 6.57, 7/17/00	6.59	7,976,640	7,976,640	38551L007	A-1+
8,850,000	Grand Funding, 6.64, 7/18/00	6.66	8,822,250	8,822,250	38551L007	A-1+

LIST OF INVESTMENTS AT JUNE 30, 2000 (Continued)

Par Value	Security (Coupon, Maturity or Reset Date)	Yield %	Amortized Cost	Fair Value	Asset ID	Quality Rating
46,400,000	Grand Funding, 6.59, 7/19/00	6.61	46,247,112	46,247,112	38551L007	A-1+
25,000,000	Grand Funding, 6.56, 7/19/00	6.58	24,918,000	24,918,000	38551L007	A-1+
50,000,000	Grand Funding, 6.59, 7/20/00	6.61	49,826,097	49,826,097	38551L007	A-1+
25,000,000	Grand Funding, 6.75, 7/21/00	6.78	24,906,250	24,906,250	38551L007	A-1+
3,292,000	Grand Funding, 6.70, 7/26/00	6.73	3,276,683	3,276,683	38551L007	A-1+
5,000,000	KMS Corporation, 6.62, 7/14/00	6.64	4,988,047	4,988,047	4827U3003	A-1+
30,284,000	KMS Corporation, 6.61, 7/17/00	6.63	30,195,032	30,195,032	4827U3003	A-1+
1,622,000	KMS Corporation, 6.80, 7/21/00	6.83	1,615,872	1,615,872	4827U3003	A-1+
25,000,000	Steamboat Funding Corp., 6.55, 7/7/00	6.56	24,972,708	24,972,708	85788L003	A-1+
25,000,000	Steamboat Funding Corp., 6.56, 7/7/00	6.57	24,972,667	24,972,667	85788L003	A-1+
25,000,000	Steamboat Funding Corp., 6.70, 7/28/00	6.74	24,874,375	24,874,375	85788L003	A-1+
26,172,000	Superior Funding, 6.56, 7/5/00	6.57	26,152,924	26,152,924	86816K009	A-1+
25,000,000	Superior Funding, 6.60, 7/7/00	6.61	24,972,500	24,972,500	86816K009	A-1+
2,036,000	Superior Funding, 6.60, 7/7/00	6.61	2,033,760	2,033,760	86816K009	A-1+
15,458,000	Superior Funding, 6.56, 7/10/00	6.57	15,432,649	15,432,649	86816K009	A-1+
7,590,000	Superior Funding, 6.56, 7/10/00	6.57	7,577,552	7,577,552	86816K009	A-1+
14,983,000	Superior Funding, 6.62, 7/17/00	6.64	14,938,917	14,938,917	86816K009	A-1+
20,743,000	Superior Funding, 6.60, 7/19/00	6.62	20,674,548	20,674,548	86816K009	A-1+
8,796,000	Superior Funding, 6.65, 7/24/00	6.68	8,758,629	8,758,629	86816K009	A-1+
11,144,000	Superior Funding, 6.70, 7/26/00	6.73	11,092,149	11,092,149	86816K009	A-1+
20,821,000	Superior Funding, 6.73, 8/11/00	6.78	20,661,413	20,661,413	86816K009	A-1+
25,000,000	Trainer Wortham, 6.43, 7/10/00	6.44	24,959,812	24,959,812	89288L000	A-1+
25,000,000	Trainer Wortham, 6.52, 7/13/00	6.54	24,945,667	24,945,667	89288L000	A-1+
25,000,000	Trainer Wortham, 6.63, 7/21/00	6.66	24,907,917	24,907,917	89288L000	A-1+
50,000,000	Trainer Wortham, 6.67, 9/5/00	6.75	49,388,583	49,388,583	89288L000	A-1+
50,000,000	Trident Capital Financing, 7.00, 7/7/00	7.01	49,941,667	49,941,667	8961J2001	A-1+
$ 1,016,013,000	**Total**		**$ 1,013,093,398**	**$ 1,013,093,398**		
FEDERAL AGENCIES SECURITIES (4.61% of total investments)						
$ 5,000,000	Federal Farm Credit Bank, 5.75, 8/20/01	6.81	$ 5,000,000	$ 4,942,500	31331RYQ2	AAA
15,000,000	Federal Home Loan Bank, 5.015, 8/11/00	6.66	14,999,888	14,970,000	3133M7FL5	AAA
10,000,000	Federal Home Loan Bank, 5.015, 8/11/00	6.66	9,999,925	9,980,000	3133M7FL5	AAA
1,000,000	Federal Home Loan Bank, 5.76, 8/20/01	6.81	1,000,000	988,600	3133M5AK6	AAA
10,000,000	Federal Home Loan Bank, 7.21, 11/16/01	7.22	9,999,084	9,991,000	3133MBFR3	AAA
10,000,000	Federal Home Loan Mortgage Corp, 7.40, 11/30/01	7.35	9,999,058	10,001,000	312902XU8	AAA
7,035,000	Federal Home Loan Mortgage Corp, 6.00, 1/6/03	7.21	7,035,000	6,841,538	3134A2L22	AAA
25,000,000	Fannie Mae, 6.37, 3/7/01	6.34	25,000,000	25,003,000	31364KPS3	AAA
18,000,000	Fannie Mae, 6.37, 3/7/01	6.34	17,999,179	18,002,160	31364KPS3	AAA
14,394,000	Fannie Mae, 6.50, 7/29/02	7.18	14,394,000	14,206,878	31359MCP6	AAA
25,000,000	Sallie Mae, 6.54, 8/10/00	6.29	24,999,454	25,004,500	86387R2Q4	AAA
25,000,000	Sallie Mae, 6.54, 11/13/00	6.29	24,995,451	25,020,500	86387R4M1	AAA
4,800,000	Sallie Mae, 6.10, 3/7/01	6.34	4,769,293	4,791,840	863871SD2	AAA
$ 170,229,000	**Total**		**$ 170,190,332**	**$ 169,743,516**		
COMMERCIAL PAPER **(1.01% of total investments)**						
$ 13,925,000	General Electric Cap Corp, 5.72, 8/3/00	6.55	$ 13,930,327	$ 13,913,025	369626PT5	A-1+
2,000,000	General Electric Cap Corp, 6.12, 8/15/00	6.55	2,001,637	1,998,640	369626LK8	A-1+
1,000,000	General Electric Cap Corp, 5.92, 4/3/01	6.80	1,000,000	993,520	36962GME1	A-1+
10,000,000	General Electric Cap Corp, 6.02, 5/4/01	6.85	9,938,667	9,931,900	36962GNC4	A-1+

SHORT-TERM INVESTMENT FUND

LIST OF INVESTMENTS AT JUNE 30, 2000 (Continued)

Par Value	Security (Coupon, Maturity or Reset Date)	Yield %		Amortized Cost		Fair Value	Asset ID	Quality Rating
6,000,000	General Electric Cap Corp, 6.02, 5/4/01	6.85		5,959,416		5,959,140	36962GNC4	A-1+
1,500,000	General Electric Cap Corp, 5.89, 5/11/01	6.85		1,504,211		1,488,090	36962GNP5	A-1+
2,750,000	General Electric Cap Corp, 5.96, 5/14/01	6.85		2,748,786		2,729,568	36962GNQ3	A-1+
37,175,000	Total		$	37,083,044	$	37,013,882		
REPURCHASE AGREEMENTS (12.58% of total investments)								
$ 100,000,000	Lehman Brothers, 7.05, 7/3/00	7.05	$	100,000,000	$	100,000,000	524995008	A-1+
347,225,000	BankAmerica, 6.88, 7/3/00	6.88		347,225,000		347,225,000	O64998008	A-1+
17,640,000	Banc One, 7.06, 7/3/00	7.06		17,640,000		17,640,000	05999U006	A-1
$ 464,865,000	**Total**		**$**	**464,865,000**	**$**	**464,865,000**		
STATE OF ISRAEL BONDS (0.04% of total investments)								
$ 1,500,000	State of Israel, 9.00, 5/1/01	9.00	$	1,500,000	$	1,500,000	465137Q91	A-1
$ 1,500,000	Total		$	1,500,000	$	1,500,000		
LIQUIDTY MANAGEMENT CONTROL SYSTEM (**0.00% of total investments**)								
$ 250	LMCS, 5.25, 7/3/00	5.25	$	250	$	250	536991003	A-1
$ 250	**Total**		**$**	**250**	**$**	**250**		
$ 3,694,086,250	**Total Investment in Securities**		**$**	**3,687,905,501**	**$**	**3,688,311,176**		

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INDEPENDENT ACCOUNTANTS' REPORT

Treasurer of the State of Connecticut
Hartford, Connecticut

We have examined the accompanying Schedules of Rates of Return for the Connecticut State Treasurer's Short-Term Investment Fund (the "Schedules") managed by the Treasurer of the State of Connecticut for each of the quarterly and annual investment periods from July 1, 1992 through June 30, 2000. The Schedules are the responsibility of the Connecticut State Treasurer's Short-Term Investment Fund's management. Our responsibility is to express an opinion on the Schedules based on our examinations.

Our examinations were conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and , accordingly, included examining on a test basis, evidence supporting the Schedules and performing such other procedures as we considered necessary in the circumstances (for a Level II verification as defined under the AIMR-PPS). We believe that our examinations provide a reasonable basis for our opinion.

In our opinion, such Schedules present fairly the rates of return for the composite of the Connecticut State Treasurer's Short-Term Investment Fund managed by the Treasurer of the State of Connecticut for each of the quarterly and annual investment periods from July 1, 1992 to June 30, 2000, in all material respects, in accordance with the measurement and disclosure criteria set forth in Notes 2 and 3 to the Schedules.

We did not examine the rates of return for the Connecticut State Treasurer's Short-Term Investment Fund for each of the quarterly and annual investment period from July 1, 1991 to June 30, 1992, which are included in the Schedules and, accordingly, we express no opinion or any other form of assurance on them.

Deloitte + Touche LLP

September 13, 2000

Deloitte
Touche
Tohmatsu

SHORT-TERM INVESTMENT FUND

SCHEDULE OF ANNUAL RATES OF RETURN

	Year Ended June 30,									
	2000	1999	1998	1997	1996	1995	1994	1993	1992*	1991*
STIF Total Rate of Return (%)	6.01	5.37	5.82	5.66	5.95	5.62	3.63	3.95	5.74	8.16
IBC First Tier Institutions-Only Money Fund Report Index (%)(1)	5.58	5.04	5.49	5.27	5.44	5.31	3.08	3.03	4.62	6.97
Total Assets in STIF, End of Period ($ - Millions)	3.701	3,646	3,190	2,527	2,014	1,495	1,830	1,787	1,835	1,070
Percent of Firm Assets	71	71	70	73	68	58	67	66	73	56
Number of Participant Accounts in Composite, End of Year	800	782	654	644	590	563	510	424	390	366

* Rates of return for fiscal years ended June 30, 1991-1992 have not been examined by Deloitte & Touche LLP.

(1)Represents IBC First Tier Institutions-Only Money Fund Report Index prior to December 31, 1995 and IBC First Tier Institutions-Only Rated Money Fund Report Index for the period January 1, 1996 through June 30, 2000. These Index rates have been taken from published sources and have not been examined by Deloitte & Touche LLP.

See Notes to Schedules of Rates of Return.

SHORT-TERM INVESTMENT FUND

SCHEDULE OF QUARTERLY RATES OF RETURN

FISCAL YEAR	Rate of Return(%)	IBC First Tier Institutions-Only Rated Money Fund Report Index(%)(1)
2000		
Sep-99	1.33	1.23
Dec-99	1.46	1.33
Mar-00	1.48	1.40
Jun-00	1.60	1.51
YEAR	**6.01**	**5.58**
1999		
Sep-98	1.42	1.34
Dec-98	1.37	1.26
Mar-99	1.24	1.19
Jun-99	1.23	1.16
YEAR	**5.37**	**5.04**
1998		
Sep-97	1.43	1.34
Dec-97	1.45	1.36
Mar-98	1.41	1.35
Jun-98	1.40	1.34
YEAR	**5.82**	**5.49**
1997		
Sep-96	1.40	1.28
Dec-96	1.36	1.28
Mar-97	1.37	1.28
Jun-97	1.40	1.33
YEAR	**5.66**	**5.27**
1996		
Sep-95	1.54	1.40
Dec-95	1.54	1.38
Mar-96	1.42	1.29
Jun-96(2)	1.33	1.26
YEAR	**5.95**	**5.44**

FISCAL YEAR	Rate of Return(%)	IBC First Tier Institutions-Only Rated Money Fund Report Index(%)(1)
1995		
Sep-94	1.16	1.07
Dec-94	1.31	1.25
Mar-95	1.58	1.43
Jun-95(2)	1.46	1.46
YEAR	**5.62**	**5.31**
1994		
Sep-93	0.86	0.71
Dec-93	0.90	0.72
Mar-94	0.95	0.74
Jun-94(2)	0.87	0.88
YEAR	**3.63**	**3.08**
1993		
Sep-92	1.09	0.81
Dec-92	0.97	0.75
Mar-93	0.96	0.73
Jun-93(2)	0.87	0.70
YEAR	**3.95**	**3.03**
1992*		
Sep-91	1.62	1.37
Dec-91	1.60	1.23
Mar-92	1.23	1.01
Jun-92(2)	1.17	0.93
YEAR	**5.74**	**4.62**
1991*		
Sep-90	2.09	1.89
Dec-90	2.25	1.84
Mar-91	1.89	1.63
Jun-91(2)	1.70	1.44
YEAR	**8.16**	**6.97**

* Rates of return for fiscal years ended June 30, 1991-1992 have not been examined by Deloitte & Touche LLP.

(1) Represents IBC First Tier Institutions-Only Money Fund Report Index prior to December 31, 1995 and IBC First Tier Institutions-Only Rated Money Fund Report Index for the period January 1, 1996 through June 30, 2000. These Index rates have been taken from published sources and have not been examined by Deloitte & Touche LLP.

(2) Includes the annual allocation to the Designated Surplus Reserve (See Note 4).

See the accompanying Notes to the Schedules of Rates of Return.

NOTES TO SCHEDULES OF RATES OF RETURN

FOR THE 10 YEAR INVESTMENT PERIOD JULY 1, 1990 THROUGH JUNE 30, 2000

NOTE 1: ORGANIZATION

The Connecticut State Treasury Short-Term Investment Fund ("STIF" or the "Fund") was created by Sec. 3-27 of the Connecticut General Statutes as an investment vehicle restricted for use by the State, State agencies and authorities, State municipalities and other political subdivisions of the State only. STIF is a fully discretionary money market investment pool managed by the Connecticut State Treasury (Treasury) as a single composite. STIF's objective is to provide as high a level of current income as is consistent with safety of principal and liquidity to meet participants' daily cash flow requirements. During the 2000 fiscal year, STIF's portfolio averaged $3.6 billion.

NOTE 2: PERFORMANCE RESULTS

STIF has prepared and presented this report in compliance with the Performance Presentation Standards of the Association for Investment Management and Research (AIMR-PPS) for the period July 1, 1990 through June 30, 2000. AIMR has not been involved with the preparation or review of this report. The performance presentation for the period July 1, 1992 through June 30, 2000 has been subject to a Level II verification in accordance with AIMR standards by an independent public accounting firm whose report is included herein. The performance presentation for all other periods presented is not included within the scope of the independent accountants' report. For the purposes of compliance with AIMR performance presentation standards, the Treasury has defined the "Firm" as the funds under the control of the State Treasurer, State agencies and State authorities for which the Treasury has direct investment management responsibilities.

Results are net of all operating expenses, and as STIF is managed by employees of the Treasury, no advisory fees are paid.

NOTE 3: CALCULATION OF RATES OF RETURN

STIF uses a time-weighted linked rate of return formula to calculate rates of return. This method is in accordance with the acceptable methods set forth by the Association for Investment Management and Research. 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: After December 1, 1996 monthly returns were 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. From July through November 1996, monthly income earned on an accrual basis, after deduction for all operating expenses, was divided by the average daily participant balance for the month multiplied by the actual number of days in the year divided by the actual number of days in the month. In addition, income reported in November was reduced by a transfer to the Designated Surplus Reserve which impacted November's monthly return. The monthly returns for the entire quarter and fiscal year were linked to calculate the respective rates of return.

Prior to July 1, 1996, the same methodology as described for July through November 1996 was used with the exception of the transfer to the Designated Surplus Reserve, which affected May returns. Prior to fiscal year ended June 30, 1995, 360 days rather than actual days in the year was used. Each of the monthly composite rates of returns were then linked to compute the quarterly rate of return and the quarterly rates of return were linked to calculate the annual rate of return.

The changes, as described above, had no significant impact on the quarterly and annual rates of return reported herein.

The rates of return presented herein are those earned by the Fund during the periods presented as described above. Actual distributions to participants through November 30, 1996 were made on a quarterly basis based upon specific guaranteed rates as periodically determined by the Treasury. Any excess earnings over the previously distributed amounts and the required allocation to the Designated Surplus Reserve were distributed as a special distribution (See Earnings Subject to Special Distribution in STIF Notes to Financial Statements).

NOTE 4: DESIGNATED SURPLUS RESERVE

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. In December 1996, a transfer was made to the Designated Surplus Reserve at the annualized rate of 0.1 percent of the average month-end investment balances for June through November 1996. Beginning December 1, 1996, 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. As of June 30, 2000, the balance in the Designated Surplus Reserve was $33,660,741, an increase of $3,160,707 from the June 30, 1999 balance of $30,500,034.

No transfer is to be made if 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 Participant Units Outstanding. There have been no charges against this reserve during the 28 year history of the Fund.

NOTE 5: ADDITIONAL DISCLOSURES

These results solely reflect the performance of STIF. The Fund's principal investment officer has been the portfolio manager since 1983 encompassing the entire investment period presented.

Benchmark information presented in the Schedules of Rates of Return was obtained from published sources which are believed to be reliable. Such information is supplemental and is not covered by the independent accountants' report.

STIF does not make significant use of leverage. The only leverage employed by the Fund is the occasional use of reverse repurchase agreements. These agreements, which are limited by policy to no more than 5 percent of total Fund assets, are used only to meet temporary liquidity requirements of the Fund.

STIF had accounted for security purchases and sales on a settlement date basis for periods prior to February 1, 1996. Since that date, the Fund has accounted for all security purchases and sales on a trade date basis. Because the Fund purchases short term investments whose market values do not fluctuate significantly and since all investments are accounted for on an amortized cost basis, the difference between the trade and settlement date bases has no significant impact on the performance reported herein.

SCHEDULE OF CASH AND INVESTMENTS, BALANCES AND ACTIVITY (at Fair Value)
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Teachers' Retirement	State Employees' Retirement	Municipal Employees' Retirement	Probate Court Retirement	Judges' Retirement	State's Attorneys' Retirement	Soldiers Sailors & Marines Fund	Arts Endowment Fund	Police & Firemen's Survivor's Fund
Cash and Investment Balances at June 30, 2000:									
Cash	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Income Receivable	1,380,824	448,723	147,722	11,054	17,009	1,556	282	4,834	20,745
Interest in Investment Funds	11,940,222,779	8,284,938,346	1,373,221,508	70,761,332	141,210,024	901,703	57,517,049	12,438,900	18,059,624
Total Cash and Investments	$11,941,603,603	$8,285,387,069	$1,373,369,230	$70,772,386	$141,227,033	$903,259	$57,517,331	$12,443,734	$18,080,369
Schedule of Activity:									
Cash and Investments at July 1, 1999	$10,793,289,066	$7,524,508,727	$1,213,116,696	$65,007,377	$124,362,325	$887,336	$57,643,722	$11,961,174	$16,821,895
Shares Purchased (Excluding Cash Reserve Fund)	774,166,510	547,141,774	89,059,840	3,855,786	7,263,439	1,125	-	1,000,000	86,527
Shares Redeemed (Excluding Cash Reserve Fund)	(764,427,168)	(508,248,324)	(36,574,711)	(4,184,203)	(473,316)	(290)	-	-	(66,989)
Net Purchase and Redemptions of Cash Reserve Fund	153,389,608	33,603,904	(6,877,416)	898,220	(2,912,395)	(24,398)	(273,856)	(460,885)	582,499
Net Investment Income	410,683,507	286,587,354	47,837,712	2,387,017	5,185,604	32,043	3,292,546	747,908	655,937
Realized Gain (Loss) from Sale of Investments	461,947,176	299,651,657	24,493,695	3,050,904	(19,753)	(10)	-	-	(1,471)
Change in Unrealized Gain/(Loss) on Investment Funds	522,291,723	388,495,392	90,161,376	2,138,491	13,015,405	38,927	147,394	(55,687)	651,931
Increase (Decrease) in Receivables - Net (1)	946,688	233,941	(10,249)	5,810	(8,672)	568	72	(867)	5,977
Distributions	(410,683,507)	(286,587,354)	(47,837,712)	(2,387,017)	(5,185,604)	(32,043)	(3,292,546)	(747,908)	(655,937)
Cash and Investments at June 30, 2000	**$11,941,603,603**	**$8,285,387,069**	**$1,373,369,230**	**$70,772,386**	**$141,227,033**	**$903,259**	**$57,517,331**	**$12,443,734**	**$18,080,369**

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

(1) Reflects timing differences in the recognition of income by the Plans

NON-CIVIL LIST TRUST FUNDS

FINANCIAL STATEMENTS
JUNE 30, 2000

	SCHOOL FUND	AGRICUL-TURAL COLLEGE FUND	IDA EATON COTTON FUND	ANDREW C. CLARK FUND	HOPEMEAD STATE PARK TRUST FUND	MISC. AGENCY TRUST FUNDS
STATEMENT OF CONDITION, at Market						
ASSETS						
Cash & Cash Equivalents	$ -	$ -	$ -	$ -	$ -	$49,953,878
Interest & Dividends Receivable	3,376	228	638	244	4,063	-
Investments in Combined Investment Funds, at Fair Value	9,464,923	622,247	2,116,446	994,214	1,754,903	-
Total Assets	**$9,468,299**	**$622,475**	**$2,117,084**	**$994,458**	**$1,758,966**	**$49,953,878**
LIABILITIES & FUND BALANCE						
Due to Other Funds	$ 112,853	$ 20,247	$ 68,971	$ 32,291	$ -	$ -
Fund Balance	9,355,446	602,228	2,048,113	962,167	1,758,966	49,953,878
Total Liabilities & Fund Balance	**$ 9,468,299**	**$622,475**	**$2,117,084**	**$994,458**	**$1,758,966**	**$49,953,878**

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

STATEMENT OF REVENUE AND EXPENDITURES

	SCHOOL FUND	AGRICUL-TURAL COLLEGE FUND	IDA EATON COTTON FUND	ANDREW C. CLARK FUND	HOPEMEAD STATE PARK TRUST FUND
REVENUE					
Net Investment Income	$307,240	$20,237	$ 68,938	$32,275	$ 63,276
Realized Gain on Investments	243,852	16,298	48,774	36,532	-
Change in Unrealized Gain (Loss) on Investments	171,507	9,914	40,448	5,326	60,577
Increase (Decrease) in Cash Reserve Fund Income Receivables (1)	809	63	184	73	1,128
Total Revenue	**$723,409**	**$46,513**	**$158,343**	**$74,207**	**$124,981**
EXPENDITURES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Excess of Revenue over Expenditures	**$723,409**	**$46,513**	**$158,343**	**$74,207**	**$124,981**

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

(1) Reflects timing differences in the recognition of income by the Plans and Trusts.

STATEMENT OF CHANGES IN FUND BALANCE

	SCHOOL FUND	AGRICUL-TURAL COLLEGE FUND	IDA EATON COTTON FUND	ANDREW C. CLARK FUND	HOPEMEAD STATE PARK TRUST FUND	MISC. AGENCY TRUST FUNDS
Fund Balance at July 1, 1999	**$8,942,835**	**$575,963**	**$1,958,741**	**$920,252**	**$1,633,984**	**$50,037,505**
Excess of Revenue over Expenditures	723,409	46,513	158,343	74,207	124,981	-
Net Cash Transactions	-	-	-	-	-	(3,028,622)
Transfer from Other Funds	27,773	-	-	-	-	2,944,995
Transfer to Other Funds	(317,606)	(17,017)	(58,488)	(27,773)	-	-
Increase in Due to Other Funds	(20,965)	(3,230)	(10,483)	(4,518)	-	-
Fund Balance at June 30, 2000	**$9,355,446**	**$602,228**	**$2,048,113**	**$962,167**	**$1,758,966**	**$49,953,878**

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

NON-CIVIL LIST TRUST FUNDS

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	SCHOOL FUND	AGRICUL-TURAL COLLEGE FUND	IDA EATON COTTON FUND	ANDREW C. CLARK FUND	HOPEMEAD STATE PARK TRUST FUND
Cash Flows from Operating Activities:					
Excess of Revenues over Expenditures	$723,409	$46,513	$158,343	$74,207	$124,981
Realized Gain on Investments	(243,852)	(16,298)	(48,774)	(36,532)	-
Change in Unrealized (Gain) Loss on Investments	(171,507)	(9,914)	(40,448)	(5,326)	(60,577)
(Increase) Decrease in Cash Reserve Fund Income Receivables	(809)	(63)	(184)	(73)	(1,128)
Net Cash Provided by Operations	$307,240	$20,237	$ 68,938	$32,275	$ 63,276
Cash Flows from Non Capital Financing Activities:					
Operating Transfers - Out to Other Funds	(317,606)	(17,017)	(58,488)	(27,773)	-
Operating Transfers - In from Other Funds	27,773	-	-	-	-
Net cash used for Non-Capital Financing Activities	(289,833)	(17,017)	(58,488)	(27,773)	-
Cash Flows from Investing Activities:					
Net Purchase and Redemptions of Cash Reserve Fund	(17,409)	(3,220)	(10,449)	(4,502)	(63,276)
Purchase of Investments	(300,000)	(20,000)	(60,000)	(45,000)	-
Proceeds from Sale of Investment	300,000	20,000	60,000	45,000	-
Net Cash Provided by (Used for) Investing Activities	(17,409)	(3,220)	(10,449)	(4,502)	(63,276)
Net Increase (Decrease) In Cash	-	-	-	-	-
Cash June 30, 1999	-	-	-	-	-
Cash June 30, 2000	$ -	$ -	$ -	$ -	$ -

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

NON-CIVIL LIST TRUST FUNDS

STATEMENT OF CONDITION, AT COST

JUNE 30, 2000

	SCHOOL FUND	AGRICUL-TURAL COLLEGE FUND	IDA EATON COTTON FUND	ANDREW C. CLARK FUND	HOPEMEAD STATE PARK TRUST FUND	MISC. AGENCY TRUST FUNDS
ASSETS						
Cash & Cash Equivalents	$ -	$ -	$ -	$ -	$ -	$49,953,878
Interest & Dividends Receivable	3,376	228	638	244	4,063	-
Investments in Combined Investment Funds	4,864,073	329,247	1,108,696	544,676	1,085,324	-
Total Assets	$4,867,449	$329,475	$1,109,334	$544,920	$1,089,387	$49,953,878
LIABILITIES						
Due to Other Funds	$ 112,853	$ 20,247	$ 68,971	$ 32,291	$ -	$ -
Fund Balance	4,754,596	309,228	1,040,363	512,629	1,089,387	49,953,878
Total Liabilities & Fund Balance	$4,867,449	$329,475	$1,109,334	$544,920	$1,089,387	$49,953,878

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Civil List and Non-Civil list trust funds (the "trust funds") are entrusted to the Treasurer for investment purposes. Civil List trust funds are mandated by the State Legislature and are administered by the Office of the State Comptroller. Accordingly, the presentation of the Civil List funds in the Treasurer's Annual Report (see Civil List trust funds cash and investments schedules in the Supplemental Information section of these document) is intended to present only the cash and investments under the Treasurer's care and does not depict a full financial statement presentation. The Non-Civil List Trust funds are not administered by the Office of the Comptroller. Accordingly, the financial statements presented for the Non-Civil List funds are designed to provide a full set of financial statements for the trusts' investment assets and provide the necessary detail for the respective Boards that administer these trust funds.

Significant account policies of the trust funds are as follows:

Basis of Presentation: The foregoing Non-Civil List trust fund financial statements represent the financial position, results of operations and cash flows of the investment trust assets of the funds in accordance with generally accepted accounting principles. These financial statements present all of the financial statements of the Non-Civil List funds except for the Second Injury Fund which, due to the unique nature of its operation, is presented separately in this Annual Report. The financial statements do not include a Statement of Revenue and Expenditures for the Miscellaneous Agency and Trust Funds because agency funds do not report operations. These statements were prepared on the fair value basis. A Statement of Condition on a cost basis is also presented for informational purposes.

Valuation of Combined Investment Fund Shares: All unit prices are determined at the end of each month based on the fair value of the applicable investment fund.

Expenses: The Non-Civil List trust funds are not charged with any expenses for administration of the trust funds. Investment expenses of the Combined Investment Funds are deducted in calculating net investment income.

Distribution of Net Investment Income: Net investment income earned by the Combined Investment Funds is generally distributed in the following month. Net investment income is comprised of dividends and interest less investment expense.

Purchases and Redemptions of Units: Purchases and redemptions of units are generally processed on the first day of the month based on the prior month end price. Purchases represent cash that has been allocated to a particular investment fund in accordance with directions from the Treasurer's office. Redemptions represent the return of principal back to the plan. In the case of certain funds, a portion of the redemption can also include a distribution of income.

NOTE 2. STATEMENT OF CASH FLOWS

A statement of cash flows is presented for the non-expendable Non-Civil List trust funds. This presentation is in accordance with Governmental Accounting Standards Board (GASB) Statement No. 9. No such statement of cash flows is presented for the Miscellaneous Agency and Trust Funds as none is required.

NOTE 3. MISCELLANEOUS AGENCY AND TRUST FUND TRANSFERS

These transactions comprise principal and income transfers to trustees as well as transfers and expenditure payments made on their behalf. Certain of these transfers are made to the General Fund and other Civil List funds as well as various state agencies.

COMBINING BALANCE SHEET
EXPENDABLE TRUST FUND AND RELATED PORTION OF LONG-TERM DEBT ACCOUNT GROUP
JUNE 30, 2000

		Second Injury Fund	Long-Term Debt Account Group
ASSETS			
Cash and Cash Equivalents		$33,796,450	
Trustee Accounts		22,205,647	
Accounts Receivable:			
Non Compliance	$34,169,781		
Assessments	18,031,551		
Appeal Benefits	1,579,812		
Other Receivables	1,993,912	55,775,056	
Less: Allowance for Uncollectible Accounts		(39,956,508)	
Net Assessments and Accounts Receivable		15,818,548	
Prepaid Expenses		12,222	
Interest Receivable		185,840	
Other Debits:			
Amount available in Second Injury Fund			$17,754,233
Amount to be provided for debt service and associated costs			223,325,767
TOTAL ASSETS		**$72,018,707**	**$241,080,000**
LIABILITIES			
Deferred Revenue		$14,304,584	
Stipulations Payable		3,752,494	
Accrued Interest Payable		3,203,750	
Claimant Benefits Payable		1,545,994	
Other Accounts Payable		1,807,026	
Bonds Payable			$86,080,000
Bond Anticipation Notes (BANs) Payable			155,000,000
TOTAL LIABILITIES		**24,613,848**	**241,080,000**
FUND BALANCE			
Reserve for Fund Activities		24,957,216	0
Unreserved		22,447,643	0
TOTAL FUND BALANCE		**47,404,859**	0
TOTAL LIABILITIES AND FUND BALANCE		**$72,018,707**	**$241,080,000**

See accompanying Notes to the Financial Statements.

SECOND INJURY FUND

STATEMENT OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

REVENUES		**FY 2000**
Assessments		$81,653,816
Fund Recoveries		539,333
Interest Income		3,137,420
Other Income:		
Late Charge Income	$1,047,243	
Notification Fee Income	387,500	
Miscellaneous	180,519	
Total Other Income		1,615,262
TOTAL REVENUES		**86,945,831**
EXPENDITURES		
Claims:		
Stipulations		27,406,851
Indemnity		24,990,672
Medical		6,644,362
Total Claims		59,041,885
Administrative Expenses		7,062,722
Interest Expense		10,646,053
Bond and BAN Expense		738,365
TOTAL EXPENDITURES		**77,489,025**
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES		**9,456,806**
OTHER FINANCING SOURCES (USES)		
Proceeds from Issuance of BANs		20,000,000
Retirement of Bonds and BANs		(30,100,000)
TOTAL OTHER FINANCING SOURCES (USES)		**(10,100,000)**
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES		**($643,194)**

See accompanying Notes to the Financial Statements.

STATEMENT OF CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

FUND BALANCE AT JUNE 30, 1999	**$48,048,053**
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	**(643,194)**
FUND BALANCE AT JUNE 30, 2000	**$47,404,859**

See accompanying Notes to the 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 (CGS). The Fund is used to pay claimants whose injuries are made more severe because of a preexisting condition, and in cases where an injured worker subsequently undergoes an incapacitating relapse. SIF is responsible for the payment of compensation, medical expenses, dependency benefits, cost-of-living adjustments, and insurance coverage to eligible and qualified workers in Connecticut.

SIF also provides Connecticut workers benefits if employers are uninsured or fail to pay benefits and health insurance coverage to workers' compensation recipients or when the employer ceases doing business in Connecticut.

For State of Connecticut financial reporting purposes, SIF, an Expendable Trust Fund, is grouped with Fiduciary Funds, which are used to account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other government units, and other funds.

Also, for State of Connecticut financial reporting purposes, SIF Special Assessment Revenue Bonds (Note 3) and Bond Anticipation Notes (Note 4) are included under State of Connecticut Account Groups as General Long-Term Debt Account Group that includes all long-term obligations that are to be financed from government funds.

Accordingly, these financial statements do not intend to present the financial position and result of operations of the Fiduciary Funds or the Expendable Trust Funds of the State (other than the Second Injury Fund) in conformity with generally accepted accounting principles.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Fund is an expendable trust fund type. Expendable trust funds are accounted for using a current financial resources measurement focus and a modified accrual basis of accounting. Under the current financial resources measurement focus, only current assets and liabilities are normally included in the balance sheet. Fund balance represents a measure of "available spendable resources". Under the modified accrual basis of accounting, revenues are recorded when they are susceptible to accrual (i.e., both measurable and available). The word "available" means that the revenue is collectible within the current period or soon enough thereafter to pay current period liabilities. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

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).

Assets and Liabilities

Cash and Cash Equivalents consist 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).

Funds Held by Trustee

Consist of funds in various accounts held by the United States Trust Company of New York in conjunction with the Indenture of Trust dated October 1, 1996 covering 1996 Series A Special Assessment Second Injury Fund Revenue Bonds (See Note 3). During the fiscal year, these accounts included a Special Pledged Account, Cost of Issuance Account, Operating Reserve Account, Redemption Sub-Subaccount, Debt Service Reserve Sub-Subaccount, Principal Sub-Sub-Sub account and Interest Sub-Sub-Sub account.

Accounts Receivable for Assessments

Assessment receivables are recorded inclusive of interest due, and which result from amounts billed in accordance with the following statute:

> 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 6).

Other Accounts Receivable

Other receivables are recorded inclusive of interest due, and result from amounts paid in accordance with the following statutes:

> C.G.S. 31-301 Appeal Cases: This statute provides for the payment of indemnity (loss wages) and medical benefits to a claimant while their claims are under appeal. Upon a de-

cision in the appeal, the claimant (in cases of denial of compensation) or insurer (in cases of award of compensation) must reimburse the Second Injury Fund 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 2000, there were no benefits paid for appeals cases.

C.G.S. 31-355 Non Compliance: This statute mandates that SIF pay indemnity and medical benefits for claimants whose employers fail to or are unable to pay the compensation, most common examples of which are where employers did not carry worker's compensation insurance or are bankrupt.

Appeal Cases and Non Compliance transactions are recorded as claims expenses when paid by the Fund. Concurrently, the Fund seeks recovery of the amounts paid from the party statutorily responsible and a receivable is established. 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. Revenue is recorded for these receivables when cash is received.

Allowance for Uncollectible Accounts
The allowance for uncollectible receivable accounts represents those amounts not available to fund current liabilities.

The Allowance for Uncollectible Accounts is detailed as follows:

- Non Compliance	$ 34,136,613
- Appeal	1,579,812
- Assessments	2,943,363
- Other	1,296,720
Total	$ 39,956,508

Prepaid Expenses
Prepaid expenses represent funds drawn by the Attorney General's Office from SIF funds for which expenditures have not yet been reported.

Stipulations
Stipulations are negotiated settlements of future liability charged to claims paid expense when checks are issued. An accrual is made for stipulations committed as of the balance sheet date and paid within sixty days thereafter. (See Note 7)

Claimant Benefits Payable
Represents indemnity and medical payments charged to claims paid expense when checks are issued. An accrual is made for claimant benefits incurred as of the balance sheet date and paid within sixty days thereafter.

NOTE 3: SPECIAL ASSESSMENT REVENUE BONDS

On November 7, 1996, the State issued $100 million of Second Injury Fund Special Assessment Revenue Bonds. The bonds were issued in an effort to reduce long-term liabilities by settling claims on a one-time lump sum basis (referred to as "Stipulation"), The bonds will be payable entirely from SIF future assessment revenue, and the State of Connecticut has no contingent obligation either directly or indirectly for the payment of such bonds. Issuance costs are reported as expenditures of the period in which incurred.

A portion of the remaining bonds outstanding mature on January 1 of each year through 2012 and bear fixed interest rates ranging from 5.00% to 6.00%. On January 1, 2000, $5,100,000 of bonds was retired. At June 30, 2000, amounts needed to pay principal and the respective interest rates payable on those amounts were as follows:

January 1,	Principal	Interest Rate
2001	5,330,000	5.00%
2002	5,595,000	5.00%
2003	5,875,000	5.50%
2004	6,195,000	5.00%
2005	6,505,000	5.50%
2006 – 2012	56,580,000	5.10-6.00%
	$86,080,000	

The Trustee for these bonds is United States Trust Company of New York who holds the accounts as required by the bond indenture. Assessment income is wired to the trustee monthly. Quarterly, the trustee wires operating funds to the Second Injury Fund based on the operating fund budget.

At June 30, 2000, the Trustee Accounts included the following:

Debt Service Reserve Sub-Subaccount	$10,000,000
Principal Sub-Sub-Sub account	3,997,500
Interest Sub-Sub-Sub account	3,404,902
Special Pledged Account	351,831
Amount Available for Debt Service	17,754,233
Operating Reserve Account	4,451,414
Total Restricted	$22,205,647

NOTE 4: BOND ANTICIPATION NOTES (BANS)

Pursuant to authorization by the State Bond Commission, the Bond Indenture allows for periodic issuance of subordinated Bond Anticipation Notes (BANs) in the form of commercial paper. The State intends on replacing these BANs with long term bonds in the first half of fiscal year 2001, and has entered into a Revolving Credit Agreement that ensures that the BANs can be refinanced on a long-term basis. Interest expense is accrued on the outstanding BANs to June 30, 2000 if the maturity date of the BAN is within sixty days after year-end. Issuance costs are reported as expenditures of the period in which incurred. The following table details the activity during the fiscal year:

Balance as of June 30, 1999	$160,000,000
New issues	20,000,000
Sub-total	180,000,000
Rollovers	874,400,000
Maturities	(899,400,000)
Net Retirements	(25,000,000)
Balance as of June 30, 2000	$155,000,000

The following table provides information regarding the outstanding BANs at June 30, 2000:

Issue Date	Amount	Interest Rate	Maturity Date
May 2, 2000	$ 500,000	4.15%	July 05, 2000
May 2, 2000	3,000,000	4.15%	July 06, 2000
June 9, 2000	10,000,000	4.05%	July 11, 2000
June 01, 2000	3,000,000	4.05%	July 12, 2000
June 7, 2000	5,500,000	3.90%	August 14, 2000
May 2, 2000	11,000,000	4.20%	September 12, 2000
April 11, 2000	11,500,000	3.95%	September 13, 2000
May 2, 2000	22,800,000	4.20%	September 13, 2000
May 9, 2000	3,000,000	4.60%	September 13, 2000
May 10, 2000	3,000,000	4.50%	September 13, 2000
May 12, 2000	8,400,000	4.55%	September 13, 2000
May 16, 2000	5,000,000	4.50%	September 13, 2000
May 17, 2000	7,000,000	4.45%	September 13, 2000
May 19, 2000	8,200,000	4.45%	September 13, 2000
May 25, 2000	14,900,000	4.45%	September 13, 2000
April 10, 2000	14,700,000	3.90%	September 14, 2000
May 1, 2000	6,000,000	4.10%	September 14, 2000
May 9, 2000	7,000,000	4.60%	September 14, 2000
May 10, 2000	2,000,000	4.60%	September 14, 2000
May 15, 2000	6,500,000	4.55%	September 14, 2000
May 16, 2000	2,000,000	4.55%	September 14, 2000
	$155,000,000		

NOTE 5: NOTIFICATION FEES

P.A. 95-277 mandated that a $2,000 notification fee accompany any new claims presented to the Second Injury Fund for transfer into the Fund. If the Worker's Compensation Commission approves the claim for transfer to the Fund, $1,500 of that fee is refunded to the carrier or self-insured employer seeking transfer of the claim. If the claim is not transferred, no part of the fee is refunded.

When received, $1,500 of the notification fee is recorded as a liability (deferred income) with the remaining $500 (which represents the Fund's minimum fee income per claim) recorded as income. When the claim is either transferred or denied transfer by the Commission, the $1,500 is both refunded and recorded as a decrease to deferred income or recorded as income with a corresponding decrease to deferred income respectively.

NOTE 6: 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 standard premium on all policies with an effective date for that quarter. The premium surcharge is set yearly based on the Fund's budgetary needs prior to the start of the fiscal year. During the fiscal year ended June 30, 2000, quarterly assessments were received from insured employers as follows:

Assessment Date	Amount	Assessment Rate	Annualized Period Covered
08/15/99	14,189,948	10.0%	04/01/99 - 06/30/99
11/15/99	18,173,823	10.0%	07/01/99 - 09/30/99
02/15/00	11,430,121	10.0%	10/01/99 - 12/31/99
05/15/00	19,306,234	10.0%	01/01/00 - 03/31/00
	63,100,126		

The Fund implemented Governmental Accounting Standards Board Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", early for reporting purposes which affected recording of insurance company assessment revenue. An asset (assessment receivable) is recognized in the period in which the assessment was imposed on policyholders and the revenue (assessment revenue) of $14,304,584 under the modified accrual basis of accounting has been deferred.

The Fund has started a formal auditing program to examine the assessment information provided by the insurance companies and self-insured employers. Audits of insurance companies conducted in the fiscal year 2000 resulted in the recovery of additional assessment revenue plus interest totaling $2,560,580.

The initial annual assessment rate for the fiscal year ending June 30, 2001 has been set at 10.0%.

The method of assessment for self-insured employers is a quarterly billing based on the previous year's paid losses.

During the fiscal year ended June 30, 2000, self-insured employers were assessed in the following quarterly amounts:

Assessment Date	Amount	Annualized Assessment Rate	Period Covered
07/01/99	$ 3,982,380	14.5%	07/01/99 - 09/30/99
10/01/99	3,988,765	14.5%	10/01/99 - 12/31/99
01/01/00	3,966,040	14.5%	01/01/00 - 03/31/00
04/01/00	4,232,370	14.5%	04/01/00 - 06/31/00
	$16,169,555		

The initial annual assessment rate for self-insured employers for the fiscal year ending June 30, 2001 has been set at 14.5%.

NOTE 7: STIPULATIONS

Some stipulation negotiations include agreements to pay the stipulation in a future period. At June 30, 2000, negotiations were at various stages of completion for stipulations valued at $5,836,345. A total of $3,752,494 of those stipulations was paid during the months of July and August 2000. Accordingly, an accrual was made to reflect this liability at June 30, 2000.

NOTE 8: FUTURE CLAIMS AND ASSESSMENTS

Claims are paid as presented, and there is no reserve account maintained for future claim liabilities. Similarly, there is no accrual of assessments not yet made which will ultimately fund such obligations as they arise.

NOTE 9: SUBSEQUENT EVENTS

By the end of October 2000 the State of Connecticut will issue Special Assessment Second Injury Fund Revenue Bonds, 2000 Series A. The 2000 Series A Bonds will be issued for $124,100,000 for the purpose of retiring a portion of the Special Assessment Second Injury Fund Commercial Paper Notes issued for the purpose of funding Stipulations.

STATEMENT OF FINANCIAL CONDITION
JUNE 30, 2000

ASSETS	
Investments, at value (cost $56,793,999)	$56,862,927
Cash	32,777
Dividends receivable	156,085
Receivable for Program shares sold	83,362
Receivable due from former Program Manager	33,179
TOTAL ASSETS	$57,168,330
LIABILITIES	
Due to custodian	$ 12,386
Accrued management fee	27,912
Payable for investments purchased	225,148
Payable for Program shares redeemed	3,738
TOTAL LIABILITIES	269,184
PROGRAM EQUITY	56,899,146
TOTAL LIABILITIES AND PROGRAM EQUITY	$57,168,330

See notes to financial statements.

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2000

INVESTMENT INCOME	
Income:	
Interest	$ 27,530
Dividends	1,378,716
TOTAL INCOME	**1,406,246**
Expenses—Note 3:	
Management fee	497,866
Administration fee	59,186
TOTAL EXPENSES	**557,052**
Less expenses waived by the advisor	(117,960)
NET EXPENSES	**439,092**
NET INVESTMENT INCOME	**967,154**
REALIZED AND UNREALIZED GAIN ON INVESTMENTS—Note 4	
Net realized gain on investments	4,662,159
Net change in unrealized appreciation on investments	(2,374,721)
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS	**2,287,438**
OTHER INCOME	
Penalty fees on non-qualified withdrawals	1,270
NET INCREASE IN PROGRAM EQUITY RESULTING FROM OPERATIONS	**$3,255,862**

See notes to financial statements.

STATEMENT OF CHANGES IN PROGRAM EQUITY
FOR THE YEAR ENDED JUNE 30, 2000

FROM OPERATIONS	
Net investment income	$ 967,154
Net realized gain on investments	4,662,159
Net change in unrealized appreciation on investments	(2,374,721)
Penalty fees on non-qualified withdrawals	1,270
NET INCREASE IN PROGRAM EQUITY RESULTING FROM OPERATIONS	**3,255,862**
FROM ACCOUNT OWNER TRANSACTIONS	
Subscriptions	26,394,768
Redemptions	(4,048,941)
NET INCREASE IN PROGRAM EQUITY RESULTING FROM ACCOUNT OWNER TRANSACTIONS	**22,345,827**
OTHER TRANSACTIONS—NOTES 3 AND 5	
Excess escrow payment from Program Manager	95,497
Management and administration fees returned by former Program Manager	105,021
Other fees returned by former Program Manager	63,353
NET INCREASE IN PROGRAM EQUITY RESULTING FROM OTHER TRANSACTIONS	263,871
NET INCREASE IN PROGRAM EQUITY	**25,865,560**
PROGRAM EQUITY:	
Beginning of year	31,033,586
End of year	$56,899,146

See notes to financial statements.

NOTE 1—ORGANIZATION

The Connecticut Higher Education Trust Program (the "Program") was formed on July 1, 1997 by Connecticut law, to help people save for the costs of education after high school. The Program is administered by the Treasurer of the State of Connecticut, as trustee of the Connecticut Higher Education Trust (the "Trust"). The Trustee has the authority to enter into contracts for program management services, adopt regulations for the administration of the Program and establish investment policies for the Program. TIAA-CREF Tuition Financing, Inc. ("TFI"), an indirect subsidiary of Teachers Insurance and Annuity Association of America ("TIAA"), and the Trustee have entered into a Management Agreement under which TFI serves as Program Manager. 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. Prior to December 17, 1999, Collegiate Capital Group, Inc. ("Collegiate Capital") was the Program Manager.

An individual participating in the Program establishes an Account in the name of a Beneficiary. Contributions are allocated among ten age bands based on the age of the beneficiary. Each age band invests in varying percentages, as determined by the Trustee, in the Equity Index, International Equity, Bond and Money Market Funds of the TIAA-CREF Institutional Mutual Funds.

Teachers Advisors, Inc. ("Advisors"), an affiliate of TFI, is registered with the Securities and Exchange Commission ("Commission") as an investment adviser and provides investment advisory services to the TIAA-CREF Institutional Mutual Funds. Teachers Personal Investor Services, Inc. ("TPIS"), an affiliate of TFI, and TIAA-CREF Individual & Institutional Services, Inc. ("Services"), also an affiliate of TFI, both of which are registered with the Commission as broker-dealers and are members of the National Association of Securities Dealers, Inc., provide the telephone counseling, marketing and information services required of TFI.

Prior to March 13, 2000, the Trust consisted of five age-bands managed by four professional money managers that invested in a core equity fund, small-cap portfolio, international growth and an institutional bond and short-term bond mutual funds based on the age of the Beneficiary.

On March 13, 2000, the Program was reorganized into ten age bands, which group beneficiaries into two year periods according to their date of birth. A larger percentage of contributions are allocated to equity investments in the early years of the Beneficiary's life. As the Beneficiary approaches age 18, a declining percentage of the funds held in the Account will be allocated to equity investments, and an increasing percentage of the funds held in the Account will be allocated to bond and money market investments.

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements may require management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses and related disclosures. Actual results may differ from those estimates. The following is a summary of the significant accounting policies followed by the Program, which are in conformity with accounting principles generally accepted in the United States.

Valuation of Investments: The market value of the investments in mutual funds is based on the net asset values of the funds as of the close of business on the valuation date.

Accounting for Investments: Securities transactions are accounted for as of the date the securities are purchased or sold (trade date). Interest income is recorded as earned. Dividend income is recorded on the ex-dividend date. Realized gains and losses are based upon the specific identification method.

Penalty Fees: Penalty fees on non-qualified withdrawals are retained by the Program and may be applied to the payment, or reimbursement, of the direct or indirect expenses of the Program.

Federal Income Tax: No provision for federal income tax has been made. The Program is established to be a qualified state tuition program under Section 529 of the Internal Revenue Code, which is exempt from federal and state income tax, and does not expect to have any unrelated business income subject to tax.

NOTE 3—MANAGEMENT AGREEMENTS

For its services as Program Manager, TFI is paid an annual fee of approximately 0.57% of the average daily net assets of the Program. In addition, Advisors is paid a fee for the investment management services it provides to the TIAA-CREF Institutional Mutual Funds, inclusive of the Program's investment included therein. Total management fees paid to TFI directly from the Program for the period March 13, 2000 to June 30, 2000 were $90,925 and the investment management fees paid to Advisors from Program investments in the TIAA-CREF Institutional Mutual Funds for the same period were $29,285. In addition, TFI received investment management fees of $111,407 and administration fees of $19,822 from the Program subsequent to its appointment as Program Manager and prior to the reorganization of the Program into the age bands. Telephone counseling, marketing and information services required of TFI are provided by TPIS and Services in accordance with a Distribution Agreement between TFI, TPIS and Services.

For its services as Program Manager for the period July 1, 1999 to December 17, 1999, Collegiate Capital earned $216,802 consisting of $177,534 for management fees and $39,268 for administration fees. Collegiate Capital was paid $111,781 for its services for the period July 1, 1999 to September 30, 1999. As part of the change in Program Manager, Collegiate Capital's unpaid fee of $105,021 ($216,802 less $111,781) for the period October 1, 1999 to December 17, 1999 was assigned by them back to the Program.

NOTE 4—INVESTMENTS

At June 30, 2000, net unrealized appreciation of portfolio investments was $68,928, consisting of gross unrealized appreciation of $781,002 and gross unrealized depreciation of $712,074.

Purchases and sales of portfolio securities for the period March 13, 2000 to June 30, 2000 were $57,006,460 and $209,547, respectively.

As of June 30, 2000, the Program's investments consist of the following:

	COST	VALUE
TIAA-CREF Institutional Mutual Funds:		
International Equity Fund	$ 5,565,853	$ 4,853,780
Equity Index Fund	21,408,709	21,971,924
Bond Fund	25,186,654	25,404,440
Money Market Fund	4,395,944	4,395,944
TIAA-CREF Mutual Funds:		
Money Market Fund	236,839	236,839
	$56,793,999	$56,862,927

NOTE 5— REORGANIZATION AND NEW PROGRAM MANAGER

At December 17, 1999, TFI replaced Collegiate Capital as Program Manager. In addition, at March 13, 2000, the Program was reorganized into ten age bands. Prior to the reorganization, all investments of the Program were liquidated and the net cash was allocated among the ten age bands as described in Note 1.

As required by the Escrow Agreement entered into by TFI, Collegiate Capital and the Program, on December 17, 1999, TFI made a payment of $1,087,000 to an escrow account to cover various unpaid liabilities of Collegiate Capital relating to the Program. Upon payment of these liabilities, $95,497 remained and was remitted to the Program.

In addition, Collegiate Capital returned to the Program certain fees totaling $63,353, representing fees received from the professional money managers that managed the Program assets prior to March 13, 2000.

REPORT OF INDEPENDENT AUDITORS

To the Account Owners and Trustee of Connecticut Higher Education Trust Program:

We have audited the accompanying statement of financial condition of the Connecticut Higher Education Trust Program (the "Program") as of June 30, 2000, and the related statements of operations and changes in program equity for the year then ended. These financial statements are the responsibility of the Program's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements 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, 2000, by correspondence with the 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 audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Connecticut Higher Education Trust Program at June 30, 2000, and the results of its operations and the changes in its program equity for the year then ended, in conformity with accounting principles generally accepted in the United States.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Supplemental Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Ernst + Young LLP

August 31, 2000

TAX EXEMPT PROCEEDS FUND, INC.

STATEMENT OF NET ASSETS
JUNE 30, 2000

Face Amount		Maturity Date	Yield	Value (Note 1)	Ratings (a) Moody's	Standard & Poor's
Tax Exempt Investments (14.54%)						
$ 2,000,000	Kentucky Interlocal School TRAN	06/29/01	4.34%	$ 2,011,360		SP-1+
1,500,000	Michigan Municipal Bond Authority RB - Series 2000B-1	07/02/01	4.29	1,509,315		SP-1+
1,000,000	New Hampshire Health & Education Facility Authority RAN (Little Hospital) - Series E LOC LaSalle National Bank	05/17/01	4.74	1,005,811		SP-1+
2,000,000	Ohio School Districts Cash Flow TAN	06/29/01	4.41	2,012,800	MIG-1	
2,500,000	State of Oregon Housing & Community Services Mortgage RB	06/21/01	4.50	2,500,000	MIG-1	
5,000,000	State of Texas TRAN	08/31/00	3.64	5,006,231	MIG-1	SP-1+
3,000,000	State of Texas TRAN	08/31/00	3.84	3,002,473	MIG-1	SP-1+
2,900,000	University of Cincinnati General Receipts BAN - Series AE-2	10/05/00	3.93	2,903,626	MIG-1	SP-1+
1,100,000	University of Cincinnati General Receipts BAN - Series AK1	12/21/00	3.84	1,101,727	MIG-1	SP-1+
1,000,000	University of Cincinnati General Receipts BAN - Series AL	12/21/00	3.84	1,001,570	MIG-1	SP-1+
4,050,000	Whitman-Hanson Regional School, MA BAN	10/13/00	4.14	4,054,416	MIG-1	
1,350,000	Wisconsin School Districts Cash Flow - Series A2	09/28/00	3.74	1,350,000	MIG-1	
2,800,000	Wisconsin School Districts Cash Flow - Series B2	11/01/00	3.92	2,800,000	MIG-1	
30,200,000	**Total Tax Exempt Investments**			**30,259,329**		
Variable Rate Demand Instruments (b) (67.83%)						
$ 3,500,000	Bartow County, GA Development Authroity PCRB (Georgia Power Company Plant Bowen Project)	03/01/24	4.55%	$ 3,500,000	VMIG-1	A1+
1,365,000	Bloomington, IL Normal Airport Authority - Series 1995A	01/01/13	4.80	1,365,000	VMIG-1	
700,000	Burke County, GA Development Authority PCRB (Georgia Power Company Vogtle 2nd - Series)	04/01/25	4.55	700,000	VMIG-1	A1
5,000,000	Burlington, KS Environmental Agency (Power and Light)	09/01/15	4.90	5,000,000	VMIG-1	A1
2,975,000	Capital Realty Investment MHRB COPS - Series 1996 LOC Swiss Bank	12/01/04	5.05	2,975,000	VMIG-1	A1+
3,650,000	City & County of Denver, CO Refunding MHRB (Cottonwood Creek Project) LOC General Electric Capital Corporation	04/15/14	5.00	3,650,000		A1+
2,000,000	Columbia, AL IDRB PCRB (Alabama Power Company Project) - Series A	11/01/21	4.55	2,000,000	VMIG-1	A1+
5,700,000	Commonwealth of Puerto Rico	07/30/00	4.75	5,700,000	VMIG-1	
2,800,000	Cuyahoga, OH HRB (Cleveland Clinic) - Series 1997C	01/01/16	4.80	2,800,000	VMIG-1	A1+
5,000,000	Dallas Area Rapid Transit (North Central Light) LOC Dexia CLF	01/05/05	4.75	5,000,000	VMIG-1	A1+
400,000	DeKalb County, GA Development Authority IDRB (Pet Inc. Project) LOC Credit Suisse First Boston	02/01/02	4.85	400,000	P1	

See accompanying Notes to the Financial Statements.

STATEMENT OF NET ASSETS (Continued)
JUNE 30, 2000

Face Amount		Maturity Date	Yield	Value (Note1)	Ratings (a) Moody's	Standard & Poor's
	Variable Rate Demand Instruments (Continued)					
$ 600,000	DeKalb County, GA Development Authority IDRB (Pet Inc. Project) LOC Credit Suisse First Boston	02/01/04	4.85%	$ 600,000	P1	
7,150,000	DeKalb County, GA Housing Authority LOC Bank of Montreal	12/01/07	4.90	7,150,000		A1+
1,700,000	Delaware County, PA IDA PCRB (Philadelphia Electric Company) LOC Toronto Dominion Bank	08/01/16	4.55	1,700,000	P1	A1+
700,000	Delaware Valley, PA Regional Finance Authority Local Government RB LOC Credit Suisse First Boston	12/01/18	4.75	700,000	VMIG-1	A1+
10,000,000	Emmaus, PA General Authority Local Government (Pool Project) - Series C16 LOC KBC Bank	03/01/24	4.90	10,000,000		A1
2,200,000	Greystone RB Certificate (Variable Senior Certificates of Beneficial Ownership) LOC Credit Suisse First Boston	05/01/28	4.93	2,200,000	VMIG-1	A1+
3,200,000	Harris County, TX Industrial Development Corporation RB (Baytank Houston Inc. Project) LOC Rabobank Nederland	02/01/20	4.75	3,200,000		A1+
4,000,000	Harris County, TX Health Facilities (Methodist Hospital)	12/01/25	4.55	4,000,000		A1+
6,000,000	Harris County, TX Health Faciltiies Development Corporation (Memorial Hospital Systems)	12/01/26	4.55	6,000,000	VMIG-1	A1+
5,000,000	Harris County, TX Health Facilities Development Authority (Texas Children's Hospital) Insured by MBIA Insurance Corp.	10/01/29	4.90	5,000,000	VMIG-1	A1+
3,600,000	Illinois Development Finance Authority RB (Glenwood School for Boys) LOC Harris Trust	02/01/33	4.70	3,600,000		A1+
3,300,000	Illinois Educational Facilities Authority (Chicago Children's Museum) - Series 1994 LOC National Bank of Detroit	02/01/28	4.75	3,300,000	VMIG-1	A1+
3,000,000	Illinois HEFA RB (Rush-Presbyterian St. Luke's) LOC Northern Trust Bank	11/15/06	4.80	3,000,000	VMIG-1	A1+
2,400,000	Indiana HEFA (Rehabilitation Hospital of Indiana) LOC National Bank of Detroit	11/01/20	4.70	2,400,000	VMIG-1	
1,500,000	Irvine, CA Improvement Bond Act (Assesment District # 97-16) LOC Societe General	09/02/22	4.15	1,500,000	VMIG-1	A1+
3,200,000	Jackson County, MS Port Facility RB (Chevron USA Inc. Project)	06/01/23	4.55	3,200,000	P1	
1,100,000	Jacksonville, FL Electric Authority RB (Electric System) - Series A	10/01/10	4.55	1,100,000	VMIG-1	A1+
2,200,000	Jacksonville, FL Electric Authority (Electric System) - Series C	10/01/10	4.55	2,200,000	VMIG-1	A1+

See accompanying Notes to the Financial Statements.

STATEMENT OF NET ASSETS (Continued)
JUNE 30, 2000

Face Amount		Maturity Date	Yield	Value (Note1)	Ratings (a) Moody's	Standard & Poor's
	Variable Rate Demand Instruments (Continued)					
$ 2,945,000	Kansas State Development Authority (Village Shalom Obligation) LOC LaSalle National Bank	11/15/28	4.60%	$ 2,945,000		A1+
2,000,000	Kentucky EDFA (Pooled Hospital Loan Program) Insured by Capital Reinsurance	08/01/18	4.95	2,000,000		A1+
695,000	Lancaster, PA Higher Education Authority College RB (Franklin & Marshall College) LOC Chase Manhattan Bank, N.A.	04/15/27	4.87	695,000	VMIG-1	A1
6,680,000	Lisle, IL MHRB Collateralized by Federal National Mortgage Association	09/15/26	4.90	6,680,000		A1+
2,500,000	Maryland State IDA RB (Johnson Control Inc.)	12/01/03	5.05	2,500,000	VMIG-1	
3,700,000	Michigan Strategic Fund Limited Obligation RB (Detroit Edison Company) - Series CC LOC Barclays Bank PLC	09/01/30	4.60	3,700,000	P1	A1+
2,760,000	Missouri HEFA (Washington University)	09/01/10	4.75	2,760,000	VMIG-1	A1+
4,420,000	Montgomery County, MD Housing Opportunities Commission MHRB (Oakwood-Gainesburg) Guaranteed by Federal Home Loan Mortgage Corporation	11/01/07	4.90	4,420,000		A1+
1,000,000	M-S-R Public Power Agency, CA (San Juan Project Lein) - Series F Insured by MBIA Insurance Corp.	07/01/22	4.15	1,000,000	VMIG-1	A1+
3,000,000	North Carolina Medical Care Community Health Care Facilities RB (The Givens Estates Inc. Project) LOC First Union National Bank	12/01/26	4.60	3,000,000	VMIG-1	
1,800,000	Pennsylvania State Turnpike Commission	06/01/28	4.50	1,800,000	VMIG-1	A1+
1,200,000	Philadelphia, PA Water & Waste Water RB – Series B Insured by AMBAC Indemnity Corp.	08/01/27	4.70	1,200,000	VMIG-1	A1+
2,350,000	Pitkin County,CO IDRB (Aspen Skiing Company Project) LOC Bank One Capital Market	04/01/16	4.60	2,350,000		A1+
900,000	Reading, PA (York County General Authority) Insured by AMBAC Indemnity Corp.	09/01/26	4.75	900,000		A1+
1,000,000	Roanoke, VA IDA HRB (Raonoke Memorial Hospital)	07/01/19	4.55	1,000,000	VMIG-1	A1
1,700,000	Roanoke, VA IDA HRB (Carilion Health Systems)	07/01/27	4.60	1,700,000	VMIG-1	A1+
400,000	Royal Oak, MI HFA RB (William Beaumont Hospital)	01/01/27	4.50	400,000	VMIG-1	A1+
5,220,000	San Bernardino County, CA MFHRB (Parkview Place) - Series A Guaranteed by Federal Home Loan Bank	03/01/27	4.25	5,220,000		A1+
3,000,000	Town of Hurley, NM PCRB (Kennecott Santa Fe - British Petroleum)	12/01/15	4.55	3,000,000	P1	A1+
141,210,000	**Total Variable Rate Demand Instruments**			**141,210,000**		

See accompanying Notes to the Financial Statements.

STATEMENT OF NET ASSETS (Continued)

JUNE 30, 2000

Face Amount		Maturity Date	Yield	Value (Note 1)	Ratings (a) Moody's	Standard & Poor's
Put Bonds (c) (13.00%)						
$ 2,000,000	Chicago GO Tender Notes LOC Landesbank Hessen	12/07/00	3.90%	$ 2,000,000	VMIG-1	SP1+
7,500,000	Connecticut State Special Assessment Unemployment Compensation Advance Fund RB - Series 1993C Insured by FGIC	07/01/00	3.38	7,500,000	VMIG-1	A1+
8,000,000	Connecticut State Special Assessment Unemployment Compensation Advance Fund RB - Series 1993C Insured by FGIC	07/01/01	4.35	8,000,000	VMIG-1	A1+
6,885,000	Vermont Educational & Health Building Finance Agency (Middlebury College)	11/01/00	3.85	6,885,000		A1+
2,680,000	Vermont Educational & Health Building Finance Agency (Middlebury College)	05/01/01	4.35	2,680,000		A1+
27,065,000	**Total Put Bonds**			**27,065,000**		
Revenue Bond (0.96%)						
$ 2,000,000	State of Oregon Housing and Community Services Single Family Housing Collateralized by U.S. Government Agencies	11/02/00	3.85%	$ 2,000,000	MIG-1	
2,000,000	**Total Revenue Bond**			**2,000,000**		
Tax Exempt Commercial Paper (9.66%)						
$ 5,000,000	Hospital Board of Lee County (Lee Memorial Hospital Project)	10/16/00	4.40%	$ 5,000,000	VMIG-1	A1+
5,000,000	Houston, TX - Series C	07/11/00	4.75	5,000,000	P1	A1+
3,100,000	Maricopa County, AZ PCRB (Southern California Edison Company)	08/08/00	4.25	3,100,000	P1	A1
3,000,000	State of Wisconsin GO	07/12/00	4.20	3,000,000	P1	A1+
4,000,000	State of Wisconsin GO	08/08/00	4.20	4,000,000	P1	A1+
20,100,000	**Total Tax Exempt Commercial Paper**			**20,100,000**		
	Total Investments (105.99%) (Cost $220,634,329†)			**220,634,329**		
	Liabilities in Excess of Net Cash and Others Assets (Note 4) (-5.99%)			**(12,463,791)**		
	Net Assets (100.00%), 208,191,148 Shares Outstanding (Note 3)			**$ 208,170,538**		
	Net Asset Value, offering and redemption price per share			**$ 1.00**		

† Aggregate cost for Federal income tax purposes is identical.

See accompanying Notes to the Financial Statements.

STATEMENT OF NET ASSETS (Continued)
JUNE 30, 2000

FOOTNOTES:

(a) Unless the variable rate demand instruments are assigned their own ratings, the ratings are those of the holding company 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. Certain issuers 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 Deloitte & Touche LLP.

(b) Securities payable on demand at par including accrued interest (usually with seven days notice) and where indicated are 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.

(c) Maturity date indicated is the next put date.

KEY:

BAN	=	Bond Anticipation Note
COPS	=	Certificates of Participation
EDFA	=	Economic Development Finance Authority
FGIC	=	Financial Guarantee Insurance Company
GO	=	General Obligations
HFA	=	Housing Finance Authority
HEFA	=	Health and Education Facilities Authority
HRB	=	Hospital Revenue Bond
IDA	=	Industrial Development Authority
IDRB	=	Industrial Development Revenue Bond
LOC	=	Letter of Credit
MHRB	=	Multifamily Housing Revenue Bond
PCRB	=	Pollution Control Revenue Bond
RAN	=	Revenue Anticipation Note
RB	=	Revenue Bond
TAN	=	Tax Anticipation Note
TRAN	=	Tax and Revenue Anticipation Note

See accompanying Notes to the Financial Statements.

STATEMENT OF OPERATIONS
JUNE 30, 2000

INVESTMENT INCOME		
Interest income	$	7,647,078
Expenses (Note 2)	(	833,233)
Net investment income		6,813,845
REALIZED GAIN (LOSS) ON INVESTMENTS		
Net realized gain (loss) on investments	(	15,960)
Net increase in net assets from operations	$	6,797,885

See accompanying Notes to the Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
JUNE 30, 2000

	Year Ended June 30, 2000	Year Ended June 30, 1999
INCREASE (DECREASE) IN NET ASSETS		
Operations:		
Net investment income	$ 6,813,845	$ 5,589,202
Net realized gain (loss) on investments	(15,960)	49
Net increase in net assets from operations	6,797,885	5,589,251
Dividends to shareholders from net investment income	(6,813,845)	(5,589,202)
Net increase (decrease) from capital share transactions (Note 3)	18,650,674	(2,480,032)
Total increase (decrease) in net assets	18,634,714	(2,479,983)
Net assets:		
Beginning of year	189,535,824	192,015,807
End of year	$ 208,170,538	$ 189,535,824

See accompanying Notes to the Financial Statements.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Accounting Policies

Tax Exempt Proceeds Fund, Inc. is a no-load, diversified, open-end management investment company registered under the Investment Company Act of 1940. This Fund is a short term, tax exempt money market fund. Its financial statements are prepared in accordance with accounting principles generally accepted in the United States of America for investment companies as follows:

a) Valuation of Securities -

Investments are valued at amortized cost. Under this valuation 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.

b) 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 income, if any, to its shareholders. Therefore, no provision for federal income tax is required.

c) Dividends and Distributions -

Dividends from investment income (excluding capital gains and losses, if any, and amortization of market discount) are declared daily and paid monthly. Distributions of net capital gains, if any, realized on sales of investments are made after the close of the Fund's fiscal year, as declared by the Fund's Board of Directors.

d) Use of Estimates -

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect 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.

e) General -

Securities transactions are recorded on a trade date basis. Interest income is accrued as earned. Realized gains and losses from securities transactions are recorded on the identified cost basis.

2. Investment Management Fees and Other Transactions with Affiliates

Under the Investment Management Contract, the Fund pays an investment management fee to Reich & Tang Asset Management, L.P. (the "Manager") at the annual rate of .40 of 1% per annum of the Fund's average daily net assets up to $250 million; .35 of 1% per annum of the average daily net assets between $250 million and $500 million; and .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.

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.

3. Capital Stock

At June 30, 2000, 20,000,000,000 shares of $.001 par value stock were authorized and paid in capital amounted to $208,191,148. Transactions in capital stock, all at $1.00 per share, were as follows:

	Year Ended June 30, 2000	Year Ended June 30, 1999
Sold	695,818,387	550,776,547
Issued on reinvestment of dividends	1,772,803	1,686,931
Redeemed	(678,940,516)	(554,943,510)
Net increase (decrease)	18,650,674	(2,480,032)

4. Liabilities

At June 30, 2000, the Fund had the following liabilities:

Payables for securities purchases	$ 13,535,408
Accrued management fee	6,802
Dividends payable	526,736
Total liabilities	$ 14,068,946

5. Sales of Securities

Accumulated undistributed realized losses at June 30, 2000 amounted to $20,610. This amount represents tax basis capital losses which may be carried forward to offset future gains. Such losses expire through June 30, 2007.

6. Financial Highlights

	Year Ended June 30,				
	2000	1999	1998	1997	1996
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	0.033	0.029	0.033	0.032	0.033
Less distributions:					
Dividends from net investment income	(0.033)	(0.029)	(0.033)	(0.032)	(0.033)
Net asset value, end of year	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Total Return	3.30%	2.92%	3.31%	3.23%	3.31%
Ratios/Supplemental Data					
Net assets, end of year (000)	$ 208,171	$ 189,536	$ 192,016	$ 199,050	$ 254,251
Ratios to average net assets:					
Expenses	0.40%	0.40%	0.40%	0.40%	0.40%
Net investment income	3.29%	2.89%	3.26%	3.18%	3.26%

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying statement of net assets of Tax Exempt Proceeds Fund, Inc. (the "Fund") as of June 30, 2000 and the related statements of operations and changes in net assets, and the financial highlights for the year then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is the express an opinion on these financial statements and financial highlights based on our audit. The statement of changes in net assets for the year ended June 30, 1999 and the financial highlights for each of the four years in the period then ended were audited by other auditors whose report, dated July 23, 1999, expressed an unqualified opinion on those statements and financial highlights.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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, 2000, by correspondence with the 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 audit provides a reasonable basis for our opinion.

In our opinion, such financial statements and financial highlights present fairly, in all material respects, the financial position of Tax Exempt Proceeds Fund, Inc. as of June 30, 2000, the results of its operations, changes in its net assets, and its financial highlights for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Deloitte + Touche LLP

Deloitte & Touche LLP
New York, New York
July 28, 2000

COMBINED INVESTMENT FUNDS
TOTAL NET ASSET VALUE BY PENSION PLANS AND TRUST FUNDS
JUNE 30, 2000

Retirement Funds	**Net Asset Value**
Teachers' Retirement Fund	$11,940,222,779
State Employees Retirement Fund	8,284,938,346
Connecticut Municipal Employees' Retirement Fund	1,373,221,508
State Judges Retirement Fund	141,210,024
The Probate Court Retirement Fund	70,761,332
State's Attorney Retirement Fund	901,703
Non-retirement Trust Funds	
Soldiers, Sailors and Marines' Fund	57,517,049
Policemen and Firemen Survivors' Retirement Fund	18,059,624
Connecticut Arts Endowment Fund	12,438,900
School Fund	9,464,923
The Ida Eaton Cotton Fund	2,116,446
Hopemead Fund	1,754,903
Andrew C. Clark Fund	994,214
Agricultural College Fund	622,247
TOTAL	**$21,914,223,998**

COMBINED INVESTMENT FUNDS
STATEMENT OF INVESTMENT ACTIVITY BY PENSION PLAN
FOR THE FISCAL YEAR ENDING JUNE 30, 2000

	CASH RESERVE FUND	MUTUAL EQUITY FUND	MUTUAL FIXED INCOME FUND	INTER-NATIONAL STOCK FUND	REAL ESTATE FUND	COMMERCIAL MORTGAGE FUND	PRIVATE INVESTMENT FUND	TOTALS
Teachers' Retirement Fund								
Book Value at June 30, 1999	$ 104,344,428	$ 1,117,610,911	$ 3,093,274,342	$ 741,104,511	$ 275,771,703	$ 128,973,540	$ 647,310,700	$ 6,108,390,137
Market Value at June 30, 1999	$ 104,344,428	$ 5,026,528,501	$ 3,310,192,262	$ 1,348,027,119	$ 233,442,185	$ 129,205,331	$ 641,115,104	$ 10,792,854,929
Shares Purchased	617,493,288	-	329,475,000	-	52,859,650	-	391,831,860	1,391,659,797
Shares Redeemed	(464,103,679)	(584,000,000)	(136,040,000)	(218,368)	(13,623,621)	(30,545,180)	-	(1,228,530,848)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	455,559,738	8,569,852	98,286	(2,075,394)	(205,306)	-	461,947,176
Net Investment Income Earned	13,335,103	52,721,206	211,098,678	18,773,195	17,783,125	11,100,335	85,871,865	410,683,507
Net Investment Income Distributed	(13,335,103)	(52,721,206)	(211,098,678)	(18,773,195)	(17,783,125)	(11,100,335)	(85,871,865)	(410,683,507)
Changes in Market Value of Fund Shares	-	(56,777,922)	(30,724,463)	251,618,836	7,386,081	(2,422,923)	353,212,114	522,291,723
Market Value at June 30, 2000	$ 257,734,037	$ 4,841,310,316	$ 3,481,472,652	$ 1,599,525,873	$ 277,988,900	$ 96,031,923	$ 1,386,159,078	$ 11,940,222,779
Book Value at June 30, 2000	257,734,037	989,170,649	3,295,279,194	740,984,430	312,932,338	98,223,055	1,039,142,560	6,733,466,263
Shares Outstanding	257,734,037	5,324,972	32,123,810	5,887,525	4,590,625	1,312,506	12,053,014	319,026,490
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ 271.68	$ 60.56	$ 73.17	$ 115.01	
State Employees' Retirement Fund								
Book Value at June 30, 1999	$ 51,957,827	$ 788,155,079	$ 2,187,280,572	$ 522,274,560	$ 194,313,938	$ 90,347,404	$ 455,383,727	$ 4,289,713,106
Market Value at June 30, 1999	$ 51,957,827	$ 3,454,444,756	$ 2,358,990,115	$ 951,753,245	$ 164,875,483	$ 90,995,471	$ 451,277,045	$ 7,524,293,945
Shares Purchased	325,538,990	-	234,000,000	-	37,333,699	-	275,808,074	872,680,764
Shares Redeemed	(291,935,086)	(380,000,000)	(96,960,000)	(154,175)	(9,622,087)	(21,512,061)	-	(800,183,410)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	294,240,375	6,813,789	69,551	(1,443,061)	(28,996)	-	299,651,657
Net Investment Income Earned	5,718,731	36,384,792	150,407,133	13,254,518	12,559,860	7,817,634	60,444,686	286,587,354
Net Investment Income Distributed	(5,718,731)	(36,384,792)	(150,407,133)	(13,254,518)	(12,559,860)	(7,817,634)	(60,444,686)	(286,587,354)
Changes in Market Value of Fund Shares	-	(18,549,045)	(22,602,682)	177,651,348	5,193,893	(1,821,986)	248,623,865	388,495,392
Market Value at June 30, 2000	$ 85,561,731	$ 3,350,136,085	$ 2,480,241,222	$ 1,129,319,968	$ 196,337,927	$ 67,632,427	$ 975,708,984	$ 8,284,938,346
Book Value at June 30, 2000	85,561,731	702,395,453	2,331,134,361	522,189,936	220,582,489	68,806,346	731,191,801	4,661,862,117
Shares Outstanding	85,561,731	3,684,825	22,885,372	4,156,794	3,242,266	924,359	8,484,043	128,939,391
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ 271.68	$ 60.56	$ 73.17	$ 115.01	
Municipal Employees' Retirement Fund								
Book Value at June 30, 1999	$ 35,966,742	$ 120,686,022	$ 344,892,934	$ 80,105,255	$ 30,267,362	$ 14,051,881	$ 82,541,096	$ 708,511,292
Market Value at June 30, 1999	$ 35,966,742	$ 540,722,159	$ 369,712,262	$ 145,965,777	$ 25,813,076	$ 14,253,413	$ 80,525,294	$ 1,212,958,725
Shares Purchased	56,042,729	-	34,000,000	-	5,845,003	-	49,214,837	145,102,568
Shares Redeemed	(62,920,145)	(31,675,000)	-	(23,645)	(1,506,444)	(3,369,622)	-	(99,494,856)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	24,681,972	-	10,666	(218,247)	19,305	-	24,493,695
Net Investment Income Earned	1,533,502	5,893,949	24,400,879	2,032,781	1,966,384	1,224,545	10,785,673	47,837,712
Net Investment Income Distributed	(1,533,502)	(5,893,949)	(24,400,879)	(2,032,781)	(1,966,384)	(1,224,545)	(10,785,673)	(47,837,712)
Changes in Market Value of Fund Shares	-	20,596,654	(2,541,167)	27,245,526	805,482	(309,241)	44,364,121	90,161,376
Market Value at June 30, 2000	$ 29,089,326	$ 554,325,785	$ 401,171,095	$ 173,198,323	$ 30,738,870	$ 10,593,856	$ 174,104,252	$ 1,373,221,508
Book Value at June 30, 2000	29,089,326	113,692,994	378,892,934	80,092,276	34,387,673	10,701,564	131,755,933	778,612,700
Shares Outstanding	29,089,326	609,705	3,701,636	637,507	507,612	144,790	1,513,882	36,204,458
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ 271.68	$ 60.56	$ 73.17	$ 115.01	

COMBINED INVESTMENT FUNDS
STATEMENT OF INVESTMENT ACTIVITY BY PENSION PLAN (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2000

	CASH RESERVE FUND	MUTUAL EQUITY FUND	MUTUAL FIXED INCOME FUND	INTER-NATIONAL STOCK FUND	REAL ESTATE FUND	COMMERCIAL MORTGAGE FUND	PRIVATE INVESTMENT FUND	TOTALS
Probate Court Retirement Fund								
Book Value at June 30, 1999	$ 1,039,948	$ 6,443,459	$ 18,679,729	$ 4,985,705	$ 1,740,232	$ 833,278	$ 2,320,899	$ 36,043,250
Market Value at June 30, 1999	$ 1,039,948	$ 29,779,095	$ 20,430,058	$ 9,119,113	$ 1,477,044	$ 831,295	$ 2,325,580	$ 65,002,132
Shares Purchased	3,398,204	-	2,100,000	-	334,455	-	1,421,330	7,253,989
Shares Redeemed	(2,499,983)	(3,900,000)	-	(1,477)	(86,200)	(196,525)	-	(6,684,185)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	3,065,285	-	669	(12,901)	(2,150)	-	3,050,904
Net Investment Income Earned	98,592	309,197	1,356,804	126,995	112,517	71,420	311,493	2,387,017
Net Investment Income Distributed	(98,592)	(309,197)	(1,356,804)	(126,995)	(112,517)	(71,420)	(311,493)	(2,387,017)
Changes in Market Value of Fund Shares	-	(736,382)	(140,252)	1,702,143	46,502	(14,760)	1,281,241	2,138,491
Market Value at June 30, 2000	$ 1,938,168	$ 28,207,998	$ 22,389,806	$ 10,820,448	$ 1,758,900	$ 617,860	$ 5,028,152	$ 70,761,332
Book Value at June 30, 2000	1,938,168	5,608,744	20,779,729	4,984,897	1,975,587	634,603	3,742,230	39,663,958
Shares Outstanding	1,938,168	31,026	206,592	39,828	29,046	8,445	43,721	2,296,826
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ 271.68	$ 60.56	$ 73.17	$ 115.01	
Judges' Retirement Fund								
Book Value at June 30, 1999	$ 6,299,911	$ 12,521,422	$ 35,923,026	$ 7,985,605	$ 2,860,773	$ 1,380,949	$ 11,399,660	$ 78,371,347
Market Value at June 30, 1999	$ 6,299,911	$ 50,804,388	$ 38,031,194	$ 14,412,725	$ 2,382,753	$ 1,404,032	$ 11,001,640	$ 124,336,644
Shares Purchased	4,250,521	-	-	-	539,541	-	6,723,899	11,513,960
Shares Redeemed	(7,162,915)	-	-	(2,335)	(139,057)	(331,924)	-	(7,636,232)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	-	1,041	(23,466)	2,672	-	(19,753)
Net Investment Income Earned	257,341	575,037	2,376,796	200,718	181,515	120,624	1,473,574	5,185,604
Net Investment Income Distributed	(257,341)	(575,037)	(2,376,796)	(200,718)	(181,515)	(120,624)	(1,473,574)	(5,185,604)
Changes in Market Value of Fund Shares	-	4,481,642	(264,104)	2,690,248	77,674	(31,232)	6,061,177	13,015,405
Market Value at June 30, 2000	$ 3,387,516	$ 55,286,030	$ 37,767,090	$ 17,101,680	$ 2,837,444	$ 1,043,547	$ 23,786,716	$ 141,210,024
Book Value at June 30, 2000	3,387,516	12,521,422	35,923,026	7,984,311	3,237,790	1,051,697	18,123,559	82,229,322
Shares Outstanding	3,387,516	60,809	348,480	62,948	46,857	14,263	206,832	4,127,704
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ 271.68	$ 60.56	$ 73.17	$ 115.01	
State's Attorneys' Retirement Fund								
Book Value at June 30, 1999	$ 240,781	$ 92,347	$ 157,239	$ -	$ 5,181	$ -	$ -	$ 495,549
Market Value at June 30, 1999	$ 240,781	$ 454,548	$ 186,054	$ -	$ 4,968	$ -	$ -	$ 886,348
Shares Purchased	57,883	-	-	-	1,125	-	-	59,008
Shares Redeemed	(82,281)	-	-	-	(290)	-	-	(82,571)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	-	-	(10)	-	-	(10)
Net Investment Income Earned	14,891	5,145	11,627	-	379	-	-	32,043
Net Investment Income Distributed	(14,891)	(5,145)	(11,627)	-	(379)	-	-	(32,043)
Changes in Market Value of Fund Shares	-	40,097	(1,293)	-	123	-	-	38,927
Market Value at June 30, 2000	$ 216,383	$ 494,645	$ 184,760	$ -	$ 5,916	$ -	$ -	$ 901,703
Book Value at June 30, 2000	216,383	92,347	157,239	-	6,006	-	-	471,976
Shares Outstanding	216,383	544	1,705	-	98	-	-	218,729
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ -	$ 60.56	$ -	$ -	

COMBINED INVESTMENT FUNDS
STATEMENT OF INVESTMENT ACTIVITY BY TRUST
FOR THE FISCAL YEAR ENDING JUNE 30, 2000

	CASH RESERVE FUND	MUTUAL EQUITY FUND	MUTUAL FIXED INCOME FUND	INTER-NATIONAL STOCK FUND	REAL ESTATE FUND	COMMERCIAL MORTGAGE FUND	PRIVATE INVESTMENT FUND	TOTALS
Soldiers' Sailors' & Marines' Fund								
Book Value at June 30, 1999	$ 333,874	$ 1,095,686	$ 49,098,734	$ -	$ -	$ -	$ -	$ 50,528,295
Market Value at June 30, 1999	$ 333,874	$ 5,731,229	$ 51,578,409	$ -	$ -	$ -	$ -	$ 57,643,512
Shares Purchased	3,773,675	-	-	-	-	-	-	3,773,675
Shares Redeemed	(4,047,531)	-	-	-	-	-	-	(4,047,531)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	-	-	-	-	-	-
Net Investment Income Earned	4,234	64,869	3,223,443	-	-	-	-	3,292,546
Net Investment Income Distributed	(4,234)	(64,869)	(3,223,443)	-	-	-	-	(3,292,546)
Changes in Market Value of Fund Shares	-	505,573	(358,179)	-	-	-	-	147,394
Market Value at June 30, 2000	$ 60,018	$ 6,236,802	$ 51,220,230	$ -	$ -	$ -	$ -	$ 57,517,049
Book Value at June 30, 2000	60,018	1,095,686	49,098,734	-	-	-	-	$ 50,254,438
Shares Outstanding	60,018	6,860	472,613	-	-	-	-	539,491
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ -	$ -	$ -	$ -	
Endowment for the Arts								
Book Value at June 30, 1999	$ 1,418,577	$ -	$ 10,472,429	$ -	$ -	$ -	$ -	$ 11,891,006
Market Value at June 30, 1999	$ 1,418,577	$ -	$ 10,536,895	$ -	$ -	$ -	$ -	$ 11,955,472
Shares Purchased	1,989,303	-	1,000,000	-	-	-	-	2,989,303
Shares Redeemed	(2,450,188)	-	-	-	-	-	-	(2,450,188)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	-	-	-	-	-	-
Net Investment Income Earned	82,629	-	665,279	-	-	-	-	747,908
Net Investment Income Distributed	(82,629)	-	(665,279)	-	-	-	-	(747,908)
Changes in Market Value of Fund Shares	-	-	(55,687)	-	-	-	-	(55,687)
Market Value at June 30, 2000	$ 957,692	$ -	$ 11,481,208	$ -	$ -	$ -	$ -	$ 12,438,900
Book Value at June 30, 2000	957,692	-	11,472,429	-	-	-	-	$ 12,430,122
Shares Outstanding	957,692	-	105,938	-	-	-	-	1,063,630
Market Value per Share	$ 1.00	$ -	$ 108.38	$ -	$ -	$ -	$ -	
Agricultural College Fund								
Book Value at June 30, 1999	$ 40,757	$ 62,061	$ 206,912	$ -	$ -	$ -	$ -	$ 309,729
Market Value at June 30, 1999	$ 40,757	$ 331,652	$ 220,406	$ -	$ -	$ -	$ -	$ 592,815
Shares Purchased	20,237	-	20,000	-	-	-	-	40,237
Shares Redeemed	(17,017)	(20,000)	-	-	-	-	-	(37,017)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	16,298	-	-	-	-	-	16,298
Net Investment Income Earned	2,087	3,612	14,538	-	-	-	-	20,237
Net Investment Income Distributed	(2,087)	(3,612)	(14,538)	-	-	-	-	(20,237)
Changes in Market Value of Fund Shares	-	11,430	(1,516)	-	-	-	-	9,914
Market Value at June 30, 2000	$ 43,977	$ 339,380	$ 238,890	$ -	$ -	$ -	$ -	$ 622,247
Book Value at June 30, 2000	43,977	58,359	226,912	-	-	-	-	329,247
Shares Outstanding	43,977	373	2,204	-	-	-	-	46,555
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ -	$ -	$ -	$ -	

COMBINED INVESTMENT FUNDS
STATEMENT OF INVESTMENT ACTIVITY BY TRUST (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2000

	CASH RESERVE FUND	MUTUAL EQUITY FUND	MUTUAL FIXED INCOME FUND	INTER-NATIONAL STOCK FUND	REAL ESTATE FUND	COMMERCIAL MORTGAGE FUND	PRIVATE INVESTMENT FUND	TOTALS
Ida Eaton Cotton Fund								
Book Value at June 30, 1999	$ 113,470	$ 212,656	$ 723,347	$ -	$ -	$ -	$ -	$ 1,049,474
Market Value at June 30, 1999	$ 113,470	$ 1,124,215	$ 779,090	$ -	$ -	$ -	$ -	$ 2,016,775
Shares Purchased	68,979	-	60,000	-	-	-	-	128,979
Shares Redeemed	(58,530)	(60,000)	-	-	-	-	-	(118,530)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	48,774	-	-	-	-	-	48,774
Net Investment Income Earned	5,664	12,297	50,977	-	-	-	-	68,938
Net Investment Income Distributed	(5,664)	(12,297)	(50,977)	-	-	-	-	(68,938)
Changes in Market Value of Fund Shares	-	45,812	(5,364)	-	-	-	-	40,448
Market Value at June 30, 2000	$ 123,920	$ 1,158,800	$ 833,726	$ -	$ -	$ -	$ -	$ 2,116,446
Book Value at June 30, 2000	123,920	201,429	783,347	-	-	-	-	$ 1,108,696
Shares Outstanding	123,920	1,275	7,693	-	-	-	-	132,887
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ -	$ -	$ -	$ -	
Andrew Clark Fund								
Book Value at June 30, 1999	$ 43,370	$ 103,041	$ 357,231	$ -	$ -	$ -	$ -	$ 503,642
Market Value at June 30, 1999	$ 43,370	$ 541,660	$ 362,823	$ -	$ -	$ -	$ -	$ 947,854
Shares Purchased	32,275	-	45,000	-	-	-	-	77,275
Shares Redeemed	(27,773)	(45,000)	-	-	-	-	-	(72,773)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	36,532	-	-	-	-	-	36,532
Net Investment Income Earned	2,077	5,810	24,389	-	-	-	-	32,275
Net Investment Income Distributed	(2,077)	(5,810)	(24,389)	-	-	-	-	(32,275)
Changes in Market Value of Fund Shares	-	7,811	(2,484)	-	-	-	-	5,326
Market Value at June 30, 2000	$ 47,872	$ 541,003	$ 405,339	$ -	$ -	$ -	$ -	$ 994,214
Book Value at June 30, 2000	47,872	94,573	402,231	-	-	-	-	$ 544,676
Shares Outstanding	47,872	595	3,740	-	-	-	-	52,207
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ -	$ -	$ -	$ -	
School Fund								
Book Value at June 30, 1999	$ 634,079	$ 986,979	$ 2,981,754	$ -	$ -	$ -	$ -	$ 4,602,812
Market Value at June 30, 1999	$ 634,079	$ 5,216,288	$ 3,181,789	$ -	$ -	$ -	$ -	$ 9,032,156
Shares Purchased	305,500	-	300,000	-	-	-	-	605,500
Shares Redeemed	(288,090)	(300,000)	-	-	-	-	-	(588,090)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	243,852	-	-	-	-	-	243,852
Net Investment Income Earned	40,061	56,899	210,278	-	-	-	-	307,240
Net Investment Income Distributed	(40,061)	(56,899)	(210,278)	-	-	-	-	(307,240)
Changes in Market Value of Fund Shares	-	193,371	(21,864)	-	-	-	-	171,507
Market Value at June 30, 2000	$ 651,488	$ 5,353,511	$ 3,459,925	$ -	$ -	$ -	$ -	$ 9,464,923
Book Value at June 30, 2000	$ 651,488	$ 930,831	$ 3,281,754	$ -	$ -	$ -	$ -	$ 4,864,073
Shares Outstanding	651,488	5,888	31,925	-	-	-	-	689,301
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ -	$ -	$ -	$ -	

COMBINED INVESTMENT FUNDS
STATEMENT OF INVESTMENT ACTIVITY BY TRUST (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2000

	CASH RESERVE FUND	MUTUAL EQUITY FUND	MUTUAL FIXED INCOME FUND	INTER-NATIONAL STOCK FUND	REAL ESTATE FUND	COMMERCIAL MORTGAGE FUND	PRIVATE INVESTMENT FUND	TOTALS
Hopemead Fund								
Book Value at June 30, 1999	$ 700,549	$ 134,254	$ 187,244	$ -	$ -	$ -	$ -	$ 1,022,047
Market Value at June 30, 1999	$ 700,549	$ 704,505	$ 225,996	$ -	$ -	$ -	$ -	$ 1,631,049
Shares Purchased	63,276	-	-	-	-	-	-	63,276
Shares Redeemed	-	-	-	-	-	-	-	-
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	-	-	-	-	-	-
Net Investment Income Earned	41,182	7,973	14,122	-	-	-	-	63,276
Net Investment Income Distributed	(41,182)	(7,973)	(14,122)	-	-	-	-	(63,276)
Changes in Market Value of Fund Shares	-	62,147	(1,571)	-	-	-	-	60,577
Market Value at June 30, 2000	$ 763,825	$ 766,652	$ 224,425	$ -	$ -	$ -	$ -	$ 1,754,903
Book Value at June 30, 2000	$ 763,825	$ 134,254	$ 187,244	$ -	$ -	$ -	$ -	$ 1,085,324
Shares Outstanding	763,825	843	2,071	-	-	-	-	766,739
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ -	$ -	$ -	$ -	

	CASH RESERVE FUND	MUTUAL EQUITY FUND	MUTUAL FIXED INCOME FUND	INTER-NATIONAL STOCK FUND	REAL ESTATE FUND	COMMERCIAL MORTGAGE FUND	PRIVATE INVESTMENT FUND	TOTALS
Police & Fireman's Survivors' Benefit Fund								
Book Value at June 30, 1999	$ 3,433,822	$ 6,859,157	$ 5,134,231	$ -	$ 380,191	$ 193,475	$ -	$ 16,000,876
Market Value at June 30, 1999	$ 3,433,822	$ 7,718,736	$ 5,084,118	$ -	$ 382,127	$ 188,324	$ -	$ 16,807,127
Shares Purchased	675,908	-	-	-	86,527	-	-	762,436
Shares Redeemed	(93,409)	-	-	-	(22,301)	(44,688)	-	(160,398)
Returns of Capital	-	-	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	-	-	140	(1,611)	-	(1,471)
Net Investment Income Earned	205,560	87,366	317,737	-	29,108	16,166	-	655,937
Net Investment Income Distributed	(205,560)	(87,366)	(317,737)	-	(29,108)	(16,166)	-	(655,937)
Changes in Market Value of Fund Shares	-	680,898	(35,306)	-	8,553	(2,215)	-	651,931
Market Value at June 30, 2000	$ 4,016,321	$ 8,399,634	$ 5,048,812	$ -	$ 455,047	$ 139,810	$ -	$ 18,059,624
Book Value at June 30, 2000	$ 4,016,321	$ 6,859,157	$ 5,134,231	$ -	$ 444,557	$ 147,176	$ -	$ 16,601,442
Shares Outstanding	4,016,321	9,239	46,586	-	7,515	1,911	-	4,081,571
Market Value per Share	$ 1.00	$ 909.17	$ 108.38	$ -	$ 60.56	$ 73.17	$ -	

COMBINED INVESTMENT FUNDS
SUMMARY OF OPERATIONS (Dollars in Thousands)
FISCAL YEARS ENDING JUNE 30

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Investment Income (1)	$1,002,774	$731,983	$734,928	$648,136	$621,540	$510,890	$453,150	$462,742	$438,572	$415,791
Expenses (1)	50,552	54,417	40,817	38,316	36,558	36,623	45,682	44,137	32,180	18,790
Net Investment Income	952,222	677,566	694,111	609,820	584,982	474,267	407,468	418,605	406,392	397,001
Realized Gains/(Losses)	1,522,994	673,802	1,350,408	277,293	1,240,686	(7,954)	539,865	387,899	433,240	127,274
Change in Unrealized Gains/(Losses)	90,500	530,276	681,413	1,727,651	(103,966)	998,758	(473,565)	357,989	(143,362)	(248,203)
Total	**$ 2,565,716**	**$1,881,644**	**$2,725,932**	**$2,614,764**	**$1,721,702**	**$1,465,070**	**$473,768**	**$1,164,493**	**$696,270**	**$276,072**

(1) Securities lending income and expenses are shown net in the Investment Income line above for all periods presented.

Source: Amounts were derived from Custodial Records.

COMBINED INVESTMENT FUNDS
PENSION AND TRUST FUNDS
BALANCES (1) IN COMBINED INVESTMENT FUNDS (Dollars in Thousands)
AT JUNE 30, 2000

Fund Name	Teachers' Retirement Fund		State Employees' Retirement Fund		Municipal Employees' Retirement Fund		Judges Retirement Fund		Probate Court Retirement Fund		State's Attorneys' Retirement Fund		Trust Funds	
CRA	$257,734	2.16%	$85,562	1.03%	$29,089	2.12%	$3,388	2.40%	$1,938	2.74%	$216	24.00%	$6,665	6.47%
MEF	4,841,310	40.55%	3,350,136	40.44%	554,326	40.37%	55,286	39.15%	28,208	39.86%	495	54.86%	22,796	22.14%
ISF	1,599,526	13.40%	1,129,320	13.63%	173,198	12.61%	17,102	12.11%	10,820	15.29%	-	0.00%	-	0.00%
REF	277,989	2.33%	196,338	2.37%	30,739	2.24%	2,837	2.01%	1,759	2.49%	6	0.66%	455	0.44%
MFIF	3,481,473	29.16%	2,480,241	29.94%	401,171	29.21%	37,767	26.75%	22,390	31.64%	185	20.49%	72,913	70.81%
CMF	96,032	0.80%	67,632	0.82%	10,594	0.77%	1,044	0.74%	618	0.87%	-	0.00%	140	0.14%
PIF	1,386,159	11.61%	975,709	11.78%	174,104	12.68%	23,787	16.84%	5,028	7.11%	-	0.00%	-	0.00%
Total	**$11,940,223**	**100.00%**	**$8,284,938**	**100.00%**	**$1,373,222**	**100.00%**	**$141,210**	**100.00%**	**$70,761**	**100.00%**	**$902**	**100.00%**	**$102,968**	**100.00%**

(1) Based on Net Asset Value

Source: Amounts were dervied from custodial records.

COMBINED INVESTMENT FUNDS
INVESTMENT SUMMARY AT JUNE 30, 2000 (1)

Cash Reserve Account (2)

	Book Value	Market Value	% of Total Fund MV	Rate of Return
2000	$378,683,486	$378,683,486	1.67%	5.96%
1999	227,101,012	227,101,012	1.11%	5.46%
1998	409,767,394	409,767,394	2.17%	5.86%
1997	640,227,925	640,227,925	3.57%	5.70%
1996	217,728,153	217,728,153	1.57%	5.90%
1995	594,092,737	594,092,737	4.80%	5.83%
1994	400,801,402	400,801,402	3.66%	3.70%
1993	360,298,297	360,298,297	3.39%	4.02%
1992	320,988,105	320,988,105	3.41%	5.89%
1991	368,272,756	368,272,756	4.16%	7.85%

Mutual Equity Fund

	Book Value	Market Value	% of Total Fund MV	Rate of Return
2000	$6,578,261,062	$8,876,068,150	39.08%	10.03%
1999	6,321,181,834	9,137,539,233	44.77%	19.38%
1998	5,597,631,659	7,735,628,862	41.04%	28.40%
1997	5,740,662,847	8,072,686,952	44.95%	30.74%
1996	5,473,247,153	5,722,251,986	41.19%	23.98%
1995	3,626,292,305	4,666,476,576	37.71%	23.20%
1994	3,281,944,393	3,666,548,982	33.48%	0.52%
1993	2,684,910,855	3,568,316,032	33.61%	17.10%
1992	2,529,490,941	3,171,585,397	33.72%	10.67%
1991	2,604,555,839	3,273,705,502	36.97%	6.30%

International Stock Fund

	Book Value	Market Value	% of Total Fund MV	Rate of Return
2000	$2,315,776,890	$2,928,693,346	12.89%	20.13%
1999	1,937,731,869	2,436,960,573	11.94%	6.77%
1998	1,988,516,841	2,394,774,756	12.71%	1.52%
1997	2,056,745,949	2,988,188,715	16.64%	15.67%
1996	2,013,932,947	2,080,961,453	14.98%	12.58%
1995	1,629,499,154	1,881,836,637	15.21%	2.27%
1994	1,681,401,549	2,047,505,365	18.70%	20.97%
1993	1,790,846,646	1,948,549,126	18.36%	13.20%
1992	1,436,422,448	1,360,522,434	14.46%	2.11%
1991	1,065,275,575	1,010,520,806	11.41%	(14.08%)

Real Estate Fund

	Book Value	Market Value	% of Total Fund MV	Rate of Return
2000	$464,709,616	$510,010,943	2.25%	9.18%
1999	442,674,319	428,221,842	2.10%	9.96%
1998	445,482,545	416,617,227	2.21%	25.63%
1997	553,333,465	488,413,514	2.72%	10.69%
1996	1,172,793,083	985,747,371	7.09%	0.83%
1995	1,198,474,807	1,068,615,573	8.63%	(2.78%)
1994	1,455,508,818	1,100,002,995	10.05%	(3.95%)
1993	1,348,453,216	978,014,999	9.21%	(7.68%)
1992	1,237,086,506	985,482,361	10.48%	(15.36%)
1991	1,246,307,162	1,241,192,197	14.02%	(3.03%)

Mutual Fixed Income Fund

	Book Value	Market Value	% of Total Fund MV	Rate of Return
2000	$ 7,463,463,748	$7,282,002,823	32.06%	5.77%
1999	6,943,741,512	6,762,463,935	33.13%	2.64%
1998	6,798,694,018	6,826,179,406	36.22%	10.52%
1997	4,612,052,907	4,902,597,809	27.30%	10.62%
1996	3,946,699,249	3,961,751,213	28.51%	5.97%
1995	2,493,278,232	2,576,238,602	20.82%	13.00%
1994	2,395,459,874	2,333,628,878	21.31%	(0.07%)
1993	2,396,492,799	2,492,239,958	23.48%	13.84%
1992	2,312,419,702	2,429,003,128	25.83%	17.07%
1991	2,129,076,685	2,158,157,197	24.37%	11.41%

International Bond Fund (3)

	Book Value	Market Value	% of Total Fund MV	Rate of Return
2000	—	—	—	—
1999	—	—	—	—
1998	—	—	—	—
1997	—	—	—	—
1996	—	—	—	—
1995	$695,139,207	$749,095,597	6.05%	19.10%
1994	624,328,836	657,973,564	6.01%	7.27%
1993	574,207,418	600,603,560	5.66%	11.11%
1992	531,177,878	579,853,055	6.17%	27.01%
1991	452,536,642	434,818,413	4.91%	10.76%

Commercial Mortgage Fund

	Book Value	Market Value	% of Total Fund MV	Rate of Return
2000	$168,263,689	$175,216,208	0.77%	8.26%
1999	231,513,066	235,232,350	1.15%	6.10%
1998	262,476,294	271,419,535	1.44%	17.71%
1997	343,534,264	324,002,103	1.80%	9.82%
1996	467,004,415	442,659,307	3.19%	6.46%
1995	464,667,416	455,820,517	3.68%	15.46%
1994	481,528,231	439,917,392	4.02%	(2.90%)
1993	484,589,826	483,295,439	4.55%	9.05%
1992	356,687,815	349,504,144	3.72%	10.54%
1991	232,050,209	229,773,851	2.59%	8.04%

Residential Mortgage Fund (4)

	Book Value	Market Value	% of Total Fund MV	Rate of Return
2000	—	—	—	—
1999	—	—	—	—
1998	—	—	—	—
1997	—	—	—	—
1996	—	—	—	—
1995	$50,630,376	$48,602,786	0.39%	11.54%
1994	73,484,931	67,780,499	0.62%	(2.38%)
1993	25,055,151	25,530,507	0.24%	1.55%
1992	79,163,570	79,804,310	0.85%	9.30%
1991	34,961,527	33,970,886	0.38%	16.88%

COMBINED INVESTMENT FUNDS
INVESTMENT SUMMARY AT JUNE 30, 2000 (Continued)

Private Investment Fund (5)

	Book Value	Market Value	% of Total Fund MV	Rate of Return
2000	$1,879,100,932	$2,561,042,272	11.28%	53.86%
1999	1,138,252,584	1,182,905,063	5.80%	(0.81%)
1998	715,880,779	794,324,372	4.21%	18.55%
1997	496,527,964	542,174,959	3.02%	5.68%
1996	198,233,821	302,481,786	2.18%	43.78%
1995	167,316,010	222,837,361	1.80%	25.39%
1994	164,964,030	169,773,008	1.55%	5.20%
1993	135,432,242	134,922,131	1.27%	3.15%
1992	110,123,666	114,773,181	1.22%	2.65%
1991	85,334,633	85,879,104	0.97%	(6.07%)

Connecticut Programs Fund

	Book Value	Market Value	% of Total Fund MV	Rate of Return
2000	—	—	—%	—%
1999	—	—	—%	—%
1998	—	—	—%	—%
1997	—	—	—%	—%
1996	$172,656,335	$179,638,107	1.29%	14.24%
1995	122,511,963	112,633,665	0.91%	(5.86%
1994	87,711,051	66,076,102	0.60%	3.38%
1993	40,927,545	19,576,472	0.18%	(1.75%)
1992	31,113,182	10,774,932	0.11%	(48.51%)
1991	26,210,006	15,825,756	0.18%	(21.90%)

Mutual Mortgage Fund(6)

	Book Value	Market Value	% of Total Fund MV	Rate of Return
2000	—	—	—	—
1999	—	—	—	—
1998	—	—	—	—
1997	—	—	—	—
1996	—	—	—	—
1995	—	—	—	—
1994	—	—	—	—
1993	$3,899,616	$3,903,265	0.04%	26.92%
1992	3,780,230	3,269,669	0.03%	8.88%
1991	3,761,889	3,239,165	0.04%	9.43%

Total Fund

	Book Value	Market Value	% of Total Fund MV	Rate of Return
2000	$19,248,259,423	$22,711,717,228	100.00%	13.13%
1999	17,242,196,196	20,410,424,008	100.00%	10.49%
1998	16,218,449,530	18,848,711,553	100.00%	17.19%
1997	14,443,085,321	17,958,291,977	100.00%	19.35%
1996	13,662,295,156	13,893,219,375	100.00%	14.14%
1995	11,041,902,207	12,376,250,052	100.00%	13.48%
1994	10,647,133,115	10,950,008,187	100.00%	3.74%
1993	9,845,113,611	10,615,249,786	100.00%	11.81%
1992	8,948,454,043	9,405,560,716	100.00%	8.07%
1991	8,248,342,923	8,855,355,633	100.00%	3.88%

(1) All rates of return are net of management fees and division operating expenses.
(2) The market value of CRA for the periods presented represents the market value of the pension and trust balances in CRA only (excluding receivables and payables); the CRA balances of the other combined investment funds are shown in the market value of each fund.
(3) The International Bond Fund merged with The Mutual Fixed Income Fund in March 1996.
(4) Residential Mortgage Fund was merged with the Commercial Mortgage Fund in November 1995.
(5) The Connecticut Programs Fund merged with Venture Capital Fund In December 1996. In fiscal year 1999, the Venture Capital Fund was renamed as the Private Investment Fund.
(6) In May 1994, the operations of the Mutual Mortgage Fund were discontinued; the assets were sold and shares were redeemed by the Retirement Funds.

COMBINED INVESTMENT FUNDS

TOP TEN HOLDINGS BY FUND AT JUNE 30, 2000

MUTUAL EQUITY FUND

Security Name	Industry Sector	Market Value	% of MEF Net Assets
General Electric Company	Technology	$ 309,429,900	3.5
Intel Corp	Technology	280,837,331	3.2
Cisco Systems Inc.	Technology	275,238,338	3.1
Microsoft Corporation	Technology	249,056,000	2.8
Nortel Networks Corp	Technology	158,770,248	1.8
Wal Mart Stores, Inc.	Consumer Non-Durables	150,072,788	1.7
Citigroup, Inc.	Finance	140,677,424	1.6
Oracle Corp.	Technology	112,557,502	1.3
Exxon Mobil Corp.	Energy	111,964,864	1.3
Sun Microsystems Inc.	Technology	110,170,781	1.2
TOTAL		**$ 1,898,775,175**	**21.4%**

INTERNATIONAL STOCK FUND

Security Name	Country	Market Value	% of ISF Net Assets
Deutsche Telekom NPV(REGD)	Germany	$ 43,357,514	1.5
Vodafone Airtouch Ord USDO.10	United Kingdom	42,703,702	1.5
Total Fina ELF Eur10	France	32,116,921	1.1
Telefonica CA EUR 1	Spain	31,403,007	1.1
Nokia AB OY Euro 0.06	Japan	31,069,042	1.1
Telecom Italia SPA ITL 1000	Italy	23,256,718	0.8
BP Amoco Ord USDO.25	United Kingdom	22,614,333	0.8
Aventis SA EUR 3.82	France	22,194,904	0.7
Samsung Electronics KRW 5000	Korea	21,939,350	0.7
Canon Inc. JPY50	Japan	21,908,195	0.7
TOTAL		**$ 292,563,686**	**10.0%**

REAL ESTATE FUND

Property Name	Location	Property Type	Market Value	% of REF Net Assets
AEW Partners III	Various	Various	$ 100,784,007	19.8
Apollo RE Fund III	Various	Various	85,823,060	16.8
Walton St. RE II LP	Various	Various	69,677,100	13.7
Connecticut Storage Fund	Various	Storage Facilities	48,750,000	9.5
Westport Senior Living	Various	Senior Living	46,291,546	9.1
Goodwin Square	Hartford, CT	Mixed Use	45,789,637	9.0
Union Station	Washington, DC	Mixed Use	33,653,322	6.6
AEW 221 Trust	Various	Various	18,125,297	3.5
Worcester Center	Worcester, MA	Mixed Use	14,595,292	2.9
Wachovia Timber Fund	Various	Timber	13,887,577	2.7
TOTAL			**$ 477,376,838**	**93.6%**

COMBINED INVESTMENT FUNDS

TOP TEN HOLDINGS BY FUND AT JUNE 30, 2000 (Continued)

MUTUAL FIXED INCOME FUND

Security Name	Coupon	Maturity	Security Type	Market Value	% of MFIF Net Assets
Triumph Connecticut II LLP	NA	NA	NA	$ 199,220,400	2.7%
FNMA TBA Jul 30 Single	FAM 6.5%	10/1/2030	U.S. Govt. Agency	128,680,366	1.8%
FNMA TBA Jul 30 Single	FAM 7.5%	10/1/2030	U.S. Govt. Agency	102,343,680	1.4%
FHLMC TBA Jul 30 Gold	Single 6.5%	10/1/2030	U.S. Govt. Agency	95,340,987	1.3%
FNMA TBA Jul 30 Single	FAM 7.0%	10/1/2030	U.S. Govt. Agency	74,148,096	1.0%
U.S. Treasury Bonds	FAM 3.625%	4/15/2028	U.S. Govt. Agency	67,612,318	0.9%
U.S. Treasury Bonds	12.00%	8/15/2013	U.S. Govt. Treasury	62,647,424	0.9%
FHLMC TBA Jul 30 Gold	Single 7.5%	10/1/2030	U.S. Govt. Agency	58,823,148	0.8%
FNMA TBA Jul 15 Single	FAM 6.5%	10/1/2030	U.S. Govt. Agency	56,561,526	0.8%
FNMA TBA Jul 30 Single	FAM 8.0%	10/1/2030	U.S. Govt. Agency	56,070,624	0.8%
TOTAL				**$ 901,448,569**	**12.4%**

COMMERCIAL MORTGAGE FUND

Property Name	Location	Property Type	Market Value	% of CMF Net Assets
SASCO	Various	Other	$ 55,824,299	31.9
Vancouver Mall	Vancouver, WA	Retail	31,375,244	17.9
57 Park Plaza	Boston, MA	Hotel	17,278,612	9.9
Green Hill Apts.	Detroit, MI	Residential	16,255,447	9.3
Sheraton Denver West	Lakewood, CO	Hotel	7,887,668	4.5
North Haven Crossing	No. Haven, CT	Retail	7,425,098	4.2
Bidderman	Secaucus, NJ	Warehouse	6,552,358	3.7
1992 LBM I Class B	Various	CMBS	1,571,916	0.9
Upland Commerce Center	Upland, CA	Retail	1,205,731	0.7
Yankee Mac	Various	Residential	1,065,076	0.6
TOTAL			**$ 146,441,449**	**83.6%**

PRIVATE INVESTMENT FUND

Date of Purchase	Company	Industry	Market Value	Percent of PIF Net Assets
06/05/98	US Internet Working	Computer Related	$ 38,324,291	1.5
01/06/98	Amdocs Limited	Communications	27,205,126	1.1
08/31/98	Republic Engineered Steels, Inc.	Manufacturing	26,845,559	1.0
01/07/99	BC Components Holdings B. V.	Electronics	25,852,506	1.0
12/09/98	Metris Companies, Inc..	Services	25,327,594	1.0
09/30/98	Electrolux Zanussi Vending	Manufacturing	22,199,508	0.9
01/06/99	Centennial Cellular	Communications	22,180,526	0.9
12/27/96	Rossi American Hardwoods	Industrial Products	21,485,829	0.8
11/04/97	AirNet Communications Corp.	Communications	20,561,699	0.8
09/16/98	PacWest Telecommunication	Communications	19,379,874	0.7
TOTAL			**$ 249,362,512**	**9.7%**

SCHEDULE OF EXPENSES IN EXCESS OF $5,000 [1]

FISCAL YEAR ENDED JUNE 30, 2000

Name of Firm	Description of Services	Contract Date	Aggregate Comp. Paid in FY 2000	Status at June 30, 2000
INVESTMENT ADVISORY SERVICES				
Equity Advisory Services				
Alliance Capital	Equity Advisor	Mar-96	$ 921,466	Active
AXA Rosenberg Institutional Equity Management	Equity Advisor	Mar-96	256,310	Active
BGI Barclay's Global Investors	Equity Advisor	Mar-96	2,194,491	Active
Brown Capital Management	Equity Advisor	Mar-96	2,564,010	Active
Cowen Asset Management	Equity Advisor	Mar-96	421,791	Active
Dresdner RCM Capital Management, LP	Equity Advisor	Mar-96	1,794,348	Active
J. P. Morgan Investment Management	Equity Advisor	Mar-96	10,316,165	Active
State Street Global Advisors	Equity Advisor	Mar-96	221,156	Active
Travelers Investment Management	Equity Advisor	Mar-96	1,240,306	Active
ValueQuest Ltd.	Equity Advisor	Mar-96	464,716	Active
Total Equity Advisor Compensation			**$ 20,394,759**	
Fixed Income Investment Advisory Services				
Blackrock Financial Management	Fixed Income Advisor	Mar-96	$ 1,628,201	Active
J. P. Morgan Investment Management	Fixed Income Advisor	Mar-96	688,394	Active
Lazard Freres & Co.	Fixed Income Advisor	Feb-98	669,697	Terminated
Loomis Sayles & Co., Inc.	Fixed Income Advisor	Mar-96	475,810	Active
Mitchell Hutchins Institutional Inv.	Fixed Income Advisor	Nov-97	591,975	Active
Oaktree Capital Management	Fixed Income Advisor	Mar-96	2,633,017	Active
Phoenix Investment Counsel	Fixed Income Advisor	Nov-97	531,955	Active
Spectrum Asset Management	Fixed Income Advisor	Dec-98	5,415	Terminated
State Street Global Advisors	Fixed Income Advisor	Mar-96	492,115	Active
W. R. Huff Asset Management	Fixed Income Advisor	Mar-96	968,932	Active
Wellington Asset Management	Fixed Income Advisor	Nov-97	1,077,393	Active
Western Asset Management	Fixed Income Advisor	Nov-97	1,089,776	Active
Total Fixed Income Advisor Compensation			**$ 10,852,680**	
Cash Reserve Account Advisory Services				
State Street Global Advisors	Cash Reserve Account Advisor	Mar-96	$ 260,341	Active
Total International Equity Advisor Compensation			**$ 260,341**	
International Equity Investment Advisory Services				
DSI International Management	International Equity Advisor	Mar-96	$ 515,452	Active
Grantham, Mayo, Van Otterloo & Co.	International Equity Advisor	Mar-96	1,532,995	Active
Pictet International Management	International Equity Advisor	Mar-96	2,567,976	Active
Salomon Smith Barney Capital Management	International Equity Advisor	Mar-96	130,198	Active
State Street Global Advisors	International Equity Advisor	Mar-96	557,803	Active
Total International Equity Advisor Compensation			**$ 5,304,424**	
Real Estate Investment Advisory Services [2]				
AEW Capital Management, LP	Real Estate Advisor	Aug-87	$ 408,780	Active
Apollo Real Estate Investment Fund III	Real Estate Advisor	May-98	933,661	Active
CIGNA Investment Management	Real Estate Advisor	Apr-83	101,942	Active

SCHEDULE OF EXPENSES IN EXCESS OF $5,000 (1)
FISCAL YEAR ENDED JUNE 30, 2000

Name of Firm	Description of Services	Contract Date		Aggregate Comp. Paid in FY 2000	Status at June 30, 2000
The RREEF Funds	Real Estate Advisor	Feb-83		23,435	Active
Sentinel Real Estate Corporation	Real Estate Advisor	Jan-88		30,922	Active
Wachovia Bank of Georgia, N.A.	Real Estate Advisor	Mar-94		130,556	Active
Westport Senior Living Fund	Real Estate Advisor	Sep-98		1,350,000	Active
Total Real Estate Advisor Compensation			**$**	**2,979,296**	
Commercial Mortgage Investment Advisory Services					
AEW Capital Management, LP	Commercial Mortgage Advisor	Aug-87	$	763,333	Active
Total Commercial Mortgage Advisor Compensation			**$**	**763,333**	
Private Investment Advisory Services (2)					
AIG Global Emerging Mkts Fund LP	Private Investment Advisor	Dec-97	$	2,503,443	Active
Blackstone Capital Partners III LP	Private Investment Advisor	Oct-97		88,541	Active
Carlyle Asia Partners LP	Private Investment Advisor	Dec-98		1,500,000	Active
Carlyle European Partners LP	Private Investment Advisor	Jul-98		1,674,004	Active
Compass European Partners LP	Private Investment Advisor	Dec-97		727,363	Active
Conning Insurance Capital Fund V LP	Private Investment Advisor	Dec-97		250,000	Active
Cresendo World Fund LLC	Private Investment Advisor	Aug-97		400,000	Active
Crossroads Constitution Fund LP	Private Investment Advisor	Jul-87		1,361,250	Active
CT Greene Ventures LP	Private Investment Advisor	Jan-93		375,000	Active
DLJ Merchant Banking Fund II LP	Private Investment Advisor	Nov-96		1,089,908	Active
Forstmann Little & Company	Private Investment Advisor	Apr-97		2,416,667	Active
Garmark Partners LP	Private Investment Advisor	Apr-98		1,020,360	Active
Gilbert Global Equity Partners LP	Private Investment Advisor	Oct-97		2,250,000	Active
Goldman Sachs Private Equity Fund LP	Private Investment Advisor	May-97		696,531	Active
Green Equity III LP	Private Investment Advisor	Sep-98		329,907	Active
Greenwich Street Capital Partners II LP	Private Investment Advisor	Dec-98		371,517	Active
Hicks Muse Tate and Furst Equity Fund III LP	Private Investment Advisor	Jan-97		469,788	Active
Kelso Investment Associates VI LP	Private Investment Advisor	Feb-98		594,158	Active
Keystone Ventures V LP	Private Investment Advisor	Dec-98		402,725	Active
KKR 1996 Fund LP	Private Investment Advisor	Jul-97		401,764	Active
Lexington Capital Partners II LP	Private Investment Advisor	Mar-98		57,060	Active
Pioneer Venture Associates LP	Private Investment Advisor	Jan-98		603,281	Active
SCP Private Equity Fund LP	Private Investment Advisor	Sep-97		718,750	Active
Shawmut Capital Partners LP	Private Investment Advisor	Jun-97		1,312,500	Active
SW Pelham Fund LP	Private Investment Advisor	Jun-98		562,500	Active
Thayer Equity Investors IV LP	Private Investment Advisor	Nov-98		835,341	Active
THL Equity Fund IV LP	Private Investment Advisor	Dec-97		384,897	Active
Triumph Connecticut LP	Private Investment Advisor	Feb-93		101,476	Active
Triumph Partners III LP	Private Investment Advisor	Jul-97		2,681,301	Active
Veritas Capital Fund LP	Private Investment Advisor	Mar-97		2,190,279	Active
Wellspring Capital Partners II LP	Private Investment Advisor	Jan-98		1,000,000	Active
Total Private Investment Advisor Compensation			**$**	**29,370,311**	
TOTAL COMPENSATION TO INVESTMENT ADVISORS			**$**	**69,925,144**	

SCHEDULE OF EXPENSES IN EXCESS OF $5,000 (1)
FISCAL YEAR ENDED JUNE 30, 2000

Name of Firm	Description of Services	Contract Date	Aggregate Comp. Paid in FY 2000	Status at June 30, 2000
CUSTODY SERVICES				
State Street Bank & Trust	Custody of Fund Assets	Jan-96	$ 1,365,200	Active
TOTAL CUSTODY SERVICES COMPENSATION			**$ 1,365,200**	
CONSULTING SERVICES				
Council of Institutional Investors	Dues	N/A	$ 25,000	Active
Ferrell Capital Management	International Equity	Oct-97	7,500	Terminated
Horton International Maryland	Consultant - Pension Funds	Dec-99	42,536	Active
Irwin Tepper Assoc. Inc.	Consultant - Pension Funds	Jun-95	15,000	Terminated
Pamela J. Bartol	Consultant - Pension Funds	Feb-00	14,377	Active
Rogers Casey Consulting Inc.	Consultant - Pension Funds	Jul-95	257,000	Active
TOTAL CONSULTING SERVICES COMPENSATION			**$ 361,413**	
MISCELLANEOUS SERVICES				
Bloomberg LP	Subscription	N/A	$ 16,012	Active
Computers Plus Center, Inc.	Computer Equipment	N/A	19,234	Terminated
John Quirke	IAC Travel Reimbursement	N/A	6,681	Terminated
Xerox Corporation	Copier Maintenance	N/A	6,433	Active
TOTAL MISCELLANEOUS SERVICES COMPENSATION			**$ 48,360**	
GRAND TOTAL			**$ 71,700,117**	

(1) Expenses are presented on a cash basis.

(2) Alternative Investment Management fees for the Private Investement Fund and the Real Estate Fund include capitalized fees and expensed fees. Capitalized fees which are part of the cost of the investment and become a component of unrealized gain(loss). Capitalized fees are disclosed in Note 1 of the Combined Investment Funds Financial Statements. Expensed fees which are not part of the cost of the investment are recorded in the Statement of Operations.

COMBINED INVESTMENT FUNDS
LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGMENT
JUNE 30, 2000

Name of Fund	Investment Strategy		Net Assets Under Management	Percent of Fund Total
CASH RESERVE ACCOUNT (CRA)				
State Street Global Advisors	Active	$	1,533,613,137	100.0%
SUBTOTAL CRA		**$**	**1,533,613,137**	**100.0%**
MUTUAL EQUITY FUND (MEF)				
Large Cap		**$**	**6,849,223,561**	**77.4%**
State Street Global Advisors	Passive - Indexed		2,172,948,950	24.6
J.P. Morgan Investment Management, Inc.	Passive - Enhanced		2,476,874,063	28.0
BGI Barclays Global Investors, N.A.	Passive - Enhanced		2,199,400,548	24.8
Small/Mid Cap		**$**	**648,189,749**	**7.3%**
The Travelers Investment Management Co.	Passive-Enhanced		329,488,679	3.7
AXA Rosenberg Investment Management	Passive-Enhanced		318,701,070	3.6
Small/Mid Cap		**$**	**1,351,525,119**	**15.3%**
Brown Capital Management, Inc.	Active		357,587,492	4.0
ValueQuest Ltd.	Active		237,476,167	2.7
Cowen Asset Management	Active		225,115,171	2.6
Dresdner RCM Global Investors LLC	Active		360,683,506	4.1
Alliance Capital	Active		170,662,783	1.9
Other (1)		**$**	**3,618,213**	**0.0%**
SUBTOTAL MEF		**$**	**8,852,556,642**	**100.0%**
INTERNATIONAL STOCK FUND (ISF)				
EAFE - Europe		**$**	**680,963,252**	**23.2%**
State Street Global Advisors	Passive - Enhanced		680,963,252	23.2
Core		**$**	**1,767,005,941**	**60.4%**
Morgan Stanley Asset Management	Active		726,141,347	24.8
Grantham, Mayo, Van Otterloo & Co.	Active		594,587,545	20.3
Smith Barney Capital Management	Active		248,201,259	8.5
DSI International Management	Active		198,075,790	6.8
Emerging		**$**	**468,627,576**	**16.0%**
Morgan Stanley Asset Management	Active		293,534,365	10.0
Pictet International Management	Active		175,093,211	6.0
Other (1)		**$**	**13,369,522**	**0.4%**
SUBTOTAL ISF		**$**	**2,929,966,291**	**100.0%**
REAL ESTATE FUND (REF)				
AEW Capital Management, LP	Active		$201,312,626	39.5%
Apollo Real Estate Investment Fund III	Active		85,823,060	16.8
Walton Street Real Estate Fund II L.P.	Active		69,677,100	13.7
Tishman	Active		45,789,637	9.0
TimeSquare Realty Investors	Active		14,595,292	2.9
Wachovia Bank of Georgia, N.A.	Active		15,477,072	3.0
Westport Senior Living.	Active		46,291,546	9.1
Other (1)	**Active**		**31,156,670**	**6.0%**
SUBTOTAL REF		**$**	**510,123,003**	**100.0%**
MUTUAL FIXED INCOME FUND (MFIF)				
Core		**$**	**5,039,188,557**	**77.6%**
State Street Global Advisors	Passive-Enhanced		1,355,758,427	20.9
BlackRock Financial Management, Inc.	Active		1,039,954,165	16.0
Western Asset Management Co.	Active		734,031,906	11.3
Wellington	Active		703,638,814	10.8
J.P. Morgan Investment Management Inc.	Active		618,938,006	9.5

COMBINED INVESTMENT FUNDS
LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGMENT (Continued)
JUNE 30, 2000

Name of Fund	Investment Strategy		Net Assets Under Management	Percent of Fund Total
Phoenix	Active		296,411,626	4.6
Mitchell Hutchins	Active		290,455,613	4.5
Convertibles		**$**	**349,224,546**	**5.4%**
Oaktree Capital Management, L.L.C.	Active		349,224,546	5.4
High Yield		**$**	**1,079,289,028**	**16.6%**
Loomis Sayles & Co., Inc.	Active		355,534,523	5.5
W.R. Huff Asset Management	Active		289,967,580	4.4
Oaktree Capital Management, L.L.C.	Active		234,566,525	3.6
Triumph II LP	Active		199,220,400	3.1
Other [(1)]		**$**	**28,437,050**	**0.4%**
SUBTOTAL MFIF		**$**	**6,496,139,181**	**100.0%**
COMMERCIAL MORTGAGE FUND (CMF)				
AEW Capital Mangement, LP	Active	$	146,075,128	83.0%
Other [(2)]			29,984,295	17.0%
SUBTOTAL CMF		**$**	**176,059,423**	**100.0%**
PRIVATE INVESTMENT FUND (PIF)				
Corporate Buyout			**$795,828,287**	**31.0%**
Hicks, Muse Tate & Furst Equity Fund III	Active		210,449,050	8.2
SCP Private Equity Partners	Active		90,774,965	3.5
DLJ Merchant Banking Fund II	Active		56,856,485	2.2
Conning Insurance Capital Fund V	Active		56,083,357	2.2
Veritas Capital Fund	Active		56,282,309	2.2
Thomas H. Lee Equity Fund IV	Active		78,347,895	3.0
KKR 1996 Fund	Active		38,764,853	1.5
Greenwich Street Capital Partners II	Active		37,963,562	1.5
Welsh Carson Anderson & Stowe VIII	Active		60,423,689	2.4
Wellspring Capital Partners II	Active		25,841,247	1.0
Blackstone Capital Partners III	Active		14,972,969	0.6
Thayer Equity Investors IV	Active		22,109,822	0.9
Kelso Investment Associates VI	Active		18,646,905	0.7
Green Equity Investors III	Active		10,215,883	0.4
Forstmann Little Equity Fund VI [(4)]	Active		18,095,296	0.7
Venture Capital			**$399,337,624**	**15.6%**
Crescendo World Fund	Active		158,972,651	6.2
Pioneer Ventures Associates	Active		37,964,558	1.5
Crescendo Venture Fund III	Active		46,947,598	1.8
Connecticut Futures Fund	Active		15,351,244	0.6
CT Financial Development Fund	Active		18,426,060	0.7
Keystone Ventures V	Active		25,137,922	1.0
Shawmut Equity Partners	Active		29,159,641	1.1
Grotech Partners V	Active		59,117,076	2.3
Connecticut Greene Ventures	Active		3,845,408	0.2
RFE Investment Partners VI	Active		4,415,366	0.2
Mezzanine			**$364,161,698**	**14.2%**
Welsh Carson Anderson & Stowe III	Active		87,349,821	3.4
Triumph Capital Partners III	Active		99,529,585	3.9
Triumph CT Partners	Active		65,183,217	2.5
GarMark Partners	Active		29,129,904	1.2
SW Pelham Fund	Active		13,877,930	0.5
Forstmann Little MBO VII [(4)]	Active		69,091,241	2.7
International			**$202,636,375**	**7.9%**
Compass European Partners	Active		50,354,343	2.0
Carlyle European Fund	Active		35,123,033	1.4
Gilbert Global Equity Fund	Active		75,313,136	2.9
AIG Global Emerging Markets Fund	Active		33,196,223	1.3

COMBINED INVESTMENT FUNDS

LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGMENT (Continued)

JUNE 30, 2000

Name of Fund	Investment Strategy		Net Assets Under Management	Percent of Fund Total
Carlyle Asia Partners	Active		8,649,640	0.3
Fund of Funds			**$707,804,267**	**27.6%**
Crossroads Constitution Fund	Active		579,000,910	22.6
Goldman Sachs Private Equity Fund	Active		51,567,871	2.0
Landmark Private Equity Fund VIII	Active		69,254,924	2.7
Lexington Capital Partners II	Active		7,980,562	0.3
Other (1)			**95,018,931**	**3.7%**
SUBTOTAL PIF		**$**	**2,564,787,182**	**100.0%**

TOTAL	**$**	**23,063,244,860**	
Adjustments (3)		(1,149,020,861)	
GRAND TOTAL	**$**	**21,914,223,999**	

(1) Other represents moneys earmarked for distribution to participants, reinvestment, and expenses as well as terminated advisor balances and $867,276 in marketable securities.
(2) Other also includes residential mortgage-backed securities for the Commercial Mortgage Fund.
(3) Represents Elimination Entry to the Financial Statements to account for investment of Combined Investment Funds in CRA.
(4) Private Investment advisors under contract which are unfunded as of June 30, 1999.

COMBINED INVESTMENT FUNDS SCHEDULE OF BROKERAGE COMMISSIONS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

Broker Name	$ Commission	Shares/ Par Value	Avg Comm
AB ASESORES BURSATILES	625.49	77,000	0.008
AB ASESORES BURSATILES BOLSA	10,672.85	1,383,400	0.008
AB ASESORES MONEDA	78.26	4,000	0.020
ABEL NOSER CORPORATION	9,744.50	194,890	0.050
ABG	18,296.31	324,200	0.056
ABG SECURITIES	10,787.14	276,190	0.039
ABG SECURITIES AS (STOCKHOLM)	28,018.36	509,920	0.055
ABN AMRO	132,702.08	11,422,516	0.012
ABN AMRO ASIA LIMITED	15,534.11	3,851,200	0.004
ABN AMRO ASIA SECS LTD	8,397.56	1,240,480	0.007
ABN AMRO BANK N.V. (CHICAGO)	8,387.43	367,279	0.023
ABN AMRO CHICAGO CORPORATION	91,409.09	2,667,217	0.034
ABN AMRO EQUITIES (UK) LTD	77,333.95	24,428,017	0.003
ABN AMRO SECURITIES	22,679.31	21,533,810	0.001
ABN AMRO SECURITIES (USA) INC	113,032.64	44,745,694	0.003
ABN AMRO SECURITIES UK LTD	2,544.99	251,100	0.010
ACCIONES Y VALORES DE MEXICO	52.20	3,100	0.017
ADAMS HARKNESS + HILL,INC	7,002.00	401,000	0.017
AHORRO CORP. FINANCIERA S.A. A.V.B	27,643.55	396,900	0.070
ALFRED BERG-LONDON	1,453.77	81,500	0.018
ALLEN & COMPANY INCORPORATED	4,559.00	309,500	0.015
AMRO BANK	2,169.15	1,242,000	0.002
ARCHIPELAGO BCC CAPITAL CLEAR	156.00	9,500	0.016
ARNHOLD AND S BLEICHROEDER,INC	18,723.97	1,257,990	0.015
AROS SEC	184.01	495	0.372
ASESORES BURSATILES	2,617.78	615,300	0.004
ASIASEC EQUITIES INC	284.93	155,000	0.002
ASIASEC EQUITIES INC.	3,726.51	281,730	0.013
ATA SECURITIES INC. (ISTANBUL)	3,799.73	25,373,000	0.000
AUERBACH GRAYSON	14,882.75	533,700	0.028
AUTRANET, INC.	36,050.95	758,310	0.048
BAER (JULIUS) SECURITIES, INC.	726.07	45,437	0.016
BANC AMERICA SECURITY LLC			
MONTGOMERY DIV	229,479.59	9,447,591	0.024
BANCBOSTON OBERTSON STEPHENS	78,471.55	2,255,799	0.035
BANCO BBA	999.85	19,500,000	0.000
BANCO BBA CREDITANSTALT S.A.	3,416.56	13,276,400	0.000
BANCO ICATU	9,245.05	26,408,100	0.000
BANCO ICATU S.A.	6,197.77	161,741,758	0.000
BANCO PACTUAL S.A.	10,960.75	54,148,152	0.000
BANCO SABADELL	97.51	10,000	0.010
BANCO SANTANDER	144.98	23,000,000	0.000
BANCO SANTANDER CENTRAL HISPANO	1,567.97	56,887,427	0.000
BANCO SANTANDER MEXICANO, S.A.	562.62	155,000	0.004
BANCO SANTANDER S.A.	492.68	15,039,569	0.000
BANCO SANTANDER S.A., HONG KONG	252.71	25,462	0.010
BANK OF AMERICA SECURITIES LLC	54.00	900	0.060
BANK OF NEW YORK	1,139.20	22,520	0.051
BANK OF SCOTLAND (BE02E)	45.99	5,310	0.009
BANK OF TOKYO			
MITSUBISHI LTD, TOKYO	2,911.65	17,000	0.171
BANKERS TRUST	459.00	8,900	0.052
BANQUE PARIBAS	263.68	90,000	0.003

Broker Name	$ Commission	Shares/ Par Value	Avg Comm
BARING SECS	1,680.00	54,500	0.031
BARNARD JACOBS MELLET (USA) LLC	4,372.99	242,500	0.018
BARNARD JACOBS MELLETT + CO (PTY)	7,943.12	1,169,400	0.007
BAUM GEORGE K. + COMPANY	2,959.50	84,150	0.035
BBV INTERACTIVOS SVB	2,621.77	54,000	0.049
BBV LATINVEST	1,531.76	36,875	0.042
BBV SECURITIES INC. NEW YORK	59.21	1,196	0.050
BEAR STEARNS	1,078.83	325,000	0.003
BEAR STEARNS + CO INC	16,772.04	451,048	0.037
BEAR STEARNS ASIA LTD	4,987.56	7,877,300	0.001
BEAR STEARNS CO	9,287.68	1,073,769,815	0.000
BEAR STEARNS NY	768.98	192,000	0.004
BEAR STEARNS SECURITIES	400.02	139,800,000	0.000
BEAR STEARNS SECURITIES CORP	123,620.90	236,122,009	0.001
BENDER MENKUL DEGERLER A.S.	2,523.23	11,032,000	0.000
BENDER SECS ISTANBUL	30,228.61	348,664,000	0.000
BENDER SECURITIES	10,494.60	194,178,000	0.000
BERNSTEINSANFORD C + CO INC	10,833.00	195,800	0.055
BHF BANK	330.71	24,000	0.014
BHF SECURITIES CORPORATION	5,306.48	245,000	0.022
BLACK & COMPANY	8,440.95	168,219	0.050
BLACKFORD SECURITIES CORP	3,047.00	64,300	0.047
BLAIR,WILLIAM, AND COMPANY	24,096.50	2,030,969	0.012
BNP CAP. MARKETS	521.85	243,286	0.002
BNP INTERNATIONAL FINANCIAL SRVCS	378.21	500,000	0.001
BNP LONDON	1,698.03	500,000	0.003
BNP PACIFIC SECURITIES FRANCE	2,237.32	12,990	0.172
BNP PARIBAS LONDON	88.13	30,000	0.003
BNP PEREGRINE SECURITIES	460.04	395,500	0.001
BNP PRIMEEAST	299.55	142,000	0.002
BNP PRIMEPEREGRINE	4,805.47	4,638,620	0.001
BNP SECURITIES (U.S.A.), INC	333.81	151,644	0.002
BNP SECURITIES LONDON UK	5,061.48	28,660	0.177
BNP-BANQUE NATIONALE DE PARIS	1,777.32	130,325	0.014
BNY/ABN AMRO (UK) LTD	607.00	15,175	0.040
BNY/ING BARING	2,316.00	119,500	0.019
BOE NATWEST SEC LTD	542.82	93,500	0.006
BRADFORD,J.C. + CO	2,451.00	180,250	0.014
BRENARK SECURITIES LTD	108.36	600,000	0.000
BRIDGE TRADING	92,122.10	1,868,842	0.049
BROWN BROTHERS HARRIMAN & CO	4,483.00	236,170	0.019
BT ALEX BROWN	1,620.00	63,700	0.025
BT/MORGANGREENFELL	122.50	14,750	0.008
B-TRADE SERVICES LLC	46,158.72	1,892,756	0.024
BUCKINGHAM RESEARCH GROUP	2,962.50	56,200	0.053
C.L.KING & ASSOCIATES	5,833.00	154,900	0.038
CAIS INC CHEUVREUX DIV NY	2,795.65	38,000	0.074
CANTOR FITZGERALD + CO., INC.	116,873.40	3,961,865	0.029
CAPITAL INSTITUTIONAL SERVICES	1,325.00	22,500	0.059
CARNAGIE FOND KOMMISSION	700.14	28,890	0.024
CARNEGIE A S	689.66	11,000	0.063
CARNEGIE INT’L LND	12,994.69	166,587	0.078
CAZENOVE + CO	28,945.64	2,235,332	0.013

COMBINED INVESTMENT FUNDS SCHEDULE OF BROKERAGE COMMISSIONS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

Broker Name	$ Commission	Shares/ Par Value	Avg Comm
CAZENOVE + COMPANY (OVERSEAS) LTD	1,722.53	1,922,000	0.001
CAZENOVE INCORPORATED	11,561.12	895,534	0.013
CHARLES SCHWAB & CO., INC.	13,536.70	689,200	0.020
CHEUVREUX DE VIRIEU	11,960.32	57,648	0.207
CHEUVREUX DE VIRIEUX, PARIS	9,232.37	77,124	0.120
CHEUVREUX DE VIRIEU NORDIC LDN	257.20	215	1.196
CIBC OPPENHEIMER	896.86	26,000	0.034
CIBC WORLD MARKETS CORP	92,674.77	2,533,412	0.037
CITATION GROUP	1,050.00	21,000	0.050
CITIBANK	1,512.90	202,380	0.007
CITIBANK,N.A.	1,822.42	53,907	0.034
CITIBANK,NA ADR/KLIENWORT BENSON	273.04	104,980	0.003
COLLINS STEWART	8,451.34	480,000	0.018
COLLINS STEWART + CO	6,127.95	671,802	0.009
COMMERZBANK	29,852.64	484,740	0.062
COMMERZBANK AG	17,635.57	388,469	0.045
CONNING +CO.	4,976.50	132,800	0.037
CORRESPONDENT SERVICES, INC	11,294.20	396,800	0.028
COWEN & CO LONDON	145,577.17	1,609,686	0.090
CREDIT AGRICOLE INDOSUEZ CHEUVREUX	3,505.47	10,430	0.336
CREDIT LYONNAIS	71,244.84	7,452,645	0.010
CREDIT LYONNAIS - ACTIF	82.30	82,000	0.001
CREDIT LYONNAIS SECS	95,062.42	36,229,314	0.003
CREDIT LYONNAIS SECURITIES (USA) INC	456.89	6,915,200	0.000
CREDIT LYONNAIS SECURITIES(ASIA)	616.78	1,384,000	0.000
CREDIT SUISSE FIRST BOSTON	31,216.74	68,697,073	0.000
CREDIT SUISSE FIRST BOSTON EQUITIES (EUR)	1,517.67	104,733	014
CREDIT SUISSE FIRST BOSTON LONDON	72,736.13	122,328,697	0.001
CREDIT SUISSE FIRST BOSTON EMM	251.25	20,500	0.012
CROSBY SECURITIES (PHILS) INC.	1,156.30	115,000	0.010
CROSBY SECURITIES INC	30,287.87	2,000,340	0.015
CROSBY SECURITIES LIMITED (HONG KONG)	65.26	1,440	0.045
CROSBY SECURITIES PTE LTD	5,033.69	251,000	0.020
CS FIRST BOSTON	2,663.44	909,950	0.003
CS FIRST BOSTON (GILTS) LIMITED	1,017.47	57,100	0.018
CS FIRST BOSTON (HONG KONG) LIMITED	98,769.67	7,353,579	0.013
CS FIRST BOSTON CORPORATION	386,255.68	101,119,379	0.004
CS FIRST BOSTON EQUITIES (EUROPE) LTD	8,158.14	15,557,729	0.001
CSFB	8,003.46	2,892,462	0.003
CSFB GILTS	181.23	13,550	0.013
D E SHAW SECURITIES	1,740.00	58,000	0.030
D.A. DAVIDSON + CO., INC.(CLR.THRU 443)	5,308.80	106,400	0.050
DAIN RAUCHSER INC	28,464.00	1,588,400	0.018
DAIWA	19,051.56	582,200	0.033
DAIWA SECURITIES	17,573.62	566,736	0.031
DAIWA SECURITIES AMERICA INC	284.98	39,000	0.007
DAIWA SECURITIES CO LTD	1,921.47	136,000	0.014
DAVY (J+E)	4,694.79	201,750	0.023
DAVY STOCKBROKERS	5,577.34	169,717	0.033
DB CLEARING SERVICES	300,754.62	11,983,840	0.025
DEMIR YATIRIM MENKUL DEGERLER (ISTANBUL)	3,237.59	6,587,000	0.000
DEMIRBANK	22,969.57	361,815,200	0.000
DEUTSCHE ASIA & PARTNERS SECURITIES	3,822.66	356,400	0.011
DEUTSCHE BANK	13,638.35	761,350	0.018
DEUTSCHE BANK A.G.	9,708.59	2,963,250	0.003
DEUTSCHE BANK AG LONDON	136,135.88	101,087,253	0.001
DEUTSCHE BANK SECURITIES	25,913.78	4,670,893	0.006
DEUTSCHE BANK SECURITIES INC	51,113.06	5,096,600	0.010
DEUTSCHE BANK SINGAPORE	456.84	58,000	0.008
DEUTSCHE MORGAN GRENFELL	3,782.56	725,800	0.005
DEUTSCHE MORGAN GRENFELL SECURITIES	70.70	1,699,000	0.000
DIVIDEND REINVEST	195.53	59,907	0.003
DLJ INTERNATIONAL SECURITIES	556.98	17,900	0.031
DLJ SECURITIES CORP	231.43	827,000	0.000
DMG AND PARTNERS SECURITIES	19,208.94	1,735,400	0.011
DONALDSON, LUFKIN + JENRETTE SECS	243,648.60	140,117,519	0.002
DONALDSON, LUFKIN + JENRETTE INTL	37,406.75	3,007,320	0.012
DRESDNER BANK - KLEINWORT BENSON	7,350.25	84,800	0.087
DRESDNER BANK AG FRANKFURT	2,143.44	49,031	0.044
DRESDNER BANK AG HAMBURG	3,375.38	39,200	0.086
DRESDNER KLEINWORT BENSON	105,351.06	3,000,440	0.035
DRESDNER KLEINWORT BENSON ASIA LTD	14,299.37	390,782	0.037
DRESDNER SECURITIES (USA) INC.	20,820.00	354,691	0.059
EW BALDERSON	807.19	49,000	0.016
EDWARDS AG & SONS INC	2,696.80	45,300	0.060
EGYPTIAN FINANCIAL GROUP	32,422.10	713,783	0.045
ENGELMAN SECURITIES	16,521.85	333,917	0.049
ENSKILDA SECS	2,754.67	31,800	0.087
ENSKILDA SECURITIES	5,248.13	69,300	0.076
ERNST + CO	2,448.00	75,180	0.033
ESI SECURITIES COMPANY	9.00	300	0.030
EVEREN CLEARING CORP	495.00	45,300	0.011
EXANE GENEVE	1,495.42	10,869	0.138
EXANE S.A.	32,960.07	158,258	0.208
FACTSET DATA SYSTEMS (THRU BEAR STEARNS)	113,823.95	57,899	0.050
FACTSET DATA SYSTEMS INC	33,565.00	671,300	0.050
FAHNESTOCK + CO.	5,834.00	105,000	0.056
FC FINANCIAL SERVICES	2,426.00	48,520	0.050
FECHTOR, DETWILER + CO., INC.	3,955.00	72,100	0.055
FIDELITY CAPITAL MARKETS	22,366.30	526,500	0.042
FINANCIALBROKERAGE CAIRO	2,741.38	14,868	0.184
FINANCIALBROKERAGE GROUP	1,887.04	11,847	0.159
FINANTIA	1,087.75	37,400	0.029
FIRST ALBANY CORP.	11,149.00	432,300	0.026
FIRST ANALYSIS SECURITIES CORP	19,723.00	512,400	0.038
FIRST BOSTON CORP	52.41	1,000	0.052
FIRST OPTIONS OF CHICAGO	33.00	1,100	0.030
FIRST SECURITY VAN KASPER + CO	1,505.00	27,100	0.056
FIRST UNION CAPITAL MARKETS	11,272.00	404,550	0.028

COMBINED INVESTMENT FUNDS SCHEDULE OF BROKERAGE COMMISSIONS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

Broker Name	$ Commission	Shares/ Par Value	Avg Comm
FIRST UNION SECURITIES INC	13,140.00	455,900	0.029
FIRST USACAPITAL MARKETS	4.00	200	0.020
FISERV CORRESPONDENT SERVICES INC	1,710.00	31,000	0.055
FLEETBOSTON ROBERTS ON STEPHENS INC	27,345.00	985,800	0.028
FOX PITT KELTON INC	46,186.33	997,100	0.046
FOX-PITT KELTON LTD	16,892.03	823,300	0.021
FRANK RUSSELL	16,260.00	325,200	0.050
FREIMARK BLAIR + COMPANY, INC.	789.00	25,400	0.031
FRIEDMAN BILLINGS + RAMSEY	4,466.00	134,700	0.033
FRIEND, L.H., WEINRESS + FRANKSON	480.00	9,600	0.050
FURMAN,SELZ,MAGERDIETZ + BIRNEY	31,856.20	1,124,800	0.028
GARANTIA	1,397.23	31,262,500	0.000
GARANTIA INVESTMENT	6,470.06	100,261,000	0.000
GARANTIA MENKUL DEGERLER	37,838.53	344,778,000	0.000
GARANTIA BANKING LTD	582.22	13,209,000	0.000
GARANTIA INC	207.27	2,742,000	0.000
GARANTIA INVESTMENTOS	2,979.22	9,875,000	0.000
GENA, INC. NEW YORK	1,724.29	108,665	0.016
GENESIS MERCHANT GROUP SECURITIES	550.00	11,000	0.050
GERARD KLAUER MATTISON + CO	11,326.70	221,800	0.051
GINSBERG & COMPANY INC	74.04	650	0.114
GLAZER C.L. + COMPANY	11,738.00	232,100	0.051
GLOBAL SECURITIES INC. (ISTANBUL)	8,694.61	154,870,000	0.000
GOLDMAN SACHS	2,943.09	30,024	0.098
GOLDMAN SACHS (SINGAPORE) PTE	100,893.07	3,631,097	0.028
GOLDMAN SACHS + CO	232,806.94	250,440,763	0.001
GOLDMAN SACHS INTERNATIONAL LONDON	96,325.69	40,215,310	0.002
GOLDMAN SACHS INTL LTD	5,861.30	272,548	0.022
GOODBODY STOCKBROKERS	5,370.75	711,992	0.008
GORDON HASKETT	6,600.00	110,000	0.060
GRUNTAL +CO.	2,530.00	104,300	0.024
GS2 SECURITIES INC	1,155.00	21,500	0.054
GUZMAN + CO	31,700.28	792,507	0.040
HEFLIN + CO., LLC	27,206.96	604,769	0.045
HENDERSONCROSTHWAIT INSTL BROK LTD	864.95	77,500	0.011
HOARE GOVETT SECURITIES LTD	100,300.21	9,290,803	0.011
HOENIG (FAR EAST) LIMITED	3,347.70	335,027	0.010
HOENIG + CO.	12,279.75	415,325	0.030
HOENIG + COMPANY INC	1,317.00	34,900	0.038
HOWARD WEIL DIVISION LEGG MASON	3,757.50	63,000	0.060
HOWARD,WEIL,LABOUISSE,FRIEDRICHS	7,190.50	157,300	0.046
HSBC	22,981.32	615,630	0.037
HSBC INVESTMENT BANK PLC	45,585.08	23,802,070	0.002
HSBC INVESTMENT LTD	5,064.05	65,900	0.077
HSBC JAMES CAPEL	851.06	35,776	0.024
HSBC JAMES CAPEL + CO LTD	2,215.36	350,530	0.006
HSBC JAMES CAPEL LIMITED	132,164.99	2,263,090	0.058
HSBC SECURITIES (JAMES CAPEL)	29,723.81	1,723,174	0.017
HSBC SECURITIES INC	31,557.01	998,058	0.032
HYUNDAI SECURITIES CO. LTD.	55,966.77	411,888	0.136
IKTISAT BANKASI TURK A.S	223.78	3,980,000	0.000
IKTISAT BANKASI TURK T.A.S.	4,894.10	53,199,000	0.000
IMI SECURITIES	62.21	4,355	0.014
IMI SIGECO UK LTD	819.79	91,537	0.009
INDOSUEZ CAPITAL SEC	2,059.82	15,102,609	0.000
INDOSUEZ WI CARR SECS	1,245.37	19,160,000	0.000
INDOSUEZ WI CARR SECS HONG KONG LTD	10,033.33	367,960	0.027
INDOSUEZ WI CARR SECURITIES LIMITED	36,989.78	13,396,017	0.003
INDOSUEZ WI CARR SECURITIES LTD	34,364.48	2,798,900	0.012
ING BARING LLC	38,353.04	978,200	0.039
ING BARING SECS HONG KONG LTD	1,602.41	392,500	0.004
ING BARING SECURITIES	139,815.97	44,594,871	0.003
ING BARING SECURITIES (SINGAPORE)	108,315.30	4,552,250	0.024
ING BARING SECURITIES LTD	125.11	8,000	0.016
ING BARING US CAP MKTS INC NY	1,418.17	4,690	0.302
ING BARINGS LLC	10,898.14	667,630	0.016
ING BARINGS SEC LTD	36,423.73	11,731,280	0.003
ING SECURITIES	771.34	69,000	0.011
INSTINET	254,400.68	14,060,388	0.018
INSTINET CLEARING SERVICES, INC	29,057.98	3,150,492	0.009
INSTINET CORP	8,237.08	498,689	0.017
INSTINET INVESTMENT SERVICES LIMITED	40,276.61	1,173,805	0.034
INSTINET PACIFIC LIMITED	1,151.41	219,000	0.005
INSTINET UK LIMITED	62.80	2,700	0.023
INTERMOBILIARE SECURITIES SIM SPA	13,913.43	937,100	0.015
INTERMONTE SEC SIM SPA	35,430.62	1,720,574	0.021
INVESTEC EQUITIES JOHANNESBURG	2,437.77	175,900	0.014
INVESTEC SECS	6,907.51	243,600	0.028
INVESTEC SECURITIES LTD	482.62	36,300	0.013
INVESTMENT TECHNOLOGY GROUP	1,856.36	291,562	0.006
INVESTMENT TECHNOLOGY GROUP INC.	888,465.78	46,346,950	0.019
INVESTMENT TECHNOLOGY GROUP LTD	8,460.31	1,751,773	0.005
ISI GROUPINC	14,716.00	407,200	0.036
ITG INC	13.21	2,483	0.005
J B WERE + SON LIMITED	32.73	10,000	0.003
J B WERE AND SON	2,381.66	113,500	0.021
J B WERE AND SON INC.	626.80	790,528	0.001
J CHEUVREAUX	2,330.59	2,908	0.801
JACKSON PARTNERS + ASSOCIATES INC	27,675.55	1,104,285	0.025
JAMES CAPEL + CO	8,636.73	131,533	0.066
JANNEY MONTGOMERY, SCOTT	5,075.00	87,500	0.058
JARDINE FLEMING INTL SEC LTD	773.67	64,600	0.012
JARDINE FLEMING SECS	25,720.57	7,005,640	0.004
JARDINE FLEMING SECURITIES LIMITED	93,103.78	3,638,743	0.026
JARDINE FLEMING SECURITIES LTD	63,822.95	8,010,820	0.008
JB WERE +SON LTD LDN	831.08	280,000	0.003
JB WERE AND SON (NZ) LTD	2,824.50	1,452,000	0.002
JB WERE CAPITAL MARKETS	679.59	89,000	0.008
JEFFERIES+ CO	54,511.30	2,877,900	0.019
JOHN HANCOCK CLEARING CORP	53.58	2,200	0.024
JONES + ASSOCIATES	42,275.90	1,303,318	0.032
JOSEPHTHAL LYON + ROSS	2,730.00	56,900	0.048
JP MORGANSECURITIES LIMITED	23,680.32	638,588	0.037

COMBINED INVESTMENT FUNDS SCHEDULE OF BROKERAGE COMMISSIONS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

Broker Name	$ Commission	Shares/ Par Value	Avg Comm
JPP EURO SEC	13,217.72	51,629	0.256
JULIUS BAER SECURITIES	29,437.34	1,057,918	0.028
JULIUS BAER/BANK JULIUS BAER	3,024.22	33,093	0.091
KALB,VOORHIS & CO	4,225.00	84,500	0.050
KASB	10,045.60	1,900,000	0.005
KEB SMITHBARNEY SECS	17,368.52	67,690	0.257
KEEFE BRUYETTE + WOODS INC	25,093.55	624,241	0.040
KINNARD JOHN G. + CO.	1,593.00	38,300	0.042
KIRKPATRICK PETTIS SMITH	1,021.13	39,000	0.026
KLEINWORTBENSON FRANCE S.A.	576.87	408,200	0.001
KLEINWORTBENSON INC	4,478.13	243,694	0.018
KLEINWORTBENSON INTERNATIONAL	3,409.41	61,590	0.055
KLEINWORTBENSON SEC ASIA LTD	603.79	343,000	0.002
KLEINWORTBENSON SECS	29,962.61	6,301,233	0.005
KLEINWORTBENSON SECURITIES LIMITED	46,523.91	5,533,996	0.008
KLEINWORTBENSON SECURITIES LTD	889.40	45,387	0.020
KNIGHT SECURITIES	36.00	440,064	0.000
KOKUSAI SECURITIES CO., LTD.	1,332.60	11,300	0.118
LATINVEST	167.19	28,559,000	0.000
LATINVESTSECURITIES	2,257.50	17,347,080	0.000
LATINVESTSECURITIES BBV	696.00	11,600	0.060
LATINVESTSECURITIES INC	84.36	1,406	0.060
LAZARD FRERES & CO.	47,064.65	1,257,509	0.037
LEGG MASON WOOD WALKER INC	28,917.00	608,940	0.047
LEHMAN BROS INC.	396,292.33	14,124,542	0.028
LEHMAN BROTHERS	1,908.69	515,300	0.004
LEHMAN BROTHERS ASIA LTD	698.66	722,000	0.001
LEHMAN BROTHERS INTERNATIONAL			
(EUROPE)	63,009.44	612,675	0.103
LEWCO SECS AGENT FOR			
HAMBRECHT+QUIST	4,765.20	1,073,813	0.004
LEWCO SECS AGENT FOR WERTHEIM			
SHCRODER	20,711.60	462,400	0.045
LEWCO SECURITIES AGENT/CHASE H&Q	7,547.70	1,047,850	0.007
LG SECURITIES CO	919.61	5,960	0.154
LOOP CAPITAL MARKETS INC	3,970.00	79,400	0.050
LYNCH JONES AND RYAN INC	27,792.00	1,374,000	0.020
MACQUARI EQUITIES (USA) INC	4,619.34	2,603,000	0.002
MACQUARIEBANK LIMITED	1,865.46	222,200	0.008
MACQUARIEEQUITIES LIMITED (SYDNEY)	7,369.03	922,491	0.008
MACQUARIEEQUITIES U S A	4,909.49	1,260,000	0.004
MASTERLINK SECURITIES CO LTD	4,667.34	1,462,313	0.003
MAXUS CORP	1,552.00	38,900	0.040
MCDONALD + CO	4,384.00	98,500	0.045
MERRILL LYNCH	46,551.52	1,872,241	0.025
MERRILL LYNCH FAR EAST LTD	164,213.76	8,926,945	0.018
MERRILL LYNCH INTERNATIONAL	104,469.38	264,154,367	0.000
MERRILL LYNCH INTERNATIONAL BK LTD	13,734.36	503,200	0.027
MERRILL LYNCH PIERCE			
FENNER + SMITH	402,651.37	21,838,927	0.018
MIDWEST RESEARCH	9,203.71	65,600	0.140
MIDWEST RESEARCH MAXXUS GROUP	738.00	24,600	0.030
MILLER SECURITIES INC	580.00	11,600	0.050

Broker Name	$ Commission	Shares/ Par Value	Avg Comm
MONTGOMERY SEC LLC/S.F.	27,726.40	878,800	0.032
MORGAN GUARANTY TRUST COMPANY			
NEW YORK	714.75	7,400	0.015
MORGAN GUARANTY TRUST CO. (UK)	34,491.13	712,165	0.048
MORGAN STANLEY	7,059.03	1,344,334	0.005
MORGAN STANLEY + CO	11.53	3,000	0.004
MORGAN STANLEY AND CO, INC	534,776.43	25,737,154	0.021
MORGAN, J.P. SECURITIES	1,426.47	14,451,300	0.000
MORGAN,J.P.,SECURITIES INC	94,298.66	2,966,961	0.032
NATIONAL BANK OF CANADA	2,012.09	58,700	0.034
NATIONAL SECURITIES CORP	2,189.88	947,000	0.002
NATIONSBANC MONTGOMERY SEC LLC/S.F.	5,269.00	246,450	0.021
NBG INTL,LONDON	290.09	1,140	0.254
ND DEVLETOGLOU SECURITIES SA	8,996.45	178,600	0.050
NEEDHAM +COMPANY	8,932.70	232,800	0.038
NESBITT BURNS	3,263.98	119,981	0.027
NESBITT BURNS SECURITIES INC	35,537.42	830,100	0.043
NEUBERGER+ BERMAN	37,156.12	928,903	0.040
NEW JAPANSECURITIES CO. LTD., TOKYO	229.09	9,500	0.024
NEW JAPANSECURITIES INTERNATIONAL	423.87	89,000	0.005
NEW JAPANSECURITIES INTERNATIONAL INC	634.50	14,000	0.045
NEWJAPAN BANK (SCHWEIZ) AG,ZUR	219.42	15,000	0.015
NOMURA INTERNATIOAL PIC	771.12	69,200	0.011
NOMURA INTERNATIONAL			
(HONG KONG) LTD	6,985.09	544,000	0.013
NOMURA INTERNATIONAL, PLC	919.94	5,000	0.184
NOMURA SEC SINGAPORE	1,507.45	107,300	0.014
NOMURA SECURITIES CO LTD	3,654.14	123,170	0.030
NOMURA SECURITIES CO., LTD.	21,320.47	725,520	0.029
NOMURA SECURITIES INTL	1,152.35	8,800	0.131
NOMURA SECURITIES INTL INC	50,293.91	4,116,420	0.012
NORDIC PARTNERS INC NY, NY	2,152.47	3,800	0.566
NUTMEG SECURITIES	1,188.50	30,650	0.039
O NEIL, WILLIAM AND CO. INC/BCC CLRG	13,447.00	267,600	0.050
ODD LOT SALE	66.74	3,361	0.020
OKASAN SECURITIES CO., LTD.	3,971.72	130,522	0.030
ORD MINNET GROUP LIMITED			
(MELBOURNE)	1,196.95	350,600	0.003
ORD MINNETT	8,349.18	1,966,478	0.004
ORD MINNETT LTD	15,362.07	1,787,775	0.009
OSCAR GRUSS AND SONS	6,480.00	216,000	0.030
OTA LTD PARTNERSHIP	10,962.00	365,400	0.030
PACIFIC CREST SECURITIES	3,797.50	123,800	0.031
PACIFIC SECS INC	1,950.00	39,000	0.050
PAINE WEBBER INCORPORATED	158,157.02	3,905,665	0.040
PANMURE GORDON & CO LTD	19.43	5,242	0.004
PARIBAS LONDON	566.60	69,384	0.008
PATRIA FINANCE	4,272.62	328,900	0.013
PAULSEN, DOWLING SECURITIES INC.	1,250.00	25,000	0.050
PICTET (CANADA) + COMPANY LIMITED	5,485.40	1,100	4.987
PICTET AND CIE	4,705.56	1,085	4.337
PINATTON SOCIETE DE BOURSE SA	5,515.98	89,526	0.062
PIPER JAFFRAY INC	12,726.20	1,489,888	0.009

COMBINED INVESTMENT FUNDS SCHEDULE OF BROKERAGE COMMISSIONS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

Broker Name	$ Commission	Shares/ Par Value	Avg Comm
PRABHUDASLILLADHHER PVT LTD	586.16	364,224	0.002
PRUDENTIAL SECURITIES INCORPORATED	47,174.40	1,575,800	0.030
QUICK + REILLY INC	80.00	1,600	0.050
RAYMOND JAMES AND ASSOCIATES INC	21,190.11	561,400	0.038
RBC DOMINION SECURITIES CORPORATION	1,000.00	20,000	0.050
RBS TRUSTBANK LTD.	1,932.83	358,000	0.005
ROBBINS	696.00	23,200	0.030
ROBERT FLEMING	73,075.06	14,136,614	0.005
ROBERT FLEMING + CO LONDON	1,069.77	221,800	0.005
ROBERT FLEMING + CO LTD	76,605.90	193,812,672	0.000
ROBERT FLEMING INC. BANK OF NEW YORK	2,116.61	14,054,694	0.000
ROBERT FLEMING SECURITIES LIMITED	4,355.55	1,629,010	0.003
ROBERT FLEMMING SECS INC	405.46	6,700	0.061
ROBERT W BAIRD & CO., INCORPORATED	6,075.78	519,863	0.012
ROBERTSONSTEPHENS + CO L P	21,471.00	851,800	0.025
ROBINSON HUMPHREY	7,877.50	388,000	0.020
ROCHDALE SEC CORP.(CLS THRU 443)	56,292.25	1,226,550	0.046
RUSSELL FRANK SECURITIES INC	1,460.00	76,600	0.019
RYAN BECK+ CO	6,177.00	149,700	0.041
S G WARBURG SECS	1,143.48	98,000	0.012
SAITAMA	369.00	34,700	0.011
SAL OPPENHEIM ET CIE	1,282.73	4,880	0.263
SALOMAN BROS	13,257.13	755,390	0.018
SALOMAN BROTHERS INC.	11,128.49	482,750	0.023
SALOMON BROS HONG KONG	68,691.91	3,831,545	0.018
SALOMON BROTHERS FINANZ AG	401.64	429,000	0.001
SALOMON BROTHERS INC, NY	4,900.61	23,083,209	0.000
SALOMON BROTHERS INTERNATIONAL	46,733.28	34,193,545	0.001
SALOMON SMITH BARNEY	11,457.60	548,500	0.021
SALOMON SMITH BARNEY INC	522,262.60	17,238,133	0.030
SAMSUNG SECURITIES CO LTD	6,260.65	44,106	0.142
SANDERS MORRIS MUNDY	3,181.00	62,000	0.051
SANTANDERINVESTMENT BANK LTD	23.58	4,564,000	0.000
SANTANDERINVESTMENT SECURITIES	301.88	564,238	0.001
SANTANDERINVESTMENT SECURITIES INC	14,443.01	262,843	0.055
SBC WARBURG	12,359.65	4,268,187	0.003
SBC WARBURG DILLON READ ASIA LTD	6,064.40	429,400	0.014
SBC WARBURG DILLON READ INC	1,224.28	106,268	0.012
SBC WARBURG LONDON	4,677.00	559,245	0.008
SBK BROOKS INVESTMENY CORP	13,275.00	265,500	0.050
SCHRODER + CO.	15,298.75	1,860,014	0.008
SCHRODER SECS INTL	94.18	11,000	0.009
SCHRODER SECURITIES ASIA LTD	977.65	20,090	0.049
SCHRODER SECURITIES JAPAN LTD	1,610.38	12,400	0.130
SCHRODER SECURITIES LTD	19,080.58	1,296,600	0.015
SCHRODER SECURITIES LTD (SSL)	69,446.81	2,780,630	0.025
SCOTIA MCLEOD	341.18	10,000	0.034
SCOTT + STRINGFELLOW	846.50	15,800	0.054
SG COWEN SECURITIES CORP	70,932.71	132,714,832	0.001
SG SECURITIES (LONDON) LTD	9,215.19	45,854,000	0.000
SG SECURITIES LONDON	36.76	58,000	0.001
SHARPE CAPITAL INC., NEW YORK	625.00	12,500	0.050
SIEBERT BRANFORD SHANK AND CO	4,614.00	153,800	0.030
SIGMA SECS, ATHENS	8,485.69	236,160	0.036
SIGMA SECURITIES S.A.	13,403.48	425,630	0.031
SILVIS BARNARD JACOS	2,254.35	575,200	0.004
SK INTERNATIONAL SECURITIES	7,725.00	154,500	0.050
SKANDINAVISKA ENSKILDA BANKEN LONDON	36,089.60	666,683	0.054
SOCGEN CROSBY SECS	62.21	15,000	0.004
SOCIETE GENERALE	2,747.35	28,591,025	0.000
SOCIETE GENERALE S.A. MILAN	963.85	2,480	0.389
SOCIETE GENERALE SECS	9,365.30	324,020	0.029
SOCIETE GENERALE SECURITIES	8,936.32	404,120	0.022
SOCIETE GENERALE SECURITIES CORP	38,054.78	38,414,940	0.001
SOUNDVIEWTECHNOLOGY GROUP INC	24,134.00	781,100	0.031
SOUTHWESTSECURITIES	1,526.00	86,900	0.018
SPEAR, LEEDS & KELLOGG	26,409.00	578,040	0.046
STANDARD + POORS SECURITIES	7,618.88	137,475	0.055
STANDARD + POORS SECURITIES INC	49,206.45	1,001,810	0.049
STANDARD BANK	1,508.76	171,438	0.009
STANDARD BANK EMM	174.37	25,000	0.007
STANDARD BANK LONDON LIMITED	510.88	76,150	0.007
STANDARD CHARTERED BANK NY	103.06	25,500	0.004
STANDARD CHARTERED SECS LTD	101.90	24,500	0.004
STANDARD NEW YORK	5,760.31	1,468,308	0.004
STATE STREET BROKERAGE SERVICES	6,872.60	324,534	0.021
STEPHENS,INC.	5,871.00	127,700	0.046
STRATEJI SECURITIES INC (ISTANBUL)	15.34	82,000	0.000
SUNTRUST EQUITABLE SECURITIES CORP	9,260.00	287,600	0.032
SUTHERLAND EDINBURGH	5,722.91	129,600	0.044
SUTHERLANDS LIMITED	2,136.46	77,900	0.027
SUTRO ANDCOMPANY INC.	5,048.00	139,900	0.036
T HOARE	2,934.57	260,600	0.011
TAIWAN SECURITIES CO LTD	3,139.71	1,002,000	0.003
THOMAS WEISEL PARTNERS	24,620.00	1,932,000	0.013
THOMASON INSTITUTIONAL SERVICES, INC	4,502.50	91,850	0.049
TIR SECURITIES LTD HONG KONG	3,687.75	489,750	0.008
TORONTO DOMINION BANK TORONTO	949.29	34,400	0.028
TORONTO DOMINION BANK, NEW YORK	1,508.71	55,000	0.027
TROSTER SINGER STEVENS ROTHCHILD CORP	25,853.00	2,029,601	0.013
TUCKER ANTHONY CLEARY GULL	635.00	11,700	0.054
TUCKER, ANTHONY + R.L. DAY, INC	1,000.00	20,000	0.050
U.S. CLEARING CORPORATION	11,347.56	222,342	0.051
UBS AG	15,843.12	140,836,866	0.000
UBS AG LONDON	55,070.51	43,171,757	0.001
UBS BANK CANADA	952.03	100,784	0.009
UBS WARBURG LLC	31,178.17	7,544,455	0.004
USCC/SANTANDER	85.26	1,421	0.060

COMBINED INVESTMENT FUNDS SCHEDULE OF BROKERAGE COMMISSIONS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

Broker Name	$ Commission	Shares/ Par Value	Avg Comm
UTENDAHL CAPITAL PARTNERS	4,098.00	136,700	0.030
VICKER BALLAS	31,935.69	2,797,020	0.011
VICKERS BALLAS AND COMPANY PTE	2,187.32	31,500	0.069
VONTOBEL SECURITIES	8,998.71	20,500	0.439
W.I. CARR	85,543.52	21,783,078	0.004
W I CARR (FAR EAST) LONDON	21,101.43	4,645,900	0.005
W R HAMBRECHT + CO LLC	3,600.00	60,000	0.060
WACHOVIA SECURITIES INS	12,514.00	252,000	0.050
WAGNER STOTT + CO	2,711.00	75,500	0.036
WAKO SECURITIES	2,037.68	21,300	0.096
WAKO SECURITIES CO LTD	1,457.21	26,200	0.056
WARBURG DILLON READ LLC	15,248.01	88,763	0.172
WARBURG DILLON READ	104,832.31	159,649,636	0.001
WARBURG DILLON READ (HK) LTD	52,830.63	2,978,558	0.018
WARBURG DILLON READ EQUITIES (MELBOURNE)	31,795.35	6,617,720	0.005
WARBURG DILLON READ LLC	206,434.44	85,192,441	0.002
WARBURG DILLON READ SECURITIES	1,067.10	15,000	0.071
WARBURG FORMERLY S G WARBURG SECS	7,425.20	12,655,280	0.001
WARBURG SECURITIES	28,767.58	1,008,290	0.029
WARBURG, S.G., + COMPANY, INC	84,460.19	12,148,063	0.007
WASSERSTEIN PERELLA COMPANY	595.00	11,900	0.050
WATERHOUSE SECURITIES INC	1,260.00	21,000	0.060
WEEDEN + CO.	77,551.60	1,926,000	0.040
WERE J B + SONS INC	335.22	16,000	0.021
WEST LB PANMURE SECS INC	202.18	1,000	0.202
WESTDEUTSCHE LANDES BANK	382.50	8,000	0.048
WILLAMS DE BROE PIC	370.55	18,740	0.020
WILLIAM DE BROE	504.60	79,500	0.006
WOOD GUNDY INC.	2,180.44	79,858	0.027
ZANNEX SECURITIES	7,362.83	183,910	0.040

GLOSSARY OF INVESTMENT TERMS

Agency Securities - Securities issued by U.S. Government agencies, such as the Federal Home Loan Bank. These securities have high credit ratings but are not backed by the full faith and credit of the U.S. Government.

Alpha - A measurement of the difference between the actual performance of a fund and its expected performance given the overall return of the market and the fund's beta. Positive alpha indicates successful management of risk while a negative alpha suggests unsuccessful management.

Asset - Anything owned that has value; any interest in real property or personal property that can be used for payment of debts.

Asset Backed Security - Financial instruments 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%. A yield that changed from 8.75% to 9.50% 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 measure of the volatility associated with the price movement of a stock in relation to the price movement of the overall stock market or benchmark.

Book Value (BV) - The value of individual assets, calculated as actual cost less allowances for any 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 seven days to several years.

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 - Property offered as security, usually as an inducement to another party, to lend money or extend credit.

Collateralized Mortgage Obligation (CMO) - A generic term for a security backed by real estate mortgages. CMO payment obligations are covered by interest and/or principal payments from a pool of mortgages.

Commercial Paper - Short-term obligations with maturities ranging from 1 to 270 days. They are issued by banks, corporations, and other borrowers to investors with temporarily idle cash.

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 consumer prices, as determined by a monthly survey of the U.S. Bureau of Labor Statistics. Components of the CPI include housing costs, food, transportation, electricity, etc.

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 annual coupon interest rate and the market price of a fixed-income security. In calculating current yield, only the coupon interest payments are considered; no consideration is given to capital gain/loss or interest on interest.

Derivative - Derivatives are generally defined as contracts whose value depends on, or derives 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.

Diversification - The spreading of risk by putting assets in several categories of investments - stocks, bonds, money market instruments, or a mutual fund with its broad range of stocks in one portfolio.

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.

ERISA (Employee Retirement Income Security Act) - The 1974 law governing the operation of most private pension and benefit plans. The law eased pension eligibility rules, set up the Pension Benefit Guarantee Corporation, and established guidelines for the management of pension funds.

Expense Ratio - The amount, expressed as a percentage of total investment, that shareholders pay for mutual fund operating expenses and management fees.

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 charged by banks with excess reserves at a Federal Reserve district bank to banks needing overnight loans to meet reserve requirements. The federal funds rate is one of the most sensitive indicators of the direction of interest rates since it is set daily by the market.

Federal Reserve Board - The governing body of the Federal Reserve System (12 regional Federal banks monitoring the commercial and savings banks in their regions). The board establishes FRS policies on such key matters as reserve requirements and other regulations, sets the discount rate, and tightens or loosens the availability of credit in 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 wisely for the beneficiary's benefit.

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 overall risk of a portfolio, usually at the expense of potential reward.

GLOSSARY OF INVESTMENT TERMS (Continued)

IBC Index (Formerly Donoghue's) - 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.

Index - A benchmark used in executing investment strategy which is viewed as an independent representation of market performance. An index implicitly assumes cost-free transactions; some assume reinvestment of income. Example: S&P 500 index.

Index Fund - A fund whose portfolio matches that of a broadbased index such as the S&P 500 so as to match its performance.

Inflation - A measure of the rise in price of goods and services, as happens when spending increases relative to the supply of goods on the market, i.e. too much money chasing too few goods.

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.

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 dividends. Issues must have at least one year to maturity and an outstanding par value of at least $100 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. The obligation to make a payment to another.

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

Macaulay Duration - The present value weighted time to maturity of the cash flows of a fixed payment instrument or of the implicit cash flows of a derivative based on such an instrument.

Market Value - The price at which buyers and sellers trade similar items in an open marketplace. Stocks are considered liquid and are therefore valued at a market price. Real estate is illiquid and valued on an appraised basis.

Master Custodian - An entity, usually a bank, used as a place for safekeeping of securities. The bank is also responsible for many other functions which include accounting, performance, 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 - Subordinated debt.

Modified Duration - A measurement of the change in the value of an instrument in response to a change in interest rates. 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 company which is one of the best known bond rating agencies in the country. Moody's investment grade ratings are assigned to certain municipal short-term debt securities, classified as MIG-1, 2, 3, and 4 to signify best, high, favorable, and adequate quality, respectively. All four are investment grade or bank quality.

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 19 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 minus liabilities, including any gains or losses on investments or currencies, and any accrued income or expense. NAV is similar to Shareholders' Equity.

NCREIF (National Council of Real Estate Investment Fiduciaries) - An index consisting of investment-grade, non-agricultural, income-producing properties: apartments, hotels, offices, and warehouses. The return includes appreciation, realized capital gains, and income. It is computed by adding the income return and capital appreciation return 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 Man 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 man 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 after the sale of an asset.

Relative Volatility - A ratio of the standard deviation of the Fund to 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") - An agreement 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. Repos are widely used as a money market instrument.

GLOSSARY OF INVESTMENT TERMS (Continued)

Reverse Repurchase Agreements ("Reverse Repos") - An agreement to sell securities to an entity for a specified amount of cash and to repurchase the securities from the entity at an agreed upon price and time.

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 allows for the cost or value of a specific exposure or for aggregate risk exposures.

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. The largest security has a market capitalization of approximately $85 billion; the smallest is approximately $90 million.

Salomon Brothers Broad Investment-Grade Bond Index (SBIG) - 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.

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

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 business.

S&P 500 (Standard & Poor's) - The composite price average of 425 industrial stocks, 50 utility stocks, and 25 railroad stocks.

S&P Ratings-

AAA - Debt having the highest rating assigned by Standard & Poor's. It has the highest capacity to pay interest and its ability to repay principal is extremely strong.

AA - Debt having a very strong capacity to pay interest and repay principal. AA rated debt differs from the higher rated issues by only a small degree.

A - Debt which has a strong capacity to pay interest and repay principal although it is somewhat more susceptible to the adverse effects of change in circumstances and economic conditions than debt in higher rated categories.

BBB - Debt regarded as having an adequate capacity to pay interest and repay principal. BBB is the lowest rating assignable to investment grade securities. Although debt rated BBB normally exhibits adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to weakened capacity to pay interest and repay principal for debt in this category than in higher rated categories.

BB, B, CCC, and CC - These ratings are regarded, on balance, as predominantly speculative with respect to capacity to pay interest and repay principal in accordance to the terms of the obligation.

C - These ratings are reserved for income bonds on which no interest is being paid.

D - These ratings are for debt which is in default. No interest or repayment of principal is being paid.

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.

Thomson Bank Watch - Rating agency for banks. Thomson's ratings on short-term securities span from TBW-1 through TBW-4. Long-term investments are rated A through E.

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 - The minimum of 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 with a normal curve being convex in shape.

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

DEBT MANAGEMENT DIVISION

CHANGES IN DEBT OUTSTANDING*

FOR THE FISCAL YEAR ENDED JUNE 30, 2000

Bond Finance Type	Outstanding June 30, 1999	FY2000 Issued	FY2000 Retired	FY2000 Defeased	Outstanding June 30, 2000	FY2000 Interest Paid
General Obligation - Tax Supported (1)	$6,074,981,442	$ 845,000,000	$554,925,529	$109,089,829	$6,255,966,084	$ 354,288,262
General Obligation - Revenue Supported	145,261,278	-	5,899,880	7,453,299	131,908,099	7,750,570
General Obligation - Transportation	60,867,786	-	8,060,000	11,027,210	41,780,576	2,896,237
Special Tax Obligation	3,117,281,796	150,000,000	169,578,609	75,540,362	3,022,162,825	167,727,755
Bradley International Airport	81,450,000	-	3,480,000	-	77,970,000	6,083,636
Clean Water Fund	572,510,000	-	22,630,000	-	549,880,000	27,265,968
Unemployment Compensation (2)	544,755,000	-	175,770,000	-	368,985,000	22,136,365
UCONN 2000 (3)	357,587,147	130,850,000	19,720,000	-	468,717,147	16,243,990
CDA Tax Increment Financing (4)	36,565,000	-	1,225,000	-	35,340,000	1,989,904
CDA Governmental Lease Revenue (5)	8,165,000	-	390,000	-	7,775,000	517,588
Second Injury Fund Bonds (6)	91,180,000	-	5,100,000	-	86,080,000	4,769,370
CHEFA Childcare Facilities Program (7)	16,315,000	18,690,000	295,000	550,000	34,160,000	1,307,085
Bradley Parking Garage (8)	-	53,800,000	-	-	53,800,000	-
TOTAL	$11,106,919,448	$1,198,340,000	$967,074,018	$203,660,700	$11,134,524,730	$ 612,976,730

(1) Debt outstanding at June 30, 2000 includes $32,090,000 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 availablility 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.

(2) $34.8 million in assessment revenue is reserved to redeem $34.8 million in Unemployment Compensation bonds on July 1, 2000.

(3) UCONN 2000 Bonds in a total amount of $962 Million are authorized over a ten 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.

(4) The Connecticut Development Authority 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.

(5) The Connecticut Development Authority 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.

(6) $155 million in Second Injury Fund Commercial Paper is outstanding as of June 2000. This short-term commercial paper will be refinanced with additional Second Injury Fund Bonds.

(7) On July 1, 1999, the Treasurer's Office assumed the responsibility for the CHEFA Childcare debt service appropriation per Public Act 97-259. As of that date CHEFA had issued $16,315,000 in bonds and another $18,690,000 was issued on September 1, 1999. $350,000 was cash defeased by CHEFA on July 1, 1999 and $200,000 was defeased on January 1, 2000.

(8) Includes $6,135,000 of Taxable Bradley International Airport Special Obligation Parking Revenue Bonds, Series 2000 B

* For a detailed listing of debt oustanding for the fiscal year ended June 30, 2000, please see Statutory Appendix.

RETIREMENT SCHEDULE OF IN-SUBSTANCE DEFEASED DEBT OUTSTANDING (1)

JUNE 30, 2000

Date Escrow Established		Amount of Principal Outstanding	Last Call Date on Refunded Debt		Market Value of Escrow	Investment Profile of Escrow Account
BOND TYPE: GENERAL OBLIGATION						
05/14/92	$	19,085,000	07/15/00	$	19,034,012	State and Local Government Series Bonds
02/25/93		103,900,000	09/15/00		106,420,316	State and Local Government Series Bonds
04/01/93		26,750,000	03/01/01		27,541,756	State and Local Government Series Bonds
10/20/93		190,300,000	03/15/02		197,109,445	State and Local Government Series Bonds
03/30/95		40,860,000	03/01/01		41,957,363	State and Local Government Series Bonds
04/30/96		19,520,000	09/15/00		19,986,998	State and Local Government Series Bonds
11/26/96		68,270,000	03/15/02		71,468,611	State and Local Government Series Bonds
09/30/97		119,285,000	08/15/04		125,149,450	State and Local Government Series Bonds
02/19/98		143,360,000	08/15/04		151,429,618	State and Local Government Series Bonds
08/27/98		30,165,000	12/15/01		31,740,167	State and Local Government Series Bonds
11/05/99		20,175,595	06/01/13		21,981,519	U.S. Treasury Notes
12/29/99		107,385,000	03/15/06		108,102,344	State and Local Government Series Bonds
SUBTOTAL	**$**	**889,055,595**		**$**	**921,921,599**	
BOND TYPE: SPECIAL TRANSPORTATION FUND						
03/01/93	$	115,800,000	06/01/03	$	118,980,613	State and Local Government Series Bonds
09/01/93		41,235,000	06/01/03		42,957,949	State and Local Government Series Bonds
09/01/95		50,205,000	06/01/03		51,875,893	State and Local Government Series Bonds
10/01/96		79,670,000	10/01/01		82,285,922	State and Local Government Series Bonds
09/25/97		64,575,000	06/01/03		65,179,588	State and Local Government Series Bonds
11/15/97		54,960,000	09/01/02		58,521,713	State and Local Government Series Bonds
04/15/98		195,180,000	10/01/04		205,249,422	State and Local Government Series Bonds
12/01/99		75,540,362	06/01/08		82,921,936	State and Local Government Series Bonds
SUBTOTAL	**$**	**677,165,362**		**$**	**707,973,036**	
BOND TYPE: CLEAN WATER FUND						
04/30/96	$	43,125,000	01/01/01	$	46,738,350	U.S. Treasury Notes
05/25/99		74,080,000	06/01/04		78,071,727	State and Local Government Series Bonds
SUBTOTAL	**$**	**117,205,000**		**$**	**124,810,077**	
BOND TYPE: CHEFA NURSING HOMES						
01/05/99	$	58,455,000	11/01/04	$	62,270,882	U.S. Treasury Notes
SUBTOTAL	**$**	**58,455,000**		**$**	**62,270,882**	
TOTAL	**$**	**1,741,880,957**		**$**	**1,816,975,594**	

(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.

SCHEDULE OF EXPENSES IN EXCESS OF $5,000 (1)
FISCAL YEAR ENDED JUNE 30, 2000

Name of Firm	Description of Services	Contract Date	Aggregate Compensation Paid in FY 2000	Status as of 06/30/00
AG Edwards & Sons	Management Fee	N/A	$ 125,000	N/A
Bayerische	Letter of Credit	May-97	66,521	Active
Bloomberg LP	Subscription	N/A	24,718	Active
Computers Plus Center Inc.	Computer Equipment	N/A	5,856	N/A
Commerzbank	Letter of Credit	Nov-95	188,610	Active
Credit Agricole	Liquidity Fee	Feb-97	588,747	Active
Cummings & Lockwood	Bond Counsel	Feb-97	72,691	Expired
Day, Berry & Howard	Bond Counsel	Aug-95	678,609	Active
DiSanto Bertoline & Co., P.C.	Auditor-Clean Water Fund	Jul-99	24,143	Active
FGIC	Liquidity Fee-1993C UCAF	Sep-93	784,195	Active
First Union National Bank	Administration Fee	N/A	8,540	Active
Fitch Investors Service	Rating Agency	N/A	58,500	N/A
Goldman Sachs & Co.	Remarketing/Management Fee	N/A	224,720	N/A
Grant Thornton	Verification Agent	Jan-97	13,000	Expired
Hawkins, Delafield & Wood	Bond Counsel	Mar-97	383,044	Active
Imagemaster Financial Publishers	Financial Printer	Aug-99	100,822	Active
J.P. Morgan Securities	Remarketing Fee	N/A	171,213	Active
Lamont Financial Services	Financial Advisor	Sep-96	417,668	Active
Levy & Droney	Bond Counsel	Aug-95	44,418	Active
Loop Capital Markets	Financial Advisor	Aug-95	9,520	Active
McGhee & Associates	Bond Counsel	Aug-95	60,223	Expired
Merrill Lynch & Co.	Management Fee	N/A	50,000	N/A
Moody's Investors Service	Rating Agency	N/A	186,666	N/A
Morgan Stanley Dean Witter	Management Fee	N/A	90,000	N/A
N/W Capital	Financial Advisor	Sep-96	15,111	Active
P.G. Corbin & Co.	Financial Advisor	Sep-96	193,592	Active
Pullman & Comley	Bond Counsel	Aug-95	48,921	Active
Public Financial Management	Financial Advisor	Sep-96	123,500	Active
Salomon Smith Barney	Remarketing/Management Fee	N/A	166,940	Active
Sci-Tech	Financial Printer (O.S.)	Feb-96	63,694	Expired
Shipman & Goodman	Bond Counsel	May-96	346,989	Active
Simone, Scillia, Larrow & Dowling	Auditor - STO	Aug-95	48,000	Active
Seibert, Brandford, Shank Co.	Management Fee	Aug-95	35,000	N/A
Squire, Sanders & Dempsey	Bond Counsel	Aug-95	364,076	Active
Standard & Poor's Service	Rating Agency	N/A	184,000	N/A
State Street Bank	Trustee Fees	Apr-93	162,222	Active
U.S. Treasury	Rebate Payments	N/A	1,345,717	N/A
Updike Kelly & Spellacy	Bond Counsel	Aug-95	20,773	Active
Whitman, Breed, Abbott & Morgan	Bond Counsel	Aug-95	24,906	Expired
TOTAL			**$ 7,520,865**	

(1) Expenses are presented on a cash basis. Debt Management expenses are comprised of payments to vendors made through the Treasury Business Office, fees netted at bond closings, and fees and expenses paid by trustees.

CASH MANAGEMENT DIVISION

ACTIVITY STATEMENT (1)

FISCAL YEAR ENDED JUNE 30, 2000

Description	Total
INFLOWS	
Receipts:	
Deposits	$16,811,263,577.04 (2)
Bad Checks	(11,430,573.68)(3)
Receipts initiated by OSC	53,102,713.48 (4)
Total Receipts	16,852,935,716.84
Transfers:	
CD Sell	34,260,536.91 (12)
Income/Cash Transfers	2,344,959,089.12 (5)
Investment - Sells	8,915,843,763.53 (6)
Total Transfers	11,295,063,389.56
Other Inflows:	
Internal Bank Transfers	23,691,714,912.94 (7)
Interbank Transfers	18,524,967,517.03 (8)
Transfers from Small Banks	1,985,016.25 (9)
Total Other Inflows	42,218,667,446.22
TOTAL INFLOWS	**$70,366,666,552.62**
OUTFLOWS	
Disbursements:	
Vendor	$12,654,913,702.78 (10)
Payroll	5,294,271,925.00 (11)
Disbursements initiated by OTT	428,143,711.83 (4)
Total Disbursements	18,377,329,339.61
Transfers:	
CD Purchases	27,097,657.29 (12)
Income/Cash Transfers	570,914,147.55 (5)
Investments - Buys	9,242,778,422.90 (6)
Total Transfers	9,840,790,227.74
Other Outflows:	
Internal Bank Transfers	23,691,714,912.94 (7)
Interbank Transfers	18,524,967,517.03 (8)
Transfers from Small Banks	1,985,016.25 (9)
Total Other Outflows	42,218,667,446.22
TOTAL OUTFLOWS	**$70,436,787,013.57**

(1) Detail information on Grant Transfer and Service Transfer activity is no longer recorded by the Treasurer. These transactions affected individual fund balances, but had no effect on net cash balances. As a result, this activity is not included in this schedule.
(2) Deposits - revenue received from taxes, licenses, lottery fees, and federal grants.
(3) Bad Checks - checks issued with insufficient funds in the originator's bank account.
(4) Receipts initiated by the Office of the Comptroller. Disbursements initiated by the Office of the Treasurer. Both transactions affect appropriations.
(5) Income Earned/Cash Transfers - income earned from short and long-term investments, transfers of cash from one fund to the other due to closing of the fund or combining funds.
(6) Investments Sells/Buys - investments activity.
(7) Internal Bank Transfers - transfers of money from concentration accounts to a zero balance sub account with the same depository institution to provide funds to cover authorized disbursements.
(8) Interbank Transfers - transfers of state moneys between banks to invest excess cash or to cover authorized disbursements.
(9) Transfers from Small Banks - movement of money from the State's secondary accounts to the State's depository.
(10) Vendor - expenditures for goods and services provided to the State by vendors.
(11) Payroll - expenditures for the State's personnel payroll.
(12) CD Purchases/Sells - Certificates of Deposit purchased with Connecticut banks under the Treasurer's Community Reinvestment Initiative.

CASH MANAGEMENT DIVISION

CIVIL LIST FUNDS

SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS [1]

FISCAL YEAR ENDED JUNE 30, 2000

Fund Name	Adjusted Cash Balance July 1, 1999	FY 2000 Treasury Receipts [2]	FY 2000 Treasury Disbursements	Transfers	Transfers ST & GT Recorded by OTC but not OTT [3]	Other Net Adjustments [4]	Adjusted Cash Balance June 30, 2000
General Fund	$(963,929,860.16)	$13,202,440,488.25	$12,176,799,119.61	$(126,619,431.48)	$(1,017,169,024.16)	$(51,372,149.79)	$(1,133,449,096.95)
Special Revenue Funds	871,009,353.46	2,102,708,428.19	2,770,995,779.87	150,685,429.22	618,506,621.42	13,038,800.86	984,952,853.28
Debt Service Funds	6,172,444.35	4,862,769.28	0.00	(10,229,301.64)	0.00	0.00	805,911.99
Capital Project Funds	(105,716,195.09)	392,583,261.42	1,215,728,282.73	825,554,663.82	(49,369,491.88)	3,335.12	(152,672,709.34)
Internal Service Funds	6,810,362.43	26,676,792.14	86,343,034.12	198,858.55	51,172,921.06	1,177.10	(1,482,922.84)
Enterprise Service Funds	14,918,332.89	188,135,745.71	276,575,551.07	106,317,611.64	(27,371,580.46)	894,869.61	6,319,428.32
Fiduciary Funds	28,600,497.86	935,528,231.85	1,850,887,572.21	508,365,331.71	423,602,737.40	4,119.85	45,213,346.46
TOTAL FUNDS	**$(142,135,064.26)**	**$16,852,935,716.84**	**$18,377,329,339.61**	**$1,454,273,161.82**	**$ (627,816.62)**	**$(37,429,847.25)**	**$(250,313,189.08)**

(1) Detailed information on activity within each individual fund (formerly provided in the Statutory Appendix) can be obtained from the Comptroller's Annual Report.
(2) Figures do not reflect any adjustments made by the Comptroller to the agency's deposit information.
(3) Represents Service and Grant Transfers recorded by the Comptroller in order to move cash between funds, subsequent to the initial receipt of the money. As these transfers do not effect the cash total, they were not recorded in the Treasurer's records.
(4) Other Net Adjustments have been included to bring the Treasurer's cash balance presentation into conformance with the Comptroller's cash balance presentation. These adjustments include the following:
- Cash received by agencies on June 30, 1999, and June 30, 2000, but not deposited in a bank.
- Cash held in agency checking accounts or recorded as zero-balance account disbursement prior to the issuance of checks.
- Petty cash balance.
- Payroll disbursements recorded by the Comptroller's prior to actual electronic transfer to employees.
- Electronic payroll disbusements returned by the bank pending adjustment on the ledger.

CIVIL LIST FUNDS
SUMMARY SCHEDULE OF CASH AND INVESTMENTS (1)
FISCAL YEAR ENDED JUNE 30, 2000

Description	Total All Funds	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Internal Service Funds	Enterprise Funds	Fiduciary Funds
General Investments								
Cash (3)	$(250,313,189.08)	$(1,133,449,096.95)	$984,952,853.28	$805,911.99	$(152,672,709.34)	$(1,482,922.84)	$6,319,428.32	$45,213,346.46
STIF	1,893,103,562.15	1,277,411,522.56	181,712,425.26	171,443,099.18	102,528,545.47	0.00	132,927,290.80	27,080,678.88
TEPF	98,232,454.30	1,559,565.55	44,163,940.78	0.00	26,068,936.89	0.00	26,440,011.08	0.00
Investments with Treasurer as Trustee								
Short-Term	494,474,491.55	47,754,801.60	0.00	0.00	0.00	0.00	63,758,497.49	382,961,192.46
Long-Term	21,516,310,073.43	0.00	0.00	0.00	0.00	0.00	0.00	21,516,310,073.43
Investments with Others as Trustee								
Short-Term	1,115,657,177.99	0.00	714,515.98	184,280,389.51	0.00	0.00	89,892,180.23	840,770,092.27
Long-Term	723,652,323.35	0.00	100,845,500.00	291,491,823.45	0.00	0.00	331,314,999.90	0.00
Total	**$25,591,116,893.69**	**$193,276,792.76**	**$1,312,389,235.30**	**$648,021,224.13**	**$(24,075,226.98)**	**$(1,482,922.84)**	**$ 650,652,407.82**	**$22,812,335,383.50**

Reconcilation Between Treasurer & Comptroller (2)

Office of the Comptroller	
Cash and STIF June 30, 2000 (Annual Statutory Report)	$1,913,906,001.65
Investment with the State Treasurer	111,463,034.88
STIF classified as Cash and Invest with Trustee Fund #1400	37,869,404.26
Income received recorded as CD sell	50,264.21
STIF classified as Long Term Investments Fund #2025	104,689,208.97
Cash and invest with Trustee Fund #6300	67,519,648.06
Difference in STIF balance Fund #1802	0.30
Total	**$2,235,497,562.33**
Office of the Treasurer	
Cash	$ (250,313,189.08)
STIF	1,893,103,562.15
TEPF	98,232,454.30
TEPF (Fund #0000), check received after 6/30/00	243.37
STIF/Investments with Treasurer as Trustee	494,474,491.55
Difference in STIF balance Funds #0000, #1802, #1842, #3089 and #7807	0.04
Total	**$2,235,497,562.33**

(1) For a detailed listing of the Civil List Investments for the Fiscal Year Ending June 30, 2000, please see Statutory Appendix.
(2) Reconciliation of Cash Equivalents Per Comptroller's Books to Cash and General Investments and Short-Term Investments with Treasurer as Trustee Per Treasury Books.
(3) The cash figures were obtained from the Comptroller's records, as the Treasurer maintains information on the total fund balance.

CASH MANAGEMENT DIVISION

SCHEDULE OF EXPENSES IN EXCESS OF $5,000 (1)

FISCAL YEAR ENDED JUNE 30, 2000

Name of Firm	Description of Services	Contract Date	Aggregate Compensation Paid in FY 2000	Status As of 6/30/00
Fleet Bank	Banking Services	Various	$ 2,533,105 (2)	Active
BankBoston	Banking Services	Various	369,680 (2)	Active
People's Bank	Banking Services	Mar-97	190,400 (2)	Active
State Street Bank & Trust	Banking Services	Jun-90	95,297 (2)	Active
Webster Bank	Banking Services	Jun-98	93,018 (2)	Active
State Street Bank & Trust	STIF Custodian Fees	Aug-99	86,710	Active
First Union Bank	Banking Services	Feb-97	46,935 (2)	Active
Standard & Poors	Subscription & Rating	N/A	36,000	Active
Computers Plus Centers Inc.	Computer Equipment	N/A	19,213	Terminated
Bloomberg L P	Subscription	N/A	15,090	Active
Telerate Incorporated	Financial Information	N/A	12,000	Active
Moodys Investors Services	Subscription & Research	N/A	11,750	Active
Co-Opportunity Personnel	Temporary Services	N/A	9,901	Terminated
Deloitte & Touche LLP	AIMR Attestation Services	Sep-99	8,500	Active
Thompson Bankwatch Inc.	Bank Credit Analysis	N/A	6,850	Active
On-Line Systems Inc	EDP Consulting Services	N/A	6,510	Terminated
New England Solutions Systems	Computer Equipment	N/A	6,073	Terminated
TOTAL			**$ 3,547,032**	

(1) Expenses are presented on a cash basis.
(2) Includes compensation realized through bank balances and fees.

UNCLAIMED PROPERTY DIVISION

SCHEDULE OF EXPENSES IN EXCESS OF $5,000 (1)

FISCAL YEAR ENDED JUNE 30, 2000

Name of Firm	Description of Services	Contract Date	Aggregate Compensation Paid in FY 2000	Status
State Street Bank and Trust Co.	**Securities Services & Claims Processing**	**Nov-93**	**$ 563,017**	**Active**
State Street Bank and Trust Co.	**Identification & Collection of Property**	**Aug-94**	**548,787**	**Active**
National Abandoned Property ProcessingCorporation	**Identification & Collection of Property**	**Dec-91**	**70,722**	**Active**
ADECO	**Temporary Services**	**N/A**	**7,646**	**Active**
Computers Plus Centers, Inc.	**EDP Equipment**	**N/A**	**9,347**	**Terminated**
Co-Opportunity Personnel Services	**Temporary Services**	**N/A**	**6,346**	**Terminated**
Corporate Express	**Office Supplies**	**Oct-95**	**8,714**	**Active**
DataPrep Incorporated	**Data Entry Services**	**N/A**	**10,033**	**Active**
Hitchcock Printer & Distribution Service	**Publication of Unclaimed Property Holder Manual**	**N/A**	**7,680**	**Terminated**
Insalco Corporation	**Office Furnishing & Fabric**	**N/A**	**5,531**	**Terminated**
Unbeatable Tee's	**Promotional Items**	**N/A**	**10,852**	**Terminated**
Xerox Corporation	**Photocopier Lease**	**N/A**	**11,437**	**Active**
TOTAL			**$ 1,257,112**	

(1) Expenses are presented on a cash basis.

FIVE YEAR SELECTED FINANCIAL INFORMATION

	Fiscal Year Ended June 30,				
	2000	1999	1998	1997	1996
Receipts (Net of fees)	$ 37,102,017	$ 47,270,291	$ 31,066,409	$ 26,257,013	$ 27,523,813
Fees netted from proceeds (1)	619,508	1,191,231	1,036,619	600,888	592,210
Gross Receipts	**37,721,525**	**48,461,522**	**32,103,028**	**26,857,901**	**28,116,023**
Claims paid	9,475,207	8,951,783	8,777,191	4,896,505	3,637,914
Administrative Expenses:					
Salaries&Fringe benefits	1,691,026	1,212,850	1,095,209	975,593	899,131
Data processing & hardware	600,610	395,016	234,990	289,608	323,343
All other	148,606	428,420	284,758	200,819	78,154
Fees netted from proceeds (1)	619,508	1,191,231	1,036,619	600,888	592,210
Total Disbursements	**12,534,957**	**12,179,300**	**11,428,767**	**6,963,413**	**5,530,752**
Excess of Receipts over Disbursements (2)	**$ 25,186,568**	**$ 36,282,222**	**$ 20,674,261**	**$19,894,488**	**$ 22,585,271**
Approximate Market Value of Securities at Fiscal Year End:					
Stocks and bonds (3)	$ 49,569,572	$ 50,139,146	$ 42,858,000	$ 35,019,000	$ 24,270,000
Mutual funds (3)	14,420,453	12,567,907	10,755,734	8,356,000	6,141,000
Total Securities Inventory	**$63,990,025**	**$62,707,053**	**$53,613,743**	**$43,375,000**	**$30,411,000**
Securities liquidated	**$ 67,860**	**$ 9,092,811**	**$ 0**	**$ 0**	**$ 0**
Number of checks paid	**4,466**	**6,941**	**7,666**	**2,862**	**3,477**

(1) Fees include amounts for recovery of securities and related amounts, participation in out-of-state audits, appraisal of safe deposit box contents, and the auction of safe deposit box contents.

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

(3) 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 unit, nor the value of securities returned to owners. However, the amounts disclosed above as fiscal year end market values of securities and mutual funds help provide a general indication of the relative net activity in such assets over time. Receipts, net of fees, include the proceeds from securities liquidated in a given year.

Summary of Gross Receipts
Fiscal Year Ended June 30, 2000

Financial institutions	$11,328,402
Other corporations	12,392,532
Insurance companies	8,834,188
Governmental agencies and public authorities	1,233,364
Dividends on securities held	747,125
Estates	52,960
Proceeds from court settlement	420,000
Securities liquidated	67,860
Securities tendered	706,297
Interest penalty assessments	146,677
Proceeds from auction of safe deposit box contents	0
Sale of property lists, copying and other charges	2,855
Reciprocal exchange program with other states	1,789,265
Total Gross Receipts	**$37,721,525**

STATE BOND COMMISSION

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 Co-Chairs and Ranking Members of the State Legislature's Joint Committee on Finance, Revenue and Bonding.

INVESTMENT ADVISORY COUNCIL

The Investment Advisory Council advises on investment policy and guidelines, and also reviews the assets and performance of the pension funds. Additionally, the Council makes recommendations to the Treasurer on the hiring of outside investment advisors and on the appointments of principal investment staff. The Investment Advisory Council consists of the Treasurer, the Secretary of OPM and ten appointees of the Governor and State Legislature.

BANKING COMMISSION

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

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 State Senators who are members of the Legislature's Appropriations Committee and three State Representatives who are members of the Legislature's Appropriations Committee.

CONNECTICUT LOTTERY CORPORATION BOARD OF DIRECTORS

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

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 Co-Chairs (or their designees) of the Legislature's Education Committee, the Co-Chairs (or their designees) of the Legislature's 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

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

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, Commissioner of Transportation, Commissioner of Public Works, Commissioner of Social Services, and the Secretary of OPM.

INFORMATION AND TELECOMMUNICATION SYSTEMS (IT) EXECUTIVE STEERING COMMITTEE

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.

THE PRIVATE ACTIVITY BOND COMMISSION

The Governor, Treasurer, Secretary of OPM, Chairpersons and Ranking Members of the Legislature's Finance Committee, Planning & Development Committee, and Commerce Committee are members of the Private Activity Bond Commission. The 1986 Federal tax act limited the amount of tax exempt bonds any state could issue for certain private activity. The Limit is currently $50 per capita per year and is distributed by statute. The Commission has the authority to reallocate the available cap amounts when the General Assembly is not in session.

CONNECTICUT DEVELOPMENT AUTHORITY (CDA)

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 Development, Secretary of OPM, four members appointed by the Governor, and four members appointed by legislative leaders.

CONNECTICUT HOUSING FINANCE AUTHORITY (CHFA)

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 Housing, Secretary of OPM, Banking Commissioner, and six members appointed by the Governor.

CONNECTICUT HEALTH AND EDUCATIONAL FACILITIES AUTHORITY (CHEFA) BOARD OF DIRECTORS

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

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.

EXECUTIVE OFFICE

TOTAL ADMINISTRATION EXPENDITURES
FISCAL YEARS ENDED JUNE 30,

Fiscal Years Ended June 30,

	2000	%	1999	%	1998	%	1997	%	1996	%
GENERAL FUND										
Personal Services	$2,916,411	5.19%	$2,531,740	4.51%	$2,349,347	4.25%	$2,453,744	7.53%	$2,456,413	7.54%
Other Expenses	407,325	0.72%	407,548	0.73%	530,802	0.96%	391,641	1.20%	412,918	1.27%
Capital Equipment	-	0.00%	4,700	0.01%	1,000	0.00%	9,869	0.04%	9,572	0.03%
TOTAL	**3,323,736**	**5.34%**	**2,943,988**	**5.24%**	**2,881,149**	**5.22%**	**2,855,254**	**8.77%**	**2,878,903**	**8.84%**
PENSION FUNDS										
Personal Services	$1,344,697	2.39%	$1,414,580	2.52%	$2,048,114	3.71%	$1,901,780	5.84%	$2,094,101	6.43%
Other Expenses	46,437,634	82.64%	40,572,960	72.20%	40,475,836	73.27%	16,812,917	51.62%	15,458,385	47.46%
Capital Equipment	18,856	0.03%	13,171	0.02%	12,973	0.02%	102,216	0.31%	597,891	1.84%
TOTAL	**47,801,187**	**76.85%**	**42,000,711**	**74.74%**	**42,536,923**	**77.00%**	**18,816,913**	**57.77%**	**18,150,377**	**55.73%**
SECOND INJURY FUND										
Personal Services	$5,983,086	10.65%	$5,992,293	10.66%	$5,562,373	10.07%	$5,545,222	17.02%	$6,258,550	19.21%
Other Expenses	1,106,723	1.97%	1,880,142	3.35%	1,955,067	3.54%	2,617,619	8.04%	959,813	2.95%
Capital Equipment	41,380	0.07%	26,200	0.05%	96,583	0.17%	94,541	0.29%	226,929	0.70%
TOTAL	**7,131,189**	**11.47%**	**7,898,635**	**14.06%**	**7,614,023**	**13.78%**	**8,257,381**	**25.35%**	**7,445,292**	**22.86%**
UNCLAIMED PROPERTY FUND										
Personal Services	$1,691,026	3.01%	$1,212,850	2.16%	$1,095,209	1.98%	$975,593	3.00%	$899,131	2.76%
Other Expenses	739,246	1.32%	792,410	1.41%	490,103	0.89%	477,730	1.47%	349,164	1.07%
Capital Equipment	9,970	0.02%	31,027	0.06%	29,645	0.05%	12,697	0.04%	52,333	0.16%
TOTAL	**2,440,242**	**3.92%**	**2,036,287**	**3.62%**	**1,614,957**	**2.92%**	**1,466,020**	**4.50%**	**1,300,627**	**3.99%**
SHORT-TERM INVESTMENT FUND										
Personal Services	$698,605	1.24%	$607,104	1.08%	(1)	0.00%	(1)	0.00%	(1)	0.00%
Other Expenses	214,230	0.38%	187,442	0.33%	(1)	0.00%	(1)	0.00%	(1)	0.00%
Capital Equipment	2,584	0.00%	2,674	0.00%	(1)	0.00%	(1)	0.00%	(1)	0.00%
TOTAL	**915,419**	**1.47%**	**797,220**	**1.42%**	**0**	**0.00%**	**0**	**0.00%**	**0**	**0.00%**
Other Financing Sources (2)	**$587,334**	**0.94%**	**$516,589**	**0.92%**	**$596,690**	**1.08%**	**$1,175,715**	**3.61%**	**$532,692**	**1.64%**
TOTAL AGENCY	**$62,199,107**	**100.00%**	**$56,193,430**	**100.00%**	**$55,243,742**	**100.00%**	**$32,571,283**	**100.00%**	**$30,307,891**	**93.05%**

(1) Short-Term Investment Fund was included as part of the Pension Funds.
(2) Other Financing Sources include: Unemployment Compensation Special Assesment Fund; Clean Water Fund; Special Transportation Fund; Bonds Cost of Issuance Fund; and the Capital Equipment Fund.

EXECUTIVE DIVISION

SCHEDULE OF EXPENSES IN EXCESS OF $5,000 (1)

FISCAL YEAR ENDED JUNE 30, 2000

Name of Firm	Description of Services	Contract Date	Aggregate Compensation Paid in FY 2000	Status
Bloomberg	Subscription	N / A	22,797	Active
Computers Plus Center Inc.	EDP Equipment	N / A	19,660	Terminated
Corporate Express	Office Supplies	Oct-95	10,437	Active
Donald Kirshbaum	Consulting Services	Oct-99	56,375	Terminated
Financial Markets Center	Consulting Services	Jul-99	6,000	Terminated
Insalco	Office Furnishings	N / A	16,062	Terminated
John Watts Associates, Inc.	Office Furnishings	N / A	6,048	Terminated
William T. Gallo	Consulting Services	Aug-99	5,500	Terminated
Xerox Corporation	Copier Lease and Maintenance	N / A	20,014	Active
Yankee Clipper	News Clipping Service	N / A	5,493	Active
TOTAL			**$ 150,386**	

(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, 2000

Name of Firm	Description of Services	Contract Date	Aggregate Compensation Paid in FY 2000	Status As of 6/30/00
ASAP Software Express, Inc.	**Computer Software**	**N/A**	**$ 10,450**	**Terminated**
Automatic Data Processing	**Check Processing**	**Apr-90**	**31,979**	**Active**
Beneficial Investigation	**Surveillance Services**	**Sep-96**	**16,700**	**Active**
Bloomberg LP	**Subscription**	**N/A**	**7,533**	**Active**
Brown, Paindiris & Scott	**Legal Services**	**Feb-97**	**71,012**	**Active**
CareSys Incorporated	**Med. Bill Auditing & Payment**	**Jun-97**	**42,311**	**Terminated**
Comp Works Inc.	**Provider Bill Audit Services**	**Mar-00**	**7,563**	**Terminated**
Computers Plus Center, Inc.	**Computer Equipment**	**N/A**	**42,956**	**Terminated**
Concentra Managed Care	**IME/Case Mgmt./Job Placement**	**Sep-96**	**92,703**	**Active**
Corporate Express	**Office Supplies**	**Oct-95**	**12,005**	**Active**
Crawford & Company	**IME/Case Mgmt./Job Placement**	**Sep-96**	**8,713**	**Active**
Deloitte & Touche LLP	**Assessment Audit**	**Nov-99**	**215,000**	**Active**
Drake, Kaufman & Upton LLC	**Legal Services**	**Feb-97**	**6,049**	**Active**
Duhamel & Schoolcraft	**Legal Services**	**Dec-97**	**8,628**	**Active**
Hawkins, Delafield & Wood	**Legal Services**	**Feb-97**	**16,581**	**Active**
Industrial Health Care (IHC)	**Independent Medical Examinations**	**Sep-96**	**15,057**	**Active**
Insalco Corporation	**Office Furniture/Fabric**	**N/A**	**10,896**	**Terminated**
Intracorp	**Job Placement/Case Mgmt. Services**	**Sep-96**	**16,939**	**Active**
Jeremy Booty	**Legal Services**	**Feb-97**	**22,661**	**Active**
McHugh Law Offices	**Legal Services**	**May-98**	**20,275**	**Active**
Moody's	**Bond Rating Service**	**N/A**	**28,150**	**Active**
Nextel Communications	**Telephone/Radio Service**	**Jul-99**	**6,365**	**Active**
O'Brien, Tanski, Tanzer & Young	**Legal Services**	**Feb-97**	**34,987**	**Active**
Standard & Poors	**Bond Analytical Services**	**N/A**	**16,000**	**Active**
The Paris Group	**Independent Medical Examinations**	**Sep-96**	**84,773**	**Active**
Xerox Corporation	**Photocopier Lease**	**N/A**	**30,022**	**Active**
TOTAL			$ 876,308	

(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.

SCHEDULE OF DEBT OUTSTANDING [1]

JUNE 30, 2000

Issue Date	Outstanding June 30, 1999	FY2000 Issued	FY2000 Retired	FY2000 Defeased	Outstanding June 30, 2000	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2000 [2]	Interest Paid During FY2000
BOND TYPE: GENERAL OBLIGATION - TAX SUPPORTED											
08/01/88	$ 9,000,000	$ -	$ 9,000,000	$ -	$ -	-	-	-	-	$ -	$ 301,500
12/22/88	59,541,362	-	6,591,109	864,381	52,085,872	7.267	7.525	12/01/00	12/01/08	68,748,259	7,672,891
05/11/89	82,865,647	-	15,745,724	-	67,119,923	7.291	7.416	07/01/00	07/01/08	83,382,761	16,541,276
08/01/89	18,840,000	-	9,420,000	-	9,420,000	6.300	6.300	08/01/00	08/01/00	-	885,480
11/14/89	69,414,645	-	11,451,010	-	57,963,635	6.855	7.017	11/01/00	11/01/09	62,055,177	10,733,990
12/01/89	7,225,000	-	7,225,000	-	-	-	-	-	-	-	614,125
03/15/90	18,180,000	-	9,090,000	-	9,090,000	6.700	6.700	03/15/01	03/15/01	-	1,208,970
05/15/90	67,590,048	-	14,744,599	4,756	52,840,694	7.154	7.318	05/15/01	05/15/10	55,838,470	14,948,401
07/15/90	19,085,000	-	-	-	19,085,000	6.600	6.600	07/15/00	07/15/01	-	1,259,610
09/15/90	28,540,000	-	11,770,000	-	16,770,000	6.900	6.900	09/15/00	09/15/00	-	1,557,310
11/01/90	11,200,000	-	5,600,000	20,000	5,580,000	6.625	6.625	11/15/00	11/15/00	-	555,138
11/20/90	49,168,447	-	3,013,650	-	46,154,797	7.004	7.378	11/15/00	11/15/10	45,177,840	2,536,350
12/01/90	3,200,000	-	3,000,000	-	200,000	9.000	9.000	01/01/01	01/01/01	-	286,500
01/01/91	17,807,461	-	1,600,622	-	16,206,839	6.753	6.753	07/01/00	01/01/11	-	1,176,019
03/01/91	20,000,000	-	10,000,000	-	10,000,000	9.875	9.875	03/01/01	03/01/01	-	1,607,500
05/16/91	45,204,352	-	3,929,589	-	41,274,763	6.550	7.026	05/15/01	05/15/11	34,872,096	3,031,411
11/15/91	5,500,000	-	500,000	-	5,000,000	5.950	6.050	11/15/01	11/15/02	-	314,250
12/01/91	16,470,000	-	5,490,000	-	10,980,000	8.000	8.000	02/01/01	02/01/02	-	1,310,738
12/12/91	38,095,858	-	3,083,531	-	35,012,327	6.123	6.727	12/15/00	12/15/11	25,244,951	1,886,469
01/21/92	20,564,724	-	1,942,206	-	18,622,518	6.033	6.034	08/01/00	02/01/12	-	1,221,049
03/15/92	147,065,783	-	21,390,000	82,919,491	42,756,292	6.000	6.100	03/15/01	03/15/02	-	6,480,757
05/01/92	97,835,000	-	20,280,000	335,000	77,220,000	5.950	6.050	11/15/00	11/15/04	-	5,217,679
05/01/92	9,000,000	-	3,000,000	-	6,000,000	6.000	6.000	05/15/01	05/15/02	-	538,500
05/14/92	38,737,693	-	4,508,760	-	34,228,933	6.257	6.795	05/15/01	05/15/12	23,567,726	2,827,240
09/01/92	113,025,000	-	2,850,000	3,925,000	106,250,000	5.300	5.900	03/15/01	03/15/09	-	6,287,045
10/15/92	70,000,000	-	10,000,000	6,745,000	53,255,000	5.800	6.100	11/15/00	11/15/05	-	3,615,208
11/15/92	45,970,000	-	11,495,000	-	34,475,000	7.200	7.400	12/15/00	12/15/02	-	2,918,995
11/17/92	41,265,576	-	5,798,603	-	35,466,973	5.643	6.402	11/15/00	11/15/12	20,401,678	2,648,397
02/01/93	350,940,000	-	16,340,000	3,050,000	331,550,000	4.600	5.600	11/15/00	11/15/10	-	17,730,219
03/15/93	112,750,000	-	8,675,000	1,215,000	102,860,000	4.800	5.500	03/15/01	03/15/12	-	5,820,436
03/15/93	99,680,000	-	8,680,000	1,040,000	89,960,000	4.625	5.500	09/15/00	09/15/10	-	4,802,108
05/01/93	38,990,000	-	4,335,000	-	34,655,000	4.600	6.750	05/01/01	05/01/08	-	1,969,013
05/19/93	50,042,536	-	5,153,809	-	44,888,727	5.223	5.953	06/15/01	06/15/12	21,770,222	2,176,191
06/15/93	30,000,000	-	6,000,000	-	24,000,000	5.900	6.250	07/01/00	07/01/03	-	1,638,000
07/01/93	129,640,000	-	9,260,000	230,000	120,150,000	4.600	5.100	08/01/00	08/01/12	-	6,092,150
10/01/93	247,570,000	-	2,575,000	3,390,000	241,605,000	4.200	6.000	03/15/01	03/15/12	-	11,848,649
10/15/93	45,600,000	-	3,800,000	-	41,800,000	4.400	5.000	12/01/00	12/01/10	-	2,030,150
11/16/93	48,093,276	-	7,324,442	4,987	40,763,847	4.515	5.383	12/01/00	12/01/12	15,549,228	2,207,558
01/01/94	35,500,000	-	7,100,000	-	28,400,000	5.700	7.000	01/15/01	01/15/04	-	2,144,200
03/15/94	159,060,120	-	12,195,120	-	146,865,000	5.200	5.650	03/15/01	03/15/10	-	8,499,399

SCHEDULE OF DEBT OUTSTANDING (1) (Continued)

JUNE 30, 2000

Issue Date	Outstanding June 30, 1999	FY2000 Issued	FY2000 Retired	FY2000 Defeased	Outstanding June 30, 2000	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2000 (2)	Interest Paid During FY2000
05/01/94	45,900,000	-	3,820,000	-	42,080,000	5.200	5.700	05/01/01	05/01/11	-	2,473,050
05/26/94	59,570,533	-	7,742,686	521,214	51,306,632	5.667	6.414	06/01/01	06/01/13	22,453,895	3,020,314
06/01/94	2,577,000	-	813,000	-	1,764,000	5.490	5.490	12/01/00	06/01/02	-	130,470
08/15/94	103,465,000	-	10,270,000	-	93,195,000	5.375	5.800	08/15/00	08/15/08	-	5,399,253
11/01/94	32,485,000	-	4,060,000	-	28,425,000	5.400	6.000	12/01/00	12/01/06	-	1,742,035
11/22/94	70,082,500	-	18,742,436	-	51,340,064	5.370	6.398	12/15/00	12/15/13	19,655,782	5,639,564
12/01/94	49,560,000	-	8,260,000	-	41,300,000	8.300	8.400	12/01/00	12/01/04	-	3,803,730
03/15/95	193,791,609	-	19,390,000	-	174,401,609	5.000	7.000	03/15/01	03/15/09	-	10,799,362
03/15/95	52,295,000	-	680,000	-	51,615,000	5.000	7.000	03/15/01	03/15/05	-	2,754,350
10/01/95	357,500,000	-	21,500,000	1,890,000	334,110,000	4.500	6.000	10/01/00	10/01/15	-	18,205,550
03/28/96	7,250,312	-	427,813	-	6,822,499	5.030	5.030	11/01/00	05/01/18	-	359,386
04/15/96	255,000,000	-	15,000,000	1,780,000	238,220,000	4.600	6.250	05/15/01	05/15/15	-	13,778,984
04/15/96	60,955,000	-	10,570,000	-	50,385,000	4.500	6.000	10/15/00	10/15/02	-	2,994,525
08/15/96	98,480,000	-	10,760,000	-	87,720,000	4.500	6.500	08/15/00	08/15/16	-	4,778,038
11/01/96	80,315,000	-	10,025,000	185,000	70,105,000	4.250	6.000	11/01/00	11/01/04	-	3,898,303
11/01/96	77,500,000	-	-	-	77,500,000	5.000	6.500	11/01/07	11/01/16	-	4,179,188
12/01/96	62,000,000	-	7,750,000	-	54,250,000	4.250	5.000	12/01/00	12/01/06	-	2,780,313
03/01/97	113,000,000	-	-	-	113,000,000	4.625	6.000	03/01/04	03/01/17	-	5,940,540
05/14/97	99,235,000	-	-	-	99,235,000	6.000	6.000	05/15/05	05/15/14	-	3,435,327
08/01/97	236,932,415	-	12,470,000	-	224,462,415	4.250	5.500	08/01/00	08/01/17	-	11,734,006
09/01/97	18,654,545	-	431,819	-	18,222,726	5.081	5.081	03/01/01	03/01/20	-	947,837
09/15/97	126,275,000	-	510,000	795,000	124,970,000	4.000	5.500	12/01/00	12/01/12	-	6,513,968
09/30/97	4,915,000	-	280,000	-	4,635,000	5.081	5.081	03/01/01	03/01/20	-	249,731
02/01/98	146,480,000	-	315,000	-	146,165,000	3.900	5.250	03/15/01	03/15/15	-	7,604,424
03/15/98	204,000,000	-	16,000,000	175,000	187,825,000	3.900	5.500	03/15/01	03/15/18	-	9,889,456
03/15/98	82,000,000	-	3,000,000	-	79,000,000	5.850	6.170	03/15/01	03/15/06	-	4,945,600
07/15/98	105,445,000	-	16,500,000	-	88,945,000	5.750	6.140	08/01/00	08/01/08	-	5,700,916
07/30/98	80,000,000	-	10,000,000	-	70,000,000	5.750	6.120	11/01/00	11/01/06	-	4,438,500
08/01/98	33,740,000	-	1,650,000	-	32,090,000 (3)	4.000	4.750	12/15/00	12/15/13	-	1,476,226
10/15/98	224,445,000	-	25,000,000	-	199,445,000	3.400	5.250	10/15/00	10/15/18	-	9,046,982
12/15/98	150,000,000	-	-	-	150,000,000	3.400	5.250	12/15/01	12/15/18	-	6,466,050
05/01/99	18,000,000	-	-	-	18,000,000	4.633	4.633	09/01/01	09/01/22	-	694,950
05/06/99	4,875,000	-	-	-	4,875,000	4.633	4.633	09/01/00	09/01/22	-	185,079
06/15/99	300,000,000	-	15,000,000	-	285,000,000	4.000	5.250	06/15/01	06/15/19	-	14,756,250
11/01/99	-	245,000,000	-	-	245,000,000	3.700	5.875	11/01/00	11/01/19	-	6,385,140
04/15/00	-	150,000,000	-	-	150,000,000	4.150	6.000	04/15/01	04/15/20	-	-
06/15/00	-	450,000,000	-	-	450,000,000	4.500	5.875	06/15/01	06/15/20	-	-
SUBTOTAL	**$ 6,074,981,442**	**$ 845,000,000**	**$554,925,529**	**$109,089,829**	**$ 6,255,966,084**					**$498,718,087**	**$354,288,262**

SCHEDULE OF DEBT OUTSTANDING [1] (Continued)

JUNE 30, 2000

Issue Date	Outstanding June 30, 1999	FY2000 Issued	FY2000 Retired	FY2000 Defeased	Outstanding June 30, 2000	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2000 [2]	Interest Paid During FY2000
BOND TYPE: GENERAL OBLIGATION - REVENUE SUPPORTED											
07/01/72	$ 80,000,000	$ -	$ -	$ -	$ 80,000,000	5.250	5.250	07/01/02	07/01/02	$ -	$ 4,200,000
12/01/89	1,000,000	-	1,000,000	-	-	-	-	-	-	-	85,000
07/15/90	30,000	-	-	-	30,000	6.500	6.600	07/15/00	07/15/01	-	1,965
12/01/90	4,900,000	-	-	-	4,900,000	9.000	9.000	01/01/01	01/01/01	-	441,000
03/15/92	13,037,007	-	1,860,000	7,453,299	3,723,708	6.000	6.100	03/15/01	03/15/02	-	571,673
03/15/93	6,850,000	-	525,000	-	6,325,000	4.800	5.500	03/15/01	03/15/12	-	355,609
03/15/94	7,064,880	-	629,880	-	6,435,000	5.200	5.500	03/15/01	03/15/10	-	373,486
08/15/94	3,335,000	-	330,000	-	3,005,000	5.375	5.800	08/15/00	08/15/08	-	174,073
03/15/95	10,544,391	-	1,055,000	-	9,489,391	5.000	7.000	03/15/01	03/15/09	-	587,572
10/01/95	8,500,000	-	500,000	-	8,000,000	4.500	6.000	10/01/00	10/01/15	-	434,448
03/01/97	10,000,000	-	-	-	10,000,000	4.625	6.000	03/01/04	03/01/17	-	525,745
SUBTOTAL	**$ 145,261,278**	**$ -**	**$ 5,899,880**	**$ 7,453,299**	**$ 131,908,099**					**$ -**	**$ 7,750,570**
BOND TYPE: GENERAL OBLIGATION - TRANSPORTATION											
08/01/88	$ 2,000,000	$ -	$ 2,000,000	$ -	$ -	-	-	-	-	$ -	$ 67,000
12/22/88	343,991	-	-	-	343,991	7.513	7.525	12/01/06	12/01/08	461,009	-
11/15/91	40,140,000	-	5,530,000	8,380,000	26,230,000	5.850	6.050	11/15/00	11/15/02	-	1,975,410
03/15/92	2,647,210	-	-	2,647,210	-	-	-	-	-	-	84,711
03/15/95	114,000	-	-	-	114,000	5.300	5.300	03/15/05	03/15/05	-	6,042
08/01/97	10,067,585	-	530,000	-	9,537,585	4.250	5.500	08/01/00	08/01/17	-	491,569
10/15/98	5,555,000	-	-	-	5,555,000	4.500	5.250	10/15/12	10/15/13	-	271,505
SUBTOTAL	**$ 60,867,786**	**$ -**	**$ 8,060,000**	**$ 11,027,210**	**$ 41,780,576**					**$ 461,009**	**$ 2,896,237**
BOND TYPE: GENERAL OBLIGATION - UCONN 2000 [4]											
01/01/96	$ 67,550,000	$ -	$ 4,505,000	$ -	$ 63,045,000	4.100	5.500	02/01/01	02/01/16	$ -	$ 3,156,755
02/21/96	4,369,715	-	-	-	4,369,715	5.050	5.100	02/01/10	02/01/11	1,066,582	-
04/01/97	104,000,000	-	6,500,000	-	97,500,000	4.550	5.375	04/01/01	04/01/17	-	5,214,625
04/24/97	7,392,432	-	-	-	7,392,432	5.200	5.300	04/01/08	04/01/09	1,325,389	-
06/01/98	94,540,000	-	4,980,000	-	89,560,000	3.850	5.250	06/01/01	06/01/18	-	4,325,038
03/01/99	79,735,000	-	3,735,000	-	76,000,000	3.350	4.850	04/01/01	04/01/19	-	3,547,573
03/01/00	-	130,850,000	-	-	130,850,000	4.000	5.750	03/01/01	03/01/20	-	-
SUBTOTAL	**$ 357,587,147**	**$ 130,850,000**	**$ 19,720,000**	**$ -**	**$ 468,717,147**					**$ 2,391,971**	**$ 16,243,990**
BOND TYPE: SPECIAL TAX OBLIGATION											
06/15/88	$ 7,113,187	$ -	$ -	$ 3,695,362	$ 3,417,825	7.750	7.750	06/01/07	06/01/08	$ 5,120,964	$ -
07/12/89	4,118,609	-	4,118,609	-	-	-	-	-	-	-	3,826,391

SCHEDULE OF DEBT OUTSTANDING [1] (Continued)

JUNE 30, 2000

Issue Date	Outstanding June 30, 1999	FY2000 Issued	FY2000 Retired	FY2000 Defeased	Outstanding June 30, 2000	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2000 [2]	Interest Paid During FY2000
12/01/89	9,225,000	-	9,225,000	-	-	-	-	-	-	-	304,425
05/15/90	87,285,000	-	11,300,000	19,825,000	56,160,000	7.125	8.000	06/01/01	06/01/10	-	5,689,947
12/19/90	190,900,000	-	10,800,000	-	180,100,000	6.171	6.171	12/01/00	12/01/10	-	10,326,578
09/15/91	98,820,000	-	-	21,165,000	77,655,000	6.500	6.500	10/01/10	10/01/12	-	5,735,438
01/01/92	74,200,000	-	10,155,000	-	64,045,000	5.700	6.100	02/15/01	02/15/05	-	4,361,760
09/01/92	204,175,000	-	10,590,000	14,795,000	178,790,000	5.300	6.150	09/01/00	09/01/12	-	11,305,745
03/01/93	537,555,000	-	5,225,000	-	532,330,000	4.625	5.400	09/01/00	09/01/10	-	27,593,648
09/01/93	229,210,000	-	15,515,000	-	213,695,000	4.000	4.600	10/01/00	10/01/06	-	9,389,315
09/15/93	148,545,000	-	7,220,000	-	141,325,000	4.400	5.000	10/01/00	10/01/13	-	6,873,973
03/01/94	65,225,000	-	6,025,000	-	59,200,000	4.900	5.500	04/01/01	04/01/08	-	3,362,083
09/15/94	81,275,000	-	7,330,000	9,395,000	64,550,000	5.500	5.800	10/01/00	10/01/07	-	4,078,780
05/15/95	111,900,000	-	4,550,000	-	107,350,000	5.100	5.600	06/01/01	06/01/15	-	5,985,965
09/01/95	142,175,000	-	38,320,000	-	103,855,000	4.400	6.250	10/01/00	10/01/05	-	6,453,683
09/01/95	126,530,000	-	6,340,000	-	120,190,000	4.400	5.625	10/01/00	10/01/15	-	6,248,334
06/01/96	139,090,000	-	5,275,000	6,665,000	127,150,000	4.750	6.000	06/01/01	06/01/16	-	7,431,070
10/01/96	79,740,000	-	60,000	-	79,680,000	4.300	6.000	10/01/00	10/01/09	-	4,777,405
10/01/96	144,110,000	-	5,100,000	-	139,010,000	4.400	6.000	10/01/00	10/01/16	-	7,621,795
10/15/97	65,090,000	-	340,000	-	64,750,000	4.000	5.500	11/01/00	11/01/07	-	3,333,355
10/15/97	148,500,000	-	4,845,000	-	143,655,000	4.000	6.000	11/01/00	11/01/17	-	7,306,838
04/15/98	197,500,000	-	255,000	-	197,245,000	4.250	5.500	10/01/00	10/01/14	-	10,697,869
09/15/98	225,000,000	-	6,990,000	-	218,010,000	4.000	5.500	11/01/00	11/01/18	-	10,698,808
11/15/99	-	150,000,000	-	-	150,000,000	4.100	6.000	12/01/00	12/01/19	-	4,324,554
SUBTOTAL	**$ 3,117,281,796**	**$ 150,000,000**	**$169,578,609**	**$ 75,540,362**	**$ 3,022,162,825**					**$ 5,120,964**	**$167,727,755**

BOND TYPE: CLEAN WATER FUND

Issue Date	Outstanding June 30, 1999	FY2000 Issued	FY2000 Retired	FY2000 Defeased	Outstanding June 30, 2000	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2000 [2]	Interest Paid During FY2000
01/01/91	$ 22,020,000	$ -	$ 5,380,000	$ -	$ 16,640,000	6.500	7.000	07/01/00	01/01/11	$ -	$ 1,372,789
01/01/92	35,565,000	-	5,290,000	-	30,275,000	5.375	6.125	08/01/00	02/01/12	-	1,931,930
01/01/93	41,665,000	-	2,545,000	-	39,120,000	5.000	6.000	10/01/00	10/01/12	-	2,321,280
06/01/94	39,445,000	-	3,210,000	-	36,235,000	4.800	6.500	12/01/00	06/01/16	-	2,192,913
03/01/96	74,245,000	-	3,245,000	-	71,000,000	4.500	5.875	11/01/00	05/01/18	-	3,828,897
03/15/96	47,575,000	-	460,000	-	47,115,000	4.350	5.600	07/01/00	01/01/11	-	2,453,563
09/01/97	108,000,000	-	2,500,000	-	105,500,000	4.350	6.000	03/01/01	03/01/20	-	5,537,118
04/15/99	125,000,000	-	-	-	125,000,000	4.000	5.125	09/01/01	09/01/22	-	5,037,052
05/01/99	78,995,000	-	-	-	78,995,000	3.450	5.250	07/15/01	07/15/16	-	2,590,428
SUBTOTAL	**$ 572,510,000**	**$ -**	**$ 22,630,000**	**$ -**	**$ 549,880,000**					**$ -**	**$ 27,265,968**

BOND TYPE: BRADLEY INTERNATIONAL AIRPORT

Issue Date	Outstanding June 30, 1999	FY2000 Issued	FY2000 Retired	FY2000 Defeased	Outstanding June 30, 2000	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2000 [2]	Interest Paid During FY2000
07/15/89	$ 3,285,000	$ -	$ 125,000	$ -	$ 3,160,000	9.125	9.125	08/01/00	08/01/12	$ -	$ 294,053
09/30/92	78,165,000	-	3,355,000	-	74,810,000	7.350	7.650	10/01/00	10/01/12	-	5,789,583
SUBTOTAL	**$ 81,450,000**	**$ -**	**$ 3,480,000**	**$ -**	**$ 77,970,000**					**$ -**	**$ 6,083,636**

SCHEDULE OF DEBT OUTSTANDING* (Continued)
JUNE 30, 2000

Issue Date	Outstanding June 30, 1999	FY2000 Issued	FY2000 Retired	FY2000 Defeased	Outstanding June 30, 2000	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2000 (2)	Interest Paid During FY2000
BOND TYPE: BRADLEY PARKING GARAGE (5)											
03/15/00	$ -	$ 47,665,000	$ -	$ -	$ 47,665,000	6.125	6.600	07/01/07	07/01/24	$ -	$ -
04/01/00	-	6,135,000	-	-	6,135,000	8.000	8.000	07/01/04	07/01/06	-	-
SUBTOTAL	**$ -**	**$ 53,800,000**	**$ -**	**$ -**	**$ 53,800,000**					**$ -**	**$ -**
BOND TYPE: UNEMPLOYMENT COMPENSATION (6)											
07/15/93	$ 85,000,000	$ -	$ 60,000,000	$ -	$ 25,000,000	4.600	4.600	11/15/00	11/15/00	$ -	$ 3,322,500
09/23/93	237,000,000	-	32,500,000	-	204,500,000	4.000	4.000	11/15/01	11/15/01	-	7,722,050
05/15/96	222,755,000	-	83,270,000	-	139,485,000	4.600	5.500	11/15/00	11/15/01	-	11,091,815
SUBTOTAL	**$ 544,755,000**	**$ -**	**$175,770,000**	**$ -**	**$ 368,985,000**					**$ -**	**$22,136,365**
BOND TYPE: CDA GOVERNMENETAL LEASE REVENUE (7)											
12/15/94	$ 8,165,000	$ -	$ 390,000	$ -	$ 7,775,000	5.700	6.600	06/15/01	06/15/14	$ -	$ 517,588
SUBTOTAL	**$ 8,165,000**	**$ -**	**$ 390,000**	**$ -**	**$ 7,775,000**					**$ -**	**$ 517,588**
BOND TYPE: CDA INCREMENT FINANCING (8)											
10/01/94	$ 9,345,000	$ -	$ 150,000	$ -	$ 9,195,000	5.350	6.375	10/15/00	10/15/24	$ -	$ 582,756
10/15/94	1,130,000	-	115,000	-	1,015,000	5.250	6.000	10/15/00	10/15/06	-	59,994
12/01/95	8,950,000	-	345,000	-	8,605,000	4.450	5.550	12/15/00	12/15/15	-	460,698
01/01/97	17,140,000	-	615,000	-	16,525,000	4.400	5.500	05/01/01	05/01/17	-	886,456
SUBTOTAL	**$ 36,565,000**	**$ -**	**$ 1,225,000**	**$ -**	**$ 35,340,000**					**$ -**	**$ 1,989,904**
BOND TYPE: CHEFA CHILDCARE FACILITIES PROGRAM (9)											
04/15/98	$ 5,375,000	$ -	$ -	$ -	$ 5,375,000	6.750	6.750	07/01/04	07/01/28	$ -	$ 362,813
04/15/98	420,000	-	70,000	-	350,000	9.500	9.500	07/01/00	07/01/03	-	36,575
11/01/98	10,175,000	-	55,000	550,000	9,570,000	3.500	5.000	07/01/00	07/01/28	-	559,276
11/01/98	345,000	-	170,000	-	175,000	5.350	5.350	07/01/00	07/01/01	-	16,986
09/01/99	-	18,690,000	-	-	18,690,000	4.100	5.625	07/01/01	07/01/29	-	331,435
SUBTOTAL	**$ 16,315,000**	**$ 18,690,000**	**$ 295,000**	**$ 550,000**	**$ 34,160,000**					**$ -**	**$ 1,307,085**
BOND TYPE: SECOND INJURY FUND BONDS (10)											
10/01/96	$ 91,180,000	$ -	$ 5,100,000	$ -	$ 86,080,000	5.000	6.000	01/01/01	01/01/12	$ -	$ 4,769,370
SUBTOTAL	**$ 91,180,000**	**$ -**	**$ 5,100,000**	**$ -**	**$ 86,080,000**					**$ -**	**$ 4,769,370**
TOTAL	**$11,106,919,449**	**$ 1,198,340,000**	**$967,074,018**	**$203,660,700**	**$11,134,524,731**					**$506,692,032**	**$612,976,730**

SCHEDULE OF DEBT OUTSTANDING [1] (Continued)
JUNE 30, 2000

(1) Includes all outstanding debt issued by the State of Connecticut as of June 30, 2000. All debt is authorized by the General Assembly and the State Bond Commission prior to issuance.
(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, 2000.
(3) Debt outstanding at June 30, 2000 includes $32,090,000 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.
(4) UCONN 2000 Bonds in a total amount of $962 million are authorized over a ten 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.
(5) Includes $6,135,000 of Taxable Bradley International Airport Special Obligation Parking Revenue Bonds, Series 2000 B.
(6) $34.8 million in assessment revenue is reserved to redeem $34.8 million in Unemployment Compensation bonds on July 1, 2000.
(7) The Connecticut Development Authority has issued 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.
(8) The Connecticut Development Authority 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) On July 1, 1999, the Treasurer's Office assumed the responsibility for the CHEFA Childcare debt service appropriation per Public Act 97-259. As of that date CHEFA had issued $16,315,000 in bonds and another $18,690,000 was issued on September 1, 1999.
(10) $155 Million in Second Injury Fund Commercial Paper is outstanding as of June 30, 2000. This short term commercial paper will be refinanced with additional Second Injury Fund Bonds.

SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING [1]

JUNE 30, 2000

Fund No.	Name	Inception to Date: Total Authorized	Inception to Date: Total Issued	Outstanding June 30, 2000	Interest Accreted Through Fiscal Year 2000 [2]	Outstanding Incl. Accreted Interest June 30, 2000
BOND TYPE: GENERAL OBLIGATION-TAX SUPPORTED						
1116	Moderate Rental Housing Rehab.	$ 42,000,000	$ 42,000,000	$ 19,234,968	$ 23,943,952	$ 43,178,920
1501	Economic Development Fund	141,430,000	109,430,000	12,370,000	-	12,370,000
1502	Economic Development Assistance	485,800,000	409,179,165	242,273,493	-	242,273,493
1504	Economic Stabilization Fund	128,000,000	86,462,706	73,827,706	-	73,827,706
1800	Housing Bonds	450,977,506	372,841,308	137,926,309	25,717,042	163,643,351
1824	Grants for Vo-Education Equipment	14,820,000	14,820,000	1,200,000	-	1,200,000
1836	Housing Improvements	30,000,000	30,000,000	979,693	-	979,693
1841	Housing Improvements	11,000,000	11,000,000	2,080,199	2,573,911	4,654,110
1842	Vocational Education Equipment	300,000	300,000	13,721	-	13,721
1843	Child Care Facilities	6,775,000	4,699,409	1,573,381	-	1,573,381
1851	Housing Improvements	12,496,103	12,496,103	1,514,120	-	1,514,120
1853	Housing for Homeless Persons	3,500,000	3,500,000	3,500,000	3,688,188	7,188,188
1861	Housing Improvements	35,661,594	35,661,594	9,453,485	11,773,239	21,226,724
1862	Grants to Local Govts. and Others	28,470,000	28,470,000	60,000	63,226	123,226
1865	Housing Site Development	3,000,000	3,000,000	3,000,000	3,293,825	6,293,825
1870	Local Capital Improvement Fund	380,000,000	304,487,378	203,563,843	8,933,965	212,497,808
1871	Housing Improvements	209,500,000	209,500,000	33,602,641	20,523,341	54,125,982
1872	Capital Equipment Purchase Fund	186,940,000	145,298,937	40,534,156	-	40,534,156
1873	Grants to Local Govts. and Others	777,955,379	579,665,963	388,706,723	43,142,344	431,849,068
1874	Economic Development and Other Grants	104,193,324	95,992,313	40,365,404	25,001,398	65,366,803
1877	Shellfish Fund	1,300,000	1,300,000	1,200,000	1,606,949	2,806,949
1878	Community Housing Land Bank and Trust	1,000,000	1,000,000	1,000,000	871,739	1,871,739
1879	Housing for Homeless Persons	8,100,000	5,216,260	2,652,667	-	2,652,667
1951	Bond Exemption Acquisition Fund	35,500,000	33,000,000	10,000,000	-	10,000,000
1961	Special Contaminated Property Reimbursement and Insurance	5,000,000	-	-	-	-
1971	Hartford Redevelopment	447,000,000	15,000,000	15,000,000	-	15,000,000
3051	Rental Housing for the Elderly	145,600,000	145,600,000	10,300,000	13,468,001	23,768,001
3080	Elimination of Water Pollution	398,000,000	397,965,862	14,669,047	4,271,564	18,940,611
3081	Capital Improvements	248,048,985	248,048,985	4,100,000	5,106,611	9,206,611
3086	Capital Improvements	226,962,623	226,608,688	-	-	-
3089	School Construction	1,630,257,000	1,608,439,500	540,943,429	70,865,290	611,808,720
3090	Magnet Schools	775,868,969	702,859,694	691,559,725	-	691,559,725
3094	Capital Improvements	53,621,491	52,929,178	250,868	-	250,868
3731	Capital Improvements	42,898,779	41,000,000	-	-	-
3732	Capital Improvements	4,216,000	4,216,000	4,216,000	5,568,206	9,784,206
3741	Capital Improvements	144,627,189	144,485,339	-	-	-
3753	Emergency Municipal Public Works Employment	4,253,348	4,236,642	-	-	-
3771	Capital Improvements	80,529,711	80,124,323	6,601,700	8,806,949	15,408,649
3775	Congregate Housing for the Elderly	21,000,000	21,000,000	9,455,258	8,272,557	17,727,815
3781	Capital Improvements	90,246,303	85,346,729	-	-	-

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

JUNE 30, 2000

Fund No.	Name	Inception to Date Total Authorized	Inception to Date Total Issued	Outstanding June 30, 2000	Interest Accreted Through Fiscal Year 2000 [2]	Outstanding Incl. Accreted Interest June 30, 2000
3783	Agricultural Land Preservation	83,750,000	73,948,716	11,567,727	-	11,567,727
3791	Capital Improvements	40,802,535	39,677,932	6,335,442	8,499,540	14,834,982
3792	Neighborhood Rehabilitation	7,500,000	7,500,000	225,000	-	225,000
3795	Grants for Urban Action	539,695,902	320,441,510	273,614,646	16,115,995	289,730,641
3801	Capital Improvements	72,605,784	72,070,000	-	-	-
3804	Elderly Housing Project	3,000,000	3,000,000	150,000	130,977	280,977
3811	Capital Improvements	77,337,530	75,100,000	-	-	-
3831	Capital Improvements	88,295,310	86,802,041	-	-	-
3835	Housing Development Corps	11,000,000	10,965,000	-	-	-
3841	Capital Improvements	117,260,158	114,613,828	11,386,736	408,493	11,795,229
3851	Capital Improvements	116,686,668	113,336,252	10,038,949	-	10,038,949
3861	Capital Improvements	119,859,926	110,699,245	6,043,477	6,508,530	12,552,007
3864	Consolidated Fire Training School	1,000,000	1,000,000	88,155	-	88,155
3871	Capital Improvements	521,848,335	500,835,995	54,742,000	44,838,057	99,580,057
3872	University Athletic Facilities	5,000,000	5,000,000	5,000,000	6,412,434	11,412,434
3874	State Capitol Renovation	10,000,000	10,000,000	984,732	1,052,956	2,037,689
3877	Univ. Athletic Facility Increases	3,000,000	3,000,000	3,000,000	3,887,234	6,887,234
3891	General State Purposes	418,358,089	397,930,193	131,954,979	19,279,471	151,234,450
3901	General State Purposes	536,196,511	507,351,957	213,989,241	39,662,466	253,651,707
3911	General State Purposes	148,923,755	133,228,672	101,026,954	14,112,525	115,139,479
3921	General State Purposes	322,312,576	275,817,437	202,866,785	1,206,936	204,073,721
3931	General State Purposes	630,556,060	543,945,028	418,580,108	21,246,959	439,827,067
3951	General State Purposes/UConn Babbidge Library and Plaza	211,254,982	140,995,197	140,995,197	-	140,995,197
3961	General State Purposes	230,952,479	144,187,051	144,012,051	-	144,012,051
3971	General State Purposes	203,507,134	108,489,584	108,489,584	-	108,489,584
3981	General State Purposes	224,648,500	44,085,416	44,085,416	-	44,085,416
3983	CT Juvenile Training School	27,500,000	20,000,000	20,000,000	-	20,000,000
3991	General State Purposes	331,720,348	-	-	-	-
4831	Capital Equipment Data Processing Revolving Fund	10,500,000	10,500,000	2,500,000	-	2,500,000
6024	Connecticut Innovations, Inc.	115,195,600	84,998,900	7,200,000	-	7,200,000
6864	Clean Water Fund	607,028,558	459,250,078	299,855,721	27,863,214	327,718,935
6866	Clean Water Fund-Long Island Sound	50,502,782	50,502,782	28,644,646	-	28,644,646
6867	Drinking Water Fund-State Revolving Fund	7,198,660	-	-	-	-
7202	Industrial Building Mortgage Insurance Fund	26,000,000	5,550,000	-	-	-
9972	Middletown Courthouse Refunding Bonds [3] [4]	-	34,375,000	32,090,000	-	32,090,000
9973	1996 A Taxable G.O. Refunding [3]	-	80,000,000	70,000,000	-	70,000,000
9974	1998 A Taxable G.O. Refunding [3]	-	105,445,000	88,945,000	-	88,945,000
9976	February 1998 G.O. Refunding [3]	-	146,780,000	146,165,000	-	146,165,000
9978	1997 D G.O. Refunding [3]	-	126,765,000	124,970,000	-	124,970,000
9979	1996 C G.O. Refunding [3]	-	81,555,000	70,105,000	-	70,105,000
9982	April 1996 Refunding [3]	-	61,260,000	50,385,000	-	50,385,000
9985	March 1995 G.O. Refunding [3]	-	54,150,000	51,615,000	-	51,615,000

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

JUNE 30, 2000

Fund No.	Name	Inception to Date: Total Authorized	Inception to Date: Total Issued	Outstanding June 30, 2000	Interest Accreted Through Fiscal Year 2000 [2]	Outstanding Incl. Accreted Interest June 30, 2000
9986	October 1993 G.O. Refunding [3]	-	259,125,000	241,605,000	-	241,605,000
9989	March 1993 B G.O. Refunding [3]	-	157,745,000	89,960,000	-	89,960,000
9991	February 1993 G.O. Refunding [3]	-	389,090,000	331,550,000	-	331,550,000
9993	September 1992 G.O. Refunding [3]	-	216,330,000	106,250,000	-	106,250,000
9995	April 1992 G.O. Refunding [3]	-	332,340,000	77,220,000	-	77,220,000
SUBTOTAL	**GENERAL OBLIGATION-TAX SUPPORTED**	**$ 13,337,847,486**	**$ 12,836,964,890**	**$ 6,255,966,084**	**$ 498,718,087**	**$ 6,754,684,171**
BOND TYPE: GENERAL OBLIGATION-REVENUE SUPPORTED						
1302	Connecticut Student Loan Foundation	$ 5,000,000	$ -	$ -	$ -	$ -
3012	Rental Housing	197,132,435	197,132,435	84,900,000	-	84,900,000
3016	Regional Markets	3,793,963	3,793,963	135,000	-	135,000
3083	State University Facilities	21,619,509	21,619,509	19,509	-	19,509
3088	State University Facilities	5,115,994	5,115,994	115,994	-	115,994
3802	Board of Trustees State College Facilities	197,465	197,464	197,464	-	197,464
3852	Univ. and State University Facilities	1,731,145	1,623,180	-	-	-
3862	Univ. and State University Facilities	4,147,365	4,131,365	-	-	-
3876	Univ. and State University Facilities	105,971,666	104,192,153	46,540,132	-	46,540,132
SUBTOTAL	**GENERAL OBLIGATION-REVENUE SUPPORTED**	**$ 344,709,542**	**$ 337,806,063**	**$ 131,908,099**	**$ -**	**$ 131,908,099**
BOND TYPE: GENERAL OBLIGATION-TRANSPORTATION						
3071	Specific Interior Highway Projects	$ 459,400,000	$ 459,400,000	$ 5,400,000	$ -	$ 5,400,000
3084	Specific Highway Purposes	76,950,000	74,500,000	-	-	-
3092	Specific Highway Purposes	142,050,000	140,597,585	9,537,585	-	9,537,585
3746	Transportation Facilities	10,097,955	10,095,000	-	-	-
3803	Ramp Construction-Rt 72 Center Street Expressway	500,000	498,991	498,991	461,009	960,000
3836	Transportation Improvements	1,500,000	1,338,533	114,000	-	114,000
9996	G.O. Transportation Refunding [3]	-	47,570,000	26,230,000	-	26,230,000
SUBTOTAL	**GENERAL OBLIGATION-TRANSPORTATION**	**$ 690,497,955**	**$ 734,000,109**	**$ 41,780,576**	**$ 461,009**	**$ 42,241,585**
BOND TYPE: GENERAL OBLIGATION-UCONN 2000 [5]						
3952	UConn 2000	$ 518,427,147	$ 518,427,147	$ 468,717,147	$ 2,391,971	$ 471,109,118
SUBTOTAL	**GENERAL OBLIGATION-UCONN 2000**	**$ 518,427,147**	**$ 518,427,147**	**$ 468,717,147**	**$ 2,391,971**	**$ 471,109,118**
BOND TYPE: SPECIAL TAX OBLIGATION						
3842	Infrastructure Improvement [3]	$ 4,746,223,104	$ 4,269,650,752	$ 1,766,562,825	$ 5,120,964	$ 1,771,683,789
9975	S.T.O. Refunding-1998A Series [3]	-	197,500,000	197,245,000	-	197,245,000
9977	S.T.O. Refunding-1997B Series [3]	-	65,415,000	64,750,000	-	64,750,000
9980	S.T.O. Refunding-1996C Series [3]	-	79,795,000	79,680,000	-	79,680,000

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

JUNE 30, 2000

Fund No.	Name	Inception to Date: Total Authorized	Inception to Date: Total Issued	Outstanding June 30, 2000	Interest Accreted Through Fiscal Year 2000 [2]	Outstanding Incl. Accreted Interest June 30, 2000
9987	S.T.O. Refunding-1993B Series [3]	-	254,770,000	213,695,000	-	213,695,000
9988	S.T.O. Refunding-1995C Series [3]	-	286,345,000	167,900,000	-	167,900,000
9990	S.T.O. Refunding-1993A Series [3]	-	560,750,000	532,330,000	-	532,330,000
SUBTOTAL SPECIAL TAX OBLIGATION		**$ 4,746,223,104**	**$ 5,714,225,752**	**$ 3,022,162,825**	**$ 5,120,964**	**$ 3,027,283,789**
BOND TYPE: CLEAN WATER FUND						
6865	Clean Water Fund-Federal Account	$ 932,500,000	$ 645,000,000	$ 423,770,000	$ -	$ 423,770,000
9971	Clean Water Fund Refunding-1999 Series [3]	-	78,995,000	78,995,000	-	78,995,000
9983	Clean Water Fund Refunding-1996 Series [3]	-	48,445,000	47,115,000	-	47,115,000
SUBTOTAL CLEAN WATER FUND		**$ 932,500,000**	**$ 772,440,000**	**$ 549,880,000**	**$ -**	**$ 549,880,000**
BOND TYPE: BRADLEY INTERNATIONAL AIRPORT						
6300	Bradley Airport Expansion Bonds	$ 154,000,000	$ -	$ -	$ -	$ -
9968	Bradley Airport Refunding Bonds [3]	-	3,855,000	3,160,000	-	3,160,000
9992	Bradley Airport Refunding Bonds 1992 [3]	-	94,065,000	74,810,000	-	74,810,000
SUBTOTAL BRADLEY INTERNATIONAL AIRPORT		**$ 154,000,000**	**$ 97,920,000**	**$ 77,970,000**	**$ -**	**$ 77,970,000**
BOND TYPE: BRADLEY PARKING GARAGE REVENUE BONDS [6]						
6299	Bradley International Parking Operations	$ 55,000,000	$ 53,800,000	$ 53,800,000	$ -	$ 53,800,000
SUBTOTAL BRADLEY PARKING GARAGE REVENUE BONDS		**$ 55,000,000**	**$ 53,800,000**	**$ 53,800,000**	**$ -**	**$ 53,800,000**
BOND TYPE: UNEMPLOYMENT COMPENSATION [7]						
1400	Unemployment Compensation Advance Fund	$ 1,020,700,000	$ 1,020,700,000	$ 229,500,000	$ -	$ 229,500,000
9981	May 1996 UCAF Refunding [3]	-	222,755,000	139,485,000	-	139,485,000
SUBTOTAL UNEMPLOYMENT COMPENSATION		**$ 1,020,700,000**	**$ 1,243,455,000**	**$ 368,985,000**	**$ -**	**$ 368,985,000**
BOND TYPE: CDA GOVERNMENTAL LEASE REVENUE [8]						
8500	New Britain Government Center	$ 9,275,000	$ 9,275,000	$ 7,775,000	$ -	$ 7,775,000
SUBTOTAL CDA GOVERNMENTAL LEASE REVENUE		**$ 9,275,000**	**$ 9,275,000**	**$ 7,775,000**	**$ -**	**$ 7,775,000**
BOND TYPE: CDA INCREMENT FINANCING [9]						
8000	Amphitheater-TIF	$ 9,885,000	$ 9,885,000	$ 9,195,000	$ -	$ 9,195,000
8001	Norwich Yankee-TIF	1,545,000	1,545,000	1,015,000	-	1,015,000
8002	Oakdale Theater-TIF	9,900,000	9,900,000	8,605,000	-	8,605,000
8003	Lake Compounce-TIF	18,000,000	18,000,000	16,525,000	-	16,525,000
SUBTOTAL CDA INCREMENT FINANCING		**$ 39,330,000**	**$ 39,330,000**	**$ 35,340,000**	**$ -**	**$ 35,340,000**

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

JUNE 30, 2000

Fund No.	Name	Inception to Date: Total Authorized	Inception to Date: Total Issued	Outstanding June 30, 2000	Interest Accreted Through Fiscal Year 2000 (2)	Outstanding Incl. Accreted Interest June 30, 2000
BOND TYPE: CHEFA CHILDCARE FACILITIES PROGRAM BONDS (10)						
7800	CHEFA Childcare-Now	$ -	$ 5,375,000	$ 5,375,000	$ -	$ 5,375,000
7801	CHEFA Childcare Now Tax	-	420,000	350,000	-	350,000
7802	Childcare Pool 1 Series A	-	10,175,000	9,570,000	-	9,570,000
7803	Childcare Series B Taxable	-	345,000	175,000	-	175,000
7804	CHEFA Childcare Series C	-	18,690,000	18,690,000	-	18,690,000
SUBTOTAL CHEFA CHILDCARE FACILITIES PROGRAM		**$ -**	**$ 35,005,000**	**$ 34,160,000**	**$ -**	**$ 34,160,000**
BOND TYPE: SECOND INJURY FUND REVENUE (11)						
8900	Second Injury Fund Revenue Bonds	$ 750,000,000	$ 100,000,000	$ 86,080,000	$ -	$ 86,080,000
SUBTOTAL CDA GOVERNMENTAL LEASE REVENUE		**$ 750,000,000**	**$ 100,000,000**	**$ 86,080,000**	**$ -**	**$ 86,080,000**
TOTAL		**$ 22,598,510,234**	**$ 22,492,648,961**	**$ 11,134,524,731**	**$ 506,692,031**	**$ 11,641,216,762**

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(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, 2000.
(3) References those bond issues which require no prior authorization due to the fact that proceeds raised therefrom are used to refund other bond issues and thereby reduce overall debt service expense.
(4) Debt outstanding at June 30, 2000 includes $32,090,000 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 on the Treasurer's Debt Management System for control purposes.
(5) UCONN 2000 Bonds in a total amount of $962 Million are authorized over a ten 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.
(6) Includes $6,135,000 of Taxable Bradley International Airport Special Obligation Parking Revenue Bonds, Series 2000 B.
(7) $34.8 million in assessment revenue is reserved to redeem $34.8 million in Unemployment Compensation bonds on July 1, 2000.
(8) The Connecticut Development Authority has issued 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) The Connecticut Development Authority 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.
(10) On July 1, 1999, the Treasurer's Office assumed the responsibility for the CHEFA Childcare debt service appropriation per Public Act 97-259. As of that date CHEFA had issued $16,315,000 in bonds and another $18,690,000 was issued on September 1, 1999.
(11) $155 Million in Second Injury Fund Commercial Paper is outstanding as of June 2000. This short-term commercial paper will be refinanced with additional Second Injury Fund Bonds.

CIVIL LIST FUNDS

SCHEDULE OF INVESTMENTS [1][2]

FISCAL YEAR ENDED JUNE 30, 2000

Legal No.	Type	Fund Name	STIF Investments 6/30/00	Tax Exempt Proceeds Fund Investments 6/30/00	Investments with Treasurer as Trustee Short-Term 6/30/00	Investments with Treasurer as Trustee Long-Term 6/30/00	Investments with Others as Trustee Short-Term 6/30/00	Investments with Others as Trustee Long-Term 6/30/00	Total
GENERAL FUND[3]									
0000	Gen. Fund	General Fund	$1,277,411,522.56	$1,559,565.55	$47,754,801.60 [18]				$1,326,725,889.71
SUBTOTAL GENERAL FUND			$1,277,411,522.56	$1,559,565.55	$47,754,801.60	$ -	$ -	$ -	$1,326,725,889.71
SPECIAL REVENUE FUNDS									
1105	Spec.Rev.	Probate Court Administration	$21,157,648.24						$ 21,157,648.24
1115	Spec.Rev.	Soldiers, Sailors and Marines	47,112.43 [17]						47,112.43
1123	Spec.Rev.	Municipal Employees Retirement Administration	712,202.67						712,202.67
1129	Spec.Rev.	Regional Market Operation	534,412.00						534,412.00
1154	Spec.Rev.	Recreation and Natural Heritage Trust Fund		$ 1,576,007.49					1,576,007.49
1162	Spec.Rev.	University Health Center Operating Fund	113,863.80						113,863.80
1169	Spec.Rev.	Inter-Agency/Intra-Agency Grants - Tax Exempt Proceeds		36,195,009.61					36,195,009.61
1172	Spec.Rev.	University Health Center Research Foundation	15,279,131.35						15,279,131.35
1175	Spec.Rev.	Low-Level Radioactive Waste Management	8,730,030.97						8,730,030.97
1201	Spec.Rev.	Transportation	57,615,665.13						57,615,665.13
1400	Spec.Rev.	Special Assessment Unemployment Compensation Adv Fund	38,732,021.35 [15]				$714,515.98 [4]	$100,845,500.00 [4]	140,292,037.33
1405	Spec.Rev.	Employment Security - Special Administration	3,993,572.71						3,993,572.71
1502	Spec.Rev.	Economic Assistance Bond Fund	6,575,383.11						6,575,383.11
1503	Spec.Rev.	Economic Assistance Revolving Fund		3,314,488.14					3,314,488.14
1602	Spec.Rev.	Housing Repayment and Revolving Loan Fund - Tax Exempt		2,354,418.65					2,354,418.65
1802	Spec.Rev.	Housing Assistance Bond Fund - Tax Exempt	2,555,120.80						2,555,120.80
1824	Spec.Rev.	Vocational Education Equipment		51,112.17					51,112.17
1825	Spec.Rev.	Flood Relief Purposes		28,422.49					28,422.49
1832	Spec.Rev.	High Technology Development		46,980.19					46,980.19
1842	Spec.Rev.	Vocational Educational Equipment		5,377.87					5,377.87
1862	Spec.Rev.	Grants to Local Governments and Others		444,723.77					444,723.77
1864	Spec.Rev.	Estuarine Embayments Grants		48,750.00					48,750.00
1870	Spec.Rev.	Local Capital Improvements Fund	4,491,494.05						4,491,494.05
1873	Spec.Rev.	Grants to Local Governments and Others	10,148,791.42						10,148,791.42
1877	Spec.Rev.	Shellfish Fund		98,650.40					98,650.40
1971	Spec.Rev.	Hartford Downtown Redevelopment	11,025,975.23						11,025,975.23
SUBTOTAL SPECIAL REVENUE FUNDS			$ 181,712,425.26	$ 44,163,940.78	$ -	$ -	$ 714,515.98	$ 100,845,500.00	$ 327,436,382.02
DEBT SERVICE FUNDS									
2002	Debt Service	University Bond Liquidation	$ 3,855,415.26						$ 3,855,415.26
2008	Debt Service	State University Dormitory	45,925,716.01						45,925,716.01
2020	Debt Service	Rental Housing Fund	16,972,758.94 [8]					$ 55,676,421.35 [5]	72,649,180.29
2025	Debt Service	Transportation Fund Reserve	104,689,208.97 [8]				$ 184,280,389.51 [6]	235,815,402.10 [6]	524,785,000.58
SUBTOTAL DEBT SERVICE FUNDS			$ 171,443,099.18	$ -	$ -	$ -	$ 184,280,389.51	$ 291,491,823.45	$ 647,215,312.14
CAPITAL PROJECTS FUNDS									
3012	Cap. Proj.	Rental Housing Fund		$ 249,461.23					$ 249,461.23
3016	Cap. Proj.	Regional Market Fund		25,696.96					25,696.96
3057	Cap. Proj.	National System of Interstate and Defense Highways		4,494,061.50					4,494,061.50
3071	Cap. Proj.	Specific Interior Highway Projects	$ 1,049,551.69						1,049,551.69
3080	Cap. Proj.	Elimination of Water Pollution	3,235,000.00	129,139.48					3,364,139.48
3086	Cap. Proj.	Capital Improvements and Other Purposes		51,329.80					51,329.80
3089	Cap. Proj.	School Construction		6,221,313.67					6,221,313.67
3090	Cap. Proj.	School Construction - Magnet Schools	36,609,268.33						36,609,268.33
3741	Cap. Proj.	Capital Improvements and Other Purposes		392,839.45					392,839.45

CIVIL LIST FUNDS

SCHEDULE OF INVESTMENTS [1] [2] (Continued)

FISCAL YEAR ENDED JUNE 30, 2000

Legal No.	Type	Fund Name	STIF Investments 6/30/00	Tax Exempt Proceeds Fund Investments 6/30/00	Investments with Treasurer as Trustee: Short-Term 6/30/00	Investments with Treasurer as Trustee: Long-Term 6/30/00	Investments with Others as Trustee: Short-Term 6/30/00	Investments with Others as Trustee: Long-Term 6/30/00	Total
3771	Cap. Proj.	Capital Improvements and Other Purposes		1,896,204.95					1,896,204.95
3781	Cap. Proj.	Capital Improvements and Other Purposes		223,868.43					223,868.43
3782	Cap. Proj.	Acquisition of Hartford Seminary		0.85					0.85
3784	Cap. Proj.	Water Treatment Facilities		81,434.96					81,434.96
3785	Cap. Proj.	Transportation Improvement		92,298.08					92,298.08
3786	Cap. Proj.	Replace Bridges Over Railroads		17,752.40					17,752.40
3791	Cap. Proj.	Capital Improvements and Other Purposes		1,154,112.84					1,154,112.84
3795	Cap. Proj.	Community Conservation and Development	19,759,057.81						19,759,057.81
3797	Cap. Proj.	University and State University Facilities		2,699.71					2,699.71
3801	Cap. Proj.	Capital Improvements and Other Purposes		2,627,878.29					2,627,878.29
3802	Cap. Proj.	State University Facilities		13,498.82					13,498.82
3803	Cap. Proj.	Ramps Rt. 72 Expressway	11,612.01						11,612.01
3811	Cap. Proj.	Capital Improvements and Other Purposes		1,542,850.79					1,542,850.79
3814	Cap. Proj.	University and State University Facilities		45,587.97					45,587.97
3822	Cap. Proj.	Highway Resurfacing		56,981.40					56,981.40
3823	Cap. Proj.	University and State University Facilities		97,737.11					97,737.11
3831	Cap. Proj.	Capital Improvements and Other Purposes	314,740.25	2,755,826.28					3,070,566.53
3833	Cap. Proj.	Transportation Improvements and Other Purposes		129,120.03					129,120.03
3834	Cap. Proj.	University and State University Facilities		121,223.00					121,223.00
3836	Cap. Proj.	Transportation Improvements	132.02						132.02
3837	Cap. Proj.	Transportation Purposes		103,368.26					103,368.26
3838	Cap. Proj.	Highway Resurfacing		52,136.35					52,136.35
3841	Cap. Proj.	Capital Improvements and Other Purposes		2,275,617.33					2,275,617.33
3842	Cap. Proj.	Infrastructure Improvement Fund	17,056,500.13						17,056,500.13
3843	Cap. Proj.	Legislative Office Building		78.00					78.00
3844	Cap. Proj.	University and State University Facilities		198,215.48					198,215.48
3851	Cap. Proj.	Capital Improvements and Other Purposes	2,812,754.34						2,812,754.34
3852	Cap. Proj.	University and State University Facilities		27,947.75					27,947.75
3861	Cap. Proj.	Capital Improvements and Other Purposes		737,143.32					737,143.32
3862	Cap. Proj.	University and State University Facilities		139,913.90					139,913.90
3863	Cap. Proj.	Middletown Cluster Rail Service (DEP)	971.71						971.71
3864	Cap. Proj.	Fire Training School Facility		858.99					858.99
3873	Cap. Proj.	Correctional Institution Inmate Housing		110,739.51					110,739.51
3876	Cap. Proj.	University and State University Facilities	1,737,051.22						1,737,051.22
3911	Cap. Proj.	Capital Improvements and Other Purposes	38,491.93						38,491.93
3961	Cap. Proj.	Capital Improvements and Other Purposes	9,016,016.24						9,016,016.24
3983	Cap. Proj.	Connecticut Juvenile Training School	10,887,397.79						10,887,397.79
SUBTOTAL CAPITAL PROJECTS FUNDS			$ 102,528,545.47	$ 26,068,936.89	$ -	$ -	$ -	$ -	$ 128,597,482.36
ENTERPRISE FUNDS									
6005	Enterprise	University Health Center Hospital					$ 185,267.39 [7]	$ 948,970.17 [7]	1,134,237.56
6031	Enterprise	Auto Emissions Inspection	$ 6,076,228.29						6,076,228.29
6299	Enterprise	Bradley International Parking Operations					4,681,670.16 [16]	35,245,516.37 [16]	39,927,186.53
6300	Enterprise	Bradley International Airport Operations	67,519,648.06 [8]					9,250,000.00 [9]	76,769,648.06
6301	Enterprise	Local Bridge Revolving Fund - Bond Financed		$ 26,424,393.92					26,424,393.92
6303	Enterprise	Local Bridge Revolving Fund - Revenue Financed	21,702,871.69						21,702,871.69
6864	Enterprise	Clean Water Fund - State	30,079,906.74	15,617.16			3,085,591.00 [10]	19,416,000.00 [10]	52,597,114.90
6865	Enterprise	Clean Water Fund - Federal	3,163,660.76		$ 63,758,497.49 [11]		81,939,651.68 [12]	266,454,513.36 [12]	415,316,323.29
6866	Enterprise	Clean Water Fund - Long Island Sound	4,384,975.26						4,384,975.26
SUBTOTAL ENTERPRISE FUNDS			$ 132,927,290.80	$ 26,440,011.08	$ 63,758,497.49	$ -	$ 89,892,180.23	$ 331,314,999.90	$ 644,332,979.50

CIVIL LIST FUNDS
SCHEDULE OF INVESTMENTS (1)(2) (Continued)
FISCAL YEAR ENDED JUNE 30, 2000

Legal No.	Type	Fund Name	STIF Investments 6/30/00	Tax Exempt Proceeds Fund Investments 6/30/00	Investments with Treasurer as Trustee Short-Term 6/30/00	Investments with Treasurer as Trustee Long-Term 6/30/00	Investments with Others as Trustee Short-Term 6/30/00	Investments with Others as Trustee Long-Term 6/30/00	Total
FIDUCIARY FUNDS									
7047	Fiduciary	Municipal Employees' Retirement - Fund A	$ 12,375.21						$ 12,375.21
7048	Fiduciary	Municipal Employees' Retirement - Fund B			$ 29,089,326.97	$ 1,344,132,180.92 (13)			1,373,221,507.89
7049	Fiduciary	Policemen and Firemen Survivors' Benefit Fund			4,016,321.28	14,043,303.16 (13)			18,059,624.44
7050	Fiduciary	Probate Judges and Employees Retirement Fund			1,938,168.89	68,823,163.40 (13)			70,761,332.29
7201	Fiduciary	Connecticut Health Club Guaranty Fund	354,227.44						354,227.44
7203	Fiduciary	Real Estate Guaranty Fund	109,459.53						109,459.53
7205	Fiduciary	Unemployment Compensation Fund					$ 840,770,092.27 (14)		840,770,092.27
7207	Fiduciary	John Dempsey Hospital Malpractice Trust Fund	5,328,183.32						5,328,183.32
7209	Fiduciary	Home Improvement Guaranty Fund	607,581.78						607,581.78
7303	Fiduciary	Endowed Chair Investment Fund	3,820,198.45						3,820,198.45
7304	Fiduciary	Connecticut Arts Endowment Fund			957,692.38	11,481,208.10 (13)			12,438,900.48
7305	Fiduciary	Soldiers, Sailors and Marines Trust Fund			60,016.91	57,457,031.67 (13)			57,517,048.58
7801	Fiduciary	State Employees' Retirement Fund			85,561,731.82	8,199,376,613.78 (13)			8,284,938,345.60
7803	Fiduciary	State Attorneys' Retirement Fund			216,381.05	685,322.16 (13)			901,703.21
7804	Fiduciary	General Assembly Retirement Fund	38,769.83						38,769.83
7805	Fiduciary	Judges and Compensation Commissioners' Retirement Fund			3,387,517.27	137,822,507.46 (13)			141,210,024.73
7806	Fiduciary	Public Defenders Retirement Fund	26,563.16						26,563.16
7807	Fiduciary	Teachers' Retirement Fund	16,783,320.16		257,734,035.89	11,682,488,742.78 (13)			11,957,006,098.83
SUBTOTAL FIDUCIARY FUND			$ 27,080,678.88	$ -	$ 382,961,192.46	$ 21,516,310,073.43	$ 840,770,092.27	$ -	$ 22,767,122,037.04
TOTAL CIVIL LIST FUND			**$ 1,893,103,562.15**	**$ 98,232,454.30**	**$ 494,474,491.55**	**$ 21,516,310,073.43**	**$ 1,115,657,177.99**	**$ 723,652,323.35**	**$ 25,841,430,082.77**

(1) Detailed information on the adjusted cash balances and total STIF balances within each individual fund can be obtained from the Comptroller's Annual Report.

(2) Short-term investments shown at cost which, due to their short-term nature, approximates market.

(3) Represents assets of the Common Cash Pool which is not a component of the General Fund. The Common Cash Pool is comprised of the inevitable balances of a number of individual funds and, for purposes of administration only, is shown as an investment of the General Fund. The General Fund is commonly in a net borrowing position from the resources of the other funds within the pool.

(4) Short-term investments consist of a repurchase agreement and long-term investments consist of collateralized repurchase agreements and GIC's. Short and long-term investments are held by State Street Bank and Trust as Trustee. For description of program, see Debt Management Division.

(5) Long-term investments consist of a portfolio of U.S. Treasury and agency securities purchased with annual sinking fund payments. The fund was established to pay $80,000,000 principal of Rental Housing term bonds due in 2002. State Street Bank and Trust serves as Trustee.

(6) Short-term investments consist of Guaranteed Investment Contracts. Long-term investments consist of U.S. Treasury securities, GIC's and taxable municipal bonds. Investments are held by State Street Bank & Trust as Trustee. For description of the program, see Debt Management Division.

(7) Represents funds reserved by the University of Connecticut Health Center at the time of issuance of state bonds to purchase equipment for the University Health Center Hospital. The funds are invested in U.S. Treasury securities maturing from 8/15/00 through 2/15/09. These securities are purchased at a deep discount to par value, pay no interest while outstanding and pay par value at maturity. The recorded value on this schedule is the accreted cost value at June 30, 2000. At June 30, 2000, the aggregate historical cost of this portfolio was $435,831, the par value was $1,422,000. Although the portfolio is considered long-term in nature, securities totaling $191,000 in par value, $185,267 in market value, mature by June 30, 2001. These funds are held by State Street Bank & Trust as Trustee.

(8) STIF account held by State Street Bank & Trust as Trustee. For description of the program, see Debt Management Division.

(9) Consists of a portfolio of Federal agency securities held by State Street Bank & Trust as Trustee. For description of program, see Debt Management Division.

(10) Short-term investments consist of a money market fund. Long-term investments consist of State of Connecticut General Obligation Bonds which are shown at par. Short and long-term investments held by State Street Bank & Trust as Trustee. For description of program, see Debt Management Division.

(11) Short-term investments with State Treasurer as Trustee consist of GIC's.

(12) Short-term investments consist of a money market fund. Long-term investments consist of State of Connecticut General Obligaion Bonds, shown at par value, and GIC's. Both short and long-term investments held by State Street Bank & Trust as Trustee. For description of program, see Debt Management Division.

(13) Represents market value of shares held by various retirement plans in the Treasurer's Combined Investment Funds.

(14) Cash on deposit with Federal Government.

(15) STIF accounts in the amount of $37,869,404.23 are held by the State Street Bank & Trust as Trustee. The Remaining STIF account in the amount of $862,617.09 is controlled by the State Treasurer.

(16) Short-term investments consist of money market funds and Guaranteed Investment Contracts. Long-term investments consist of money market funds and GIC's. Investments held by the First Union National Bank as Trustee. For description of program, see Debt Management Division.

(17) Included $47,112.43 investment recognized by the Comptroller.

(18) Investments in certificates of deposits or saving accounts of "well capitalized" Connecticut Banks that have "outstanding" state or federal Community Reinvestment Act ratings or that participate in certain Connecticut Development Authority programs. CD maturities range from three to 12 months.

CASH MANAGEMENT DIVISION

CIVIL LIST FUNDS
GENERAL FUND AGENCY DEPOSITS [1]
FISCAL YEAR ENDED JUNE 30, 2000

Agency Number	Description		Total
1001	Legislative Management	$	145,383.66
1005	Auditors of Public Accounts		829.23
1012	Permanent Commission on Status of Women		15,014.28
1013	Commission on Children		23,922.00
1014	Commission on Latino and Puerto Rican Affairs		34,725.00
1018	African American Affairs		4,225.00
1101	Governor's Office		2,884.27
1102	Office of the Secretary of State		18,683,049.90
1103	Lieutenant Governor's Office		222.42
1104	Elections Enforcement Commission		70,710.40
1105	Ethics Commission		114,310.06
1106	Freedom of Information Commission		4,846.37
1162	State Properties Review Board		240.00
1201	Office of the State Treasurer		
	Miscellaneous		71,233,187.69
	Escheats		34,337,743.11
	Dividends on Securities Held		747,124.50
	Penalties - Examinations or Late Filing		146,677.27
	Reciprocal States		1,789,265.45
	Private Donations		1,520.00
	Investments		324,327.57
	Expenses Recovered From Insurance Companies		430.50
1202	Office of the State Comptroller		
	Miscellaneous		616,974.03
	Loan Agreement Interest		90,562.50
	Indirect Overhead - Federal Projects		8,783.77
	Workers' Compensation - Recoveries - Fringe Benefits		132,775.56
	Recoveries - Employees Fringe Benefits		5,624,076.21
	Principal on Loans		75,000.00
	Grants Other than Federal - Restricted		665,760.00
1203	Department of Revenue Services		
	Hospital Gross Earnings Tax		100,033,684.21
	Insurance Companies		160,146,479.41
	Gas Companies		31,352,273.67
	Gas and Electric Companies		81,589,695.74
	Electric and Power Companies		28,580,901.65
	Community Antenna Television Systems		24,698,632.79
	Steam Railroad Companies		167,364.20
	Petroleum Companies		60,762,063.98
	Steam Companies		242,984.80
	Hospital and Medical Service Corporations		35,586,568.33
	Inheritance Tax		228,072,248.98
	Gift Tax		32,765,696.06
	Alcoholic Beverages		40,829,787.80
	Cigarettes		117,456,730.78
	Special Motor Fuel		(9,584.89)

CIVIL LIST FUNDS
GENERAL FUND AGENCY DEPOSITS [1] (Continued)
FISCAL YEAR ENDED JUNE 30, 2000

Agency Number	Description	Total
	Retail Tire Fee	5,447.15
	Tobacco Products	4,925,950.83
	Controlled Substance Tax	961.73
	Admissions, Dues and Cabarets	26,650,145.53
	Corporations	587,603,827.61
	Capital Gains, Dividends and Interest	139,122.85
	Personal Income Tax - Withholding	2,736,762,530.17
	Personal Income Tax - Estimate Payments/Tax Returns	1,498,999,541.33
	Unrelated Business Income Tax	2,061,661.21
	Sales and Use Tax	3,083,297,030.13
	Rental Surcharge	549,712.69
	Occupational Tax	5,914,231.95
	Tourism Fund Surcharge	(1,453.00)
	Generators of Hazardous Waste	980,188.52
	Real Estate Conveyance Tax	113,640,530.05
	Controlling Interest Transfer Tax	924,194.73
	Licenses	808,889.27
	Jury Fees	725,221.94
1204	Division of Special Revenue	7,381,206.21
1205	Connecticut Lottery Corporation	261,076,328.17
1220	State Insurance & Risk Management	397,123.30
1221	Connecticut Housing Finance Authority	9,010,296.50
1310	Office of Policy and Management	379,162,267.86
1312	Department of Veterans' Affairs	10,198,631.79
1320	Department of Administrative Services	1,568,298.39
1323	DAS/Collection Services Business Center	59,543,184.91
1324	DAS/BGTS/Technical Services Division	432.85
1326	Department of Public Works	2,682,395.51
1501	Office of the Attorney General	6,763,817.81
1502	Office of the Claims Commission	16,504.50
1504	Division of Criminal Justice	4,102,952.67
2000	Department of Public Safety	35,436,414.43
2003	Police Officer Standards and Training Council	3,015.70
2004	Board of Firearms Permit Examiners	21.84
2101	Department of Motor Vehicles	823,801.06
2201	Military Department	8,637,385.89
2304	Commission on Fire Prevention and Control	974,711.73
2402	Department of Banking	41,924.03
2403	Department of Insurance	22,037,097.22
2407	Department of Public Utility Control	326,758.99
2500	Department of Consumer Protection	18,486,800.89
2610	Department of Labor	10,033,596.23
2620	Employment Security Division	9,382.31
2900	Office of Victim Advocate	0.60
2901	Commission on Human Rights and Opportunities	1,084,170.19
2902	Office of Advocacy for Persons with Disabilities	1,008,686.28

CIVIL LIST FUNDS

GENERAL FUND AGENCY DEPOSITS [1] (Continued)

FISCAL YEAR ENDED JUNE 30, 2000

Agency Number	Description	Total
2903	Office of the Child Advocate	136.57
3002	Dept of Agriculture	2,623,819.58
3100	Department of Environmental Protection	35,818,776.87
3400	Connecticut Historical Commission	414,397.89
3500	Department of Economic and Community Development	37,159,409.66
3504	Connecticut Development Authority	3,260,000.00
3601	Connecticut Agricultural Experiment Station	2,557,633.24
4001	Department of Public Health	112,404,386.00
4050	Office of Health Care Access	3,814,567.85
4090	Office of the Chief Medical Examiner	671,130.28
4101	Southbury Training School	307,212.35
4114	Office of Mental Retardation	2,509,029.25
4121	DMR - Region 1	1,235,885.92
4122	DMR - Region 2	2,941,921.55
4123	DMR - Eastern Region	1,505,892.34
4124	DMR - Region 4	1,084,272.95
4125	DMR - Region 5	1,525,053.82
4402	DMH/Office of the Commissioner	36,852,235.48
4403	Connecticut Valley Hospital	151,755,201.47
4405	Western Connecticut Mental Health Network	4,483.09
4406	Southeast Mental Health Authority	113,351.58
4407	River Valley Services	5,631.32
4409	Connecticut Mental Health Center	1,530,097.10
4411	Southwest Connecticut Mental Health System	111,148.81
4412	Capital Region Mental Health Center	283,313.82
4415	Cedarcrest Regional Hospital	39,495,132.99
4416	DHMAS Purchased Service	(92,949.00)
4417	Southwest CT Mental Health System	375,040.17
4430	Psychiatric Security Review Board	12.37
5000	Department of Transportation	12,305.07
6100	Dept of Social Services	2,152,878,430.82
6301	Soldiers, Sailors and Marines	120.00
7001	Department of Education	259,892,171.24
7101	Board of Education and Services for the Blind	7,588,487.00
7102	Commission on the Deaf and Hearing Impaired	923,306.62
7104	State Library	1,741,688.38
7250	Department of Higher Education	3,630,626.67
7301	University of Connecticut	45,642.17
7302	University of Connecticut Health Center	75,249.26
7401	Charter Oak State College	1,279,058.59
7601	Teachers' Retirement Board	575.00
7701	Board for Regional Community-Technical Colleges	2,050.00
7702	Manchester Community-Technical Colleges	5,580.91
7703	Northwestern Community-Technical College	1,459.38
7704	Norwalk Community-Technical College	120,372.43
7705	Housatonic Community-Technical College	100.00

CIVIL LIST FUNDS
GENERAL FUND AGENCY DEPOSITS [1] (Continued)
FISCAL YEAR ENDED JUNE 30, 2000

Agency Number	Description	Total
7707	Capital Community-Technical College	3,812.25
7708	Naugatuck Valley Community-Technical College	100,470.33
7709	Gateway Community-Technical College	16,628.01
7710	Tunxis Community-Technical College	68,032.98
7711	Three Rivers Community-Technical College	40.83
7712	Quinebaug Valley Community-Technical College	17,638.62
7713	Asnuntuck Community-Technical College	400.00
8000	Department of Correction Parent Account	9,523,324.18
8005	DOC Grant Administration	730,808.36
8090	Board of Pardons	1,021.44
8091	Board of Parole	1,057.81
8102	DCF/Office of the Commissioner	125,319,527.60
8103	DCF/Long Lane School	76,230.93
8104	Connecticut Children’s Place	1,943,484.10
8113	DCF/High Meadows	15,234.42
8115	DCF/Riverview Hospital for Children and Youth	48,003.10
8121	DCF/Region 1	65,872.64
8122	DCF/Region 2	34,055.09
8123	DCF/Region 3	236,959.67
8124	DCF/Region 4	138,940.44
8125	DCF/Region 5	199,079.90
8129	Children’s Trust Fund Council	309,802.43
8200	County Sheriffs	7,736.59
9001	Judicial Department	9,531,752.46
9007	Public Defender Services Commission	118,117.06
9403	Workers’ Compensation Claims - D.A.S.	213,734.09
9601	Judicial Review Council	1,000.00
9605	Refunds of Payments	50.00
9610	Adjudicated Claims	4,016.00
9910	Higher Education Alternative Retirement System	15,116,814.83
9913	Group Life Insurance	1,027,626.17
9926	Employer Social Security Tax	54,250,641.88
9932	Health Service Cost	79,338,850.25
9933	Retired state Employees Health Cost	448,499.21
SUB-TOTAL		$ 13,149,337,753.34
Adjustments as of July 1, 1999		(6,063,558.23) [2]
Adjustments as of June 30, 2000		6,834,789.93 [3]
TOTAL		$ 13,150,108,985.04

(1) Figures do not reflect any adjustments made by the Comptroller to the agency's deposit information.
(2) Cash received by agencies during the fiscal year 1999, but not deposited until the fiscal year 2000. These cash receipts were recorded by the Treasurer as fiscal year 2000 receipts and have been netted against the sub-total to accurately reflect fiscal year 2000 cash receipts.
(3) Cash received by agencies on June 30, 2000 but deposited after June 30, 2000.

SECURITIES HELD IN TRUST FOR POLICYHOLDERS
JUNE 30, 2000

Securities are held on deposit with the State Treasurer on behalf of the Insurance Department under Sec 38a-83:

Name of Insurance Company	Par Amount of Collateral	Market Value
Ace Fire Underwriters	$ 1,910,000.00	$ 1,912,140.00
Action Auto Rental Inc.	170,000.00	170,000.00
Aetna Health and Life Insurance	2,000,000.00	1,965,630.00
Aetna Insurance Company Of Connecticut	1,585,000.00	1,567,422.35
Aetna Life Insurance & Annuity Company	2,600,000.00	1,982,248.00
Aetna Life Insurance Company	1,441,000.00	1,631,257.82
Aetna Life Insurance Company Of America	12,125,000.00	11,092,528.75
Allianz Insurance Company Workers Comp.	600,000.00	674,069.40
American Centennial Insurance Company	50,000.00	49,820.50
American Employers Insurance Company	3,220,000.00	3,221,601.80
American General Annuity	100,000.00	135,641.00
American Mayflower Life Insurance Of New York	250,000.00	337,500.00
American Maturity Life	4,609,000.00	4,619,636.75
American Phoenix Life & Reassurance	5,050,000.00	5,074,445.00
American Security Insurance Company	35,000.00	37,242.10
American Skandia Life Assurance Corp.	1,500,000.00	1,494,615.00
Argonaut Insurance Company	1,500,000.00	1,393,125.00
Associated Indemnity Corporation	710,000.00	718,236.00
Atlas Assurance Company Of America	250,000.00	247,812.50
Auto Insurance Company Of Hartford	4,050,000.00	4,150,386.00
Berkshire Mutual Insurance Company	600,000.00	604,500.00
Blue Ridge Indemnity Company	500,000.00	505,470.00
Blue Ridge Insurance Company	2,000,000.00	2,021,880.00
C M Assurance Company	2,000,000.00	1,994,680.00
C M Life Insurance Company	1,600,000.00	1,629,504.00
Carolina Casualty Insurance Company	200,000.00	201,500.00
Century Indemnity Company	1,560,000.00	1,592,182.80
Charter Oak Fire Insurance Company	4,525,000.00	4,574,038.00
Chicago Title Insurance Company	100,000.00	98,281.00
Cigna Life Insurance Company	2,015,000.00	2,025,690.35
Cologne Reinsurance Company Of America	3,450,000.00	3,482,358.00
Commercial Union Insurance Company	10,100,000.00	10,238,461.80
Connecticut Attorneys Title Ins.	100,000.00	100,000.00
Connecticut General Life Insurance Company	1,650,000.00	1,684,039.50
Connecticut Indemnity Company	2,065,000.00	2,048,405.50
Connecticut Specialty Insurance Company	2,800,000.00	2,780,960.00
Connecticut Surety Company	1,000,000.00	987,147.50
Covenant Insurance	850,000.00	848,106.00
Deerfield Ins. Co.	2,200,000.00	2,187,284.00
Design Professionals Insurance Co.	2,750,000.00	2,778,635.00
E.B.I. Indemnity	1,500,000.00	1,384,350.00
Electric Mutual Liability Insurance Company	5,435,000.00	5,558,151.85
Employee Benefits Insurance Co.	2,605,000.00	2,676,368.00
Employers Fire Ins. Co.	1,455,000.00	1,463,277.20
Executive Risk Specialty Insurance Company	2,500,000.00	2,565,870.00
Fairfield Insurance	2,500,000.00	2,633,025.00
Farmington Casualty Company	3,000,000.00	3,120,873.00

SECURITIES HELD IN TRUST FOR POLICYHOLDERS (Continued)

JUNE 30, 2000

Name of Insurance Company	Par Amount of Collateral	Market Value
Fire & Casualty Ins.Co. Of Connecticut	2,075,000.00	2,091,100.75
Firemens Fund Insurance Company	6,219,100.00	6,561,222.78
First State Insurance Company	2,100,000.00	2,126,586.00
Freemont Industrial Indemnity Company	890,000.00	843,072.00
General & Cologne Life Re of America	1,500,000.00	1,548,050.00
Gen. Electric Mortgage Ins.Corp. Of N.C.	60,000.00	60,075.00
General Star Indemnity Company	2,975,000.00	3,107,067.70
Genesis Insurance Company	3,000,000.00	3,100,320.00
Greenwich Insurance	25,000.00	25,265.75
Guaranty Insurance	2,800,000.00	2,752,316.00
Hart Life Insurance	5,059,000.00	5,039,088.25
Hartford Accident & Indemnity Company	3,325,000.00	3,387,465.50
Hartford Fire Insurance Company	3,830,000.00	3,874,371.00
Hartford International Life Reassurance Corp.	2,069,000.00	2,057,441.45
Hartford Life and Accident Insurance Co.	2,026,000.00	2,014,991.90
Hartford Life Insurance Company	2,019,000.00	2,010,267.40
Hartford Life and Annuity	2,421,000.00	2,413,340.25
Hartford Steam Boiler Inspec. & Ins. Co.	3,600,000.00	3,619,030.95
Hartford Steam Boiler Insp & Ins Co Of Conn.	1,000,000.00	1,008,750.00
Hartford Underwriters Insurance Company	3,575,000.00	3,655,976.50
Highlands Insurance Company	100,000.00	100,000.00
Highmark Insurance Company	5,000,000.00	5,063,300.00
Houston General Insurance Company	65,000.00	62,237.50
Idealife Insurance Company	1,500,000.00	1,489,113.00
Il Annuity And Insurance Co.	250,000.00	253,165.00
Industrial Alliance Life Insurance	30,000.00	31,279.20
Integon National Insurance Company	75,000.00	77,508.00
Integon Preferred Insurance	75,000.00	85,887.00
Liberty Insurance Corporation	30,000.00	29,854.80
Liberty Mutual Fire Insurance Company	20,450,000.00	20,956,767.50
Liberty Mutual Insurance Company	129,940,000.00	126,547,869.50
Life Reassurance Corporation Of America	5,290,000.00	5,199,186.30
Lumber Mutual Insurance Company	1,880,000.00	1,942,685.60
MML Bay State Life Insurance Co.	1,500,000.00	1,527,660.00
Massachusetts Mutual	1,810,000.00	1,873,708.60
Members Life Ins. Co.	350,000.00	361,704.00
Middlesex Mutual	525,000.00	550,263.00
Monumental Life Insurance	75,000.00	76,101.75
Munich American Reassurance Company	40,000.00	39,318.80
National Fire Insurance Co. Of Hartford	2,500,000.00	2,569,870.00
National Liability & Fire Insurance	2,600,000.00	2,582,944.00
New England Insurance Company Of Connecticut	2,600,000.00	2,576,836.00
New England Reinsurance Corporation	3,225,000.00	3,170,078.25
New London County Mutual Insurance Co.	600,000.00	598,314.00
Northern Assur. Co. of America	3,640,000.00	3,674,463.65
North American Lumber Insurance Company	495,000.00	467,119.70
Nutmeg Insurance Company	3,000,000.00	3,031,300.00
Odyssey America	2,500,000.00	2,844,563.60
Orion Insurance Company	3,630,000.00	3,583,350.30
PHL Variable Insurance Company	5,070,000.00	5,043,767.10
Pacific Insurance Company	2,820,000.00	2,861,446.00

SECURITIES HELD IN TRUST FOR POLICYHOLDERS (Continued)

JUNE 30, 2000

Name of Insurance Company	Par Amount of Collateral	Market Value
Patrons Fire Ins. Co. of Rhode Island	120,000.00	136,008.00
Phoenix American Life	1,500,000.00	1,474,455.00
Phoenix Insurance Company	4,635,000.00	4,699,057.55
Phoenix Life & Annuity	5,150,000.00	5,067,671.50
Pxre Reinsurance	7,425,000.00	7,311,558.00
Quadrant Indemnity	3,300,000.00	3,326,700.00
Radian Guaranty	315,000.00	323,347.50
Reliance Universal Ins.Co.	100,000.00	99,224.60
Royal Special Risks Insurance Company	2,500,000.00	2,457,025.00
Royal Surplus Lines Insurance Company	2,500,000.00	2,647,250.00
Safeco Insurance Co.	100,000.00	104,812.00
Safeguard Insurance Company	3,350,000.00	3,292,413.50
Seaco Insurance Company	5,505,000.00	5,995,711.05
Security Connecticut Life Ins. Co.	5,000,000.00	4,753,900.00
Security Insurance Company Of Hartford	3,185,000.00	3,208,301.50
Seneca Insurance Company	260,000.00	263,291.60
Sentinel Ins. Co. Ltd.	3,100,000.00	3,282,214.50
Servus Life Ins. Co.	5,050,000.00	5,046,800.50
Standard Fire Insurance Company	4,000,000.00	3,931,880.00
T.H.E. Insurance Company	300,000.00	298,090.00
Thames Ins. Co.	200,000.00	199,438.00
Tig Insurance Co.	12,076,000.00	11,755,261.44
Transnational Insurance	3,600,000.00	3,577,416.00
Travco Insurance Company	4,875,000.00	5,162,186.25
Travelers Casualty & Surety	3,000,000.00	3,089,770.00
Travelers Casualty & Surety of America	3,180,000.00	3,246,179.20
Travelers Casualty of Connecticut	2,500,000.00	2,519,250.75
Travelers Commercial Insurance	1,625,000.00	1,598,935.25
Travelers Excess & Surplus	2,500,000.00	2,527,350.00
Travelers Home & Marine Insurance Company	5,125,000.00	5,426,913.75
Travelers Indemnity Company	4,130,000.00	3,963,678.00
Travelers Indemnity Company Of America	3,565,000.00	3,504,288.05
Travelers Indemnity Company Of Connecticut	3,000,000.00	3,318,750.00
Travelers Insurance Company	2,625,000.00	2,584,252.50
Travelers Life And Annuity Company	2,600,000.00	2,652,124.00
Travelers Personal Security Insurance Company	4,100,000.00	4,061,107.00
Travelers Property Casualty Insurance Company	1,550,000.00	1,536,603.00
Trenwick America Reinsurance	3,500,000.00	3,586,800.00
Truck Insurance Exchange	370,000.00	363,639.70
Trumbull Insurance Co	3,090,000.00	3,128,324.40
United Guaranty Residential Ins. Co. Of N.C.	50,000.00	51,056.00
United Healthcare Insurance	1,506,000.00	1,496,696.82
United Illuminating	210,000.00	207,505.20
Vision Service Plan Of Connecticut Inc.	2,300,000.00	2,284,544.00
Westchester Surplus Lines	100,000.00	103,625.00
Worcester Ins.	1,270,000.00	1,274,891.50
Zenith Insurance Company	100,000.00	99,125.00
Zurich Reinsurance Centre I	3,000,000.00	3,130,940.00
TOTAL	$ 490,190,100.00	$ 488,998,220.41

SECURITIES HELD IN TRUST FOR POLICYHOLDERS (Continued)

JUNE 30, 2000

Name of Insurance Company		Par Amount of Collateral	Market Value
Assets Held In STIF:			
American Mutual Insurance Of Boston	$	2,048,858.68	
American Mutual Liability		21,275,842.47	
Covenant Mutual Liquidating Trust		15,795,011.31	
First State Insurance Company		3,380,495.37	
Suburban Health Plan		1,090,083.38	
Westbrook Insurance Company		6,335,954.80	
TOTAL	$	49,926,246.01	

UNEMPLOYMENT COMPENSATION FUND

On Account with the Secretary of the Treasurer of the Unitied State as Trustee of the Unemployment Compensation Fund

The Act which established Unemployment Compensation provides that contributions from employers be collected by the Labor Commissioner as Administrator of the Act and be deposited with the State Treasurer. (Chapter 2, Public Act, Special Session 1936). These funds are then sent to the Secretary of the Treasury of the United States. The Administrator requests withdrawals as needed to pay benefits to employees.

BALANCE, JULY 1, 1999		**$ 834,820,121.34**
Deposits	$ 353,645,000.00	
Combined Wage Transfers to Connecticut	3,733,593.86	
Earnings	55,737,744.72	
Federal Employee & Ex-Servicemen Contributions	3,085,000.00	
EB Recoupment	7,500.00	
Reed Act Distribution	2,061,495.00	
FSB, EUC Repayments	(413,797.95)	
FSC Repayments	(6,564.70)	417,849,970.93
TOTAL CASH AVAILABLE		**$ 1,252,670,092.27**
Withdrawals	$ 408,815,000.00	
Federal Employee & Ex-Servicemen Withdrawals	3,085,000.00	411,900,000.00
BALANCE, JUNE 30, 2000		**$ 840,770,092.27**