

PIMCO CALIFORNIA MUNICIPAL INCOME FUND  
Form N-Q  
April 02, 2007

---

OMB  
APPROVAL  
OMB Number  
3235-0578  
Expires: May 31,  
2007  
Estimated average  
burden  
hours per response:  
21.09

---

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY

Investment Company Act File Number: 811-10379

Registrant Name: PIMCO California Municipal Income Fund

Address of Principal Executive Offices: 1345 Avenue of the Americas New York, New York 10105

Name and Address of Agent for Service: Lawrence G. Altadonna — 1345 Avenue of the Americas New York, New York 10105

Registrant's telephone number, including area code: 212-739-3371

Date of Fiscal Year End: April 30, 2007

Date of Reporting Period: January 31, 2007

Form N-Q is to be used by the registered management investment company, other than a small business investment company registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b 1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

## Item 1. Schedule of Investments

PIMCO California Municipal Income Fund  
 Schedule of Investments  
 January 31, 2007 (unaudited)

| Principal<br>Amount<br>(000)             |   | Credit Rating<br>(Moody's/S&P) | Value*       |
|--|---|--------------------------------|--------------|
| CALIFORNIA MUNICIPAL BONDS & NOTES—89.3% |   |                                |              |
| \$1,000                                  | ABAG Finance Auth. for Nonprofit Corps.,<br>CP, 5.375%, 2/15/19   | NR/BBB                         | \$ 1,040,980 |
| 1,000                                    | Rev., 5.375%, 11/15/25 (CA Mtg. Ins.)   | NR/A                           | 1,042,650    |
| 1,385                                    | Alvord Unified School Dist., GO, 5.375%, 8/1/29,<br>Ser. C (FSA)  | Aaa/NR                         | 1,392,188    |
| 6,405                                    | Campbell Union High School Dist., GO, 5.50%,<br>8/1/30 (FSA)  | Aaa/NR                         | 6,806,273    |
| 2,250                                    | Capistrano Unified School Dist., Special Tax,<br>5.75%, 9/1/29, (Pre-refunded @ \$102, 9/1/09) (a)          | NR/NR                          | 2,402,482    |
|  | Carson, Improvement Board Act 1915, Special<br>Assessment,<br>(Pre-refunded @ \$103, 3/2/07) (a),           |                                |              |
| 3,250                                    | 6.35%, 9/2/23   | NR/NR                          | 3,353,805    |
| 5,000                                    | 6.375%, 9/2/31  | NR/NR                          | 5,159,800    |
| 5,250                                    | Central JT Powers Health Financing Auth., CP,<br>5.75%, 2/1/31  | Baa2/BBB-                      | 5,417,265    |
| 4,140                                    | Charter Oak Unified School Dist., GO, 5.00%,<br>7/1/28, Ser. B,<br>(Pre-refunded @ \$100, 7/1/13) (FSA) (a) | Aaa/AAA                        | 4,444,290    |
|  | Contra Costa Cnty. Public Financing Auth., Tax<br>Allocation,   |                                |              |
| 2,150                                    | 5.125%, 8/1/19  | NR/BBB                         | 2,225,250    |
| 600                                      | 5.125%, 8/1/19, (Pre-refunded @ \$102, 8/1/09) (a)  | NR/BBB                         | 630,954      |
| 5,000                                    | 5.85%, 8/1/33   | NR/BBB                         | 5,332,750    |
| 2,750                                    | CSUCI Financing Auth. Rev., 5.00%, 9/1/31, Ser.<br>A (MBIA)   | Aaa/AAA                        | 2,848,670    |
| 3,635                                    | Cucamonga Cnty. Water Dist., CP, 5.125%,<br>9/1/35 (FGIC)   | Aaa/AAA                        | 3,798,539    |
|  | East Side Union High School Dist., Santa Clara<br>Cnty., GO,<br>Ser. E (XLCA),                              |                                |              |
| 1,985                                    | zero coupon, 8/1/21   | Aaa/AAA                        | 1,015,466    |
| 1,490                                    | zero coupon, 8/1/22   | Aaa/AAA                        | 723,395      |
|  | El Monte, CP (AMBAC),   |                                |              |
| 10,790                                   | 4.75%, 6/1/30   | Aaa/AAA                        | 10,940,736   |

Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

|        |   |           |            |
|--------|---|-----------|------------|
| 14,425 | 5.25%, 1/1/34<br>Foothill/Eastern Corridor Agcy. Rev., Toll Road<br>Rev.,                     | Aaa/AAA   | 15,091,723 |
| 5,000  | zero coupon, 1/15/33  | Baa3/BBB- | 1,094,450  |
| 5,000  | zero coupon, 1/15/34<br>Fremont Community Dist., Special Tax,                                 | Baa3/BBB- | 1,028,700  |
| 165    | 6.00%, 9/1/18   | NR/NR     | 173,021    |
| 505    | 6.00%, 9/1/19   | NR/NR     | 528,796    |
| 3,500  | 6.30%, 9/1/31<br>Golden State Tobacco Securitization Corp. Rev.,                              | NR/NR     | 3,683,085  |
| 8,000  | 5.00%, 6/1/38, Ser. A (FGIC) (g)  | Aaa/AAA   | 8,370,720  |
| 17,500 | 6.25%, 6/1/33, Ser. 2003-A-1  | Baa3/BBB  | 19,534,375 |
| 10,155 | 6.75%, 6/1/39, Ser. 2003-A-1  | Baa3/BBB  | 11,615,289 |
| 540    | 7.875%, 6/1/42, Ser. A-3<br>Health Facs. Finance Auth. Rev., Catholic<br>Healthcare West (a), | Baa3/BBB  | 658,525    |
| 875    | 5.00%, 7/1/28, (Partially pre-refunded @ \$101,<br>7/1/08)                                    | A2/A      | 888,632    |
| 125    | 5.00%, 7/1/28, (Pre-refunded @ \$101, 7/1/08)<br>Health Facs. Financing Auth. Rev.,           | A2/A      | 128,615    |
| 1,980  | 5.00%, 7/1/18   | A2/A      | 2,027,362  |

PIMCO California Municipal Income Fund  
Schedule of Investments  
January 31, 2007 (unaudited) (continued)

| Principal<br>Amount<br>(000) |  | Credit Rating<br>(Moody's/S&P) | Value*     |
|------------------------------|--|--------------------------------|------------|
| \$130                        | 5.00%, 7/1/18, (Pre-refunded @ \$101, 7/1/08) (a)  | A2/A                           | \$133,760  |
| 5,315                        | 5.125%, 7/1/18   | NR/BBB+                        | 5,362,410  |
| 3,000                        | 5.25%, 10/1/14, Ser. B   | A3/AAA                         | 3,102,570  |
| 6,250                        | Infrastructure & Economic Dev. Bank Rev., Bay<br>Area Toll<br>Bridges, 5.00%, 7/1/36, (Pre-refunded @ \$100,<br>1/1/28)<br>(AMBAC) (a) | Aaa/AAA                        | 6,968,812  |
| 3,000                        | 5.00%, 9/1/21  | Aaa/AAA                        | 3,157,620  |
| 10,000                       | 5.10%, 9/1/31  | Aaa/AAA                        | 10,497,300 |
| 1,000                        | 5.125%, 9/1/32   | Aaa/AAA                        | 1,053,470  |
| 1,495                        | Lincoln Public Financing Auth. Rev., Twelve<br>Bridges Ltd.,<br>6.125%, 9/2/27   | NR/NR                          | 1,540,179  |
| 6,250                        | Los Angeles Cnty. Metropolitan Transportation<br>Auth. Rev.,   | Aaa/AAA                        | 6,469,875  |

Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

|        |  |           |            |
|--------|--|-----------|------------|
|        | 4.75%, 7/1/28, Ser. B, (Pre-refunded @ \$101,<br>7/1/09)<br>(FSA) (a)<br>Los Angeles Community Redev. Agcy., Tax<br>Allocation,                                  |           |            |
| 520    | 5.875%, 9/1/26   | NR/NR     | 525,205    |
| 325    | 6.00%, 9/1/31  | NR/NR     | 328,656    |
| 5,000  | Los Angeles Dept. of Water & Power Rev., 4.75%,<br>7/1/30,<br>Ser. A (FSA) (g)   | Aaa/AAA   | 5,142,900  |
| 3,250  | Los Angeles Unified School Dist., GO, 5.125%,<br>7/1/21, Ser. E,<br>(Pre-refunded @ \$100, 7/1/12) (MBIA) (a)  | Aaa/AAA   | 3,479,840  |
| 10,200 | Los Angeles Water & Power Rev., 5.25%, 7/1/21,<br>Ser. A-A-1 (FSA)<br>Metropolitan Water Dist. of Southern California<br>Rev., Water<br>Works Rev.,              | Aaa/AAA   | 10,781,706 |
| 3,500  | 5.00%, 7/1/26, Ser. A, (Pre-refunded @ \$101,<br>1/1/08) (a)   | Aa2/AAA   | 3,579,218  |
| 5,820  | Montclair Redev. Agcy., Tax Allocation, 5.30%,<br>10/1/30 (MBIA)<br>Murrieta Valley Unified School Dist., Special Tax,<br>(Pre-refunded @<br>\$102, 9/1/09) (a), | Aaa/AAA   | 6,185,612  |
| 195    | 6.30%, 9/1/18  | NR/NR     | 210,824    |
| 3,535  | 6.50%, 9/1/31  | NR/NR     | 3,839,045  |
| 6,255  | Orange Cnty. Sanitation Dist., CP, 5.25%, 2/1/30<br>(FGIC)   | Aaa/AAA   | 6,653,819  |
| 1,080  | Palm Springs Community Redev. Agcy., Tax<br>Allocation, 5.50%,<br>8/1/21   | NR/A-     | 1,141,636  |
| 1,010  | Pomona Unified School Dist., GO, 6.10%, 2/1/19,<br>Ser. A (MBIA)   | Aaa/AAA   | 1,213,636  |
| 1,690  | Rancho Etiwanda Public Facs., Special Tax,<br>6.375%, 9/1/24   | NR/NR     | 1,780,922  |
| 1,190  | Rancho Mirage Redev. Agcy., Tax Allocation,<br>5.50%, 4/1/24   | Baa1/BBB+ | 1,258,830  |
| 1,580  | 5.625%, 4/1/33<br>Riverside, Improvement Board Act 1915, Special<br>Assessment,  | Baa1/BBB+ | 1,672,035  |
| 500    | 6.15%, 9/2/19  | NR/NR     | 532,390    |
| 1,350  | 6.375%, 9/2/26   | NR/NR     | 1,444,352  |
| 8,305  | Riverside Cnty., CP, 5.125%, 11/1/30 (MBIA)  | Aaa/AAA   | 8,766,260  |
| 575    | Roseville, Woodcreek Community Facs. Dist.,<br>Special Tax,<br>6.375%, 9/1/27, (Pre-refunded @ \$102, 9/1/10) (a)  | NR/NR     | 635,076    |

Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

PIMCO California Municipal Income Fund  
 Schedule of Investments  
 January 31, 2007 (unaudited) (continued)

| Principal<br>Amount<br>(000) |   | Credit Rating<br>(Moody's/S&P) | Value*      |
|------------------------------|---|--------------------------------|-------------|
|                              | Sacramento, Special Tax,  |                                |             |
| \$2,945                      | 5.70%, 9/1/23   | NR/NR                          | \$2,994,240 |
| 1,350                        | 6.10%, 9/1/21   | NR/NR                          | 1,390,527   |
| 2,560                        | 6.15%, 9/1/26   | NR/NR                          | 2,643,021   |
| 2,000                        | Sacramento Health Fac. Rev., 5.30%, 1/1/24, Ser.<br>A (CA Mtg. Ins.)  | NR/A+                          | 2,049,240   |
| 545                          | San Diego Cnty., CP, 5.25%, 10/1/28   | A2/NR                          | 567,770     |
| 1,000                        | San Diego Cnty. Water Auth., CP, 5.00%, 5/1/32,<br>Ser. A (MBIA)  | Aaa/AAA                        | 1,044,000   |
|                              | San Francisco Bay Area Transit Financing Auth.<br>Rev. (AMBAC),   |                                |             |
| 880                          | 5.125%, 7/1/36  | Aaa/AAA                        | 915,622     |
| 2,450                        | 5.125%, 7/1/36, (Pre-refunded @ \$100, 7/1/11) (a)  | Aaa/AAA                        | 2,594,722   |
| 720                          | San Francisco City & Cnty. Redev. Agcy. Rev.,<br>Special Tax,<br>6.125%, 8/1/31   | NR/NR                          | 754,574     |
| 5,065                        | San Joaquin Cnty., CP, 5.00%, 9/1/20 (MBIA)<br>San Joaquin Hills Transportation Corridor Agcy.<br>Toll Road Rev.,<br>Ser. A,    | Aaa/AAA                        | 5,239,540   |
| 5,000                        | 5.50%, 1/15/28  | Ba2/BB-                        | 5,020,800   |
| 5,000                        | 5.70%, 1/15/19  | Ba2/BB-                        | 5,305,300   |
| 230                          | San Jose, Improved Board Act 1915, Special<br>Assessment,<br>5.60%, 9/2/17, Ser. Q  | NR/NR                          | 237,015     |
| 5,000                        | San Jose Unified School Dist., Santa Clara Cnty.,<br>GO, 5.125%,<br>8/1/25, Ser. D, (Pre-refunded @ \$101, 8/1/10)<br>(FSA) (a) | Aaa/AAA                        | 5,283,600   |
|                              | San Juan Unified School Dist., GO (FSA),  |                                |             |
| 9,445                        | zero coupon, 8/1/22   | Aaa/AAA                        | 4,762,452   |
| 10,895                       | zero coupon, 8/1/25   | Aaa/AAA                        | 4,759,263   |
| 6,110                        | zero coupon, 8/1/26   | Aaa/AAA                        | 2,542,432   |
| 600                          | Santa Ana Financing Auth. Rev., 5.60%, 9/1/19   | NR/BBB                         | 623,310     |
| 1,815                        | Santa Clara, CP, 5.00%, 2/1/32 (AMBAC)  | Aaa/AAA                        | 1,892,156   |
| 1,435                        | Santa Maria JT Union High School Dist., GO,<br>5.25%, 8/1/25,<br>Ser. A, (Pre-refunded @ \$102, 8/1/15) (FSA) (a)               | Aaa/AAA                        | 1,610,070   |
|                              | Statewide Community Dev. Auth., CP,   |                                |             |
| 8,000                        | 5.375%, 4/1/30  | NR/BBB                         | 8,107,760   |
| 2,325                        | 6.50%, 7/1/20   | A2/A                           | 2,515,418   |
| 5,675                        | 6.50%, 7/1/20, (Pre-refunded @ \$101, 7/1/10) (a)   | A2/A                           | 6,209,812   |
|                              | Statewide Community Dev. Auth. Rev.,  |                                |             |

Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

|        |   |         |            |
|--------|---|---------|------------|
| 5,600  | Gillispie School, 6.625%, 10/1/31   | NR/NR   | 5,730,648  |
| 3,000  | Health Fac. Jewish Home, 5.50%, 11/15/33 (CA St. Mtg.)                    | NR/A+   | 3,218,610  |
| 15,250 | Henry Mayo Newhall Memorial Hospital, 5.125%, 10/1/30<br>(CA Mtg. Ins.)   | NR/A+   | 15,634,147 |
| 2,500  | St. Marks School, 6.75%, 6/1/28   | NR/NR   | 2,623,525  |
| 4,000  | Sutter Health, 5.50%, 8/15/34, Ser. B                                     | Aa3/AA- | 4,252,080  |
| 4,240  | Tehiy Day School, 6.625%, 11/1/31   | NR/NR   | 4,449,371  |
| 8,000  | Tobacco Securitization Agcy. Rev., Los Angeles Cnty., zero coupon, 6/1/28 | Baa3/NR | 6,846,240  |

PIMCO California Municipal Income Fund  
Schedule of Investments  
January 31, 2007 (unaudited) (continued)

| Principal Amount (000) |   | Credit Rating (Moody's/S&P) | Value*                             |
|------------------------|---|-----------------------------|------------------------------------|
|                        | Tobacco Securitization Auth. Rev., Ser. A, (Pre-refunded @ \$100, 6/1/11) (a),      |                             |                                    |
| \$1,500                | 5.25%, 6/1/31   | Aaa/AAA                     | \$1,591,380                        |
| 9,300                  | 5.375%, 6/1/41  | Aaa/AAA                     | 9,912,591                          |
| 1,650                  | Town of Apple Valley, CP, 5.375%, 6/1/21 (CA Mtg. Ins.)                             | NR/A+                       | 1,749,825                          |
| 2,345                  | Tustin Unified School Dist., Special Tax, 5.50%, 9/1/22                             | NR/NR                       | 2,374,524                          |
| 2,520                  | 5.60%, 9/1/29   | NR/NR                       | 2,576,095                          |
| 2,000                  | 5.625%, 9/1/32  | NR/NR                       | 2,041,140                          |
|                        | Univ. Rev.,   |                             |                                    |
| 8,000                  | 4.75%, 5/15/35, Ser. F (FSA) (g)  | NR/NR                       | 8,147,280                          |
| 10,000                 | 5.00%, 5/15/36, Ser. A (AMBAC)  | Aaa/AAA                     | 10,458,700                         |
| 7,000                  | 5.125%, 9/1/31, Ser. O, (Pre-refunded @ \$101, 9/1/10)<br>(FGIC) (a)                | Aaa/AAA                     | 7,404,180                          |
| 3,750                  | West Kern Cnty. Water Dist., CP, 5.625%, 6/1/31, (Pre-refunded @ \$101, 6/1/10) (a) | Baa2/NR                     | 4,000,650                          |
|                        | Total California Municipal Bonds & Notes (cost-\$356,566,726)                       |                             | 382,930,474                        |
|                        |   |                             | OTHER MUNICIPAL BONDS & NOTES-7.9% |
|                        | Illinois-1.3%   |                             |                                    |
|                        | Educational Facs. Auth. Rev., Univ. of Chicago,                                     |                             |                                    |
| 5,260                  | 5.00%, 7/1/33   | Aa1/AA                      | 5,461,037                          |
| 240                    | 5.00%, 7/1/33, (Pre-refunded @ \$100, 7/1/13) (a)                                   | Aa1/AA                      | 255,809                            |
|                        |   |                             | 5,716,846                          |

Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

|       |   |          |           |
|-------|---|----------|-----------|
|       | Iowa-2.0%   |          |           |
| 8,700 | Tobacco Settlement Auth. Rev., zero coupon,<br>6/1/34, Ser. B                                 | Baa3/BBB | 8,764,902 |
|       | Louisiana-0.4%  |          |           |
| 1,750 | Tobacco Settlement Financing Corp. Rev.,<br>5.875%, 5/15/39, Ser. 2001-B                      | Baa3/BBB | 1,878,922 |
|       | New Jersey-1.6%   |          |           |
| 1,685 | Tobacco Settlement Financing Corp. Rev.,<br>6.00%, 6/1/37, (Pre-refunded @ \$100, 6/1/12) (a) | Aaa/AAA  | 1,856,027 |
| 2,210 | 6.125%, 6/1/42, (Pre-refunded @ \$100, 6/1/12) (a)  | Aaa/AAA  | 2,447,487 |
| 2,315 | 6.375%, 6/1/32  | Aaa/AAA  | 2,623,451 |
|       |   |          | 6,926,965 |
|       | New York-0.5%   |          |           |
| 2,000 | State Dormitory Auth. Rev., 6.25%, 8/15/15<br>(FHA)   | Aa2/AAA  | 2,232,720 |
|       | Puerto Rico-1.5%  |          |           |
| 1,250 | Electric Power Auth., Power Rev.,<br>5.125%, 7/1/29, Ser. NN                                  | A3/BBB+  | 1,313,587 |
| 5,000 | 5.25%, 7/1/29, Ser. HH (FSA)  | Aaa/AAA  | 5,276,650 |
|       |   |          | 6,590,237 |

PIMCO California Municipal Income Fund  
Schedule of Investments  
January 31, 2007 (unaudited) (continued)

| Principal<br>Amount<br>(000) |  | Credit Rating<br>(Moody's/S&P) | Value*                                  |
|------------------------------|--|--------------------------------|---|
|                              | Rhode Island-0.4%  |                                |   |
| \$1,500                      | Tobacco Settlement Financing Corp. Rev.,<br>6.125%, 6/1/32, Ser. A               | Baa3/BBB                       | \$1,603,140                             |
|                              | South Carolina-0.1%  |                                |   |
| 340                          | Tobacco Settlement Rev., Management Auth.,<br>6.375%, 5/15/30,<br>Ser. B         | Baa3/BBB                       | 395,060                                 |
|                              | Total Other Municipal Bonds & Notes<br>(cost-\$30,781,223)                       |                                | 34,108,792                              |
|                              |  |                                | CALIFORNIA VARIABLE RATE NOTES (d)-1.4% |
| 4,001                        | Los Angeles Wastewater System Rev., 9.72%,<br>6/1/28, Ser. 318<br>(FGIC) (b) (c) | Aaa/NR                         | 4,570,342                               |
| 1,000                        | Sacramento Cnty. Sanitation Dist. Rev., 9.539%,<br>8/1/13, Ser. 1034<br>(MBIA)   | NR/AAA                         | 1,294,100                               |
|                              | Total California Variable Rate Notes<br>(cost-\$4,905,705)                       |                                | 5,864,442                               |
|                              |  |                                | OTHER VARIABLE RATE NOTES (d)-1.2%      |

Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

|                  |   |                              |               |
|------------------|---|------------------------------|---------------|
|                  | Illinois–1.2%   |                              |               |
| 4,000            | Chicago Rev., 9.485%, 5/1/14, Ser. 1419<br>(AMBAC)<br>(cost–\$4,411,403)  | NR/NA                        | 5,152,000     |
|                  |   | U.S. TREASURY BILLS (e)–0.2% |               |
| 725              | 4.795%–4.805%, 3/15/07 (cost–\$720,940)   |                              | 720,940       |
|                  | <b>Total Investments before options written</b> (cost–\$397,385,997)– <b>100.0%</b>   |                              | 428,776,648   |
|                  |   | OPTIONS WRITTEN (f)–(0.0)%   |               |
| <u>Contracts</u> |   |                              |               |
|                  | Call Options–(0.0)%   |                              |               |
| 170              | U.S. Treasury Notes 10 yr. Futures, Chicago<br>Board of Trade,<br>strike price \$110, expires 2/23/07 (premiums<br>received–\$71,166) |                              | (2,656)       |
|                  | <b>Total Investments net of options written</b> (cost–\$397,314,831)– <b>100.0%</b>   |                              | \$428,773,992 |

Notes to Schedule of Investments:

\*Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Portfolio securities and other financial instruments for which market quotations are not readily available or if a development/event occurs that may significantly impact the value of a security are fair-valued, in good faith, pursuant to guidelines established by the Board of Trustees. The Fund's investments are valued daily using prices supplied by an independent pricing service or dealer quotations, or by using the last sale price on the exchange that is the primary market for such securities, or the quoted mean price for those securities for which the over-the-counter market is the primary market or for listed securities in which there were no sales. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Exchange traded options and futures are valued at the settlement price determined by the relevant exchange. Short-term securities maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days. The prices used by the Fund to value securities may differ from the value that would be realized if the securities were sold. The Fund's net asset value is determined daily as of the close of regular trading (normally, 4:00 p.m. Eastern time) on the New York Stock Exchange ("NYSE") on each day the NYSE is open for business.

- (a) Pre-refunded bonds are collateralized by U.S. Government or other eligible securities which are held in escrow and used to pay principal and interest and retire the bonds at the earliest refunding date (payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate).
- (b) 144A Security – Security exempt from registration, under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (c) Residual Interest Municipal Bonds ("RIBS")/Residual Interest Tax Exempt Bonds ("RITES") – The interest rate shown bears an inverse relationship to the interest rate on another security or the value of an index.
- (d) Variable Rate Notes – instruments whose interest rates change on specified date (such as a coupon date or interest payment date) and/or whose interest rates vary with changes in a designated base rate (such as



Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

the prime interest rate). The interest rate disclosed reflects the rate in effect on January 31, 2007.

(e) All or partial amount segregated as collateral for futures contracts and/or written options.

(f) Non-income producing.

(g) Residual Interest Bonds Held in Trust – Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction.

Glossary:

AMBAC – insured by American Municipal Bond Assurance Corp.

CA Mtg. Ins. – insured by California Mortgage Insurance

CA St. Mtg. – insured by California State Mortgage

CP – Certificates of Participation

FGIC – insured by Financial Guaranty Insurance Co.

FHA – insured by Federal Housing Administration

FSA – insured by Financial Security Assurance, Inc.

GO – General Obligation Bond

MBIA – insured by Municipal Bond Investors Assurance

NR – Not Rated

XLCA – insured by XL Capital Assurance

Other Investments:

(1) Futures contracts outstanding at January 31, 2007:

| Type                                 | Contracts | Market Value (000) | Expiration Date | Unrealized Appreciation (Depreciation) |
|--------------------------------------|-----------|--------------------|-----------------|--|
| Long: Financial Future Euro – 90 day | 85        | \$ 20,114          | 6/18/07         | \$ (94,012)                            |
| Financial Future Euro – 90 day       | 85        | 20,133             | 9/17/07         | (77,913)                               |
| Financial Future Euro – 90 day       | 85        | 20,152             | 12/17/07        | (59,850)                               |
| Financial Future Euro – 90 day       | 85        | 20,164             | 3/17/08         | (46,038)                               |
| Short: U.S. Treasury Bond Futures    | (96)      | (10,572)           | 3/21/07         | 270,000                                |
| U.S. Treasury Notes 10 yr. Futures   | (132)     | (14,091)           | 3/21/07         | 248,063                                |
|                                      |           |                    |                 | \$ 240,250                             |

(2) Transactions in options written for the nine months ended January 31, 2007:

|   | Contracts | Premiums   |
|---|-----------|------------|
| Options outstanding, April 30, 2006                 | 555       | \$ 139,915 |
| Options written                                     | 1,057     | 189,846    |
| Options expired                                     | (1,044)   | (184,779)  |
| Options terminated in closing purchase transactions | (398)     | (73,816)   |

Options outstanding, January 31, 2007

170      \$ 71,166

---

## Item 2. Controls and Procedures

(a) The registrant's President and Chief Executive Officer and Principal Financial Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-2(c) under the Investment Company Act of 1940, as amended) are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

Prior to reaching this conclusion, the principal officers had become aware of matters relating to the Registrant's participation in certain inverse floater structures that required enhancements to certain controls. The Registrant's management determined that controls relating to the review and analysis of relevant terms and conditions of certain transfers of securities under the provisions of Statement of Financial Accounting Standards No. 140 "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities" ("SFAS 140") were not effective.

The Registrant's Management is taking such further actions as are necessary to revise its disclosure controls and procedures in order to increase the effectiveness of these controls with respect to the accounting treatment of transfers of certain inverse floater transactions.

(b) There were no significant changes in the registrant's internal controls or in factors that could affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses. However, as discussed above, the Registrant enhanced controls related to the accounting treatment of transfers of certain inverse floater transactions.

## Item 3. Exhibits

(a) Exhibit 99.302 Cert. – Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

---

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant: PIMCO California Municipal Income Fund  
By /s/ Brian S. Shlissel  
President & Chief Executive Officer

Date: April 2, 2007

By /s/ Lawrence G. Altadonna  
Treasurer, Principal Financial & Accounting Officer

Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

Date: April 2, 2007

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By /s/ Brian S. Shlissel  
President & Chief Executive Officer

Date: April 2, 2007

By /s/ Lawrence G. Altadonna  
Treasurer, Principal Financial & Accounting Officer

Date: April 2, 2007

---