

Edgar Filing: BLACKROCK MUNIYIELD CALIFORNIA FUND, INC - Form N-Q

BLACKROCK MUNIYIELD CALIFORNIA FUND, INC
Form N-Q
December 23, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-06499

Name of Fund: BlackRock MuniYield California Fund, Inc. (MYC)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Anne F. Ackerley, Chief Executive Officer, BlackRock
MuniYield California Fund, Inc., 55 East 52nd Street, New York, NY 10055.

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 07/31/2010

Date of reporting period: 10/31/2009

Item 1 Schedule of Investments

BlackRock MuniYield California Fund, Inc. (MYC)

| Schedule of Investments October 31, 2009 (Unaudited) | | (Percentages shown are based on Net Assets) | |
|---|--|---|--------------|
| | Municipal Bonds | Par (000) | Value |
| California - 110.5% | | | |
| Corporate - 1.5% | | | |
| | California Pollution Control Financing Authority, RB, Waste Management Inc. Project, Series C, AMT, 6.75%, 12/01/27 | \$ 3,300 | \$ 3,395,370 |
| | City of Chula Vista, California, RB, San Diego Gas, Series A, 5.88%, 2/15/34 | 975 | 1,051,625 |
| | | | 4,446,995 |
| County/City/Special District/School District - 37.9% | | | |
| | Arcata Joint Powers Financing Authority, California, TAN, Community Development Project Loan, Series A (AMBAC), 6.00%, 8/01/23 | 2,520 | 2,520,504 |
| | California State Department of Water Resources, Refunding RB, Water System, Series AF, 5.00%, 12/01/29 | 2,500 | 2,636,150 |
| | City of Los Angeles, California, COP, Senior, Sonnenblick Del Rio West Los Angeles (AMBAC), 6.20%, 11/01/31 | 2,000 | 2,042,420 |
| | City of Los Angeles, California, Refunding RB, Series A, 5.00%, 6/01/39 | 9,870 | 10,134,319 |
| | El Monte Union High School District, California, GO, Election of 2002, Series C (FSA), 5.25%, 6/01/32 | 10,120 | 10,294,368 |
| | Fontana Unified School District, California, GO, Series A (FSA), 5.25%, 8/01/28 | 7,000 | 7,170,730 |
| | Grant Joint Union High School District, California, GO, Election of 2006 (FSA), 5.00%, 8/01/29 | 9,390 | 9,496,107 |
| | Hayward Unified School District, California, GO, Election of 2008, 5.25%, 8/01/29 | 5,395 | 5,561,436 |
| | Marin Community College District, GO, Election of 2004, Series A (MBIA), 5.00%, 8/01/28 | 5,885 | 6,083,501 |
| | Modesto Irrigation District, COP, Series B, 5.50%, 7/01/35 | 3,300 | 3,476,385 |
| | Morgan Hill Unified School District, California, GO, CAB (FGIC), 5.06%, 8/01/26 (a)(b) | 7,570 | 3,568,422 |
| | Murrieta Valley Unified School District Public Financing Authority, Special Tax, Series A (AGC), 5.13%, 9/01/26 | 6,675 | 6,949,610 |
| | Oak Grove School District, California, GO, Election of 2008, Series A, 5.50%, 8/01/33 | 4,000 | 4,250,960 |
| | Orange County Sanitation District, COP (MBIA), 5.00%, 2/01/33 | 5,250 | 5,315,835 |
| | Pico Rivera Public Financing Authority, RB, 5.50%, 9/01/31 | 1,500 | 1,515,780 |
| | Pico Rivera Public Financing Authority, RB, 5.75%, 9/01/39 | 4,365 | 4,441,038 |
| | Pittsburg Redevelopment Agency, TAN, Refunding, | | |

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| | | |
|--|-------|-----------|
| Subordinate, Los Medanos Community Project, Series A, 6.50%, 9/01/28 | 2,500 | 2,700,100 |
| San Diego Regional Building Authority, California, RB, County Operations Center & Annex, Series A, 5.38%, 2/01/36 | 3,200 | 3,297,312 |

Portfolio Abbreviations

To simplify the listings of portfolio holdings in the Schedule of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list.

| | | | |
|--------------|---|-------------|--|
| AGC | American Capital Access Corp. | GNMA | Government National Mortgage Association |
| AMBAC | American Municipal Bond Assurance Corp. | GO | General Obligation Bonds |
| AMT | Alternative Minimum Tax (subject to) | MBIA | Municipal Bond |
| CAB | Capital Appreciation Bonds | | |
| COP | Certificates of Participation | RB | Revenue Bonds |
| FGIC | Financial Guaranty Insurance Co. | TAN | Tax Anticipation Notes |
| FSA | Financial Security Assurance Inc. | | |

BlackRock MuniYield California Fund, Inc. (MYC)

| Schedule of Investments October 31, 2009 (Unaudited) | | (Percentages shown are based on Net Assets) | |
|---|--------------|---|--|
| | Par (000) | Value | |
| Municipal Bonds | | | |
| San Francisco Bay Area Transit Financing Authority, Refunding RB, Series A (MBIA), 5.00%, 7/01/34 | \$ 5,430 | \$ 5,496,409 | |
| San Jose Evergreen Community College District, California, GO, CAB, Election of 2004, Series A (MBIA), 5.12%, 9/01/23 (b) | 10,005 | 4,690,944 | |
| San Juan Unified School District, California, GO, Election of 2002 (MBIA), 5.00%, 8/01/28 | 5,000 | 5,011,500 | |
| Santa Cruz County Redevelopment Agency, California, TAN, Live Oak, Soquel Community Improvement, Series A, 6.63%, 9/01/29 | 1,000 | 1,058,010 | |
| Santa Cruz County Redevelopment Agency, California, TAN, Live Oak, Soquel Community Improvement, Series A, 7.00%, 9/01/36 | 500 | 530,585 | |
| Vacaville Unified School District, California, GO, Election of 2001 (MBIA), 5.00%, 8/01/30 | 4,745 | 4,708,321 | |
| Ventura Unified School District, California, GO, Election of 1997, Series H (FSA), 5.13%, 8/01/34 | 1,000 | 1,014,440 | |
| Westminster Redevelopment Agency, California, TAN, Subordinate, Commercial Redevelopment Project No. 1 (AGC), 6.25%, 11/01/39 | 1,250 | 1,425,400 | |
| | | 115,390,586 | |
| Education - 6.7% | | | |
| California Infrastructure & Economic Development Bank, RB, J. David Gladstone Institute Project, 5.50%, 10/01/22 | 4,990 | 5,087,954 | |
| California State University, RB, Systemwide, Series A, 5.25%, 11/01/34 | 1,500 | 1,500,000 | |
| California State University, RB, Systemwide, Series A, 5.50%, 11/01/39 | 2,725 | 2,755,547 | |
| University of California, RB, Limited Project, Series D (MBIA), 5.00%, 5/15/32 | 2,500 | 2,520,250 | |
| University of California, RB, Series L, 5.00%, 5/15/36 | 8,500 | 8,649,345 | |
| | | 20,513,096 | |
| Health - 18.8% | | | |
| ABAG Finance Authority for Nonprofit Corp., RB, California Revenue Sharp Healthcare, 6.38%, 8/01/34 | 1,750 | 1,836,187 | |
| ABAG Finance Authority for Nonprofit Corp., RB, Redwood Senior Homes & Services, 6.00%, 11/15/22 | 1,730 | 1,728,391 | |
| California Health Facilities Financing Authority, California, RB, Catholic Healthcare West, Series A, 6.00%, 7/01/39 | 10,000 | 10,454,100 | |

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| | | |
|--|-------|-----------|
| California Health Facilities Financing Authority, California, RB, Saint Joseph Health System, Series A, 5.50%, 7/01/29 | 2,000 | 2,069,580 |
| California Health Facilities Financing Authority, RB, Catholic Healthcare West, Series E, 5.63%, 7/01/25 (c) | 6,000 | 6,190,920 |
| California Statewide Communities Development Authority, COP, John Muir, Mt Diablo Health System (MBIA), 5.13%, 8/15/22 | 4,000 | 4,001,800 |
| California Statewide Communities Development Authority, RB, Catholic Healthcare West, Series D, 5.50%, 7/01/31 | 5,000 | 5,049,400 |
| California Statewide Communities Development Authority, RB, Health Facilities, Memorial Health Services, Series A, 6.00%, 10/01/23 | 3,270 | 3,389,126 |
| California Statewide Communities Development Authority, RB, Health Facilities, Memorial Health Services, Series A, 5.50%, 10/01/33 | 3,000 | 3,018,390 |

BlackRock MuniYield California Fund, Inc. (MYC)

| Schedule of Investments October 31, 2009 (Unaudited) | | (Percentages shown are based on Net Assets) | |
|--|--------------|--|--------------|
| | Par | | Value |
| | (000) | | |
| Municipal Bonds | | | |
| California Statewide Communities Development Authority, RB, Senior Living Southern California, 6.25%, 11/15/19 | \$ 500 | | \$ 530,210 |
| California Statewide Communities Development Authority, RB, Senior Living Southern California Presbyterian Homes, 6.63%, 11/15/24 | 650 | | 687,323 |
| California Statewide Communities Development Authority, RB, Senior Living Southern California Presbyterian Homes, 7.00%, 11/15/29 | 500 | | 537,285 |
| California Statewide Communities Development Authority, RB, Senior Living Southern California Presbyterian Homes, 7.25%, 11/15/41 | 1,750 | | 1,876,298 |
| California Statewide Communities Development Authority, RB, Kaiser, Series C, 5.25%, 8/01/31 (d) | 6,975 | | 6,815,273 |
| California Statewide Communities Development Authority, Series C, 5.75%, 7/01/47 | 7,525 | | 7,758,877 |
| City of Torrance, California, RB, Torrance Memorial Medical Center, Series A, 6.00%, 6/01/22 | 1,310 | | 1,348,252 |
| | | | 57,291,412 |
| Housing - 1.2% | | | |
| California Rural Home Mortgage Finance Authority, California, RB, Mortgage Backed Securities Program, Series B, AMT (GNMA), 6.15%, 6/01/20 | 25 | | 25,128 |
| California Rural Home Mortgage Finance Authority, California, RB, Sub-Series FH-1, AMT, 5.50%, 8/01/47 | 415 | | 230,972 |
| Santa Clara County Housing Authority, California, RB, John Burns Gardens Apartments Project, Series A, AMT, 6.00%, 8/01/41 | 3,500 | | 3,542,805 |
| | | | 3,798,905 |
| State - 6.6% | | | |
| California State Public Works Board, RB, Department Development Services, Porterville, Series C, 6.25%, 4/01/34 | 1,100 | | 1,141,129 |
| California State Public Works Board, RB, Department Education, Riverside Campus Project, Series B, 6.50%, 4/01/34 | 10,000 | | 10,911,300 |
| State of California, GO, 5.50%, 8/01/30 | 2,500 | | 2,523,975 |
| State of California, GO, Various Purpose, 6.50%, 4/01/33 | 5,000 | | 5,526,050 |
| | | | 20,102,454 |
| Transportation - 2.7% | | | |
| City of San Jose, California, RB, Series D (MBIA), 5.00%, | | | |

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| | | | |
|--------------------------|--|-------|-----------|
| | 3/01/28 | 4,115 | 4,037,268 |
| | County of Orange, California, RB, Series B, 5.75%, 7/01/34 | 3,000 | 3,227,640 |
| | County of Sacramento, California, RB, Senior Series B, 5.75%, 7/01/39 | 900 | 963,612 |
| | | | 8,228,520 |
| Utilities - 35.1% | Anaheim Public Financing Authority, California, RB, Electric System Distribution Facilities, Series A (FSA), 5.00%, 10/01/31 | 5,000 | 5,049,800 |
| | California Infrastructure & Economic Development Bank, RB, California Independent System Operator, Series A, 6.25%, 2/01/39 | 2,170 | 2,303,932 |
| | California State Department of Water Resources, RB, Central Valley Project, Series AE, 5.00%, 12/01/28 | 6,000 | 6,441,240 |
| | California Statewide Communities Development Authority, RB, Pooled Financing Program, Series C (FSA), 5.25%, 10/01/28 | 2,380 | 2,419,460 |

BlackRock MuniYield California Fund, Inc. (MYC)

| Schedule of Investments October 31, 2009 (Unaudited) | (Percentages shown are based on Net Assets) | |
|---|---|--------------------|
| | Par (000) | Value |
| Municipal Bonds | | |
| Chino Basin Regional Financing Authority, California, RB, Inland Empire Utility Agency, Series A (AMBAC), 5.00%, 11/01/33 | \$ 4,015 | \$ 3,878,932 |
| City of Chula Vista, California, RB, 5.88%, 1/01/34 | 1,500 | 1,617,885 |
| Eastern Municipal Water District, California, COP, Series H, 5.00%, 7/01/35 | 7,540 | 7,613,440 |
| Los Angeles Department of Water & Power, RB, Power System, Sub-Series A-1 (AMBAC), 5.00%, 7/01/37 | 15,100 | 15,358,663 |
| Los Angeles Department of Water & Power, RB, System, Series A, 5.38%, 7/01/38 | 3,200 | 3,383,616 |
| Los Angeles Department of Water & Power, RB, System, Sub-Series A-2 (FSA), 5.00%, 7/01/35 | 7,500 | 7,622,775 |
| Metropolitan Water District of Southern California, RB, Authorization, Series C, 5.00%, 7/01/35 | 7,085 | 7,237,611 |
| Metropolitan Water District of Southern California, RB, Series A (FSA), 5.00%, 7/01/30 | 1,000 | 1,032,290 |
| Metropolitan Water District of Southern California, RB, Series A, 5.00%, 7/01/32 | 1,240 | 1,278,948 |
| Metropolitan Water District of Southern California, Refunding RB, Series B, 5.00%, 7/01/35 | 2,625 | 2,681,543 |
| Oxnard Financing Authority, RB, Redwood Trunk Sewer & Headworks, Series A (MBIA), 5.25%, 6/01/34 | 4,160 | 4,159,792 |
| Sacramento Municipal Utility District, RB, Cosumnes Project (MBIA), 5.13%, 7/01/29 | 18,500 | 18,849,095 |
| Sacramento Regional County Sanitation District, RB, County Sanitation District 1 (MBIA), 5.00%, 8/01/35 | 5,375 | 5,452,346 |
| San Diego Public Facilities Financing Authority, RB, Senior Series A, 5.38%, 5/15/34 | 1,900 | 1,943,358 |
| San Francisco City & County Public Utilities Commission, RB, Series A, 5.13%, 11/01/39 | 2,295 | 2,370,276 |
| Semitropic Improvement District, Refunding RB, Series A, 5.00%, 12/01/38 | 4,000 | 3,975,520 |
| Western Municipal Water District Facilities Authority, RB, Series B, 5.00%, 10/01/39 | 2,000 | 2,024,900 |
| | | 106,695,422 |
| Total Municipal Bonds in California | | 336,467,390 |

Puerto Rico - 1.8%

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County/City/Special

District/School

District - 1.8%

Puerto Rico Sales Tax Financing Corp., RB, First

Sub-Series A, 6.50%, 8/01/44

5,000 5,407,500

Total Municipal Bonds in Puerto Rico

5,407,500

Total Municipal Bonds - 112.3%

341,874,890

Municipal Bonds Transferred to

Tender Option Bond Trusts (e)

California - 44.8%

County/City/Special

District/School

District - 15.3%

Contra Costa Community College District, California,

GO, Election of 2002 (FSA), 5.00%, 8/01/30

10,210 10,438,704

Fremont Unified School District Alameda County, California,

GO, Election of 2002, Series B (FSA), 5.00%, 8/01/30

4,003 4,107,328

Los Angeles Community College District, California, GO,

Election of 2003, Series E (FSA), 5.00%, 8/01/31

10,002 10,265,947

Los Angeles Community College District, California, GO,

Election of 2008, Series A, 6.00%, 8/01/33

3,828 4,325,895

BlackRock MuniYield California Fund, Inc. (MYC)

| | | (Percentages shown are based on Net Assets) | |
|--|--|---|--------------|
| Schedule of Investments October 31, 2009 (Unaudited) | | | |
| | Municipal Bonds Transferred to Tender Option Bond Trusts (d) | Par (000) | Value |
| | Peralta Community College District, California, GO, Election of 2000, Series D (FSA), 5.00%, 8/01/30 | \$ 1,995 | \$ 2,047,987 |
| | San Diego Community College District, California, GO, Election of 2002, 5.25%, 8/01/33 | 7,732 | 8,117,942 |
| | Sonoma County Junior College District, GO, Refunding, Election of 2002, Series B (FSA), 5.00%, 8/01/28 | 6,875 | 7,106,723 |
| | | | 46,410,526 |
| Education - 17.5% | California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/39 | 13,845 | 14,590,000 |
| | California State University, RB, Systemwide, Series A (FSA), 5.00%, 11/01/39 | 4,840 | 4,793,923 |
| | Santa Clara County Financing Authority, Refunding RB, Lease, Series L, 5.25%, 5/15/36 | 10,001 | 10,463,182 |
| | University of California, RB, Limited Project, Series B (FSA), 5.00%, 5/15/33 | 8,490 | 8,527,441 |
| | University of California, RB, Series L, 5.00%, 5/15/40 | 11,597 | 11,771,407 |
| | University of California, RB, Series O, 5.75%, 5/15/34 | 2,805 | 3,102,021 |
| | | | 53,247,974 |
| Transportation - 2.0% | San Francisco Bay Area Transit Financing Authority, Refunding RB, Series A (MBIA), 5.00%, 7/01/30 | 6,000 | 6,142,260 |
| Utilities - 10.0% | Eastern Municipal Water District, California, Water and Sewer, COP, Series H, 5.00%, 7/01/33 | 4,748 | 4,810,967 |
| | Metropolitan Water District of Southern California, RB, Series A, 5.00%, 7/01/37 | 20,000 | 20,497,800 |
| | San Diego County Water Authority, COP, Series A (FSA), 5.00%, 5/01/31 | 5,010 | 5,043,517 |
| | | | 30,352,284 |
| | Total Municipal Bonds Transferred to Tender Option Bond Trusts - 44.8% | | 136,153,044 |
| | Total Long-Term Investments (Cost - \$473,299,400) - 157.1% | | 478,027,934 |
| | Short-Term Securities | Shares | |
| | CMA California Municipal Money Fund, 0.04% (f)(g) | 8,307 | 8,307 |
| | Total Short-Term Securities (Cost - \$8,307) - 0.0% | | 8,307 |
| | Total Investments (Cost - \$473,307,707*) - 157.1% | | 478,036,241 |
| | Other Assets Less Liabilities - 2.2% | | 6,616,383 |

| | |
|---|-----------------------|
| Liability for Trust Certificates, Including Interest | |
| Expense and Fees Payable - (24.5)% | (74,446,639) |
| Preferred Shares, at Redemption Value - (34.8)% | (105,960,244) |
| Net Assets Applicable to Common Shares - 100.0% | \$ 304,245,741 |

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2009, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 398,728,665 |
| Gross unrealized appreciation | \$ 9,122,824 |
| Gross unrealized depreciation | (4,191,258) |
| Net unrealized appreciation | \$ 4,931,566 |

BlackRock MuniYield California Fund, Inc. (MYC)
Schedule of Investments October 31, 2009 (Unaudited)

- (a) Security is collateralized by Municipal or US Treasury Obligations.
 (b) Represents a zero-coupon bond. Rate shown reflects the effective yield as of report date.
 (c) When-issued security.

| Counterparty | Market Value | Unrealized Appreciation (Depreciation) |
|---------------------|-------------------------|---|
| Citigroup NA | \$ 6,190,920 | - |

- (d) Variable rate security. Rate shown is as of report date.
 (e) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction.
 (f) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate | Net Activity | Income |
|--|-------------------------|---------------|
| CMA California Municipal Money Fund | \$ (7,599,390) | \$ 700 |

- (g) Represents the current yield as of report date.

Fair Value Measurements - Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 - price quotations in active markets/exchanges for identical assets and liabilities

Level 2 - other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 - unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements as contained in its annual report.

The following table summarizes the inputs used as of October 31, 2009 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in Securities |
|-----------------------------|--------------------------------------|
|-----------------------------|--------------------------------------|

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| | Assets | |
|--|---------------|-----------------------|
| Level 1 - Short-Term Securities | | \$ 8,307 |
| Level 2 - Long-Term Investments ¹ | | 478,027,934 |
| Level 3 | | - |
| Total | | \$ 478,036,241 |

¹See above Schedule of Investments for values in each sector.

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Item 2 Controls and Procedures

2(a) The registrant's principal executive and principal financial officers or persons performing similar functions have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13(a)-15(b) under the Securities Exchange Act of 1934, as amended.

2(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 Exhibits

Certifications Attached hereto

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.

BlackRock MuniYield California Fund, Inc.

By: /s/ Anne F. Ackerley

Anne F. Ackerley

Chief Executive Officer of

BlackRock MuniYield California Fund, Inc.

Date: December 18, 2009

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/ Anne F. Ackerley

Anne F. Ackerley

Chief Executive Officer (principal executive officer) of

BlackRock MuniYield California Fund, Inc.

Date: December 18, 2009

By: /s/ Neal J. Andrews

Neal J. Andrews

Chief Financial Officer (principal financial officer) of

BlackRock MuniYield California Fund, Inc.

Date: December 18, 2009
