

**LOCAL INVESTMENT ADVISORY BOARD  
915 Capitol Mall, Room 110  
Sacramento, CA 95814**

**Minutes  
October 21, 2008**

Dan Dowell, Director of Investments Chairing for State Treasurer Bill Lockyer called the Local Investment Advisory Board (LIAB) meeting to order at 1:34 p.m. on Tuesday, October 21, 2008.

**AGENDA ITEM 1: Roll Call**

Present: Dan Dowell for State Treasurer Bill Lockyer  
Russ Branson, LIAB member  
Martin Krieger, LIAB member  
Beth Renge, LIAB member  
Leslie Wells, LIAB member

Staff: Christine Solich, Assistant Director of Investments  
Pam Milliron, LAIF Administrator  
Diann Theis, Treasury Program Officer  
Evelyn Gorman, Investment Manager

The Chair declared a quorum at 1:35 p.m.

**AGENDA ITEM 2.A: Approval of the May 21, 2008, Minutes**

The Minutes for the May 21, 2008, meeting were approved as submitted with a motion by Mr. Branson and seconded by Mr. Wells. The motion passed unanimously.

**AGENDA ITEM NO. 3.A: 2008 Annual LAIF Conference**

Pam Milliron presented the 2008 Annual LAIF Conference Agenda. She stated that this conference would be the second largest conference since 2002.

- As of Tuesday, October 21, 2008, there were 161 registered for the LAIF Conference scheduled Wednesday, October 22, 2008 including 53 special districts, 41 cities, 13 counties, nine attendees from financial institutions and representatives from four of the seven depository banks.
- 47 percent or 75 of the 161 registered are first time LAIF Conference attendees.
- 64 attendees signed up for the post-conference tour at 7:00 a.m. on Thursday, October 23, 2008, to watch the cash trading for the Pooled Money Investment Account (PMIA) followed by a tour of the LAIF operations and the State Vault.

Conference registration begins Wednesday, October 22, 2008, at 8:30 a.m. and the conference begins at 9 a.m. with the pledge of allegiance led by Mr. Wells.

- Ms. Milliron will give a short welcome to the attendees.
- Maria Fiorini Rameriz, President and CEO of MFR Securities, Inc. will give an Economic Outlook for California and the U.S. after Recapitalization.
- Dan Dowell, Director of Investments and Christine Solich, Assistant Director of Investments will give an Overview of LAIF Operations and PMIA Goals and Objectives.
- State Treasurer Bill Lockyer will be the luncheon's keynote speaker.
- The afternoon session will be an in-depth Panel Discussion with the State's Investment Team.
- The final session of the day will be Marianne O'Malley from the Legislative Analyst's Office presenting an update on the State Budget and its Impact on Local Agencies.
- Conference adjournment and evaluation will take place at 3:45 p.m.

#### **AGENDA ITEM 4: Overview of LAIF Operations and PMIA Performance**

##### **PMIA Performance**

Christine Solich reported:

- PMIA was \$60.7 billion dollars.
- LAIF was \$21.8 billion dollars.
- The daily rate was 2.69%.
- The quarter to date was 2.73%.
- The year to date was 2.77%.
- The average life of the portfolio was 240 days.
- The Fed Fund's rate was 1.50% as of October 8, 2008.

The Investment Division continues to monitor credit and activities of financial institutions, sub prime exposure and write downs which are in the billions of dollars.

## **LAIF Operations**

Pam Milliron reported:

- The quarterly apportionment rate for June 30, 2008 was 3.11% with administrative costs of .22% of earnings.
- The quarterly apportionment rate for September 30, 2008 was 2.77% with administrative costs of .27% of earnings.
- As of September 30, 2008, there were 2,709 participants in LAIF.
- LAIF was approximately 36% of the total PMIA with a current balance of \$21,784,321,267.52.
- LAIF monthly statements are available online.

Pam Milliron stated that with a new budget the plan to add an additional Manager for LAIF would proceed.

### **AGENDA ITEM 5: Public Comment**

None

### **AGENDA ITEM 6: Other Business**

None

### **AGENDA ITEM 7: Adjournment**

There being no further business; the meeting was adjourned at 1:55 p.m.