

**POOLED MONEY INVESTMENT BOARD**  
**915 Capitol Mall, Room 110**  
**Sacramento, CA 95814**

**MINUTES**

Wednesday, April 21, 2004

The meeting was called to order at 10:01 a.m.

Roll: Francisco Lujano for State Treasurer Philip Angelides  
Cindy Aronberg for State Controller Steve Westly  
Bob Campbell for Director of Finance Donna Arduin

Staff Present: Barbara Lloyd, Executive Secretary, PMIB  
Doug Spittler, State Treasurer's Office  
Gina Greer, Attorney General's Office  
Linda McAtee, State Treasurer's Office

**APPROVAL OF MINUTES**

The Minutes for the meeting of March 17, 2004, were approved as submitted, 3-0.

**APPROVAL OF PMIB DESIGNATION NO. 1658**

Mr. Doug Spittler of the State Treasurer's Office presented the portfolio Summary Report as of April 14, 2004. On that day, the portfolio stood at \$51.745 billion. The effective yield was 1.456%, the quarter-to-date yield was 1.464% and the year-to-date yield was 1.559%. The average life of the portfolio was 157 days and AB 55 Loans approved stood at \$6.158 billion with \$1.904 billion having been disbursed. The Local Agency Investment Fund had deposits totaling \$22.546 billion with 2,736 participants.

Mr. Jerry Legg of the Cash Management Division of the State Treasurer's Office presented a summary of the Forecast of Changes in portfolio for the Pooled Money Investment Account for the period April 19, 2004, through June 18, 2004. Mr. Legg began by highlighting several of the key receipts. The Sale of State bonds was expected to total \$14.250 billion and Sales, Liquor, and Utility Surcharges were estimated at \$6.656 billion. Motor Vehicle Fuel Taxes were anticipated to total \$442 million. Personal Income and Bank & Corporation Taxes were expected to total \$11.672 billion, while the Insurance Gross Premium Taxes were estimated at \$404 million. Mr. Legg concluded by stating that \$48.808 billion was expected to be received over the nine-week period.

Mr. Bill Steffenhagen of the State Controller's Office presented the Estimated Pooled Money Disbursements for the forecast period and highlighted several of the major disbursements. Public School and Community College expenses were expected to total \$4.640 billion and Social Services disbursements were estimated at \$2.690 billion. Health Care Services was estimated to total \$5.420 billion and the Local Sales Tax Apportionment was anticipated at \$1.317 billion. The repayment of Revenue Anticipation Warrants was expected to total \$11.199 billion, while the Payroll Revolving Fund was estimated at \$2.479 billion. Total disbursements for the nine-week period were estimated at \$40.583 billion.

Designation No. 1658 was approved, 3-0.

### **APPROVAL OF AUTHORIZATION FOR GENERAL FUND INTERNAL BORROWING**

Mr. Doug Spittler presented this document which authorizes the General Fund to borrow from internal sources – the special funds and accounts within the State Treasury – to meet its cash needs during periods of shortfall. The authorization presented at this meeting was for the period May 1, 2004, through July 31, 2004. He noted that the amount available from various internal funds is estimated to be \$11,735,000,000.

The Authorization for General Fund Internal Borrowing for the period May 1, 2004, through July 31, 2004 was approved, 3-0.

### **APPROVAL OF SURPLUS MONEY DECLARATIONS/REDUCTIONS**

Mr. Doug Spittler presented the changes in the Surplus Money Investment Fund for the period March 1, 2004, through March 31, 2004. During that month \$6,236,721,000 was declared surplus in various special funds, while \$6,817,608,000 was declared to be a reduction in surplus.

The Surplus Money Declaration/Reduction for the month of March 2004, was approved, 3-0.

### **APPROVAL OF SURPLUS MONEY INVESTMENT FUND REQUESTS**

Mr. Doug Spittler presented this item and said that there were two SMIF requests for the month. The first request was from the State Treasurer's Office for the Special Deposit Fund, Garvee Bonds Senior Lien Debt Service Account (Fund Number 0942210). The second request was from the Department of Transportation for the Transportation Financing Subaccount, State Highway Account, State Transportation Fund (Fund Number 6801). He indicated that staff had reviewed both requests and was recommending their approval.

The Board accepted staff's recommendations and approved both requests, 3-0.

### **DEPOSITORY BANKS: WOMEN, INFANT AND CHILDREN (WIC) PROGRAM**

This item was withdrawn.

**APPROVAL OF AB 55 LOANS**

Mr. Chris Vance of the Public Finance Division of the State Treasurer's Office presented fourteen loan requests as shown in the following table.

<b>Loan Number</b>	<b>Type</b>	<b>Department/Program</b>	<b>Adjusted Loan Amount</b>
034160	GO/New	State Allocation Board Office of Public School Construction K-U Public Education Facilities Bond Act of 2004 (K-12)	\$400,000,000.00
034161	GO/Renewal	State Allocation Board Office of Public School Construction School Facilities Bond Act of 1990 (Nov.)	\$2,291,000.00
034162	GO/Renewal	State Allocation Board Office of Public School Construction 1992 School Facilities Bond Act (Nov.)	\$2,696,000.00
034163	GO/Renewal	Department of Conservation Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection Bond Act of 2000	\$551,738.00
034164	GO/Renewal	Department of Corrections New Prison Construction Bond Act of 1990	\$3,502,726.00
034165	REV/Renewal	Department of Health Services SPWB Lease Revenue Bonds Richmond Laboratory Phase III Office Building	\$49,793,000.00
034166	REV/Renewal	Department of Justice SPWB Lease Revenue Bonds Santa Rosa Replacement Laboratory	\$15,000.00
034167	REV/Renewal	Department of General Services SPWB Lease Revenue Bonds Food and Agriculture Building Renovation	\$18,014,021.00
034168	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Hammond Forest Fire Station	\$2,256,000.00
034169	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Antelope Forest Fire Station	\$1,396,000.00
034170	REV/Renewal	University of California SPWB Lease Revenue Bonds UC Davis, Veterinary Medicine 3A	\$18,150,000.00
034171	REV/Renewal	University of California SPWB Lease Revenue Bonds UC Merced, Classroom and Office Building	\$28,375,000.00

**APPROVAL OF AB 55 LOANS (Continued)**

<b>Loan Number</b>	<b>Type</b>	<b>Department/Program</b>	<b>Adjusted Loan Amount</b>
034172	REV/Renewal	University of California SPWB Lease Revenue Bonds UC Merced, Site Development & Infrastructure, Ph. 1,2	\$53,545,000.00
034173	REV/Renewal	University of California SPWB Lease Revenue Bonds UC Riverside, Heckmann International Center for Mgnt.	\$811,000.00

Mr. Vance said that all fourteen loans were recommended as presented with the exception of Loan No. 034160, which was being recommended for approval contingent upon approval of the Finance Committee following this meeting.

All fourteen loan requests were approved at the amounts recommended by staff, 3-0.

**PUBLIC COMMENT**

None.

In the absence of further business, the meeting was adjourned at 10:13 a.m.

Respectfully submitted

---

Barbara Lloyd  
Executive Secretary