

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

**MINUTES**

Wednesday, September 20, 2006

The meeting was called to order at 10:00 a.m.

Roll: Francisco Lujano for State Treasurer Philip Angelides  
Cindy Aronberg for State Controller Steve Westly  
Vince Brown for Director of Finance Michael C. Genest

Staff Present: Laurie Weir, Executive Secretary, PMIB  
Bill Dowell, State Treasurer's Office  
Patricia Pechtel, Attorney General's Office  
Mark Paxson, State Treasurer's Office

**APPROVAL OF MINUTES**

The Minutes for the meeting of August 16, 2006, were submitted to the Board for approval. Mr. Bill Dowell pointed out that there was a typographic error in the initial presentation of Item 7.c. – Loan Number 0670020. He said the loan number, dollar amount and agency name were correct, but the title of the program had been shown incorrectly. The minutes reflect the correct program name – Water Security, Clean Drinking Water Coastal and Beach Protection Act of 2002. Ms. Cindy Aronberg made a motion to approve the minutes, with the noted correction.

The minutes were approved as submitted, 3-0.

**APPROVAL OF PMIB DESIGNATION NO. 1687**

Mr. Dowell of the State Treasurer's Office presented the portfolio Summary Report as of August 31, 2006. On that day, the portfolio stood at \$56.984 billion. The effective yield was 4.989%, the quarter-to-date yield was 4.897% and the year-to-date yield was also 4.897%. The average life of the portfolio was 161 days and AB 55 Loans approved stood at \$8.337 billion with \$2.968 billion having been disbursed. The Local Agency Investment Fund had deposits totaling \$15.367 billion with 2,617 participants.

Designation No. 1687 was approved, 3-0.

### **APPROVAL OF SURPLUS MONEY DECLARATION/REDUCTION**

Mr. Dowell presented the changes in the Surplus Money Investment Fund for the period August 1, 2006 through August 31, 2006. During the month \$8,700,550,500.00 was declared surplus in various special funds, while \$7,073,993,000.00 was declared to be a reduction in surplus.

The Surplus Money Declaration/Reduction for the month of August 2006 was approved, 3-0.

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

Mr. Dowell presented three requests to participate in the Surplus Money Investment Fund, as shown below:

Department of Motor Vehicles  
Special Deposit Fund  
International Registration Plan Fees in Trust  
(Fund Number 0942189)

Department of Motor Vehicles  
Donate Life California Trust Subaccount  
(Fund Number 8038)

Department of Veterans Affairs  
Northern California Veterans Cemetery Perpetual Maintenance Fund  
(Fund Number 0238)

Mr. Vince Brown asked if these funds could be borrowed and Mr. Dowell indicated he did not believe they could be. Mr. Dowell added the requests had been reviewed by the Treasurer's Office, as well as the Controller's Office, and both recommended approval of all three requests.

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

### **APPROVAL OF AB 55 LOANS**

Ms. Tiffany Connelly of the Public Finance Division of the State Treasurer's Office presented 32 loan requests as shown in the following table. She noted that the first three loans (Items a. – c.) were for general obligation programs and the remaining loans (Items d. – af.) were for lease revenue programs.

<b>Agenda Item</b>	<b>Loan Number</b>	<b>Type</b>	<b>Department/Program</b>	<b>Adjusted Loan Amount</b>
6.a.	0670032	GO/Renewal	Department of Water Resources Water Conservation and Water Quality Bond Law of 1986	\$2,625,000.00

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

<b>Agenda Item</b>	<b>Loan Number</b>	<b>Type</b>	<b>Department/Program</b>	<b>Adjusted Loan Amount</b>
6.b.	0670033	GO/Renewal	Voting Modernization Board Voting Modernization Bond Act of 2002	\$92,370,000.00
6.c.	0670064	GO/Renewal	California State Library California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000	\$77,500,000.00
6.d.	0670035	REV/Renewal	California Community Colleges SPWB Lease Revenue Bond Program Palomar College: High Technology Lab-Classroom Bldg	\$31,527,007.34
6.e.	0670036	REV/Renewal	California Community Colleges SPWB Lease Revenue Bond Program Menifee Valley Center: Learning Resources Center	\$12,030,218.67
6.f.	0670037	REV/Renewal	California Community Colleges SPWB Lease Revenue Bond Program Santiago Canyon College: Learning Resource Center	\$10,027,744.87
6.g.	0670038	REV/Renewal	California Community Colleges SPWB Lease Revenue Bond Program Cuesta College: Library Addition Reconstruction	\$16,201,748.37
6.h.	0670039	REV/Renewal	Department of Corrections and Rehabilitation SPWB Lease Revenue Bond Program California State Prison, Sacramento: Psychiatric Services Unit/Enhanced Outpatient Care Ph II	\$18,683,662.00
6.i.	0670040	REV/Renewal	Department of Corrections and Rehabilitation SPWB Lease Revenue Bond Program California Medical Facility, Vacaville: Mental Health Crisis Beds	\$20,253,318.00
6.j.	0670041	REV/Renewal	Department of Education SPWB Lease Revenue Bond Program School for the Deaf, Riverside: Dormitory Replacement and Chiller	\$16,589,961.00
6.k.	0670042	REV/Renewal	Department of Education SPWB Lease Revenue Bond Program School for the Deaf, Fremont: Pupil Personnel Services Building	\$3,512,920.00

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

<b>Agenda Item</b>	<b>Loan Number</b>	<b>Type</b>	<b>Department/Program</b>	<b>Adjusted Loan Amount</b>
6.l.	0670043	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program San Marcos Forest Fire Station: Relocate Facility	\$3,297,894.00
6.m.	0670044	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Santa Clara Ranger Unit Headquarters: Replace Auto Shop	\$2,523,860.00
6.n.	0670045	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Alma Helitack Base: Replace Facility	\$512,291.00
6.o.	0670046	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Bautista Conservation Camp: Replace Modular Buildings	\$2,015,047.00
6.p	0670047	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Dew Drop Forest Fire Station: Replace Facility	\$2,683,753.00
6.q.	0670048	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Elk Camp Forest Fire Station: Relocate Facility	\$3,255,938.00
6.r.	0670049	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Warner Springs Forest Fire Station: Replace Facility	\$646,784.00
6.s.	0670050	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Usona Forest Fire Station: Replace Facility	\$2,266,563.00
6.t.	0670051	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Ventura Youth Conservation Camp: Construct Apparatus Building and Shop/Warehouse	<del>\$1,920,024.00</del> \$200,000.00

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

<b>Agenda Item</b>	<b>Loan Number</b>	<b>Type</b>	<b>Department/Program</b>	<b>Adjusted Loan Amount</b>
6.u.	0670052	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program San Luis Obispo Ranger Unit Headquarters: Replace Facility	\$4,173,727.00
6.v.	0670053	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Twain Harte Forest Fire Station: Replace Facility	\$518,242.00
6.w.	0670054	REV/Renewal	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Altaville Forest Fire Station: Replace Facility	\$407,255.00
6.x.	0670055	REV/New	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Mendocino Ranger Unit HQ: Replace Automotive Shop	\$1,055,200.00
6.y.	0670056	REV/New	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program CDF Academy: Construct Dormitory and Expand Mess Hall	\$735,200.00
6.z.	0670057	REV/New	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Badger Forest Fire Station: Replace Facility	\$386,200.00
6.aa.	0670058	REV/New	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Intermountain Conservation Camp: Replace Facility	\$1,956,200.00
6.ab.	0670059	REV/New	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program Miramonte Conservation Camp: Replace Facility	\$2,409,200.00
6.ac.	0670060	REV/New	Department of Forestry and Fire Protection SPWB Lease Revenue Bond Program South Operations Area Headquarters: Relocate Facility	\$2,946,200.00

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

<b>Agenda Item</b>	<b>Loan Number</b>	<b>Type</b>	<b>Department/Program</b>	<b>Adjusted Loan Amount</b>
6.ad.	0670061	REV/New	Department of Mental Health SPWB Lease Revenue Bond Program Patton State Hospital: Construct New Kitchen	\$1,249,000.00
6.ae.	0670062	REV/New	Department of Mental Health SPWB Lease Revenue Bond Program Napa State Hospital: Construct New Main Kitchen	\$1,407,000.00
6.af.	0670063	REV/New	Department of Veterans Affairs SPWB Lease Revenue Bond Program Yountville Veterans Home: Member Services Building – Renovate Facility	\$2,409,000.00

Ms. Connelly said that all loans, with the exception of Item 6.t., were recommended for approval as requested and presented. She noted that Item 6 t. was being recommended for approval at a lower than requested amount of \$200,000.00. There was a pending real estate issue that the Department of General Services was seeking to resolve and the requesting agency had agreed the \$200,000.00 amount would be sufficient at this time. Ms. Connelly concluded by explaining the impact on the PMIA would be to increase the loan portfolio by \$127,910,622.25.

All loan requests were approved as recommended by staff, 3-0.

**PUBLIC COMMENT**

None.

In the absence of further business, the meeting was adjourned at 10:16 a.m.

Respectfully submitted

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Laurie Weir  
Executive Secretary