

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

**MINUTES**

Wednesday, April 18, 2007

The meeting was called to order at 10:02 a.m.

Roll: Francisco Lujano for State Treasurer Bill Lockyer  
Richard Chivaro for State Controller John Chiang  
Anne Sheehan for Director of Finance Michael C. Genest

Staff Present: Bettina Redway, Executive Secretary, PMIB  
Bill Dowell, State Treasurer's Office  
Kathleen Chovan, Attorney General's Office  
Mark Paxson, State Treasurer's Office

**APPROVAL OF MINUTES**

The Minutes for the meeting of March 21, 2007, were approved as submitted, 3-0.

**PMIB DESIGNATION**

Mr. Bill Dowell of the State Treasurer's Office presented the portfolio Summary Report as of March 31, 2007. On that day, the portfolio stood at \$59.564 billion. The effective yield was 5.216%, the quarter-to-date yield was 5.184% and the year-to-date yield was 5.078%. The average life of the portfolio was 170 days and AB 55 Loans approved stood at \$7.709 billion with \$2.843 billion having been disbursed. The Local Agency Investment Fund had deposits totaling \$17.714 billion with 2,606 participants.

Mr. Andre Rivera 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 16, 2007 through June 22, 2007. He stated that over the ten-week period of the forecast there would be an increase in the portfolio of \$16.423 billion due to anticipated receipts exceeding disbursements. Mr. Rivera continued by highlighting several of the key receipts. He noted that Sales, Liquor, and Utility Surcharge were expected to total \$10.508 billion and the Motor Vehicle Fuel Taxes were expected to total \$508.374 million. Personal Income and Bank & Corporation Taxes were anticipated to total \$22.436 billion and proceeds from the Sale of State Bonds were estimated at \$2.090 billion. For this ten-week period, \$53.529 billion was anticipated in receipts.

Ms. Sue Griffith of the State Controller's Office presented the Estimated Pooled Money Disbursements for the forecast period and highlighted several of the major disbursements. Public Schools and Community Colleges were expected to total \$5.937 billion and Social Services were estimated at \$3.008 billion. Health Care Services were estimated at \$5.399 billion. Local Sales Tax Apportionment was anticipated to total \$2.350 billion and the Payroll Revolving Fund was estimated at \$3.067 billion. Ms. Griffith said disbursements for the ten-week period were estimated to total \$37.105 billion.

Designation No. 1694 was approved, 3-0.

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

Mr. Dowell presented this document that 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, 2007 through July 31, 2007. He noted that the amount available from various internal funds was estimated to be \$15.897 billion.

The Authorization for General Fund Internal Borrowing for the period May 1, 2007 through July 31, 2007 was approved, 3-0.

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

Mr. Dowell presented the changes in the Surplus Money Investment Fund for the period March 1, 2007 through March 31, 2007. During that month \$8,871,046,000.00 was declared surplus in various special funds, while \$7,974,817,000.00 was declared to be a reduction in surplus.

The Surplus Money Declaration/Reduction for the month of March 2007 was approved, 3-0.

#### **SURPLUS MONEY INVESTMENT FUND REQUESTS**

Mr. Dowell presented one request for this month:

California Energy Commission  
Natural Gas Subaccount  
Public Interest Research, Development and Demonstration Fund  
(Fund Number 3109)

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

**AB 55 LOAN APPLICATIONS (Government Code §16312)**

Mr. Orintheo Swanigan of the Public Finance Division of the State Treasurer’s Office presented seven loan requests as shown in the following table. He noted that the first three loans (Items a. – c.) were for general obligation programs while the remaining four loans (Items d. – g.) were for lease revenue programs.

<b>Agenda Item</b>	<b>Loan Number</b>	<b>Department/Program</b>	<b>Adjusted Loan Amount</b>
7.a	0670126	California Health Facilities Financing Authority Children’s Hospital Bond Act of 2004	\$243,721,482.00
7.b	0670127	State Allocation Board Office of Public School Construction School Facilities Bond Act of 1992 (June)	\$3,557,885.00
7.c	0670128	Department of Fish and Game Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection Bond Act of 2000	\$13,534,000.00
7.d	0670129	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Pacheco Forest Fire Station: Replace Facility	\$2,592,200.00
7.e	0670130	Department of General Services SPWB Lease Revenue Bonds State Office Building #10 Renovation	\$25,128,530.00
7.f	0670131	Department of Veteran’s Affairs SPWB Lease Revenue Bonds Greater Los Angeles and Ventura Counties Veteran’s Homes (GLAVC)	\$66,314,000.00
7.g	0670132	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds North Region Forest Fire Stations: Various Facilities	\$1,595,200.00

Mr. Swanigan said that all loans were recommended for approval as presented and that the impact on the Pool would be to increase the loan portfolio by \$77,265,060.80.

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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Bettina Redway  
Executive Secretary