

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

MINUTES

Wednesday, June 20, 2007

The meeting was called to order at 10:00 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
Catherine Brown, Attorney General's Office
Mark Paxson, State Treasurer's Office

APPROVAL OF MINUTES

The Minutes for the meeting of May 16, 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 May 31, 2007. On that day, the portfolio stood at \$62.673 billion. The effective yield was 5.254%, the quarter-to-date yield was 5.236% and the year-to-date yield was 5.108%. The average life of the portfolio was 170 days and AB 55 Loans approved stood at \$7.749 billion with \$3.518 billion having been disbursed. The Local Agency Investment Fund had deposits totaling \$20.226 billion with 2,607 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 June 18, 2007 through August 17, 2007. He stated that over the nine-week period of the forecast there would be a reduction in the portfolio of \$1.398 billion due to disbursements exceeding revenues. Mr. Rivera continued by highlighting several of the key receipts. He noted that Sales, Liquor, and Utility Surcharge were expected to total \$8.859 billion and that the Motor Vehicle Fuel Taxes were expected to total \$389 million. Personal Income and Bank & Corporation Taxes were anticipated to total \$9.678 billion and proceeds from the Sale of State Bonds were anticipated at \$2.532 billion. Mr. Rivera noted of that amount \$2.500 billion was anticipated in general obligation bond proceeds for the week of June 25th, and summarized by saying for the nine-week period, \$37.285 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 \$6.637 billion and Social Services were estimated at \$2.963 billion. The Payroll Revolving Fund was anticipated to total \$3.120 billion. The Public Employees’ Retirement System was expected to total \$691 million and the State Teachers’ Retirement System was expected to total \$746 million. Revenue Anticipation Notes plus interest repayment for the week of June 25th were estimated to total \$1.549 billion.

Ms. Griffith said disbursements for the 9-week period were estimated to total \$37.653 billion.

Designation No. 1696 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 May 1, 2007 through May 31, 2007. During that month \$8,401,300,000.00 was declared surplus in various special funds, while \$9,043,774,000.00 was declared to be a reduction in surplus.

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

SURPLUS MONEY INVESTMENT FUND REQUESTS

Mr. Dowell said there were no requests for the month.

AB 55 LOAN APPLICATIONS (Government Code § 16312)

Ms. Tiffany Connelly of the Public Finance Division of the State Treasurer’s Office presented 28 loan requests as shown in the following table. She stated that Item y had been withdrawn and may be included in next month’s agenda. Ms. Connelly continued by noting that the remaining first 13 loans (Items a. – m.) were for general obligation programs and the last 15 loans (Items n. – i.) were for lease revenue programs.

Agenda Item	Loan Number	Department/Program	Adjusted Loan Amount
a.	0670135	Hastings College of the Law Kindergarten-University Public Education Facilities Bond Act of 2002 (Hi-Ed)	\$23,495,000.00
b.	0670146	California Community Colleges Kindergarten-University Public Education Facilities Bond Act of 2002 (Hi-Ed)	\$402,405,000.00

c.	0670174	California State University Kindergarten-University Public Education Facilities Bond Act of 2002 (Hi-Ed)	\$137,583,000.00
d.	0670147	California State University Kindergarten-University Public Education Facilities Bond Act of 2004 (Hi-Ed)	\$297,771,000.00
e.	0670148	Department of Transportation Seismic Retrofit Bond Act of 1996	\$143,560,000.00
f.	0670149	Department of Corrections and Rehabilitation New Prison Construction Bond Act of 1988	\$2,669,268.00
g.	0670150	Department of Water Resources Water Conservation Bond Law of 1988	\$3,000,000.00
h.	0670151	Department of Water Resources Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection Act	\$397,884,790.00
i.	0670152	Resources Agency Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection Act	\$17,000,000.00
j.	0670153	Department of Health Services Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection Act	\$23,140,699.00
k.	0670155	Resources Agency Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000	\$312,290,000.00

l.	0670156	California State Library California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000	\$54,040,000.00
m.	0670157	Water Resources Control Board for Department of Water Resources Safe, Clean, Reliable Water Supply Bond act of 1996	\$38,189,472.00
n.	0670158	Department of Mental Health SPWB Lease Revenue Bonds Metropolitan State Hospital: Construct New Kitchen & Remodel Existing Satellite Kitchens	\$15,032,000.00
o.	0670159	Department of Mental Health SPWB Lease Revenue Bonds Patton State Hospital: EB Bldg – Renovate Admission Ste, Fire Life Safety & Environ. Improvements and Seismic Retrofit, Ph II & III	\$1,918,246.00
p.	0670160	Department of Education SPWB Lease Revenue Bonds School for the Deaf, Riverside – Multi-Purpose Building	\$618,689.00
q.	0670161	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Harts Mill Forest Fire Station – Relocate Facility	\$2,589,913.00
r.	0670162	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Sweetwater Forest Fire Station – Relocate Facility	\$3,525,551.00

s.	0670163	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Springville Forest Fire Station – Relocate Facility	\$4,097,673.00
t.	0670164	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Independence Forest Fire Station Construct Facility	\$3,105,290.00
u.	0670165	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Dew Drop Forest Fire Station – Replace Facility	\$2,687,023.00
v.	0670166	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Academy – Construct Dormitory and Expand Mess Hall	\$854,000.00
w.	0670167	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Badger Forest Fire Station – Replace Facility	\$547,404.00
x.	0670168	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Alma Helitack Base – Replace Facility	\$515,404.00
y.	0670169	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Elk Camp Forest Fire Station – Relocate Facility	\$3,206,223.00

z.	0670170	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Usona Forest Fire Station – Replace Facility	\$3,341,570.00
aa.	0670171	Department of Justice SPWB Lease Revenue Bonds Santa Rosa Replacement Laboratory	\$9,747,000.00
ab.	0670172	Department of Veteran’s Affairs SPWB Lease Revenue Bonds Fresno Veterans Home	\$1,924,000.00
ac.	0670173	Department of Veteran’s Affairs SPWB Lease Revenue Bonds Redding Veterans Home	\$1,432,000.00

Ms. Connelly stated that all loans were recommended for approval as presented and that the impact on the Pool would be to increase the loan portfolio by \$700,921,414.33.

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

PUBLIC COMMENT

None.

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

Respectfully submitted

Bettina Redway
Executive Secretary