

POOLED MONEY INVESTMENT BOARD
JULY 15, 2009
Staff Report – Agenda Item 7

RECOMMENDATIONS

1. Loan Renewal Requests. Staff recommends approval of the 19 AB 55 loan renewal requests (Items 7.a-s) on the July 15, 2009 agenda in the amounts shown on column g of Exhibit A. The recommended amounts are for either the amount of the existing adjusted loan amount, a decrease requested by the department, or an increase necessary for the requesting department to pay accrued interest and/or costs authorized by Department of Finance’s (DOF) Budget Letter 09-09. All renewed loans will be subject to the freeze described in Recommendation 3.

2. New Loan Requests. Staff recommends approval of the following three new loan requests on the agenda:

Item 7.t Department of Corrections and Rehabilitation,
SPWB Lease Revenue Bonds, AB 900, CA Medical Facility, Vacaville: 64-Bed Intermediate Care Facility, \$3,293,000

Item 7.u Department of Corrections and Rehabilitation,
SPWB Lease Revenue Bonds, AB 900, CA Medical Facility, Vacaville: Enhanced Outpatient Treatment, Program and Office Space, \$3,346,000

Item 7.v Department of Corrections and Rehabilitation,
SPWB Lease Revenue Bonds, AB 900, Los Angeles County: Enhanced Outpatient Program Treatment and Office Space, \$694,000

Comments: Staff recommends approval of these loans based on the following:

- The loan amounts identified above have been included in DOF’s Budget Letter 09-09 as allowable disbursements.
- On June 16, 2009, the federal court overseeing the *Coleman v. Schwarzenegger* proceedings approved the detailed activation schedules of the three AB 900 projects identified above and ordered that the projects be completed within the timeframes submitted by the State. The State is required to report to the court within 30 days the occurrence of any delay to the schedule, including any denial of interim financing by the Pooled Money Investment Board. The court has stated that it would consider enjoining additional parties to the litigation if necessary to obtain compliance with its order.
- On June 17, 2009, the California Supreme Court denied the Taxpayers for Improving Public Safety (TIPS) petition for review relating to the AB 900 litigation. Now that the litigation has been fully resolved in the State’s favor, it no longer presents a legal obstacle to the issuance of bonds for AB 900 related projects.

- Finally, as a prerequisite for the issuance of AB 900 bonds, DOF must receive legislative approval as well as State Public Works Board (SPWB) approval for each proposed project. Items 7.t and 7.u have obtained both legislative and SPWB approval. Item 7.v is expected to receive legislative approval and SPWB approval by July 14, 2009.

3. AB 55 Loan Disbursement Freeze. Staff recommends that the Board continue the freeze on disbursements for approved AB 55 loans except for disbursements authorized by DOF's Budget Letter 09-09.

EXHIBIT A

POOLED MONEY INVESTMENT BOARD
 LOAN REQUESTS (AB 55 LOANS)
 For the July 15, 2009 PMIB Meeting

Agenda Item	New or Renewal	Old Loan No.	New Loan No.	Fund No.	Type	Department/Program	[a]	[b]	[c]	[d]	[e]	[f]	[g]	[h]	[i]	[j]	[k]
							New Loan Amount per Loan Application	Impact on the Pool	Original Amount of Existing Loan	Impact on the Pool (a-b)	Amount of CP or Bonds Issued (since previous loan)	Commercial Paper Adjustment	Current Loan Amount Outstanding (b - d)	New Loan Amount Adjusted by Bonds or CP Issued (a - d)	STO Loan Recommendations	Recommended Adjusted Loan Amount	Impact on the Pool (for recommended loan amount)
RENEWAL REQUESTS																	
GO																	
a	Renewal	0890015	0900001	0574700	GO	California State University Kindergarten-University Public Education Facilities Bond Act of 1998 (Hi-Ed)	\$ 16,233,004.00	\$ 20,205,000.00	\$ (3,971,996.00)	\$ 12,975,875.29	\$ 7,229,124.71	\$ 3,257,128.71	\$ 3,257,128.71	\$ (3,971,996.00)	BF	YES	No
b	Renewal	0890016	0900002	0768700	GO	Department of General Services Earthquake Safety and Public Building Rehabilitations 1990	\$ 7,090,429.69	\$ 11,206,615.00	\$ (4,116,185.31)	\$ 2,341,319.86	\$ 8,865,295.14	\$ 4,749,109.83	\$ 4,749,109.83	\$ (4,116,185.31)	BF	YES	No
c	Renewal	0890017	0900003	0402702	GO	Water Resources Control Board for Resources Agency Safe, Clean, Reliable Water Supply Act of 1996	\$ 91,075,364.00	\$ 91,075,364.00	\$ -	\$ 53,668,840.42	\$ 37,406,523.58	\$ 37,406,523.58	\$ 37,406,523.58	\$ -	BF	YES	No
d	Renewal	0890018	0900004	6051700	GO	Resources Agency Safe Drinking Water, Water Quality 2006	\$ 378,770,000.00	\$ 629,939,000.00	\$ (251,169,000.00)	\$ 288,304,549.83	\$ 341,634,450.17	\$ 90,465,450.17	\$ 90,465,450.17	\$ (251,169,000.00)	BF	YES	No
REV																	
e	Renewal	0890024	0900005	0660680	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds San Luis Obispo Ranger Unit HQ: Replace Facility	\$ 88,159.00	\$ 62,000.00	\$ 26,159.00	N/A	N/A	N/A	\$ 88,159.00	\$ 26,159.00	BF	NO	No
f	Renewal	0890025	0900006	0660672	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Alma Helitack Base: Replace Facility	\$ 507,000.00 \$ 466,935.00	\$ 555,538.00	\$ (88,603.00)	N/A	N/A	N/A	\$ 466,935.00	\$ (88,603.00)	BF	NO	No
g	Renewal	0890026	0900007	0660508	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Paso Robles Forest Fire Station: Replace Facility	\$ 572,000.00 \$ 209,022.00	\$ 486,111.00	\$ (277,089.00)	N/A	N/A	N/A	\$ 209,022.00	\$ (277,089.00)	BF	NO	No
h	Renewal	0890027	0900008	0660540	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Las Posadas Forest Fire Station: Replace Facility	\$ 400,000.00 \$ 142,028.00	\$ 284,236.00	\$ (142,208.00)	N/A	N/A	N/A	\$ 142,028.00	\$ (142,208.00)	BF	NO	No
i	Renewal	0890028	0900009	0660548	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Fawn Lodge Forest Fire Station: Replace Facility	\$ 467,000.00 \$ 201,925.00	\$ 642,570.00	\$ (440,645.00)	N/A	N/A	N/A	\$ 201,925.00	\$ (440,645.00)	BF	NO	No
j	Renewal	0890029	0900010	0660553	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Westwood Forest Fire Station: Replace Facility	\$ 461,000.00 \$ 190,164.00	\$ 833,453.00	\$ (643,289.00)	N/A	N/A	N/A	\$ 190,164.00	\$ (643,289.00)	BF	NO	No

POOLED MONEY INVESTMENT BOARD
 LOAN REQUESTS (AB 55 LOANS)
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Agenda Item	New or Renewal	Old Loan No.	New Loan No.	Fund No.	Type	Department/Program	[a]	[b]	[c]	[d]	[e]	[f]	[g]	[h]	[i]	[j]	[k]
							New Loan Amount per Loan Application	Original Amount of Existing Loan	Impact on the Pool (a-b)	Amount of CP or Bonds Issued (since previous loan)	Current Loan Amount Outstanding (b - d)	New Loan Amount Adjusted by Bonds or CP Issued (a - d)	Recommended Adjusted Loan Amount	Impact on the Pool (for recommended loan amount)	Interest Paid by	CP	Finance Committee or Board Approval Needed?
k	Renewal	0890030	0900011	0660659	REV	Department of Education SPWB Lease Revenue Bonds School for the Deaf, Riverside: Career and Technical Education Complex and Service Yard	\$ 2,437,328.00	\$ 9,475,000.00	\$ (7,037,672.00)	N/A	N/A	N/A	\$ 2,437,328.00	\$ (7,037,672.00)	BF	NO	No
l	Renewal	0890031	0900012	0660500	REV	Department of Education SPWB Lease Revenue Bonds School for the Deaf, Riverside: New Gymnasium and Pool Center	\$ 2,314,539.00	\$ 2,075,000.00	\$ 239,539.00	N/A	N/A	N/A	\$ 2,314,539.00	\$ 239,539.00	BF	NO	No
m	Renewal	0890032	0900013	0660502	REV	Department of Education SPWB Lease Revenue Bonds School for the Deaf, Riverside: Kitchen and Dining Hall Renovation	\$ 640,475.00	\$ 995,000.00	\$ (354,525.00)	N/A	N/A	N/A	\$ 640,475.00	\$ (354,525.00)	BF	NO	No
n	Renewal	0890033	0900014	0660657	REV	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds CCI Tehachapi: Wastewater Treatment Plant Renovation	\$ 18,294,777.00	\$ 18,294,777.00	\$ -	N/A	N/A	N/A	\$ 18,294,777.00	\$ -	BF	NO	No
o	Renewal	0890035	0900015	0660503	REV	Department of Developmental Services SPWB Lease Revenue Bonds Porterville: Construct New Main Kitchen	\$ 2,360,304.00	\$ 9,490,000.00	\$ (7,129,696.00)	N/A	N/A	N/A	\$ 2,360,304.00	\$ (7,129,696.00)	BF	NO	No
p	Renewal	0890037	0900016	0660660	REV	Department of General Services SPWB Lease Revenue Bonds Library and Courts Building Renovation	\$ 6,052,694.00	\$ 6,052,694.00	\$ -	N/A	N/A	N/A	\$ 6,052,694.00	\$ -	BF	NO	No
q	Renewal	0890038	0900017	0660655	REV	California Conservation Corps SPWB Lease Revenue Bonds Delta Service District Center	\$ 2,351,044.00 \$ 2,079,902.00	\$ 2,079,902.00	\$ -	N/A	N/A	N/A	\$ 2,079,902.00	\$ -	BF	NO	No
r	Renewal	0890039	0900018	0660501	REV	Department of Mental Health SPWB Lease Revenue Bonds Atascadero State Hospital: 250-Bed Addition Remediation	\$ 6,665,000.00	\$ 6,665,000.00	\$ -	N/A	N/A	N/A	\$ 6,665,000.00	\$ -	BF	NO	No
s	Renewal	0890143	0900019	0660552	REV	Judicial Council of California SPWB Lease Revenue Bonds Court of Appeal, Fourth Appellate District, Santa Ana: New Courthouse	\$ 27,151,522.00	\$ 26,987,078.00	\$ 164,444.00	N/A	N/A	N/A	\$ 27,151,522.00	\$ 164,444.00	BF	NO	No
NEW LOAN REQUESTS																	
t	New		0900020		REV	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB 900 CA Medical Facility, Vacaville: 64-Bed Intermediate Care Facility	\$ 3,293,000.00	\$ -	\$ 3,293,000.00	N/A	N/A	N/A	\$ 3,293,000.00	\$ 3,293,000.00	BF	NO	No
u	New		0900021		REV	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB 900 CA Medical Facility, Vacaville: Enhanced Outpatient Treatment, Program and Office Space	\$ 3,346,000.00	\$ -	\$ 3,346,000.00	N/A	N/A	N/A	\$ 3,346,000.00	\$ 3,346,000.00	BF	NO	No

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							New Loan Amount per Loan Application	Original Amount of Existing Loan	Impact on the Pool (a-b)	Amount of CP or Bonds Issued (since previous loan)	Current Loan Amount Outstanding (b - d)	New Loan Amount Adjusted by Bonds or CP Issued (a - d)	Recommended Adjusted Loan Amount	Impact on the Pool (for recommended loan amount)	Interest Paid by	CP	Finance Committee or Board Approval Needed?
v	New		0900022		REV	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB 900 Los Angeles County: Enhanced Outpatient Program Treatment and Office Space	\$ 694,000.00	\$ -	\$ 694,000.00	N/A	N/A	N/A	\$ 694,000.00	\$ 694,000.00	BF	NO	No
TOTAL							\$ 569,796,571.69	\$ 837,404,338.00	\$ (267,607,766.31)	\$ 357,290,585.40	\$ 395,135,393.60	\$ 135,878,212.29	\$ 212,505,986.29	\$ (267,607,766.31)			

	Requested	Recommended
Total amount of outstanding PMIA loans as of July 6, 2009*	\$ 6,414,193,556.97	\$ 6,414,193,556.97
Impact on the Pool from this months actions	\$ (267,607,766.31)	\$ (267,607,766.31)
Outstanding PMIA loans after this months actions	\$ 6,146,585,790.66	\$ 6,146,585,790.66

*To the extent a project would have received funding from the active PMIA loan, the loan authorization will be reduced by the amount from the upfront sale once the final project funding determinations are made for the April 2 and April 28 GO bond issues.