

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

**MINUTES**

Wednesday, December 16, 2009

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  
Tom Sheehy for Director of Finance Michael C. Genest

Staff Present: Vernon Brewer, State Treasurer's Office  
Catherine Brown, Attorney General's Office  
Mark Paxson, State Treasurer's Office

**MINUTES**

The Minutes for the November 18, 2009, meeting were approved, 3-0.

**PMIB DESIGNATION**

Mr. Vernon Brewer of the State Treasurer's Office presented a Summary Report as of November 30, 2009. On that day, the portfolio stood at \$67.817 billion. The effective yield was 0.586%, the quarter-to-date yield was 0.629% and the year-to-date yield was 0.791%. The average life of the portfolio was 222 days. AB 55 Loans approved stood at \$0.485 billion, with \$0.418 billion having been disbursed. The Local Agency Investment Fund had deposits totaling \$23.594 billion, with 2,775 participants.

Ms. Kristin Szakaly-Moore of the State Treasurer's Office Cash Management Division presented a summary of the Forecast of Changes in Portfolio for the Pooled Money Investment Account (PMIA) for the period December 14, 2009, through February 19, 2010. Ms. Szakaly-Moore highlighted several of the key receipts, as presented in Attachment A. For this ten-week period, a total of \$43.3 billion are anticipated in receipts.

Ms. Kathy Perry of the State Controller's Office presented the Estimated Pooled Money Disbursements for the forecast period and highlighted several of the major disbursements, also shown in Attachment A.

Designation No. 1726 was approved, 3-0.

**AUTHORIZATION FOR GENERAL FUND INTERNAL BORROWING**

Mr. Brewer presented this document which authorizes the General Fund to borrow from internal sources to meet its cash needs during periods of shortfall.

The Authorization for General Fund Internal Borrowing for the period January 1, 2010, through March 31, 2010, in the amount of up to \$19,590,000,000.

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

Mr. Brewer presented the changes in the Surplus Money Investment Fund for the period November 1, 2009, through November 30, 2009. During the month, \$21,702,331,000.00 billion was declared surplus in various special funds, while \$19,214,035,000.00 billion was declared to be a reduction in surplus.

The Surplus Money Declaration/Reduction for the month of November, 2009, was approved, 3-0.

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

Mr. Brewer presented one request to participate in the Surplus Money Investment Fund:

**Department of Insurance**  
Securities Cash Deposit  
Fund Number 0942236

The Board accepted the staff recommendations of the State Controller's Office and the State Treasurer's Office and approved the requests, 3-0.

### **ARRANGEMENTS WITH BANKS – INFORMATION ITEM**

Mr. Mark Hariri, Director of the State Treasurer's Office, Cash Management Division presented this item and reported the following:

The cost of banking services provided last fiscal year was \$11.3 million which included the cost of the electronic fund transfer (EFT) contract as well as the presorted deposits contract. The new contracts for EFT and the presorted deposits were awarded in July and the new EFT contract is expected to generate over five millions dollars in savings over the next three years.

Starting in January 2010, the state will pay banks for two new service fees for remote site deposits and the image cash letter, and will implement a program that would allow all the checks and warrants issued by the state to be presented electronically as images.

Last September, the Treasurer approved JP Morgan/Chase Bank as a state depository.

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

Mr. Phil Osborn of the State Treasurer's Office Public Finance Division presented the staff recommendations. **See Attachment B.**

<b>Agenda Item</b>	<b>Loan Number</b>	<b>Department/Program</b>	<b>Adjusted Loan Amount</b>
a.	0900057	Department of General Services SPWB Lease Revenue Bonds Capitol Area West End Complex	\$8,000,000.00
b.	0900058	California Conservation Corps SPWB Lease Revenue Bonds Tahoe Base Center Relocation – Phase II	\$270,250.00

The two renewal loan requests were approved, as recommended by staff, 3-0.

**PUBLIC COMMENT**

None.

**ADJOURNMENT**

In the absence of further business, the meeting was adjourned at 10:15 a.m.

Respectfully submitted,

---

Bettina Redway  
Executive Secretary