

POOLED MONEY INVESTMENT BOARD
APRIL 21, 2010
Staff Report – Agenda Item 6

RECOMMENDATIONS

1. **Loan Renewal Requests.** Staff recommends approval of the three AB 55 loan renewal requests (Items 6. a-c) on the April 21, 2010 agenda in the amounts shown on column g of Exhibit A. The recommended amounts are either a decrease requested by the department or a small increase necessary for the requesting department to pay accrued interest and/or costs authorized by the Department of Finance's (DOF) Budget Letter 09-09. All renewed loans will be subject to the freeze as described in Recommendation 3.
2. **New Loan Requests.** Staff recommends the approval of the following new loan request on the agenda:

Item 6.d Department of Corrections and Rehabilitation

Salinas Valley State Prison: Facility A General Population/Enhanced Outpatient Program Treatment & Office Space, \$1,976,244.00

Comments: Staff recommends approval of this loan based on the following:

- The loan amount identified above has been included in the Department of Finance's (DOF) Budget Letter 09-09 as allowable disbursements.
 - On January 4, 2010, the federal court overseeing the *Coleman v. Schwarzenegger* proceedings approved the AB 900 project identified above as part of the department's long-range plan submitted to the court. Per the court order, the projects are scheduled to be reviewed quarterly and for any project that has departed from the promised timeframes, the State shall describe with specificity the reason for the departure and shall identify the individuals or agencies whose acts or failures to act contributed to the departure.
 - 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. Item 6.d has obtained both legislative and SPWB approval.
3. **AB 55 Loan Disbursement Freeze.** Staff recommends that the Pooled Money Investment Board continue the freeze on disbursements for approved AB 55 loans except for disbursements authorized by Department of Finance's Budget Letter 09-09.

EXHIBIT A

POOLED MONEY INVESTMENT BOARD
 LOAN REQUESTS (AB 55 LOANS)
 For the April 21, 2010 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	Original Amount of Existing Loan	Impact on the Pool	Commercial Paper Adjustment (since previous loan)	Current Loan Amount Outstanding (b - d)	New Loan Amount Adjusted by Bonds or CP Issued	Recommended Adjusted Loan Amount	Impact on the Pool (for recommended loan amount)	Interest Paid by	CP	Finance Committee or Board Approval Needed?
RENEWAL REQUESTS																	
GO																	
No GO April Loans																	
REV																	
a	Renewal	0890151	0900073	0660546	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Red Bluff Forest Fire Station / Unit HQ: Replace Station	\$ 1,480,486.00 \$ 754,790.00	\$ 1,480,486.00	\$ (725,696.00)	N/A	N/A	N/A	\$ 754,790.00	\$ (725,696.00)	BF	NO	No
b	Renewal	0890153	0900074	0660640	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Elk Camp Forest Fire Station: Relocate Facility	\$ 1,350,000.00 \$ 590,624.00	\$ 1,350,000.00	\$ (759,376.00)	N/A	N/A	N/A	\$ 590,624.00	\$ (759,376.00)	BF	NO	No
c	Renewal	0890155	0900075	0660580	REV	Department of Mental Health SPWB Lease Revenue Bonds Patton State Hospital - Upgrade Electrical Generator Plant	\$ 3,125,668.00 \$ 3,106,397.00	\$ 3,058,137.00	\$ 48,260.00	N/A	N/A	N/A	\$ 3,106,397.00	\$ 48,260.00	BF	NO	No
NEW LOAN REQUEST																	
d	New		0900076		REV	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB 900 Salinas Valley State Prison: Facility A General Population/Enhanced Outpatient Program Treatment & Office Space	\$ 1,976,244.00	\$ -	\$ 1,976,244.00	N/A	N/A	N/A	\$ 1,976,244.00	\$ 1,976,244.00	BF	NO	No
							\$ 6,428,055.00	\$ 5,888,623.00	\$ 539,432.00	\$ -	\$ -	\$ -	\$ 6,428,055.00	\$ 539,432.00			

Total amount of outstanding PMIA loans as of April 14, 2010
 Impact on the Pool from this months actions
 Outstanding PMIA loans after this months actions

Requested	Recommended
\$ 285,658,062.92	\$ 285,658,062.92
\$ 539,432.00	\$ 539,432.00
\$ 286,197,494.92	\$ 286,197,494.92