

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

DATE: August 12, 2010

TO: Kathy Perry, Chief
Division of Accounting & Reporting
State Controller's Office

FROM: Bettina Redway
Executive Secretary
Pooled Money Investment Board

SUBJECT: Surplus Money Investment Fund Participation Request

Attached is a request from the Department of Veterans Affairs, for participation of the following fund in the Surplus Money Investment Fund:

Pooled Self Insurance Fund
Fund Number 8062

Please research this request and provide recommendation to this office. I am notifying the Department of Finance of this request by copy of this letter.

Enclosure

cc: Bill Dowell, State Treasurer's Office
Gregory Bruss, Department of Finance
Alan Davis, State Controller's Office

State of California

Department of Veterans Affairs
1227 O Street, Room 418
Sacramento, CA 95814

MEMORANDUM

To: State Treasurer's Office
Pooled Money Investment Board
915 Capitol Mall, Room 106
Sacramento, CA 95814
Attn: Bill Dowell

Date: August 9, 2010

From: CDVA Accounting Division

Subject: Surplus Money Investment Fund Participation

The Pooled Self-Insurance Fund (Fund 8062) was created by Chapter 502, Statutes of 2009. As a result of this legislation (AB1051), the Pooled Self-Insurance Fund was established with the following sub-accounts:

<u>New Sub-Account Title</u>	<u>New Sub-Account Number</u>
Fire & Hazard	8062002
Disaster Indemnity	8062003
Mortgage Reserve	8062004
Self-Insured Life & Disability	8062005

We are requesting participation in the Surplus Money Investment Fund for this fund. If possible, please establish the fund with an effective date of July 1, 2010.

Attached is a copy of Section 989 through 989.1 of the Military & Veterans Code. If you have any questions please feel free to call Alice Kirkham at (916) 653-1970.



Kathy Jones
Accounting Administrator II

Attachment

MILITARY AND VETERANS CODE

SECTION 989-989.1

989. It is the intent of the Legislature to establish the Pooled Self-Insurance Fund in order to ensure that each of the department's insurance reserve funds are self-sufficient and adequately maintained for the benefit of the contract purchasers. For reasons of prudent financial management, the department will pool the reserves for the purpose of providing reliable, consistent, and affordable home protection, and to encourage the strengthening of bond ratings, thereby increasing the efficacy of the Veterans' Farm and Home Purchase Act of 1974.

989.1. (a) The department shall maintain a Pooled Self-Insurance Fund, which is hereby created in the State Treasury. The Pooled Self-Insurance Fund includes the reserves and moneys held by the department, as authorized by Sections 987.25, 987.71, 987.74, 987.76, 987.88, and 989.4. The department may, in the discretion of the Secretary, pool these reserves for the purpose of providing reliable, consistent, and affordable home protection, and to encourage the strengthening of bond ratings.

(b) The department shall, consistent with the purposes of this article, prescribe and publish rules and regulations for the administration of the Pooled Self-Insurance Fund.

(c) The department may purchase insurance against any risk, or portion of any risk, otherwise payable out of appropriated moneys in the Pooled Self-Insurance Fund. The department shall make an annual report on or before September 1 of each year to the Legislature regarding any insurance coverage implemented or required by it. The report shall include, but not be limited to, the type of insurance coverage, its cost, loss-ratio information, the reason for purchasing the insurance, and any changes in existing insurance coverage and the reason for those changes.

(d) In each annual report to the Legislature regarding the status of the Pooled Self-Insurance Fund, all subfunds must show within three years of borrowing from the other subfunds that rates have effectively been adjusted to balance income to expenses, and that any internal borrowing between the various accounts and funds has been repaid in full. Each subfund must be self-sufficient within a period of time not to exceed three years of having borrowed from the other members of the Pooled Self-Insurance Fund.

(e) Beginning six months after the inception of the Pooled Self-Insurance Fund, there will be a biennial audit of each subfund to ensure adequate rates are being charged to meet expenses. Premium rates of each subfund will be monitored and adjusted annually according to need to ensure self-sufficiency and reconcile internal borrowing between the members of the Pooled Self-Insurance Fund.

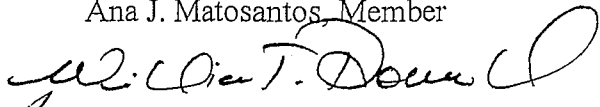
(f) Upon declaration of emergency by the Secretary, the Pooled Self-Insurance Fund may borrow from the Veterans' Farm and Home Building Fund of 1943. The borrowed funds are to be fully repaid from the Pooled Self-Insurance Fund within a period of time not to exceed three years.

(g) Upon dissolution or termination of any of the subaccounts or subfunds within the Pooled Self-Insurance Fund, whether established by statute or otherwise, any excess moneys shall revert to the Veterans' Farm and Home Building Fund of 1943.

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

Date: October 1, 2010

To: Pooled Money Investment Board
Bill Lockyer, Chair
John Chiang, Member
Ana J. Matosantos, Member

From:  Bettina Redway, Executive Secretary
Pooled Money Investment Board

Subject: Surplus Money Investment Fund Participation Request

The State Treasurer's Office asked the staff of the State Controller's Office to review a request from the California Horse Racing Board to allow the following Fund to participate in the Surplus Money Investment Fund:

Horse Racing Fund
Fund Number 3153

The State Controller's Office staff notified the State Treasurer's Office that they had determined this request is consistent with the statutory requirements of Section 16470, et seq., of the Government Code and recommended approval by the Pooled Money Investment Board. The State Treasurer's Office staff concurs with this recommendation. The effect of this action will be to credit interest earnings to these funds rather than the General Fund.

Please indicate your approval by signing below:

Bill Lockyer

Date

John Chiang

Date

Ana J. Matosantos

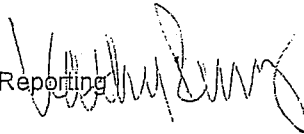
Date

Memorandum

To : Bettina Redway
Executive Secretary
Pooled Money Investment Board

Date: September 25, 2010

From : State Controller's Office
Kathy Perry, Bureau Chief
Division of Accounting and Reporting
Bureau of Accounting



Subject: SURPLUS MONEY INVESTMENT FUND PARTICIPATION REQUEST

I recommend approval for the following funds to participate in the Surplus Money Investment Fund:

Horse Racing Fund
(Fund Number: 3153)

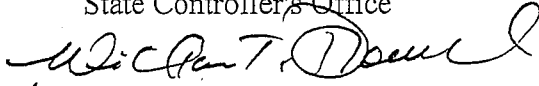
If you have any questions, please contact Al Davis at (916) 322-3009 or Annette Stephenson at (916) 322-4462.

cc: Bill Dowell, State Treasurer's Office
Erica Jones, State Treasurer's Office
Greg Bruss, Department of Finance
Phillip Gee, State Controller's Office, Division of Accounting & Reporting

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

DATE: September 22, 2010

TO: Kathy Perry, Chief
Division of Accounting & Reporting
State Controller's Office

FROM:  Bettina Redway
Executive Secretary
Pooled Money Investment Board

SUBJECT: Surplus Money Investment Fund Participation Request

Attached is a request from the California Horse Racing Board, for participation of the following fund in the Surplus Money Investment Fund:

Horse Racing Fund
Fund Number 3153

Please research this request and provide recommendation to this office. I am notifying the Department of Finance of this request by copy of this letter.

Enclosures

cc: Bill Dowell, State Treasurer's Office
Jeff Wurm, State Treasurer's Office
Greg Bruss, Department of Finance
Alan Davis, State Controller's Office

CALIFORNIA HORSE RACING BOARD
1010 HURLEY WAY, SUITE 300
SACRAMENTO, CA 95825
(916) 263-6000
FAX (916) 263-6042



September 13, 2010

Pooled Money Investment Board
Bettina Redway, Executive Secretary
915 Capitol Mall, Room 110
Sacramento, CA 95814

Attn: Bill Dowell

Dear Ms. Redway

SUBJECT: Horse Racing Fund
Fund number 3153

Chapter 12, Statutes of 2009, Section 1 (ABX4 12) established the Horse Racing Fund. The purpose of this account is to fund the Horse Racing Board as prescribed in Business & Professions Code Section 19616.51 (a).

At this time we request that this account be set up in the Surplus Money Investment Fund.

If you have any questions, please call me at 263-6032.

Sincerely,

A handwritten signature in black ink, appearing to read "Lore Zawkiewicz", with a long horizontal line extending to the right.

Lore Zawkiewicz
Sr. Accounting Officer

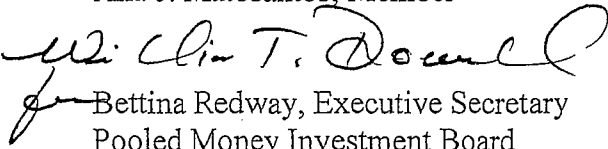
Attachment

Department of Finance		Fund: 3153
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		PAGE 1 Renumbered From:
<u>Legal Title</u> Horse Racing Fund		
<u>Legal Citation/Authority</u> Chapter 12, Statutes of 2009, Section 1 (ABX4 12) Business and Professions Code Section 19616.51 (a)		
<u>Fund Classification</u> <u>GAAP Basis</u> Governmental/Special Revenue Funds	<u>Fund Classification</u> <u>Legal Basis</u> Governmental/Other Governmental Cost Funds	
<u>Purpose</u> To fund the board and the equine drug testing program for all racing associations and fairs, including all breeds of racing that participate in the funding of the board in accordance with a formula devised by the board in consultation with the industry.		
<u>Administering Agency/Organization Code</u> California Horse Racing Board/Org 8550		
<u>Major Revenue Source</u> License fees.		
<u>Disposition of Fund (upon abolishment)</u> Pursuant to Government Code 16346, in the absence of language that identifies a successor fund, any balance remaining in this fund upon abolishment, shall be transferred to the General Fund.		
<u>Appropriation Authority</u> The baseline funding in the first fiscal year after enactment of Business and Professions Code Section 19616.51 (a) shall be the amount approved in the 2008-09 Budget Act. Adjustments to the funding in subsequent budget years may only be made by an act of the Legislature.		
<u>State Appropriations Limit</u> Excluded – Revenues in this fund are not proceeds of taxes, however, when transferred, may become proceeds of taxes. These revenues are used to regulate the activities engaged in by the payers or have a logical, direct relationship with the use or purposes for which they are used.		
<u>Comments/Historical Information</u>		

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

Date: October 1, 2010

To: Pooled Money Investment Board
Bill Lockyer, Chair
John Chiang, Member
Ana J. Matosantos, Member

From:  Bettina Redway, Executive Secretary
Pooled Money Investment Board

Subject: Surplus Money Investment Fund Participation Request

The State Treasurer's Office asked the staff of the State Controller's Office to review a request from the Department of Transportation to allow the following Special Deposit Fund to participate in the Surplus Money Investment Fund:

Clean Renewable Energy Bond, Series 2009
Fund Number 09422218

The State Controller's Office staff notified the State Treasurer's Office that they had determined this request is consistent with the statutory requirements of Section 16470, et seq., of the Government Code and recommended approval by the Pooled Money Investment Board. The State Treasurer's Office staff concurs with this recommendation. The effect of this action will be to credit interest earnings to these funds rather than the General Fund.

Please indicate your approval by signing below:

Bill Lockyer

Date

John Chiang

Date

Ana J. Matosantos

Date

Memorandum

To : Bettina Redway
Executive Secretary
Pooled Money Investment Board

Date: September 25, 2010

From : State Controller's Office
Kathy Perry, Bureau Chief
Division of Accounting and Reporting
Bureau of Accounting

Subject: SURPLUS MONEY INVESTMENT FUND PARTICIPATION REQUEST

I recommend approval for the following funds to participate in the Surplus Money Investment Fund:

Department of Transportation – Clean Renewable Energy Bond, Series 2009
(Fund Number: 0942218)

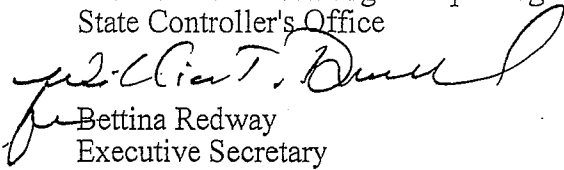
If you have any questions, please contact Al Davis at (916) 322-3009 or Annette Stephenson at (916) 322-4462.

cc: Bill Dowell, State Treasurer's Office
Erica Jones, State Treasurer's Office
Greg Bruss, Department of Finance
Phillip Gee, State Controller's Office, Division of Accounting & Reporting

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

DATE: September 22, 2010

TO: Kathy Perry, Chief
Division of Accounting & Reporting
State Controller's Office

FROM: 
Bettina Redway
Executive Secretary
Pooled Money Investment Board

SUBJECT: Surplus Money Investment Fund Participation Request

Attached is a request from the Department of Transportation, for participation of the following fund in the Surplus Money Investment Fund:

Special Deposit Fund
Clean Renewable Energy Bond, Series 2009 (CREBS)
Fund Number 0942218

Please research this request and provide recommendation to this office. I am notifying the Department of Finance of this request by copy of this letter.

Enclosures

cc: Bill Dowell, State Treasurer's Office
Jeff Wurm, State Treasurer's Office
Greg Bruss, Department of Finance
Alan Davis, State Controller's Office

Memorandum

*Flex your power!
Be energy efficient!*

To: Pooled Money Investment Board
c/o Bill Dowell
915 Capitol Mall
Sacramento, CA 95814

Date: September 27, 2010

From: Department of Transportation
Division of Accounting
1820 Alhambra Blvd,
Sacramento, CA 95814

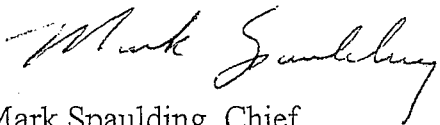
Subject: Clean Renewable Energy Bond, Series 2009 (CREBS) – Fund 0942218

The Department of Transportation currently has \$19,041,798.36 residing in the Cash in State Treasury Account (GL 1140) of the California Renewable Energy Bonds Fund 0942-218. These funds originated from bond sale proceeds, and are to be used only for capital project expenditures. However, the projects associated with these funds are not expected to be completed until the end of calendar year 2011.

We are requesting that these bond funds be invested within the Surplus Money Investment Fund (SMIF) in order to earn interest income.

If you have any questions, please contact Wing Wong of my staff at (916) 227-9288.

Sincerely yours,



Mark Spaulding, Chief
Public Transportation Fund Section
Division of Accounting
Department of Transportation

Memorandum

*Flex your power!
Be energy efficient!*

To: Poole Money Investment Board
C/O Bill Dowell
915 Capitol Mall, Room 107
Sacramento, CA 95814

September 15, 2010

From: Department of Transportation (2660)
1820 Alhambra Blvd,
Sacramento, CA 95814

Subject: Clean Renewable Energy Bond, Series 2009 (CREBS) - Fund 0942218

The Department of Transportation has \$19,041,798.36 in GL1140 cash account for fund 0942218, Clean Renewable Energy Bond, Series 2009 (CREBS). The source of money is from the sale of bond proceeds. We are not expecting to use up the money until the end of next year. Can you please help us invest the money in the Surplus Money Investment Fund (SMIF) so it can earn interests? Thank you for your help!

If you have any questions, please contact Wing Wong at (916) 227-9288.

Signature of Officer
s/Mark Spaulding, Chief of Public Transportation Fund Section