

POOLED MONEY INVESTMENT BOARD
915 Capitol Mall, Room 587
Sacramento, CA 95814

MINUTES

Wednesday, September 20, 2017

The meeting was called to order at 10.00 a.m.

Roll: Bill Dowell for State Treasurer John Chiang
Richard Chivaro for State Controller Betty T. Yee
Eraina Ortega for Director of Finance Michael Cohen

Staff Present: Jeff Wurm, State Treasurer's Office
Julia Zuffelato, Attorney General's Office

MINUTES

Mr. Chivaro moved to approve the minutes for the August 16, 2017 meeting. Upon a second by Ms. Ortega: the motion passed 3-0 with the following votes: Mr. Dowell: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

PMIB DESIGNATION

Mr. Sean Collier of the State Treasurer's Office presented a Portfolio Summary Report as of August 31, 2017. On that day, the portfolio stood at \$75.128 billion. The effective yield was 1.098%, the quarter-to-date yield was 1.067% and the year-to-date yield was 1.067%. The average life of the portfolio was 179 days. AB55 Loans approved were \$704 million, with a disbursed amount of \$377 million. The Local Agency Investment Fund had \$20.656 billion deposits, with 2,432 participants.

Mr. Chivaro moved to approve Designation No. 1819. Upon a second by Ms. Ortega, the motion passed 3-0 with the following votes: Mr. Dowell: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

AUTHORIZATION FOR GENERAL FUND INTERNAL BORROWING

Mr. Collier presented this document, which authorizes the General Fund to borrow from internal sources to meet its cash needs during periods of shortfall. The request was for Authorization for General Fund Internal Borrowing during the period of October 1, 2017 through December 31, 2017 for an amount of up to \$39,785,898,000.00.

Ms. Ortega moved to approve the Request and Authorization for Transfer of Moneys during the period of October 1, 2017 through December 31, 2017. Upon a second by Mr. Chivaro, the motion passed 3-0 with the following votes: Mr. Dowell: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

DECLARATION OF SURPLUS MONEY/REDUCTION OF SURPLUS MONEY

Mr. Sean Collier presented changes in the Surplus Money Investment Fund for the period August 1, 2017 through August 31, 2017. Declaration of Surplus Money was in the amount of \$11.190 billion. A reduction in Surplus Money was in the amount of \$10.222 billion.

Mr. Chivaro moved to approve the Declaration of Surplus Money/Reduction of Surplus Money for the month of August. Upon a second by Ms. Ortega, the motion passed 3-0 with the following votes: Mr. Dowell: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

SURPLUS MONEY INVESTMENT FUND REQUEST (SMIF)

There were no SMIF requests for this month.

COMMERCIAL PAPER ISSUERS

Mr. Jeff Wurm of the State Treasurer's Office Investments Division presented two new Commercial Paper Issuers for approval.

1. Credit Agricole Corporate & Investment Bank
2. Gotham Funding Corporation

Mr. Wurm noted both commercial paper programs are highly rated by Moody's, Standard & Poors, and Fitch. He also noted that adding these names to the list of approved PMIA investments would provide diversity and flexibility in Prime investment options at competitive yields without incurring a high level of risk.

Ms. Ortega moved to approve the proposed two commercial paper issuers. Upon a second by Mr. Chivaro, the motion passed 3-0 with the following votes: Mr. Dowell: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

AB55 LOAN PROGRAM (Government Code § 16312)

Ms. Loan Nguyen, with the Public Finance Division of the State Treasurer's Office, presented the AB55 loans staff report. She said that staff recommended approval of the three loan renewal requests (Items 8.a – 8.c) on the agenda in the amounts shown on column f of Exhibit A of the staff report. Ms. Nguyen reported that the three loan renewal requests were in compliance with the current AB55 Loan Policy and upon approval, would decrease the outstanding loans balance by \$8,565,000.

LOAN RENEWAL REQUESTS

| | <u>PMIB Loan No.</u> | <u>Department</u> | <u>Amount</u> |
|----|--------------------------|--|-----------------|
| a. | 1780006 | Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Los Angeles County Camp Kilpatrick Juvenile Center | \$27,454,000.00 |
| b. | 1780007 | Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Kern County Jail Project | 95,397,000.00 |
| c. | 1780008 | Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Kings County Adult Local Criminal Justice Facility | \$10,000,000.00 |

Ms.Ortega moved to approve the staff recommendations and approve the three loan renewal requests. Upon a second by Mr. Chivaro, the motion passed 3-0 with the following votes: Mr. Dowell: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

PUBLIC COMMENT

None.

ADJOURNMENT

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

Respectfully submitted,

Jeff Wurm
PMIB Administrator