

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

**MINUTES**

Wednesday, April 16, 2008

The meeting was called to order at 10:10 a.m.

Roll: Francisco Lujano for State Treasurer Bill Lockyer  
Richard Chivaro for State Controller John Chiang  
Molly Arnold for Director of Finance Michael C. Genest

Staff Present: Bill Dowell, State Treasurer's Office  
Catherine Brown, Attorney General's Office  
Mark Paxson, State Treasurer's Office

**MINUTES**

The Minutes for the March 19, 2008, meeting were approved as submitted, 3-0.

**PMIB DESIGNATION**

Mr. Bill Dowell of the State Treasurer's Office presented the portfolio Summary Report as of March 31, 2008. On that day, the portfolio stood at \$64.952 billion. The effective yield was 3.621%, the quarter-to-date yield was 4.185% and the year-to-date yield was 4.786%. The average life of the portfolio was 205 days and AB 55 Loans approved stood at \$7.958 billion, with \$2.833 billion having been disbursed. The Local Agency Investment Fund had deposits totaling \$23.688 billion, with 2,648 participants.

Mr. Andre Rivera of the Cash Management Division of the State Treasurer's Office presented a summary of the Forecast of Changes in Portfolio for the Pooled Money Investment Account for the period April 14, 2008, through June 20, 2008. He stated that over the ten-week period of the forecast there would be an increase in the portfolio of \$14.720 billion, due to anticipated receipts exceeding disbursements by \$15.489 billion. Mr. Rivera continued by highlighting several of the key receipts. He noted that Sales, Liquor, and Utility Surcharge were expected to total \$9.366 billion. Personal Income and Bank & Corporation Taxes were expected to total \$22.837 billion. Proceeds from the Sale of State Bonds were estimated at \$1.813 billion. For this ten-week period, \$54.484 billion are anticipated in receipts.

Ms. Sue Griffith of the State Controller's Office presented the Estimated Pooled Money Disbursements for the forecast period and highlighted several of the major disbursements. She began by saying that disbursements for the ten-week period were estimated to total \$38.995 billion. Ms. Griffith went on to highlight the following disbursements: Public Schools and Community Colleges were expected to total \$6.495 billion. She went on to detail specific Social Services payments and said there will be a total of \$3.203 billion for the period. Ms. Griffith said Health Care services included total payments of \$6.448 billion. She noted there will be master payroll payments the weeks of April 28 – \$1.553 billion and May 26 – \$1.515 billion; with a total payroll of \$3.520 billion for the forecast period.

Designation No. 1706 was approved, 3-0.

**AUTHORIZATION FOR GENERAL FUND INTERNAL BORROWING:**

Mr. Bill Dowell presented this document which authorizes the General Fund to borrow from internal sources – the special funds and accounts within the State Treasury – to meet its cash needs during periods of shortfall. The authorization presented at this meeting was for the period from May 1, 2008, through July 31, 2008. He noted that the amount available from various internal funds is estimated to be up to \$15.316 billion.

The Authorization for General Fund Internal Borrowing for the period May 1, 2008, through July 31, 2008, was approved, 3-0.

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

Mr. Dowell presented the changes in the Surplus Money Investment Fund for the period March 1, 2008, through March 31, 2008. During that month, \$12.067 billion was declared surplus in various special funds, while \$13.898 billion was declared to be a reduction in surplus.

The Surplus Money Declaration/Reduction for the month of April, 2008, was approved, 3-0.

**SURPLUS MONEY INVESTMENT FUND REQUESTS**

Mr. Dowell presented one request for the month:

Special Deposit Fund  
California Volunteers Donations Account  
Fund Number 0942213

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

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

Mr. Drew Hall of the Public Finance Division of the State Treasurer's Office presented 11 loan requests as shown in the following table, noting that Item g and Item h had been reduced. He said that the first six loans (Items a. – f.) were for general obligation programs and the remaining five loans (Items g. – k.) were for lease revenue programs.

<b>Agenda Item</b>	<b>Loan Number</b>	<b>Department/Program</b>	<b>Adjusted Loan Amount</b>
a.	0780129	Department of Corrections and Rehabilitation New Prison Construction Bond Act of 1990	\$1,404,376.35
b.	0780130	State Allocation Board Office of Public School Construction Kindergarten-University Public Education Facilities Bond Act of 2002 (K-12)	\$1,660,625,000.44
c.	0780131	State Allocation Board Office of Public School Construction Kindergarten-University Public Education Facilities Bond Act of 2004 (K-12)	\$1,170,354,417.00
d.	0780132	University of California Kindergarten-University Public Education Facilities Bond Act of 2002 (Hi-Ed)	\$3,743,933.21
e.	0780133	State Water Resources Control Board Safe, Clean, Reliable Water Supply Act	\$10,062,442.65
f.	0780134	California Institute for Regenerative Medicine California Stem Cell Research and Cures Bond Act of 2004	\$250,640,000.00
g.	0780127	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Pacheco Forest Fire Station: Replace Facility	\$2,322,133.00
h.	0780128	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds North Region Forest Fire Stations: Various Facilities	\$9,238,479.00
i.	0780135	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Statewide: Construct Forest Fire Stations	\$13,014,488.00
j.	0780136	California State University SPWB Lease Revenue Bonds SF Campus, Joint Library: J. Paul Leonard & Sutro	\$45,249,339.00
k.	0780137	University of California SPWB Lease Revenue Bonds UC Riverside: Genomics Building	\$54,936,862.00

Mr. Hall said all loans were recommended for approval as presented and the impact on the Pool would be to increase the loan portfolio by \$1,985,800,345.20.

Mr. Richard Chivaro of the State Controller's Office said that he understood the loan request presented in Item f was contingent upon approval by the Finance Committee. Mr. Hall confirmed that was correct.

All 11 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 10:20 a.m.

Respectfully submitted,

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Bettina Redway  
Executive Secretary