

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

**MINUTES**

Wednesday, September 19, 2012

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  
Todd Jerue for Director of Finance Ana J. Matosantos

Staff Present: Jeff Wurm, State Treasurer's Office  
Catherine Brown, Attorney General's Office  
Mark Paxson, State Treasurer's Office

**MINUTES**

The minutes for the August 15, 2012, meeting were approved, 3-0.

**PMIB DESIGNATION**

Mr. Jeff Wurm of the State Treasurer's Office presented a Portfolio Summary Report as of August 31, 2012. On that day, the portfolio stood at \$60.318 billion. The effective yield was 0.348%, the quarter-to-date yield was 0.370% and the year-to-date yield was 0.370%. The average life of the portfolio was 257 days. AB55 Loans approved were \$273 million, with a disbursed amount of \$144 million. The Local Agency Investment Fund had \$20.724 billion total deposits, with 2,693 total participants.

Designation No. 1759 was approved, 3-0.

**AUTHORIZATION FOR GENERAL FUND INTERNAL BORROWING**

Mr. Wurm presented this document which authorizes the General Fund to borrow from internal sources to meet its cash needs during periods of shortfall. This Authorization is for General Fund Internal Borrowing for October 1, 2012 through December 31, 2012 the amount estimated to be available from various internal funds is up to \$21.251 billion, was approved, 3-0

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

Mr. Jeff Wurm presented the changes in the Surplus Money Investment Fund for the period August 1, 2012, through August 31, 2012. Declaration of Surplus Money was in the amount of \$9.013 billion. A reduction in Surplus Money was in the amount of \$9.609 billion. An attached list from the State Controller's office shows the breakdown. The Surplus Money Declaration/Reduction for the month of August was approved, 3-0.

**SURPLUS MONEY INVESTMENT FUND REQUEST (SMIF)**

There were no SMIF requests.

**AB55 LOAN PROGRAM (Government Code § 16312)**

Mr. Phil Osborn with the State Treasurer’s Office presented the PMIA loans monthly report. There was \$273,359,385.90 of outstanding AB55 loans as of August 31, 2012. He added since the end of August they have been working with the Controller’s office and the requesting departments through the Department of Finance to payoff and close out additional loans. Twelve loans were closed out September 7, 2012, and two are scheduled to be closed out September 21, 2012. There will be a total reduction of about \$12.0 million to the pool.

Staff recommends approval for the remaining three AB55 Loan renewal requests, Items 7-a through 7-c on the agenda in the amounts shown on column F of Exhibit A of the Staff Report. Items 7-a through 7-c reflect increases necessary to continue funding preliminary plans and working drawings (Item 7-b) and to continue funding construction (Items 7-a and 7-c), as well as to pay accrued interest and administrative costs. All three loan requests are in compliance with current AB55 loan policy.

Mr. Jerue noted a correction for Item 7-a, SPWB Lease Revenue Bonds should be SB 81, not AB 900 as originally shown.

	<b><u>PMIB Loan No.</u></b>	<b><u>Department &amp; Bond Act</u></b>	<b><u>Amount</u></b>
a.	1230001	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, SB 81 Shasta County Juvenile Hall – Juvenile Rehabilitation Facility	\$14,473,000.00
b.	1230002	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB 900 Central CA Women’s Facility – Enhanced Outpatient Program Treatment and Office Space	1,759,000.00
c.	1230003	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB 900 Calaveras County Adult Detention Facility, Jail Project	25,110,000.00

The PMIB accepted staff recommendations and approved the three loan renewal requests, 3-0, with the correction noted by Mr. Jerue.

**PUBLIC COMMENT**

None.

**ADJOURNMENT**

In the absence of further business, the meeting was adjourned at 10:04 a.m.

Respectfully submitted,

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Bettina Redway  
Executive Secretary