

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

MINUTES

Wednesday, June 17, 2015

The meeting was called to order at 10:00 a.m.

Roll: Tim Schaefer 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
Catherine Brown, Attorney General's Office
Mark Paxson, State Treasurer's Office

MINUTES

Ms. Ortega moved to approve the minutes for the May 20, 2015 meeting. Upon a second by Mr. Chivaro: the motion passed 3-0 with the following votes: Mr. Schaefer: 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 May 31, 2015. On that day, the portfolio stood at \$66.540 billion. The effective yield was 0.294%, the quarter-to-date yield was 0.286% and the year-to-date yield was 0.266%. The average life of the portfolio was 222 days. AB55 Loans approved were \$382 million, with a disbursed amount of \$81 million. The Local Agency Investment Fund had \$21.558 billion total deposits, with 2494 total participants.

Ms. Kristin Szakaly-Moore of the State Treasurer's Office Centralized Treasury and Securities Management Division presented a summary of forecasted revenue changes in the portfolio for the Pooled Money Investment Account (PMIA) for the period June 15, 2015 through August 21, 2015. Anticipated receipts for this ten-week period total \$50.410 billion. Ms. Szakaly-Moore highlighted the key receipts.

Ms. Vanessa Perez of the State Controller's Office, Cash Management Bureau and Division of Account and Reporting continued the presentation. Ms. Perez highlighted the major disbursements anticipated for the reporting period of June 15, 2015 through August 21, 2015 Projected disbursements for the ten-week period total \$52.661 billion.

Mr. Chivaro moved to approve Designation No. 1792. Upon a second by Ms. Ortega, the motion passed 3-0 with the following votes: Mr. Schaefer: 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 Authorization for General Fund Internal Borrowing is for the period July 1, 2015 through September 30, 2015, in the amount of up to \$29.7 billion.

Ms. Ortega moved to approve Authorization for General Fund Internal Borrowing. Upon a second by Mr. Chivaro, the motion passed 3-0 with the following votes: Mr. Schaefer: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

DECLARATION OF SURPLUS MONEY/REDUCTION OF SURPLUS MONEY

Mr. Collier presented the changes in the Surplus Money Investment Fund for the period May 1, 2015 through May 31, 2015. Declaration of Surplus Money was in the amount of \$12.454 billion. A reduction in Surplus Money was in the amount of \$13.219 billion. An attached list from the State Controller's office shows the breakdown.

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

SURPLUS MONEY INVESTMENT FUND REQUEST (SMIF)

There were no SMIF requests for this month.

AB55 LOAN PROGRAM (Government Code § 16312)

Ms. Tiffany Connelly with the Public Finance Division of the State Treasurer's Office presented the PMIA loans monthly report. Staff recommended approval of the three loan renewal requests (Items 7.a – 7.c) on the agenda in the amounts shown on column f of Exhibit A to the staff report. Items 7.a & 7.c reflect an increase necessary to complete design work and begin construction, as well as to pay accrued interest and administrative costs. Item 7.b reflects an increase necessary to complete construction, as well as to pay accrued interest and administrative costs.

Staff recommended approval of the two new loan requests (Item 7.d) Department of Corrections and Rehabilitation, Riverside County Jail Project, loan proceeds will be used to begin funding construction on this project; (Item 7.e) Department of Food and Agriculture, Yermo Agriculture Inspection Station Relocation. Loan proceeds will be used to fund design work on this project.

The above loan requests are in compliance with the current AB55 loan policy and, if approved, the impact on the pool from the above loan requests would result in an increase of \$61,186,000.

LOAN RENEWAL REQUESTS

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
a.	1450035	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Correctional Training Facility: Health Care Facility Improvement Project	\$11,766,000.00
b.	1450036	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Kings County Jail Project	33,024,000.00
c.	1450037	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Salinas Valley State Prison: Health Care Facility Improvement Project	10,623,000.00

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
NEW LOAN REQUESTS			
d.	1450038	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Riverside County Jail Project	\$28,236,000.00
e.	1450039	Department of Food and Agriculture SPWB Lease Revenue Bonds Yermo Agriculture Inspection Station Relocation	1,028,000.00

Ms. Ortega moved to approve the staff recommendation and approved the three loan renewals and two new loan requests. Upon a second by Mr. Chivaro, the motion passed 3-0 with the following votes: Mr. Schaefer: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

PUBLIC COMMENT

None.

ADJOURNMENT

In the absence of further business, the meeting was adjourned at 10:14 a.m.

Respectfully submitted,

Grant Boyken
Executive Secretary