

POOLED MONEY INVESTMENT BOARD
FEBRUARY 17, 2010
Staff Report – Agenda Item 6

RECOMMENDATIONS

1. **Loan Renewal Requests.** Staff recommends approval of the two AB 55 loan renewal requests (Items 6. a & b) on the February 17, 2010 agenda in the amounts shown on column g of Exhibit A. The recommended amounts reflect a decrease requested by the department of the existing loans. All renewed loans will be subject to the freeze as described in Recommendation 3.
2. **New Loan Requests.** Staff recommends the approval of the following two new loan requests on the agenda:

Item 6.c Department of Corrections and Rehabilitation
CSP, Corcoran: Administrative Segregation Unit/Enhanced Outpatient Treatment and Office Space, \$992,863

Item 6.d Department of Corrections and Rehabilitation
CSP, Sacramento: Psychiatric Services Unit Treatment and Office Space, \$970,764

Comments: Staff recommends approval of these loans based on the following:

- The loan amounts identified above have been included in the Department of Finance’s (DOF) Budget Letter 09-09 as allowable disbursements.
 - On January 4, 2010, the federal court overseeing the *Coleman v. Schwarzenegger* proceedings approved the two AB 900 projects identified above as part of the department’s long-range plan submitted to the court. Per the court order, the projects are scheduled to be reviewed quarterly and for any project that has departed from the promised timeframes, the State shall describe with specificity the reason for the departure and shall identify the individuals or agencies whose acts or failures to act contributed to the departure.
 - Finally, as a prerequisite for the issuance of AB 900 bonds, DOF must receive legislative approval as well as State Public Works Board (SPWB) approval for each proposed projects. Items 6.c and 6.d had obtained both legislative and SPWB approval.
3. **AB 55 Loan Disbursement Freeze.** Staff recommends that the Pooled Money Investment Board continue the freeze on disbursements for approved AB 55 loans except for disbursements authorized by Department of Finance’s Budget Letter 09-09.

EXHIBIT A

POOLED MONEY INVESTMENT BOARD
 LOAN REQUESTS (AB 55 LOANS)
 For the February 17, 2010 PMIB Meeting

Agenda Item	New or Renewal	Old Loan No.	New Loan No.	Fund No.	Type	Department/Program	[a]	[b]	[c]	[d] Commercial Paper Adjustment			[e]	[f]	[g]	[h]	[i]	[j]	[k]	
							New Loan Amount per Loan Application	Original Amount of Existing Loan	Impact on the Pool	Amount of CP or Bonds Issued (since previous loan)	Current Loan Amount Outstanding (b - d)	New Loan Amount Adjusted by Bonds or CP Issued	Recommended Adjusted Loan Amount	Impact on the Pool (for recommended loan amount)	Interest Paid by	CP	Finance Committee or Board Approval Needed?			
RENEWAL REQUESTS																				
GO																				
No GO February Loans																				
REV																				
a	Renewal	0890116	0900059	0660567	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds North Region Forest Fire Station Facilities: Replace Various Buildings	\$ 1,702,731.00	\$ 9,238,479.00	\$ (7,535,748.00)	N/A	N/A	N/A	\$ 1,702,731.00	\$ (7,535,748.00)	BF	NO	No			
b	Renewal	0890117	0900060	0660653	REV	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Statewide: Construct Forest Fire Stations	\$ 4,481,632.00	\$ 13,014,488.00	\$ (8,532,856.00)	N/A	N/A	N/A	\$ 4,481,632.00	\$ (8,532,856.00)	BF	NO	No			
c	New		0900061		REV	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB900 CSP, Corcoran: Administrative Segregation Unit/Enhanced Outpatient Program Treatment and Office Space	\$ 992,863.00	\$ -	\$ 992,863.00	N/A	N/A	N/A	\$ 992,863.00	\$ 992,863.00	BF	NO	No			
d	New		0900062		REV	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB900 CSP, Sacramento: Psychiatric Services Unit Treatment and Office Space	\$ 970,764.00	\$ -	\$ 970,764.00	N/A	N/A	N/A	\$ 970,764.00	\$ 970,764.00	BF	NO	No			
							\$ 8,147,990.00	\$ 22,252,967.00	\$ (14,104,977.00)	\$ -	\$ -	\$ -	\$ 8,147,990.00	\$ (14,104,977.00)						

Total amount of outstanding PMIA loans as of January 27, 2010	<u>Requested</u>	<u>Recommended</u>
Impact on the Pool from this months actions	\$ 367,112,173.81	\$ 367,112,173.81
Outstanding PMIA loans after this months actions	<u>\$ (14,104,977.00)</u>	<u>\$ (14,104,977.00)</u>
	\$ 353,007,196.81	\$ 353,007,196.81