

**LOCAL INVESTMENT ADVISORY BOARD  
915 Capitol Mall, Room 110  
Sacramento, CA 95814**

**Minutes  
May 17, 2011**

Dan Dowell, Director of Investments, chairing for State Treasurer Bill Lockyer, called the Local Investment Advisory Board (LIAB) meeting to order at 1:30 p.m. on Tuesday, May 17, 2011.

**AGENDA ITEM 1: Roll Call**

Present: Dan Dowell for State Treasurer Bill Lockyer  
Martin Krieger, LIAB member  
Beth Renge, LIAB member  
Les Wells, LIAB member

Staff: Bill Dowell, Assistant Director of Investments  
Pam Milliron, LAIF Administrator  
Marian Yee, Treasury Manager  
Diann Theis, Treasury Program Officer

The Chair declared a quorum at 1:32 p.m.

**AGENDA ITEM 2.A: Approval of the October 20, 2010, Minutes**

The minutes for the October 20, 2010, meeting were approved as submitted with a motion by Mr. Wells and seconded by Ms. Renge. The motion passed unanimously.

**AGENDA ITEM NO.3.A: Evaluation of 2010 Annual LAIF Conference**

Pam Milliron presented the evaluation of the 2010 Annual LAIF Conference.

**AGENDA ITEM NO.3.B: Planning of 2011 Annual LAIF Conference**

Pam Milliron presented the agenda for the upcoming 2011 Annual LAIF Conference on Thursday, October 20, 2011.

## **AGENDA ITEM 4: Overview of LAIF Operations and PMIA Performance**

### **PMIA Performance**

Bill Dowell reported as of 3/31/2011:

- PMIA was \$68.4 billion dollars
- LAIF was \$22.3 billion dollars
- The daily rate was .45%
- The quarter to date was .52%
- The year to date was .50%
- The average life of the portfolio was 193 days

### **LAIF Operations**

Pam Milliron reported:

- The quarterly apportionment rate for December 31, 2010, was 0.46% with administrative costs of 2.09% of earnings.
- The quarterly apportionment rate for March 31, 2011, was 0.51% with administrative costs of 1.84% of earnings.
- As of April 30, 2011, there were 2,785 participants in LAIF. This total includes 1,781 Special Districts, 55 Counties, 475 Cities, 312 Trustee accounts and 162 bond accounts.
- LAIF was approximately 34% of the total PMIA with a current balance of \$23,759,016,146.44.

Martin Krieger asked about the administrative costs cap that was raised for the LAIF program in the fall of 2010. Pam Milliron stated that legislation was sought to raise the cap on the formula in order to cover costs to administer the LAIF program. Because of such a low interest rate environment LAIF hasn't been able to recoup the costs at a half of one percent of earnings. Although the fees for the program haven't increased the cap needed to be increased because the formula didn't allow the reimbursement of the costs. It was approved by the Legislature and the costs have been recouped the last two quarters.

## **AGENDA ITEM 5: Public Comment**

None

## **AGENDA ITEM 6: Other Business**

## **AGENDA ITEM 7: Adjournment**

There being no further business the meeting was adjourned at 1:45 p.m.