

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

MINUTES

Wednesday, October 19, 2011

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 September 21, 2011, meeting were approved, 3-0.

PMIB DESIGNATION

Mr. Jeff Wurm of the State Treasurer's Office presented a Summary Portfolio Report as of September 30, 2011. On that day, the portfolio stood at \$66.193 billion. The effective yield was 0.371%, the quarter-to-date yield was 0.389% and the year-to-date yield was 0.389%. The average life of the portfolio was 236 days. AB 55 Loans approved stood at \$449 million, with \$266 million having been disbursed. The Local Agency Investment Fund had deposits totaling \$22.437 billion, with 2,781 participants.

Ms. Kristin Szakaly-Moore of the State Treasurer's Office Cash Management Division presented a summary of the Forecast of Changes in Portfolio for the Pooled Money Investment Account (PMIA) for the period October 17, 2011, through December 16, 2011. Ms. Szakaly-Moore highlighted the key receipts, as presented in Attachment 1. For this nine-week period, a total of \$43.948 billion were anticipated in receipts.

Ms. Coleen Morrow of the State Controller's Office continued the presentation with an estimate of the PMIA disbursements for the period October 17, 2011, through December 16, 2011. Ms. Morrow highlighted the major disbursements, also as shown in Attachment 1. For the none-week period, a total of \$37.281 billion were anticipated in disbursements.

Designation No. 1748 was approved, 3-0.

DECLARATION OF SURPLUS MONEY/REDUCTION OF SURPLUS MONEY

Mr. Wurm also presented the changes in the Surplus Money Investment Fund for the period September 1, 2011, through September 30, 2011. During the month, \$11.559 billion was declared Surplus in various special funds, while \$11.237 billion was declared to be a Reduction in Surplus. The Surplus Money Declaration/Reduction for the month of September, 2011, was approved, 3-0.

SURPLUS MONEY INVESTMENT FUND REQUEST

There were no SMIF requests this month.

AB 55 LOAN POLICY REVIEW

Mr. Phil Osborn of the State Treasurer's Office Public Finance Division presented the annual review of the Pooled Money Investment Account Loan Policy and stated that at this time, staff recommends that no changes be made to the current loan policy.

Mr. Todd Jerue commented to the Board in regards to the Loan Policy, that the Department of Finance has concerns with the \$500 million loan limit, suggesting that the \$500 million limit might not be high enough, and would like to revisit the cap as other projects come forward. Mr. Jerue then stated that the AB 55 renewal request item 7(e) would be withdrawn at this time.

AB 55 LOAN APPLICATIONS (Government Code § 16312)

Mr. Osborn also presented the monthly report of the current outstanding approved AB55 Loans, which stood at \$449,291,533.16 as of September 30, 2011. He also presented the staff recommendation for three AB 55 loan renewal requests, and one SB 81 new loan request, as shown in Exhibit A. He noted that Items 7.c and 7.e had been withdrawn and that staff recommended approval of the three loan renewal requests (Items 7.a, 7.b and 7.d) and the new loan request (Item 7.f).

AB 55 Renewals

a.	1120011	Department of General Services SPWB Lease Revenue Bonds Capitol Area West End Complex	\$7,742,000.00
b.	1120012	California Conservation Corps SPWB Lease Revenue Bonds Tahoe Base Center Relocation: Phase II	\$297,000.00
c.	1120013	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds, AB-900 CA Men's Colony, San Luis Obispo: 50-Bed Mental Health Crisis Bed Facility	\$33,058,000.00

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| d. | 1120014 | Department of Corrections and Rehabilitation
SPWB Lease Revenue Bonds, AB 900
Calaveras County Adult Detention Facility | \$13,503,000.00 |
| e. | 1120015 | Department of Corrections and Rehabilitation
SPWB Lease Revenue Bonds, AB 900
CA Health Care Facility | \$518,001,000.00 |

New AB 55 Loan Request

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|----|---------|---|-----------------|
| f. | 1120016 | Department of Corrections and Rehabilitation
SPWB Lease Revenue Bonds, SB 81
Shasta County Juvenile Hall: Juvenile Rehabilitation
Facility | \$10,498,000.00 |
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The PMIB accepted the staff recommendation and approved the three loan renewal requests and the new loan, 3-0.

PUBLIC COMMENT

None.

ADJOURNMENT

In the absence of further business, the meeting was adjourned at 10:15 a.m.

Respectfully submitted,

Bettina Redway
Executive Secretary