

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

MINUTES

Wednesday, February 15, 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 January 18, 2012, meeting were approved, 3-0.

PMIB DESIGNATION

Mr. Jeff Wurm of the State Treasurer's Office presented a Portfolio Summary Report as of January 31, 2012. On that day, the portfolio stood at \$66.144 billion. The effective yield was 0.377%, the quarter-to-date yield was 0.385% and the year-to-date yield was 0.389%. The average life of the portfolio was 245 days. AB 55 Loans approved stood at \$312 million, with \$184 million having been disbursed. The Local Agency Investment Fund had deposits totaling \$21.744 billion, with 2,780 participants.

Ms. Kristin Szakaly-Moore of the State Treasurer's Office Cash Management Division presented a summary of forecasted revenue changes in the Portfolio for the Pooled Money Investment Account (PMIA) for the period February 13, 2012, through April 20, 2012. Ms. Szakaly-Moore highlighted the key receipts, as presented in Attachment 1. For this ten-week period, a total of \$48.524 billion were anticipated in receipts.

Mr. George Lolas of the State Controller's Office continued the presentation with an estimate of the PMIA disbursements for the period February 13, 2012 to April 20, 2012. Mr. Lolas highlighted the major disbursements, also as shown in Attachment 1. For this ten-week period, a total of \$41.905 billion were anticipated in disbursements.

Designation No. 1752 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. The Authorization for General Fund Internal Borrowing for the period February 15, 2012, through March 31, 2012, in the amount of up to \$23.594 billion, was approved, 3-0.

STATE CONTROLLER'S OFFICE PROPOSAL TO PROVIDE EXPLANATION OF INTERNAL BORROWING PRACTICES – Informational Item

Mr. Lolas of the State Controller's Office said his office would be providing a formal write-up explaining its internal borrowing practices and procedures. He noted there are a number of questions and some confusion amongst various parties, so Mr. Lolas proposed providing such a write-up for the PMIB to review at its next meeting.

DECLARATION OF SURPLUS MONEY/REDUCTION OF SURPLUS MONEY

Mr. Wurm also presented the changes in the Surplus Money Investment Fund for the period January 1, 2012, through January 31, 2012. During the month, \$7.511 billion was declared Surplus in various special funds, while \$7.816 billion was declared to be a Reduction in Surplus. The Surplus Money Declaration/Reduction for the month of January, 2012, was approved, 3-0.

SURPLUS MONEY INVESTMENT FUND REQUEST

Mr. Wurm presented one request from the Department of Housing & Community Development to participate in the Surplus Money Investment Fund:

Enterprise Zone Fund
Fund Number 3165

The Board accepted the staff recommendations of the State Controller's Office and the State Treasurer's Office and approved the request, 3-0.

AB 55 LOAN PROGRAM (Government Code § 16312)

Mr. Wurm on behalf of the State Treasurer's Office Public Finance Division presented one informational item; the monthly report of the current outstanding approved AB55 Loans, which stood at \$311,964,514.82 as of January 31, 2012.

PUBLIC COMMENT

None.

ADJOURNMENT

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

Respectfully submitted,

Bettina Redway
Executive Secretary