

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

MINUTES

Wednesday, September 18, 2013

The meeting was called to order at 10:03 a.m.

Roll: Katie Carroll for State Treasurer Bill Lockyer
 Richard Chivaro, for State Controller John Chiang
 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

The minutes for the August 21, 2013 meeting were approved, 3-0.

PMIB DESIGNATION

Mr. Jeff Wurm of the State Treasurer's Office presented a Portfolio Summary Report as of August 31, 2013. On that day, the portfolio stood at \$52.463 billion. The effective yield was 0.259%, the quarter-to-date yield was 0.269% and the year-to-date yield was 0.269%. The average life of the portfolio was 270 days. AB55 Loans approved were \$298 million, with a disbursed amount of \$194 million. The Local Agency Investment Fund had \$19.747 billion total deposits, with 2,615 total participants.

Designation No. 1771 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 October 1, 2013, through December 31, 2013, in the amount of up to \$21.6 billion, was approved, 3-0.

DECLARATION OF SURPLUS MONEY/REDUCTION OF SURPLUS MONEY

Mr. Jeff Wurm presented the changes in the Surplus Money Investment Fund for the period August 1, 2013, through August 31, 2013. Declaration of Surplus Money was in the amount of \$9,194,753,000 billion. A reduction in Surplus Money was in the amount of \$10,081,164,000 billion. An attached list from the State Controller's office shows the breakdown. The Surplus Money Declaration/Reduction for the month of February was approved, 3-0.

SURPLUS MONEY INVESTMENT FUND REQUEST (SMIF)

Mr. Wurm presented one SMIF request to participate in the Surplus Money Investment Fund-

California Department of Fish and Game:
Restoration Planning for the Ballona Wetlands Account
Fund Number 0942279

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

INVESTMENT POLICY - Informational Item

Mr. Wurm presented the Investment Policy information item for the Pooled Investment Money Account. He stated that minor comments have been added to the statement of Portfolio Management Guidelines for Pooled Money Investment Account. In I. Guidelines for Maintaining Safety and Diversification, the following comment has been added, "The list of approved investments will be posted to the STO website", within the following:

Page 4. C. Bankers Acceptances-Domestic/Foreign
Page 5. D. Certificates of Deposits
Page 6. F. Commercial Paper
Page 7. G. Corporate Bonds/Notes

Mr. Wurm stated that due to changes in credit ratings investment names may drop off and be added back to this list of approved investments. The PMIB will be notified when the name is added back onto the approved investment list. Also presented was a list of approved investments as August 31, 2013 that is currently posted to the STO website. There have been no changes to the list from that date.

AB55 LOAN PROGRAM (Government Code § 16312)

Ms. Tiffany Connelly with the State Treasurer's Office presented the PMIA loans monthly report. As of August 31, 2013 outstanding AB55 loans is \$298,563,443.82

Staff recommended approval for the two AB55 loan renewal requests, Item 8.a – 8.b on the September 18, 2013 agenda in the amount shown on column f of Exhibit A of the Staff Report. Both items reflect an increase necessary to begin construction of the respective projects, as well as to pay accrued interest and administrative costs. The two loan renewal requests are in compliance with the current AB55 Loan Policy.

RENEWAL REQUEST

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
a.	1340007	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Three Level II Dorm Facilities	\$91,887,000.00
b.	1340008	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Central California Women's Facility: Enhanced Outpatient Program Treatment and Office Space	8,533,000.00

The Board accepted staff recommendations and approved the four loan requests, 3-0.

PUBLIC COMMENT

None.

ADJOURNMENT

In the absence of further business, the meeting was adjourned at 10:09 a.m.

Respectfully submitted,

Bettina Redway
Executive Secretary