

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

MINUTES

Wednesday, January 15, 2014

The meeting was called to order at 10:00 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

MINUTES

The minutes for the December 11, 2013, meeting were approved, 3-0.

PMIB DESIGNATION

Mr. Jeff Wurm of the State Treasurer's Office presented a Portfolio Summary Report as of December 31, 2013. On that day, the portfolio stood at \$57.667 billion. The effective yield was 0.256%, the quarter-to-date yield was 0.264% and the year-to-date yield was 0.265%. The average life of the portfolio was 209 days. AB55 Loans approved were \$354 million, with a disbursed amount of \$101 million. The Local Agency Investment Fund had \$19.894 billion total deposits, with 2,594 total participants.

Designation No. 1775 was approved, 3-0.

DECLARATION OF SURPLUS MONEY/REDUCTION OF SURPLUS MONEY

Mr. Wurm presented the changes in the Surplus Money Investment Fund for the period December 1, 2013 through December 31, 2013. Declaration of Surplus Money was in the amount of \$9,662,473,000.00. A reduction in Surplus Money was in the amount of \$10,372,521,000.00. An attached list from the State Controller's office shows the breakdown. The Surplus Money Declaration/Reduction for the month of December was approved, 3-0.

SURPLUS MONEY INVESTMENT FUND REQUEST (SMIF)

Mr. Wurm presented one SMIF request from the California Department of Corrections and Rehabilitation, Financial Services Division to participate in the Surplus Money Investment Fund:

Special Deposit Fund, E-Rate Discount Program
Fund Number: 0942288

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

NEW COMMERCIAL PAPER ISSUERS

Ms. Evelyn Gorman of the State Treasurer's Office Investment Division presented a proposal to approve JP Morgan Securities LLC (JPM LLC) to the PMIA list of authorized commercial paper issuers. JPM LLC is a Delaware corporation and a wholly-owned subsidiary of JP Morgan Chase & Company.

As required by Government Code 16430, the JPM LLC commercial paper is rated prime quality by nationally recognized rating agencies. The approval of JPM LLC will provide opportunities to invest in commercial paper at competitive yields.

The Board approved the addition of JP Morgan Securities LLC (JPM LLC) as an authorized commercial paper investment for the PMIA, 3-0.

AB55 LOAN PROGRAM (Government Code § 16312)

Ms. Tiffany Connelly with the State Treasurer's Office, Public Finance Division, presented the PMIA loans monthly report. As of December 31, 2013 the outstanding approved AB 55 Loans is \$354,320,682.49.

Staff recommended approval of the five loan renewal requests (Items 7.a - 7.e) on the agenda in the amounts shown on column f of Exhibit A, as shown below. Items 7.a – 7.d reflect increases necessary to pay accrued interest and administrative costs. Item 7.e reflects an increase necessary to complete construction of the project, as well as to pay accrued interest and administrative costs. The five loan renewal requests are in compliance with the current AB55 loan policy.

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
a.	1340020	Department of State Hospitals SPWB Lease Revenue Bonds Patton State Hospital: Construct New Main Kitchen	\$1,128,000.00
b.	1340021	Department of State Hospitals SPWB Lease Revenue Bonds Napa State Hospital: Construct New Main Kitchen	1,492,000.00
c.	1340022	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Ishi Conservation Camp: Replace Facility	1,408,000.00

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
d.	1340023	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds South Operations Area Headquarters: Relocate Facility	1,348,000.00
e.	1340024	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Claybank Adult Detention Facility	61,567,000.00

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

PUBLIC COMMENT

None.

ADJOURNMENT

In the absence of further business, the meeting was adjourned at 10:05 a.m.

Respectfully submitted,

Bettina Redway
Executive Secretary