

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

MINUTES

Wednesday, September 17, 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: Tranice Rainey, State Treasurer's Office
 Catherine Brown, Attorney General's Office

MINUTES

The minutes for the August 20, 2014 meeting were approved, 3-0.

PMIB DESIGNATION

Ms. Tranice Rainey of the State Treasurer's Office presented a Portfolio Summary Report as of August 31, 2014. On that day, the portfolio stood at \$54.861 billion. The effective yield was 0.246%, the quarter-to-date yield was 0.252% and the year-to-date yield was 0.252%. The average life of the portfolio was 233 days. AB55 Loans approved were \$335 million, with a disbursed amount of \$222 million. The Local Agency Investment Fund had \$19.783 billion total deposits, with 2,531 total participants.

Designation No. 1783 was approved, 3-0.

AUTHORIZATION FOR GENERAL FUND INTERNAL BORROWING

Ms. Rainey 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, 2014, through December 31, 2014, in the amount of up to \$24,426,000,000, was approved, 3-0.

DECLARATION OF SURPLUS MONEY/REDUCTION OF SURPLUS MONEY

Ms. Rainey presented the changes in the Surplus Money Investment Fund for the period August 1, 2014 through August 31, 2014. Declaration of Surplus Money was in the amount of \$10.500 billion. A reduction in Surplus Money was in the amount of \$11.148 billion. An attached list from the State Controller's Office shows the breakdown. The Surplus Money Declaration/Reduction for the month of August was approved, 3-0.

SURPLUS MONEY INVESTMENT FUND REQUEST (SMIF)

Ms. Rainey presented one request to participate in the Surplus Money Investment Fund:

California Energy Commission
Energy Conservation Assistance Account
Fund Numbers 0033-006 and 0033-100

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

COMMERCIAL PAPER ISSUERS

Mr. Jeff Wurm of the State Treasurer's Office Investments Division presented two new Commercial Paper Issuers: MUFG Union Bank, NA and Mizuho Funding LLC. Both programs have received strong ratings from the national rating agencies, and all ratings meet Government Code requirements. Mr. Wurm recommended adding these names to the list of approved PMIA investments as these programs would provide diversity and flexibility for investment options at competitive yields without incurring a high level of risk.

Mr. Chivaro asked how many approved names there will be if these two names were to be approved. Mr. Wurm informed the board that this would bring the list of approved names to approximately fifty-five.

The Board approved the new Issuers 3-0.

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, 2014 the amount of outstanding approved AB55 loans was \$334,669,721.22.

Staff recommended approval of the three loan renewal requests (Items 8.a – 8.c) on the agenda in the amounts shown on column f of Exhibit A to this staff report. Item 8.a reflects an increase necessary to complete the project, as well as to pay accrued interest and administrative costs. Items 8.b & 8.c reflect increases necessary to complete preliminary plans and working drawings and to begin construction, as well as to pay accrued interest and administrative costs. The loan renewal requests are in compliance with the current AB 55 loan policy.

RENEWAL LOAN REQUESTS

	<u>PMIB</u> <u>Loan No.</u>	<u>Department</u>	<u>Amount</u>
a.	1450005	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds San Diego County Jail	\$100,135,000.00

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
b.	1450006	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Sierra Conservation Center: Health Care Facility Improvement Project	4,210,000.00
c.	1450007	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds California Correctional Institution: Health Care Facility Improvement Project	5,759,000.00

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

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