

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

MINUTES

Wednesday, October 15, 2014

The meeting was called to order at 10:02 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: Sean Collier, State Treasurer's Office
 Catherine Brown, Attorney General's Office
 Mark Paxson, State Treasurer's Office

MINUTES

The minutes for the September 17, 2014 meeting were approved, 3-0.

PMIB DESIGNATION

Mr. Sean Collier of the State Treasurer's Office presented a Portfolio Summary Report as of September 30, 2014. On that day, the portfolio stood at \$56.450 billion. The effective yield was 0.252%, the quarter-to-date yield was 0.250% and the year-to-date yield was 0.250%. The average life of the portfolio was 232 days. AB55 Loans approved were \$346 million, with a disbursed amount of \$224 million. The Local Agency Investment Fund had \$19.387 billion total deposits, with 2,528 total participants.

Ms. Kristin Szakaly-Moore of the State Treasurer's Office Centralized Treasury and Securities Management Division presented a summary of forecasted revenue changes in the portfolio for the Pooled Money Investment Account (PMIA) for the period October 13, 2014 through December 12, 2014. Anticipated receipts for this nine-week period total \$41.881 billion. Ms. Szakaly-Moore highlighted the key receipts.

Mr. Steven Koehler of the State Controller's Office, Cash Management Bureau and Division of Accounting and Reporting continued the presentation. Mr. Koehler highlighted the major disbursements anticipated for the reporting period of October 13, 2014 through December 12, 2014. Anticipated disbursements for the nine-week period total \$42.199 billion. Mr. Koehler detailed important disbursements anticipated during this nine-week period.

Designation No. 1784 was approved, 3-0.

DECLARATION OF SURPLUS MONEY/REDUCTION OF SURPLUS MONEY

Mr. Collier presented changes in the Surplus Money Investment Fund for the period September 1, 2014, through September 30, 2014. Declaration of Surplus Money was in the amount of \$17.766 billion. A reduction in Surplus Money was in the amount of \$14.635 billion. An attached list from the

State Controller's office shows the breakdown. The Surplus Money Declaration/Reduction for the month of March was approved, 3-0.

SURPLUS MONEY INVESTMENT FUND REQUEST (SMIF)

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

State Treasurer's Office, Administrative Division
Secure Choice Retirement Savings Program
Fund 8081

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

REVIEW OF POOLED MONEY INVESTMENT ACCOUNT LOAN POLICY

Ms. Tiffany Connelly of the State Treasurer's Office Public Finance Division presented the annual review of the Pooled Money Investment Account Loan Policy pursuant to section 2.0 of the Pooled Money Investment Account Loan Policy adopted on October 20, 2010 which provides that the Board shall review the Loan Policy annually each October. Staff recommended approval of amendments to the Loan Policy as shown on Exhibit A to the staff report.

The Board accepted staff recommendations and approved the PMIA Loan Policy amendments, 3-0.

AB55 LOAN PROGRAM (Government Code § 16312)

Ms. Connelly presented the PMIA loans monthly report. As of September 30, 2014, the amount of outstanding approved AB55 loans was \$345,929,467.74.

Staff recommended approval of the two AB55 loan renewal requests (Items 7.a – 7.b) on the agenda in the amounts shown on column f of Exhibit B to the staff report. These items reflect increases necessary to pay accrued interest and administrative costs. The loan renewal requests are in compliance with the current AB 55 loan policy.

Staff also recommended approval of the following one new loan request on the agenda in the amount shown on column f of Exhibit B to the staff report, Item 7.c Department of Corrections and Rehabilitation, State Public Works Board Lease Revenue Bonds, San Luis Obispo County Juvenile Project. Loan proceeds will be used to fund construction on the project. This item was recommended for approval based on the requesting Department having complied with the requirements of section 3.0 of the current AB 55 loan policy regarding new loan requests.

RENEWAL LOAN REQUESTS

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
a.	1450008	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Intermountain Conservation Camp: Replace Facility	\$1,111,000.00
b.	1450009	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Miramonte Conservation Camp: Replace Facility	2,517,000.00

NEW LOAN REQUEST

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
c.	1450010	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds San Luis Obispo County Juvenile Project	\$6,866,000.00

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

PUBLIC COMMENT

None.

ADJOURNMENT

In the absence of further business, the meeting was adjourned at 10:16 a.m.

Respectfully submitted,

Bettina Redway
Executive Secretary