

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

MINUTES

Wednesday, March 16, 2016

The meeting was called to order at 10:00 a.m.

Roll: William Dowell for State Treasurer John Chiang
Richard Chivaro for State Controller Betty T. Yee
Eraina Ortega for Director of Finance Michael Cohen

Staff Present: Jeff Wurm, State Treasurer's Office
Catherine Brown, Attorney General's Office

MINUTES

Mr. Chivaro moved to approve the minutes for the February 17, 2016 meeting. Upon a second by Ms. Ortega, the motion passed 3-0 with the following votes: Mr. Dowell: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

PMIB DESIGNATION

Mr. Sean Collier of the State Treasurer's Office presented a Portfolio Summary Report as of February 29, 2016. On that day, the portfolio stood at \$64.221 billion. The effective yield was 0.489%, the quarter-to-date yield was 0.456% and the year-to-date yield was 0.378%. The average life of the portfolio was 159 days. AB55 Loans approved were \$416 million, with a disbursed amount of \$129 million. The Local Agency Investment Fund had \$21.348 billion total deposits, with 2,467 total participants. Mr. Collier gave each Board Member a copy of the PMIA Annual Report, and stated that the PMIA Annual Report is now available on the State Treasurer's website.

Ms. Ortega moved to approve Designation No. 1801. Upon a second by Mr. Chivaro, the motion passed 3-0 with the following votes: Mr. Dowell: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

AUTHORIZATION FOR GENERAL FUND INTERNAL BORROWING

Mr. Collier presented this document, which authorizes the General Fund to borrow from internal sources to meet its cash needs during periods of shortfall. The request was for Authorization for General Fund Internal Borrowing during the period of April 1, 2016 through June 30, 2016, for an amount of up to \$32,585,800,000.

Mr. Chivaro moved to approve the Request and Authorization for Transfer of Moneys during the period of April 1, 2016 through June 30, 2016. Upon a second by Ms. Ortega, the motion passed 3-0 with the following votes: Mr. Dowell: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

DECLARATION OF SURPLUS MONEY/REDUCTION OF SURPLUS MONEY

Mr. Collier presented the changes in the Surplus Money Investment Fund for the period of February 1, 2016 through February 29, 2016. Declaration of Surplus Money was in the amount of \$10.719 billion. A reduction in Surplus Money was in the amount of \$10.014 billion. An attached list from the State Controller's Office shows the breakdown.

Mr. Chivaro moved to approve the Surplus Money Declaration/Reduction for the month of February 2016. Upon a second by Ms. Ortega, the motion passed 3-0 with the following votes: Mr. Dowell: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

SURPLUS MONEY INVESTMENT FUND REQUEST (SMIF)

There were no SMIF requests for this month.

AB55 LOAN PROGRAM (Government Code § 16312)

Mr. Kevin Esmeralda with the Public Finance Division of the State Treasurer's Office presented the PMIA loans monthly report.

Staff recommended approval of the four loan renewal requests (Items 7.a – 7.d) on the agenda in the amounts shown on column f of Exhibit A to this staff report. Items 7.a – 7.c reflect increases necessary to continue construction, as well as to pay accrued interest and administrative costs. Item 7.d reflects a decrease of the existing loan at the request of the department.

Staff recommended approval of three new loan requests:

- Item 7.e Department of Corrections and Rehabilitation, State Public Works Board Lease Revenue Bonds, Santa Clara County Juvenile Project. Loan proceeds will be used to begin funding design-build on this project.
- Item 7.f Department of Corrections and Rehabilitation, State Public Works Board Lease Revenue Bonds, Yolo County Juvenile Project. Loan proceeds will be used to begin funding construction on this project.
- Item 7.g Department of Forestry and Fire Protection, State Public Works Board Lease Revenue Bonds, San Luis Obispo Unit Headquarters Replacement. Loan proceeds will be used to begin funding design work on this project.

All the loan requests are in compliance with the current AB55 Loan Policy and, if approved, the impact on the pool would result in a net decrease of \$14,030,000.

LOAN RENEWAL REQUESTS

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
a.	1560019	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Wasco State Prison: Health Care Facility Improvement Project	\$28,343,000.00
b.	1560020	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds North Kern State Prison: Health Care Facility Improvement Project	26,500,000.00
c.	1560021	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Tuolumne County Juvenile Project	16,017,000.00
d.	1560022	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Ironwood State Prison: Heating, Ventilation and Air Conditioning System	5,100,000.00

NEW LOAN REQUESTS

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
e.	1560023	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Santa Clara County Juvenile Project	4,305,000.00
f.	1560024	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Yolo County Juvenile Project	3,302,000.00
g.	1560025	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds San Luis Obispo Unit Headquarters Replacement	1,908,000.00

Ms. Ortega moved to approve staff recommendation and approve the loan requests. Upon a second by Mr. Chivaro, the motion passed 3-0 with the following votes: Mr. Dowell: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

PUBLIC COMMENT

None.

ADJOURNMENT

In the absence of further business, the meeting was adjourned at 10:07 a.m.

Respectfully submitted,

Grant Boyken
Executive Secretary