

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

MINUTES

Wednesday, July 20, 2016

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

Roll: Tim Schaefer 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
Mark Paxson, State Treasurer's Office

MINUTES

Mr. Chivaro moved to approve the minutes for the June 15, 2016 meeting. Upon a second by Ms. Ortega, the motion passed 3-0 with the following votes: Mr. Schaefer: 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 June 30, 2016. On that day, the portfolio stood at \$75.369 billion. The effective yield was 0.582%, the quarter-to-date yield was 0.552% and the year-to-date yield was 0.434%. The average life of the portfolio was 167 days. AB55 Loans approved were \$502 million, with a disbursed amount of \$177 million. The Local Agency Investment Fund had \$22.712 billion total deposits, with 2,464 total participants.

Ms. Ortega moved to approve Designation No. 1805. Upon a second by Mr. Chivaro, the motion passed 3-0 with the following votes: Mr. Schaefer: yes; Mr. Chivaro: yes; Ms. Ortega: yes.

DECLARATION OF SURPLUS MONEY/REDUCTION OF SURPLUS MONEY

Mr. Sean Collier presented changes in the Surplus Money Investment Fund for the period June 1, 2016 through June 30, 2016. Declaration of Surplus Money was in the amount of \$12.648 billion. A reduction in Surplus Money was in the amount of \$10.676 billion. An attached list from the State Controller's office shows the breakdown.

Mr. Chivaro moved to approve the Declaration of Surplus Money/Reduction of Surplus Money for the month of June. Upon a second by Ms. Ortega, the motion passed 3-0 with the following votes: Mr. Schaefer: 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. Matthew Lehtonen, with the Public Finance Department in the State Treasurer's Office, reported that the loan application request for the Siskiyou County New Yreka Courthouse has been withdrawn from the agenda at the request of Judicial Counsel of California.

PUBLIC COMMENT

Presiding Siskiyou County Superior Court Judge William Davis addressed the loan application for the County's New Yreka Courthouse project. He stated that he was joined at the meeting by Grace Bennett, Chair of the Board of Supervisors, Siskiyou County Court Executive Officer, Mary Frances McHugh, Program Manager for the courthouse project, Leland Roberts, and retired County Counsel, Frank DeMarco. Judge Davis asked the board members if the item, which he understood had been withdrawn from consideration at the July 20 PMIB meeting by the applicant Judicial Council, has been deferred to the August 17th meeting. Mr. Schaefer explained that there is a 10 day requirement for the item to be placed on the next meeting's agenda and that it would be known by August 7th. He asked Mr. Lehtonen if he was aware of any further information. Mr. Lehtonen stated he believed that the applicant's intention was to defer the item to the next meeting but that it was subject to further direction.

Judge Davis explained that all preparations for the project have been approved and are in place with the exception of this final step for funding. He stressed the importance of having the loan request on the PMIB August 17th agenda, as bids on the project expire on August 19th. He added that the county has already invested \$5.0 million in the courthouse project, and that property acquired for the project would be negatively impacted by the delay.

Judge Davis offered to provide any additional needed information or material should it be required by the Board. Mr. Schaefer confirmed with Ms. Ortega that the Judicial Council of California should be in contact with the correct PBM at the Department of Finance to ensure they have all the information needed. Ms. Ortega advised Judge Davis that the Board cannot force the AB 55 loan to go forward. The applicant must make this decision to go forward with the application and ask to place it on the August agenda. Ms. Ortega said she can see that the appropriate DOF staff follow up with Judicial Council to ensure all information is shared.

There were no further public comments.

ADJOURNMENT

In the absence of further business, the meeting was adjourned at 10:15 a.m.

Respectfully submitted,

Grant Boyken
Executive Secretary