

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

MINUTES

Wednesday, June 17, 2020

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

Board Members Present: State Treasurer Fiona Ma
 Richard Chivaro for State Controller Betty T. Yee
 Gayle Miller for Director of Finance Keely Martin Bosler

Staff Present: Tracey Paine, State Treasurer's Office
 Nicole Milliron, State Treasurer's Office
 Deborah Yang, Attorney General's Office

MINUTES

Treasurer Ma asked for public comments; there were none. Mr. Richard Chivaro moved to approve the minutes for the May 20, 2020 meeting. Upon a second by Treasurer Ma, the motion passed 3-0 with the following votes: Treasurer Ma: yes; Mr. Chivaro: yes; Ms. Miller: yes

PMIB DESIGNATION

Ms. Nicole Milliron of the State Treasurer's Office presented the Portfolio Summary Report as of May 31, 2020. The total portfolio amount was \$99.038 billion, the effective yield was 1.296%, and the average life was 191 days. The amount of loans approved was \$576 million with a disbursed amount of \$432 million. The total deposit amount for the Local Agency Investment Fund was \$31.366 billion with 2,365 participants.

Mr. Amin Pirasteh of the State Treasurer's Office Centralized Treasury and Securities Management Division presented a summary of forecasted revenue changes in the portfolio for the ten-week period of June 15, 2020 through August 21, 2020. The anticipated receipts total \$75.945 billion.

Treasurer Ma asked for further explanation on why the Motor Vehicle Fuel Tax and Cigarette Tax Collection line items have a lot of variation week to week, as well as what Highway Property Tax Rentals includes. Mr. Pirasteh clarified that taxes are typically due in the middle of each month, accounting for the variation in the Forecast. He also explained that Highway Property Tax Rentals include moneys that are received from Caltrans for various items including tolls.

Ms. Van Tran of the State Controller's Office Cash Management Bureau and Division of Accounting and Reporting then highlighted the major disbursements anticipated for the ten-week period. The forecasted disbursements total \$59.9 billion.

Treasurer Ma asked if Lottery Prizes were an estimate of prize money and about the large disbursements from State and Local Bond Construction. Ms. Tran confirmed that Lottery Prizes are an estimate and that the forecast of payments for State and Local Bond Construction are estimated payments based on data from last year.

Ms. Milliron then presented Designation No. 1852.

Treasurer Ma asked for public comments; there were none. Mr. Chivaro moved to approve Designation No. 1852. Upon a second by Ms. Miller, the motion passed 3-0 with the following votes: Treasurer Ma: yes; Mr. Chivaro: yes; Ms. Miller: yes

AUTHORIZATION FOR GENERAL FUND INTERNAL BORROWING

Ms. Milliron 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 is for the period July 1, 2020 through September 30, 2020 and the amount to be available from various internal funds is up to \$55.384 billion.

Treasurer Ma asked if the Internal Borrowing amount would be included in the budget. Ms. Kristin Szakaly-Moore of the State Treasurer's Office Investment Division explained that this number is a projection from the State Controller's Office of borrowable special funds that can be transferred to the General Fund in order to meet cash needs.

Treasurer Ma asked for public comments; there were none. Mr. Chivaro moved to approve the Authorization for General Fund Internal Borrowing. Upon a second by Ms. Miller, the motion passed 3-0 with the following votes: Treasurer Ma: yes; Mr. Chivaro: yes; Ms. Miller: yes.

SURPLUS MONEY DECLARATION AND REDUCTION

Ms. Milliron presented the changes in the Surplus Money Investment Fund for the period May 1, 2020 through May 31, 2020. Declaration of Surplus Money was in the amount of \$13.656 billion. A reduction in Surplus Money was in the amount of \$17.91 billion.

Treasurer Ma asked for public comments; there were none. Mr. Chivaro moved to approve the Surplus Money Declaration and Reduction for the month of May. Upon a second by Ms. Miller, the motion passed 3-0 with the following votes: Treasurer Ma: yes; Mr. Chivaro: yes; Ms. Miller: yes.

SURPLUS MONEY INVESTMENT FUND REQUESTS

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

Department of Finance
Coronavirus Relief Fund
Fund Number: 8505

Treasurer Ma asked for public comments; there were none. Mr. Chivaro moved to approve the Surplus Money Investment Fund request. Upon a second by Ms. Miller, the motion passed 3-0 with the following votes: Treasurer Ma: yes; Mr. Chivaro: yes; Ms. Miller: yes.

LOAN REQUESTS

Mr. Matt Lehtonen, with the Public Finance Division in the State Treasurer's Office, presented the PMIA loans monthly report. Staff recommended approval of one loan renewal request (Agenda Item 7.a). Mr. Lehtonen reported that the loan requests were in compliance with the current PMIA Loan Policy and upon approval would result in an increase to the outstanding loans balance by \$71 thousand.

LOAN RENEWAL REQUESTS

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
a.	1900024	Department of Forestry and Fire Protection SPWB Lease Revenue Bonds Vina Helitack Base: Replace Facility	\$14,304,000.00

Treasurer Ma asked for public comments; there were none. Mr. Chivaro moved to accept the staff recommendation and approve the loan request. Upon a second by Ms. Miller, the motion passed 3-0 with the following votes: Treasurer Ma: yes; Mr. Chivaro: yes; Ms. Miller: yes.

PUBLIC COMMENT

Treasurer Ma asked for public comments; there were none.

ADJOURNMENT

In the absence of further business, the meeting was adjourned at 10:20 a.m.

Respectfully submitted,

Tracey Paine
PMIB Administrator