

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

MINUTES

Wednesday, February 20, 2019

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
 Kari Krogseng for Director of Finance Keely Martin Bosler

Staff Present: Tracey Paine, State Treasurer's Office
 Nicole Milliron, State Treasurer's Office
 Julia Zuffelato, Attorney General's Office

MINUTES

Mr. Richard Chivaro moved to approve the minutes for the January 16, 2019 meeting. Upon a second by Ms. Kari Krogseng, the motion passed 3-0 with the following votes: State Treasurer Ma: yes, Mr. Chivaro: yes; Ms. Krogseng: yes.

PMIB DESIGNATION

Ms. Nicole Milliron of the State Treasurer's Office presented a Portfolio Summary Report as of January 31, 2019. On that day, the portfolio stood at \$93.092 billion. The effective yield was 2.387%, the quarter-to-date yield was 2.355% and the year-to-date yield was 2.140%. The average life of the portfolio was 188 days. AB55 Loans approved were \$801 million, with a disbursed amount of \$431 million. The Local Agency Investment Fund had \$22.449 billion total deposits, with 2,372 total 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 Pooled Money Investment Account (PMIA) for the period February 18, 2019 through April 19, 2019. Anticipated receipts for this nine-week period total \$67.486 billion. Mr. Pirasteh highlighted the key receipts.

Ms. Van Tran of the State Controller's Office, Cash Management Bureau and Division of Accounting and Reporting continued the presentation. Ms. Tran highlighted the major disbursements anticipated for the period February 18, 2019 through April 19, 2019. Projected disbursements for the nine-week period total \$70.296 billion.

Mr. Chivaro moved to approve Designation No. 1836. Upon a second by Ms. Krogseng, the motion passed 3-0 with the following votes: State Treasurer Ma: yes, Mr. Chivaro: yes; Ms. Krogseng: yes.

SURPLUS MONEY DECLARATION AND REDUCTION

Ms. Milliron presented the changes in the Surplus Money Investment Fund for the period January 1, 2019 through January 31, 2019. Declaration of Surplus Money was in the amount of \$10.763 billion. A reduction in Surplus Money was in the amount of \$10.466 billion. An attached list from the State Controller’s Office showed the breakdown.

Mr. Chivaro moved to approve the Surplus Money Declaration and Reduction for the month of January. Upon a second by Ms. Krogseng, the motion passed 3-0 with the following votes: State Treasurer Ma: yes, Mr. Chivaro: yes; Ms. Krogseng: yes.

SURPLUS MONEY INVESTMENT FUND REQUEST (SMIF)

There were no SMIF requests this month.

AB55 LOAN PROGRAM (Government Code § 16312)

Mr. Matthew Lehtonen, with the Public Finance Division in the State Treasurer’s Office presented the PMIA loans monthly report. Staff recommended approval of the three loan renewal requests (Items 6.a - 6.c) on the agenda in the amounts shown on column f of Exhibit A to the staff report. Mr. Lehtonen reported that the loan renewal requests were in compliance with the current AB55 Loan Policy and that the one new loan request (Item 6.d) on the agenda would be addressed in a separate staff report. Upon approval, the loan renewal requests and the new loan request would result in an increase to the outstanding loans balance by \$22,072,000.

Ms. Julie Giordano, with the Public Finance Division in the State Treasurer’s Office presented the new loan request (Item 6.d). The Department of Housing and Community Development (HCD) has applied for a \$7,000,000 loan from the Pooled Money Investment Account pursuant to Government Code Section 16312. The proceeds of the loan, if approved, will be available to fund administrative costs of HCD and project costs of the No Place Like Home Program. Ms. Giordano reported that this loan request is not in compliance with Section 4.0 of the AB55 Loan Policy. The Pooled Money Investment Board would be making an exception to the AB55 Loan Policy if it approves the loan.

Ms. Krogseng noted that while this loan is an exception to the AB55 Loan Policy, the Department of Finance supports this one-time special exception to the Policy due to the unique structure of the Prop 2 No Place Like Home Bonds.

LOAN RENEWAL REQUESTS

	<u>PMIB</u> <u>Loan No.</u>	<u>Department</u>	<u>Amount</u>
a.	1890017	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Monterey County Juvenile Project	\$33,297,000
b.	1890018	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Tulare County Jail Project	\$57,676,000

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
c.	1890019	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Riverside County Jail Project	\$96,669,000
NEW LOAN REQUEST			
d.	1890020	Department of Housing and Community Development No Place Like Home Program	\$7,000,000

Mr. Chivaro moved to approve the staff recommendation and approve the three loan renewal requests and one new loan request. Upon a second by Ms. Krogseng, the motion passed 3-0 with the following votes: State Treasurer Ma: yes, Mr. Chivaro: yes; Ms. Krogseng: yes.

PUBLIC COMMENT

There was no Public Comment.

ADJOURNMENT

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

Respectfully submitted,

Tracey Paine
PMIB Administrator