

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

MINUTES

Wednesday, June 19, 2013

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

Roll: Bill Dowell for State Treasurer Bill Lockyer
Richard Chivaro for State Controller John Chiang
Todd Jerue for Director of Finance Ana J. Matosantos

Staff Present: Jeff Wurm, State Treasurer's Office
Julia Bilaver, Attorney General's Office
Mark Paxson, State Treasurer's Office

MINUTES

The minutes for the May 15, 2013, meeting were approved, 3-0.

PMIB DESIGNATION

Mr. Jeff Wurm of the State Treasurer's Office presented a Portfolio Summary Report as of June 19, 2013. On that day, the portfolio stood at \$67.881 billion. The effective yield was 0.242%, the quarter-to-date yield was 0.254% and the year-to-date yield was 0.314%. The average life of the portfolio was 249 days. AB55 Loans approved were \$281 million, with a disbursed amount of \$168 million. The Local Agency Investment Fund had \$21.542 billion total deposits, with 2,638 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 June 17, 2013 through August 23, 2013. Anticipated receipts for this ten-week period total \$46.273 billion. Ms. Szakaly-Moore highlighted the key receipts.

Mr. Travis White of the State Controller's Office, Cash Management Bureau and Division of Account and Reporting continued the presentation. Mr. White highlighted the major disbursements anticipated for the reporting period of June 17, 2013 through August 23, 2013. Anticipated disbursements for the ten-week period total \$63.697 billion.

Designation No. 1768 was approved, 3-0.

AUTHORIZATION FOR GENERAL FUND INTERNAL BORROWING

Mr. Wurm presented this document which authorizes the General Fund to borrow from internal sources to meet its cash needs during periods of shortfall. This Authorization is for General Fund Internal Borrowing for July 1, 2013 through August 30, 2013. The amount estimated to be available from various internal funds is up to \$21.848 billion, was approved, 3-0

DECLARATION OF SURPLUS MONEY/REDUCTION OF SURPLUS MONEY

Mr. Jeff Wurm presented the changes in the Surplus Money Investment Fund for the period May 1, 2013 through May 31, 2013. Declaration of Surplus Money was in the amount of \$8.399 billion. A reduction in Surplus Money was in the amount of \$11.113 billion. An attached list from the State Controller's office shows the breakdown. The Surplus Money Declaration/Reduction for the month of May was approved, 3-0.

SURPLUS MONEY INVESTMENT FUND REQUEST (SMIF)

There were no SMIF requests.

AB55 LOAN PROGRAM (Government Code § 16312)

Ms. Tiffany Connelly with the Public Finance Division presented the PMIA loans monthly report. There was \$280,609,191.43 of outstanding AB55 loans as of May 31, 2013.

Staff recommends approval for the five new AB55 Loan requests, Items 7-a through 7-e on the agenda in the amounts shown on column F of Exhibit A of the Staff Report. All five new loan requests are from the Department of Corrections and Rehabilitation and have complied with the loan requirements of section 3.0 of the AB55 Loan Policy.

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
a.	1230029	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Valley State Prison: Health Care Facility Improvement Project	\$521,000.00
b.	1230030	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Wasco State Prison: Health Care Facility Improvement Project	2,380,000.00
c.	1230031	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Central California Women's Facility: Health Care Facility Improvement Project	1,002,000.00
d.	1230032	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Deuel Vocational Institution: Health Care Facility Improvement Project	1,304,000.00
e.	1230033	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds North Kern State Prison: Health Care Facility Improvement Project	2,290,000.00

The PMIB accepted staff recommendations and approved the five new AB55 loan requests, 3-0.

Mr. Todd Jerue, on behalf of the Department of Finance, suggested it would be timely to revisit the AB55 Loan Policy. Mr. Jerue commented that with the pending approval of a balanced 2013-14 State Budget and the State of California's much improved fiscal position, the Department of Finance would like to see the policy reevaluated. He noted that most of the recent loans have been for the Department of Corrections and Rehabilitation and suggested there may be other agencies that could benefit from AB55 loans, based on an updated policy.

As Chair, Mr. Bill Dowell, directed staff to review the AB55 Loan Policy and present any suggested changes to the PMIB by the October, 2013 PMIB Meeting; when the policy would normally be presented for its annual review.

PUBLIC COMMENT

None.

ADJOURNMENT

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

Respectfully submitted,

Bettina Redway
Executive Secretary