

**DRAFT**

**TREASURY BOARD  
COMMONWEALTH OF VIRGINIA**

June 15, 2011

9:00 a.m.

Treasury Board Conference Room

James Monroe Building

101 N. 14th Street, 3rd Floor

Richmond, Virginia

Members Present: Manju S. Ganeriwala, Chairwoman  
K. David Boyer, Jr.  
Thomas N. Chewning  
David A. Von Moll  
William W. Harrison, Jr.  
Craig Burns

Members Absent: Shaza Anderson

Others Present:	Kristin Reiter	Department of the Treasury
	Connie Vaughan	Department of the Treasury
	Tim Wilhide	Department of the Treasury
	Robert Young	Department of the Treasury
	Janet Aylor	Department of the Treasury
	Michael Tutor	Department of the Treasury
	Tracy Clemons	Department of the Treasury
	Judy Milliron	Department of the Treasury
	Leslie English	Department of the Treasury
	Debora Greene	Department of the Treasury
	Kathy Green	Department of the Treasury
	Bob Schmitt	Department of the Treasury
	Richard Davis	Department of the Treasury
	Jeanine Black	Department of the Treasury
	Tracey Edwards	Department of the Treasury
	Sherwanda Cawthorn	Department of the Treasury
	Donald Ferguson	Attorney General's Office
	Nelson Bush	PFM Asset Management Group
	JoAnne Carter	PFM Asset Management Group
	Rodney Oliver	Virginia Port Authority
	Kevin Rotty	Morgan Keegan
	Ron Tillett	Morgan Keegan
	Hart Lee	Williams Mullen
	T. C. Wilson	Wells Fargo Advisors
	Kathy Hawkridge	Wells Fargo Advisors
	Brian Moore	Wells Fargo Advisors
	Patrick Dixon	Wells Fargo Advisors
	Matt Bruning	Virginia Bankers Association
	Josh Fox	Auditor of Public Accounts

Treasury staff and others attended

### **Call to Order and Approval of Minutes**

Chairwoman Ganeriwala welcomed Board members and called the meeting to order at 9:03 a.m.

The Chairwoman welcomed Ron Tillett to the meeting and introduced Michael Tutor, who will serve as the new Secretary of the Treasury Board.

She asked if there were any additions or revisions to the minutes of the May 18, 2011 meeting; there being none, Mr. Chewing moved the approval of the minutes, Mr. Boyer seconded, and the motion carried unanimously.

### **Public Comment**

None

### **Agenda Items**

#### **Motion to Approve Revised Investment Guidelines for TICR**

Tim Wilhide reviewed the motion which will amend the TICR taxable and tax exempt portfolio guidelines. The proposals generally reduce risk while more closely aligning the benchmarks to the criteria for eligible investments.

Discussion ensued.

Chairwoman Ganeriwala asked if there were any further questions. There being none, the Chairwoman asked for a motion to approve the Resolution. Mr. Chewing moved that the Resolution be adopted. Mr. Boyer seconded, and the motion carried unanimously.

#### **Consideration of a Resolution Approving A Plan of Finance for the Issuance by the Virginia Port Authority of its Commonwealth Port Fund Revenue Bonds, Series 2011**

Mr. Harrison abstained from the discussion and the vote on this item because this law firm serves as Bond Counsel to the Virginia Port Authority. Janet Aylor reviewed the resolution which will allow the Virginia Port Authority to issue \$88,000,000 of Commonwealth Port Fund Revenue Bonds.

Ms. Aylor welcomed Rodney Oliver, the Chief Financial Officer of the Virginia Port Authority, Joanne Carter of Public Financial Management, financial advisor, Hart Lee of Williams Mullen, bond counsel and Ron Tillett and Kevin Rotty from Morgan Keegan, underwriters for the transaction.

Discussion ensued.

Chairwoman Ganeriwala asked if there were any further questions. There being none, the Chairwoman asked for a motion to approve the Resolution. Mr. Von Moll moved that the Resolution be adopted. Mr. Boyer seconded, and the motion carried with Mr. Harrison abstaining.

### **Board Briefing**

#### **Optimal Service Group of Wells Fargo Advisors review of the General Account External Managers' investment performance for the 1<sup>st</sup> quarter of 2011**

T.C Wilson from Wells Fargo Advisors provided the Board with a review of the General Account Extended Duration and Credit Portfolio evaluation for the quarter ending March 31, 2011. Mr. Wilson distributed two handouts. One was entitled Report of General Account Investment Income (Attachment A) and the other was entitled Commonwealth of Virginia – Extended Duration and Credit Portfolio. (Attachment B).

Mr. Chewning left the meeting at 10:25 a.m.

### **Staff Reports:**

#### **Debt Management**

Janet Aylor reviewed the Debt Calendar as of June 6, 2011, the Master Equipment Leasing Program and Virginia Equipment Leasing Program reports as of May 31, 2011 and the Final Financing Summary for the Commonwealth Transportation Board Series 2011 Transportation Capital Projects Revenue Bonds.

Leslie English reviewed the energy projects financing procurement and contract award.

#### **Security for Public Deposits**

Ms. Reiter reviewed the Security for Public Deposits report for the month ending April 30, 2011 and stated that two banks (New Horizon Bank and Pioneer Bank) were undercollateralized. She reviewed the Quarterly Statistics as of April 30, 2011.

#### **State Non-Arbitrage Program (SNAP)**

Mr. Wilhide reviewed the SNAP report for the month ending May 31, 2011.

#### **Investments**

Mr. Wilhide reviewed the Investment Report for June 2011. He reviewed the Local Government Investment Pool (LGIP) Quarterly Newsletter and the LGIP reports as of May 2011.

Mr. Wilhide distributed and reviewed a handout entitled General Accounting Investment Income (Attachment C)

#### **Other Business:**

Nelson Bush, from PFM Group presented a Certificate of Appreciation to Rick Davis of the Department of Treasury for his outstanding service. Mr. Bush also stated how pleased he was that Evie Whitley of the Department of Treasury will be a member of the PFM Funds Advisory board. Mr. Bush indicated that PFM Group will issue a press release on the matter.

Chairwoman Ganeriwala stated the next meeting of the Board would be on July 20, 2011. She asked if there was any further business to come before the Board. There being none, Mr. Boyer moved the meeting be adjourned at 10:16 a.m.; Mr. Harrison seconded, and the motion carried unanimously.

Respectfully submitted,

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Manju S. Ganeriwala, Chairwoman  
Commonwealth of Virginia Treasury Board

**Attachments "A through B"**

Documents are available for review at

The Department of the Treasury