

TREASURY BOARD
COMMONWEALTH OF VIRGINIA

October 20, 2010

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
Shaza L. Andersen
K. David Boyer, Jr.
David A. Von Moll

Members Absent: Craig Burns
Thomas N. Chewning
William W. Harrison, Jr.

Others Present:	Belinda Blanchard	Department of the Treasury
	Tracy Clemons	Department of the Treasury
	Margaret Layne	Department of the Treasury
	Kristin Reiter	Department of the Treasury
	Kathi B. Scarce	Department of the Treasury
	Evie Whitley	Department of the Treasury
	Robert Young	Department of the Treasury
	David Rasnic	APA
	Corey Williams	Capital One Bank
	Eric Ballou	Christian & Barton
	Bill Zuk	J. P. Morgan
	Nelson Bush	PFM Assets Management Group
	Sarah Greear	PFM Assets Management Group
	Darrell Katovsich	Wachovia/Wells Fargo
	Patrick Dixon	Wachovia/Wells Fargo
	Bryce Lee	Wells Fargo Advisors
	R.J. Archer	Wells Fargo Advisors
	T.C. Wilson	Wells Fargo Advisors
	Treasury staff and others attended	

Call to Order and Approval of Minutes

Chairwoman Ganeriwala welcomed Board members and called the meeting to order at 9:07 a.m. She asked if there were any additions or revisions to the minutes of the September 15, 2010

meeting. There being none, Mr. Von Moll moved the approval of the minutes as submitted, Mr. Boyer seconded, and the motion carried unanimously.

Public Comment

None

Agenda Items

Resolution Approving The Plan Of Finance For The Issuance By The Virginia Public Building Authority Of Its Public Facilities Revenue Bonds, Series 2010b, And Delegating Authority To The State Treasurer To Approve The Final Terms And Structure Of The Bonds

Evie Whitley asked Tracey Clemons to review the action item. Mr. Clemons stated that the Virginia Public Building Authority (Authority) will use the proceeds from the 2010B Bonds to finance or refinance the acquisition, construction, improvement, rehabilitation, furnishing, and equipping of various public facilities for use by the Commonwealth, including certain local jail and juvenile detention facility projects. The bonds will also refinance certain maturities of the Authority's outstanding Public Facilities Revenue Bonds, Series 2002A, 2004B and 2005C and pay the costs of issuing the 2010B Bonds.

The bonds will be issued competitively and repaid over 20 years. The sale will take advantage of the Build America Bonds and true interest cost will be determined at the date of sale. Mr. Clemons introduced Eric Ballou of Christian & Barton who reviewed the resolution with the Board.

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

Motion to Approve New LGIP Investment Policy and Guidelines

Belinda Blanchard reviewed the guidelines with the Board. The changes made to the guidelines are the result of changes to the SEC 2A7 guidelines.

Discussion ensued.

Chairwoman Ganeriwala asked if there were any further questions. There being none, the Chairwoman asked for a motion to approve the LGIP Investment Policy and Guidelines. Ms. Andersen moved that the LGIP Investment Policy and Guidelines be adopted. Mr. Boyer seconded, and the motion carried unanimously.

Motion to Approve Resolutions in Recognition of Former Board Members Douglas Densmore, Robert C. Goodman, and Dr. Kenneth Daniels

Chairwoman Ganeriwala explained the resolutions were prepared in recognition of the former Board members' financial stewardship to the Commonwealth during their tenure on the Treasury Board.

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

Presentation

Overview of First Quarter External Managers Results — T.C. Wilson, Optimal Service Group of Wells Fargo Advisors

Bryce Lee gave an update of capital markets over the first quarter and year-to-date. T.C. Wilson reviewed the investment performance of the external managers for the Extended Duration and Credit Portfolio Evaluation Period Ending September 30, 2010.

Mr. Boyer requested that the Executive Summary contain references to data being cited in the detail presentation. Mr. Wilson stated Wells Fargo Advisors would be happy to make this modification.

Staff Reports:

Debt Management

Ms. Whitley reviewed the Debt Calendar as of October 12, 2010, the Virginia College Building Authority final financing summary as of October 5, 2010, the final financing summary of the GO Bonds as of October 13, 2010 and the Master Equipment Leasing Program and Virginia Energy Leasing Program reports as of September 30, 2010.

Security for Public Deposits

Ms. Reiter reviewed the Security for Public Deposits report for the month ending August 31, 2010. Ms. Reiter indicated that staff is finalizing their review of late reporting by qualified public depositories and will provide an update to the Board at the November meeting.

State Non-Arbitrage Program (SNAP)

Margaret Layne reviewed the SNAP report for the month ending September 30, 2010. Nelson Bush of PFM Assets Management Group informed the Board that the annual SNAP users training meeting was scheduled for November 10, 2010 and invited Board members to attend.

Investments

Ms. Layne reviewed the Investment Report for October 2010.

Belinda Blanchard reviewed the LGIP portion of the Investments report. (Attachment A)

Chairwoman Ganeriwala asked if there was any further business to come before the Board. There being none, the Chairwoman asked for a motion to adjourn. Mr. Von Moll moved the approval of the motion, Mr. Boyer seconded, and the motion carried unanimously.

Other Business:

None

Respectfully submitted,

Manju S. Ganeriwala, Chairwoman
Commonwealth of Virginia Treasury Board

Attachment "A"

Documents are available for review at

The Department of the Treasury