

OLYMPIA, WASHINGTON

January 13, 2010

Office of the Washington State Treasurer

The State Finance Committee met in a special meeting after notice was duly given to the press and radio of Thurston County.

Present: James L. McIntire, State Treasurer
Christine O. Gregoire, Governor
Brad Owen, Lt. Governor

Also Present: Ellen Evans, Office of the State Treasurer
Svein Braseth, Office of the State Treasurer
Bill Tonkin, Foster Pepper PLLC
Rob Shelley, Seattle-Northwest Securities
Nancy Adams, Office of the State Treasurer
Jenny Poreé, Montague DeRose and Associates, LLC
Wolfgang Opitz, Office of the State Treasurer
Johnna Skyles Craig, Associate Attorney General
Chia Yang, Montague DeRose and Associates, LLC
Shad Pruitt, Office of the State Treasurer
Sue Penley, Office of the State Treasurer
Tom Saelid, Office of Financial Management
Wendy Kancianich, Office of the State Treasurer
Pam Johnson, Office of the State Treasurer
Noah Crocker, Office of the State Treasurer
Andrew Smith, Office of the State Treasurer
Gina Stark, Office of the State Treasurer

Chairman McIntire called the meeting to order at 9:00 am on January 13, 2010.

Governor Gregoire moved to approve the minutes from October 14, 2009 State Finance Committee. Lt. Governor Owen second the motion. The motion passed and the minutes from the October 14, 2009 State Finance Committee meeting were adopted.

Governor Gregoire moved to approve the minutes from the October 15, 2009 State Finance Committee meeting. Lt. Governor Owens seconded the motion. The motion passed and the minutes from the October 15, 2009 State Finance Committee meeting were adopted.

Treasurer McIntire presented Resolution No. 1097 to the Committee.

Resolution No. 1097 awards the sale of \$487,950,000 State of Washington Various Purpose General Obligation Bonds, Series 2010E, as authorized by Resolution No. 1084 of the Committee and one or more of the Bond Acts there in.

Treasurer McIntire asked if the committee needed a briefing on this sale.

Ellen Evans, Deputy Treasurer briefed on the morning's successful sale. Ms. Evans reported that the Office of the State Treasurer received eight bids for the sale, which was a strong representation of the financial firms. Merrill Lynch & Co. was the winner of the sale with a True Interest Cost (TIC) of 4.095%. Ms. Evans stated that once again this was a new record low TIC achieved by the State of Washington over the last 30 years on its various purpose issuance. The next highest bid was a TIC of 4.119%, only two basis points higher, from JP Morgan, illustrating that this was a competitive bid. All the major financial firms participated in the sale: Merrill Lynch & Co. (4.0953482%), J.P. Morgan Securities Inc. (4.1190222%), Citigroup Global Markets Inc. (4.1260795%), Morgan Stanley & Co Inc. (4.1320501%), Barclays Capital, Inc. (4.1488846%), Wachovia Bank (4.1500925%), Goldman, Sachs & Co. (4.1672013%), and Jefferies & Company, Inc. (4.1882260%). Ms. Evans expressed that she was very pleased to be able to share these results with the committee.

Governor Gregoire congratulated the Office of the State Treasurer for their work and a successful sale.

Treasurer McIntire congratulated Ellen Evans and Jenny Poreé, financial advisor with Montague DeRose and Associates on a successful sale and expressed his appreciation for the assistance provided by Ms. Poreé. Treasurer McIntire stated he recognized the challenges presented by bring the State to the market at the same time that the Office of the State Treasurer was bringing attention to the State's cash balances.

There being nothing further to come before the Committee, the State Finance Committee meeting was adjourned at 9:04 am.

STATE FINANCE COMMITTEE
STATE OF WASHINGTON

By _____
James L. McIntire
State Treasurer and Chairman

By _____
Christine O. Gregoire
Governor and Member

By _____
Brad Owen
Lieutenant Governor and Member

ATTEST:

Ellen Evans, Deputy State Treasurer
and Secretary