

MINUTES
Virginia Port Authority Board of Commissioners
Investment Committee Electronic Meeting
July 27, 2020

The Virginia Port Authority (“VPA”) Investment Committee (“Committee”) held an electronic meeting via the Zoom platform on July 27, 2020.

This electronic meeting is assembled during a declared state of emergency when it is impracticable or unsafe to assemble a quorum in a single location to discuss or transact the business statutorily required or necessary to continue operation of the public body in accordance with Item 4-0.01.g of Chapter 1283 of the 2020 Amendments to the 2019 Appropriation Act.

Chairman John G. Milliken called the meeting to order at 1:00 p.m. and asked Mrs. McNulty to conduct a roll call of VPA Board members, colleagues with Virginia Port Authority (“VPA”) and Virginia International Terminals, LLC (“VIT”), guests, and members of the public who were electronically present, as follows:

Investment Committee Members Participating:

John G. Milliken, VPA Board Chairman
Faith B. Power, Chair, Finance and Audit Committee
John F. Reinhart, CEO & Executive Director
Rodney W. Oliver, Chief Financial Officer
Sarah McCoy, General Counsel and Acting Chief Human Resources Officer

Board Members Participating:

F. Blair Wimbush, VPA Board Vice Chairman
John C. Asbury
Jennifer D. Aument
J. William Cofer
Manju S. Ganeriwala, State Treasurer
Eva Teig Hardy
Joni L. Ivey
Val S. McWhorter
Louisa M. Strayhorn
Deborah C. Waters

Guests Participating:

W. Brice Fiske, Office of the Attorney General
Ken Barnes, SageView Advisory Group
Nichole Labott, SageView Advisory Group
Rich Ginel, SafeView Advisory Group
Cynthia Hannan, MassMutual

VPA Staff Participating:

Sandi Jackson, Director, Treasury
Carla Welsh, Director, Production
Jodie Asbell, Senior Executive Assistant &
Assistant Secretary to the Board
Debra J. McNulty, Secretary to the Board

VPA Staff-Information Technology Support:

Mark Thorsen, Chief Information Officer
Lung Cheng, Director, Information Technology
Kelly Taylor, Information Technology Technician

Motion to Convene an Electronic Meeting

At 1:05 p.m., Chairman Milliken made a motion to convene an electronic meeting pursuant to the requirements of Item 4-0.01.g of Chapter 1283 of the 2020 Amendments to the 2019 Appropriation Act, to discuss or transact the business statutorily required or necessary to continue operation of the Virginia Port Authority.

Chairman Milliken then provided the factual basis for convening an electronic meeting:

“It is necessary to convene this meeting to address the management of employee retirement plans and investment plans. Given volatility of the market, time is of the essence to address market impacts on existing plans.”

Chairman Milliken affirmed that the motion to convene an electronic meeting carried and was seconded by Commissioner Power. He asked Mrs. McNulty to conduct a roll call vote, as follows:

Ayes: 5 (Milliken, Power, Reinhart, Oliver, McCoy)
Nays: 0
Absent During Vote: 0

Chairman Milliken then asked if there were any members of the public on the conference line who wished to comment. There were no members of the public on the line.

Motion for Closed Session

At 1:05 p.m., Chairman Milliken read the motion to go into closed session as follows:

“I move that the VPA Board’s Investment Committee convene a closed meeting in accordance with The Virginia Freedom of Information Act, pursuant to the requirements of §2.2-3711(1), the personnel exemption, to review the various retirement and pension plans as they relate to employee compensation; and pursuant to section 2.2-3711(A)(37), and the provisions of section 62.1-132.4, to discuss proprietary financial and budgetary information furnished to the VPA in confidence as it relates to the management of employee retirement plan investments; and the provisions of section 2.2-3711(A)(6) to discuss the management of the plans where competition or bargaining is involved, where if made public initially, the financial interest of the VPA would be adversely affected.”

The motion was seconded by Commissioner Power. The Chairman then asked for a roll-call vote at this time.

Ayes: 5 (Milliken, Power, Reinhart, Oliver, McCoy)
Nays: 0
Absent During Vote: 0

Mrs. McNulty confirmed that the public conference line was disconnected and the Committee moved into closed session.

End of Closed Session

At 2:05 p.m., the Investment Committee came out of closed session, Mrs. McNulty announced that the public conference line was connected at this time, and the following resolution was read by Chairman Milliken:

“Whereas, the Virginia Port Authority Investment Committee had convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

Whereas, Section 2.2-3712 of the Code of Virginia requires a certification by Committee members that such closed meeting was conducted in conformity with Virginia law;

Now, therefore be it resolved, that the Investment Committee hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Committee.”

The resolution was seconded by Commissioner Power and passed by a roll call vote of the Investment Committee members as follows:

Ayes: 5 (Milliken, Power, Reinhart, Oliver, McCoy)
Nays: 0
Absent During Vote: 0

There were no members of the public on the conference line at this time.

At the request of Chairman Milliken, the Investment Committee voted as follows:

Action: Upon motion by Mr. Oliver, seconded by Mr. Reinhart, the Investment Committee voted to approve the recommendation by MassMutual to adjust the return on plan assets from 7.00 percent to 6.75 percent for both the VPA and VIT Defined Benefit Pension Plans.

Ayes: 5 (Milliken, Power, Reinhart, Oliver, McCoy)
Nays: 0
Absent During Vote: 0

Action: Upon motion by Mr. Oliver, seconded by Mr. Reinhart, the Investment Committee voted to approve the following watch list recommendations by SageView:

- (1) Remove **Harbor Capital Appreciation Retirement** from qualitative watch list in the VIT and VPA Defined Benefit Pension Plans and the VIT and VPA Defined Contribution Plans;
- (2) Continue **T. Rowe Price New Horizons I** on qualitative watch list in the VIT and VPA Defined Benefit Pension Plan and in the VIT and VPA Defined Contribution Plans;

- (3) Continue **JP Morgan Core Bond** on qualitative watch list in the VIT and VPA Defined Benefit Pension Plan;
- (4) Place **DFA Emerging Markets Core Equity I** on quantitative watch list in the VIT and VPA Defined Benefit Pension Plans and the VIT and VPA Defined Contribution Plans;
- (5) Continue **Mass Mutual Core SAGIC II** and **Fidelity Puritan** on qualitative watch list in the VIT and VPA Defined Contribution Plans;
- (6) Continue **Vanguard Mid Cap Growth Inv** on qualitative and quantitative watch lists in the VIT and VPA Defined Contribution Plans.

Ayes: 5 (Milliken, Power, Reinhart, Oliver, McCoy)

Nays: 0

Absent During Vote: 0

There being no further business, the meeting adjourned at 2:06 p.m.

Respectfully submitted,



Debra J. McNulty
Secretary to the Board