



## TREASURER OF STATE

January 26, 2009

Tuesday, 03 March 2009 12:34

Minutes of the meeting of the State Board of Deposit held Tuesday January 26, 2009 at 10:00 a.m. in the Office of the Treasurer of State.

### MEMBERS PRESENT:

Kevin L. Boyce, Treasurer of State, (Chair)

Cindy Beck, representing Attorney General Richard Cordray

Tim Keen, representing Auditor of State Mary Taylor

### OTHERS PRESENT:

Amer Ahmad, Treasurer of State

Christina Haddad, Treasurer of State

Bob Newman, Treasurer of State

Jonathan Vega, Treasurer of State

Denise Blain, Treasurer of State

Sheryl Klein, Treasurer of State

Linda Cruse, Treasurer of State

Jason Yost, Treasurer of State

Kim Kawolski, Treasurer of State

Paul Teasley, Hannah News Service

Stacey Cumberlander, Secretary

The Secretary of the State Board of Deposit has complied with section 135-1-01 of the Administrative Code concerning notice of the meetings of the State Board of Deposit.

Treasurer Boyce moved that the reading of the minutes of the State Board of Deposit meeting held December 18, 2008 which had previously been distributed to the members be dispensed and that the minutes be approved. Mr. Keen approved and Mr. Beck seconded. The motion carried.

### OLD BUSINESS

There was no old business to come before the Board.

## NEW BUSINESS

### ECONOMIC OUTLOOK / INVESTMENT

Investment Director Bob Newman presented an overview of the investment philosophy. The Federal Funds rate is at .25%. The Federal Funds rate is forecasted to remain flat through June 2009. Core CPI is the primary measure of inflation. The Bureau of Labor Statistics reported one of the largest decreases on record since 1960 when the Consumer Price Index fell at a .3% annual rate for the months of October through December. Existing home sales decreased 8.5% in November. New home sales declined 2.86% in November compared to sales figures from October. The Mortgage Bankers Association reported January 14, 2009 that new loan applications for refinancing and home purchases increased 15.8 % for the week ending January 9, 2009 due to the drop in mortgage rates in relation to the Federal Reserve's plan to buy mortgage backed debt and encourage the purchase of housing in the market. The national unemployment rate for December 2008 was reported at 7.2%. The number of Americans receiving unemployment benefits is at the highest level since 1982. It is our belief that the recent credit market turmoil will continue to slow aggregate economic growth in the U.S. through the remainder of 2009. The strategy is to add value and position the portfolio in line with near term expectations on interest rates.

There was no new business to come before the Board.

### RATIFICATION OF THE INTERIM FUNDS

Treasurer Boyce moved for the Board to ratify \$4,545,778,821.40 as interim funds for December 2008. Mr. Keen approved and Ms. Beck seconded. Motion carried.

### CERTIFICATION OF BOARD EXPENSES

In accordance with Section 135.02 of the Ohio Revised Code, the Chairman and the Secretary of the State Board of Deposit certified that the necessary expenses of the Board which represent KeyBank regular banking fees for December 2008 were \$79,479.60. KeyBank Trust banking fees for December 2008 were \$8,834.72. KeyBank banking fees for (State Highway Patrol Drop) for December 2008 were \$745.94. US Bank banking fees were \$170.93 for December 2008. PNC banking fees were \$199.94 for November 2008. Fifth Third banking fees for (ODNR Maumee Bay) were \$8.97 for December 2008. Treasurer of State Tax Manager fees were \$46,875.01 for October – December 2008. Ms. Beck authorized the Chairman to pay these expenses from the appropriations for that purpose. Mr. Keen seconded.

There being no further business to come before the Board, Treasurer Boyce moved to adjourn. Motion carried. Meeting adjourned.

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KEVIN L. BOYCE, TREASURER OF STATE  
CHAIRMAN, STATE BOARD OF DEPOSIT

ATTEST \_\_\_\_\_  
SECRETARY

ATTORNEY GENERAL \_\_\_\_\_