



TREASURER OF STATE

July 30, 2009

Thursday, 08 October 2009 03:07

Minutes of the meeting of the State Board of Deposit held Thursday July 30, 2009 at 10:00 a.m. in the Office of the Treasurer of State.

MEMBERS PRESENT:

Amer Ahmad, representing Treasurer of State Kevin L. Boyce
Cindy Beck, representing Attorney General Richard Cordray
Robert Hinkle, representing Auditor of State Mary Taylor

OTHERS PRESENT:

Bob Newman, Treasurer of State
Niel Jurist, Treasurer of State
Sheryl Klein, Treasurer of State
Jason Yost, Treasurer of State
Jane Wolfe, Treasurer of State
Thomas Howard, Treasurer of State
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.

Mr. Ahmad moved that the reading of the minutes of the State Board of Deposit meeting held June 23, 2009 which had previously been distributed to the members be dispensed and that the minutes be approved. Ms. Beck approved and Mr. Hinkle seconded. The motion carried.

OLD BUSINESS

The Board of Deposit budget appropriation was resolved in an amendment changing it back to the executive budget number. The allocation for the next fiscal year is for 1.8 million dollars.

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 2009. Core CPI is the primary measure of inflation. Core CPI stands at 1.7% for the month of June 2009. The FOMC Committee anticipates a gradual recovery in economic activity later this year. Ohio home sales statewide for new and existing homes increased 14.6% from April to May. Some of the contributing factors to this increase are falling home prices, low mortgage rates and first time home buyers taking advantage of the \$8,000.00 federal income tax credit. Ohio home prices are 18% below the 2008 levels. The national unemployment rate for June was reported at 9.5%. Ohio's unemployment rate was at 11.1% for the month of June, the highest in 25 years. The number of Americans receiving unemployment benefits is at the highest level since 1983. As a result of the housing market gradually turning around, the pace of job losses slowing down and manufacturing activity has picked up, the economy is slowly climbing out of the recession. The strategy is to add value and position the portfolio in line with near term expectations on interest rates.

Under new business there was one bank presented to the board to become an interim state depository;

The Peoples Savings Bank, Ohio Champaign County

There was a motion to approve the bank. Ms. Beck approved and Mr. Hinkle seconded. Motion carried.

RATIFICATION OF THE INTERIM FUNDS

Mr. Ahmad moved for the Board to ratify \$4,102,281,144.07 as interim funds for June 2009. Mr. Hinkle 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 June 2009 were \$86,963.19. KeyBank Trust banking fees for June 2009 were \$7,834.75. KeyBank banking fees for (State Highway Patrol Drop) for June 2009 were \$93.16. US Bank banking fees were \$94.89 for June 2009. PNC banking fees were \$297.77 for June 2009. Fifth Third banking fees for ODNR (Maumee Bay) were \$49.21 for June 2009 and Fifth Third banking fees for ODNR (Wapakoneta) were \$51.28 for June 2009. Fifth Third banking fees for ODNR Akron were \$51.35 for June 2009. National City banking fees for ODNR Watercraft were \$28.28 for June 2009. OAKS voucher processing fees were \$2.15 for June 2009.

Mr. Hinkle authorized the Chairman to pay these expenses from the appropriations for that purpose. Ms. Beck seconded.

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

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

ATTEST _____
SECRETARY

ATTORNEY GENERAL _____

AUDITOR OF STATE _____