



TREASURER OF STATE

June 24, 2010

Wednesday, 4 August 2010 12:11

Minutes of the meeting of the State Board of Deposit held June 24, 2010 at 10:00 a.m. in the Office of the Treasurer of State.

MEMBERS PRESENT:

Amer Ahmad, representing Treasurer of State Kevin L. Boyce
Sue Hamilton, representing Attorney General Richard Cordray
Tim Keen, representing Auditor of State Mary Taylor

OTHERS PRESENT:

Bob Newman, Treasurer of State
Jane Wolfe, Treasurer of State
Simone Wilkinson, Treasurer of State
Holly Stutz, Treasurer of State
Jason Yost, Treasurer of State
Kyana Pierson, Treasurer of State
Stewart Smith, Treasurer of State
Sheryl Klein, Treasurer of State
Denise Blain, Treasurer of State
Thamie Freeze, Treasurer of State
Jonathan Vega, Attorney General
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 asked for a motion that the reading of the minutes of the State Board of Deposit meeting held May 27, 2010, which had previously been distributed to the members be dispensed and that the minutes be approved. Mr. Keen made the motion to approve the minutes and Ms. Hamilton seconded. The motion was approved.

OLD BUSINESS

There were two amended resolutions presented to the board;

STATE BOARD OF DEPOSIT RESOLUTION June 24, 2010

WHEREAS, the Treasurer of State, on behalf of the State Board of Deposit, issued a Request for Proposal for Banking Services on January 5, 2010; and,

WHEREAS, the Treasurer of State has received responses from eligible financial institutions desiring to be designated as public depositories of the active deposits of the public moneys of the state; and

WHEREAS, the Treasurer of State distributed the responses to the other members of the State Board of Deposit for their review; and

WHEREAS, Revised Code section 135.12 (A) requires the state board of deposit to meet on the third Monday of March in the even-numbered years for the purpose of designating the public depositories of the public moneys of the state, and at such meeting or any adjourned session thereof to designate such public depositories and award the public moneys of the state to and among the public depositories so designated; and

WHEREAS, the State Board of Deposit met on March 15, 2010, and agreed to adjourn that session, so as to designate public depositories at a later meeting; and

WHEREAS, on April 29, 2010, the State Board of Deposit reconvened the adjourned session, in order to complete the designation process and award the public moneys of the state for the two year period commencing July 5, 2010 and ending July 1, 2012.

WHEREAS, the State Board of Deposit adopted a resolution designating public depositories of the active deposits of the public moneys of the state at its April 29, 2010 meeting for the two-year period commencing July 5, 2010 and ending July 4, 2012; and

WHEREAS, the State Board of Deposit must repeal that resolution due to an error that misidentified July 4, 2012 as the ending date.

THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF DEPOSIT:

Hereby repeals the resolution adopted on April 29, 2010 and designates the attached list of financial institutions as public depositories of the active deposits of the public moneys of the state for the two-year period commencing July 5, 2010 and ending July 1, 2012:

The designations and awards set forth in this resolution are conditioned upon the ability of the parties to execute a Banking Services Agreement with the Treasurer of State in accordance with the Request for Proposal.

Accounts to be designated by the Board of Deposit

Charter One ODNR Portsmouth Division
Fifth Third Bank Attorney General Revenue Recovery Fund
Fifth Third Bank Cultural Facilities Bond
Fifth Third Bank Dept. of Development Electronic Funds Payment
Fifth Third Bank Development Enterprise Bond Retirement
Fifth Third Bank Development Loan Guarantee
Fifth Third Bank ODNR Watercraft
Fifth Third Bank ODNR Watercraft - Akron
Fifth Third Bank ODNR Watercraft - Maumee Bay
Fifth Third Bank ODNR Watercraft - Wapakoneta
Fifth Third Bank Ohio Retirement Study Council
Fifth Third Bank Ohio State School for the Blind Student Allowance
Fifth Third Bank Revitalization Bond Service
Fifth Third Bank State Teachers Retirement System Account
Huntington National Bank Development Volume Cap
Huntington National Bank Environmental Protection Agency Lockbox
Huntington National Bank Housing Development Fund

Huntington National Bank Mental Health Bond Service
Huntington National Bank ODNR Division of Reclamation Fund
Huntington National Bank ODNR Lake Katherine Management Fund
Huntington National Bank ODNR Wildlife Habitat Fund
Huntington National Bank Ohio Board of Regents Academic Scholarship
Fund
Huntington National Bank Ohio Board of Regents Paul Douglas
Scholarship Fund
Huntington National Bank Ohio Housing Multi-Family Housing Program
Huntington National Bank Ohio Police and Fire 125 Cafeteria Plan
Huntington National Bank Ohio Police and Fire Payroll ACH
Huntington National Bank Ohio Police and Fire Pension Fund
Huntington National Bank Ohio Worker's Compensation Council
Huntington National Bank Petroleum Underground Storage Tank
Assurance Fund
Huntington National Bank SERS Death Benefits Account
Huntington National Bank SERS Employee Payroll Account
Huntington National Bank SERS Health Care Account
Huntington National Bank SERS Health Care Claims Account
Huntington National Bank SERS Medicare Account
Huntington National Bank SERS Pension Fund
Huntington National Bank SERS Qualified Excess Benefits
Huntington National Bank SERS Receipts Account
Huntington National Bank Student Tuition Recovery Fund
Huntington National Bank Supreme Court Attorney Registration
Huntington National Bank TOS Consolidation Account
Huntington National Bank TOS Torren's Law Assurance Fund
JPMorgan Chase Barber Board Lockbox
JPMorgan Chase Board of Architects Lockbox
JPMorgan Chase Board of Cosmetology Lockbox
JPMorgan Chase Board of Engineers & Surveyors Lockbox
JPMorgan Chase Board of Psychology Lockbox
JPMorgan Chase BWC Coal Workers Pneumoconiosis Fund
JPMorgan Chase BWC Disabled Workers Relief Fund
JPMorgan Chase BWC Marine Industry Fund
JPMorgan Chase BWC Public Work Relief Employees
JPMorgan Chase BWC State Insurance Fund
JPMorgan Chase BWC Surety Bond Fund (Self-insuring employers'
guarantee fund)
JPMorgan Chase Dental Board Lockbox
JPMorgan Chase Embalmers Board Lockbox
JPMorgan Chase Nursing Board Lockbox
JPMorgan Chase ODJFS Drug Rebate
JPMorgan Chase ODJFS Lockbox
JPMorgan Chase ODNR Athens Wildlife

JPMorgan Chase Ohio Board of Pharmacy Lockbox
JPMorgan Chase Ohio Respiratory Care Board Lockbox
JPMorgan Chase Optical Dispenser Board Lockbox
JPMorgan Chase Parks & Recreation Bond Service
JPMorgan Chase PEDC Deferred Compensation
JPMorgan Chase PERS Escrow Account
JPMorgan Chase Public Eirement System
JPMorgan Chase Taxation – Zanesville Service Center
JPMorgan Chase Treasurer of State Consolidation Account
Key Bank Treasurer of State Withholding Tax
Key Bank Attorney General BCI
Key Bank Attorney General Charitable Law
Key Bank Attorney General Revenue Recovery Lockbox
Key Bank Auditor of State
Key Bank BMV Electronic Liens and Titles
Key Bank BMV License Renewal
Key Bank Bureau of Motor Vehicles
Key Bank Capitol Square Review & Advisory Board
Key Bank Commerce - Fire Marshall
Key Bank Commerce - Liquor Control
Key Bank Commerce—DFI Consumer Finance
Key Bank Department of Insurance
Key Bank Department of Transportation
Key Bank Development Universal Service Fund
Key Bank JFS Health Quality Assurance
Key Bank OBM Income Tax Distrib EFT
Key Bank OBM Medicaid Distrib EFT
Key Bank OBM Payroll Distrib EFT
Key Bank OBM Vendor Maintenance
Key Bank OBM Welfare Distrib EFT
Key Bank ODJFS IRS Payments
Key Bank ODJFS Medicaid Premium Payments
Key Bank ODJFS Supplemental Rebates
Key Bank ODJFS/HMS (lockbox)
Key Bank ODNR Division of Wildlife
Key Bank Ohio Athletic Commission
Key Bank Ohio Rail Development Commission
Key Bank Ohio Rehabilitation Services Commission
Key Bank Ohio State School for the Blind
Key Bank Ohio State School for the Deaf
Key Bank Public Utilities Commission of Ohio Wireless 911
Key Bank Secretary of State
Key Bank Southern Ohio Agriculture and Community Development Fund
Key Bank State Highway Patrol Deferred Retirement Option Program
Key Bank Taxation ACH Revenue Account

Key Bank Taxation Tax Enforcement Account
Key Bank TOS American Express Settlement Account
Key Bank TOS State Regular Account
Key Bank Transportation Letting Contracts
Key Bank Treasurer of State Investment Maturities
Key Bank Treasurer of State CAT Tax
Key Bank Treasurer of State CCCA Premier MMA CK
Key Bank Treasurer of State Cigarette Excise Tax
Key Bank Treasurer of State Corporate Franchise Tax
Key Bank Treasurer of State Kilowatt/MCF Credit Account
Key Bank Treasurer of State Motor Vehicle Fuel Tax
Key Bank Treasurer of State Motor Vehicle/Watercraft Sales Tax
Key Bank Treasurer of State Public Utilities Tax
Key Bank Treasurer of State Regular Premier MM CK
Key Bank Treasurer of State Sales and Use Tax
Key Bank Treasurer of State Special Purpose Investments
Key Bank Treasurer of State TCCA Premier MMA CK
Key Bank Treasurer of State Warrant Settlement
Key Bank Treasurer's Consolidated Check Clearing Account
Key Bank Treasurer's Custodial Contingency Account,
Key Bank Treasury Electronic Payments
PNC Bank Economic Development Bond Service
PNC Bank Higher Education Bond Service
PNC Bank Jobs and Family Services Auxiliary Service Personnel
PNC Bank Lottery Gross Revenue Account
PNC Bank Lottery Gross Revenue Fund
PNC Bank Lottery Mega Millions Account
PNC Bank Mine Subsidence Insurance Fund
PNC Bank ODJFS Clearing Account
PNC Bank ODJFS Contribution HB 202
PNC Bank ODJFS Special Administrative
PNC Bank ODNR Watercraft - Cambridge
PNC Bank Ohio Building Authority
PNC Bank Ohio Department of Jobs and Family Services Benefits Fund
PNC Bank Ohio Lottery Commission Retailer Account
PNC Bank Ohio Tuition Trust Fund Account
PNC Bank Ohio Tuition Trust Reserve Fund
PNC Bank Ohio Tuition Trust Suspense Account
PNC Bank Retired Bearer Bond Acct
PNC Bank State Highway Patrol Retirement System Account
PNC Bank Tobacco Use Prevention and Control Foundation Endowment
PNC Bank Lottery VLT
PNC Bank Treasurer of State Bond Clearance Account
US Bank Lottery Ticket Bank Cashing Fund
US Bank ODJFS Unemployment Compensation Fund

US Bank ODNR Mineral Resources - Cambridge

Mr. Ahmad asked for a motion to approve the resolution. Mr. Keen made the motion to approve and Ms. Hamilton seconded. The motion was approved.

Ms. Hamilton suggested numbering the resolutions moving forward as well as including the fiscal year.

STATE BOARD OF DEPOSIT
RESOLUTION
June 24, 2010

WHEREAS; the Treasurer of State, on behalf of the State Board of Deposit, issued a Request for Proposal for Financial Transaction Device Services on January 5, 2010; and,

WHEREAS; the Treasurer of State has received responses from eligible proposers desiring to be designated as processors of financial transaction devices to provide said services to any state elected official or state entities in accordance with R.C. 113.40 for the two-year period commencing July 5, 2010 and ending July 1, 2012; and,

WHEREAS; the State Board of Deposit adopted a resolution designating public depositories at its April 29, 2010 meeting for the two-year period commencing July 5, 2010 and ending July 4, 2012: and

WHEREAS; the State Board of Deposit must repeal that resolution due to an error that misidentified July 4, 2012 as the ending date.

THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF DEPOSIT:

Hereby repeals the resolution adopted on April 29, 2010 and designates the attached proposer as the processor of financial transaction devices for the two-year period commencing July 5, 2010 and ending July 1, 2012. The designations and awards set forth in this resolution are conditioned upon the ability of the parties to execute a Financial Transaction Device

Services Agreement with the Treasurer of State in accordance with the Request for Proposal.

Financial Transaction Device Services Designated by the Board of Deposit Fifth Third Bank

Mr. Ahmad asked for a motion to approve the resolution. Ms. Hamilton made the motion to approve and Mr. Keen seconded.

NEW BUSINESS

The following resolutions were presented to the board;

STATE BOARD OF DEPOSIT
RESOLUTION - 001
June 24, 2010

WHEREAS; the Treasurer of State, on behalf of the State Board of Deposit, solicited applications from eligible financial institutions to be designated as public depositories of the public moneys of the state; and,

WHEREAS; the Treasurer of State has received responses from eligible financial institutions desiring to be designated as public depositories of the public moneys of the state for the two-year period commencing July 5, 2010 and ending July 1, 2012; and,

WHEREAS; the Treasurer of State has reviewed such applications and determined that each met the requirements of Chapter 135 of the Ohio Revised Code;

NOW THEREFORE BE IT RESOLVED BY THE STATE BOARD OF DEPOSIT:

The attached list of financial institutions are hereby designated as public depositories of the public moneys of the state for the two-year period

commencing July 5, 2010 and ending July 1, 2012:

Eligible Interim Depositories as Presented to the
State of Ohio Board of Deposit
June 24, 2010

Financial Institution Name Home Office Location

American Savings Bank, FSB Portsmouth, OH
Andover Bank Andover, OH
CF Bank Fairlawn, OH
Citizens Bank of Ashville Ashville, OH
Citizens Savings Bank Martins Ferry, OH
Cortland Savings & Banking Company Cortland, OH
Croghan Colonial Bank Fremont, OH
Delaware County Bank and Trust Company Lewis Center, OH
First Federal Savings and Loan Assoc. of Lakewood Lakewood, OH
First Financial Bank, N.A. West Chester, OH
First National Bank of Dennison Dennison, OH
First National Bank of New Breman New Breman, OH
First National Bank of Orrville Orrville, OH
First National Bank of Pandora Pandora, OH
First State Bank Winchester, OH
Genoa Banking Company Genoa, OH
Greenville National Bank Greenville, OH
Home City Federal Savings Bank Springfield, OH
Home Savings & Loan Company of Kenton Kenton, OH
Home Savings Bank Kent, OH
Liberty Savings Bank Wilmington, OH
Lorain National Bank Lorain, OH
MainSource Bank - Ohio Greensburg, IN
Mercer Savings Bank Celina, OH
Metamora State Bank Metamora, OH
Minster Bank Minster, OH
North Valley Bank Zanesville, OH
Northwest Savings Bank Warren, PA
Ohio Heritage Bank Coshocton, OH
Ohio State Bank Marion, OH
Ohio Valley Bank Company Gallipolis, OH
Old Fort Banking Company Old Fort, OH
Osgood State Bank Osgood, OH

Peoples Bank Company Coldwater, OH
Peoples Bank, N.A. Marietta, OH
Portage Community Bank Ravenna, OH
Republic Banking Company Republic, OH
Richwood Banking Company Richwood, OH
Savings Bank Circleville, OH
ShoreBank Chicago, IL
Signature Bank, N.A. Toledo, OH
St. Henry Bank St. Henry, OH
State Bank and Trust Company Defiance, OH
Union Bank Company Columbus Grove, OH
Vinton County National Bank McArthur, OH
WesBanco Bank, Inc. Wheeling, WV

Count of Financial Institutions: 46

Mr. Keen asked for clarification on what type of funds these financial institutions hold. Treasury staff stated they are linked deposits, public funds or any treasury or investment type deposits. Ms. Hamilton added that they also include agency deposits.

Mr. Ahmad asked for a motion to approve the resolution. Ms. Hamilton made the motion to approve and Mr. Keen seconded.

STATE BOARD OF DEPOSIT
RESOLUTION - 002
June 24, 2010

WHEREAS; the Treasurer of State, on behalf of the State Board of Deposit, solicited applications from eligible financial institutions to be designated as public depositories of the public moneys of the state; and,

WHEREAS; eligible financial institutions have expressed a desire to be designated as public depositories of the public moneys of the state for the

two-year period commencing July 5, 2010 and ending July 1, 2012 but have not yet submitted all documents required by the Treasurer of State for approval; and,

WHEREAS; the State Board of Deposit's next meeting will be after July 4, 2010, the ending date of the current designation period;

THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF DEPOSIT:

The attached list of financial institutions are hereby designated as public depositories of the public moneys of the state for the two-year period commencing July 5, 2010 and ending July 1, 2012 pending receipt of all documents required by the Treasurer of State and the Treasurer of State's review and determination that each meets the requirements of Chapter 135 of the Ohio Revised Code.

Eligible Interim Depositories as Presented to the State of Ohio Board of Deposit pending completed applications

June 24, 2010

Financial Institution Name Home Office Location

Advantage Bank Cambridge OH
Fahey Banking Company Marion OH
First Federal Community Bank of Dover Dover OH
Mutual Federal Savings Bank Troy OH
Nationwide Bank Columbus OH
Park View Federal Savings Bank Solon OH
Settlers Bank Marietta OH
Westfield Bank, FSB Westfield Center OH

Count of Financial Institutions: 8

Mr. Keen supports the resolution but would like a report at the next board meeting of the status of the (8) pending financial institutions.

Mr. Ahmad asked for a motion to approve the resolution. Mr. Keen made the motion to approve and Ms. Hamilton seconded.

STATE BOARD OF DEPOSIT
RESOLUTION - 003
June 24, 2010

WHEREAS, the Treasurer of State, on behalf of the State Board of Deposit, issued a Request for Proposal for Banking Services on January 5, 2010; and,

WHEREAS, the Treasurer of State has received responses from eligible financial institutions desiring to be designated as public depositories of the active deposits of the public moneys of the state; and

WHEREAS, the Treasurer of State distributed the responses to the other members of the State Board of Deposit for their review; and

WHEREAS, Revised Code section 135.12 (A) requires the state board of deposit to meet on the third Monday of March in the even-numbered years for the purpose of designating the public depositories of the public moneys of the state, and at such meeting or any adjourned session thereof to designate such public depositories and award the public moneys of the state to and among the public depositories so designated; and

WHEREAS, the State Board of Deposit met on March 15, 2010, and agreed to adjourn that session, so as to designate public depositories at a later meeting; and

WHEREAS, on April 29, 2010, the State Board of Deposit reconvened the adjourned session, in order to complete the designation process and award the public moneys of the state for the two year period commencing July 5, 2010 and ending July 1, 2012.

THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF DEPOSIT:

The attached financial institution is hereby designated as a public

depository of active deposits of the public moneys of the state, for the funds and accounts as described in the attached list, for the two-year period commencing July 5, 2010 and ending July 1, 2012. The designations and awards set forth in this resolution are conditioned upon the ability of the parties to execute a Banking Services Agreement with the Treasurer of State in accordance with the Request for Proposal.

- Chase PEDC Deferred Compensation
- Chase PEDC Compensation Benefits
- Chase BWC MCO Account
- Chase BWC Safety and Hygiene
- Chase BWC Credit Card Account (American Express)
- Chase BWC ENS Account
- Chase BWC ACH Payments Account
- Chase BWC Special Lockbox Control Account
- Chase BWC Lockbox

Mr. Ahmad asked for a motion to approve the resolution. Ms. Hamilton made the motion to approve and Mr. Keen seconded.

Also under new business the Board of Deposit budget update was presented by Jane Wolfe.

ECONOMIC OUTLOOK / INVESTMENT

Mr. Newman presented an overview of the investment philosophy. The Federal Funds rate is at 0-.25%. The Federal Funds rate continues to remain flat. Core CPI is the primary measure of inflation. Core CPI stands at 0.9% for the month of May 2010. Existing home sales decreased 2.2% in May due to the government tax credit ending in April 2010. New home sales increased 15% in April compared to March totals. Ohio home sales for new and existing home sales increased 27.7% during the month of May 2010 compared to the sales posted during the month of May a year ago. Ohio's unemployment rate was 10.7% for the month of May which was a slight decrease from the 10.9% rate from April. The national unemployment rate for May was 9.7% down 0.2% from the previous month. The strategy is to add short term securities to the portfolio with the expectation that interest rates will remain low.

RATIFICATION OF THE INTERIM FUNDS

Mr. Ahmad asked for a motion for the Board to ratify \$10,468,925,284.82 as interim funds for May 2010. Mr. Keen moved and Ms. Hamilton 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 May 2010 were \$93,303.81. KeyBank Trust banking fees for May 2010 were \$9,478.64. KeyBank fees for State Highway Patrol Drop were \$85.10 for May 2010. US Bank banking fees for ODNR Portsmouth were \$142.05 for May 2010. Fifth Third banking fees for ODNR (Akron) were \$62.05 for April 2010. Fifth Third banking fees for ODNR (Maumee Bay) were \$62.15 for April 2010 and Fifth Third banking fees were \$49.00 for ODNR (Wapakoneta) for April 2010. OAKS voucher processing fees for April - May 2010 were \$3.39. Mr. Keen made a motion to authorize the Chairman to pay these expenses from the appropriations for that purpose. Ms. Hamilton seconded.

There being no further business to come before the Board, Mr. Ahmad adjourned the meeting.

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

ATTEST _____
SECRETARY

ATTORNEY GENERAL _____