



TREASURER OF STATE

March 26, 2009

Wednesday, 29 April 2009 11:57

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

MEMBERS PRESENT:

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

OTHERS PRESENT:

Bob Newman, Treasurer of State
Jonathan Vega, Treasurer of State
Sheryl Klein, Treasurer of State
Cliff Schechter, Treasurer of State
Jane Wolfe, Treasurer of State
Don Gipe, Treasurer of State
Paul Teasley, Hannah News Service
David Baird, Bank of New York Mellon
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 February 24, 2009 which had previously been distributed to the members be dispensed and that the minutes be approved. Ms. Beck approved and Ms. Haddad 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 2009. Core CPI is the primary measure of inflation. Core CPI stands at 1.8% for the month of February 2009. The FOMC Committee anticipates a gradual recovery in economic activity later this year. Existing home sales increased 5.1% in February compared to January sales. New home sales declined 10.17% in January compared to sales figures from December. Ohio home sales statewide were down 20% from a year ago for new and existing home sales. The national unemployment rate for February was reported at 8.1%. Ohio's unemployment rate was the highest it has been in 25 years at 9.4% for the month of February. The number of Americans receiving unemployment benefits is at the highest level since 1982. The strategy is to add value and position the portfolio in line with near term expectations on interest rates.

Under new business Don Gipe presented the Board of Deposit budget update.

There were two banks presented to the board to become interim state depositories;

First Merchants Bank - Delaware county
Farmers State Bank - Wayne County

There was a motion to approve the banks. Ms. Haddad approved and Ms. Beck seconded. Motion carried.

Also under new business a resolution was presented to the board for the Bank Card Merchant Agreement Renewal. The renewal was for a one year extension to the current agreement set to expire June 30, 2009. Ms. Haddad asked to table the resolution until the next board meeting to allow more time to review. The other board members voted to approve the resolution at this meeting. Ms. Beck motioned to approve. Mr. Ahmad seconded. Motion carried.

RATIFICATION OF THE INTERIM FUNDS

Mr. Ahmad moved for the Board to ratify \$3,759,647,986.36 as interim funds for February 2009. Ms. Haddad 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 February 2009 were \$111,258.30. KeyBank Trust banking fees for February 2009 were \$8,895.05. KeyBank banking fees for (State Highway Patrol Drop) for February 2009 were \$792.15. US Bank banking fees were \$180.81 for February 2009. PNC banking fees were \$281.15 for February 2009. Fifth Third banking fees for (ODNR Maumee Bay) were \$50.09 for February 2009 and Fifth Third fees for ODNR Watercraft Akron were \$21.49 for February 2009. Board of Deposit audit [consulting fees] were \$211.54 for October – November 2008. ODNR deposit ticket fees from Safeguard Business Systems was \$69.90. Ms. Beck authorized the Chairman to pay these expenses from the appropriations for that purpose. Ms. Haddad 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 _____