



JOSH MANDEL
STATE TREASURER OF OHIO



STAR Update

December 10, 2014

Ryan A. Bilsky, *Deputy Director of Investments*

J.D. Pisula, Investment Analyst

Jason Click, *Vice President Public Funds Administrators*

If you are having technical difficulties, please call

Go To Webinar at (800) 263-6317

CPIM Eligibility

½ hour of
CPIM credit

Must stay on
for entire
presentation

Your
information
will be sent to
CPIM





OMAP
Ohio Market Access Program



JOSH MANDEL
STATE TREASURER OF OHIO



Ohio Market Access Program

- Helps municipal issuers lower borrowing costs
- Credit enhancement program
- Leverages the state's credit rating (SP-1+)*
 - State agrees to purchase a participating note at maturity if municipality cannot retire the note
- For G.O. note issuances up to 1yr in maturity and up to \$3MM in par amount

*Standard & Poor's highest municipal short-term note rating



JOSH MANDEL
STATE TREASURER OF OHIO



Ohio Market Access Program

<u>Issuer</u>	<u>Dated</u>	<u>Par Amount</u>	<u>OMAP Rate</u>	<u>Unenhanced Rate</u>	<u>Interest Savings (%)</u>	<u>Interest Savings (\$)</u>
Maple Heights CSD (Cuyahoga)	4/9/2014	\$ 2,411,000.00	0.500%	1.150%	56.522%	\$ 15,671.50
Village of Boston Heights (Summit)	6/18/2014	\$ 1,075,000.00	0.750%	0.900%	16.667%	\$ 1,612.50
Village of Oakwood (Cuyahoga)	9/30/2014	\$ 2,686,500.00	0.350%	0.750%	53.333%	\$ 10,746.00
Madison LSD (Lake and Geauga)	10/8/2014	\$ 1,455,000.00	0.400%	1.000%	60.000%	\$ 8,730.00
Village of Silverton (Hamilton)	11/25/2014	\$ 1,570,000.00	0.650%	1.500%	56.667%	\$ 13,345.00

- On average, participating municipalities have cut interest expenses in half and have saved \$12,000 per year by using OMAP
- Recently awarded the **2014 Small Issuer Deal of the Year** by *The Bond Buyer*



JOSH MANDEL
STATE TREASURER OF OHIO



Ohio Market Access Program



For more information:

Visit: www.tos.ohio.gov/OMAP

Call: (614) 466-8556



JOSH MANDEL
STATE TREASURER OF OHIO





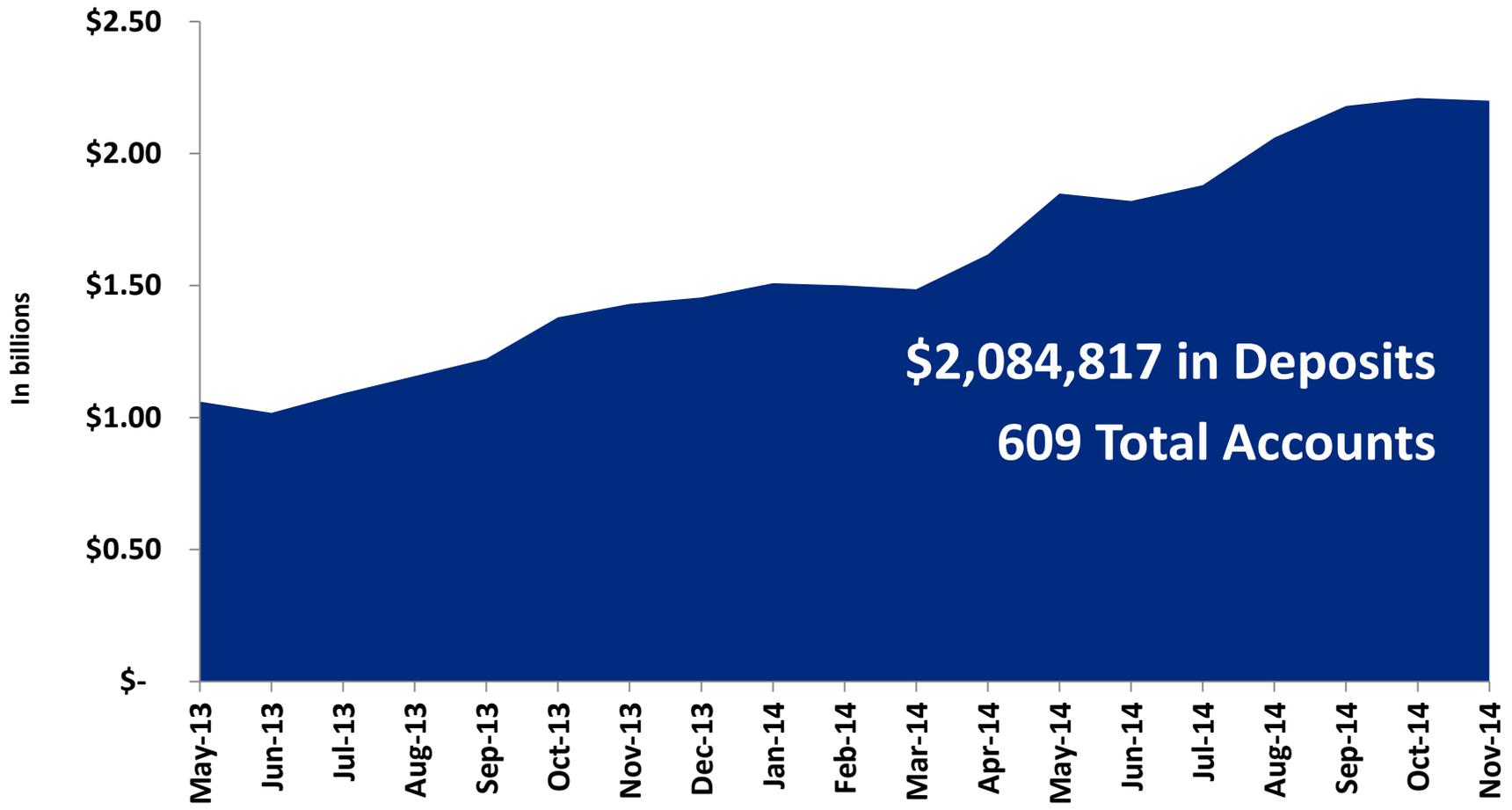
STAR *Plus*
Federally Insured Cash AccountSM



JOSH MANDEL
STATE TREASURER OF OHIO



\$2.0 Billion in Deposits



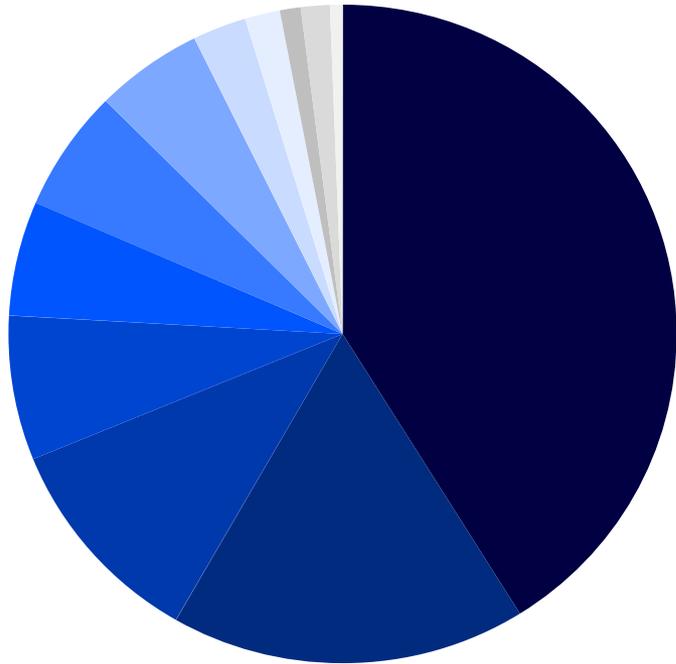
Data as of 11/30/14



JOSH MANDEL
STATE TREASURER OF OHIO



Over 609 Participants



- Schools- 41%
- Cities- 17%
- Higher Education- 10%
- Counties- 7%
- Miscellaneous- 6%
- Libraries- 6%
- Townships- 5%
- Joint Vocational Schools- 3%
- Villages- 2%
- Transit/ Port Authorities- 1%
- Parks- 1%
- Hospitals/ Medical Centers- 1%

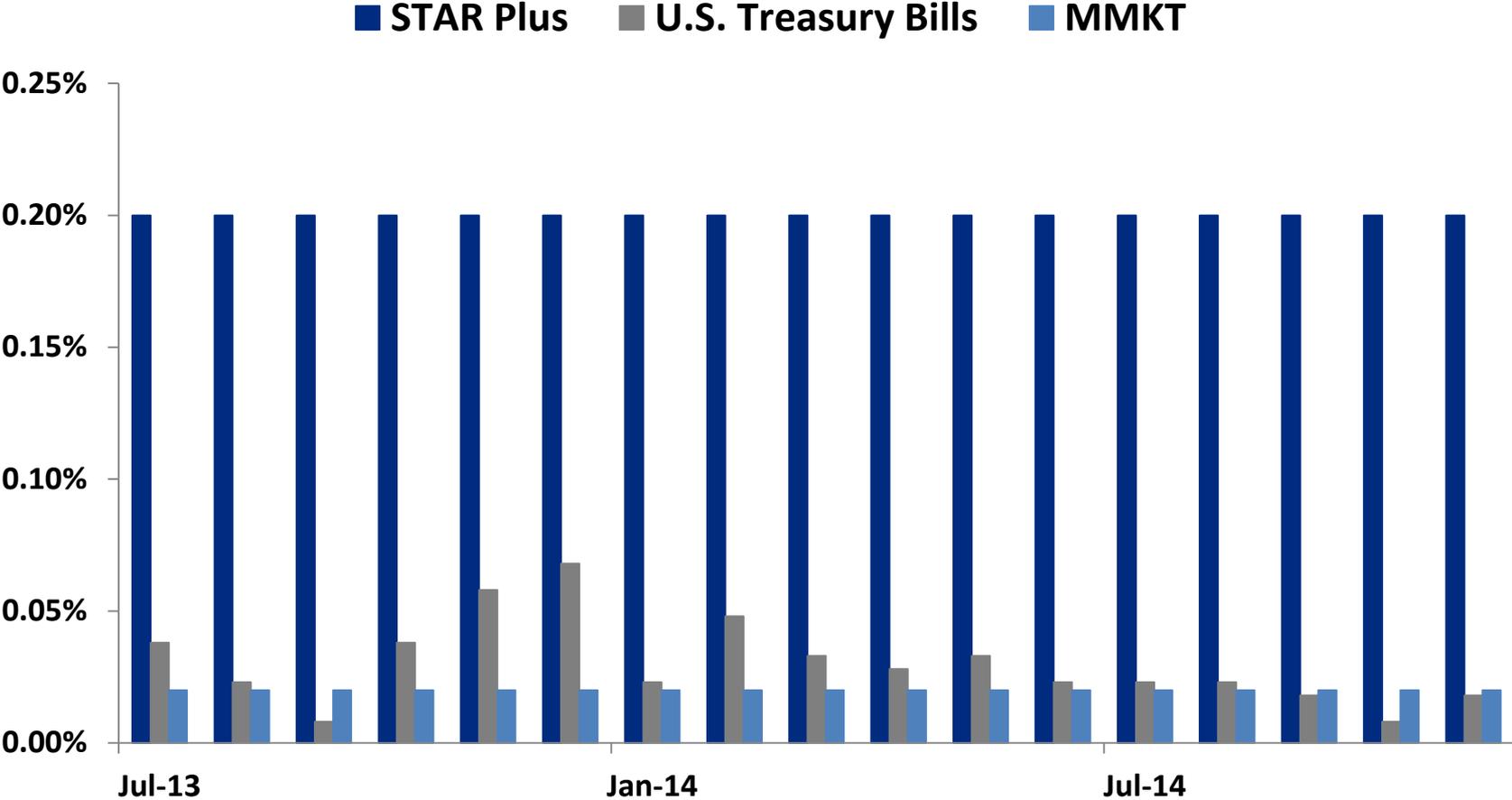
Data as of 11/30/14



JOSH MANDEL
STATE TREASURER OF OHIO



STAR Plus Yield History



Past performance is not a guarantee of future results. Current yield may change without notice due to changes in market or business conditions.



JOSH MANDEL
STATE TREASURER OF OHIO



STAR Plus Program Reminders

- Deposit maximum increased to \$20 million
- Minimum to open decreased to \$250,000
- Daily cutoff times increased from 9 a.m. to 10 a.m.





**Local Government Investment Pool
Managed By The State Treasurer of Ohio**



JOSH MANDEL
STATE TREASURER OF OHIO



SB 287

Effective September 4, 2014

- Changes to Ohio Revised Code sections 135.143, 135.35, and 135.14

Who does this affect?

- State Treasury
- Counties
- Political Subdivisions



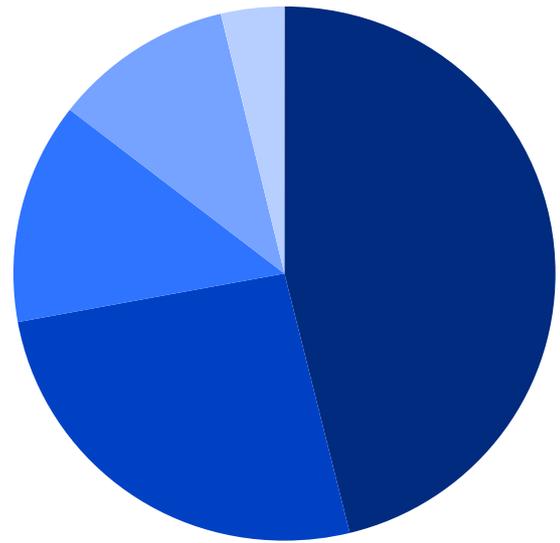
Significant changes to 135.143 include:

- Expanded ability to invest in Municipal Bonds
- Enhanced capacity to invest in Commercial Paper
- Minimized issuer risk by limiting Commercial Paper and/or other Corporate Obligations single issuer exposure to 5%
- Modernized permissible Money Market Fund language



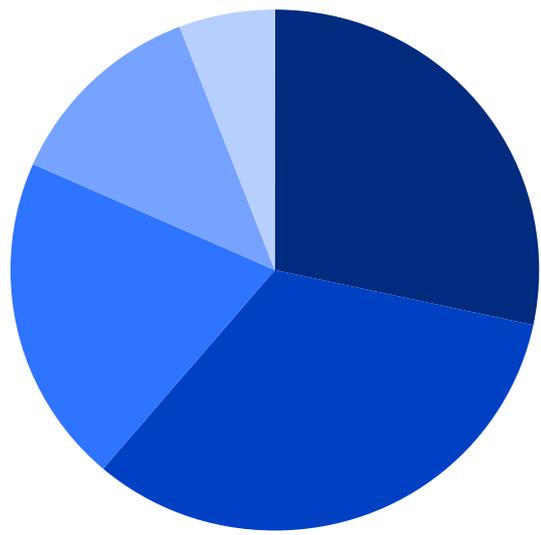
SB 287 Effects on STAR Ohio Composition

6/30/2014



- Gov't Bond- 46%
- Repo- 13%
- Corporate Bond- 4%
- Commercial Paper- 26%
- Cash- 11%

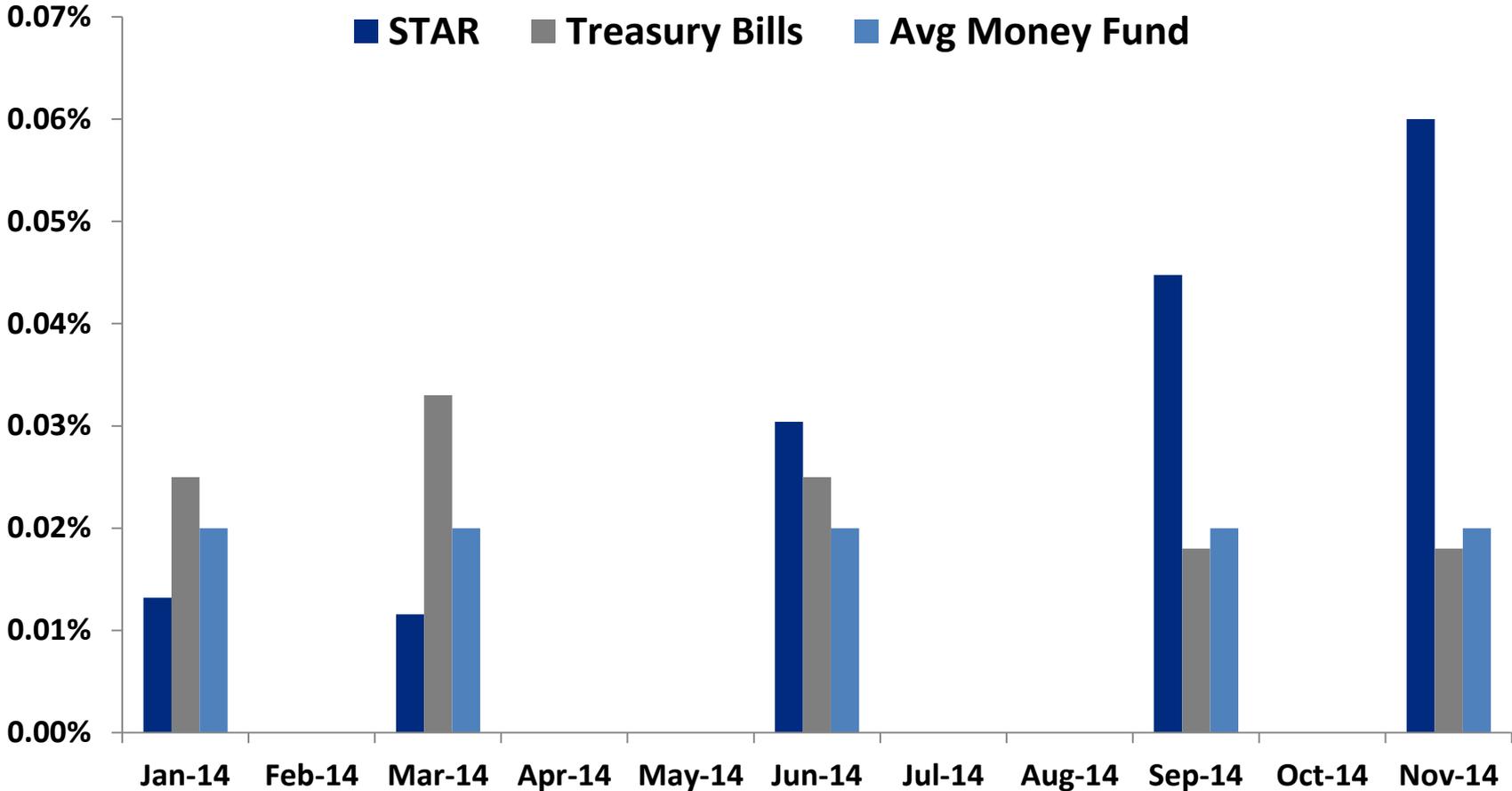
11/30/2014



- Gov't Bond- 28%
- Repo- 20%
- Corporate Bond- 6%
- Commercial Paper- 33%
- Cash- 13%



STAR Ohio Yield vs. Treasury



Past performance is not a guarantee of future results. Current yield may change without notice due to changes in market or business conditions.



JOSH MANDEL
STATE TREASURER OF OHIO



STAR Ohio Program Reminders

- Inform Client Services 24 hours in advance if deposits or redemptions will exceed \$25 million in one day
- Update Authorized Signers and all payee instructions
- Incoming wires to STAR Ohio must be received by fund close
- Visit www.starohio.com for:
 - Updated Forms
 - Online Statements
 - Account Applications
 - Dates of holidays and early fund close

**Questions? Need Online Access?
Call STAR Ohio Client Services at
1-800-648-7587.**



Market Update



JOSH MANDEL
STATE TREASURER OF OHIO

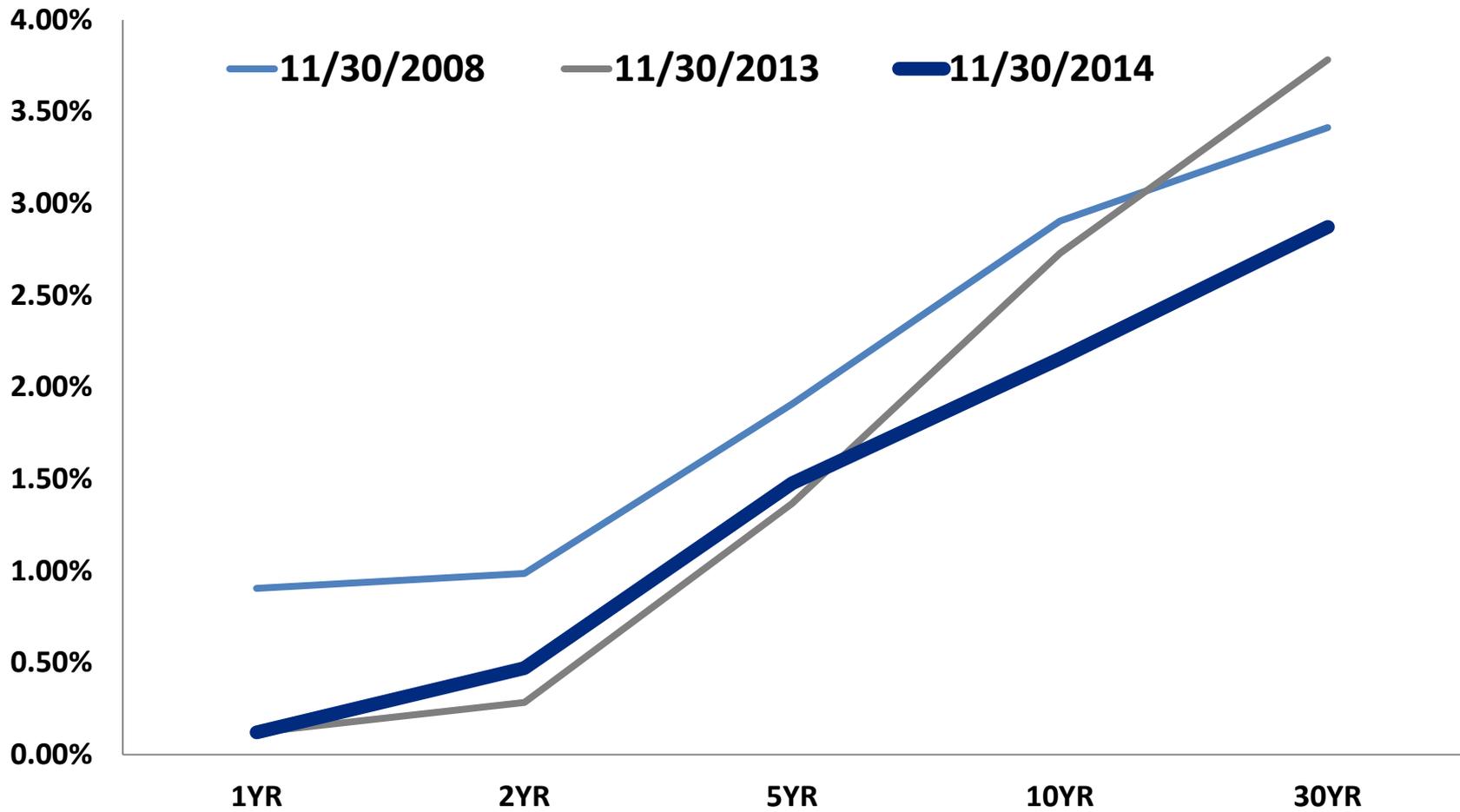


Market Update

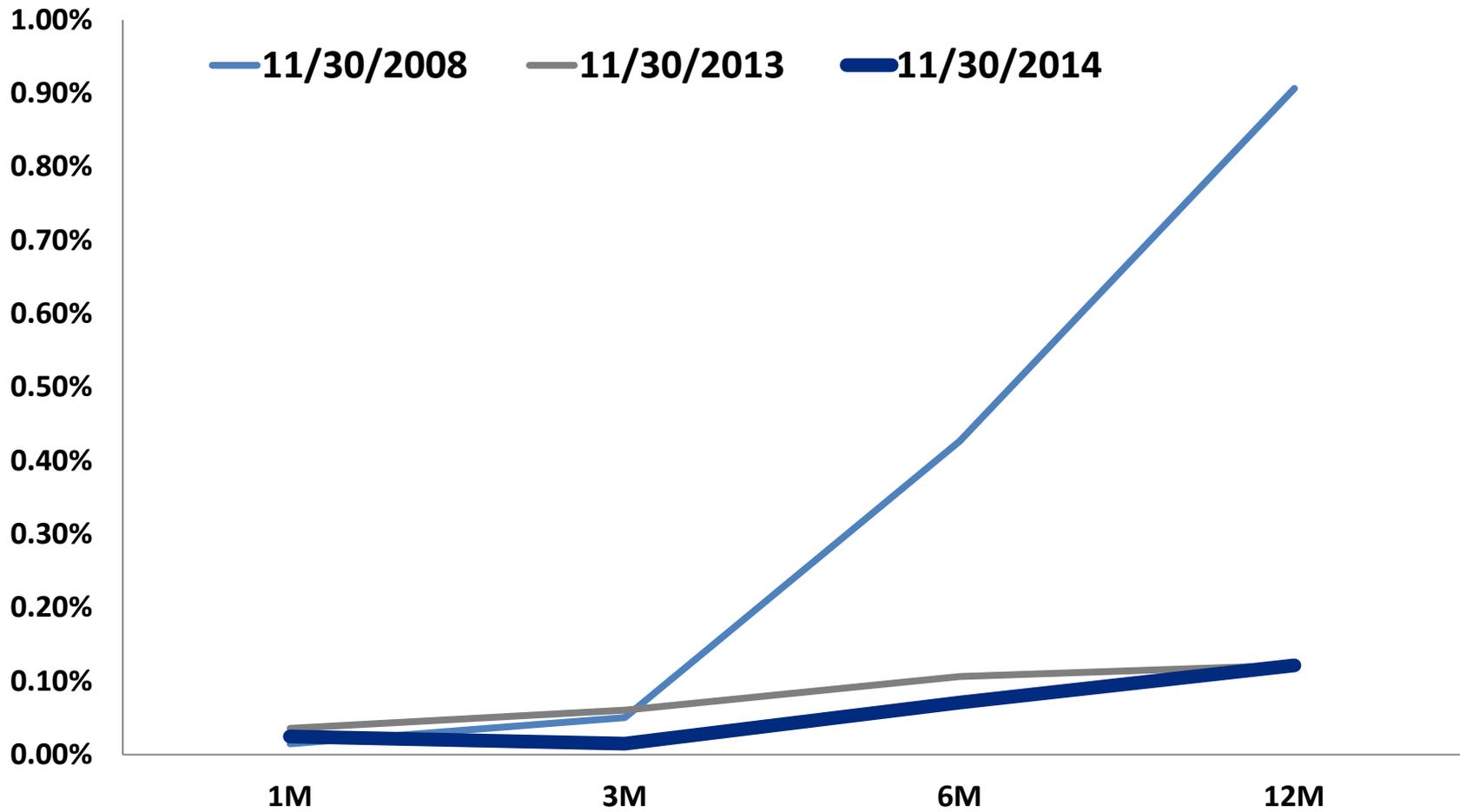
- Interest rates remain at historically low levels
- Federal Reserve has ended Quantitative Easing but monetary policy remains accommodative
- U.S. economic recovery continues
- U.S. dollar continues to strengthen



U.S. Treasury Curve

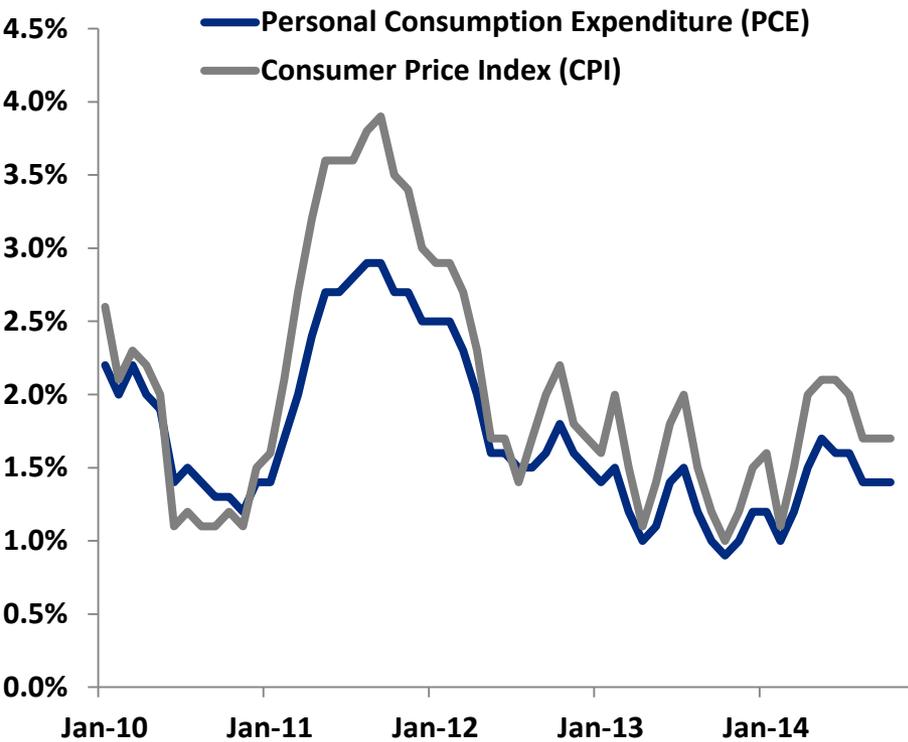


U.S. Treasury Curve

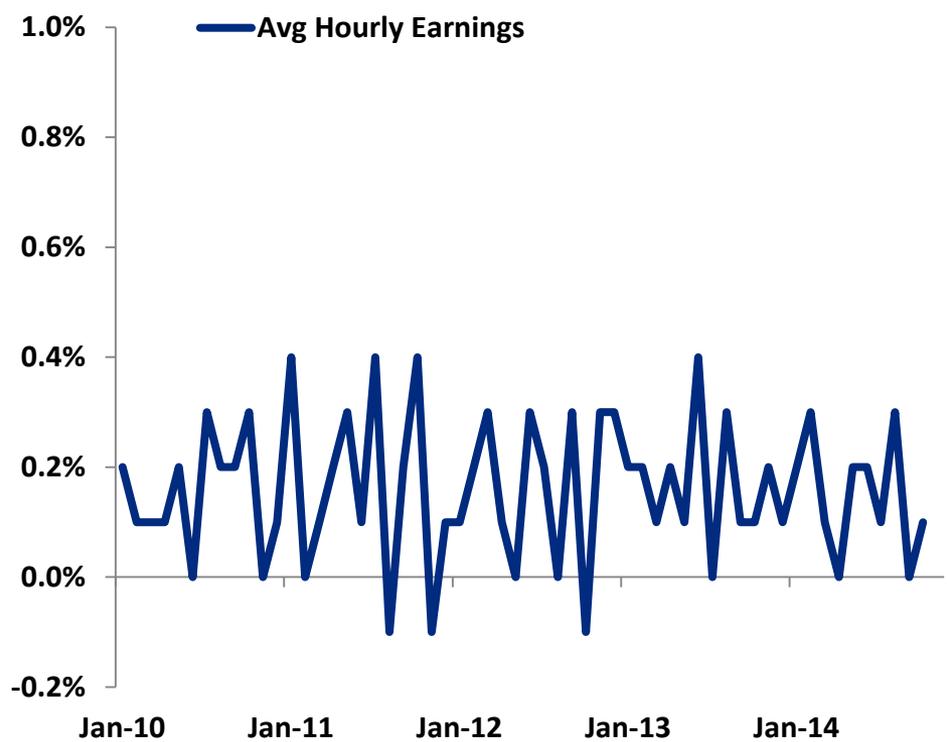


Inflation and Wage Growth

Inflation



Wage Growth

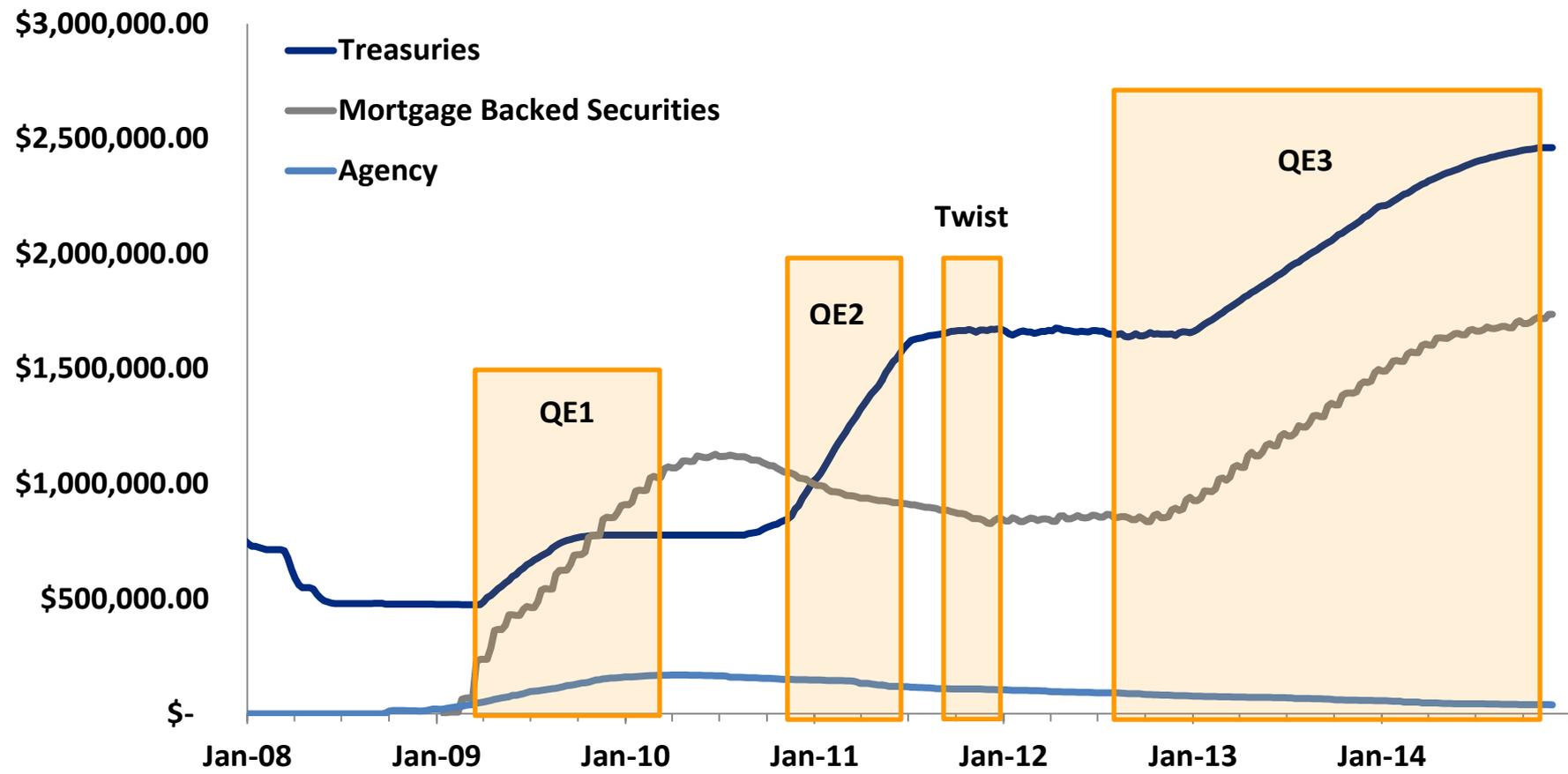


JOSH MANDEL
STATE TREASURER OF OHIO

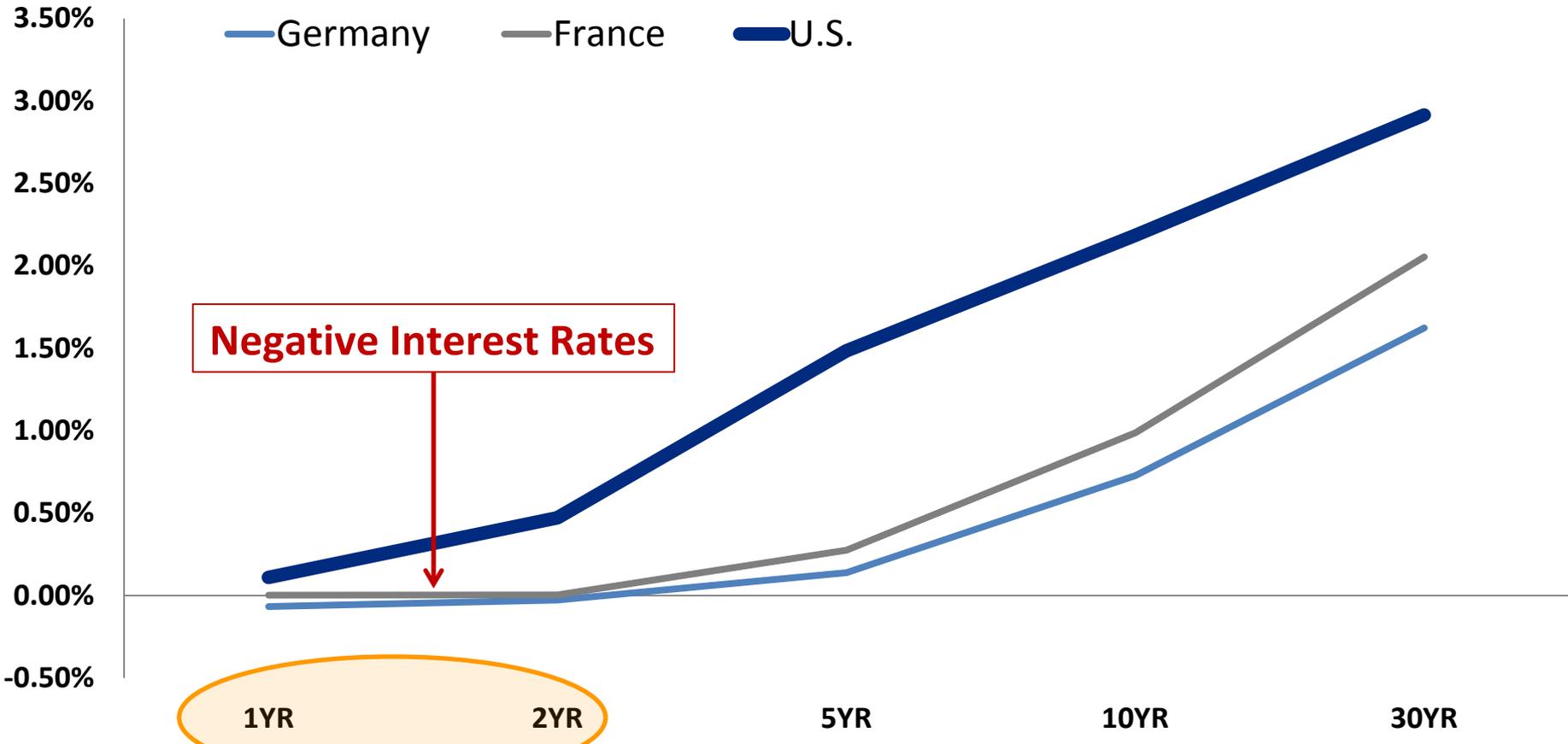


Federal Reserve Balance Sheet

Assets



European Government Bond Curves



Questions?



JOSH MANDEL
STATE TREASURER OF OHIO



Thank You

Thank you for your time today. If you have questions regarding the presentation, please feel free to contact us or the STAR Ohio Co-Administrator Public Funds Administrators (PFA):

Office of Ohio
Treasurer Josh
Mandel

(614) 466-3511

Public Funds
Administrators

(800) 648-7827

