



TREASURER OF STATE

March 15, 2010

Monday, 3 May 2010 9:39

Minutes of the meeting of the State Board of Deposit held March 15, 2010 at 10:00 a.m. in the Office of the Treasurer of State.

MEMBERS PRESENT:

Kevin L. Boyce, Treasurer of State

Jonathan Vega, representing Attorney General Richard Cordray

Tim Keen, representing Auditor of State Mary Taylor

OTHERS PRESENT:

Amer Ahmad, Treasurer of State

Bob Newman, Treasurer of State

Jane Wolfe, Treasurer of State

Simone Wilkinson, Treasurer of State

Jason Yost, Treasurer of State

Kyana Pierson, Treasurer of State

Sheryl Klein, Treasurer of State

Linda Day, Treasurer of State

Denise Blain, Treasurer of State

Joe Guillen, Plain Dealer

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 asked for a motion to approve the minutes of the State Board of Deposit meeting held February 25, 2010 which had previously been distributed to the members be dispensed and that the minutes be approved. Mr. Keen made the motion to approve and Mr. Vega seconded. The motion carried.

OLD BUSINESS

There was no old business to come before the Board.

NEW BUSINESS

ECONOMIC OUTLOOK / INVESTMENT

Mr. Newman presented an overview of the investment philosophy. The Federal Funds rate is at .25%. The Federal Funds rate remains flat. Some economists believe the rate may raise by the third quarter of 2010 however other economist believe the rate increase will not occur until the unemployment rate shows a downward trend. Core CPI is the primary measure of inflation. Core CPI stands at 1.6% for the month of January 2010. Existing home sales decreased 7.2% in January to a seventh month low. New home sales decreased 11.2% in January which was a 3% decrease from the sales posted during the month in 2009. Ohio's unemployment rate was 10.8% for the month of January, unchanged from the 10.8% rate for December 2009. The strategy is to add value and position the portfolio in line with near term expectations on interest rates.

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

RATIFICATION OF THE INTERIM FUNDS

Treasurer Boyce moved for the Board to ratify \$5,600,036,372.50 as interim funds for February 2010. Mr. Vega approved and Mr. Keen 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 Trust banking fees for February 2010 were \$7,543.46. The Board of Deposit advertising fees for RFP were \$5.30 for February 2010. OAKS voucher processing fees were \$4.65 for February 2010. Mr. Keen made a motion to authorize the Chairman to pay these expenses from the appropriations for that purpose. Mr. Vega seconded.

It was noted for the record that \$2,849.53 was approved at the February 2010 meeting as fees for the Board of Deposit however the fees were actually for Star Ohio advertising fees which will be taken out of the Investment budget.

Mr. Ahmad commented on the banking services designations, that as agreed at the February 2010 meeting, that we will adjourn this meeting and designate at the April 2010 Board of Deposit meeting. Mr. Keen wanted clarification that this meeting is essentially an adjourned meeting under the statute. Mr. Ahmad agreed.

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

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

ATTEST _____
SECRETARY

ATTORNEY GENERAL _____