



TREASURER OF STATE

August 21, 2008

Monday, 29 September 2008 09:41

Minutes of the meeting of the State Board of Deposit held Monday August 21, 2008 at 10:00 a.m. in the office of the Treasurer of State.

MEMBERS PRESENT:

Richard Cordray, Treasurer of State (Chair)

Thomas Winters, representing Attorney General Nancy Rogers

Tim Keen, representing Auditor of State Mary Taylor

OTHERS PRESENT:

Chris Glaros, Treasurer of State

Jennifer Day, Treasurer of State

Jonathan Vega, Treasurer of State

Holly Hollingsworth, Treasurer of State

Bob Newman, Treasurer of State

David Baird, Bank of New York Mellon

Paul Teasley, Hannah News Service

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 Cordray moved that the reading of the minutes of the State Board of Deposit meeting held July 30, 2008 which had previously been distributed to the members be dispensed and that the minutes be approved. Mr. Keen approved and Mr. Winters 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 2.0%. The Federal Funds rate is forecasted to remain flat through March 2009. Core CPI is the primary measure of inflation. Core CPI stands at 2.5% for the month of July 2008. This is the highest it has been since 1991. There continues to be a decline in the housing market month after month. Independent reports from the housing industry suggest that foreclosure filings from July 2007 through July 2008 had risen 55%. The foreclosure crisis continues to have an impact on the economy. The national unemployment rate for July 2008 was reported at 5.7% which is the highest jobless rate since March 2004. The strategy is to continue to add value and position the portfolio in line with near term expectations on interest rates..

Also under new business the following bank was presented to the Board to become an interim state depository:

Farmers Bank & Savings Co. , Pomeroy, Ohio

There was a motion to approve this bank. Mr. Keen approved and Mr. Winters seconded. Motion carried.

RATIFICATION OF THE INTERIM FUNDS

Treasurer Cordray moved for the Board to ratify \$4,204,430,759.36 as interim funds for July 2008. Mr. Winters 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 regular banking fees for July 2008 were \$76,921.66. KeyBank Trust banking fees for July 2008 were \$9,691.98. PNC banking fees were \$184.47 for July 2008. Fifth Third banking fees (DNR Wapakoneta) were \$104.21 for July 2008. Fifth Third banking fees for DNR Maumee Bay for July 2008 were \$89.61. KeyBank banking fees for (State Highway Patrol Drop) for July 2008 were \$152.56. US Bank banking fees were \$285.21 for July 2008. National City ODNR \$29.48 for May 2008 and \$35.57 for June 2008. Mr. Winters authorized the Chairman to pay these expenses from the appropriations for that purpose. Mr. Keen seconded.

There being no further business to come before the Board, Treasurer Cordray moved to adjourn to an adjourned session to handle the designations of depositories. Motion carried. Meeting adjourned.

RICHARD CORDRAY, TREASURER OF STATE
CHAIRMAN, STATE BOARD OF DEPOSIT

ATTEST _____
SECRETARY

ATTORNEY GENERAL _____

AUDITOR OF STATE _____