



State of Ohio
Board of Deposit
Annual Report
Fiscal Year 2007



RICHARD CORDRAY
OHIO TREASURER *of* STATE



Annual Report
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Letter from the Ohio Treasurer to the Citizens of Ohio

August 2007

Citizens of Ohio:

I am pleased to present the Fiscal Year 2007 Annual Report of the State Board of Deposit.

The three-member State Board of Deposit consists of the Ohio Treasurer of State, the Ohio Auditor of State and the Ohio Attorney General. The Board is responsible for the oversight, review, and disclosure of functions related to cash and certain investments of the state. The Board is also responsible for selecting the depository institutions that serve the state during the two-year designation period.

Through the ongoing review of internal and external processes and the enforcement of contract compliance, the Board uses consistent standards of care in the protection of funds and ensures the highest quality of banking services for the state.

Thank you for your continued interest and please contact us at 614-466-2160 if you have any questions.

Sincerely

A handwritten signature in blue ink that reads "Richard Cordray".

Richard Cordray
Ohio Treasurer
Chairman, State Board of Deposit



RICHARD CORDRAY
OHIO TREASURER of STATE

**Summary of Investment Activity For State Funds
Stated At Cost on Settlement Basis
For the Fiscal Year Ended June 30, 2007**

UNAUDITED

Investment Portfolio/Investment Category	Investment Portfolio Balance, July 1, 2006		Purchases of Principal	Average Purchase Yield	Proceeds from		Maturities	Investment Portfolio Balance, June 30, 2007	Realized Income
	\$	%			Sales, Calls & Paydowns	\$			
Regular Account-CORE Portfolio:									
Commercial Paper.....	\$ -	-	\$ 1,140,557,828	5.35%	-	\$ -	1,140,557,828	\$ -	354,172
FFCB Debenture.....	-	-	25,024,500	4.78%	-	-	-	25,024,500	170,708
FFCB Discount Note.....	-	-	24,462,446	5.30%	-	-	24,462,446	-	3,554
FFCB Medium Term Note.....	5,000,000	-	-	--	-	-	5,000,000	-	137,500
FHLB Debenture.....	50,000,000	-	274,972,281	5.27%	-	-	-	324,972,281	1,875,000
FHLB Medium Term Note.....	69,981,250	-	-	--	-	-	50,000,000	19,981,250	2,187,500
FHLMC Debenture.....	50,000,000	-	415,257,550	5.30%	-	-	-	415,257,550	160,417
FHLMC Medium Term Note.....	50,000,000	-	124,960,937	5.09%	-	-	-	174,960,937	2,101,042
FNMA Debenture.....	-	-	674,880,937	5.21%	-	-	-	674,880,937	1,535,320
FNMA Medium Term Note.....	100,000,000	-	-	--	-	-	50,000,000	50,000,000	2,637,500
Israel Bonds.....	-	-	20,000,000	5.10%	-	-	-	20,000,000	-
Money Market Funds.....	-	-	36,444,967	5.16%	30,295,941	-	-	6,149,026	75,171
Total Regular Account-CORE Portfolio.....	274,981,250	-	2,736,561,446	5.28%	30,295,941	-	1,270,020,274	1,711,226,481	11,237,884
Regular Account-Regular Portfolio:									
Commercial Paper.....	1,657,266,433	-	25,804,737,330	5.34%	-	-	25,579,626,541	1,882,377,222	90,039,459
FFCB Adjustable Rate Bond.....	5,000,000	-	124,999,999	5.00%	107,436,557	-	17,563,442	5,000,000	972,868
FFCB Discount Note.....	-	-	1,177,280,216	5.18%	-	-	1,177,280,216	-	2,921,784
FHLB Discount Note.....	1,247,180,132	-	9,176,796,832	5.24%	-	-	9,544,025,352	879,951,612	43,478,648
FHLMC Discount Note.....	1,170,964,507	-	3,130,898,678	5.26%	-	-	4,121,797,900	180,065,285	34,416,101
FNMA Discount Note.....	776,971,009	-	7,123,283,973	5.24%	-	-	7,081,847,742	818,407,240	37,597,258
Israel Bonds.....	11,000,000	-	-	--	-	-	4,000,000	7,000,000	522,200
Money Market Funds.....	64,149,250	-	1,443,929,367	5.15%	1,400,138,000	-	-	107,940,617	7,297,442
Repurchase Agreements.....	11,574,000	-	516,330,277	5.14%	-	-	527,904,277	-	85,515
STAR Ohio Fund.....	-	-	50,085,986	5.17%	50,085,986	-	-	-	19,986
TVA Discount Note.....	-	-	146,206,778	5.18%	-	-	146,206,778	-	474,222
U.S. Treasury Bill.....	-	-	49,898,403	5.31%	-	-	49,898,403	-	101,597
Total Regular Account-Regular Portfolio.....	4,944,105,331	-	48,744,447,839	5.29%	1,557,660,543	-	48,250,150,651	3,880,741,976	217,927,080
Regular Account-Treasury Portfolio:									
Commercial Paper.....	27,264,067	-	7,132,033,006	5.32%	-	-	7,159,297,073	-	2,949,927
FFCB Debenture.....	-	-	50,183,500	4.86%	-	-	-	50,183,500	958,333
FFCB Discount Note.....	-	-	119,039,154	5.28%	-	-	119,039,154	-	119,846
FHLB Debenture.....	580,091,626	-	465,205,441	5.08%	432,655,293	-	106,721,224	505,920,550	33,160,959
FHLB Discount Note.....	-	-	108,444,903	5.17%	-	-	108,444,903	-	73,096
FHLB Medium Term Note.....	29,788,500	-	-	--	29,788,500	-	-	-	1,120,000
FHLMC Debenture.....	322,797,450	-	321,926,515	5.08%	539,839,040	-	29,919,300	74,965,625	15,753,047
FHLMC Discount Note.....	-	-	92,048,353	5.21%	-	-	92,048,353	-	74,647
FNMA Debenture.....	49,910,000	-	377,378,960	5.16%	119,414,300	-	-	307,874,660	12,063,092

(Continued)



RICHARD CORDRAY
OHIO TREASURER of STATE

**Summary of Investment Activity For State Funds
Stated At Cost on Settlement Basis
For the Fiscal Year Ended June 30, 2007**

UNAUDITED

Investment Portfolio/Investment Category	Investment Portfolio Balance, July 1, 2006	Purchases of Principal	Average Purchase Yield	Proceeds from		Investment Portfolio Balance, June 30, 2007	Realized Income
				Sales, Calls & Paydowns	Maturities		
Regular Account-Treasury Portfolio: (Continued)							
FNMA Discount Note.....	-	164,690,453	5.22%	-	164,690,453	-	23,547
Israel Bonds.....	5,000,000	-	--	-	-	5,000,000	252,292
Money Market Funds.....	4,760,515	93,215,124	5.14%	90,909,408	-	7,066,231	410,932
STAR Ohio Fund.....	2,346,265	15,350,044	5.21%	17,696,309	-	-	158,652
U.S. Treasury Note.....	1,220,435,814	2,006,203,945	4.73%	1,770,596,153	149,626,648	1,306,416,958	44,696,561
Total Regular Account-Treasury Portfolio.....	2,242,394,237	10,945,719,398	5.18%	3,000,899,003	7,929,787,108	2,257,427,524	111,814,931
Infrastructure Improvement Fund Portfolio:							
State & Local Government Securities Demand Deposit.....	-	120,000,000	3.93%	60,005,694	-	59,994,306	1,882,550
Site Development Fund Portfolio:							
State & Local Government Securities Demand Deposit.....	-	29,953,236	3.86%	1,169,385	-	28,783,851	558,847
Third Frontier Fund Portfolio:							
State & Local Government Securities Demand Deposit.....	-	50,000,000	4.10%	1,851,036	-	48,148,964	1,487,110
BidOhio and Linked Deposit Programs:							
BidOhio Program.....	292,500,000	600,000,000	5.10%	-	592,500,000	300,000,000	14,948,978
Agricultural Linked Deposit Program:							
FFCB Adjustable Rate Bond.....	50,000,000	107,436,557	1.08%	49,999,999	37,436,558	70,000,000	447,263
Fixed Line of Credit.....	-	54,025,398	0.77%	-	-	54,025,398	-
Fixed-Rate Term Loan.....	-	10,345,207	1.08%	185,000	-	10,160,207	55
Agricultural Linked Deposit.....	68,553,904	-	--	3,835,563	64,718,341	-	721,906
Small Business Linked Deposit Program.....	16,083,120	17,105,632	1.75%	2,659,942	3,679,909	26,848,901	349,589
Additional Income.....	-	-	--	-	-	-	2,210
Total BidOhio and Linked Deposit Programs.....	427,137,024	788,912,794	4.13%	56,680,504	698,334,808	461,034,506	16,470,001
Ohio Lottery Structured Investment Portfolio:							
Commercial Paper.....	39,149,598	249,465,735	5.34%	-	288,615,333	-	856,667
Fed Judiciary.....	2,755,804	-	--	-	-	2,755,804	-
FFCB Medium Term Note.....	2,110,279	-	--	-	-	2,110,279	121,262
FHLB Debenture.....	13,283,555	12,722,846	5.15%	-	-	26,006,401	911,752
FHLMC Debenture.....	27,864,458	154,985,194	5.00%	23,208,305	6,637,550	153,003,797	3,797,830
FHLMC Strip.....	21,126,219	22,982,984	5.18%	1,188,657	-	42,920,546	15,704
FICO Strip.....	2,028,471	2,056,682	5.20%	20,165,200	-	4,085,153	-
FNMA Debenture.....	21,179,220	168,289,305	5.00%	-	-	169,303,325	4,861,460
FNMA Medium Term Note.....	8,494,026	-	--	-	-	8,494,026	518,624
FNMA Strip.....	66,570,773	18,145,688	5.16%	318,510	13,084,074	71,313,877	2,726,876
Ref Corp Strip.....	133,992,991	7,204,395	4.92%	114,514,905	14,592,290	12,090,191	216,985,892
STAR Ohio.....	2,132,186	114,960,093	5.20%	115,164,242	-	1,928,037	243,220

(Continued)



RICHARD CORDRAY
OHIO TREASURER of STATE

**Summary of Investment Activity For State Funds
Stated At Cost on Settlement Basis
For the Fiscal Year Ended June 30, 2007**

UNAUDITED

Investment Portfolio/Investment Category	Investment Portfolio Balance, July 1, 2006	Purchases of Principal	Average Purchase Yield	Proceeds from		Investment Portfolio Balance, June 30, 2007	Realized Income
				Sales, Calls & Paydowns	Maturities		
<i>Ohio Lottery Structured Investment Portfolio: (Continued)</i>							
TVA Debenture.....	6,195,313	38,908,894	5.03%	-	-	45,104,207	1,542,957
TVA Strip.....	47,704,912	7,742,481	5.22%	880,760	6,676,204	47,890,429	5,130,692
U.S. Treasury Bond.....	27,529,687	-	--	27,529,687	-	-	6,596,926
U.S. Treasury Note.....	-	3,970,425	5.06%	-	3,970,425	-	124,196
U.S. Treasury Strip.....	21,634,238	10,997,364	4.80%	21,634,239	-	10,997,363	15,259,699
Total Ohio Lottery Structured Investment Portfolio.....	443,751,730	812,432,086	5.15%	324,604,505	333,575,876	598,003,435	259,693,757
<i>Ohio Lottery-Mega Millions Portfolio:</i>							
U.S. Treasury Strip.....	-	35,067,250	4.83%	35,067,250	-	-	99,285
Total Ohio Lottery.....	443,751,730	847,499,336		359,671,755	333,575,876	598,003,435	259,793,042
Purchased Accrued Interest	8,332,369,572	\$ 64,263,094,049	5.25%	\$ 5,068,233,861	\$ 58,481,868,717	9,045,361,043	\$ 621,171,445
	1,686,404					4,867,602	
TOTAL STATE FUNDS.....	\$ 8,334,055,976					\$ 9,050,228,645	



Board of Deposit Meeting Minutes

Following are approved State of Ohio Board of Deposit meeting minutes from June 2007 through July 2006.



STATE BOARD OF DEPOSIT

STATE OF OHIO

Members:
Richard Cordray, Chairman
Treasurer of State

Marc Dann
Attorney General

Mary Taylor
Auditor of State

Minutes of the meeting of the State Board of Deposit held Thursday June 28, 2007 at 10:00 a.m. in the office of the Treasurer of State.

MEMBERS PRESENT: Richard Cordray, Treasurer of State (Chair)
Mike Deemer, representing Attorney General Marc Dann
Deb Hackathorn, representing Auditor of State Mary Taylor

OTHERS PRESENT: Jennifer Day, Treasurer of State
Bob Newman, Treasurer of State
Chris Glaros, Treasurer of State
Holly Hollingsworth, Treasurer of State
Todd Dieffenderfer, Treasurer of State
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 May 30, 2007 which had previously been distributed to the members be dispensed and that the minutes be approved. Ms. Hackathorn approved and Mr. Deemer seconded. The motion carried.

OLD BUSINESS

Treasurer Cordray reported on the status of two projects that were mentioned in previous meetings. One project was the review of all banks and the accounts held therein to make sure that the services being provided are being billed correctly. The other project involved bringing information technology services that are provided by outside vendors in house. No action was taken on these two items this month. The board agreed to bring more information, suggestions and proposals to meetings over the next couple of months.

NEW BUSINESS

ECONOMIC OUTLOOK / INVESTMENT

Investment Director Bob Newman presented a brief overview of the investment philosophy. The strategy remains the same with the goal being to lock in higher yields when possible. Fed funds rates are unchanged at 5.25%. The economic outlook on the housing market remains uncertain. There have been some discussions with sub/prime mortgage markets and how this uncertainty may impact the broader economy. Core CPI, which excludes food and energy prices, is the primary measure of core inflation. Core CPI increased 0.1% in the month of May 2007. Unemployment for the month of May 2007 remained at 4.5%. In summary, the economy is likely to grow at a moderate pace this year with the consensus being that the interest rate will remain unchanged throughout 2007.

RATIFICATION OF THE INTERIM FUNDS

Treasurer Cordray moved the board ratify \$5,724,414,960.47 as interim funds for May 2007. Ms. Hackathorn seconded. Motion carried.

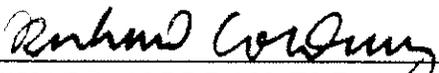
CERTIFICATION OF BOARD EXPENSES

In accordance with Chapter 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 FDC ACH banking fees for April 2007 were \$25,286.30. KeyBank Trust fees for April 2007 were \$9,348.93. PNC banking fees were \$341.55 for May 2007. US Bank fees for April 2007 were \$253.08. The Board authorized the Chairman to pay these expenses from the appropriations for that purpose.

A copy of the main depository bill with Keybank for May 2007 was presented to the board. The bill did not require board approval but shows the excess earnings credits, less service charges, and the earnings credit amounts being carried forward.

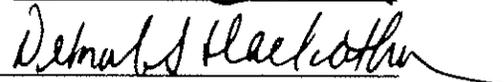
There being no further business to come before the Board, Treasurer Cordray moved to adjourn. Motion carried.

Meeting adjourned.


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

ATTEST 
SECRETARY

ATTORNEY GENERAL 

AUDITOR OF STATE 



STATE BOARD OF DEPOSIT

STATE OF OHIO

Members:
Richard Cordray, Chairman
Treasurer of State

Marc Dann
Attorney General

Mary Taylor
Auditor of State

Minutes of the meeting of the State Board of Deposit held Wednesday May 30, 2007 at 9:00 a.m. in the office of the Treasurer of State.

MEMBERS PRESENT: Richard Cordray, Treasurer of State (Chair)
Mike Deemer, representing Attorney General Marc Dann
Deb Hackathorn, representing Auditor of State Mary Taylor

OTHERS PRESENT: Christina Haddad, Auditor of State
Jennifer Day, Treasurer of State
Bob Newman, Treasurer of State
Chris Glaros, Treasurer of State
Leesa Brown, Treasurer of State
Holly Hollingsworth, Treasurer of State
Todd Dieffenderfer, Treasurer of State
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 April 25, 2007 which had previously been distributed to the members be dispensed and that the minutes be approved. Mr. Deemer approved and Ms. Hackathorn seconded. The motion carried.

OLD BUSINESS

There was no old business to bring before the board.

NEW BUSINESS ---- ECONOMIC OUTLOOK / INVESTMENT

Investment Director Bob Newman presented to the board a brief overview of the investment philosophy. The economic outlook and investment strategy are gauged using market indicators and benchmarks. The strategy remains the same with the goal being to lock in higher yields when possible. Fed funds rates are unchanged at 5.25%. The economic outlook on the housing market remains uncertain. There have been some discussions with sub/prime mortgage markets and how this uncertainty may impact the broader economy. Core CPI is the primary measure of inflation.

Core CPI increased 0.1% in the month of April. Unemployment increased for the month of April 2007 from 0.1% to 4.5%. In summary, the economy is likely to grow at a moderate pace this year with the consensus being that the interest rate will remain unchanged for the first three quarters of 2007. The final portion of the portfolio covered was transaction activity. This includes all purchases made during the month of April 2007.

RATIFICATION OF THE INTERIM FUNDS

Treasurer Cordray moved the board ratify \$4,984,417,840.44 as interim funds for April 2007. Mr. Deemer approved and Ms. Hackathorn seconded. Motion carried.

CERTIFICATION OF BOARD EXPENSES

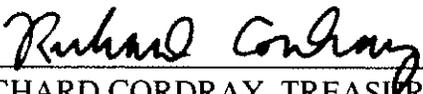
In accordance with Chapter 135.02 of the Ohio Revised Code, the Chairman and the Secretary of the State Board of Deposit certified that the necessary expenses of the Board which represent KeyBank FDC ACH banking fees for March 2007 were \$27,365.81. KeyBank Trust fees for March 2007 were \$9,408.52 and fees for McBee deposit ticket orders for ODNR were \$60.84 and for Treasury accts \$78.14. PNC banking fees were \$286.40 for April 2007 and Charter One fees for February – April 2007 were \$363.30. ODNR banking fees from National City for March and April 2007 were \$148.97 and \$165.05 respectively. US Bank fees for ODNR for March 2007 were in the amount of \$316.80. The Board authorized the Chairman to pay these expenses from the appropriations for that purpose.

Copies of the main depository bill with Keybank for the months of January 2007- April 2007 were presented to the board. These bills did not require board approval but show the excess earnings credits less service charges and the earnings credit amounts being carried forward.

Prior to adjourning Treasurer Cordray noted that the office may seek board approval, possibly within the next meeting or two, to take a look at IT services that are being provided outside of the office that we are paying for and look at bringing those services in house. It is believed that it would save the board a fair amount of money if we bring these services in house. In the near future the board will be presented with a proposal on the services that the office is looking at doing in house or come back with an explanation why this will not work.

There being no further business to come before the Board, Treasurer Cordray moved to adjourn, motion carried.

Meeting adjourned.



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

ATTEST 
SECRETARY

Board of Deposit 3

ATTORNEY GENERAL *Niel Deen*

AUDITOR OF STATE *Debra J. McElroy*

STATE BOARD OF DEPOSIT

STATE OF OHIO



Members:
Richard Cordray, Chairman
Treasurer of State

Marc Dann
Attorney General

Mary Taylor
Auditor of State

Minutes of the meeting of the State Board of Deposit held Wednesday April 25, 2007 at 9:30 a.m. in the office of the Treasurer of State.

MEMBERS PRESENT: Richard Cordray, Treasurer of State (Chair)
Mike Deemer, representing Attorney General Marc Dann
Deb Hackathorn, representing Auditor of State Mary Taylor

OTHERS PRESENT: Christina Haddad, Auditor of State
Jennifer Day, Treasurer of State
Bob Newman, Treasurer of State
Chris Glaros, Treasurer of State
Leesa Brown, Treasurer of State
Holly Hollingsworth, Treasurer of State
Todd Dieffenderfer, Treasurer of State
Kevin Talty, Treasurer of State
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 March 29, 2007 which had previously been distributed to the members be dispensed and that the minutes be approved. Mr. Deemer approved and Ms. Hackathorn seconded. The motion carried.

OLD BUSINESS

Under old business a resolution was presented to the Board to approve and ratify the Memorandum of Understanding which was executed by the Treasurer's office and KeyBank. The motion was approved by Ms. Hackathorn and seconded by Mr. Deemer. Motion carried.

NEW BUSINESS ---- ECONOMIC OUTLOOK / INVESTMENT

Investment Director Bob Newman presented to the board a brief overview of the investment philosophy. The economic outlook and investment strategy are gauged using market indicators and benchmarks. The strategy remains the same with the goal being to lock in higher yields when

possible. Fed funds rates are unchanged at 5.25%. The economic outlook on the housing market is uncertain. There have been some discussions with sub prime mortgage markets and how this uncertainty may impact the broader economy. Core CPI is the primary measure of inflation. CPI looks at the economy and reports on what consumers are spending on their goods. Treasurer Cordray added that the important factor for our investment returns is the interest rates. The direction of the interest rates is watched very closely. With inflation, the concern is that the interest rates will rise, but there are also weaknesses in the economy that lead to a reduction in the interest rates in order to stimulate the economy. Currently there is a perfect balance of offsetting factors where the Federal Reserve board is unclear whether the economy is weak or strong. Unemployment decreased for the month of March 2007, which is a reflection of a strong labor market. In summary, the economy is likely to grow at a moderate pace this year. The final portion of the portfolio covered was transaction activity. This includes all purchases made during the month of March 2007.

RATIFICATION OF THE INTERIM FUNDS

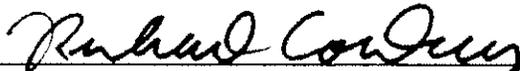
Treasurer Cordray moved the board ratify \$6,371,400,161.42 as interim funds for March 2007. Mr. Deemer approved and Ms. Hackathorn seconded. Motion carried.

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 FDC ACH banking fees for February 2007, were \$24,961.62, and fees for Friends Business Source in the amount of \$381.86. Treasurer Cordray noted that there is no main depository bill with KeyBank due to the excess earnings credits that we are carrying, however at future meetings there should be bills presented from KeyBank showing monthly earnings credits and monthly service charges and total amount carried forward. The Board authorized the Chairman to pay these expenses from the appropriations for that purpose.

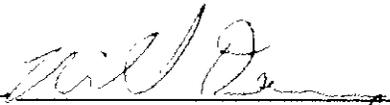
There being no further business to come before the Board, Treasurer Cordray moved to adjourn, and the motion carried.

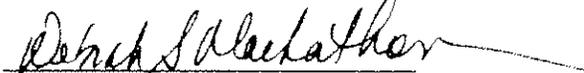
Meeting adjourned.



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

ATTEST 
SECRETARY

ATTORNEY GENERAL 

AUDITOR OF STATE 

STATE BOARD OF DEPOSIT

STATE OF OHIO



Members:
Richard Cordray, Chairman
Treasurer of State

Marc Dann
Attorney General

Mary Taylor
Auditor of State

Minutes of the meeting of the State Board of Deposit held Thursday March 29, 2007 at 10:30 a.m. in the office of the Treasurer of State.

MEMBERS PRESENT: Richard Cordray, Treasurer of State (Chair)
Mike Deemer, representing Attorney General Marc Dann
Deb Hackathorn, representing Auditor of State Mary Taylor

OTHERS PRESENT: Christina Haddad, Auditor of State
Sue Hamilton, Treasurer of State
Jennifer Day, Treasurer of State
Bob Newman, Treasurer of State
Chris Glaros, Treasurer of State
Leesa Brown, Treasurer of State
Holly Hollingsworth, Treasurer of State
Todd Dieffenderfer, Treasurer of State
Mike Sherman, Key Bank
Charlie Luken, Calfee
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 February 23, 2007 which had previously been distributed to the members be dispensed and that the minutes be approved. Ms. Hackathorn approved and Mr. Deemer seconded. The motion carried.

OLD BUSINESS

Under old business it was noted that the Treasurer's office worked with KeyBank in resolving the outstanding bill with the bank by reviewing the exact details of payments made in the past for services provided on the depository account. All agreed that under the terms of the contract earnings credits should have been rolling forward and were not, therefore resulting in adjustments being made to the account. There was interest that should have been applied as well, bringing the total amount of compensation due the state to \$417,890.83 with the net amount less

outstanding invoices being \$162,666.68. All details regarding these totals are included in the Memorandum of Understanding between the Board of Deposit and Keybank and was presented to the board members at the March 29, 2007 meeting. The Treasurer's office as well as Keybank reviewed this information independently and then reviewed together and all agreed with what was put forth in the Memorandum of Understanding. Mr. Deemer wanted to get an update from the Keybank representative about the Memorandum of Understanding and see if the information contained was consistent with what they believed to be accurate. Mr. Sherman from Keybank declined comment and stated that he was not at the meeting today to respond to this issue but to bring it before their legal counsel. Mr. Luken with Calfee who works closely with Keybank stated that Treasurer Cordray correctly described all of the issues and how they were handled. He also thanked the Treasurer's office for being very cooperative and working so closely with Keybank to get the issue resolved. As a result all of the issues relative to the outstanding billing discussed at previous meetings are now resolved. Board members wanted more time to review the Memorandum of Understanding before approving.

There was a motion to conditionally approve/ratify the Memorandum of Understanding subject to notification from the Attorney General and the Auditor that they have reviewed and agree with the details of the Memorandum of Understanding presented at the meeting today. If the Treasurer's office has not been notified prior to the next board meeting this action item will be placed on the agenda for the April board meeting. Ms. Hackathorn approved and Mr. Deemer seconded.

Treasurer Cordray noted that as a result of the issue with earnings credits rolling forward with Keybank that it is our obligation to look at all banking contracts to make sure that earnings credits are being applied properly on other accounts. In addition he would also like to offer this same service to local governments.

NEW BUSINESS ---- ECONOMIC OUTLOOK / INVESTMENT

Investment Director Bob Newman presented to the board a brief overview of the investment philosophy. The economic outlook and investment strategy are gauged using market indicators and benchmarks. The strategy remains the same with the goal being to lock in higher yields when possible. They look at the Fed funds rate which is still at 5.25%, housing and the labor market and unemployment figures. They also use CPI (consumer price index) which gives a good gauge of inflation. The economy will continue to grow at a moderate level with the consensus being that the current interest rate will be unchanged through the first half of 2007. The final portion of the portfolio covered was transaction activity. This includes all purchases made during the month of February 2007. Treasurer Cordray noted that the office has worked very hard to make sure that the numbers that are being provided are backed up by the data included in the investment report and that these numbers correspond to the information detailed for the board so that all board members can link the investment overview to the motion to ratify interim funds and have a good understanding where that monthly figure comes from.

Under new business there were two financial institutions that applied to become interim depositories with the state. The Board of Deposit approves financial institutions to be on the depository list for the State of Ohio which is essential if their plan is to do business with or receive money from the State of Ohio. Treasurer Cordray would like to have every bank in the state that qualifies to be on our list of depository banks. Aside from the designation that occurs every two years these institutions want to bid for blocks of certificates of deposits that are made available every month. The two banks are;

Lake National Bank	Mentor, Ohio
NCB, FSB	Hillsboro, Ohio

Treasurer Cordray motioned to approve the two depositories. Ms. Hackathorn approved and Mr. Deemer seconded. Motion carried.

RATIFICATION OF THE INTERIM FUNDS

Treasurer Cordray moved the board ratify \$4,679,533,592.93 as interim funds for February 2007. Ms. Hackathorn approved and Mr. Deemer seconded.

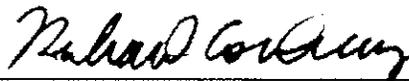
CERTIFICATION OF BOARD EXPENSES

In accordance with Chapter 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 FDC ACH banking fees for January 2007 were \$29,222.74. KeyBank Trust fees for January 2007 were \$8,883.45 and February 2007 were \$8,695.72. PNC bill (Mine Subsidence) fees for March 2007 were \$330.71 and deposit tickets from Safeguard for ODNR were \$39.05. Treasurer Cordray noted that there is no main depository bill with Keybank due to the excess earnings credits that we are carrying. The Board authorized the Chairman to pay these expenses from the appropriations for that purpose.

Treasurer Cordray mentioned a policy judgment to consider at a future meeting. The board currently has a budget appropriation that could possibly be used to cover banking expenses. The Treasurer's office is working to determine what the Board of Deposit can offer, if anything, to help agencies improve their payment options and collection efforts.

There being no further business to come before the Board, Treasurer Cordray moved to adjourn, motion carried.

Meeting adjourned.



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

Board of Deposit 4

ATTEST Stacy Cumberland
SECRETARY

ATTORNEY GENERAL [Signature]

AUDITOR OF STATE [Signature]

STATE BOARD OF DEPOSIT

STATE OF OHIO



Members:
Richard Cordray, Chairman
Treasurer of State

Marc Dann
Attorney General

Mary Taylor
Auditor of State

Minutes of the meeting of the State Board of Deposit held Friday February 23, 2007 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 Marc Dann
Deb Hackathorn, representing Auditor of State Mary Taylor

OTHERS PRESENT: Christina Haddad, Auditor of State
Sue Hamilton, Treasurer of State
Jennifer Day, Treasurer of State
Kevin Talty, Treasurer of State
Bob Newman, Treasurer of State
Chris Glaros, Treasurer of State
Leesa Brown, Treasurer of State
Holly Hollingsworth, Treasurer of State
Todd Dieffenderfer, Treasurer of State
Kent Cahlander, Gongwer News Service
Alan Johnson, Columbus Dispatch
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 January 24, 2007 which had previously been distributed to the members be dispensed and that the minutes be approved. Ms. Hackathorn approved and Mr. Winters seconded. The motion carried.

OLD BUSINESS

Under old business it was noted that during the January 2007 board meeting there was a bill from KeyBank unexplained at the time that required further review prior to approving. The bill was for various services from KeyBank that principally revolved around a method of putting together information about credit card, ACH and other payments into a reporting system. It was thought at the time that this system would provide a better reporting mechanism. The contract for these

services was not executed until October of 2005 and there were no bills incurred until December 2006. The expenses were largely for the inputting (transmission) of data over the prior six months. After looking at the contract the Treasurer's office believes that there is no longer a need to continue on with this contract and that the same services can be performed in house by the Treasury IT department. Treasurer Cordray noted the office was inclined to terminate the contract at this meeting but realized that prior to the meeting that there may be other agencies and services being provided that may be affected by terminating the contract. Once a review of this has taken place, which will occur over the next couple of weeks if not sooner, the office would like to go forth with their termination rights. Deb Hackathorn asked how did the office feel comfortable taking over this process and if the process was simple. Treasurer Cordray stated that it is not a simple process, one of the reasons that the services were contracted for in the beginning. Sue Hamilton gave a detailed explanation of the system and what the purpose was intended to be and noted that the system is basically a reporting tool that puts the data in one location rather than having to look at two or more systems to get your information. Although the contract was signed in 2005 the system is not yet being used. Treasurer Cordray stated that the initial bill was for \$313,260.79 but has since been renegotiated down to \$200,569.30. Treasurer Cordray asked the board for a motion to give the Treasurer's office a proxy to exercise the thirty day termination rights under this contract prior to the next board meeting. The motion was approved by Ms. Hackathorn and seconded by Mr. Winters, motion carried.

Another issue brought to the board as a result of this outstanding bill from KeyBank is that the office found that over the years the board of deposit has been asked to approve bills that they were not given details or back up information of what the services actually were for. Treasurer Cordray explained to the board what typically has occurred and that the procedures for approving these bills will be changed. In the future not only will the board be presented with a bill, they will see a total breakdown of the bill which will include total of services provided, less earnings credit and balance due. What was discovered, due to oversight and failure from previous years is that over the last year earnings credits were not rolled forward. The banking contract states that earnings credit should be applied to offset the bill for the month. In the months where earnings credits exceed the amount of services provided there should be no bill to approve and those credits should roll forward to the next billing cycle. This was not occurring, therefore resulting in a thorough review of prior contracts with the bank to see how much may be due the state. Ms. Hackathorn asked if the office had any communication with the bank regarding this issue. Treasurer Cordray stated that yes there has been communication and further described in detail the over/under compensation portion of the contract with Keybank. This section of the contract also refers to consolidated groups being used to offset other consolidated groups. The office is looking to see if this means that the carry forward credits can be applied to the KeyBank trust bill, approved monthly by the board as well.

The final piece of old business relates to the PNC bill approved at the January 2007 board meeting however not yet paid. The bill was presented as \$1,360.00 which included sales tax of \$86.00. The amended bill, less sales tax is \$1,274.00. There was a motion to approve the amended bill to reflect the accurate amount. Mr. Winters approved the motion. Ms. Hackathorn seconded, motion carried.

NEW BUSINESS ---- ECONOMIC OUTLOOK / INVESTMENT

Investment Director Bob Newman presented to the board a brief overview of the investment philosophy. The economic outlook and investment strategy are gauged using market indicators and benchmarks. They look at the Fed funds rate which is at 5.25%, housing and the labor market unemployment figures. They also use CPI (consumer price index) which gives a good gauge of inflation. As a result of this it helps to better understand the direction of the economy and how it will affect the interest rate which in turn helps the office position the portfolio accordingly. Treasurer Cordray added that there are regular in flows and out flows. There are times we take in more money and other times pay out more money depending on the timing of expenses and tax collections. The economy will continue to grow at a moderate level with the consensus being that the current interest rate will be unchanged through the first half of 2007. The office is taking advantage of short term rates by purchasing securities within a three month maturity range. The final portion of the portfolio covered was transaction activity. This includes all purchases made during the month of January 2007. Treasurer Cordray wanted the information detailed for the board so that all board members can link the investment overview to the motion to ratify interim funds and have a good understanding where that monthly figure comes from.

RATIFICATION OF THE INTERIM FUNDS

Treasurer Cordray moved the board ratify \$4,756,873,478.59 as interim funds for January 2007. Ms. Hackathorn approved and Mr. Winters seconded.

CERTIFICATION OF BOARD EXPENSES

In accordance with Chapter 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 FDC ACH banking fees for December 2006 were \$28,616.50 and KeyBank Trust fees for December 2006 were \$9,215.01. The Board authorized the Chairman to pay these expenses from the appropriations for that purpose.

There being no further business to come before the Board, Treasurer Cordray moved to adjourn, motion carried.

Meeting adjourned.



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

Board of Deposit 4

ATTEST Stacy Cumberland
SECRETARY

ATTORNEY GENERAL Will Deen

AUDITOR OF STATE Deborah A. Heckathorn



STATE BOARD OF DEPOSIT

STATE OF OHIO

Members:
Richard Cordray, Chairman
Treasurer of State

Marc Dann
Attorney General

Mary Taylor
Auditor of State

Minutes of the meeting of the State Board of Deposit held Wednesday January 24, 2007 at 10:00 a.m. in the office of the Treasurer of State.

MEMBERS PRESENT: Richard Cordray, Treasurer of State (Chair)
Marc Dann, Attorney General
Deb Hackathorn, representing Auditor of State Mary Taylor

OTHERS PRESENT: Christina Haddad, Auditor of State
Mike Deemer, Attorney General
Sue Hamilton, Treasurer of State
Jennifer Day, Treasurer of State
Kevin Talty, Treasurer of State
Bob Newman, Treasurer of State
Betsy Zimmerman, Treasurer of State
Chris Glaros, Treasurer of State
Leesa Brown, Treasurer of State
Robin Hurst, Treasurer of State
Holly Hollingsworth, Treasurer of State
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 to dispense with the reading of the minutes of the State Board of Deposit meeting held December 20, 2006, which had previously been distributed to the members, and that the minutes be approved. Ms. Hackathorn approved, Treasurer Cordray seconded, and Attorney General Dann abstained. The motion carried.

The Board reviewed the Daily Report and Investment Transactions as of December 29, 2006. The Board also reviewed the Purchases of Securities and Bank Initiatives for December 2006. Prior to approving the daily report and investment transactions, Treasurer Cordray gave an overview of all the reports that make up these transactions. Treasurer Cordray moved that the Board ratify \$4,269,290,367.74 as interim funds for December 2006. Ms. Hackathorn approved and Attorney General Dann seconded. The motion passed unanimously.

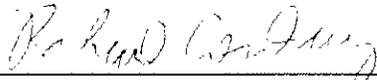
In accordance with Chapter 135.02 of the Ohio Revised Code, the Chairman and the Secretary of the State Board of Deposit certified that the necessary expenses of the Board, which represent KeyBank banking fees for November 2006, were \$16,496.50 and \$23,385.44 for December 2006. KeyBank FDC ACH banking fees for November 2006 were \$26,463.98 and KeyBank Trust fees for November 2006 were \$10,020.26. PNC bank expenses for November 2006 were \$1,360.00 for (remote capture equipment) and Fifth Third Bank fees for Oct-Dec 2006 (ODNR Watercraft, Wapakoneta) were \$170.12. The Board authorized the Chairman to pay these expenses from the appropriations for that purpose.

Under the call for other business it was noted for the record that RFI'S and RFQ'S will be sent to other brokers and dealers to assist in the review of the process currently used for investments in order to do better with different segments of the state's portfolio. Treasurer Cordray also highlighted for the board that an expense has been received from KeyBank in the amount of \$313,260.79. The expense is for a Financial Transaction Device/Cash Management Information System in accordance with a contract that was awarded in June of 2005. Details of the system's purpose and the timeline were presented to the board to provide some background regarding this billing. Prior to asking the board for approval of this expense, the Treasurer's office is trying to understand more fully the basis of the billing, which carries over from the prior administration. This issue was tabled at the moment, to allow further review and recommendation before the next board meeting. Attorney General Dann asked when such information would be available, and Treasurer Cordray noted that once a conclusion has been reached the information will be shared with all members well in advance of the next board meeting.

Investment Director Bob Newman presented to the board more information about the portfolio summary for the State Regular account and the Ohio lottery account, as of December of 2006, along with an explanation of the investment portfolio strategy and economic forecast (see attached). The office uses a conservative approach (safety and liquidity first, then yield) to meet the state's needs and obligations. Treasurer Cordray noted that on the structured (Lottery) portfolio, in particular, the realized income makes it appear that a great deal of money was made over the past several months, but this really represents a restructuring that has more closely matched assets and liabilities, and so these funds have already been encumbered and reallocated.

There being no further business to come before the Board, Treasurer Cordray moved to adjourn, and the motion carried.

Meeting adjourned.



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

Board of Deposit 3

ATTEST
SECRETARY

Stacy Lumber Lauder

STATE BOARD OF DEPOSIT

STATE OF OHIO



Members:
Jennette B. Bradley, Chairman
Treasurer of State

Jim Petro
Attorney General

Betty D. Montgomery
Auditor of State

Minutes of the meeting of the State Board of Deposit held Wednesday December 20, 2006 at 10:00 a.m. in the office of the Treasurer of State.

MEMBERS PRESENT: Jennette B. Bradley, Treasurer of State
O'Neal Saunders, representing Attorney General Jim Petro
Deb Hackathorn, representing Auditor of State Betty Montgomery

OTHERS PRESENT: Stacey Cumberlander, Secretary

Treasurer Bradley noted for the record that 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 Bradley moved that the reading of the minutes of the State Board of Deposit meeting held November 29, 2006 which had previously been distributed to the members be dispensed with and the minutes approved. Ms. Hackathorn seconded and the motion passed unanimously.

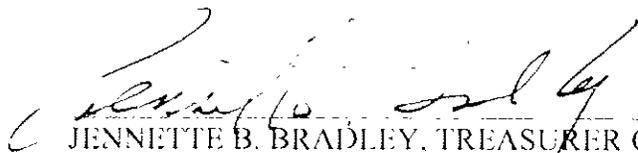
The Board reviewed the Daily Report and Investment Transactions as of November 30, 2006. The Board also reviewed the Purchases of Securities and Bank Initiatives for November 2006. Ms. Hackathorn moved the Board ratify \$6,859,922,672.89 as interim funds for November 2006. Mr. Saunders seconded and the motion passed unanimously.

Board of Deposit 2

In accordance with Chapter 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 October 2006 were \$10,568.98. KeyBank FDC ACH banking fees for October 2006 were \$26,854.64. The Board authorized the Chairman to pay these expenses from the appropriations for that purpose.

There being no further business to come before the Board, Treasurer Bradley moved to adjourn.

Meeting adjourned.


JENNETTE B. BRADLEY, TREASURER OF STATE
CHAIRMAN, STATE BOARD OF DEPOSIT

ATTEST
SECRETARY



STATE BOARD OF DEPOSIT

STATE OF OHIO



Members:
Jennette B. Bradley, Chairman
Treasurer of State

Jim Petro
Attorney General

Betty D. Montgomery
Auditor of State

Minutes of the meeting of the State Board of Deposit held Wednesday November 29, 2006 at 10:00 a.m. in the office of the Treasurer of State.

MEMBERS PRESENT: Jennette B. Bradley, Treasurer of State
 O'Neal Saunders, representing Attorney General Jim Petro
 Deb Hackathorn, representing Auditor of State Betty Montgomery

OTHERS PRESENT: Kevin Talty, Treasurer's office
 Stacey Cumberlander, Secretary

Treasurer Bradley noted for the record that 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 Bradley moved that the reading of the minutes of the State Board of Deposit meeting held October 25, 2006 which had previously been distributed to the members be dispensed with and the minutes approved. Ms. Hackathorn seconded and the motion passed unanimously.

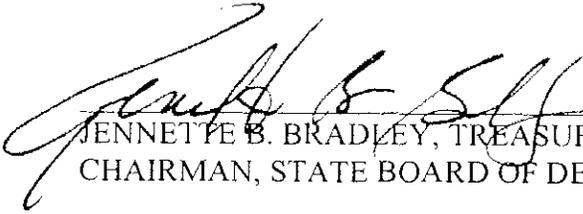
The Board reviewed the Daily Report and Investment Transactions as of October 31, 2006. The Board also reviewed the Purchases of Securities and Bank Initiatives for October 2006. Ms. Hackathorn moved the Board ratify \$4,368,420,860.03 as interim funds for October 2006. Mr. Saunders seconded and the motion passed unanimously.

In accordance with Chapter 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 September 2006 were \$9,418.49. KeyBank FDC ACH banking fees for September 2006 were \$27,642.86. There were also expenses from Fifth Third Bank for July, August and September 2006 (ODNR) for \$113.93 and September 2006 KeyBank fees for (ODOT) in the amount of \$8.13. The Board authorized the Chairman to pay these expenses from the appropriations for that purpose.

Under the call for other business there was a designation presented to the board for a new account for the State Highway Patrol Retirement System at KeyBank. All board members approved the designation of the new account.

There being no further business to come before the Board, Treasurer Bradley moved to adjourn.

Meeting adjourned.


JENNETTE B. BRADLEY, TREASURER OF STATE
CHAIRMAN, STATE BOARD OF DEPOSIT

ATTEST
SECRETARY



STATE BOARD OF DEPOSIT

STATE OF OHIO



Members:
Jennette B. Bradley, Chairman
Treasurer of State

Jim Petro
Attorney General

Betty D. Montgomery
Auditor of State

Minutes of the meeting of the State Board of Deposit held Wednesday October 25, 2006 at 9:00 a.m. in the office of the Treasurer of State.

MEMBERS PRESENT: Jennette B. Bradley, Treasurer of State
Kevin Talty, representing Jennette B. Bradley, Treasurer of State
O'Neal Saunders, representing Attorney General Jim Petro
Deb Hackathorn, representing Auditor of State Betty Montgomery

OTHERS PRESENT: Stacy Cumberlander, Secretary

Mr. Talty noted for the record that 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. Talty moved that the reading of the minutes of the State Board of Deposit meeting held September 29, 2006 which had previously been distributed to the members be dispensed with and the minutes approved. Mr. Saunders seconded and the motion passed unanimously.

The Board reviewed the Daily Report and Investment Transactions as of September 30, 2006. The Board also reviewed the Purchases of Securities and Bank Initiatives for September 2006. Ms. Hackathorn moved the Board ratify \$4,782,501,340.17 as interim funds for September 2006. Mr. Saunders seconded and the motion passed unanimously.

In accordance with Chapter 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 August 2006 were \$9,568.37. There were also expenses from Deluxe Business Checks for deposit tickets (Taxation) for \$63.40 and annual report printing fees from Full Court Press in the amount of \$844.05. The Board authorized the Chairman to pay these expenses from the appropriations for that purpose.

Under the call for other business the following resolution was presented to the Board;

WHEREAS: The Board of Deposit approves the Application/Agreement for Deposit of Interim Public Funds application for July 1, 2006 through June 30, 2008;

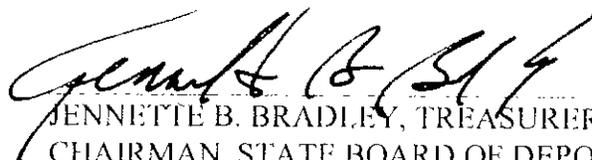
- Mechanics Savings Bank Mansfield OH
- ShoreBank, Cleveland Cleveland OH

The Board moved and seconded the resolution.

Under the call for other business Mr. Talty noted for the record that an account was opened in October 2005 for PUCO wireless 911 that was not a part of the official bank designation. This account was presented to the Board for approval. All members approved this account. It was also noted that the office is in the process of updating the bank service agreement to include (2) exhibits, those accounts statutorily designated and those accounts that provide special services (not necessarily designated by statute) that will also require Board approval.

There being no further business to come before the Board, Treasurer Bradley moved to adjourn.

Meeting adjourned.


JENNETTE B. BRADLEY, TREASURER OF STATE
CHAIRMAN, STATE BOARD OF DEPOSIT

ATTEST 
SECRETARY

STATE BOARD OF DEPOSIT

STATE OF OHIO



Members:
Jennette B. Bradley, Chairman
Treasurer of State

Jim Petro
Attorney General

Betty D. Montgomery
Auditor of State

Minutes of the meeting of the State Board of Deposit held Friday September 29, 2006 at 3:00 p.m. in the office of the Treasurer of State.

MEMBERS PRESENT: Kevin Talty, representing Jennette B. Bradley, Treasurer of State
O'Neal Saunders, representing Attorney General Jim Petro

OTHERS PRESENT: Stacey Cumberlander, Secretary

Mr. Talty noted for the record that 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. Talty moved that the reading of the minutes of the State Board of Deposit meeting held August 30, 2006 which had previously been distributed to the members be dispensed with and the minutes approved. Mr. Saunders seconded and the motion passed unanimously.

The Board reviewed the Daily Report and Investment Transactions as of August 31, 2006. The Board also reviewed the Purchases of Securities and Bank Initiatives for August 2006. Mr. Saunders moved the Board ratify \$5,895,092,778.14 as interim funds for August 2006. Mr. Talty seconded and the motion passed unanimously.

In accordance with Chapter 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 FDC ACH banking fees for July 2006 were \$26,681.13 and KeyBank trust banking fees for July 2006 were \$10,920.56. There were also expenses from Keybank for the Ohio Dept. of Transportation (Letting Contract fees) for June and July 2006 for \$75.02. The Secretary noted for the record that board expenses approved at the August meeting in the amount of \$ 77.13 for Safeguard Business Systems (deposit tickets) was changed to \$72.93 to reflect the deduction of sales tax in the amount of \$4.20.

The Board authorized the Chairman to pay these expenses from the appropriations for that purpose.

Under the call for other business the following resolution was presented to the Board;

WHEREAS: The Board of Deposit approves the Application/Agreement for Deposit of Interim Public Funds application for July 1, 2006 through June 30, 2008;

- WesBanco Bank Inc Wheeling WV

The Board moved and seconded the resolution.

There being no further business to come before the Board, Mr. Talty moved to adjourn.

Meeting adjourned.



JENNETTE B. BRADLEY, TREASURER OF STATE
CHAIRMAN, STATE BOARD OF DEPOSIT

ATTEST 
SECRETARY

STATE BOARD OF DEPOSIT

STATE OF OHIO



Members:
Jennette B. Bradley, Chairman
Treasurer of State

Jim Petro
Attorney General

Betty D. Montgomery
Auditor of State

Minutes of the meeting of the State Board of Deposit held Wednesday August 30, 2006 at 10:00 a.m. in the office of the Treasurer of State.

MEMBERS PRESENT: Jennette B. Bradley, Chairman, Treasurer of State
O'Neal Saunders, representing Attorney General Jim Petro
Deb Hackathorn, representing Auditor of State Betty Montgomery

OTHERS PRESENT: Kevin Talty, Treasurer's office
Stacey Cumberlander, Secretary

Treasurer Bradley noted for the record that 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 Bradley moved that the reading of the minutes of the State Board of Deposit meeting held July 28, 2006 which had previously been distributed to the members be dispensed with and the minutes approved. Mr. Saunders seconded and the motion passed unanimously.

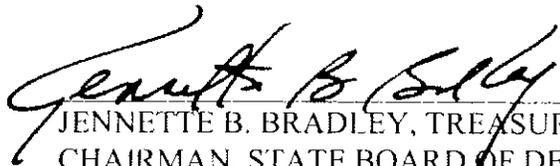
The Board reviewed the Daily Report and Investment Transactions as of July 31, 2006. The Board also reviewed the Purchases of Securities and Bank Initiatives for July 2006. Ms. Hackathorn moved the Board ratify \$6,976,789.437.31 as interim funds for July 2006. Mr. Saunders seconded and the motion passed unanimously.

In accordance with Chapter 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 FIDC ACH banking fees for June 2006 were \$27,711.79 and KeyBank trust banking fees for June 2006 were \$10,438.37. There were also expenses for NCB banking fees for June 2006 for \$36.00 as well as deposit tickets ordered in the amount of \$77.13 that were also presented to the Board. Mr. Talty gave an explanation of the additional charges that were presented to the Board today as well as charges that may be presented to the board in the future. The payments can include fees for deposit tickets, consolidation of accounts, account maintenance fees and lockbox accounts as well as the transfer fees involved with these accounts.

The Board authorized the Chairman to pay these expenses from the appropriations for that purpose.

There being no further business to come before the Board, Treasurer Bradley moved to adjourn.

Meeting adjourned.


JENNETTE B. BRADLEY, TREASURER OF STATE
CHAIRMAN, STATE BOARD OF DEPOSIT

ATTEST 
SECRETARY

STATE BOARD OF DEPOSIT

STATE OF OHIO



Members:
Jennette B. Bradley, Chairman
Treasurer of State

Jim Petro
Attorney General

Betty D. Montgomery
Auditor of State

Minutes of the meeting of the State Board of Deposit held Friday July 28, 2006 at 10:00 a.m. in the office of the Treasurer of State.

MEMBERS PRESENT: Tim Hoag, representing Jennette B. Bradley, Treasurer of State
O'Neal Saunders, representing Attorney General Jim Petro
Deb Hackathorn, representing Auditor of State Betty Montgomery

OTHERS PRESENT: Stacey Cumberlander, Secretary

Mr. Hoag noted for the record that 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. Hoag moved that the reading of the minutes of the State Board of Deposit meeting held June 23, 2006 which had previously been distributed to the members be dispensed with and the minutes approved. Mr. Saunders seconded and the motion passed unanimously.

The Board reviewed the Daily Report and Investment Transactions as of June 30, 2006. The Board also reviewed the Purchases of Securities and Bank Initiatives for June 2006. Ms. Hackathorn moved the Board ratify \$5,673,139,040.44 as interim funds for June 2006. Mr. Saunders seconded and the motion passed unanimously.

