

Investment Advisory Committee Meeting

January 22, 2015

Members in Attendance:

Ed Leonard, Franklin County Treasurer
Erik Janas, Designee for Commissioner John O'Grady
Zak Talarek, Designee for Commissioner Paula Brooks
Shawn Rieder, Designee for Clerk of Courts, Maryellen O'Shaughnessy
Ken Wilson, Designee for Commissioner Marilyn Brown

Guests in Attendance:

Dennis Yacobozzi, President, UACC
Kevin Klingel, Vice President, UACC
Jim McCourt, UACC
Emily Perkins, Investment & Cash Management Officer, FCT

Call to Order

Treasurer Leonard called the 2014 fourth quarter meeting of the Franklin County Investment Advisory Committee (IAC) to order at 2:05 p.m.

Approval of Minutes

The first order of business was to approve the minutes from the October, 2014 meeting. Mr. Rieder moved to accept the minutes and Mr. Talarek seconded the motion. Mr. Janas abstained. Minutes were approved.

Economic Outlook

Mr. Yacobozzi reviewed the market and economy, and noted that the domestic economy continues to expand, with some fluctuations in growth and unemployment. He also indicated that most analysts expect the first Federal Reserve rate increase to occur late this year or early next year. However, he also noted that the European Central Bank has implemented a quantitative easing program to stimulate euro-region growth, and this is indirectly affecting U.S. rates. As European rates are pushed lower, as a result of the ECB's bond purchases, international investors being drawn to the higher rates provided by U.S. government debt. This increased demand for U.S. Treasury and Agency issues has kept U.S. rates from moving higher, despite the outlook for an increase in the federal funds rate. These factors have contributed to a flattening of the Treasury yield curve.

Core Portfolio

Mr. McCourt reviewed the Core portfolio report for the 4 QTR including the inventory of assets and other reports detailing investment activity during the quarter. In addition to discussing

current portfolio characteristics and recent investment transactions, he also reviewed a quarter by quarter comparison of the core portfolio that highlighted changes in portfolio composition. Finally, Mr. McCourt reviewed the change in the Treasury yield curve between the 3rd and 4th QTR.

Bond Proceeds Portfolio

Treasurer Leonard commented that funds the county borrowed for different projects was put into a separate bond portfolio so revenue that was generated by the money that was borrowed could be tracked. This money was borrowed for projects such as the common pleas court construction and the animal shelter. Only one security \$5 million left that doesn't mature until September.

Liquid Portfolio

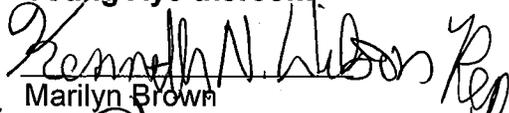
Ms. Perkins informed the Committee the year ended with \$480,000 in liquid. The QTR earned 4 ½ basis points.

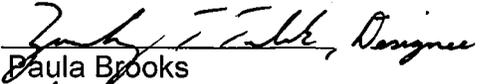
Overall income YTD came in just over \$7.4 million. \$2.2 million in the 4th QTR. The original budgeted amount was \$6.1 for the year and upped to \$7.1.

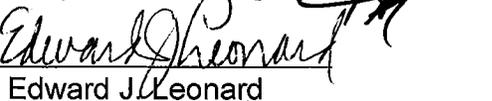
Future Meeting

Future meetings for 2015 will be held the third Thursday following the quarter. With no further discussion, Treasurer Leonard set the next meeting date for April 16, 2015. Mr. Talarek moved to adjourn the meeting and Mr. Janas seconded the motion. The meeting was adjourned at 2:42 pm.

Voting Aye thereon:


Marilyn Brown

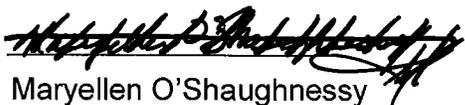
John O'Grady

Paula Brooks

Maryellen O'Shaughnessy

Edward J. Leonard

Voting Nay thereon:

Marilyn Brown

John O'Grady

Paula Brooks

Maryellen O'Shaughnessy

Edward J. Leonard