
LOCAL GOVERNMENT NEWS REPORT

October 2007

INTEREST RATES

The average annualized yield for September was 5.3300%. The rates for September were as follows:

September 1 st – 6 th	5.28%
September 7 th – 12 th	5.32%
September 13 th – 30 th	5.35%

UPCOMING NOVEMBER HOLIDAYS

Due to the Veterans Day holiday, the Office of the State Treasurer, Fed wire service and Oregon banks will be closed on Monday, November 12th. Any ACH transfers called in prior to 1:00 p.m. on Friday, November 9th, will settle at your bank on Tuesday, November 13th. Any ACH transfers called in between 1:00 p.m. Friday, November 9th, and 1:00 p.m. Tuesday, November 13th, will settle at your bank on Wednesday, November 14th.

Due to the Thanksgiving Day holiday, the State Treasurer's Office, Fed wire service and Oregon banks will be closed Thursday, November 22nd. Any ACH transfers called in prior to 1:00 p.m. on Wednesday, November 21st, will settle at your bank on Friday, November 23rd. Any ACH transfers called in between 1:00 p.m. Wednesday, November 21st, and 1:00 p.m. Friday, November 23rd, will settle at your bank on Monday, November 26th.

POOL STATEMENT COPY REQUESTS

Effective November 1st, the Office of the State Treasurer (OST) will begin charging a fee for faxing copies of previously mailed pool account statements to local governments that request them. This new fee will be \$1.50 per faxed page, which will be assessed at the end of each month.

Local governments have the option to receive their pool account statements via mail, or access them via the Internet without incurring a fee. The online statement software was designed by OST to enable local government users to view, save, and print daily and/or monthly OST pool account statements at their convenience 24 hours a day, 7 days a week. Statements are updated each afternoon for access to same day information, and three years of statement history is available online.

Local governments ready to make the move to online statement access may contact Lisa Goonan at 1-800-452-0345 or via e-mail at lisa.goonan@state.or.us. Lisa will work with local governments to setup access to our online statement software.

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REMINDER ON NEW LGP FORMS

Effective Monday, October 1st, requests for a new local government pool account or closure of an existing pool account must be submitted on Attachment F (Add a Local Government Pool Account form) or Attachment G (Close a Local Government Pool Account form). Both forms are available on our website via the links below.

<http://www.ost.state.or.us/divisions/finance/lqip/Attachment/F%20-%20Open%20Pool%20Account%20Form.pdf>

<http://www.ost.state.or.us/divisions/finance/lqip/Attachment/G%20-%20Close%20Pool%20Account%20Form.pdf>

Please call Local Government Customer Service at 1-800-452-0345 if you have any questions.

OFFICE OF THE STATE TREASURER JOB OPENINGS

INVESTMENT OFFICERS

Alternatives Investment Officer & Private Equity Investment Officer B

Starting salary of \$128,748 annually

(annual performance bonus of up to 30% of base compensation)

Private Equity Investment Officer A

Starting salary of \$100,980 annually

(annual performance bonus of up to 30% of base compensation)

The Office of the State Treasurer is currently recruiting for three Investment Officers to perform investment duties focused on private equity and alternatives. These positions report to the Senior Equity Investment Officer and primarily help oversee a \$7 billion private equity portfolio for the Oregon Public Employees Retirement Fund. Detailed job duties, minimum qualifications and instructions for applying can be found at www.oregonjobs.org or www.ost.state.or.us. You may also call (503) 378-4000. Contact: Kristin Stewart, Human Resource Manager. Announcement closes on October 22, 2007.



Debbe Myers

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Website: <http://www.ost.state.or.us/divisions/finance/LocalGovernment.htm>

Local Government News List: <http://www.webhost.osl.state.or.us/mailman/listinfo/local-gov-news>

Phone: (503) 373-1194 or 1-800-452-0345

Fax: (503) 373-1179

Voice Response System (VRS): 1-877-888-1767

E-mail: lqip@mail.ost.state.or.us

MEMORANDUM

DATE: October 4, 2007

TO: LOCAL GOVERNMENT POOL PARTICIPANT

FROM: Deborah Myers
Local Government Services Coordinator

EFFECTIVE: IMMEDIATELY

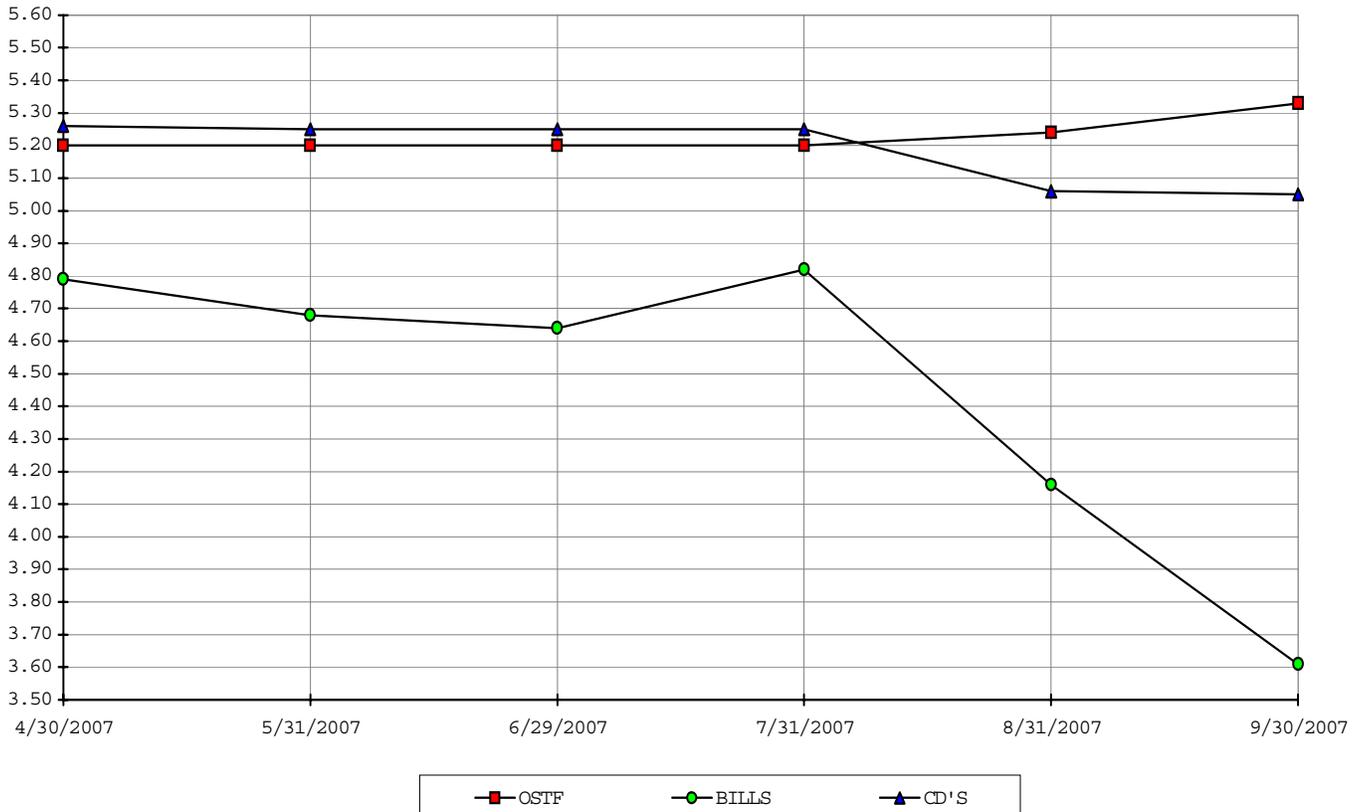
The limitation in ORS 294.810 has been **increased** from \$39,839,066 to **\$40,653,049**. This increase of 2.05 % is in proportion to the percent change in the 1st half of 2007, Consumer Price Index for All Urban Consumers of the Portland, Oregon, Standard Metropolitan Statistical Area, as compiled by the U.S. Department of Labor, Bureau of Labor Statistics. *

CPI adjustments for Local Gov't Balance Limitation

Period Start	Period End	Portland CPI	Semi-Annual	LGP Balance Limitation
7/1/2000	12/31/2000	179.5	1.76%	\$ 35,311,475
1/1/2001	6/30/2001	181.2	0.95%	\$ 35,645,902
7/1/2001	12/31/2001	183.6	1.32%	\$ 36,118,033
1/1/2002	6/30/2002	183.5	-0.05%	\$ 36,118,033
7/1/2002	12/31/2002	184.0	0.27%	\$ 36,216,447
1/1/2003	6/30/2003	186.0	1.09%	\$ 36,610,104
7/1/2003	12/31/2003	186.5	0.27%	\$ 36,708,519
1/1/2004	6/30/2004	189.8	1.71%	\$ 37,337,705
7/1/2004	12/31/2004	192.5	1.42%	\$ 37,868,853
1/1/2005	6/30/2005	194.5	1.04%	\$ 38,262,295
7/1/2005	12/31/2005	197.5	1.54%	\$ 38,852,459
1/1/2006	6/30/2006	199.8	1.16%	\$ 39,304,918
7/1/2006	12/31/2006	202.5	1.35%	\$ 39,836,066
1/1/2007	6/30/2007	206.653	2.05%	\$ 40,653,049

ORS 294.810 (2) provides that the \$30 million limitation shall increase in proportion to the increase occurring after 9/9/95 in the CPI for all urban consumers of the Portland, Oregon area.

OREGON SHORT-TERM FUND ANALYSIS



Oregon Short-Term Fund Analysis as of September 30, 2007

	<u>4/30/2007</u>	<u>5/31/2007</u>	<u>6/29/2007</u>	<u>7/31/2007</u>	<u>8/31/2007</u>	<u>9/30/2007</u>
LGIP AV DOLLARS INVESTED (MM)	4,421	4,307	3,848	3,730	3,805	3,784
STATE AGENCY AV DOLLARS INVESTED (MM)	4,919	5,694	6,304	6,271	6,051	6,409
TOTAL OSTF AV DOLLARS INVESTED (MM)	9,341	10,001	10,152	10,001	9,856	10,194
OST ANNUAL YIELD (ACT/ACT)	5.20	5.20	5.20	5.20	5.24	5.33
3-MO UST BILLS (BONDEQ YLD)	4.79	4.68	4.64	4.82	4.16	3.61
3-MO JUMBO CDS (ACT/360)	5.26	5.25	5.25	5.25	5.06	5.05

NOTE: The OST ANNUAL YIELD represents the average annualized yield paid to account holders during the month. Since interest accrues to accounts on a daily basis and the rate paid changes during the month, this average rate is not the exact rate earned by each account.

3-MO UST BILLS yield is the yield for the Treasury Bill Issue maturing closest to 3 months from monthend. 3-MO JUMBO CDS is the highest posted rate received by the Treasury from Oregon banks as of monthend. Consequently, whereas the yield on UST Bills should normally be lower than CD rates, the fact that the quotes are up to a week different in time may result in an apparent reversal of this situation.

This material is available in alternative format and media upon request.