
LOCAL GOVERNMENT NEWS REPORT

April 2008

INTEREST RATES

The average annualized yield for March was 3.7355%. The rates for March were as follows:

March 1 st – 6 th	3.95%
March 7 th – 13 th	3.80%
March 14 th – 20 th	3.70%
March 21 st – 31 st	3.60%

PUBLIC FUNDS COLLATERALIZATION

New Administrative Rules

The Oregon State Treasurer's Office has proposed new Administrative Rules for the Public Funds Collateralization Program. These new rules are a result of House Bill 2901 that passed during the 2007 Regular Session of the Oregon Legislative Assembly. The house bill significantly revised ORS 295 that governs the collateralization of public funds deposits and **becomes effective July 1, 2008**. You may access the proposed Administrative Rules by clicking on the link below or by copying and pasting the address onto your web browser: <http://www.ost.state.or.us/divisions/finance/Collateral/Administrative%20Rules.pdf>

If you have any questions, please feel free to contact Judy Whaley-Fultz via email at judy.fultz@state.or.us or by telephone at 503-378-2885.

Website Update

There is new information available on our web site regarding the upcoming changes to public funds collateralization that you may find interesting. You may view the new section at <http://www.ost.state.or.us/divisions/finance/Collateral/Index.htm>. Included in the information is a letter that outlines the requirement of local governments to provide to the State Treasurer's Office (OST) the names of all financial institutions in which they have public funds deposited and contact information for the local government. **If you have not already provided this information, please contact the Treasurer's Office as soon as possible via email at public.funds@ost.state.or.us or by calling Wendy Finley at 503-378-3400.**

LOCAL GOVERNMENT INVESTMENT POOL SURVEY

We need your help, only a few days left!

The Oregon Short Term Fund Board wants to make sure that you are receiving the services you need from them, as well as from staff at the State Treasurer's Office. To do that, we need your input. Please take a few minutes to complete the online survey at:

http://www.surveymonkey.com/s.aspx?sm=I_2fkEZpLC0cBf8GD_2bDqfwIA_3d_3d

The link to this survey can also be found on our website at:

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

Your effort will help us direct our resources where they can benefit you the most.

PLEASE NOTE: The survey should be completed by Friday, April 18, 2008.



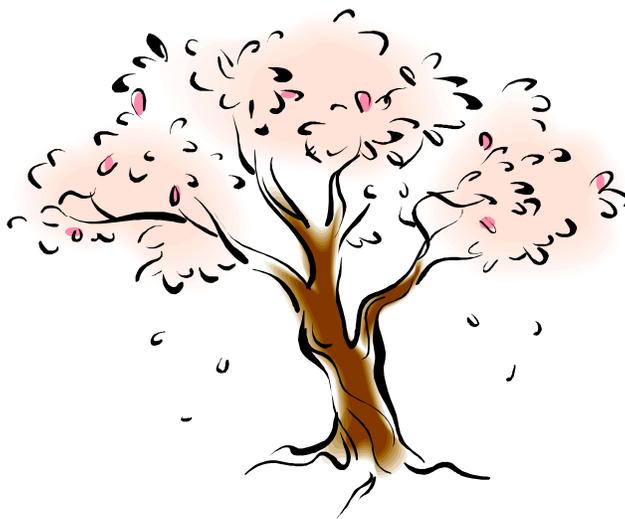
OREGON SHORT TERM FUND EDUCATIONAL VIDEOS

In an effort to provide education relating to Investment Policies, the Oregon Short Term Fund (OSTF) Board is creating an informative video library of presentations which may be accessed through the State Treasurer's website. The first two chapters of this library were recently presented at the Annual OMFOA Spring Conference. The topics, link to the videos and PowerPoint presentations are below:

- **Benchmarking for Public Fund Investment Guidance and Performance – BEST PRACTICES “Safety, Liquidity and Return”**
By Deanne Woodring, Davidson Fixed Income Management
- **Oregon Short Term Fund – A High Level Overview**
By Linda Haglund and Perrin Lim, Office of the State Treasurer

These presentations are available on our website, click on the link below to view:

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



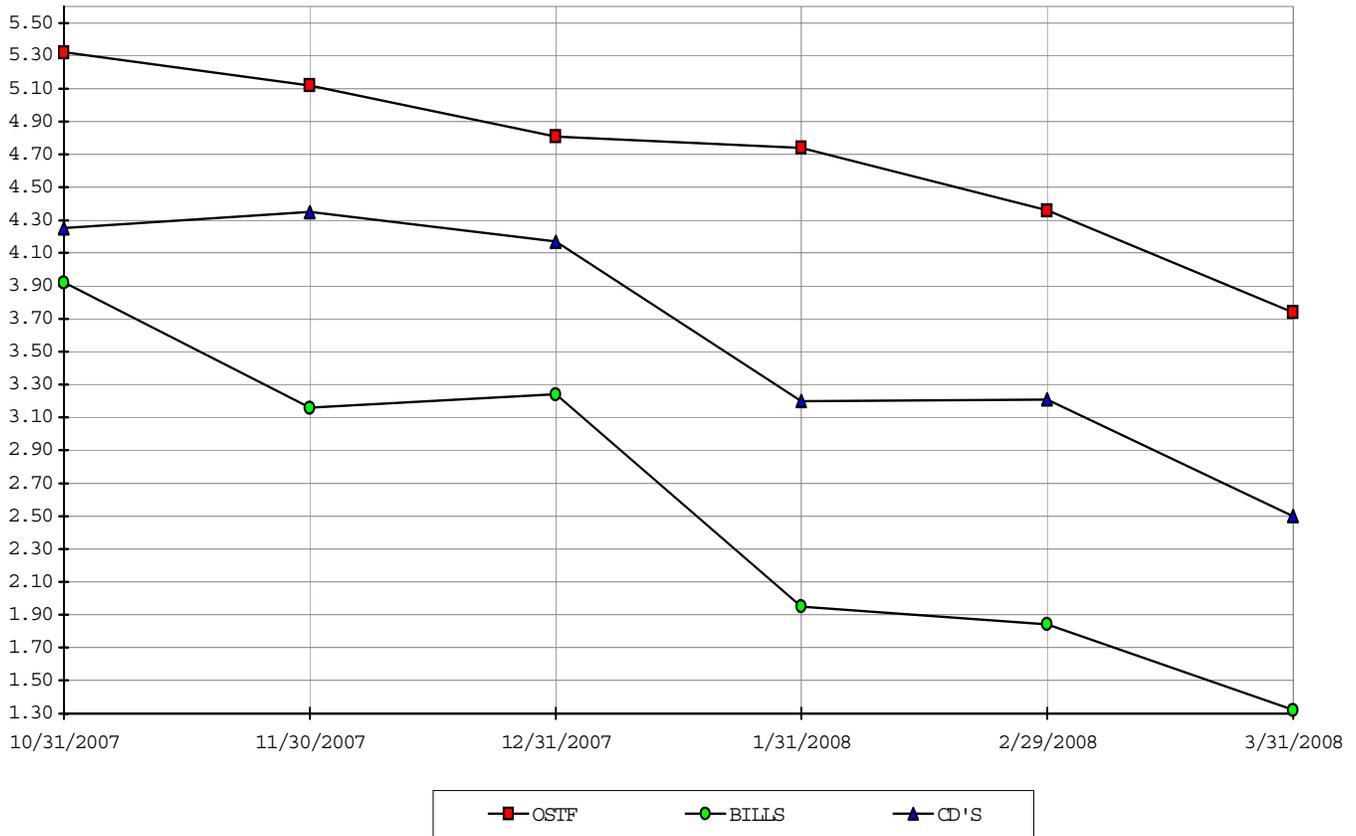
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Local Government News List: <http://www.webhost.osl.state.or.us/mailman/listinfo/local-gov-news>

OREGON SHORT-TERM FUND ANALYSIS



Oregon Short-Term Fund Analysis as of March 31, 2008

	10/31/2007	11/30/2007	12/31/2007	1/31/2008	2/29/2008	3/31/2008
LGIP AV DOLLARS INVESTED (MM)	3,828	5,150	5,395	5,199	5,167	5,117
STATE AGENCY AV DOLLARS INVESTED (MM)	6,811	6,554	5,842	5,558	6,228	6,243
TOTAL OSTF AV DOLLARS INVESTED (MM)	10,639	11,704	11,237	10,757	11,394	11,360
OST ANNUAL YIELD (ACT/ACT)	5.32	5.12	4.81	4.74	4.36	3.74
3-MO UST BILLS (BONDEQ YLD)	3.92	3.16	3.24	1.95	1.84	1.32
3-MO JUMBO CDS (ACT/360)	4.25	4.35	4.17	3.20	3.21	2.50

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.