



**STATE OF OREGON**  
**OFFICE OF THE STATE TREASURER**  
350 WINTER STREET NE, SUITE 100  
SALEM, OREGON 97301-3896

JOINT OREGON INVESTMENT COUNCIL/PUBLIC EMPLOYEES RETIREMENT BOARD  
JANUARY 27, 2010  
MEETING MINUTES

OIC Members Present: Paul Cleary, Harry Demorest, Katy Durant, Keith Larson, Dick Solomon

OIC Member Absent: Ben Westlund

PERS Board Members Present: James Dalton, Tom Grimsley, Eva Kripalani, Mike Pittman, Laurie Warner (Board Member Elect)

PERS Board Members Absent: Brenda Rocklin

Staff Present: Josh Balloch, Andrea Belz, Darren Bond, Tony Breault, Brad Child, Garrett Cudahey, Jay Fewel, Andy Hayes, John Hershey, Julie Jackson, Robert Johnson, Perrin Lim, Tom Lofton, Ben Mahon, Mike Mueller, Kevin Nordhill, Jo Recht, Ron Schmitz, James Sinks, Michael Viteri

Consultants Present: Allan Emkin, John Linder and Mike Moy (PCA), Mike Beasley and John Meier (SIS), Matt Larrabee and Scott Preppernau (Mercer)

Legal Counsel Present: Keith Kutler, Oregon Department of Justice  
Deena Bothello, Oregon Department of Justice

The Joint OIC/PERS Board meeting was called to order at 12:02 pm by Harry Demorest, OIC Chair.

Mike Beasley and John Meier from SIS, and Matt Larrabee from Mercer gave an overview of the current state of the Oregon Public Employees Retirement Fund, including liability highlights, objectives, integrating asset and liability forecasts, and capital market assumptions.

There followed a discussion among the two Boards regarding the balance of short term concerns (funded status, contribution rate volatility) and long term concerns (maximizing return, long term cost reduction). Agreement was reached on paying particular attention to:

- Inflation risk
- Downside tail risk
- Matching the portfolio to the varying Tier I, Tier II and OPSRP liabilities
- Increasing cash flow requirements

The timeline from here is dependent on getting updated data from Mercer. But the initial output from the SIS efforts should be ready for review by May. Follow up work may be needed after that, but project completion is anticipated by June.

The meeting adjourned at 2:10 pm.