OREGON SHORT TERM FUND
BOARD MEETING
Minutes
June 23, 2008

Location:	Columbia Conference Room Office of the State Treasurer 350 Winter Street NE, Suite 100 Salem, Oregon 97301
OSTF Board Members Present:	Harvey Rogers, K&L Gates Linda Haglund, Office of the State Treasurer Michelle Hawkins, Linn County Treasurer Deanne Woodring, Davidson Fixed Income Management Gary Wallis, City of Wilsonville Wayne Lowry, Sherwood School District
OST Staff Present:	Darren Bond, Director of Finance Perrin Lim, Sr. Fixed Income Investment Officer Ellen Hanby, Fixed Income Investment Officer Judy Whaley-Fultz, Assistant Director of Cash Management Heidi Rawe, Executive Support Specialist
Others (via teleconference):	Gary Cadle, Jackson County Marne Anderson, City of Salem Sandra Montoya, City of Salem Suzanne Linnen, City of Hillsboro Michelle Waring, City of Hillsboro

i. Opening Remarks

The Oregon Short Term Fund (OSTF) Board meeting commenced following Harvey Rogers' introduction.

ii. Welcome new Board Member

The board welcomed Wayne Lowry as the newest board member. Wayne shared a brief insight of his career history.

iii. Review and Approval of Minutes

Minutes taken at the March 13, 2007, June 4, 2007 and May 27, 2008 OSTF Board meetings were reviewed by the board. Michelle Hawkins moved approval of the minutes; the motion was seconded by Gary Wallis and passed unanimously by the board.

iv. OSTF Investment Policy Review – City of Salem

The City of Salem's Investment Policy was presented to the board by Ellen Hanby. Staff felt it to be a good sound policy.

Comments by Board members were:

- Good policy, well thought out.

Comments by the City were:

- The City would like to make the following changes to **Section VI, Investment Parameters #3**:
  - Change maximum maturity of US Government Agency Securities and instrumentalities Government Sponsored Corporations to three years.
  - Change maximum maturity Time Deposit Accounts (CD's) Savings Accounts to two years.

The City of Salem expressed their thanks to Ellen Hanby for her assistance and commented that it was a very smooth process.

v. OSTF Investment Policy Review - City of Hillsboro

Ellen Hanby presented City of Hillsboro's Investment policy to the board. Deanne Woodring removed herself from the conversation, since she serves as the Investment Officer to City of Hillsboro.

Comments by the Board members included:

- Good policy well thought out.
- **Section V, Authorized and Suitable Investments, 5.2 Suitable Investments:** If a security rating is changed to a level that is less that the minimum standard, evaluation should be performed to make the decision whether to hold or sell.
- **Section V, Authorized and Suitable Investments, 5.3 Collateralization:** Collateral language should be changed to reflect recent statutory changes effective July 1, 2008.
- **Section VII, Reporting Requirements, 7.1 Specific Requirements:** A compliance report including ratings diversification should be provided to the governing body.

The City of Hillsboro thanked Ellen Hanby and Deanne Woodring, stating that their help had made the process very smooth.

vi. OSTF Investment Policy Review – Jackson County

Jackson County's Investment Policy was presented by Ellen Hanby to the Board.

Comments by Board members were:

- Good policy, well thought out.
- The longer portfolio would benefit from a selected benchmark that correlates to the structure of the longer investments of the County for measurement purposes.

Jackson County expressed it's appreciation to Ellen Hanby and the board members for their assistance and valuable suggestions.

vii. LGIP Survey Results

Results of the recent LGIP Survey were shared with board members. Darren Bond led a discussion based on these results and encouraged the board to use the suggestions mentioned for future educational opportunities. All agreed that the two topics that stood out most as being of interest to those who had completed the survey included the following:

- Safekeeping and Custody
- Suitable and Authorized Investments

viii. Upcoming OACTFO Conference/OSTF Board Meeting

Using information from the recent survey, a discussion took place regarding topics that should be presented at the September 2008 OACTFO Conference, in Salem. It was decided that several board members would present a panel discussion together, asking for participation and feedback from the conference attendees, focusing on the topic of "*Suitable and Authorized Investments"*. Deanne Woodring will confirm this with Laurie Steele, the President of OACTFO.

ix. Harvey Rogers closing comments

After serving for over twenty years on the Oregon Short-Term Fund Board, Harvey Rogers's term had finally come to an end and this was the last board meeting he would attend. He closed the meeting with a few encouraging words for the board and "thanked them for the fun".

The Oregon Short-Term Fund board meeting adjourned at 3:20pm.

Respectfully submitted,

Heidi C. Rawe
Executive Support Specialist