



**OREGON SHORT TERM FUND  
BOARD MEETING  
Thursday, January 9, 2014**

**OSTF Location:** Orrick, Herrington & Sutcliffe, LLP  
1120 NW Couch Street, Suite 200  
Portland, Oregon

**Board Attendees:** Douglas Goe  
Darren Bond  
Laurie Steele (via phone)  
Michael Schofield (10:38 am)  
Pat Clancy  
Deanne Woodring  
Stewart Taylor (via phone)

**Attendees (Staff):** Perrin Lim  
Tom Lofton  
Garrett Cudahey  
Norma Harvey (via phone)  
Heidi Rawe  
Michael Cutler (via phone)

- i. Opening Remarks – Douglas Goe**

Douglas Goe welcomed all to the Oregon Short Term Fund (OSTF) Board meeting and roll was taken. Mr. Goe announced that Stewart Taylor's term of service on the OSTF Board expires on April 9, 2014. He expressed his appreciation to Mr. Taylor for the service he has given during the past four years to the Board.
- ii. Review and Approval of Meeting Minutes**
  - a. October 10, 2013**

MOTION: Pat Clancy moved approval of the October 10, 2013 OSTF Board Meeting Minutes, the motion was seconded by Deanne Woodring, and passed by the Board. Mr. Taylor abstained from voting since he was not in attendance during the last meeting.

**iii. OSTFB Sample Policy Revisions – Garrett Cudahey**

Garrett Cudahey presented the Revised OSTF Sample Policy to the Board. Discussion followed and each proposed revision was reviewed. Members of the Board offered comments, corrections and suggestions for improvement. Mr. Cudahey agreed to update the revised sample policy with the Board’s suggestions and email the updated version to the Board prior to the next OSTF Board meeting.

**iv. Staff Updates**

Mr. Cudahey discussed the progress with the possible addition and implementation of Repurchase Agreements in the portfolio. He reviewed his work with State Street Bank to set up delivery vs payment for deliverable repo and his efforts in setting up the infrastructure.

The new US Treasury Floating Rate Notes were reviewed as a new investment instrument for the OSTF. It was noted that the US Treasury FRNs will be beneficial from a Weighted Average Maturity perspective due to the fact that they pay slightly higher than Treasury Bills.

Perrin Lim reported that the OSTF is modestly constraining Securities Lending by tightening constraints, given overvalued positions in the markets and concerns from the Oregon Investment Council. He noted that the guidelines of allowed purchases will be constrained.

**v. Market & Economic Update - Garrett Cudahey/Perrin Lim**

Garrett Cudahey and Perrin Lim presented the OSTF Portfolio update. US Government Rates and credit spreads were discussed and the current difficult investment environment was reviewed.

<b>December 31, 2013</b>	
Net Asset Value	\$13,875,909,289.99
Unit Value	1.0030212
Weighted Average Credit Quality	AA
Book Yield	0.57%
Weighted Average Days to Maturity	235.78
Rate Paid to Participants	0.540%

Mr. Lim distributed a five-year history of the OSTF par value, broken down by local governments and State agencies. He noted that the OSTF closed the year at an all-time high.

**vi. Market Participant Perspective – Deanne Woodring**

Ms. Woodring noted that the Oregon Municipal Finance Officers Association (OMFOA) have requested that the April 10<sup>th</sup> OSTF Board Meeting be held during their Spring Conference in Sunriver, Oregon. Mr. Lofton was encouraged to inform any local governments with policies up for review that the meeting will be held in Sunriver.

Ms. Woodring noted that she would be attending the Government Finance Officers Association (GFOA) winter meeting in January 2014 and will report back to the Board and Staff any best practices emerging from that meeting.

**vii. Closing Remarks/Other Items of Business**

- a. The next OSTF Board meeting is scheduled for April 10, 2014 at 1:30 pm in Sunriver, Oregon.
- b. The meeting adjourned at 11:19 am.

Respectfully Submitted by,

Norma Harvey  
Investment Analyst

Heidi C. Rawe  
Executive Assistant to the Deputy State Treasurer