



**OREGON
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State of Oregon

Office of the State Treasurer

16290 SW Upper Boones Ferry Road
Tigard, Oregon 97224

OREGON SHORT TERM FUND

January 9, 2020

Meeting Minutes

Members Present:	Douglas Goe, Laurie Steele, Michael Kaplan, Deanne Woodring, Danton Wagner, Michelle Morrison, Sharon Wojda via telephone
Staff Present:	Perrin Lim, Angela Schaffers, Karl Cheng, Kristel Flores, Tom Lofton, Will Hampson, Jeremy Knowles, Bolivar Cardenas, Geoff Nolan, John Hershey, David Randall, Kristi Jenkins, Scott Robertson, Jen Plett
Other Attendees Present:	Angela Tomasco via telephone (City of Happy Valley); Mark Dunmire via telephone (McMinnville Water & Light)

The January 9, 2020 OSTF meeting was called to order at 10:00 am by Douglas Goe, OSTF Chair.

I. Opening Remarks

Douglas Goe welcomed all to the Oregon Short Term Fund Board (the “Board”) meeting and roll was taken. Mr. Goe introduced and welcomed to the Board the newest OSTF Board Member, Michelle Morrison, Chief Financial Officer of the Hillsboro School District.

II. Review and Approval of Minutes

MOTION: Mr. Goe asked for a motion to approve the October 10, 2019 OSTF meeting minutes. Ms. Woodring moved the motion which received a second from Mr. Kaplan. The Board approved the minutes unanimously.

III. LGP/OSTF Investment Policy Review

City of Happy Valley

The City of Happy Valley investment policy was submitted by Angela Tomasco, Senior Accountant and introduced by Angela Schaffers. The City of Happy Valley is revising their current investment policy, which was adopted by the City in 2006. The City has plans to manage between \$10M to \$30M under this policy and anticipates using an investment advisor.

Comments from the Board were:

- Page 1, Section III – The Board recommended to specify those governed by other investment policies or whether they should come within the scope of the policy



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- Page 11, Section IX.3.iv – The Board recommended to have a maximum callable exposure of 35% whereas the City proposes a maximum limit of 40%

Mr. Goe thanked both Ms. Tomasco and Ms. Schaffers for presenting the investment policy to the Board.

McMinnville Water & Light

McMinnville Water & Light was submitted by Mark Dunmire, Finance Director and introduced to the Board by Angela Schaffers. McMinnville Water & Light is revising its current investment policy which was previously reviewed in 2018. The policy includes US Treasury Obligations as permitted investments and addresses the procedure for working with brokers/dealers. It plans to manage between \$35M to \$55M under this policy.

Comments from the Board were:

- Page 5, Section 8.1.2 – The Board recommended to review this section and alter the language to reflect that “participation in the Pool shall not exceed the maximum limit annually set by ORS 294.910, or the exceptions listed therein.”
- Page 6, Section 9.2.2 – The Board recommended to review the maturity constraints table in this section and complete the first line with the shorter term investments by indicating the maturity constraints and the minimum percent of the total portfolio.
- Page 7, Section 11.1 – The Board recommended to not include the yield to maturity (yield to worst if callable) and average weighted yield to maturity (yield to worst if callable investments are allowed) of the portfolio from the quarterly report due to the composition of the profile where no limit for callable is provided

Mr. Goe thanked both Mr. Dunmire and Ms. Schaffers for presenting the investment policy to the Board.

IV. OSTF Market Overview and Portfolio Update

Perrin Lim and Angela Schaffers presented the OSTF Portfolio update. U.S. Government Rates and credit spreads were discussed and the current difficult investment environment was reviewed.

- U.S. Government Rates
- Barclays 1-3 Year Credit Spreads
- OSTF Portfolio Update

November 30, 2019	
Fund NAV	\$25,291,689,357.02
Fund NAV/OSTF Balances (as of 2/28/19)	1.052
Weighted Average Credit Quality	AA-/Aa2/AA
Book Yield	2.20%
Weighted Average Maturity (Days)	208
Duration (Years)	0.56
Spread Duration (Years)	0.86
Rate Paid to Participants	2.25%

- OSTF Sector Breakdown
- OSTF Corporate Industry Breakdown
- OSTF ABS Breakdown
- OSTF Issuer Exposure Breakdown



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- OSTF Country of Risk Breakdown
- OSTF Credit Profile Breakdown
- OSTF Coupon Type Breakdown
- OSTF Rates Comparison
- OSTF Performance

v. Closing Remarks/Other Items of Business

Date of next Board meeting – Thursday, April 9, 2020 at Oregon State Treasury, Tigard, OR.

Mr. Goe adjourned the meeting at 10:34 am.

Respectfully submitted,

Kristel Flores

Kristel Flores
Executive Support Specialist