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# Local Government

## News Report

MARCH 2018

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## PUBLIC FUNDS COLLATERALIZATION PROGRAM REMINDER

All public funds in Oregon must be deposited in compliance with the requirements of [ORS chapter 295](#). Public officials may deposit public funds up to the amount insured by the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA)—currently \$250,000—in any insured financial institution with a head office or branch located in Oregon. Public funds balances that exceed those insurance limits, however, must be held at a depository qualified under Treasury’s Public Funds Collateralization Program (PFCP). Through the PFCP, depositories pledge collateral to secure any public funds deposits in excess of deposit insurance amounts, providing additional protection for public funds in the event of a depository loss or failure. ORS chapter 295 specifies the value of the collateral—as well as the types of collateral that are acceptable—and creates a shared liability structure for participating depositories, minimizing (though not eliminating) the risk of loss of such funds.



A current list of qualified public funds depositories is available at <http://www.oregon.gov/treasury/Divisions/Finance/LocalGov/Pages/Qualified-Depositories.aspx>.

ORS chapter 295 and [OAR 170-040-0050](#) require public entities to annually verify their contact information as well as the list of qualified public funds depositories where the entities’ funds are deposited. Treasury is in the process of sending e-mails to each public entity detailing the information currently on file and asking for a confirmation. If updates are required, the public entity may note those updates in its reply. A response to Treasury’s confirmation request is required by the included due date in order to remain in compliance with state law.

Additional information regarding PFCP requirements, as well as a detailed list of FAQs, can be found at <http://www.oregon.gov/treasury/Divisions/Finance/LocalGov/Pages/Public%20Funds%20Requirements.aspx>.

For further information, contact PFCP staff at (503) 378-3400 or [public.funds@ost.state.or.us](mailto:public.funds@ost.state.or.us).



### HOLIDAY

No holiday in March

### INTEREST RATE

Average Annualized Yield

February  
**1.85 percent**

Interest Rate

February 1–28  
**1.85 percent**

## MUNICIPAL CONTINUING DISCLOSURE REQUIREMENT

If your jurisdiction has municipal bonds still outstanding, the respective Continuing Disclosure Certificate (CDC) may require annual financial and material event disclosure filings to investors.

Required continuing disclosure filings are submitted to a web-based central repository system called Electronic Municipal Market Access (EMMA), [www.emma.msrb.org](http://www.emma.msrb.org). The Municipal Securities Rulemaking Board (MSRB) developed this centralized system to assure that all investors have public access to accurate and timely information related to their bonds. Fulfilling continuing disclosure requirements also protects local government Issuers relative to Securities and Exchange Commission (SEC) action following the Municipalities Continuing Disclosure Cooperation (MCDC) Orders.

The MSRB, Treasury, and Municipal Debt Advisory Commission (MDAC) strongly recommend that local governments establish procedures to ensure the completion of required processes and, where applicable, to become familiar with the Financial Filing, Timing, and Material Events sections of their Continuing Disclosure Certificate. *As a reminder, March 27 is often the annual financial filing deadline, per typical language in the CDC: "...shall be provided on or before nine months after the end of the Issuer's fiscal year..."*. MSRB/EMMA offers a service allowing state and local issuers, borrowers, and others to schedule automated e-mails to remind them of filing deadlines.

Additional important information is available through the following resources:

[www.msrb.org/msrb1/pdfs/Financial-Disclosure-Email-Reminders-Fact-Sheet.pdf](http://www.msrb.org/msrb1/pdfs/Financial-Disclosure-Email-Reminders-Fact-Sheet.pdf)

[www.msrb.org/msrb1/pdfs/Issuer-Guide-to-Making-Financial-Disclosures.pdf](http://www.msrb.org/msrb1/pdfs/Issuer-Guide-to-Making-Financial-Disclosures.pdf)

[www.msrb.org/Market-Transparency/Continuing-Disclosure.aspx](http://www.msrb.org/Market-Transparency/Continuing-Disclosure.aspx)

[www.msrb.org/msrb1/Training-Tutorials.aspx?section=1&video=0](http://www.msrb.org/msrb1/Training-Tutorials.aspx?section=1&video=0)

[www.gfoa.org/post-issuance-policies-and-procedures](http://www.gfoa.org/post-issuance-policies-and-procedures)

[www.msrb.org/Market-Topics/Disclosure.aspx](http://www.msrb.org/Market-Topics/Disclosure.aspx)

[www.msrb.org/msrb1/pdfs/MSRB-Principles-Disclosure.pdf](http://www.msrb.org/msrb1/pdfs/MSRB-Principles-Disclosure.pdf)

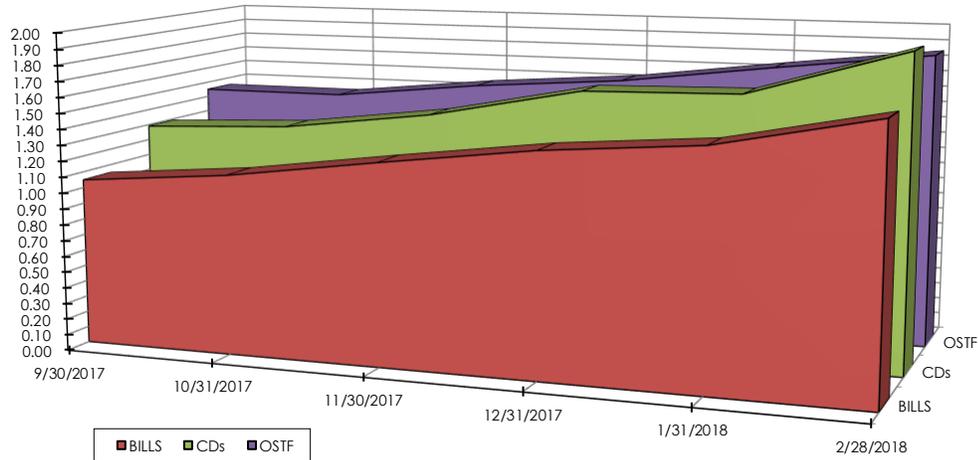
## LOCAL DEBT VERIFICATION COMPLIANCE WITH ORS 287A.640

Every two years, Treasury's Debt Management Division—on behalf of the Municipal Debt Advisory Commission—performs a verification of outstanding local debt. This effort is aimed at assisting issuers with their continued compliance with the debt reporting requirement under ORS 287A.640. This task is important because reports are produced for the legislature, which often makes decisions based on this data, and the verification assists local governments in their disclosure and financial reporting responsibilities.

This verification includes updating your contact information, debt repayment schedules, and any new outstanding debt. Treasury mailed debt verification reports to local government issuers on January 4 and they were due back by January 26. If you have not yet responded to this verification request, please do so as soon as possible by writing directly on the hard copy mailed to you and then scanning and e-mailing it to [DMD@ost.state.or.us](mailto:DMD@ost.state.or.us), faxing it to (503) 378-2237, or sending your documents via mail to Oregon State Treasury, Debt Management Division, 350 Winter St. NE, Suite 100, Salem, OR 97301.

If you are a local government issuer but did not receive a verification request, or need a replacement copy, please e-mail us at the above address. We will work with you directly to make sure your contact information is current and that the outstanding debt reported is correct.

## OREGON SHORT TERM FUND ANALYSIS AS OF 2-28-18



	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018
LGIP AV DOLLARS INVESTED (MM)	6,605	6,255	8,926	9,100	8,509	8,257
STATE AGENCY AV DOLLARS INVESTED (MM)	9,077	10,898	10,526	10,418	10,589	10,451
TOTAL OSTF AV DOLLARS INVESTED (MM)	15,682	17,153	19,452	19,518	19,098	18,708
OST ANNUAL YIELD (ACT/ACT)	1.45	1.45	1.55	1.62	1.74	1.85
3-MO UST BILLS (BOND EQ YLD)	1.05	1.13	1.26	1.38	1.46	1.66
3-MO US CD (ACT/360)*	1.29	1.33	1.45	1.64	1.66	1.95

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 month end. 3-MO US CD rates are obtained from Bloomberg and represent a composite of broker dealer quotes on highly rated (A1+/P1/F1+ from Standard & Poor's Ratings Services, Moody's Investors Service and Fitch Ratings respectively) bank certificates of deposit and are quoted on a CD equivalent yield basis.

This material is available in alternative format and media upon request.

## MARKET DATA TABLE

	2/28/2018	1 Month	3 Months	12 Months		2/28/2018	1 Month	3 Months	12 Months
7-Day Agency Discount Note**	1.25	1.22	1.02	0.41	Bloomberg Barclays 1-3 Year Corporate YTW*	2.77	2.51	2.20	1.82
30-Day Agy Nt Disc**	1.42	1.27	1.12	0.45	Bloomberg Barclays 1-3 Year Corporate OAS*	0.50	0.40	0.43	0.62
90-Day Agy Nt Disc**	1.64	1.40	1.25	0.52	Bloomberg Barclays 1-3 Year Corporate Modified Duration*	1.91	1.90	1.92	1.89
180-Day Agy Nt Disc**	1.73	1.51	1.35	0.62					
360-Day Agy Nt Disc**	1.98	1.81	1.44	0.80	7-Day Muni VRDN Yield**	1.09	1.16	0.96	0.64
					O/N GGC Repo Yield**	1.43	1.31	0.90	0.51
30-Day Treasury Bill**	1.46	1.29	1.12	0.43					
60-Day Treasury Bill**	1.52	1.31	1.16	0.46	US 1 Year Inflation Break-Even**	2.39	2.13	0.57	2.39
90-Day Treasury Bill**	1.61	1.38	1.21	0.49	US 2 Year Inflation Break-Even**	2.09	1.90	1.33	2.09
6-Month Treasury Yield**	1.85	1.63	1.45	0.68	US 3 Year Inflation Break-Even**	2.03	1.91	1.54	2.04
1-Year Treasury Yield**	2.06	1.78	1.60	0.78					
2-Year Treasury Yield**	2.25	2.12	1.75	1.20	1-Day CP (A1/P1)**	1.46	1.44	1.18	0.67
3-Year Treasury Yield**	2.41	2.25	1.84	1.45	7-Day CP (A1/P1)**	1.49	1.46	1.21	0.68
					30-Day CP (A1/P1)**	1.61	1.53	1.29	0.74
1-Month LIBOR**	1.67	1.57	1.35	0.78					
3-Month LIBOR**	2.02	1.77	1.48	1.05	30-Day CD (A1/P1)**	1.62	1.56	1.28	0.73
6-Month LIBOR**	2.22	1.97	1.66	1.36	90-Day CD (A1/P1)**	1.95	1.76	1.46	0.97
12-Month LIBOR**	2.50	2.26	1.94	1.74	6-Month CD (A1/P1)**	2.17	1.90	1.62	1.24
Sources: *Bloomberg Index Services, **Bloomberg					1-Year CD (A1/P1)**	2.41	2.10	1.84	1.52

## CONTACT INFORMATION

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### Local-Gov-News Mailing List

[listsmart.osl.state.or.us/  
mailman/listinfo/local-gov-news](http://listsmart.osl.state.or.us/mailman/listinfo/local-gov-news)

### Local Government Investment Pool

[www.oregon.gov/lqip](http://www.oregon.gov/lqip)

### PFM Client Services

(855) OST-LGIP  
[csgwestregion@pfm.com](mailto:csgwestregion@pfm.com)

- EON Access
- Transactions
- Reporting
- Account/User Maintenance
- Eligibility

### Treasury

(800) 452-0345

[lgip@ost.state.or.us](mailto:lgip@ost.state.or.us)

- Investment Management
- Statutory Requirements
- Service Provider Issues
- General Program Inquiries

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[www.oregon.gov/treasury](http://www.oregon.gov/treasury)