



**OREGON  
STATE  
TREASURY**



# Inside the Vault

**Local Government Edition**



## LGIP Investor Meeting

Our state relies on strong financial leadership to ensure Oregonians enjoy our envied quality of life. Whether you work at a school, a community college, a public safety provider, or a special district, you make sure the bills are paid—and help make Oregon a better place, for all of us.

The Oregon State Treasury is your financial partner, and one of the most important things we provide for Oregon public entities is access to the high-quality Oregon Short Term Fund (OSTF) through the Local Government Investment Pool (LGIP). We also provide important debt management services and protect public funds through the Public Funds Collateralization Program.

I am proud of the many ways Treasury serves the financial needs of every Oregon local government and special district.

My goals as State Treasurer can be summed up in three priorities: We will facilitate long-term thinking and investments; we will help Oregonians to invest in themselves and their loved ones; and we will do business the right way.

As part of doing business the right way, I am pleased to announce that we continue to ramp up our efforts to communicate effectively with our business partners and the public.

*(Continued on page 2)*

## Upcoming Holiday

The pool will be closed on Thursday, July 4, for Independence Day. EON will be available but the system will not allow transactions to settle on the holiday.

## Interest Rates

|                          |       |
|--------------------------|-------|
| Average Annualized Yield |       |
| May                      | 2.75% |

|                |       |
|----------------|-------|
| Interest Rates |       |
| May 1–31       | 2.75% |

*(Continued from page 1)*

We are here to serve Oregon and to help you achieve your financial goals.

A year ago, we hosted our first-ever LGIP Investor Meeting, which gave local government leaders an opportunity to learn more about the Local Government Investment Pool and how it is invested and managed on your behalf, and by whom. The meeting was filled to capacity. Based on that demand, we will host a second annual meeting this year and continue our conversation with the goal of better equipping you to be a strong financial resource to your respective public employers.

The one-day seminar will again be free for you to attend and will include lunch. It will be held in Tigard on Thursday, August 29, with the specific location to be announced. The agenda will include a discussion about the outlook for financial markets, how the OSTF portfolio is structured and managed, and other timely topics.

Also, we realize that not everybody can come to this event and we are exploring ways for us to better connect with our customers across the state.

You can reserve your spot by [registering online](#). If you have questions regarding the event, feel free to contact Angela Schaffers, in our investment division, at [angela.schaffers@ost.state.or.us](mailto:angela.schaffers@ost.state.or.us).

I look forward to seeing you at the second annual LGIP Investor Meeting. Thank you for your leadership in your community, and for our positive partnership. Every Oregonian is benefitting from your efforts to enhance the state's financial health and the shared quality of life for all of us.

*Tobias Read*

State Treasurer

## MSRB® EMMA Dataport

Do you use EMMA Dataport to submit continuing disclosures for public display on the [Electronic Municipal Market Access \(EMMA®\) website](#)? Enhancements are coming later this summer to simplify the disclosure submission process, including:

- ▲ A guided submission process with a question-and-answer wizard format and integrated help and resources;
- ▲ Seamless navigation between EMMA Dataport and all the features on the EMMA website; and
- ▲ Exportable reports of continuing disclosure submission history.

**[Register now to join the MSRB for a webinar to explore the enhancements to EMMA Dataport on Thursday, August 8, 2019 at 3:00 p.m. Eastern.](#)**

These enhancements are based on focus groups, survey feedback and other input from issuers that have informed the Municipal Securities Rulemaking Board's (MSRB) [three-phase initiative focusing on the EMMA user experience for issuers](#).

Updated submission manuals and educational resources will be made available on MSRB.org and distributed by email in connection with the changes. If you have any questions, please contact MSRB Support at 202.838.1330 or [MSRBsupport@msrb.org](mailto:MSRBsupport@msrb.org).

## LGIP: Words to Know

With the transition to PFM and EON last year, here are some key terms to know:

**EON** is PFM's proprietary web-based system to view accounts and perform transactions.

**Contacts** are people who need access (by phone, in writing, and/or through EON) to pool accounts or pool statements. Contacts may include both staff within your organization and people outside of your organization (such as staff at other local governments who manage funds on behalf of your organization, debt service paying agents, or certain state agencies). Contacts must be registered using the LGIP Contact Registration form and be granted permissions using the LGIP Permissions form. Until permissions are granted, a Contact has *no* access or abilities.

**Purchases** or deposits are all credits to a pool account, including those initiated by an account's owner and its authorized agents, those initiated by another pool participant and its authorized agents, those initiated by approved third-party entities (*e.g.*, state agencies), and those initiated by Treasury and its authorized agents (*e.g.*, dividends).

**Redemptions** or withdrawals are all debits from a pool account, including those initiated by an account's owner and its authorized agents, and those initiated by Treasury and its authorized agents (*e.g.*, fees).

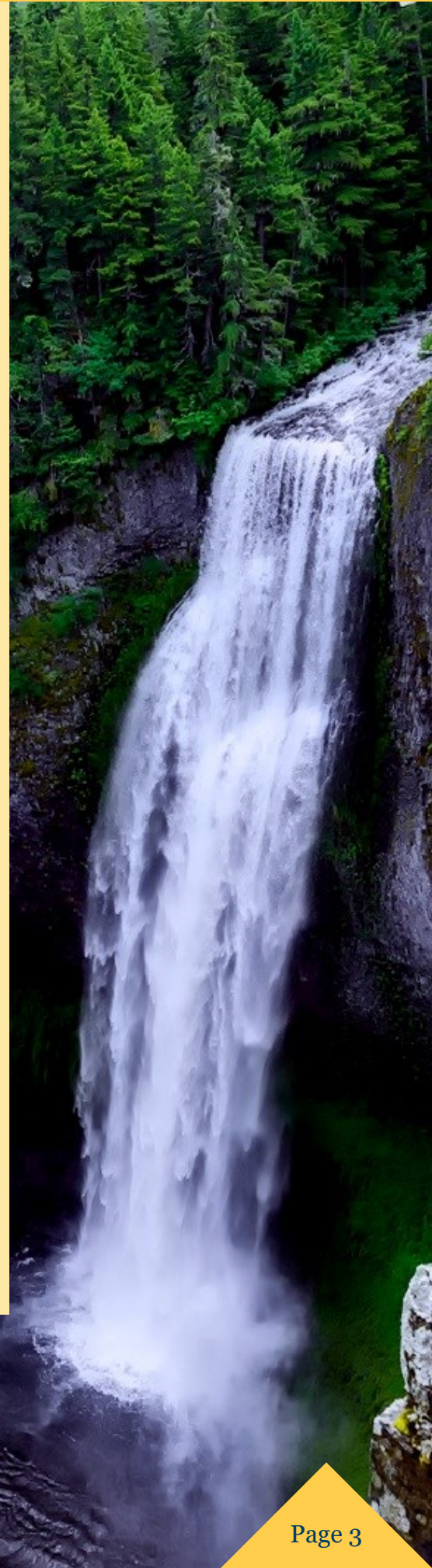
**Transfers** are transfers between pool accounts owned by the *same* participant.

**Participant to Participant Transfers (P2P)** are transfers between pool accounts owned by *different* participants.

**Debt Payments** are redemptions or withdrawals *from* a pool account to a debt service paying agent via ACH and/or wire.

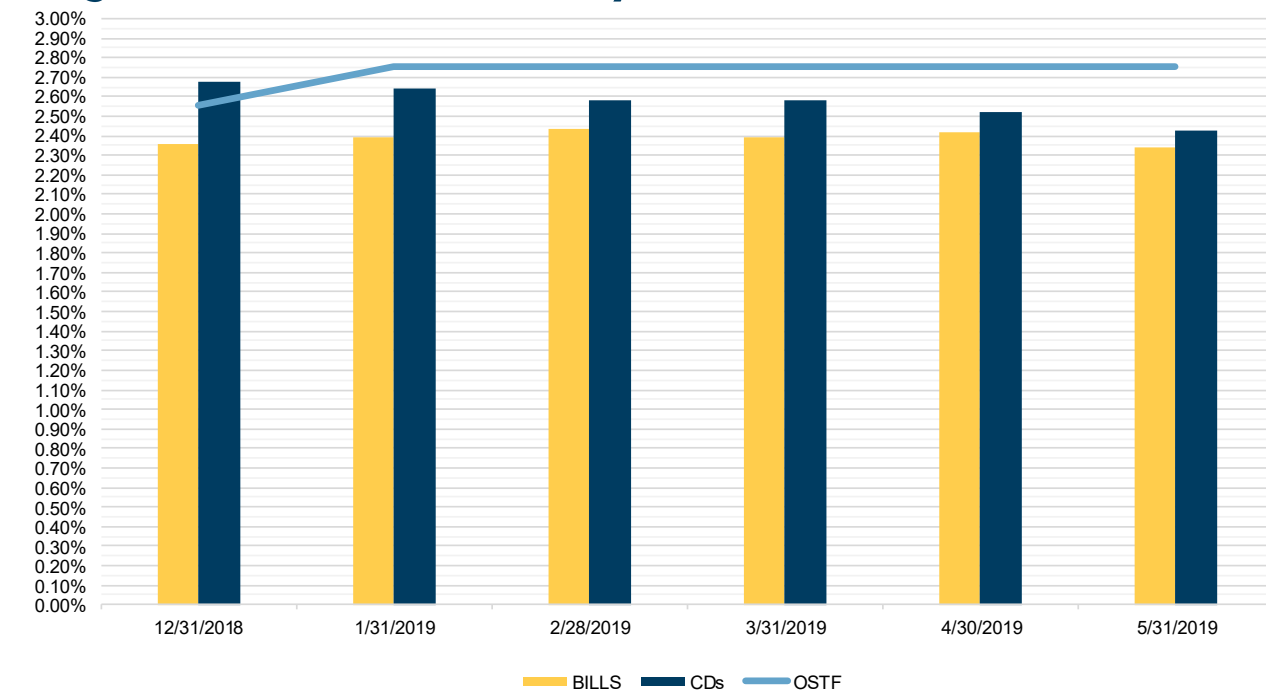
**State Payments** are redemptions or withdrawals *from* a pool account to a state agency via ACH.

**Dividends** represent interest paid on a pool account.





## Oregon Short Term Fund Analysis



|                                       | 12/31/2018 | 1/31/2019 | 2/28/2019 | 3/31/2019 | 4/30/2019 | 5/31/2019 |
|---------------------------------------|------------|-----------|-----------|-----------|-----------|-----------|
| LGIP AV DOLLARS INVESTED (MM)         | 10,030     | 9,236     | 9,016     | 8,969     | 8,902     | 9,001     |
| STATE AGENCY AV DOLLARS INVESTED (MM) | 10,903     | 10,844    | 10,922    | 10,833    | 12,229    | 12,782    |
| TOTAL OSTF AV DOLLARS INVESTED (MM)   | 20,933     | 20,080    | 19,938    | 19,802    | 21,131    | 21,783    |
| OST ANNUAL YIELD (ACT/ACT)            | 2.56       | 2.75      | 2.75      | 2.75      | 2.75      | 2.75      |
| 3-MO UST BILLS (BOND EQ YLD)          | 2.36       | 2.39      | 2.44      | 2.39      | 2.42      | 2.34      |
| 3-MO US CD (ACT/360)*                 | 2.68       | 2.64      | 2.58      | 2.58      | 2.52      | 2.43      |

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

|   | 5/31/2019 | 1 Month | 3 Months | 12 Months |  | 5/31/2019 | 1 Month | 3 Months | 12 Months |
|---|-----------|---------|----------|-----------|--|-----------|---------|----------|-----------|
| 7-Day Agency Discount Note**                    | 2.26      | 2.34    | 2.34     | 1.59      | Bloomberg Barclays 1-3 Year Corporate YTW *              | 2.54      | 2.78    | 3.02     | 2.95      |
| 30-Day Agency Note Discount**                   | 2.29      | 2.37    | 2.36     | 1.73      | Bloomberg Barclays 1-3 Year Corporate OAS*               | 0.64      | 0.54    | 0.57     | 0.59      |
| 90-Day Agency Note Discount**                   | 2.31      | 2.40    | 2.39     | 1.89      | Bloomberg Barclays 1-3 Year Corporate Modified Duration* | 1.88      | 1.92    | 1.88     | 1.96      |
| 180-Day Agency Note Discount**                  | 2.25      | 2.36    | 2.42     | 1.95      |  |           |         |          |           |
| 360-Day Agency Note Discount**                  | 2.14      | 2.31    | 2.41     | 2.21      | 7-Day Muni VRDN Yield**                                  | 1.42      | 2.12    | 1.74     | 1.06      |
|   |           |         |          |           | O/N GGC Repo Yield**                                     | 2.53      | 2.60    | 2.68     | 1.79      |
| 30-Day Treasury Bill**                          | 2.28      | 2.34    | 2.33     | 1.72      |  |           |         |          |           |
| 60-Day Treasury Bill**                          | 2.30      | 2.36    | 2.38     | 1.79      | US 1 Year Inflation Break-Even**                         | 1.21      | 1.71    | 2.91     | 1.64      |
| 90-Day Treasury Bill**                          | 2.30      | 2.37    | 2.39     | 1.86      | US 2 Year Inflation Break-Even**                         | 1.31      | 1.74    | 1.74     | 1.82      |
| 6-Month Treasury Yield**                        | 2.35      | 2.44    | 2.50     | 2.07      | US 3 Year Inflation Break-Even**                         | 1.45      | 1.77    | 1.79     | 1.91      |
| 1-Year Treasury Yield**                         | 2.21      | 2.38    | 2.54     | 2.21      |  |           |         |          |           |
| 2-Year Treasury Yield**                         | 1.92      | 2.31    | 2.52     | 2.41      | 1-Day CP (A1/P1)**                                       | 2.35      | 2.40    | 2.36     | 1.74      |
| 3-Year Treasury Yield**                         | 1.88      | 2.28    | 2.50     | 2.53      | 7-Day CP (A1/P1)**                                       | 2.37      | 2.41    | 2.42     | 1.78      |
|   |           |         |          |           | 30-Day CP (A1/P1)**                                      | 2.42      | 2.46    | 2.44     | 1.92      |
| 1-Month LIBOR**                                 | 2.43      | 2.48    | 2.49     | 1.98      |  |           |         |          |           |
| 3-Month LIBOR**                                 | 2.50      | 2.58    | 2.62     | 2.30      | 30-Day CD (A1/P1)**                                      | 2.44      | 2.49    | 2.47     | 1.88      |
| 6-Month LIBOR**                                 | 2.52      | 2.61    | 2.69     | 2.47      | 90-Day CD (A1/P1)**                                      | 2.51      | 2.56    | 2.58     | 2.20      |
| 12-Month LIBOR**                                | 2.51      | 2.71    | 2.86     | 2.70      | 6-Month CD (A1/P1)**                                     | 2.51      | 2.59    | 2.66     | 2.41      |
| Sources: *Bloomberg Index Services, **Bloomberg |           |         |          |           | 1-Year CD (A1/P1)**                                      | 2.58      | 2.69    | 2.77     | 2.66      |

**Director of Finance**

Cora Parker  
503.378.4633

**Deputy Director of Finance**

Mike Auman  
503.378.2752

**Newsletter Questions**

Kari McCaw  
503.378.4633

Bryan Cruz González  
503.378.3496

**Local-Gov-News Mailing List**

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

**Local Government Investment Pool**

[oregon.gov/lgip](http://oregon.gov/lgip)

**PFM Client Services**

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

- ▲ EON Access
- ▲ Transactions
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**Treasury**

800.452.0345  
[lgip@ost.state.or.us](mailto:lgip@ost.state.or.us)

- ▲ Investment Management
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**Oregon Short Term Fund Staff**

503.431.7900



**OREGON STATE TREASURY**

350 Winter Street NE, Suite 100 ►► Salem, OR 97301-3896  
[oregon.gov/treasury](http://oregon.gov/treasury)