

**MINUTES OF THE  
STATE DEBT POLICY ADVISORY COMMISSION  
MEETING OF JANUARY 20, 2009  
STATE CAPITOL, ROOM 167A  
SALEM, OR 97301**

**Members Present:** Treasurer Ben Westlund, Chair  
Representative Phil Barnhart  
Kris Kautz, Ex Officio Member  
Senator Rick Metsger

**Members Absent:** Wes Lawrence, Public Member

**Staff Present:** Laura Lockwood-McCall  
Lee Anaya

**Attendees Present:** Jack Kenny, DAS  
Kate Richardson, OST  
James Sinks, OST  
Mike Selvaggio, OST  
Staci Dycus, OST  
Daron Hill, Legislative Fiscal Office  
Peter Wong, Statesman Journal

Treasurer Westlund, Chair, called the meeting of the State Debt Policy Advisory Commission (SDPAC) to order at 12:30 p.m.

Representative Barnhart moved to approve the January 9, 2009 minutes, Treasurer Westlund second the motion, and the minutes were approved by unanimous vote.

The Commission began discussion on the proposed revisions to the 2009 SDPAC report. Senator Metsger stressed that the Commission include language in the report that states that the Commission is not necessarily making a recommendation as to how much debt the legislature should authorize, but rather establishing an upper limit or targeted capacity.

While Ms. Lockwood-McCall compiled a draft of the language the Commission wished to include in the 2009 SDPAC report, Treasurer Westlund updated the Commission on the State's recent ratings presentations to Fitch, Moody's, and Standard & Poor's in San Francisco. Treasurer Westlund noted that the State of Oregon is much better prepared than many other states across the country to deal with these challenging financial times, due to its rainy day funds and well funded PERS accounts.

The Commission decided upon the final language they wished to include in the 2009 SDPAC report, which will read as follows: "While the forecast limit in this report is based upon prudent fiscal analysis, it should not be construed as the recommended amount of General Fund debt that should be authorized for issuance; rather, this forecast represents the **maximum** amount of debt that should be issued within the framework of the SDPAC forecast model." Similar language will be included in the section related to Lottery backed debt.

Treasurer Westlund stated that this language will also be included in the Transmittal letter.

Treasurer Westlund called for the SDPAC staff to update the SDPAC report quarterly throughout 2009, upon the release of the revenue forecast from the Office of Economic Analysis.

Treasurer Westlund moved for approval of the 2009 SDPAC report as modified by the specific agreed-to language presented and drafted at this meeting. Representative Barnhart seconded. The motion carried unanimously.

Treasurer Westlund asked that Debt Management Division staff post the 2009 SDPAC report to the Office of the State Treasurer website. Treasurer Westlund asked that his staff send out an e-mail containing the 2009 SDPAC report to State legislators.

With no further business, the meeting adjourned at 1:02 p.m.