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Oregon Treasury earns nomination for nation's best large public pension plan

Public Pension Awards for Excellence will be announced in late February

SALEM – The Oregon Public Employees Retirement Fund has been nominated by a financial industry publication as the nation's best large public plan of 2009, thanks to top-tier investment management by the Oregon State Treasury.

The nomination comes on the heels of a year when investment managers guided gains of more than 19 percent, which helped the fund to recover much of the losses from the historic Wall Street nosedive in 2008.

“Oregon's investment officers consistently outperform their peers in both good and bad times,” said State Treasurer Ben Westlund. “This nomination is a welcome reminder of the excellent work they are doing to save Oregonians money.”

Strong investment gains reduce the percentage of future pension obligations that will be borne by public employers and taxpayers.

Based on figures through December, the Oregon Public Employee Retirement Fund (OPERF) had a value of \$52.4 billion. In the nine-month stretch from March to December, the fund gained more than \$12 billion.

Winners in the Public Pension Fund Awards for Excellence will be announced on Feb. 28. The contest is overseen by Money Management Letter, a financial industry publication that tracks the performance and decisions of public fund managers. The other finalists in the category of “Large Public Funds” are pension funds in Indiana and Kansas.

The Oregon State Treasury, in accordance with policies set by the Oregon Investment Council, invests the assets of trust funds such as the OPERF, the State Accident Insurance Fund and Common School Fund.

The largest of those funds is the OPERF, which is the 40th largest retirement fund in the world, according a ranking in the Dec. 28 issue of Pensions & Investments, a financial industry publication. That's up from 43rd largest in 2008.

OPERF's investments, which returned 19.4 percent in 2009, exceeded the comparison benchmark by 3.9 percent for the year.

The Treasury does not set retirement benefits and nor does it set contribution rates for those entities that put money into the pension system. It is responsible for investing the financial assets between when money is paid in and when benefits are paid out. The fund is held in trust for its beneficiaries and cannot be utilized for any other purpose.

The Oregon State Treasury is the state's financial hub and protects public assets and saves Oregonians money through its banking, debt management, investment management and outreach functions.

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