



STATE OF OREGON

INTEROFFICE MEMO

TO: Governor

DATE: April 1, 1985

FROM: Gerry Thompson

SUBJECT: SAIF Fund Transfer - 1982 (\$81 million)

Please see attached and forgive my scribbles. Moore's memo did not exactly answer my question nor did I fully understand the printed version. My question to Bob Moore was, "is the \$81 million fund transfer paid back." At the time of the transfer, calculations based on the whole investment portfolio indicated that a payback could be made within 15-18 months.

Although there are a lot of technicalities over how much is coming from fixed income and how much from equity, the answer is the payback is completed.

Unfortunately, to indicate that the payback is completed can be a little misleading. The SAIF investment portfolio has earned back the principle amount of transfer, but can never regain the full loss of the funds being removed from the portfolio. The simple fact is, the opportunities for fund investment had the \$81 million remained in the fund were lost, creating fund loss of compounding of returns as well as dividends and income over time.



Contains  
Recycled  
Materials