

Task force recommends how to cut Oregon's pension deficit

By ANDREW SELSKY
Associated Press

"The governor's pawn shop politics won't fix PERS."

— Knute Buehler, Republican candidate for governor

SALEM — A task force delivered its final report Friday to Gov. Kate Brown on options to shrink the state's bloated pension-fund deficit by \$5 billion over the next five years.

Two of the suggestions — including privatizing the state's public universities — didn't thrill the Democratic governor.

Brown's main Republican rival in next year's gubernatorial race, Knute Buehler, threw cold water on another option: raising taxes on beer and wine.

Brown thanked the seven members of her task

force for their research and commitment to identify ways for Oregon to keep its promise to retirees. She had convened the task force to identify opportunities to pay up to a quarter of the Public Employee Retirement System's, or PERS, unfunded liability.

At the end of 2016, it was estimated that PERS lacked 25 percent of the funds needed to pay the projected benefits employees have already earned, the task force report said.

That deficit has ballooned

to at least \$25.3 billion, according to a calculation released in September. It is a huge problem bedeviling state lawmakers and other officials who aim to balance the state's budget without depriving retired and current public sector employees — including those who work for the state, counties, cities and school districts — of their promised pensions.

The task force examined state assets, one-time revenue streams, and assets of other public employers that could be sold, bonded against or

otherwise leveraged in order to cut the pension system's unfunded actuarial liability.

They urged the governor and other state officials to weigh the benefits and costs of acting on the options "against the expected downsides of inaction."

One option looked at several state-controlled entities that maintain substantial amounts of cash and short-term investments to cushion against financial downsides, and said the money could be pooled, with some transferred to PERS to reduce the deficit.

"This 'risk capital' is rarely needed and may, in fact, never be drawn down," the report said of the entities' excess funds.

In a statement, Buehler's campaign decided that option as "raiding the state's emergency funds."

"The governor's pawn shop politics won't fix PERS," Buehler said.

Another option the task force mooted would be for the state to transfer some of the surplus capital of Oregon's hybrid workers' compensation system to PERS, or to sell the workers comp system. Brown said she had "serious concerns" about that latter option, as well as one to sell Oregon's

public universities.

The report noted that Oregon's excise taxes on beer and wine are \$0.08 and \$0.67 per gallon respectively, have not changed since 1977 and are among the lowest in the nation. It said increasing them to national average rates of \$0.35 and \$1.03 respectively would raise \$61 million per biennium.

Brown directed her staff to research the proposed idea of pooling excess capital across state controlled entities, and to examine creating an incentive fund to partially match employers who further contribute to unfunded liabilities.

BRIEFLY

Missing hunter found alive in Mount Hood National Forest

PORTLAND (AP) — A hunter has been found alive southeast of Portland after leaving his group and failing to return.

The Clackamas County Sheriff's Office said Wednesday that Nicholas Benim was located by U.S. Forest Service personnel west of Hideaway Lake in the Mount Hood National Forest.

The hunter left his group Sunday afternoon and was due back a few hours later.

The sheriff's office says the 34-year-old Molalla man was reportedly in OK condition and was being taken to meet family and friends.

Autopsy provides clues in death of teen at bus stop

CENTRAL POINT (AP) — An autopsy is narrowing the focus in the search for the person who hit and killed a 13-year-old girl who was waiting for the school bus at the end of her driveway in rural southwestern Oregon.

The Jackson County Sheriff's Department said Wednesday that Meadow Boyd was likely struck by something extending from a passing vehicle, such as a side mirror, mounted rack, trailer or cargo.

Authorities say the driver would have known they struck something but might not have realized it was a person.

It was dark and there were

garbage bins at the end of the driveway.

Meadow was found lying alongside the 5100-block of East Evans Creek Road, north of Rogue River, by a passer-by.

Medford may expand bad behavior 'exclusion zone'

MEDFORD (AP) — Medford may expand a new "exclusion zone" that bars people engaging in certain behaviors from entering the city's downtown core.

The *Mail Tribune* reported Wednesday that the exclusion zone in the downtown area appears to have created problems with public drunkenness, graffiti and public urination elsewhere in the city. The law was passed in April.

Jackson County Administrator Danny Jordan sent a letter Sept. 27 asking the city to expand the boundaries of the zone to include the Jackson County Courthouse and other county buildings.

Homeless advocates say the law unfairly criminalizes homelessness and an expansion of the zone could impact people using a warming shelter.

The City Council will consider the new boundary request at a meeting Thursday.

Man dressed as a pink bunny stabs man

PORTLAND (AP) — Portland police say a man is expected to survive after getting stabbed by someone dressed in a

pink bunny costume.

Sgt. Chris Burley says the stabbing happened shortly after 5 a.m. Wednesday in Old Town Chinatown. He says the victim was approached and then attacked by a costumed man he didn't know.

Officers searched for a suspect, but could not find anyone matching the description.

An ambulance took the victim to the hospital after officers provided first aid.

Lawsuit: Blood, urine samples misplaced in sex assault

BEND (AP) — A lawsuit alleges Deschutes County prosecutors couldn't file charges in an alleged rape because either the hospital or the Bend Police Department lost blood and urine samples that would have been evidence of a crime.

The *Bulletin* reports the lawsuit filed this week asks for more than \$1.6 million in damages against St. Charles Bend and the police.

The lawsuit alleges the plaintiff was at a 2015 Halloween party with her husband and some friends when someone slipped an unidentified date rape drug into her drink.

The lawsuit alleges she was sexually assaulted by a man who had been hired to help with event security.

Bend City Attorney Mary Winters says the case will be handled by the city's insurance company.

Woman who bilked retiree out of \$3M gets prison

PORTLAND (AP) — A manicurist who helped trick an Oregon retiree out of \$3 million was sentenced Wednesday to 21 months in federal prison.

Thy Mihn Phan and her boyfriend led the victim to believe the money collected during a three-year scheme was to help with legal issues and a landscaping business. Instead, they blew almost every penny while enjoying a high-roller lifestyle at Las Vegas casinos, including Aria, Bellagio, Caesars Palace and MGM Grand.

Assistant U.S. Attorney Scott Bradford said the victim lost everything he saved for retirement.

"They didn't just steal the victim's money," Bradford told U.S. District Judge Anna Brown. "They stole his dignity, they stole his happiness."

Phan, who pleaded guilty to conspiracy in April, got help at her sentencing from a translator who speaks Vietnamese. Her attorney, David Audet, sought a sentence of probation, but the judge said the "extraordinary" amount of money that was stolen made that impossible.

Phan's co-defendant, Hiep Cong Van, has pleaded guilty to conspiracy

and money laundering and is scheduled to be sentenced in two weeks. Prosecutors are recommending that he serve nearly five years in prison.

Van met the victim, identified in court papers as R.W., while running a landscaping business in the suburbs south of Denver. The customer moved from Colorado to Oregon after retirement.

Prosecutors said Van and Phan sought loans from R.W., saying the landscaping business was struggling to stay afloat. At one point, Van presented his financial problems as so dire he was contemplating suicide.

Moreover, the pair said Van needed more money because he was going through a divorce and had legal troubles. They promised to pay him back with interest.

Prosecutors said they made some interest payments to keep the scheme going. Mostly, however, the money vanished in a long run of bad gambling luck.

The judge is requiring Phan and Van to pay back \$2.9 million, plus interest. All parties agreed it will be virtually impossible for the money to be repaid.



Phan

Corrections

The *East Oregonian* works hard to be accurate and sincerely regrets any errors. If you notice a mistake in the paper, please call 541-966-0818.

EAST OREGONIAN

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AccuWeather.com Forecast

| TODAY | FRIDAY | SATURDAY | SUNDAY | MONDAY |
|---------------------------------|-------------------------------|----------------------------------|-------------------------------|--------------------------|
| | | | | |
| Cloudy with a couple of showers | A little morning rain; cloudy | Mostly cloudy with a little rain | Cloudy and cold; ice at night | Mostly cloudy and chilly |

| PENDLETON TEMPERATURE FORECAST | | | | |
|--------------------------------|-----|-----|-----|-----|
| 57° | 37° | 46° | 29° | 45° |
| 37° | 29° | 32° | 43° | 29° |
| 23° | 37° | 29° | 43° | 29° |

| HERMISTON TEMPERATURE FORECAST | | | | |
|--------------------------------|-----|-----|-----|-----|
| 60° | 36° | 49° | 29° | 47° |
| 36° | 29° | 34° | 44° | 29° |
| 23° | 41° | 23° | 41° | 23° |

ALMANAC

PENDLETON

through 3 p.m. yesterday

TEMPERATURE

| HIGH | LOW |
|--------------------|------------|
| Yesterday 55° | 52° |
| Normals 56° | 36° |
| Records 76° (1901) | 12° (1935) |

PRECIPITATION

| | |
|------------------------|--------|
| 24 hours ending 3 p.m. | 0.00" |
| Month to date | 0.00" |
| Normal month to date | 0.04" |
| Year to date | 13.70" |
| Last year to date | 10.34" |
| Normal year to date | 10.03" |

HERMISTON

through 3 p.m. yesterday

TEMPERATURE

| HIGH | LOW |
|--------------------|-----------|
| Yesterday 61° | 55° |
| Normals 58° | 35° |
| Records 72° (1988) | 8° (2003) |

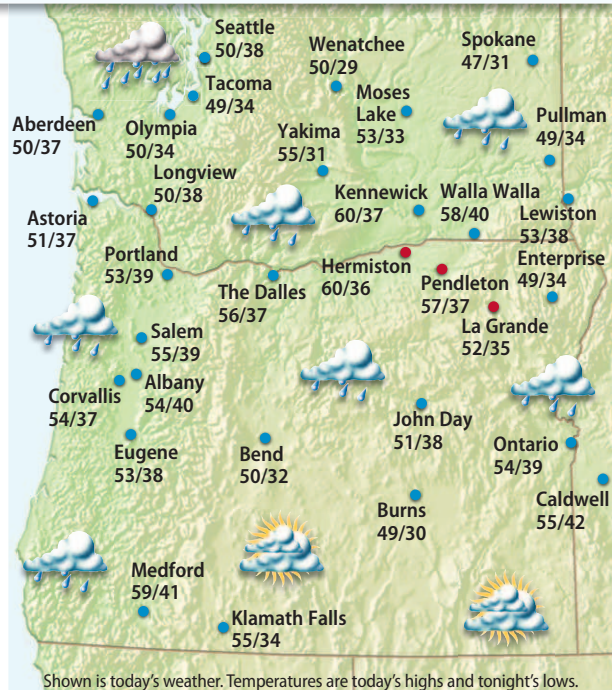
PRECIPITATION

| | |
|------------------------|-------|
| 24 hours ending 3 p.m. | 0.00" |
| Month to date | 0.00" |
| Normal month to date | 0.03" |
| Year to date | 7.80" |
| Last year to date | 7.33" |
| Normal year to date | 7.31" |

SUN AND MOON

| | |
|----------------|-----------|
| Sunrise today | 7:36 a.m. |
| Sunset tonight | 5:40 p.m. |
| Moonrise today | 5:21 p.m. |
| Moonset today | 5:27 a.m. |

| Full | Last | New | First |
|-------|--------|--------|--------|
| Nov 3 | Nov 10 | Nov 18 | Nov 26 |



REGIONAL FORECAST

Coastal Oregon: Periods of rain today; arriving during the afternoon in the south.

Eastern Washington: Showers around today; some sleet in the morning, then snow and sleet in the mountains.

Eastern and Central Oregon: A couple of showers today, except dry in the south; cooler near the Cascades.

Cascades: Periods of rain today; arriving during the afternoon in the south.

Western Washington: Occasional rain today and tonight. A couple of showers tomorrow.

Northern California: Cloudy today; rain and drizzle, except dry in the interior mountains.

REGIONAL CITIES

| | Today | | | Fri. | | |
|---------------|-------|----|----|------|----|----|
| | Hi | Lo | W | Hi | Lo | W |
| Astoria | 51 | 37 | r | 49 | 32 | sh |
| Baker City | 53 | 33 | c | 45 | 22 | r |
| Bend | 50 | 32 | r | 41 | 21 | sh |
| Brookings | 54 | 46 | sh | 51 | 39 | r |
| Burns | 49 | 30 | c | 42 | 16 | sn |
| Enterprise | 49 | 34 | sh | 42 | 24 | r |
| Eugene | 53 | 38 | r | 49 | 34 | r |
| Heppner | 55 | 36 | sh | 44 | 28 | sh |
| Hermiston | 60 | 36 | sh | 49 | 29 | r |
| John Day | 51 | 38 | sh | 43 | 31 | sh |
| Klamath Falls | 55 | 34 | c | 47 | 28 | sh |
| La Grande | 52 | 35 | sh | 44 | 27 | r |
| Meacham | 49 | 33 | sh | 40 | 25 | r |
| Medford | 59 | 41 | c | 49 | 32 | r |
| Newport | 54 | 42 | r | 51 | 38 | sh |
| North Bend | 56 | 43 | r | 53 | 39 | c |
| Ontario | 54 | 39 | sh | 52 | 31 | sh |
| Pasco | 61 | 37 | sh | 50 | 28 | r |
| Pendleton | 57 | 37 | sh | 46 | 29 | r |
| Portland | 53 | 39 | r | 50 | 37 | sh |
| Redmond | 53 | 29 | c | 44 | 17 | sh |
| Salem | 55 | 39 | r | 51 | 35 | sh |
| Spokane | 47 | 31 | sh | 39 | 22 | c |
| Ukiah | 48 | 33 | sh | 40 | 24 | r |
| Vancouver | 53 | 40 | r | 49 | 37 | sh |
| Walla Walla | 58 | 40 | sh | 47 | 31 | r |
| Yakima | 55 | 31 | r | 47 | 25 | r |

WORLD CITIES

| | Today | | | Fri. | | |
|-------------|-------|----|----|------|----|----|
| | Hi | Lo | W | Hi | Lo | W |
| Beijing | 67 | 36 | s | 54 | 28 | s |
| Hong Kong | 84 | 72 | s | 79 | 68 | c |
| Jerusalem | 66 | 52 | s | 65 | 53 | s |
| London | 56 | 44 | pc | 56 | 49 | pc |
| Mexico City | 77 | 53 | pc | 78 | 53 | pc |
| Moscow | 34 | 21 | s | 35 | 30 | c |
| Paris | 58 | 45 | pc | 61 | 48 | pc |
| Rome | 67 | 53 | pc | 68 | 49 | pc |
| Seoul | 66 | 52 | c | 59 | 37 | pc |
| Sydney | 72 | 61 | s | 81 | 60 | pc |
| Tokyo | 68 | 58 | pc | 68 | 58 | r |

WINDS

| (in mph) | Today | Friday |
|-----------|---------|----------|
| Boardman | SW 7-14 | NNE 6-12 |
| Pendleton | SW 6-12 | N 4-8 |

UV INDEX TODAY

| | | | | | |
|---|---|---|---|---|---|
| 0 | 1 | 1 | 1 | 1 | 0 |
|---|---|---|---|---|---|

8 a.m. 10 a.m. Noon 2 p.m. 4 p.m. 6 p.m.

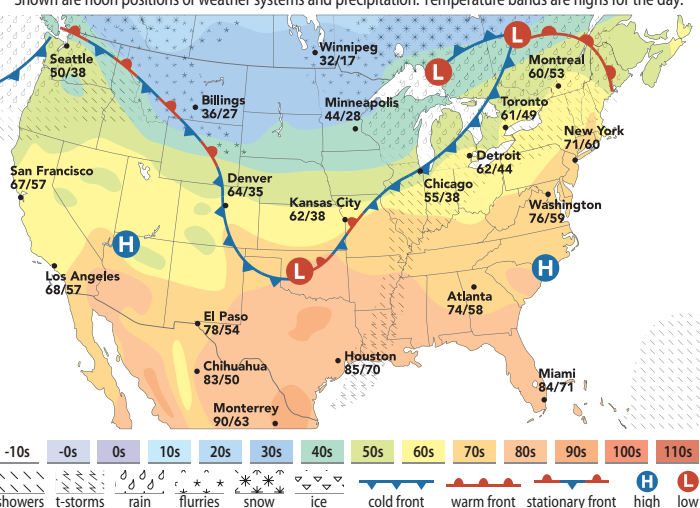
0-2, Low 3-5, Moderate 6-7, High; 8-10, Very High; 11+, Extreme

The higher the AccuWeather.com UV Index™ number, the greater the need for eye and skin protection.

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NATIONAL WEATHER TODAY

Shown are noon positions of weather systems and precipitation. Temperature bands are highs for the day.



Yesterday's National Extremes: (for the 48 contiguous states)
High 92° in Horseshoe Bay, Texas
Low 13° in Bodie State Park, Calif.

NATIONAL CITIES

| | Today | | | Fri. | | |
|----------------|-------|----|----|------|----|----|
| | Hi | Lo | W | Hi | Lo | W |
| Albuquerque | 69 | 44 | s | 71 | 48 | s |
| Atlanta | 74 | 58 | pc | 78 | 60 | pc |
| Atlanta City | 73 | 61 | c | 74 | 52 | s |
| Baltimore | 74 | 53 | pc | 75 | 45 | pc |
| Billings | 36 | 27 | c | 38 | 26 | c |
| Birmingham | 77 | 64 | pc | 77 | 62 | c |
| Boise | 55 | 43 | c | 53 | 35 | c |
| Boston | 68 | 58 | c | 71 | 46 | c |
| Charleston, SC | 80 | 57 | pc | 81 | 58 | s |
| Charleston, WV | 74 | 56 | c | 67 | 47 | c |
| Chicago | 55 | 38 | sh | 49 | 42 | c |
| Cleveland | 67 | 54 | sh | 55 | 40 | pc |
| Dallas | 93 | 62 | pc | 89 | 65 | s |
| Denver | 64 | 35 | pc | 66 | 46 | pc |
| Detroit | 62 | 44 | r | 52 | 38 | |