

MEMORANDUM

TO: Board of Trustees  
FROM: Cecelia M. Carter, Chief Administrative Officer (OSERS)  
DATE: August 27, 2021  
RE: 2021 / 2022 Regular Interest on Non-Retiree Members' Account Balances

Regular Interest is the rate by which a non-retired members' account balance is credited with interest on the employee contributions contributed to the OSERS pension plan. This rate is reviewed annually. For purposes of the Class V School Employees Retirement Act, Section 79-978 (30) of the Nebraska Revised Statutes defines "Regular Interest" as:

"(30) Regular interest means interest (a) on the total contributions of the member prior to the close of the last preceding fiscal year, (b) compounded annually, and (c)(i) beginning September 1, 2016, at a rate equal to the daily treasury yield curve for one-year treasury securities, as published by the Secretary of the Treasury of the United States, that applies on September 1 of each year and (ii) prior to September 1, 2016, at rates to be determined annually by the board, which shall have the sole, absolute, and final discretionary authority to make such determination, except that the rate for any given year in no event shall exceed the actual percentage of net earnings of the system during the last preceding fiscal year;"

The Omaha Board of Education and the Retirement Board of Trustees are hereby notified the "Regular Interest" to be credited to OSERS non-retired members' account balances (i.e., all members' accounts not in retiree payment status) will be **## basis points** for the period of September 1, 2021 – August 31, 2022.

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Regular Interest History since September 1, 2016

- 2016 = 60 bps
- 2017 = 124 bps
- 2018 = 249 bps
- 2019 = 172 bps
- 2020 = 12 bps

PLEASE NOTE: THE SEPTEMBER 1, 2021, RATE WILL NOT BE AVAILABLE UNTIL THE SEPTEMBER 2<sup>nd</sup> BOARD MEETING.