

MEMORANDUM

TO: Board of Trustees  
FROM: Cecelia M. Carter, Executive Director  
DATE: August 31, 2018  
RE: 2018 / 2019 Regular Interest on Non-Retiree Members' Account Balances

For purposes of the Class V School Employees Retirement Act, Section 79-978 (25) of the Nebraska Revised Statutes defines "Regular Interest" as:

"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."

September 1, 2018 is a Saturday and Monday, September 3, 2018 is the holiday observing Labor Day; therefore, the "daily treasury yield curve rate" as of Tuesday, September 4, 2018 will be available at the Board of Trustees meeting on Wednesday, September 5<sup>th</sup>.

The Retirement Board of Trustees of the Retirement System for the Douglas County School District 0001 are hereby notified the "regular interest" to be credited to OSERS non-retired members' accounts (i.e., all members' accounts not in retiree payment status) will be ### basis points for the period of September 1, 2018 – August 31, 2019.

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Regular Interest History since September 1, 2016

2016 = 60 bps

2017 = 124 bps

2018 = ### bps

PLEASE NOTE: THE SEPTEMBER 1, 2018 RATE WILL NOT BE AVAILABLE UNTIL SEPTEMBER 4TH. UPDATE AT THE BOARD MEETING ON THE 5TH