

Public Employees' Retirement Board
April 10, 2014

Topic: Interest Rate Credited to Member Accounts

Recommended Board Motion:

To accept the proposed interest rate of 0.25%

- Move to maintain the interest rate credited to member accounts of 0.25% for the defined benefit plans, effective July 1, 2014.
- Reduce the interest rate credited to member accounts to 0.0% for the defined benefit plans, effective July 1, 2014.

Moved by

Seconded by

Vote

Interest Rate Determination

8-month average

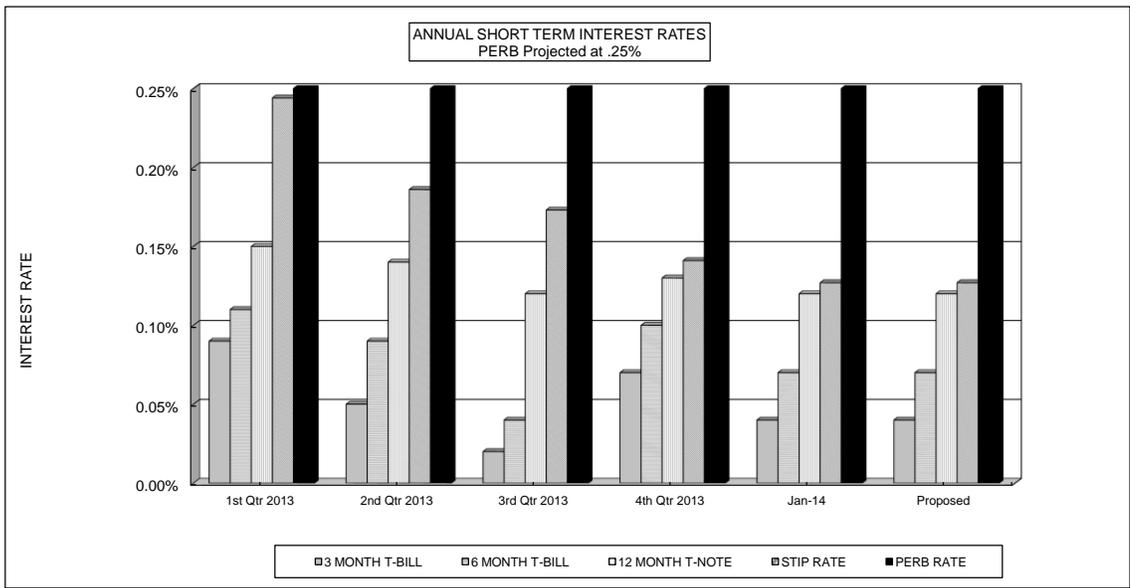
	<u>Jun-13</u>	<u>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>	<u>Oct-13</u>	<u>Nov-13</u>	<u>Dec-13</u>	<u>Jan-14</u>
3 MO T-BILL	0.05%	0.04%	0.04%	0.02%	0.05%	0.07%	0.07%	0.04%
6 MO T-BILL	0.09%	0.07%	0.07%	0.04%	0.08%	0.10%	0.10%	0.07%
1 YR T-NOTE	0.14%	0.12%	0.13%	0.12%	0.12%	0.12%	0.13%	0.12%
AVERAGE	0.09%	0.08%	0.08%	0.06%	0.08%	0.10%	0.10%	0.08%
AVERAGE of 8 months								0.08%

13-month trends

	<u>Jan-13</u>	<u>Feb-13</u>	<u>Mar-13</u>	<u>Apr-13</u>	<u>May-13</u>	13-Month INCREASE (DECREASE)
3 MO T-BILL	0.07%	0.10%	0.09%	0.06%	0.04%	-0.03%
6 MO T-BILL	0.11%	0.12%	0.11%	0.09%	0.08%	-0.04%
1 YR T-NOTE	0.15%	0.16%	0.15%	0.12%	0.12%	-0.03%
AVERAGE	0.11%	0.13%	0.12%	0.09%	0.08%	-0.03%
AVERAGE of 13 months						0.09%

CURRENT PERB INTEREST RATE	0.25%
PROSPOSED INCREASE/DECREASE	0.00%
PROPOSED INTEREST RATE	0.25%

	<u>1st Qtr 2013</u>	<u>2nd Qtr 2013</u>	<u>3rd Qtr 2013</u>	<u>4th Qtr 2013</u>	<u>Jan-14</u>
STIP Rate	0.24%	0.19%	0.17%	0.14%	0.13%
PERB Interest	0.25%	0.25%	0.25%	0.25%	0.25%



Interest Rate Determination

8-month average

	<u>Jun-13</u>	<u>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>	<u>Oct-13</u>	<u>Nov-13</u>	<u>Dec-13</u>	<u>Jan-14</u>
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AVERAGE	0.09%	0.08%	0.08%	0.06%	0.08%	0.10%	0.10%	0.08%
AVERAGE of 8 months								0.08%

13-month trends

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AVERAGE	0.11%	0.13%	0.12%	0.09%	0.08%	-0.03%
AVERAGE of 13 months						0.09%

CURRENT PERB INTEREST RATE	0.25%
PROPOSED INCREASE/DECREASE	-0.25%
PROPOSED INTEREST RATE	0.00%

	<u>1st Qtr 2013</u>	<u>2nd Qtr 2013</u>	<u>3rd Qtr 2013</u>	<u>4th Qtr 2013</u>	<u>Jan-14</u>
STIP Rate	0.24%	0.19%	0.17%	0.14%	0.13%
PERB Interest	0.25%	0.25%	0.25%	0.25%	0.25%

