

Member Account Interest Policy

Chapter 114-202 indicates that interest shall be credited to each member account as of each December 31st, at the rate determined by the trustees from time to time. Such crediting shall cease upon the earlier of (A) the date on which no amount is credited to such account, (B) a member's death or retirement date or other commencement of benefits hereunder, or (C) five years after his separation from service, if such member is credited with less than five years of creditable service as of his separation date.

In accordance with the member account interest guidelines outlined by the ordinance, this policy further establishes the rate at which member account interest should be credited.

- **Member Account Interest** – Upon approval, interest shall be credited to the balance of eligible member accounts at a rate equal to the **lower of 2% OR** the closing rate of the **U.S. One Year Treasury Bond** as of the latter of the last business day of each year or December 31st.

Approval

Final approval by the full board must be attained prior to crediting member account interest.