

The Commonwealth of Massachusetts
Public Employee Retirement Administration Commission
John W. McCormack Building, Room 1101
One Ashburton Place Boston, MA 02108
(617) 727-9380

MEMORANDUM

TO: All Retirement Boards

FROM: John J. McGlynn, Executive Director

RE: 1997 Interest Rate Set at 2.5%

DATE: January 13, 1997

In accordance with the provisions of Section 22(6)(b) of Chapter 32 as amended by c. 306 of the acts of 1996, "regular interest" for regular and additional deductions made after January 1, 1984, shall be a rate established by the Public Employee Retirement Administration Commission in consultation with the Commissioner of Banks, and shall be obtained from the average rates paid on individual savings accounts by a representative sample of no less than 10 financial institutions.

The average rate paid has been determined to be 2.5% for the calendar year 1997.

The average rate 2.5% is to be applied on the accumulated total deductions and interest made on or after January 1, 1946. Such interest should be credited during the calendar year 1997 for refunds and retirements and on outstanding balances as of December 31, 1996 on December 31, 1997.