

TITLE 1: GOVERNMENT
DIVISION 8: PUBLIC EMPLOYMENT

§ 8381. Reserve Accounts.

All assets of the fund shall be credited according to the purposes for which they are held in the following designated reserve accounts:

(a) *Member's Contribution Reserve.* The amount contributed by the members shall be credited to the member's contribution reserve, together with regular interest thereon as herein provided. An individual account shall be maintained for each member to which shall be credited the amounts of his contributions and interest thereon. Regular interest on such contributions shall be credited annually, as of the close of each year, and shall be allowed only on the amount of the accumulated contributions standing to the credit of each member at the beginning of each year. A statement of account shall be issued to each member annually, as of the end of each fiscal year, showing the amount of his accumulated contributions plus interest. Upon the granting of service retirement annuity, disability annuity, or survivor's annuity or benefits, the accumulated contributions, including interest, to the credit of the member concerned shall be transferred from this reserve to the retirement reserve. Refunds and death benefits payments representing members' contributions shall be charged to this reserve.

(b) *Employer's Contribution Reserve.* The amount contributed by the government under the provisions hereof, for service retirement annuity, disability retirement annuity and benefits to survivors covering membership service and prior service, shall be credited to the employer's contribution reserve. Regular interest shall be credited annually upon the mean amount in the reserve. Upon granting of a service retirement annuity, disability retirement annuity or survivors' benefits, an amount representing the excess of the actuarial value of the annuity, or benefit over the accumulated contributions of the member, including interest, shall be transferred from this reserve to the retirement reserve.

(c) *Retirement Reserve.* Upon the granting of a service retirement annuity, disability retirement annuity, or survivors' benefits, the accumulated contributions of the member, including interest, and an amount representing the excess of the actuarial value of the annuity or benefits over such accumulated contributions, shall be transferred to the retirement reserve from the member's contribution reserve and employer's contribution reserve, respectively. All payments on account of any such annuity or benefit shall be charged to this reserve. Regular interest shall be credited annually upon the mean amount of this reserve. Any excess balance in the reserve balance in this reserve, as determined by actuarial valuation as of the close of any fiscal year, shall be applied to reduce the employer's contributions for membership service for the fiscal year next following the date of such valuation. Any deficiency in this reserve shall be removed by an increase in the amount of employer's contributions for membership service.

(d) *Death Benefit Account.* The amount representing the contributions by the government for death benefits shall be credited to the death benefit account. All death benefit payments on account of death of the members while in service shall be charged to this account.

(e) *Interest and Investment Income Reserve.* All income from investments, including gains on investment transactions, shall be credited to the interest and investment income reserve. All losses on investment shall be charged to this reserve. All amounts required for interest on the other reserve accounts of the fund shall be transferred from this reserve.