

**COUNTY OF SACRAMENTO
INTERNAL SERVICES AGENCY
DEPARTMENT OF FINANCE
TREASURY**

Inter-Departmental Correspondence

July 23, 2009

To: Department of Finance Division Chiefs

From: Bryan W. Celey-Butlin *Bryan*
Assistant Treasurer

Subject: **POOLED INTEREST RATES**

As you are no doubt aware, occasionally the Department is asked either to pay interest to a third party or receive interest from a third party based on the Pooled Investment Fund (Pooled) interest rate. Dave has asked that I provide each of you the following schedule of Pooled interest rates to aid in calculating what we are to pay or receive.

| Year | Pooled Interest Rates [†] | FDIC Settlement Rate |
|---------|------------------------------------|----------------------|
| 1987-88 | 7.1160% | |
| 1988-89 | 8.5139% | |
| 1989-90 | 8.5481% | 8.9548% |
| 1990-91 | 8.3754% | |
| 1991-92 | 6.9518% | |
| 1992-93 | 7.2201% | |
| 1993-94 | 5.7410% | |
| 1994-95 | 5.2104% | 5.1862% |
| 1995-96 | 5.2599% | 5.1816% |
| 1996-97 | 5.4547% | |
| 1997-98 | 5.4484% | |
| 1998-99 | 5.2088% | |
| 1999-00 | 5.6225% | |
| 2000-01 | 5.8811% | |
| 2001-02 | 3.5391% | |
| 2002-03 | 2.2025% | |
| 2003-04 | 1.4346% | |

| Year | Pooled Interest Rates[†] | FDIC Settlement Rate |
|-------------|--|-----------------------------|
| 2004-05 | 2.1873% | |
| 2005-06 | 3.9096% | |
| 2006-07 | 5.0494% | |
| 2007-08 | 4.2776% | |
| 2008-09 | 2.4310% | |

[†]For the years listed, certain transactions related to the FDIC refunds have a different rate. These rates were published in a settlement agreement that was negotiated between County Counsel and FDIC legal staff.

The normal scenario is to pay interest based on the prior year's Pooled rate. That is, if you are currently making a refund to a customer/taxpayer related to fiscal year 2003-04, we would pay for the four years of interest based on the 2008-09 interest rate, not each individual year's rate. However, in certain circumstances because of a negotiated settlement or court order, interest might be required to be calculated for each year based on that year's Pooled rate.

If you have any questions, please contact me at 874-6368.

cc: Dave Irish
Ben Lamera
Treddis Campbell
Randy Wolff
Vesna Kamenski
Peggy Marti
Cynthia Gibbs
Jim Perman