

2023 Seattle City Council Budget Action

Council Budget Action: Agenda

Tab	Action	Option	Version
RET	502	A	001-2023

Budget Action Title: Adopt Resolution 32070 - RET 2023 Credit Interest Rate Resolution

Ongoing: Yes Has Budget Proviso: No

Has CIP Amendment: No Has Attachment: No

Primary Sponsor: Budget Committee

Council Members:

Staff Analyst: Tom Mikesell

Council Bill or Resolution: RES 32070

Date		Total	LH	TM	KS	AP	DJ	DS	AL	BC	SN
	Yes	0									
	No	0									
	Abstain	0									
	Absent	0									

Budget Action Description:

This Council Budget Action recommends adoption of Resolution 32070, which approves interest rates on member contributions as established by the Seattle City Employees Retirement System Board of Administration on July 14, 2022. The Board reviews and adjusts the interest rates annually, based on market conditions. The new interest rates for 2023 will grow member contribution balances on all contributions received after December 11, 2011, at an annual compounding rate of 2.20 percent. The annual rate prior to this change is 1.77 percent.

This change would increase the Retirement Fund's costs and incrementally increases the system's normal cost. These impacts are estimated along with other factors in the retirement system's periodic actuarial valuations.