

SUMMARY and FISCAL NOTE*

| Department: | Dept. Contact: | CBO Contact: |
|--------------------|-----------------------|---------------------|
| RET | Paige Alderete | Dave Hennes |

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: A RESOLUTION approving interest rates set by the Seattle City Employees' Retirement System (SCERS) Board of Administration for 2024.

Summary and background of the Legislation:

Per Seattle Municipal Code 4.36.505.F, this resolution provides City Council approval of the 2024 interest rates on member contributions set by the SCERS Board of Administration.

Under the policy enacted by the SCERS Board, in 2024, contributions received on or before December 31, 2011 will earn 5.75% annual interest, compounded annually. Contributions received after that date will earn 3.62% interest, also compounded annually. The Board reviews and adjusts the post-2011 interest rates annually, based on a policy target of the average yield on 30-year U.S. Treasury Bonds for the immediately preceding June 1 to May 31 period.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

This legislation has no direct financial implications for City appropriations, revenues, or positions. Interest rates for 2024 will grow member contribution balances. Resulting impacts get estimated along with other factors in the retirement system's periodic actuarial valuations.

Is there financial cost or other impacts of *not* implementing the legislation?

The proposed change reflects an increase in market interest rates in the last year. Not implementing the legislation would not recognize the action taken by the SCERS Board of Administration or the practice of the last several years. Inaction would leave the rate at the 2023 level.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
This legislation affects all SCERS members, who are employed across the City but has no effect on departmental costs.
- b. Is a public hearing required for this legislation?**
No.
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.
- d. Does this legislation affect a piece of property?**
No.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**
No perceived impact on vulnerable or historically disadvantaged communities.
- f. Climate Change Implications**
- 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**
No.
 - 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**
No.
- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**
N/A