

# 2023 Seattle City Council Budget Action

Council Budget Action: Agenda

Tab	Action	Option	Version
RET	501	A	001-2023

**Budget Action Title:** Adopt Resolution 32071 - Valuation and Actuarially Required Contribution for 2023

Ongoing: No 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 32071

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 32071 that affirms the retirement contribution rate that the City will fund in 2023. As determined by an independent actuary using a set of assumption about member demographics and investment earnings, the actuarially required contribution (ARC) is the annual contribution to the Retirement Fund that the City must make to meet the objective of a 100 percent funded retirement plan (benefits sufficient funds to pay current and future benefits) by 2042. At the June 9, 2022, meeting of the Seattle City Employee Retirement System's Board of Administration (Board) meeting, the City's actuary reported that the minimum required contribution was 15.82 percent for 2023. Based on that information, the Board voted to recommend the 15.82 percent employer contribution rate.

The combined required contribution rate for 2023 is 25.06 percent, a 50 basis point reduction from the 2022 rate of 25.56 percent. The 2023-2024 Proposed Budget includes the amounts necessary to fully fund the ARC to the Employee Retirement Fund in 2023.