

SUMMARY and FISCAL NOTE*

Department:	Contact Person/Phone:	Executive Contact/Phone:
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** 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 2017.

Summary and background of the Legislation:

Per Seattle Municipal Code 4.36.505.A.1, this resolution provides City Council approval of the 2017 interest rates on member contributions set by the SCERS Board of Administration.

Under the policy enacted by the SCERS Board, in 2017, contributions received on or before December 31, 2011 will earn 5.75% annual interest, compounded annually. Contributions received after that date will earn 2.86% interest, also compounded annually. The Board will review and adjust the interest rates annually, based on market conditions.

2. CAPITAL IMPROVEMENT PROGRAM

_____ This legislation creates, funds, or amends a CIP Project.

(If box is checked, please attach a new (if creating a project) or marked-up (if amending) CIP Page to the Council Bill. Please include the spending plan as part of the attached CIP Page.)

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:	Total Cost:

3. SUMMARY OF FINANCIAL IMPLICATIONS

Please check one:

X This legislation has direct financial implications. (If the legislation has direct fiscal impacts (appropriations, revenue, positions), fill out the relevant sections below. If the financial implications are indirect or longer-term, describe them in narrative in the "Other Implications" section.)

_____ This legislation does not have direct financial implications.

(Please skip to "Other Implications" section at the end of the document and answer questions a-i.)

Budget program(s) affected:				
Estimated \$ Appropriation change:	General Fund \$		Other \$	
	2016	2017	2016	2017
Estimated \$ Revenue change:	Revenue to General Fund		Revenue to Other Funds	
	2016	2017	2016	2017
Positions affected:	No. of Positions		Total FTE Change	
	2016	2017	2016	2017
Other departments affected:				

3.a. Appropriations

_____ This legislation adds, changes, or deletes appropriations.

(If this box is checked, please complete this section. If this box is not checked, please proceed to Revenues/Reimbursements.)

Fund Name and number	Dept	Budget Control Level Name/##	2016 Appropriation Change	2017 Estimated Appropriation Change
TOTAL				

**See budget book to obtain the appropriate Budget Control Level for your department.*

(This table should reflect appropriations that are a direct result of this legislation. In the event that the project/programs associated with this ordinance had, or will have, appropriations in other legislation please provide details in the Appropriation Notes section below. If the appropriation is not completely supported by revenue/reimbursements listed below, please identify the funding source (e.g. available fund balance) to cover this appropriation in the notes section. Also indicate if the legislation changes appropriations one-time, ongoing, or both.)

Appropriations Notes:

3.b. Revenues/Reimbursements

_____ This legislation adds, changes, or deletes revenues or reimbursements.

(If this box is checked, please complete this section. If this box is not checked, please proceed to Positions.)

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2016 Revenue	2017 Estimated Revenue
TOTAL				

(This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below. Do the revenue sources have match requirements? If so, what are they?)

Revenue/Reimbursement Notes:

3.c. Positions

This legislation adds, changes, or deletes positions.

(If this box is checked, please complete this section. If this box is not checked, please proceed to Other Implications.)

**Total Regular Positions Created, Modified, or Abrogated through this Legislation,
Including FTE Impact:**

Position # for Existing Positions	Position Title & Department*	Fund Name & #	Program & BCL	PT/FT	2016 Positions	2016 FTE	Does it sunset? (If yes, explain below in Position Notes)
TOTAL							

* List each position separately

(This table should only reflect the actual number of positions created by this legislation. In the event that positions have been, or will be, created as a result of previous or future legislation or budget actions, please provide details in the Notes section below.)

Position Notes:

4. OTHER IMPLICATIONS

a) Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?

This legislation has no direct financial implications for City appropriations, revenues, or positions. However, the new interest rates for 2017 will grow member contribution balances a bit more slowly than the historical average, lowering the Retirement Fund's costs and incrementally lowering the system's normal cost. These impacts are estimated along with other factors in the retirement system's periodic actuarial valuations.

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

The proposed change reflects a small decrease 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 2016 level.

c) Does this legislation affect any departments besides the originating department?

The legislation affects all SCERS members, who are employed across the City.

- d) **Is a public hearing required for this legislation?**
No.
- e) **Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**
No.
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.
- g) **Does this legislation affect a piece of property?**
No.
- h) **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**
The legislation affects all SCERS members and is not expected to have any disproportionate impact on vulnerable or historically disadvantaged communities.
- i) **If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.**
Not applicable
- j) **Other Issues:**
None

List attachments/exhibits below: