Cecelia Carter / John McCoy
SCERS Delegation ORD
July 30, 2013
Version #4

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL 117863

AN ORDINANCE relating to the Seattle City Employees' Retirement System; clarifying the delegation and contracting authority of the Retirement System Board of Administration; and amending Section 4.36.140 of the Seattle Municipal Code.

WHEREAS, the Retirement System Board of Administration (Board) was created and established to administer the retirement and death benefit systems and the retirement fund of the City, and to provide for the proper investment of the moneys in the retirement fund under the provisions of Seattle Municipal Code (SMC) Chapter 4.36 and the direction of the City Council; and

WHEREAS, the Board has, from time to time, duly adopted and amended its bylaws and policies consistent with its powers and duties as prescribed by SMC Chapter 4.36; and

WHEREAS, consistent with the authority of the Board to provide for the proper investment of the moneys in the retirement fund, conferred by SMC 4.36.130, the Board has approved investments, and authorized the System's Executive Director to execute contracts with investment managers and custodians with the advice of legal counsel; and

WHEREAS, consistent with the authority of the Board to administer the retirement and death benefit systems and the retirement fund, conferred by SMC 4.36.130, the Board has, from time to time, established committees of the Board and delegated administrative powers and duties to the Retirement System's Executive Director in order to efficiently carry out its powers and duties, consistent with the Board's fiduciary duties and the custom and practices of similar retirement boards; and

WHEREAS, it is appropriate to clarify the Board's existing authority to establish committees of the Board, to execute contracts for the investment of moneys in the retirement system, and to delegate administrative powers to the Executive Director; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 4.36.140 of the Seattle Municipal Code, last amended by Ordinance 123361, is amended as follows:

4.36.140 - Powers and duties of Board.

The administration of the Retirement and Death Benefit System is vested in the Board of Administration created in Section 4.36.130. The Board shall exercise the powers and duties conferred upon it by said section, and in addition thereto:

A. The Board shall keep in convenient form such data as shall be necessary for the actuarial valuation of the retirement fund created by this chapter. At the end of the three year period beginning with the year 1974, and at the end of every three year period thereafter, the Board shall cause to be made an actuarial investigation into the mortality, service and compensation experience of the members and beneficiaries as defined by this chapter; and shall further cause to be made an actuarial valuation of the assets and liabilities of the retirement fund, and upon the basis of such investigation and valuation and subject to the approval of the City Council, shall:

1. Make any necessary changes in the rate of interest;

2. Adopt for the retirement system such mortality, service, and other tables as shall be necessary;

3. Revise or change the rate of contribution by the City on the basis of such mortality, service and other tables as may be necessary;

4. Establish an investment advisory committee as contemplated by RCW 35.39.080 through 35.39.090. A copy of the investment policy contemplated by RCW 35.39.060 and the recommendation and report of the investment advisory committee required by RCW 35.39.090 shall be filed with the Director of Finance and Administrative Services, and the City Clerk.

B. The Board shall promptly transmit to the City Council a report covering the actuarial investigation and actuarial valuation provided for in subsection A of this section.

C. In addition to other records and accounts, the Board shall keep such detailed records and accounts as shall be necessary to show the financial condition of the retirement fund at all times.

D. The Board shall annually transmit to the City Council a report showing the financial condition of the fund established by this chapter.

E. Nothing in this section shall be construed to limit the right of the Board, subject to approval of the City Council, to make changes in rates of interest whenever the Board deems it necessary or advisable, or to secure actuarial reports more often than every three years.

F. Whenever the Board deems it necessary or advisable, it may recommend that the City Council change the rates of contributions of members on the basis of mortality, service, and other tables adopted by the Board pursuant to subsection A of this section.

G. The Board may adopt rules deemed appropriate to carry out this chapter, including delegating any of its powers and duties to a committee consisting of at least three members of the Board. Any action taken by a committee is subject to approval by the Board. The Board may also ((~~and may~~)) delegate to the Executive Director powers and duties for efficient administration of the retirement system and fund, including the adoption of policies, procedures, and/or guidelines, which are consistent with its rules and with the ordinance codified herein.

H. The Board is authorized to execute any and all contracts and agreements necessary or convenient for the proper investment of the moneys in the retirement system after receiving advice of legal counsel. The Board may, by resolution, delegate the authority to sign any such agreements to any Board member or to the Executive Director.

Section 2. This ordinance is curative and remedial, and any act consistent with the authority of this ordinance taken prior to its effective date is ratified and confirmed.

Section 3. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the ____ day of _____, 2013, and signed by me in open session in authentication of its passage this _____ day of _____, 2013.

_____

President _____of the City Council

Approved by me this ____ day of _____, 2013.

_____

Michael McGinn, Mayor

Filed by me this ____ day of _____, 2013.

_____

Monica Martinez Simmons, City Clerk

(Seal)

Cecelia Carter / John McCoy
SCERS Delegation FISC
July 22, 2013
Version #3

Form revised: December 12, 2012

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle City Employees' Retirement System	Cecelia Carter / Ken Nakatsu 615-1423	Jessica Wang (5-1759)

Legislation Title: AN ORDINANCE relating to the Seattle City Employees' Retirement System; clarifying the delegation and contracting authority of the Retirement System Board of Administration; and amending Section 4.36.140 of the Seattle Municipal Code.

Summary of the Legislation: The Municipal Code Amendments clarify the authority of the Seattle City Employees' Retirement System (SCERS) Board of Administration to create subcommittees and delegate administrative duties, including the signing of contracts, to the Board's Executive Director.

Background:

The Board has, from time to time, established subcommittees and delegated administrative powers and duties to the Retirement System's Executive Director in order to efficiently carry out its powers and duties, consistent with the Board's fiduciary duty and with the custom and practices of similar retirement boards. This legislation clarifies the Board's delegation authority.

Please check one of the following:

__X__ **This legislation does not have any financial implications.**

____ **This legislation has financial implications.**