



# Seattle City Employees' Retirement System

**Administrative Committee Meeting**  
Pacific Building, 720 3<sup>rd</sup> Avenue, Suite 900, Seattle, WA  
(206) 386-1293

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## **Minutes, Thursday, May 30, 2024**

**AC Members Present:** Judith Blinder (Chair), Sherri Crawford, Maria Coe, Joseph Hoffman, Jamie Carnell, Kimberly Loving

**SCERS Staff Present:** Jeff Davis, Paige Alderete, Nina Melencio

**Others Present:** Gary Smith (City Attorney's Office)

### **Call to Order**

Judith Blinder, Chair, called the meeting to order at 2:14 pm.

### **Public Comment**

There was no public comment.

### **Minutes**

Approved Minutes from the April 25, 2024 Administrative Committee meeting.

**Motion:** Upon motion by Sherri Crawford, seconded by Maria Coe, the Administrative Committee approved the minutes from the April 25, 2024 Administrative Committee meeting. The motion passed unanimously (6-0).

### **2025-2026 Budget**

Paige Alderete reviewed SCERS's 2025-2026 Proposed Budget.

Staff is proposing a 2025 Administrative & Operations budget of \$14.97M and a 2026 budget of \$15.37M which is a \$3.49M increase in 2025 and a \$3.59M increase in 2026 from the revised baseline. Internal Service Fund allocations are subject to change and will be updated with the rates from the Central Cost Manual that was released the previous day. The 2025 budget baseline reflects the Annual Wage Increases and Wage Adjustments approved as part of the recent labor negotiations. SCERS is pleased to report that most member services staff received a significant wage adjustment of 25.7%, aligning their compensation with the work performed.

The proposed budget increase is primarily due to a \$8.0M pension system upgrade project placeholder. SCERS does not have a "do nothing" option with its system and will be coming back to the Committee in July with more information. Without the proposed upgrade, SCERS's administrative expenses would reflect a decrease from the baseline due to various efficiencies and savings that were identified, including reducing SCERS's current staffing

level from 30.5 permanent positions (FTE) to 30.0 permanent positions. SCERS is proposing to eliminate a full-time Retirement Specialist position and increase a half-time Member Services Representative position to full-time.

**Motion:** Upon motion by Jamie Carnell, seconded by Maria Coe, the Administrative Committee recommended that the Board of Administration accept the 2024-2025 Seattle City Employees' Retirement System budget, including any future internal service fund rate updates, for submission to the City Budget Office. The motion passed unanimously (6-0).

### **Results of 2023 Board Self-Evaluation**

Ms. Blinder led a brief discussion on the results of the 2023 Board Self-Evaluation. Six (6) of seven (7) board members responded to the board self-evaluation.

Of the 23 questions asked, the lowest score was 4.3 of 5 under "The Board actively engages in discussion around significant issues". There was discussion that some board members may feel more comfortable and have more comments depending on the topic. It was noted that board members do engage in significant discussions and decisions, the most recent example was from the May Investment Committee meeting regarding the evaluation and selection of an Investment Consultant.

### **Operations Update**

Board member Loving and Director Davis announced that the Deferred Compensation Unit will be transitioned from SDHR to SCERS in 2025. This is a period of consolidation in the City, and it is a good time to assess lines of business and where they best fit. Retirement and deferred compensation are two similar benefits that focus on financial security for city employees and there are business efficiencies to be gained in member communications and knowledge. Committee members expressed support for this transition.

Ms. Alderete announced that SCERS will be issuing two RFPs at the end of June. One will be for the fund's Actuary and the other will be for the Auditor.

### **Executive Session for Personnel Matter**

This agenda item was deferred until the June 27, 2024 Administrative Committee meeting.

### **Adjourn Meeting**

**Motion:** Upon motion by Judith Blinder, seconded by Kimberly Loving, the Administrative Committee voted to adjourn the meeting at 3:04 pm. The motion passed unanimously (6-0).