



# 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, November 17, 2022

**AC Members Present:** Robert Harvey, Jr. (Chair), Judith Blinder, Sherri Crawford

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

**Others Present:** Mike Monaco (MMPL)

### Call to Order

Robert Harvey, Jr., Chair, called the meeting to order at 2:09 pm.

### Public Comment

There was no public comment.

### Minutes

Approved Minutes from the October 27, 2022 Administrative Committee.

**Motion:** Upon motion by Sherri Crawford, seconded by Robert Harvey, Jr., the Administrative Committee approved the minutes from the October 27, 2022 Administrative Committee meeting. The motion passed unanimously (2-0).

### New Policy - Underpayments

*(2:12 pm – Judith Blinder joined the meeting.)*

Paige Alderete summarized the proposed new Board Policy on Underpayments which is the counterpart to the Overpayments Policy the Board approved on October 29, 2020. Mike Monaco, MMPL, assisted writing the new policy.

If SCERS underpaid one of its members due to an administrative error, we will owe the member interest on the underpayment. Mr. Harvey asked how big an issue underpayment is.

Mr. Monaco added that there have been infrequent cases and will be even less so due to the implementation of the new Pension Administration System. This policy is not to cover the ordinary time frame to process retirements and start making payments. The policy is intended for a mistake when an inordinate amount of time has passed, e.g., somebody's benefit was supposed to be reduced to pay out on a QDRO, but that was not done. In the old system, this was not flagged. You have both an overpayment to the member and an underpayment to

the ex-spouse. Interest can be paid for the underpayment due to the error. These types of situations, from what Mr. Monaco has seen, is rare and should be rarer as SCERS ages out of the older system.

**Motion:** Upon motion by Sherrri Crawford, seconded by Judith Blinder, the Administrative Committee recommended that the Board of Administration approve the Underpayments policy. The motion passed unanimously (3-0).

### **Executive Director Report**

Paige Alderete informed the committee that the Cost-of-Living Adjustment (COLA) will be applied this month.

Mr. Harvey asked if SCERS has received any other requests to increase the COLA. Ms. Alderete responded that ARSCE submitted requests to the City Council regarding the COLA rate. Staff are monitoring the budget process to see what happens with the request.

### **Adjourn Meeting**

**Motion:** Upon motion by Sherrri Crawford, seconded by Judith Blinder, the Administrative Committee voted to adjourn the meeting at 2:22 pm. The motion passed unanimously (3-0).