



Seattle City Employees' Retirement System

New City Retirement Plan (SCERS Plan 2) FAQ

Q. What's changing with SCERS Plan 2?

Comparison Chart

Both SCERS Plan 1 and SCERS Plan 2 essentially work the same way and many provisions between the two plans are the same. This table summarizes the most significant differences between SCERS Plan 1 and SCERS Plan 2.

This document is a guide to be used in conjunction with the Seattle Municipal Code, Section 4. 36. The rules governing member retirement benefits are contained in the Seattle Municipal Code (SMC). If there are any conflicts between what is written in this document and what is contained in the code, the applicable code will govern.

	SCERS Plan 1	SCERS Plan 2
Employee Contribution Rate	10.03 percent	7.0 percent
Final Average Salary	Highest consecutive earned 52 pay periods	Highest 130 pay periods
Minimum Retirement Age	Active employees are eligible after reaching: 5 to 9 service years and age 62 10 to 19 service years and age 57 20 to 29 service years and age 52 30 or more service years and any age	Active employees are eligible after reaching: 5 to 9 service years and age 60 10 to 19 service years and age 57 20 or more service years and age 55
Earned Benefit Per Year of Service Multiplier	Maximum 2 percent. Refer to table in SMC 4.36.605.	Maximum 1.75 percent. Refer to table in SMC 4.36.608.
Minimum Benefit Calculation	Contributions plus interest times two.	Benefit is calculated using age and length of service. See table in SMC 4.36.608.

Q. Why is the City moving to SCERS Plan 2 for new employees?

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- A. SCERS Plan 2 will help ensure a healthy retirement fund for City of Seattle retirees for years to come. SCERS Plan 2 is part of a competitive benefits package that stacks up against national and regional averages.

Q. How will SCERS Plan 2 impact me?

- A. Existing members hired and enrolled before January 1, 2017 will continue in SCERS Plan 1.

New members with a hire date of January 1, 2017 or later will be enrolled in SCERS Plan 2, unless they have service time eligible for redeposit in SCERS Plan 1.

After January 1, 2017, exempt or eligible temporary employees whose eligibility date is before January 1, 2017 will be enrolled in SCERS Plan 1 should they elect to join the Retirement System. They will then have *the option to switch to SCERS Plan 2 within 60 days*. Those who make the permanent election to switch will forfeit the right to purchase retirement service credit earned before their election to join SCERS.

After January 1, 2017, former SCERS Plan 1 members who withdrew their contributions, returned to City employment, and are eligible to redeposit will be re-enrolled in SCERS Plan 1 with *the option to switch to SCERS Plan 2 within 60 days*. Those who make the permanent election to switch will forfeit the right to redeposit retirement service credit earned in SCERS Plan 1.

Q. Is it possible for employees in SCERS Plan 1 to opt into joining SCERS Plan 2?

- A. No. Employees currently participating in SCERS Plan 1 must continue in SCERS Plan 1.

Q. What if I'm an exempt employee with a hire date before January 1, 2017 who hasn't joined the Retirement System as of year-end 2016?

- A. Should you elect to join the Retirement System January 1, 2017 or later, you will be enrolled in SCERS Plan 1. You will then have the option to switch to SCERS Plan 2 within 60 days. See the SCERS Plan 2 Election Form (available January 1, 2017).

Q. What are next steps for implementing SCERS Plan 2?

- A. The Retirement Office will summarize SCERS Plan 2 benefits on its website as a supplement to the existing Retirement Handbook and Frequently Asked Questions. New eligible employees will be enrolled in SCERS Plan 2 January 1, 2017 and later.

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