



# Seattle City Employees' Retirement System

## 2023 Retro Payments & Benefit Calculations

April 15, 2024

### **Impacted members:**

Active employees and retired members who are receiving Annual Wage Increases and/or Wage Adjustments approved by City Council.

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### **Active employees:**

The City anticipates issuing retroactive payments for 2023 and the first half of 2024 in October 2024 (tentative). SCERS's pension system does not account for retroactive payments like these until the payment is actually disbursed by the City. We understand that such significant salary increases impact your retirement decision process and that you would like to know how your retirement benefit will be affected.

The best way for you to see how your retirement benefit will be impacted is to use the calculator tool found in the [Member Self Service \(MSS\) portal](#). The calculator tool allows you to manually adjust your Final Average Salary (FAS) to include the anticipated, higher salary that will result from the approved labor agreements. Our enhanced calculator tool now provides you with benefit estimates for unmodified and Options A-E.

If you decide to retire before the retro payments are processed by the City, your retirement benefit will be based on your highest FAS, as it exists at that point in time. Once the retroactive wage increases are paid by the City, SCERS will recalculate your benefit.

Once your retirement benefit is recalculated, it will include a new FAS that will be applied to your benefit payment going forward and you will also receive a "catch-up" payment for past months (to pay the difference between the old rate you actually received and the new rate that you should have received).

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### **Retired members:**

The City anticipates issuing retroactive payments for 2023 and the first half of 2024 in October 2024 (tentative). SCERS's system does not account for retroactive payments like these until the payment is actually disbursed by the City. After the City has completed its disbursement, SCERS will begin to process benefit recalculations for retired members who are impacted by a retroactive wage increase. Please note that just because you received a retro payment, does not necessarily mean that your pension benefit will be impacted. For example, if your Final Average Salary was not calculated using your salary from the years retroactive payments were made, your benefit will not be impacted.

Assuming that retroactive payments are disbursed in October, our goal is to have all benefit recalculations completed and disbursed by the end of February 2025. How quickly SCERS can process recalculations partially depends on how "cleanly" your department initially input the retro pay adjustment into the City's payroll system. We know that your money is important, and we will process these recalculations as quickly as possible while also maintaining our normal workload.

Once your retirement benefit is recalculated, it will include a new Final Average Salary (FAS) that will be applied to your benefit payment going forward and you will also receive a "catch-up" payment for past months (to pay the difference between the old rate you received and the new rate that you should have received).

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If you think you are due a benefit recalculation and have not received one by March 1, 2025, please contact SCERS main office at 206-386-1293.

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