**RESOLUTION URGING LEGISLATIVE ACTION ON**

**SCHOOL EMPLOYEE PENSION REFORM**

**BY THE BOARD OF DIRECTORS OF THE**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ SCHOOL DISTRICT**

WHEREAS, in the coming fiscal year, school officials must figure out how to pay employee pension obligations, with the total employer contributions for 2017-18 projected by the Public School Employees’ Retirement System (PSERS) at about $4.4 billion; and

WHEREAS, beginning in July, 2017, the annual employer contribution rate that must be paid by the state and school districts will jump to 32.57%, up from 30.03% in 2016-17. The contribution will continue to climb over the next few years to a staggering 36.40% by 2021-22. According to PSERS, those rising rates means that over the next five years the projected total employer contribution will surge from about $4.4 billion to about $5.2 billion, an increase of over $864 million.

WHEREAS,the increases in the employer contribution shown in the \_\_\_­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ School District’s projected expenditures for the next five years reflect extraordinary costs as follows; and

|  |  |  |
| --- | --- | --- |
| **Fiscal Year** | **Contribution Rate** | **District Projected Expenditures** |
| **2017-18** | **32.57%** | **$** |
| **2018-19** | **34.18%** | **$** |
| **2019-20** | **35.53%** | **$** |
| **2020-21** | **35.95%** | **$** |
| **2021-22** | **36.40%** | **$** |

WHEREAS, understanding that pension costs are taking a greater share of available revenues, leaving less funding for true basic education costs directed toward student learning, these projections present critical problems that effectively force the addition of significantly higher financial burdens on taxpayers, school districts and the commonwealth and consequently demand both a short-term and a long-term solution; and

WHEREAS, a meaningful solution to these problems must involve the identification of another funding source for PSERS, decreasing or cutting the costs/liabilities of the system, including benefit levels, and deferring the system’s liabilities.

NOW THEREFORE, BE IT RESOLVED that the ­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ School District calls upon the General Assembly to begin immediate consideration of school employee pension reform with the dual purpose of reducing projected employer contribution rate increases and reducing projected costs to school districts, taxpayers and the commonwealth over the next two decades, while maintaining an appropriate pension benefit school employees; and

BE IT FURTHER RESOLVED that a copy of this resolution be submitted to the elected senators and representatives of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ School District in the General Assembly, and to the Governor of Pennsylvania.

Adopted this \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2017.

Signed,

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School Board President Board Secretary (seal)