

**A Resolution urging legislative action on school employee pension reform  
by the Board of Directors of the  
BRANDYWINE HEIGHTS AREA SCHOOL DISTRICT**

WHEREAS, school districts in Pennsylvania are required to participate in a statewide pension program administered by the State Public School Employees' Retirement Board; and

WHEREAS, the Brandywine Heights Area School District and the Commonwealth of Pennsylvania contribute a fixed percentage of the eligible employee's salary; and

WHEREAS, employees belonging to PSERS prior to July 22, 1983, contribute 5.25% of their salary, and employees who joined PSERS on or after July 22, 1983, contribute 6.25% of their salary; and

WHEREAS, on February 17, 2002, a new membership class was created that set the employee contribution rate at 7.5% of the employee's salary for those employees who were hired on or after July 22, 1983; and

WHEREAS, for the 2009-10 school year, the employer retirement contribution rate is 4.78% and effective July 1, 2010, the total employer retirement contribution rate will be 8.22%; and

WHEREAS, both the Brandywine Heights Area School District and the Commonwealth of Pennsylvania are responsible for paying a portion of the employer's share; and

WHEREAS, because of investment losses and inadequate State funding another large increase is projected for fiscal year 2012-13 in the employer contribution rate; and

WHEREAS, on December 12, 2008, the PSERS' Board of Trustees met and stated: "School employers should continue to prepare for dramatic employer contribution increases forecast in four years"; and

WHEREAS, because of further pension fund performance, the rate spike in 2012-13 is projected to increase from what was originally scheduled as an 11.23 % increase and subsequently designated as a 16% increase to as much as a 29% increase; and

WHEREAS, should the employer contribution rate increase to either 16% or 29%, or more, most local education agencies, including the Brandywine Heights Area School District will be unable to fund pension obligations as of 2012-13.

NOW THEREFORE, BE IT RESOLVED that the Brandywine Heights Area School District Board of School Directors makes the following recommendation:

1. The State Legislature immediately review the anticipated rate spike during the 2012-13 fiscal year and beyond.

2. As a result of that rate spike, the State Legislature consider immediately amending the Public School Employees' Retirement Code so as to take immediate action in either amending the Public School Employees' Retirement Code to limit eligibility, funding levels, and/or the extent of the benefits so that the employer contribution rate will be substantively reduced, and/or provide other sources of state revenue independent of the school district contribution rate.

3. The State Legislature recognize that permitting the employer contribution rate to spike to a 16% - 29% level, or more, would adversely impact every school district in the Commonwealth of Pennsylvania from providing the constitutional mandate of a thorough and efficient education for district students.

Adopted this 12th day of April, 2010 by the BRANDYWINE HEIGHTS AREA SCHOOL DISTRICT BOARD OF SCHOOL DIRECTORS.

Signed,

A handwritten signature in cursive script that reads "Carol A. Emrick". The signature is written in black ink and is positioned above a horizontal line.

Carol A. Emrick, Board President