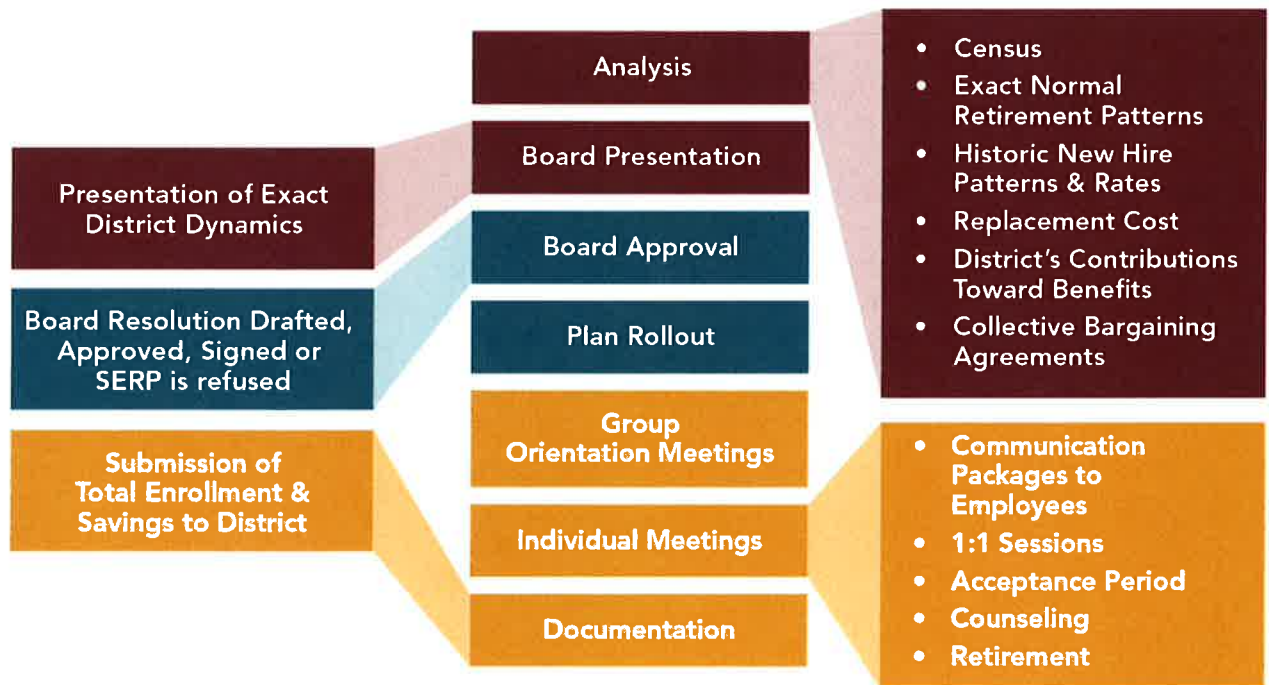


III. PLAN DESIGN / IMPLEMENTATION / FUNDING

Keenan’s SERP program has been developed and refined over the past 33 years. The illustration below identifies the overall process for the SERP solution. The details for Alum Rock Union Elementary School District are detailed in the reports that are included in the Sections VII and IX of this proposal. Following are the key components that comprise the plan design and implementation of the program that would be provided to the District.



PLAN DESIGN

Request for Information

Keenan Financial Services’ technical team begins the process of analyzing the feasibility of a SERP by gathering information from the District. The census data required would include:

- Information on eligible employees
- Average replacement salary costs
- District rates for workers’ compensation
- Unemployment insurance costs
- Retiree health care costs
- Other relevant data



Alum Rock Union Elementary School District Summary Sheet

Classification	Plan Type	Total Number of Eligible	Normal Attrition	Projected Number of Eligible	Projected % of Eligible Retirees	Average Salary	Average Lifetime Benefit	Period Certain 5	Average Cost Per Retiree	Average Commission (billed separate)	Average Plan Savings per Employee	Total Projected Savings	Savings with No Plan	5 Year Projected Total Net Savings	Break Even Retirees
Certificated Management	65% of Salary - All Replaced Eligible Age (min) 55 and Years of Service (min) 5	9	1	2	22%	\$139,406	\$426.51	\$1,504.26	\$90,614	\$4,531	-\$10,678	-\$21,356	\$84,467	-\$105,822	-8
Certificated Management	65% of Salary 2 not replaced Eligible Age (min) 55 and Years of Service (min) 5	9	1	2	22%	\$139,406	\$426.51	\$1,504.26	\$90,614	\$4,531	\$754,130	\$1,508,259	\$849,274	\$658,985	1
Certificated Management	65% of Salary 1 not replaced Eligible Age (min) 55 and Years of Service (min) 5	9	1	2	22%	\$139,406	\$426.51	\$1,504.26	\$90,614	\$4,531	\$371,726	\$743,452	\$466,870	\$276,581	1

Classification	Plan Type	Total Number of Eligible	Normal Attrition	Projected Number of Eligible	Projected % of Eligible Retirees	Average Salary	Average Lifetime Benefit	Period Certain 5	Average Cost Per Retiree	Average Commission (billed separate)	Average Plan Savings per Employee	Total Projected Savings	Savings with No Plan	5 Year Projected Total Net Savings	Break Even Retirees
Classified Management	65% of Salary - All Replaced Eligible Age (min) 50 and Years of Service (min) 5	11	1	3	27%	\$105,074	\$301.00	\$1,134.83	\$68,298	\$3,415	-\$7,282	-\$21,846	\$64,431	-\$86,277	-9
Classified Management	65% of Salary 1 not replaced Eligible Age (min) 50 and Years of Service (min) 5	11	1	3	27%	\$105,074	\$301.00	\$1,134.83	\$68,298	\$3,415	\$196,225	\$588,674	\$267,938	\$320,736	1
Classified Management	65% of Salary 2 not replaced Eligible Age (min) 50 and Years of Service (min) 5	11	1	3	27%	\$105,074	\$301.00	\$1,134.83	\$68,298	\$3,415	\$399,731	\$1,199,194	\$471,444	\$727,750	1
Classified Management	65% of Salary 3 not replaced Eligible Age (min) 50 and Years of Service (min) 5	11	1	3	27%	\$105,074	\$301.00	\$1,134.83	\$68,298	\$3,415	\$603,238	\$1,809,714	\$674,951	\$1,134,763	1