

**RESOLUTION URGING PENSION REFORM
BY THE BOARD OF DIRECTORS OF THE
NORTHERN LEHIGH SCHOOL DISTRICT**

WHEREAS, the Pennsylvania Public School Employees Retirement System (PSERS) has increased the employer contribution rate from 5.64% in 2010-11 to 16.93% for the 2013-14 fiscal year, a threefold increase over the last 3 years; and

WHEREAS, the employer contribution rate is projected to continue to increase over the next 21 years, reaching a rate of 31.43% in 2034-35, and will continue to exceed 30% for a total of 17 years, then remain in double digits for an additional 9 years thereafter; and

WHEREAS, the increases in employer contribution shown in Northern Lehigh School District's expenditures for the past five years reflect extraordinary costs that were borne by its local taxpayers as follows; and

Fiscal Year	District Expenditures (\$)	Employer Contribution Rates
2008-09	604,639.44	4.76%
2009-10	601,528.49	4.78%
2010-11	740,946.71	5.64%
2011-12	1,057,509.11	8.65%
2012-13	1,487,902.96	12.36%
Total:	4,492,526.71	

WHEREAS, the increases in the employer contribution shown in Northern Lehigh School District's projected expenditures for the next five years reflect extraordinary costs that will result in further need to require local taxpayers to sustain the higher costs as follows; and

Fiscal Year	District Projected Expenditures (\$)	Employer Contribution Rates
2013-14	2,065,731.00	16.93%
2014-15	2,652,346.00	21.31%
2015-16	3,265,783.00	25.80%
2016-17	3,643,133.00	28.30%
2017-18	3,816,349.00	29.15%
Total:	15,443,342.00	

WHEREAS, meaningful solutions to these problems must involve identifying other funding sources for PSERS, actuarially appropriate adjustments to amortization of gains and losses, limitations of eligibility, adjustment of benefit levels, and examining the possibility of adoption of a hybrid pension plan that would reduce employer costs over time;

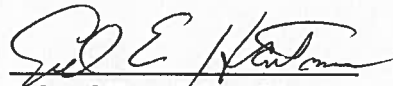
NOW THEREFORE, BE IT RESOLVED that the board of school directors of the Northern Lehigh School District calls upon the General Assembly to begin immediate consideration of school employee pension reform to reduce projected costs to school districts and taxpayers over the next three decades, while maintaining an appropriate pension benefit for school employees.

BE IT FURTHER RESOLVED that the Northern Lehigh School Board calls on the General Assembly to consider the creation of a hybrid pension system consisting of defined benefit and defined contribution for school employees as a potential solution.

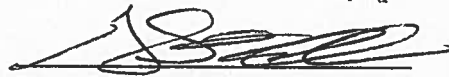
BE IT FURTHER RESOLVED, that a copy of this resolution submitted to the elected senators and representatives of the Northern Lehigh School District in the General Assembly, and to the Governor of Pennsylvania.

Adopted this 8th day of April, 2013.

Signed,



School Board President



Board Secretary

(seal)