



Moon Area School District

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MASD Board of Education Passes Resolution Urging PSERS Reform

Moon Area School District Board of Education members unanimously passed a resolution during their April 12 business meeting that will be delivered to many Pennsylvania lawmakers from the local level to the governor's office. [Read the resolution here.](#)

The resolution urges lawmakers to pursue legislative action to correct massive problems with the Pennsylvania Public School Employees Retirement System (PSERS).

This year, Moon Area School District will contribute 4.78 percent to the system. However, projections show that within the next four years district contributions to the system, which covers retirement benefits for all former educational employees in the commonwealth, will leap to **33.60 percent** - a **602 percent** increase from current district contributions. They are expected to stay above 30 percent until 2020 under current circumstances.

All 500 school districts in Pennsylvania are struggling with this issue that has occurred due to a series of actions in Harrisburg and recent stock market drops. The resolution urges a short-term and long-term solution to PSERS's problems that do not result in a financial burden on Pennsylvania taxpayers and school districts.

The projected increases would cost MASD and its taxpayers an additional \$4.5 million in the next four years. To cover the district's costs, a 2.14-mill property tax increase would be needed even with the state's continued reimbursement of half of all district payments.

The PSERS Board of Directors already has voted to increase employer contributions to 8.22 percent for the 2010-11 school year, which represents a 72 percent hike over the current contribution rate.

School directors passed the resolution at the recommendation of the Pennsylvania School Board Association and it will be sent to State Rep. Mark Mustio, State Sen. John Pippy, various state House and Senate leaders and Gov. Ed Rendell.