PSERS Projections and
PSERS Assigned Fund Balance

School Year	PSERS Contribution Rate Estimate*	Estimated Payroll**	Employer Contribution Costs	PSERS Cost Increase Over Previous Year	8 Percent Baseline	Difference between Baseline (8%) and Employer Contribution
2008-2009	4.76%	$2,752,335	$131,011	N/A	$220,187	-$89,176
2009-2010	4.78%	$2,899,564	$138,599	$7,588	$231,965	-$93,366
2010-2011	5.64%	$2,905,379	$163,863	$25,264	$232,430	-$68,567
2011-2012	8.65%	$2,918,545	$252,454	$88,591	$233,484	$18,971
2012-2013	12.36%	$2,877,163	$355,617	$103,163	$230,173	$125,444
2013-2014	16.93%	$2,839,044	$480,650	$125,033	$227,124	$253,527
2014-2015	21.31%	$2,924,215	$623,150	$142,500	$233,937	$389,213
2015-2016	25.80%	$3,011,942	$777,081	$153,931	$240,955	$536,126
2016-2017	28.30%	$3,102,300	$877,951	$100,870	$248,184	$629,767
2017-2018	29.15%	$3,195,369	$931,450	$53,499	$255,630	$675,821

* based on PSERS Projection of Contribution Rates and Funded Ratios as of June 30, 2012

**estimated payroll assumes a 3% increase in future years

PSERS Assigned Fund Balance

Assigned Fund Balance-future PSERS rate increase 09-10	$43,750
Assigned Fund Balance-future PSERS rate increase 10-11	$42,500
Assigned Fund Balance-future PSERS rate increase 11-12	$42,000
Assigned Fund Balance-future PSERS rate increase 12-13	$42,000
Planned Use of Fund Balance 13-14	($42,000)
Assigned Fund Balance-future PSERS rate increase 13-14	$97,000
Total Assigned Fund Balance as of June 30, 2014	$225,250

If ECTS were to fund the difference between the 8% baseline and the estimated employer contributions beginning in the 2013-2014 school year and continuing through 2017-2018 school year, the PSERS Assigned Fund Balance would need to be $2,484,453. The PSERS Assigned Fund balance for June 30, 2014 is estimated at $225,250. This leaves a shortfall of $2,259,203.

Based on the Actuary Study, PSERS rates are not estimated to return to below 8% until 2042. They are estimated to range between 16.93% and 31.43% through 2036.

Public School Employees' Retirement System of Pennsylvania
Projection of Contribution Rates and Funded Ratios As of June 30, 2012

Fiscal Year Ending June	Appropriation Payroll (thousands)	Fiscal Market Rate of Return	Pension Rate Floor	Employee Contribution Rate	Employer Normal Cost	Employer Unfunded Liability Rate	Preliminary Employer Pension Rate	Health Care Contribution	Total Employer Contribution Rate	Projected Total Employer Contribution (thousands)	Funded Ratio	Unfunded Accrued Liability ($ Millions)
2011	$ 13,510,000	20.37 %	4.00 %	7.34 %	8.08 %	(0.50) %	7.58 %	0.64 %	5.64 %		69.1 %	$ 26,499.3
2012	14,112,000	3.43	4.00	7.37	8.12	10.15	18.27	0.65	8.65		**66.4**	**29,533.0**
2013	14,297,000	7.50	4.00	7.40	8.66	12.99	21.65	0.86	12.36	$ 1,767,109	63.7	32,962.8
2014	**13,720,000**	7.50	4.00	**7.43**	**8.57**	**15.25**	**23.82**	**0.93**	**16.93**	**2,322,796**	61.5	35,966.2
2015	14,081,432	7.50	4.00	7.44	8.27	16.95	25.22	0.81	21.31	3,000,753	59.7	38,780.8
2016	14,451,877	7.50	4.00	7.45	8.01	18.40	26.41	0.80	25.80	3,728,584	58.5	41,099.7
2017	14,856,092	7.50	7.77	7.46	7.77	19.74	27.51	0.79	28.30	4,204,274	57.2	43,620.1
2018	15,277,378	7.50	7.54	7.47	7.54	20.84	28.38	0.77	29.15	4,453,356	56.6	45,610.2
2019	15,727,920	7.50	7.34	7.47	7.34	22.04	29.38	0.76	30.14	4,740,395	57.8	45,599.5
2020	16,199,868	7.50	7.14	7.48	7.14	22.99	30.13	0.74	30.87	5,000,899	59.1	45,486.0
2021	16,688,649	7.50	6.95	7.48	6.95	23.11	30.06	0.72	30.78	5,136,766	60.0	45,701.6
2022	17,199,637	7.50	6.76	7.49	6.76	23.29	30.05	0.71	30.76	5,290,608	61.4	45,466.6
2023	17,725,437	7.50	6.58	7.49	6.58	23.66	30.24	0.69	30.93	5,482,478	62.9	44,957.7
2024	18,263,477	7.50	6.40	7.49	6.40	23.90	30.30	0.67	30.97	5,656,199	64.5	44,175.3
2025	18,811,813	7.50	6.23	7.49	6.23	24.12	30.35	0.67	31.02	5,835,424	66.3	43,137.0
2026	19,364,839	7.50	6.05	7.49	6.05	24.33	30.38	0.67	31.05	6,012,783	68.3	41,799.3
2027	19,923,567	7.50	5.88	7.49	5.88	24.55	30.43	0.67	31.10	6,196,229	70.4	40,144.8
2028	20,486,182	7.50	5.71	7.49	5.71	24.76	30.47	0.67	31.14	6,379,397	72.6	38,161.1
2029	21,055,828	7.50	5.52	7.50	5.52	24.96	30.48	0.67	31.15	6,558,890	74.9	35,831.9
2030	21,629,768	7.50	5.34	7.50	5.34	25.18	30.52	0.67	31.19	6,746,325	77.4	33,125.5
2031	22,213,012	7.50	5.16	7.50	5.16	25.40	30.56	0.67	31.23	6,937,124	80.1	30,008.2
2032	22,801,505	7.50	4.98	7.50	4.98	25.62	30.60	0.67	31.27	7,130,031	82.9	26,447.0
2033	23,402,793	7.50	4.80	7.50	4.80	25.85	30.65	0.67	31.32	7,329,755	85.9	22,404.4
2034	24,017,194	7.50	4.63	7.50	4.63	26.08	30.71	0.67	31.38	7,536,595	89.0	17,839.3
2035	24,647,532	7.50	4.45	7.50	4.45	26.31	30.76	0.67	31.43	7,746,719	92.4	12,706.7
2036	25,296,263	7.50	4.27	7.50	4.27	13.58	17.85	0.67	18.52	4,684,868	94.0	10,235.5
2037	25,959,708	7.50	4.10	7.50	4.10	10.44	14.54	0.67	15.21	3,948,472	95.3	8,302.8
2038	26,646,552	7.50	3.93	7.50	3.93	9.06	12.99	0.67	13.66	3,639,919	96.4	6,517.5
2039	27,357,744	7.50	3.76	7.50	3.76	7.29	11.05	0.67	11.72	3,206,328	97.3	5,016.4
2040	28,098,858	7.50	3.60	7.50	3.60	5.82	9.42	0.67	10.09	2,835,175	98.0	3,762.3
2041	28,877,923	7.50	3.44	7.50	3.44	4.43	7.87	0.67	8.54	2,466,175	98.6	2,767.2
2042	29,697,814	7.50	3.30	7.50	3.30	3.32	6.62	0.67	7.29	2,164,971	99.0	1,991.7
2043	30,568,782	7.50	3.17	7.50	3.17	2.06	5.23	0.67	5.90	1,803,558	99.2	1,512.4
2044	31,494,407	7.50	3.06	7.50	3.06	1.08	4.14	0.67	4.81	1,514,881	99.4	1,287.0
2045	32,448,060	7.50	2.95	7.50	2.95	1.07	4.02	0.67	4.69	1,521,814	99.5	1,038.2
2046	33,430,590	7.50	2.84	7.50	2.84	0.98	3.82	0.67	4.49	1,501,033	99.6	789.5