

# Joint Committee on Pension Systems Review

## *South Carolina Pension Funding Issues and the Impact on School Districts*

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# Major Concerns

- ▶ Having a quality retirement system for our employees
- ▶ Any increased employer contribution is fully funded by the State with new funds – not redirected funds
- ▶ Competitive contribution rates for our employees

# Major Concerns

- ▶ Having a quality retirement system for our employees
- ▶ That's in the hands of you and PEBA and we think we have a quality retirement system

# Employer Contribution

According to PEBA's August 30, 2016 presentation:

In 2014 the median employer contribution rate was 11.51%

SC's is currently 11.56%

We are already relatively high

# Employer Contribution

- ▶ Any increases need to be fully funded by the state
- ▶ Without funding from the state it puts additional pressure on property tax
- ▶ Base Student Cost is already under funded
- ▶ Shell game with loss of other funding sources
- ▶ Act 388 reimbursements aren't keeping pace

# Employee Contribution

According to PEBA's August 30, 2016 presentation:

In 2014 the median employee contribution rate was 5.98%

SC's is currently 8.66%

SC teacher takes home \$107 less a month

# Employee Contribution

- ▶ SC is already 45% higher than the national median
- ▶ Additional increases will further hurt our retention and recruitment efforts
- ▶ Combined with increases in health care costs puts tremendous pressure on the districts
- ▶ State and national shortage of teachers

Thank You