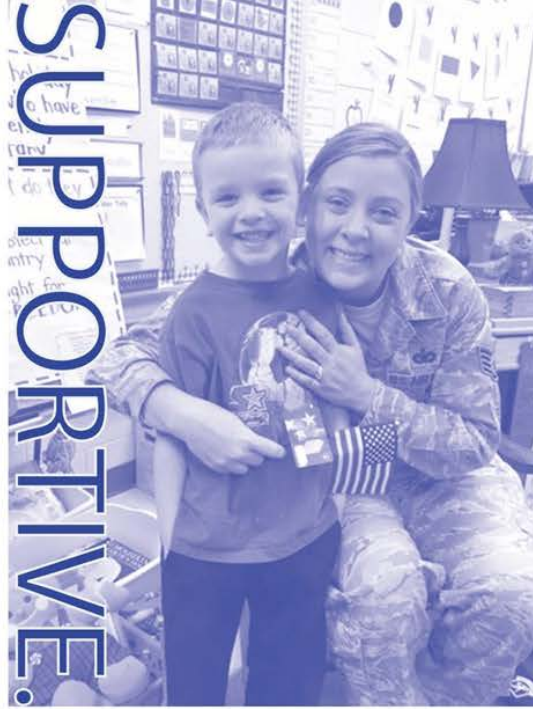
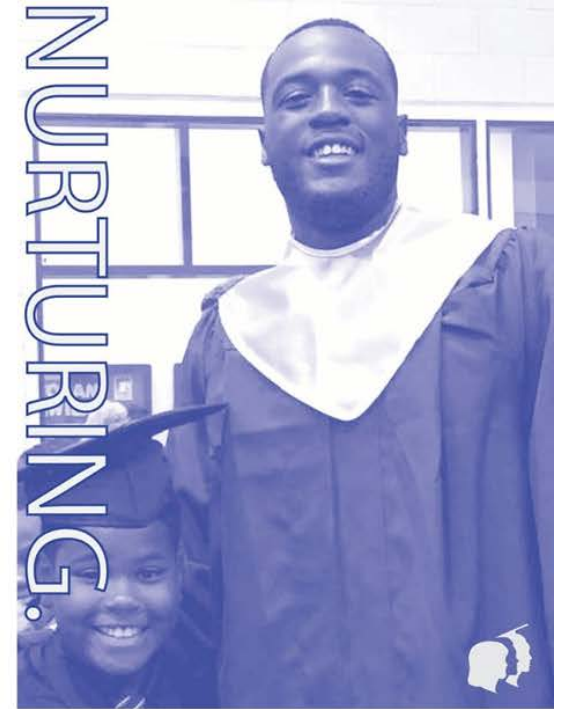




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Supplemental Retirement Plan (SRP) Committee Recommendations

Chris Sorensen, Assistant Superintendent
February 7, 2017 * Presented to School Board





Outline of Presentation

- Formation and Scope of Committee
- Committee Process
- Committee Recommendation
- Next Steps





SRP Committee Formation and Scope

SRP Committee formed by Superintendent

- Twenty six members consisting of employees, staff, CCPTA president, CBAC chair (including finance staff)
- Provided insight to the goals of the program
- Identified program priorities
- Analyzed options to recommend a viable plan
 - Financially
 - As a benefit to employees
- Did not consider actuarial aspects of the plan





SRP Committee Members

NAME	TITLE
Bobbie Ivey	Benefits Administrator
Chris Sorensen	Assistant Superintendent, Business and Finance
Christopher Hart	Principal, Elementary School
Dr. David Ellena	Principal, Middle School
Rusty Fairheart	Chief of Staff
Don Wilms	President, CEA
Donna Snee	Office Manager Senior, Elementary School
Susan Newton	Director, Management and Budget
Jennifer Lenz	Principal, Elementary School
Kaitlyn Festa	Teacher, Elementary School
Laura Hebert	Principal, High School
Lisa Witt	Teacher, Elementary School
Mary Ann Bookheimer	Admin. Assistant Senior, CTC @ Hull Admin.

NAME	TITLE
Nita Mensia-Joseph	Chief Operations Officer
Rosemary Harris	Principal, Elementary School
Sara Gilliam	President, County Council of PTA
Tammy Rama	Field Supervisor, Special Programs, Food Services
Thomas Taylor	Executive Director, School Administration
Wendell Roberts	School Board Attorney
Lauren Murray	Teacher, High School
John Hotchkiss	Bus Driver
Kim Carter	Director, Compensation and Benefits
Saadia Siddiqui	Instructional Aide, Elementary School
Douglas Harvey	Chairman, Citizen Budget Advisory Committee
Cheryl George	Human Resources Analyst, Prof. Development
David Miller	Assistant Director, Management and Budget





SRP Committee Process

Committee met four times

- Focused on five variables
 - Percent payout
 - Length of payout (years)
 - Number of annual participants
 - Salary cap
 - Qualifying experience - length and type





SRP Committee Process

Discussion of five variables

- Percent payout
 - Consideration was given to lowering the current 175%
 - Committee's highest priority was to maintain the 175% benefit
- Length of payout (years)
 - Became clear that a 5 year payout was not feasible
 - Agreed that a seven year payout worked financially and posed the least impact to employees





SRP Committee Process

Discussion of five variables (continued)

- Number of annual participants
 - The committee recognized the need for a cap on the number of annual participants while also realizing the salary savings needed to sustain the program
- Salary cap
 - With the limited number of employees remaining eligible for the program, the cap was set so as not to penalize long term employees with a great deal of CCPS experience





SRP Committee Process

Discussion of five variables (continued)

- Qualifying experience - length and type
 - The committee saw the most important service as being that in Chesterfield County Public Schools rather than service granted at the time of employment





SRP Committee Recommendation

For each of the 5 variables

Percent payout - 175%

Length of payout (years) - 7 years minimum

Number of annual participants - 175 maximum

Salary cap - \$135,000

Qualifying experience (length and type) - 15 years of CCPS experience

Final eligibility will be determined through a combination of age and





SRP Sample Calculation

Recommended scenario maintains the total benefit

Average Salary	SRP Percent Payout	Annual Benefit for 5-year Payout	Annual Benefit for 7-year Payout
\$ 65,000	175%	\$ 22,750	\$ 16,250

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
5 Year Payout	\$22,750	\$22,750	\$22,750	\$22,750	\$22,750			\$113,750
7 Year Payout	16,250	16,250	16,250	16,250	16,250	16,250	16,250	113,750





SRP - Next Steps

Next Steps in the Development of a Financially Sustainable Program

- Actuary will perform scenarios to determine funding requirements
- Outside legal counsel, in conjunction with the actuary, will recommend a program plan and policy in alignment with proposed budget
 - We will ask the actuary to begin running scenarios based on the committee's recommendation, some adjustments may be necessary to propose a solvent program based on available resources.
- Recommended changes will impact employees retiring 6/30/17 and future retirees





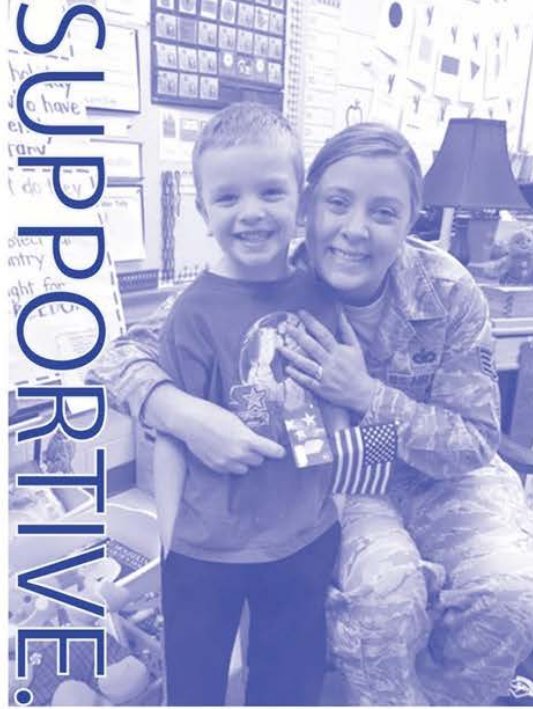
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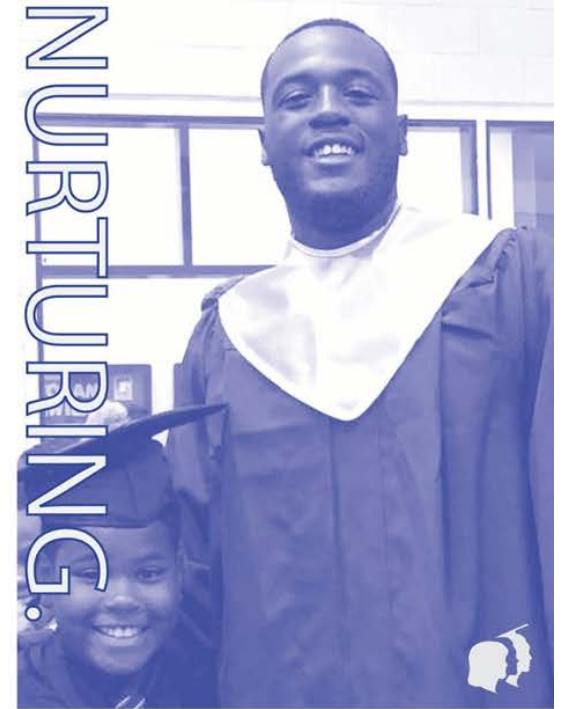




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