

PLAN B FACT SHEET

Normal Retirement – Annual Benefit = (years of service x 2%) x (final average compensation)

- Tier I: Members hired prior to 1/1/07:
 - Highest 36 months average used in benefit calculation.
 - 7 years and age 65
 - 10 years and age 60
 - 30 years and age 55
- Tier II: Members hired on or after 1/1/07:
 - Highest 60 months average used in benefit calculation.
 - 7 years and age 67
 - 10 years and age 62
 - 30 years and age 55

DROP Retirement - Annual Benefit = (years of service x 2%) x (final average compensation)

- **DROP is optional; it is not “right” for everyone!**
- **Original DROP benefit is frozen upon entering DROP. It will not change no matter how long the member works following DROP.**
- Service and salary during DROP are not used in the benefit calculation.
- Must meet minimum retirement eligibility requirements to enroll in DROP.
- May participate for up to 36 months.
- Monthly DROP deposit represents the member’s actual retirement benefit amount.
- Lump sum = (monthly benefit) x (months in DROP)
- Employee contributions stop.
- To receive the lump sum, the member must retire/terminate.
- Lump sum can be paid directly to the member; 20% federal income tax withholding.
- Lump sum can be rolled over to an IRA or Deferred Compensation with no immediate federal income tax withholding.

Disability Retirement

- An active member hired **prior to 1/1/07** must have **5 years** of service to be eligible for these benefits.
- An active members hired **on or after 1/1/07**, **7 years** of service is required for disability eligibility.
- An active members hired **prior to 1/1/07**, disability is defined as total and permanent disability from performing **your** specific job.
- For active members hired **1/1/07 and later**, disability is defined as unable to perform **any** type of gainful employment.

Survivor Benefits

- Active members must have **10 years** of service and have been married for at least 12 months prior to death of the member.
- If a member was eligible for normal retirement at the time of death, the surviving spouse receives an automatic Option 2 benefit.
- If the member was not eligible for normal retirement and the surviving spouse is not eligible for Social Security survivorship or retirement benefits, then the spouse receives an automatic Option 2 benefit payable when the spouse attains age fifty.
- Benefit ceases if/when the spouse becomes eligible for social security survivorship or retirement benefits or remarries before age 55.

SUMMARY OF VALUATION RESULTS PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM – PLAN B

Valuation Date:	December 31, 2023	December 31, 2022
Census Summary:		
Active Members	2,384	2,314
Retired Members and Survivors	1,116	1,074
Terminated Due a Deferred Benefit	209	197
Terminated Due a Refund	2,101	2,021
Payroll:	\$ 125,605,540	\$ 116,672,661
Benefits in Payment:	\$ 16,993,868	\$ 16,194,352
Present Value of Future Benefits:	\$ 549,176,298	\$ 522,456,080
Actuarial Accrued Liability (EAN):	\$ 436,129,365	\$ 408,897,511
Funding Deposit Account Credit Balance:	\$ 9,187,912	\$ 5,727,180
Actuarial Asset Value (AVA):	\$ 454,789,737	\$ 428,173,067
Market Value of Assets (MVA):	\$ 441,183,016	\$ 390,726,543
Ratio of AVA to Actuarial Accrued Liability (EAN):	104.28%	104.71%
	Fiscal 2023	Fiscal 2022
Market Rate of Return:	13.8%	-12.1%
Actuarial Rate of Return:	7.0%	4.8%
	Fiscal 2024	Fiscal 2023
Employers' Normal Cost (Mid-year):	\$ 8,473,438	\$ 7,730,224
Estimated Administrative Cost:	\$ 420,471	\$ 352,724
Offset for Projected Ad Valorem Tax Contributions:	\$ (1,806,254)	\$ (1,683,274)
Offset for Projected Revenue Sharing Funds:	\$ (23,341)	\$ (23,427)
Net Direct Employer Actuarially Required Contributions:	\$ 7,064,314	\$ 6,376,247
Projected Payroll:	\$ 128,506,690	\$ 119,202,988

Figure 1B. Plan B Membership Counts

