

Roman Catholic Archdiocese of Boston Pension Plan

July 1, 2014
Actuarial Valuation

Roman Catholic Archdiocese of Boston Pension Plan

Introduction

This report was prepared by October Three Consulting LLC in order to document the actuarial valuation results as of July 1, 2014 for the Roman Catholic Archdiocese of Boston Pension Plan. The results are for the plan year ending June 30, 2014 and are intended strictly for documenting the funded status of the plan as of July 1, 2014.

The results of the actuarial valuation have been prepared in accordance with generally accepted actuarial principles.

The contents of the report are based on specific actuarial assumptions and methods, as selected and/or approved by the Trustees of the plan. Any changes in these factors will impact the results documented in this report. In our opinion, unless disclosed otherwise, the assumptions detailed in this report represent the best estimate of anticipated experience under the plan based on past experience and future expected experience.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following:

1. Plan experience differing from that anticipated by the economic and demographic assumptions,
2. Changes in economic or demographic assumptions,
3. Increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status), and
4. Changes in plan provisions or applicable law.

Due to the limited scope of our assignment, we did not perform an analysis of the potential range of such future measurements.

Participant data and asset information was provided by the Archdiocese of Boston. We have reviewed the data for reasonableness and have relied on the data as provided. We did not audit the data.

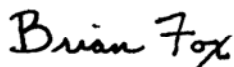
The credentialed signer below meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. To the best of our knowledge and based on the assumptions stated, the report is complete and accurate.



Thomas M. Sablak, FSA, EA, MAAA
Partner

January 20, 2015

Date



Brian Fox
Consultant

January 20, 2015

Date

IRS Circular 230 disclosure: To ensure compliance with requirements imposed by the IRS, October Three Consulting LLC informs you that, unless and to the extent otherwise stated, any U.S. federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Roman Catholic Archdiocese of Boston Pension Plan

Table of Contents

Summary of Funded Status	1
Reconciliation of Funded Status	2
Summary of Assets Available for Plan Benefits	3
Reconciliation of Assets by Funding Location	4
Development of Liabilities by Funding Location	5
Summary of Funded Status by Funding Location	6
Plan Financial Disclosures Under ASC 960 (Formerly SFAS No. 35)	7
Summary of Participants Included in the Valuation	8
Actuarial Assumptions and Methods	15
Plan Provisions	16
Appendix - Funding Locations	19

Roman Catholic Archdiocese of Boston Pension Plan

<u>Summary of Funded Status</u>	<u>Valuation Date</u>	
	<u>July 1, 2014</u>	<u>July 1, 2013</u>
1. Present value of accrued benefits (PVAB)		
a. Active participants	\$59,268,520	\$62,753,263
b. Deferred vested participants	30,900,465	35,076,549
c. Retired participants and beneficiaries	<u>156,834,699</u>	<u>158,365,385</u>
d. Total, (a) + (b) + (c) + (d)	\$247,003,684 *	\$256,195,197
2. Market value of assets	<u>224,816,420 *</u>	<u>213,669,880</u>
3. (Deficit)/Surplus, (2) - (1d)	(\$22,187,264)	(\$42,525,317)
4. Funded status, (2)/(1d)	91.0%	83.4%

* Both the present value of accrued benefits and the assets as of July 1, 2014 include those from St. Mary's Center for Women and Children, a participating employer that transferred from the Caritas Christi Retirement Plan to the Roman Catholic Archdiocese of Boston Pension Plan at the end of April 2014.

Roman Catholic Archdiocese of Boston Pension Plan

Reconciliation of Funded Status

July 1, 2013 to July 1, 2014

1. (Deficit)/Surplus as of July 1, 2013	(\$42,525,317)
2. (Increase)/Decrease due to	
a. Benefit accruals	\$0
b. Contributions	8,045,268
c. Net interest	(2,576,897)
d. Liability gain/(loss)	898,822
e. Asset gain/(loss)	14,837,197
f. Assumption changes *	(385,240)
g. Plan amendments **	1,129,551
h. Annuity purchase ***	(1,677,594)
i. Other - Transfer ****	<u>66,946</u>
j. Net (increase)/decrease	\$20,338,053
3. (Deficit)/Surplus as of July 1, 2014	(\$22,187,264)

* The mortality table was changed from the 2013 IRS Static Mortality Table to the 2014 IRS Static Mortality Table effective July 1, 2014, which increased the deficit by \$385,240.

** Voluntary lump sum opportunities offered to certain active and deferred vested participants reduced the deficit by \$1,129,551.

*** The annuity purchase for Cristo Rey High School and Inactive Locations reduced assets by \$2,746,800 and reduced the present value of accrued benefits by \$2,134,372, for a net increase in the deficit of \$612,428 for the plan year ending June 30, 2014. The annuity purchase for Cathedral High School and select Active Locations reduced assets by \$2,636,220 and reduced the present value of accrued benefits by \$1,571,054, for a net increase in the deficit of \$1,065,166 for the plan year ending June 30, 2014.

**** The transfer of the present value of accrued benefits and the assets into the RCAB Pension Plan for St. Mary's Center for Women and Children resulted in a net decrease in the deficit of \$66,946 for the plan year ending June 30, 2014.

Roman Catholic Archdiocese of Boston Pension Plan

<u>Summary of Assets Available for Plan Benefits</u>	<u>Valuation Date</u>	
	<u>July 1, 2014</u>	<u>July 1, 2013</u>
1. Fair value of assets in the Roman Catholic Archbishop of Boston Collective Investment Partnership	\$221,481,214	\$211,396,600
2. Cash and cash equivalents	4,680,766	1,003,939
3. Expense for Principal annuity purchase	(2,636,220)	0
4. Receivable contributions	50,786	21,001
5. Net prepaid/(accrued) expenses	1,239,874	1,248,340
6. Due from/(to) related organizations	<u>0</u>	<u>0</u>
7. Market value of assets available for plan benefits, (1) + (2) + (3) + (4) + (5) + (6)	\$224,816,420	\$213,669,880

Roman Catholic Archdiocese of Boston Pension Plan

Reconciliation of Assets by Funding Location (in \$000s)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<u>Funding Location</u>	<u>Market Value of Assets (7/1/13)</u>	<u>Contributions (7/1/13 to 6/30/14)</u>	<u>Benefits Paid (7/1/13 to 6/30/14)</u>	<u>Allocated Investment Return (7/1/13 to 6/30/14)</u>	<u>Market Value of Assets (7/1/14), (1)+(2)+(3)+(4)</u>	<u>Investment Return</u>	<u>Actuarial Gain/(Loss)</u>
ACHS (Frozen)	\$13,078	\$0	(\$1,417)	\$1,712	\$13,373	13.72%	\$892
ACHS (New)	4,232	619	(250)	611	5,212	13.72%	319
Life Resources	2,137	91	(264)	284	2,248	13.72%	148
Cemetery Pool	6,261	97	(596)	832	6,594	13.72%	434
St. Sebastian's	4,112	65	(1,335)	479	3,321	13.72%	251
Open Parishes	110,153	4,410	(10,275)	14,830	119,118	13.72%	7,775
Closed Parishes	3,154	0	(991)	369	2,532	13.72%	192
Central Admin.	12,675	512	(1,162)	1,627	13,652	13.72%	886
All Other Active Locations	17,339	922	(1,599)	2,545	19,207	13.72%	1,239
Under Agreement	34,911	1,759	(2,556)	4,847	38,961	13.35%	2,485
Annuitized *	<u>5,618</u>	<u>557</u>	<u>(5,587) ***</u>	<u>10 ****</u>	<u>598</u>	N/A	<u>216</u>
Total	\$213,670	\$9,032 **	(\$26,032)	\$28,146	\$224,816	13.72%	\$14,837

* Includes Cristo Rey High School and Inactive Locations.

** Includes employer contributions of \$8,045,268 and a transfer of assets into the RCAB Pension Plan on the amount of \$986,749 on account of St. Mary's Center for Women and Children.

*** Includes an annuity placement with Pacific Life in the amount of \$2,746,800, an annuity placement with Principal in the amount of \$2,636,220, and monthly pension payments of \$203,684.

**** Reflects adjustment to match PVAB classified in other groups and to allocate surplus assets remaining after the annuity placements.

Roman Catholic Archdiocese of Boston Pension Plan

Development of Liabilities by Funding Location (in \$000s)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<u>Funding Location</u>	<u>Actual PVAB (7/1/13)</u>	<u>Expected Accruals (7/1/13 to 6/30/14)</u>	<u>Benefits Paid (7/1/13 to 6/30/14)</u>	<u>Interest (7/1/13 to 6/30/14)</u>	<u>Other Changes (7/1/14) **</u>	<u>Expected PVAB (7/1/14), (1)+(2)+(3) + (4)+(5)</u>	<u>Actual PVAB (7/1/14)</u>	<u>Actuarial Gain/(Loss), (6)-(7)</u>
ACHS (Frozen)	\$18,469	\$0	(\$1,417)	\$1,154	\$17	\$18,223	\$18,080	\$143
ACHS (New)	4,795	0	(250)	304	(12)	4,837	4,762	75
Life Resources	2,435	0	(264)	150	(23)	2,298	2,251	47
Cemetery Pool	6,075	0	(596)	376	(4)	5,851	5,939	(88)
St. Sebastian's	5,471	0	(1,335)	312	(315)	4,133	3,997	136
Open Parishes	131,321	0	(10,275)	8,202	(270)	128,978	128,890	88
Closed Parishes	10,818	0	(991)	671	23	10,521	9,987	534
Central Admin.	14,607	0	(1,162)	912	(50)	14,307	14,407	(100)
All Other Active Locations	19,471	0	(1,599)	1,214	(47)	19,039	19,101	(62)
Under Agreement	38,868	0	(2,556)	2,453	904	39,669	39,590	79
Annuitized *	<u>3,865</u>	<u>0</u>	<u>(204)</u>	<u>138</u>	<u>(3,752)</u>	<u>47</u>	<u>0</u>	<u>47</u>
Total	\$256,195	\$0	(\$20,649)	\$15,886	(\$3,529)	\$247,903	\$247,004	\$899

* Includes Cristo Rey High School and Inactive Locations.

** Combined impact of mortality assumption change, voluntary lump sum opportunity, transfer of St. Mary's Center for Women and Children into the RCAB Pension Plan, and annuity purchases.

Roman Catholic Archdiocese of Boston Pension Plan

Summary of Funded Status by Funding Location (in \$000s)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Funding Location	Active PVAB (7/1/14)	Deferred Vested PVAB (7/1/14)	Retired and Beneficiary PVAB (7/1/14)	Total PVAB (7/1/14), (1)+(2)+(3)	Market Value of Assets (7/1/14)	(Deficit)/ Surplus (7/1/14), (5)-(4)	Funded Status (7/1/14), (5)/(4)	Funded Status (7/1/13)
ACHS (Frozen)	\$0	\$4,863	\$13,217	\$18,080	\$13,373	(\$4,707)	74.0%	70.8%
ACHS (New)	2,276	337	2,149	4,762	5,212	450	109.4%	96.8%
Life Resources	0	910	1,341	2,251	2,248	(3)	99.9%	87.8%
Cemetery Pool	1,164	133	4,642	5,939	6,594	655	111.0%	103.1%
St. Sebastian's	1,743	465	1,789	3,997	3,321	(676)	83.1%	75.2%
Open Parishes	35,480	12,111	81,299	128,890	119,118	(9,772)	92.4%	83.9%
Closed Parishes	0	1,430	8,557	9,987	2,532	(7,455)	25.4%	29.2%
Central Admin.	2,211	2,321	9,875	14,407	13,652	(755)	94.8%	86.8%
All Other Active Locations	5,590	1,786	11,725	19,101	19,207	106	100.6%	92.5%
Under Agreement	10,805	6,544	22,241	39,590	38,961	(629)	98.4%	89.8%
Annuitized *	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>598</u>	<u>598</u>	N/A	145.8%
Total	\$59,269	\$30,900	\$156,835	\$247,004	\$224,816	(\$22,188)	91.0%	83.4%

Roman Catholic Archdiocese of Boston Pension Plan

<u>ASC 960 Liability (Formerly SFAS No. 35)</u>	Valuation Date	
	<u>July 1, 2014</u>	<u>July 1, 2013</u>
1. Actuarial value of accumulated plan benefits		
a. Vested benefits		
i. Participants currently receiving payments	\$156,834,699	\$158,365,385
ii. Other participants	<u>89,575,002</u>	<u>94,588,566</u>
iii. Subtotal	\$246,409,701	\$252,953,951
b. Non-vested benefits	<u>593,983</u>	<u>3,241,246</u>
c. Total accumulated plan benefits	\$247,003,684	\$256,195,197
2. Market value of assets	<u>224,816,420</u>	<u>213,669,880</u>
3. (Deficit)/Surplus, (2) - (1)	(\$22,187,264)	(\$42,525,317)
4. Funded status, (2)/(1)	91.0%	83.4%
5. Key assumptions		
a. Interest rate	6.50%	6.50%
b. Mortality	2014 IRS Static Mortality Table (based on RP-2000)	2013 IRS Static Mortality Table (based on RP-2000)

<u>ASC 960 Liability</u>	<u>July 1, 2013 to July 1, 2014</u>
1. Actuarial value of accumulated plan benefits as of July 1, 2013	\$256,195,197
2. Increase/(Decrease) due to	
a. Benefits accumulated (including noninvestment experience)	(\$898,818)
b. Interest (decrease in the discount period)	15,886,197
c. Benefits paid	(20,648,958)
d. Change in actuarial assumptions *	385,240
e. Change in plan provisions **	(1,129,551)
f. Annuity purchase	(3,705,426)
g. Transfer ***	<u>919,803</u>
h. Net increase/(decrease)	(\$9,191,513)
3. Actuarial value of accumulated plan benefits as of July 1, 2014	\$247,003,684

* The change in mortality table increased the liability by \$385,240.

** The voluntary lump sum opportunities offered to certain active and deferred vested participants during the plan year ending on June 30, 2014 reduced the liability by \$1,129,551.

*** The addition of St. Mary's Center for Women and Children increased the liability by \$919,803.

Roman Catholic Archdiocese of Boston Pension Plan

<u>Summary of Participant Data</u>	<u>Valuation Date</u>	
	<u>July 1, 2014</u>	<u>July 1, 2013</u>
1. Active participants		
a. Number	2,089	2,517
b. Average age	50.9	49.4
c. Average service	13.2	11.7
d. Sum of benefits (annual)	\$9,393,904	\$10,430,949
e. Average benefit (annual)	\$4,497	\$4,144
2. Deferred vested participants		
a. Number	1,322	1,436
b. Average age	51.9	51.5
c. Sum of benefits (annual)	\$4,963,383	\$5,655,297
d. Average benefit (annual)	\$3,754	\$3,938
3. Retired participants and beneficiaries receiving payments		
a. Number	3,331	3,374
b. Average age	74.1	73.5
c. Sum of benefits (annual)	\$16,117,753	\$16,055,427
d. Average benefit (annual)	\$4,839	\$4,759
4. Total number of participants, (1)(a) + (2)(a) + (3)(a)	6,742	7,327

Roman Catholic Archdiocese of Boston Pension Plan

Summary of Active Participants by Funding Location as of July 1, 2014

<u>Funding Location</u>	<u>Headcount</u>		<u>Statistics</u>		<u>Accrued Benefits (Annual)</u>		
	<u>Count</u>	<u>Change From Last Year</u>	<u>Average Age</u>	<u>Average Service</u>	<u>Total</u>	<u>Average</u>	<u>Change From Last Year</u>
ACHS (Frozen)	0	N/A	N/A	N/A	\$0	N/A	N/A
ACHS (New)	123	-27.2%	51.2	11.8	360,622	2,932	5.2%
Life Resources	0	-100.0%	N/A	N/A	0	N/A	N/A
Cemetery Pool	24	-11.1%	49.0	17.8	234,615	9,776	-3.4%
St. Sebastian's	25	150.0%	51.6	23.7	251,065	10,043	N/A
Open Parishes	1321	-10.6%	51.0	12.7	5,590,179	4,232	3.1%
Closed Parishes	0	N/A	N/A	N/A	0	N/A	N/A
Central Admin.	91	-12.5%	51.7	9.0	378,342	4,158	2.7%
All Other Active Locations	248	-44.9%	49.7	11.3	1,017,935	4,105	31.4%
Under Agreement	<u>257</u>	-6.2%	51.3	18.3	<u>1,561,145</u>	6,074	N/A
Total	2,089	-17.0%	50.9	13.2	\$9,393,904	\$4,497	8.5%

Roman Catholic Archdiocese of Boston Pension Plan

Reconciliation of Active Participants by Funding Location

	<u>Count</u> <u>(7/1/13)</u>	<u>New</u> <u>Hires</u>	<u>Rehires</u>	<u>Trans.</u> <u>In *</u>	<u>Vested</u> <u>Terms</u>	<u>Non-</u> <u>Vested</u> <u>Terms</u>	<u>In Pay</u> <u>Status</u>	<u>Paid</u> <u>Lump</u> <u>Sum</u>	<u>Died</u>	<u>Trans.</u> <u>Out</u>	<u>Count</u> <u>(7/1/14)</u>
ACHS (Frozen)	0	0	0	0	0	0	0	0	0	0	0
ACHS (New)	169	1	0	0	(5)	(6)	(2)	(4)	0	(30)	123
Life Resources	6	0	0	0	(2)	0	(1)	(3)	0	0	0
Cemetery Pool	27	0	0	0	(2)	0	0	(1)	0	0	24
St. Sebastian's	10	0	20	0	(1)	0	0	(4)	0	0	25
Open Parishes	1,477	17	13	0	(60)	(41)	(21)	(63)	(1)	0	1,321
Closed Parishes	0	0	0	0	0	0	0	0	0	0	0
Central Admin.	104	0	2	0	(7)	(1)	(1)	(6)	0	0	91
All Other Active Locations	450	2	2	0	(31)	(15)	(12)	(24)	0	(124)	248
All Other Inactive Locations	0	0	0	0	0	0	0	0	0	0	0
Under Agreement	<u>274</u>	<u>0</u>	<u>7</u>	<u>11</u>	<u>(21)</u>	<u>0</u>	<u>(7)</u>	<u>(6)</u>	<u>(1)</u>	<u>0</u>	<u>257</u>
RCAB Total	2,517	20	44	11	(129)	(63)	(44)	(111)	(2)	(154)	2,089

* Includes St. Mary's Center for Women and Children participants.

Roman Catholic Archdiocese of Boston Pension Plan

Summary of Deferred Vested Participants by Funding Location as of July 1, 2014

<u>Funding Location</u>	<u>Headcount</u>		<u>Statistic</u>	<u>Accrued Benefits (Annual)</u>		
	<u>Count</u>	<u>Change From Last Year</u>	<u>Average Age</u>	<u>Total</u>	<u>Average</u>	<u>Change From Last Year</u>
ACHS (Frozen)	116	-6.5%	54.7	\$647,994	\$5,586	-4.3%
ACHS (New)	28	-33.3%	48.4	75,296	2,689	11.7%
Life Resources	34	-22.7%	52.4	137,844	4,054	3.4%
Cemetery Pool	5	150.0%	53.6	30,431	6,086	62.6%
St. Sebastian's	13	-74.5%	51.0	77,827	5,987	-26.5%
Open Parishes	553	-2.1%	51.4	1,962,746	3,549	-4.1%
Closed Parishes	67	-34.3%	56.5	202,786	3,027	-11.4%
Central Admin.	78	-3.7%	52.1	422,451	5,416	3.1%
All Other Active Locations	102	-12.8%	50.7	328,346	3,219	14.4%
Under Agreement	<u>326</u>	11.6%	51.4	<u>1,077,662</u>	3,306	-2.5%
Total	1,322	-7.9%	51.9	\$4,963,383	\$3,754	-19.3%

Roman Catholic Archdiocese of Boston Pension Plan

Reconciliation of Deferred Vested Participants by Funding Location

<u>Funding Location</u>	<u>Count (7/1/13)</u>	<u>Vested Terms</u>	<u>Trans. In *</u>	<u>Alt. Payee/ Surv. Spouse</u>	<u>Non-Vested Terms</u>	<u>In Pay Status</u>	<u>Rehires</u>	<u>Paid Lump Sum</u>	<u>Trans. Out</u>	<u>Died</u>	<u>Other</u>	<u>Count (7/1/14)</u>
ACHS (Frozen)	124	0	0	2	0	(8)	0	(2)	0	0	0	116
ACHS (New)	42	6	0	0	0	(1)	0	(5)	0	0	(14)	28
Life Resources	44	2	0	0	0	(2)	0	(10)	0	0	0	34
Cemetery Pool	2	2	0	1	0	0	0	0	0	0	0	5
St. Sebastian's	51	1	0	0	0	0	(20)	(19)	0	0	0	13
Open Parishes	565	62	24	2	(1)	(24)	(10)	(63)	0	(2)	0	553
Closed Parishes	102	1	2	0	0	(8)	0	(6)	(24)	0	0	67
Central Admin.	81	8	0	0	0	(5)	(1)	(5)	0	0	0	78
All Other Active Locations	117	32	1	1	0	(1)	(2)	(12)	0	0	(34)	102
All Other Inactive Locations	16	0	0	0	0	0	0	(1)	0	0	(15)	0
Under Agreement	<u>292</u>	<u>23</u>	<u>41</u>	<u>0</u>	<u>0</u>	<u>(10)</u>	<u>(6)</u>	<u>(14)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>326</u>
Total	1,436	137	68	6	(1)	(59)	(39)	(137)	(24)	(2)	(63)	1,322

* Includes St. Mary's Center for Women and Children participants.

Roman Catholic Archdiocese of Boston Pension Plan

Summary of Retired Participants and Beneficiaries by Funding Location as of July 1, 2014

<u>Funding Location</u>	<u>Headcount</u>		<u>Statistic</u>	<u>Accrued Benefits (Annual)</u>		
	<u>Count</u>	<u>Change From Last Year</u>	<u>Average Age</u>	<u>Total</u>	<u>Average</u>	<u>Change From Last Year</u>
ACHS (Frozen)	246	2.1%	72.8	\$1,356,938	\$5,516	0.4%
ACHS (New)	78	-4.9%	69.4	182,212	2,336	0.7%
Life Resources	37	5.7%	72.5	131,890	3,565	-2.9%
Cemetery Pool	56	0.0%	74.6	525,619	9,386	0.0%
St. Sebastian's	25	-7.4%	75.2	195,417	7,817	5.4%
Open Parishes	1,722	0.1%	73.9	8,246,941	4,789	1.3%
Closed Parishes	281	0.4%	76.6	938,375	3,339	0.0%
Central Admin.	166	1.8%	74.6	1,028,781	6,197	-1.4%
All Other Active Locations	284	-5.0%	75.3	1,252,869	4,412	7.2%
Under Agreement	<u>436</u>	2.8%	73.9	<u>2,258,711</u>	5,181	-0.1%
Total	3,331	-1.3%	74.1	\$16,117,753	\$4,839	0.5%

Roman Catholic Archdiocese of Boston Pension Plan

Reconciliation of Retired Participants and Beneficiaries by Funding Location

<u>Funding Location</u>	<u>Count (7/1/13)</u>	<u>In Pay Status</u>	<u>New Beneficiaries</u>	<u>Trans. In *</u>	<u>Rehires</u>	<u>Died</u>	<u>Trans. Out</u>	<u>Other</u>	<u>Count (7/1/14)</u>
ACHS (Frozen)	241	8	0	1	0	(3)	(1)	0	246
ACHS (New)	82	3	0	0	0	(2)	(5)	0	78
Life Resources	35	3	0	0	0	(1)	0	0	37
Cemetery Pool	56	0	0	0	0	0	0	0	56
St. Sebastian's	27	0	0	0	0	(2)	0	0	25
Open Parishes	1,720	45	7	2	(3)	(50)	1	0	1,722
Closed Parishes	280	8	3	1	0	(9)	(2)	0	281
Central Admin.	163	6	1	0	(1)	(3)	0	0	166
All Other Active Locations	299	13	2	0	0	(9)	(20)	(1)	284
All Other Inactive Locations	47	0	0	0	0	0	(47)	0	0
Under Agreement	<u>424</u>	<u>17</u>	<u>2</u>	<u>9</u>	<u>(1)</u>	<u>(15)</u>	<u>0</u>	<u>0</u>	<u>436</u>
Total	3,374	103	15	13	(5)	(94)	(74)	(1)	3,331

* Includes St. Mary's Center for Women and Children participants.

Roman Catholic Archdiocese of Boston Pension Plan

Actuarial Assumptions and Methods

Economic Assumptions

Investment return/discount rate	6.50%.
Provisions for expenses	4.00% load on the present value of accrued benefits.

Demographic Assumptions

Mortality	2014 IRS Static Mortality Table (based on RP-2000) for healthy lives; PBGC 1980 Social Security Disability Mortality Table for disabled lives.	
Retirement age	Age 65.	
Sample termination rates (annual)	<u>Age</u>	<u>Rate</u>
	25	31.8%
	35	17.0%
	45	8.9%
	55	0.0%
Sample disability rates (annual)	<u>Age</u>	<u>Rate</u>
	25	0.134%
	35	0.146%
	45	0.208%
	55	0.435%
Marital status	80% of males and 50% of females are assumed to be married, with wives 3 years younger than husbands.	
Form of payment	Life annuity.	
Actuarial cost method	Unit credit.	

Calculation of Liabilities

Actuarial liabilities in this report were computed using the unit credit cost method. Under this method, the liability is the value of the accrued pension benefit using service and frozen accrued benefits as of the valuation date. There is no reflection of benefits which a participant might receive in the future due to advancement in age or service.

Changes in Actuarial Assumptions and Methods Since Last Valuation

The mortality assumption was changed from the 2013 IRS Static Mortality Table (sex distinct, based on RP-2000) to the 2014 IRS Static Mortality (sex distinct, based on RP-2000), effective July 1, 2014.

Roman Catholic Archdiocese of Boston Pension Plan

Plan Provisions

Effective Date

The original effective date of the RCAB Pension Plan was January 1, 1963. The Plan was last amended and restated effective January 1, 2011. The Plan was frozen December 31, 2011.

Eligibility

Employees of the Participating Employers in the Plan. The eligibility date is the first day of the month following the later of: (1) the date on which the Employer begins participating in the Plan, and (2) the earlier of 3 Years of Service or age 21 with 1 Year of Service. Participation was closed to employees effective December 31, 2011.

Employee Contributions

Not currently permitted, but contributions were required prior to July 1971.

Definitions

Participating Employer

Employer listed in the plan document and/or voted by the Trustees as being qualified for inclusion under the Plan.

Year of Service

One year of service is credited for each calendar year of employment with a Participating Employer in which the Participant completes at least 1,000 hours.

Eligible Earnings

Regular, basic earnings from a Participating Employer, including pre-tax deferrals under IRC sections 125, 402(e)(3), 402(h), 403(b), 457, and 132(f)(4), but excluding overtime pay and earnings in excess of the annual compensation limit under IRC section 401(a)(17).

Accrued Pension

The sum of (1), (2), (3), and (4):

- (1) Current formula (for service after January 1, 2004): 2% of Eligible Earnings up to \$20,000 per Year of Service plus 1% of Eligible Earnings in excess of \$20,000 per Year of Service.
- (2) Prior formula (for service after June 30, 1987 through December 31, 2003): 2% of Eligible Earnings plus 0.47% of Eligible Earnings in excess of the Integration Level (two times the Covered Compensation amount) for that year.
- (3) Accrued benefit as of June 30, 1987: 133-1/3% of the Accrued Pension accumulated for each year through June 30, 1987 based on earnings up to the wage base, plus 100% of the remaining Accrued Pension earned in those years.
- (4) Past Service Benefit: A benefit, approved by the Trustees, that reflects an Employee's service before the date his Employer begins participation in the Plan.

Accruals in the plan ceased, and participants' accrued benefits were frozen, effective December 31, 2011.

Roman Catholic Archdiocese of Boston Pension Plan

Plan Provisions (continued)

Normal Retirement

Eligibility

The first of the month following the later of: (1) age 65, or (2) 5 Years of Service.

Benefit

Accrued Pension determined as of the Normal Retirement Date.

Early Retirement (by election or disability)

Eligibility

The first of the month following the attainment of age 55 with 5 Years of Service.

Benefit

Accrued Pension determined as of the Early Retirement Date, reduced by the following representative factors specified in the Plan:

<u>Age</u>	<u>Factor</u>
55	40.2%
56	43.7%
57	47.5%
58	51.8%
59	56.6%
60	61.9%
61	67.8%
62	74.4%
63	81.9%
64	90.4%

Delayed Retirement

Eligibility

Any date after Normal Retirement eligibility.

Benefit

Accrued Pension determined as of the Delayed Retirement Date.

Vested Terminations

Eligibility

5 Years of Service. However, benefits attributable to Employee Contributions are 100% vested.

Benefit

Accrued Pension determined as of the termination date, reduced by factors specified in the Early Retirement section. The pension payable to a vested terminated participant may not commence prior to age 55.

Roman Catholic Archdiocese of Boston Pension Plan

Plan Provisions (continued)

Pre-retirement Death Benefit

Eligibility

Death in service, or death after becoming eligible for a Vested Pension.

Benefit

50% of the Accrued Pension determined as of the earlier of the termination date or death date, reduced by the factors specified in the Early Retirement section (if applicable), as if the Participant had survived to age 55 (or current age if later), elected a 50% joint and survivor annuity, and died immediately.

Post-retirement Death Benefit

Eligibility

Death after commencement of pension benefit, if participant satisfied the eligibility for an early, normal, or delayed retirement benefit upon termination of employment.

Benefit

Upon death, \$10,000 prorated for service less than 10 years, in addition to any death benefits provided by the optional form of benefit elected.

Normal Form of Payment

Married Participants

50% joint and survivor annuity.

Single Participants

Life annuity.

Optional Forms of Payment

For married participants who obtain the proper consent, a life annuity option is available.

If, upon termination, the present value of a Participant's Accrued Pension is less than \$5,000, the plan administrator may direct the payment of such benefit in one lump sum.

Certain participants in the RCAB Pension Plan were offered a one-time, voluntary lump sum distribution related to the value of the accrued benefit under the RCAB Pension Plan.

Changes in Plan Provisions Since Last Valuation

None.

Roman Catholic Archdiocese of Boston Pension Plan

Appendix - Funding Locations

ACHS (Frozen) - Accruals Stopped on 8/31/2004

1. St. Clare Catholic High School
2. Archbishop Williams High School
3. Bishop Fenwick High School
4. Cardinal Spellman Central High School
5. Cathedral High School
6. Marian High School
7. Maignon High School
8. Cristo Rey High School
9. Pope John XXIII Central High School

ACHS (New) - Accruals Started on 9/1/2004

10. Archbishop Williams High School, Inc.
11. Bishop Fenwick High School, Inc.
12. Cardinal Spellman High School, Inc.
13. Marian High School, Inc.
14. Maignon High School, Inc.
15. Pope John XXIII High School, Inc.

Life Resources

16. Life Resources, Inc.

Cemetery Pool

17. Cemetery Association (various locations)

St. Sebastian's

18. St. Sebastian's School, Inc.

RCAB Corp. Sole

19. Open Parishes
20. Closed Parishes
21. Central Administration
22. Clergy Support & Formation *
23. Child Advocacy, Implementation *
24. Office of Volunteer Resources *
25. The Catholic Foundation *
26. Delegate for Healing & Ast. Ministries *
27. Charismatic Renewal Services *

* Part of Central Administration

Roman Catholic Archdiocese of Boston Pension Plan

Appendix - Funding Locations (continued)

All Other Active Locations

28. Boston Catholic TV Center
29. Catholic Purchasing Services
30. Propagation of the Faith (Boston)
31. Franciscan Center (Andover)
32. Glastonbury Abbey-Benedictine (Hingham)
33. Lowell Catholic High School
34. Mass Catholic Conference
35. Missionary Sisters Society of Mary
36. Monastery of St. Clare (Andover)
37. National Catholic Bioethics Center (Barrington)
38. Planning Office For Urban Affairs
39. Blessed John XXIII National Seminary
40. Regina Cleri
41. Elizabeth Seton Residence, Inc. (Wellesley Hills)
42. Marillac Residence, Inc. (Wellesley)
43. Sisters of Charity (Halifax)
44. Sisters of Good Shepherd (Marlboro)
45. Sisters of Notre Dame - Ipswich Province
46. Society of St. James The Apostle
47. St. John's Seminary
48. St. Joseph Provincial House (Lowell)
49. St. Patrick School & Education Center
50. Trinity Catholic Academy
51. Youville Place, Inc.
52. Quincy Catholic Academy
53. St. Joseph's Cemetery
54. St. Clement's Shrine

Appendix - Funding Locations (continued)

Under Agreement

55. Boston College High School
56. Campion Health Center, Inc.
57. Campion Residence & Renewal Center, Inc.
58. Catholic Charitable Bureau
59. Central Catholic High School
60. New England Province of Jesuits (Society of Jesus of New England)
61. St. Mary's Center for Women and Children