

Roman Catholic Archdiocese of Boston
Pension Plan

July 1, 2011
Actuarial Valuation

Roman Catholic Archdiocese of Boston Pension Plan

Introduction

This report was prepared by October Three LLC in order to document the actuarial valuation results as of July 1, 2011 for the Roman Catholic Archdiocese of Boston Pension Plan. The results are for the plan year ending June 30, 2011 and are intended strictly for documenting the funded status of the plan as of July 1, 2011.

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 below signer 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

September 13, 2011

Date

IRS Circular 230 disclosure: To ensure compliance with requirements imposed by the IRS, October Three 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
Contribution Rates by Funding Location	7
Plan Financial Disclosures Under ASC 960 (Formerly SFAS No. 35)	8
Summary of Participants Included in the Valuation	9
Actuarial Assumptions and Methods	16
Plan Provisions	18
Appendix - Funding Locations	21

Roman Catholic Archdiocese of Boston Pension Plan

<u>Summary of Funded Status</u>	Valuation Date	
	<u>July 1, 2011</u>	<u>July 1, 2010</u>
1. Present value of accrued benefits (PVAB)		
a. Active participants	\$115,479,701	\$111,025,095
b. Terminated vested participants	72,009,802	90,386,775
c. Retired participants and beneficiaries	<u>141,417,466</u>	<u>137,562,874</u>
d. Total, (a) + (b) + (c) + (d)	\$328,906,969	\$338,974,744
2. Market value of assets	<u>284,030,287</u>	<u>264,906,810</u>
3. (Deficit)/Surplus, (2) - (1d)	(\$44,876,682)	(\$74,067,934)
4. Funded status, (2)/(1d)	86.4%	78.1%

Roman Catholic Archdiocese of Boston Pension Plan

Reconciliation of Funded Status

July 1, 2010 to July 1, 2011

1. (Deficit)/Surplus as of July 1, 2010	(\$74,067,934)
2. (Increase)/Decrease due to	
a. Benefit accruals	(\$9,797,465)
b. Contributions	12,070,336
c. Net interest	(4,422,129)
d. Liability gain/(loss)	(1,544,141)
e. Asset gain/(loss)	31,551,401
f. Assumption changes*	(1,133,082)
g. Plan amendments**	2,202,113
h. Withdrawal***	<u>264,219</u>
i. Net (increase)/decrease	\$29,191,252
3. (Deficit)/Surplus as of July 1, 2011	(\$44,876,682)

* As approved by the Trustees: (1) The mortality table was changed from the 2010 IRS Static Mortality Table to the 2011 IRS Static Mortality Table effective July 1, 2011, which increased the deficit by \$1,129,941; (2) The retirement age assumption was changed from age 67 for active participants to age 65 for active participants for one participating employer that froze benefit accruals effective December 31, 2010, which increased the deficit by \$3,141 as of July 1, 2011.

** In conjunction with the plan restatement effective January 1, 2011: (1) Participants who were actively employed as of July 1, 2011 were assumed to remain in such status as of August 1, 2011 and were assumed to earn a full year of benefit accruals for calendar 2011 in the calculation of the present value of accrued benefits, which increased the deficit by \$4,466,321; (2) The voluntary lump sum opportunity offered to certain terminated vested participants in 2011 reduced the deficit by \$6,668,434 as of July 1, 2011.

*** The withdrawal of one participating employer reduced assets by \$1,072,000 and reduced the present value of accrued benefits by \$1,336,219, for a net reduction in the deficit of \$264,219 as of July 1, 2011.

Roman Catholic Archdiocese of Boston Pension Plan

<u>Summary of Assets Available for Plan Benefits</u>	Valuation Date	
	<u>July 1, 2011</u>	<u>July 1, 2010</u>
1. Fair value of assets in the Roman Catholic Archbishop of Boston Collective Investment Partnership	\$266,967,088	\$262,182,177
2. Cash and cash equivalents	15,930,350	2,814,767
3. Receivable contributions	177,349	574,506
4. Net prepaid/(accrued) expenses	955,500	(294,979)
5. Due from/(to) related organizations	<u>0</u>	<u>(369,661)</u>
6. Market value of assets available for plan benefits, (1) + (2) + (3) + (4) + (5)	\$284,030,287	\$264,906,810

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 (7/1/10)</u>	<u>Contributions (7/1/10 to 6/30/11)</u>	<u>Benefits Paid (7/1/10 to 6/30/11)</u>	<u>Allocated Investment Return (7/1/10 to 6/30/11)</u>	<u>Market Value of Assets (7/1/11), (1)+(2)+(3)+(4)</u>	<u>Investment Return</u>	<u>Actuarial Gain/(Loss)</u>
ACHS (Frozen)	\$20,337	\$0	(\$3,730)	\$3,561	\$20,168	19.10%	\$2,360
ACHS (New)	4,422	1,039	(585)	903	5,779	19.10%	595
Life Resources	2,944	96	(807)	498	2,731	19.10%	330
Cemetery Pool	7,403	164	(744)	1,372	8,195	19.10%	910
St. Sebastian's	3,588	52	(193)	678	4,125	19.10%	450
Open Parishes	145,631	6,411	(22,165)	26,579	156,456	19.10%	17,612
Closed Parishes	7,602	0	(2,672)	1,207	6,137	19.10%	799
Central Admin.	12,899	639	(2,933)	2,323	12,928	19.10%	1,502
All Other Active Locations	21,233	1,796	(3,544)	3,962	23,447	19.10%	2,604
All Other Inactive Locations	3,026	0	(498)	536	3,064	19.10%	355
Under Agreement	34,862	1,651	(2,086)	6,573	41,000	19.10%	4,433
Withdrawals	960	0	(53)	(907)	0	N/A	104
Unallocated	<u>0</u>	<u>222</u>	<u>264</u>	<u>(486)</u>	<u>0</u>	N/A	<u>(503)</u>
Total	\$264,907	\$12,070	(\$39,746)	\$46,799	\$284,030	19.10%	\$31,551

Roman Catholic Archdiocese of Boston Pension Plan

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Funding Location	Actual PVAB (7/1/10)	Expected Accruals (7/1/10 to 6/30/11)	Benefits Paid (7/1/10 to 6/30/11)	Interest (7/1/10 to 6/30/11)	Other Changes (7/1/11)	Expected PVAB (7/1/11), (1)+(2)+(3)+ (4)+(5)	Actual PVAB (7/1/11)	Actuarial Gain/(Loss), (6)-(7)
ACHS (Frozen)	\$25,453	\$0	(\$3,730)	\$1,534	(\$636)	\$22,621	\$23,463	(\$842)
ACHS (New)	7,063	1,051	(585)	440	406	8,375	8,970	(595)
Life Resources	3,709	92	(807)	215	(138)	3,071	2,915	156
Cemetery Pool	7,841	173	(744)	485	16	7,771	7,780	(9)
St. Sebastian's	4,709	0	(193)	300	15	4,831	5,278	(447)
Open Parishes	185,054	6,440	(22,165)	11,309	(310)	180,328	180,472	(144)
Closed Parishes	12,661	0	(2,672)	736	(503)	10,222	10,005	217
Central Admin.	17,069	501	(2,933)	1,014	(244)	15,407	15,250	157
All Other Active Locations	26,653	1,536	(3,544)	1,617	236	26,498	27,338	(840)
All Other Inactive Locations	2,852	0	(498)	169	(66)	2,457	2,427	30
Under Agreement	44,604	4	(2,086)	2,831	154	45,507	45,009	498
Withdrawals	1,306	0	(53)	83	(1,336)	0	0	
Unallocated	<u>0</u>	<u>0</u>	<u>264</u>	<u>9</u>	<u>0</u>	<u>273</u>	<u>0</u>	<u>273</u>
Total	\$338,974	\$9,797	(\$39,746)	\$20,742	(\$2,406)	\$327,361	\$328,907	(\$1,546)

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 (7/1/11)	Terminated Vested PVAB (7/1/11)	Retired and Beneficiary PVAB (7/1/11)	Total PVAB (7/1/11), (1)+(2)+(3)	Market Value of Assets (7/1/11)	(Deficit)/ Surplus (7/1/11), (5)-(4)	Funded Status (7/1/11), (5)/(4)	Funded Status (7/1/10)
ACHS (Frozen)	\$0	\$12,330	\$11,133	\$23,463	\$20,168	(\$3,295)	86.0%	79.9%
ACHS (New)	6,854	331	1,785	8,970	5,779	(3,191)	64.4%	62.6%
Life Resources	724	856	1,335	2,915	2,731	(184)	93.7%	79.3%
Cemetery Pool	2,799	516	4,465	7,780	8,195	415	105.3%	94.4%
St. Sebastian's	0	3,665	1,613	5,278	4,125	(1,153)	78.2%	76.2%
Open Parishes	87,695	19,657	73,120	180,472	156,456	(24,016)	86.7%	78.7%
Closed Parishes	0	4,082	5,923	10,005	6,137	(3,868)	61.3%	60.0%
Central Admin.	3,941	2,269	9,040	15,250	12,928	(2,322)	84.8%	75.5%
All Other Active Locations	13,467	2,847	11,024	27,338	23,447	(3,891)	85.8%	79.5%
All Other Inactive Locations	0	489	1,938	2,427	3,064	637	126.2%	106.1%
Under Agreement	0	24,968	20,041	45,009	41,000	(4,009)	91.1%	78.1%
Total	\$115,480	\$72,010	\$141,417	\$328,907	\$284,030	(\$44,877)	86.4%	78.1%

Roman Catholic Archdiocese of Boston Pension Plan

Contribution Rates by Funding Location (in \$000s)

<u>Funding Location</u>	<u>Approved Contr. Level for 2012*</u>	<u>Contr. Level for 2011</u>	<u>Contr. Level for 2010</u>	<u>Contr. Level for 2009</u>
ACHS (Frozen)	N/A	N/A	N/A	N/A
ACHS (New)	4.80%	6.80%	6.80%	6.80%
Life Resources	4.80%	6.46%	6.46%	6.46%
Cemetery Pool	3.68%	5.68%	5.68%	5.68%
St. Sebastian's	\$52	\$52	\$52	\$52
Open Parishes	5.00%	7.15%	7.15%	7.15%
Closed Parishes	N/A	N/A	N/A	N/A
Central Admin.	5.00%	6.80%	6.80%	6.80%
All Other Active Locations	4.80%	6.80%	6.80%	6.80%
All Other Inactive Locations	N/A	N/A	N/A	N/A
Under Agreement	N/A	N/A	N/A	N/A

*Reflects plan changes taking effect in 2011 and 2012.

Roman Catholic Archdiocese of Boston Pension Plan

<u>ASC 960 Liability (Formerly SFAS No. 35)</u>	<u>Valuation Date</u>	
	<u>July 1, 2011</u>	<u>July 1, 2010</u>
1. Actuarial value of accumulated plan benefits		
a. Vested benefits		
i. Participants currently receiving payments	\$141,417,466	\$137,562,874
ii. Other participants	<u>180,185,660</u>	<u>195,134,148</u>
iii. Subtotal	\$321,603,126	\$332,697,022
b. Non-vested benefits	<u>7,303,843</u>	<u>6,277,722</u>
c. Total accumulated plan benefits	\$328,906,969	\$338,974,744
2. Market value of assets	<u>284,030,287</u>	<u>264,906,810</u>
3. (Deficit)/Surplus, (2) - (1)	(\$44,876,682)	(\$74,067,934)
4. Funded status, (2)/(1)	86.4%	78.1%
5. Key assumptions		
a. Interest rate	6.50%	6.50%
b. Mortality	2011 IRS Static Mortality Table (based on RP-2000)	2010 IRS Static Mortality Table (based on RP-2000)

<u>ASC 960 Liability</u>	<u>July 1, 2010 to July 1, 2011</u>
1. Actuarial value of accumulated plan benefits as of July 1, 2010	\$338,974,744
2. Increase/(Decrease) due to	
a. Benefits accumulated (including noninvestment experience)	\$10,743,639
b. Interest (decrease in the discount period)	21,339,588
c. Benefits paid	(39,745,752)
d. Change in actuarial assumptions	1,133,082
e. Change in plan provisions	(2,202,113)
f. Withdrawal	(1,336,219)
g. Net increase/(decrease)	(\$10,067,775)
3. Actuarial value of accumulated plan benefits as of July 1, 2011	\$328,906,969

Roman Catholic Archdiocese of Boston Pension Plan

<u>Summary of Participant Data</u>	Valuation Date	
	<u>July 1, 2011</u>	<u>July 1, 2010</u>
1. Active participants		
a. Number	3,604	3,809
b. Average age	52.3	51.8
c. Average service	12.0	11.6
d. Valuation payroll	\$141,994,107	\$148,720,008
e. Average salary	\$39,399	\$39,044
2. Terminated vested participants*		
a. Number	2,359	3,193
b. Average age	52.2	52.1
c. Sum of benefits (annual)	\$10,973,575	\$13,463,927
d. Average benefit (annual)	\$4,652	\$4,217
3. Retired participants and beneficiaries receiving payments		
a. Number	3,013	2,904
b. Average age	73.1	72.7
c. Sum of benefits (annual)	\$14,205,163	\$13,661,033
d. Average benefit (annual)	\$4,715	\$4,704
4. Total number of participants, (1)(a) + (2)(a) + (3)(a)	8,976	9,906

*Includes active participants with frozen accrued benefits.

Roman Catholic Archdiocese of Boston Pension Plan

Summary of Active Participants by Funding Location as of July 1, 2011

<u>Funding Location</u>	<u>Headcount</u>		<u>Statistics</u>		<u>Valuation Payroll</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)	308	-6.4%	51.8	12.5	15,102,248	49,033	2.8%
Life Resources	36	-16.3%	47.8	8.8	1,325,287	36,814	-1.7%
Cemetery Pool	49	-12.5%	51.9	19.0	2,358,078	48,124	-7.3%
St. Sebastian's	0	N/A	N/A	N/A	0	N/A	N/A
Open Parishes	2,481	-6.1%	53.0	12.4	88,468,168	35,658	1.3%
Closed Parishes	0	N/A	N/A	N/A	0	N/A	N/A
Central Admin.	120	-12.4%	52.1	8.0	8,639,903	71,999	3.9%
All Other Active Locations	610	1.3%	50.3	10.4	26,100,423	42,788	-1.2%
All Other Inactive Locations	0	N/A	N/A	N/A	0	N/A	N/A
Under Agreement	0	N/A	N/A	N/A	0	N/A	N/A
Total	3,604	-5.4%	52.3	12.0	\$141,994,107	\$39,399	0.9%

Roman Catholic Archdiocese of Boston Pension Plan

Reconciliation of Active Participants by Funding Location

<u>Funding Location</u>	<u>Count (7/1/10)</u>	<u>New Hires</u>	<u>Rehires</u>	<u>Trans. In</u>	<u>Vested Terms</u>	<u>Non-Vested Terms</u>	<u>In Pay Status</u>	<u>Paid Lump Sum</u>	<u>Died</u>	<u>Trans. Out</u>	<u>Other</u>	<u>Count (7/1/11)</u>
ACHS (Frozen)	0	0	0	0	0	0	0	0	0	0	0	0
ACHS (New)	329	27	0	2	(8)	(21)	(1)	(16)	(2)	(2)	0	308
Life Resources	43	3	0	0	(5)	(5)	0	0	0	0	0	36
Cemetery Pool	56	2	0	0	(6)	0	(2)	(1)	0	0	0	49
St. Sebastian's	0	0	0	0	0	0	0	0	0	0	0	0
Open Parishes	2,642	206	13	5	(95)	(124)	(51)	(58)	(7)	(47)	(3)	2,481
Closed Parishes	0	0	0	0	0	0	0	0	0	0	0	0
Central Admin.	137	15	1	2	(3)	(22)	(3)	(4)	0	(3)	0	120
All Other Active Locations	597	64	0	55	(29)	(44)	(13)	(11)	(3)	(6)	0	610
All Other Inactive Locations	0	0	0	0	0	0	0	0	0	0	0	0
Under Agreement	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(5)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	3,809	317	14	64	(151)	(216)	(70)	(90)	(12)	(58)	(3)	3,604

Roman Catholic Archdiocese of Boston Pension Plan

Summary of Terminated Vested Participants by Funding Location as of July 1, 2011

<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)	220	54.9%	56.1	\$1,578,475	\$7,175	23.3%
ACHS (New)	28	-36.4%	47.6	74,538	2,662	-53.8%
Life Resources	39	-48.7%	51.0	149,374	3,830	-11.4%
Cemetery Pool	8	0.0%	53.1	67,286	8,411	12.8%
St. Sebastian's	65	0.0%	51.5	546,873	8,413	0.0%
Open Parishes	752	-42.2%	52.4	2,991,551	3,978	10.0%
Closed Parishes	146	-28.4%	54.0	588,108	4,028	36.0%
Central Admin.	75	-42.3%	51.8	406,739	5,423	-7.0%
All Other Active Locations	118	-48.0%	51.8	453,567	3,844	-12.8%
All Other Inactive Locations	20	-50.0%	59.3	65,796	3,290	0.7%
Under Agreement	<u>888</u>	-7.1%	51.0	<u>4,051,268</u>	4,562	2.6%
Total	2,359	-26.1%	52.2	\$10,973,575	\$4,652	10.3%

Roman Catholic Archdiocese of Boston Pension Plan

Reconciliation of Terminated Vested Participants by Funding Location

<u>Funding Location</u>	<u>Count (7/1/10)</u>	<u>Vested Terms</u>	<u>Trans. In</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 (7/1/11)</u>
ACHS (Frozen)	142	151	0	0	(1)	0	(70)	0	(2)	0	220
ACHS (New)	44	10	0	0	(1)	0	(25)	0	0	0	28
Life Resources	76	5	0	0	(3)	0	(35)	0	(4)	0	39
Cemetery Pool	8	6	0	0	0	0	(5)	0	(1)	0	8
St. Sebastian's	65	0	0	0	0	0	0	0	0	0	65
Open Parishes	1,301	202	0	0	(26)	(11)	(681)	(4)	(28)	(1)	752
Closed Parishes	204	67	0	0	(2)	0	(115)	(1)	(7)	0	146
Central Admin.	130	10	0	0	(5)	(1)	(58)	0	(1)	0	75
All Other Active Locations	192	31	0	(1)	(5)	0	(94)	(1)	(4)	0	118
All Other Inactive Locations	40	0	0	0	(1)	0	(17)	0	(2)	0	20
Under Agreement	<u>991</u>	<u>13</u>	<u>0</u>	<u>(98)</u>	<u>(17)</u>	<u>0</u>	<u>(4)</u>	<u>0</u>	<u>(9)</u>	<u>12</u>	<u>888</u>
Total	3,193	495	0	(99)	(61)	(12)	(1,104)	(6)	(58)	11	2,359

Roman Catholic Archdiocese of Boston Pension Plan

Summary of Retired Participants and Beneficiaries by Funding Location as of July 1, 2011

<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)	203	39.0%	71.8	\$1,109,221	\$5,464	13.3%
ACHS (New)	60	5.3%	67.7	146,771	2,446	-73.1%
Life Resources	33	10.0%	71.0	128,073	3,881	8.0%
Cemetery Pool	50	0.0%	73.2	484,317	9,686	6.1%
St. Sebastian's	24	-4.0%	75.3	175,028	7,293	-0.7%
Open Parishes	1,609	2.0%	73.1	7,249,707	4,506	3.0%
Closed Parishes	205	0.0%	75.1	627,397	3,060	0.6%
Central Admin.	152	7.0%	74.0	942,192	6,199	2.8%
All Other Active Locations	227	-5.4%	73.5	1,120,190	4,935	-1.0%
All Other Inactive Locations	63	1.6%	76.0	224,264	3,560	-0.3%
Under Agreement	<u>387</u>	4.6%	72.5	<u>1,998,003</u>	5,163	1.0%
Total	3,013	3.8%	73.1	\$14,205,163	\$4,715	0.2%

Roman Catholic Archdiocese of Boston Pension Plan

Reconciliation of Retired Participants and Beneficiaries by Funding Location

<u>Funding Location</u>	<u>Count (7/1/10)</u>	<u>In Pay Status</u>	<u>New Beneficiaries</u>	<u>Trans. In</u>	<u>Rehires</u>	<u>Paid Lump Sum</u>	<u>Died</u>	<u>Trans. Out</u>	<u>Other</u>	<u>Count (7/1/11)</u>
ACHS (Frozen)	146	56	3	0	0	0	(2)	0	0	203
ACHS (New)	57	2	1	0	0	0	0	0	0	60
Life Resources	30	3	0	0	0	0	0	0	0	33
Cemetery Pool	50	2	2	0	0	0	(4)	0	0	50
St. Sebastian's	25	0	0	0	0	0	(1)	0	0	24
Open Parishes	1,577	81	5	1	(2)	0	(51)	(2)	0	1,609
Closed Parishes	205	8	1	2	0	0	(10)	(1)	0	205
Central Admin.	142	10	4	9	0	0	(12)	(1)	0	152
All Other Active Locations	226	18	1	2	0	0	(10)	(10)	0	227
All Other Inactive Locations	62	1	0	0	0	0	0	0	0	63
Under Agreement	<u>384</u>	<u>17</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(4)</u>	<u>0</u>	<u>(12)</u>	<u>387</u>
Total	2,904	198	19	14	(2)	0	(94)	(14)	(12)	3,013

Roman Catholic Archdiocese of Boston Pension Plan

Actuarial Assumptions and Methods

Economic Assumptions

Investment return/discount rate	6.50%.
Expected rate of salary increases	4.50%.
Provisions for expenses	4.00% load on the present value of accrued benefits and normal cost.

Demographic Assumptions

Mortality	2011 IRS Static Mortality Table (based on RP-2000).	
Retirement age	Age 67 for active participants (including participants with frozen benefits); age 65 for terminated vested participants and participants covered by a frozen employer agreement.	
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.	

Roman Catholic Archdiocese of Boston Pension Plan

Actuarial Assumptions and Methods

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 pay 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 2010 IRS Static Mortality Table (sex distinct, based on RP-2000) to the 2011 IRS Static Mortality (sex distinct, based on RP-2000), effective July 1, 2011.

The retirement age assumption was changed from age 67 for active participants to age 65 for active participants for one participating employer that froze benefit accruals effective December 31, 2010.

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.

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.

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.

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.

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. No. Cambridge Catholic 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. Cathedral High School, Inc.
14. Marian High School, Inc.
15. Maignon High School, Inc.
16. No. Cambridge Catholic High School, Inc.
17. Pope John XXIII High School, Inc.

Life Resources

18. Life Resources, Inc.

Cemetery Pool

19. Cemetery Association (various locations)

St. Sebastian's

20. St. Sebastian's School, Inc. (accruals stopped on 6/30/2004)

RCAB Corp. Sole

21. Open Parishes
22. Closed Parishes
23. Central Administration

Roman Catholic Archdiocese of Boston Pension Plan

Appendix - Funding Locations (continued)

All Other Active Locations

24. Boston Catholic TV Center
25. Catholic Purchasing Services
26. Clergy Support & Formation
27. Child Advocacy, Implementation
28. Office of Volunteer Resources
29. The Catholic Foundation
30. Delegate for Healing & Ast. Ministries
31. Propagation of the Faith (Boston)
32. Franciscan Center (Andover)
33. Glastonbury Abbey-Benedictine (Hingham)
34. Grey Nuns Charities, Inc.
35. Lowell Catholic High School
36. Mass Catholic Conference
37. Missionary Sisters Society of Mary
38. Monastery of St. Clare (Andover)
39. National Catholic Bioethics Center (Barrington)
40. Parents Alliance for Catholic Education
41. Planning Office For Urban Affairs
42. Blessed John XXIII National Seminary
43. Regina Cleri
44. Sisters of Charity Corporate Mission
45. Elizabeth Seton Residence, Inc. (Wellesley Hills)
46. Marillac Residence, Inc. (Wellesley)
47. Sisters of Charity (Halifax)
48. Sisters of Good Shepherd (Marlboro)
49. Sisters of Notre Dame - Ipswich Province
50. Society of St. James The Apostle
51. St. Columbkille School, Inc.
52. St. John's Seminary
53. St. Joseph Provincial House (Lowell)
54. St. Mary High School, Inc.
55. St. Patrick School & Education Center
56. Trinity Catholic Academy
57. Youville Place, Inc.
58. Pope John Paul II Catholic Academy
59. St. Ann School of Cape Ann
60. Quincy Catholic Academy
61. Lawrence Catholic Academy

Roman Catholic Archdiocese of Boston Pension Plan

Appendix - Funding Locations (continued)

All Other Inactive Locations

62. Blessed Stephen Bellesini Academy
63. Cardinal Cushing H.S./Real Estate
64. Central Purchasing Service
65. Charismatic Renewal Services
66. Christopher Columbus High School
67. Elizabeth Seton Academy
68. Keith Catholic High School
69. Oblate Mission House & Residence (Tewksbury)
70. Sisters of Notre Dame - Boston Province (Everett)
71. Sisters of Notre Dame Development Fund (Worcester)
72. Society of African Missions (Dedham)
73. St. Stephen Priory
74. Jesuit Seminary Guild
75. La Vida Catolica
76. Young Catholics in Action

Under Agreement (Accruals Have Stopped)

77. Boston College High School
78. Champion Health Center, Inc.
79. Champion Residence & Renewal Center, Inc.
80. Catholic Charitable Bureau
81. Catholic Schools Foundation
82. Central Catholic High School
83. New England Province of Jesuits (Society of Jesus of New England)