Defined Benefit Plan Snapshot

DEFINED BENEFIT PLAN
Traditional Pension

Members as of Dec 31, 2023	242,164 total 98,115 active members paying into the system Hybrid Plan members 22,701 Defined Benefit Plan 75,414 136,972 retirees and beneficiaries receiving benefits 7,077 inactive members not receiving benefits
Average 2023 Annuity	$25,544 per year $31,944 per year for those who work to full retirement age
Total Pension Benefits Paid paid in 2023	$3.9 billion
Member Contribution Rate PA FY 2023-24	6.25% of salary, by payroll deduction (for most members) Varies between 5% and 9.3%
Number of Employers as of Dec 31, 2023	98
Employer Contribution Rate PA FY 2024-25	33.65% of payroll, composite rate 7.94% of payroll for benefits earned this year 25.71% of payroll primarily for the unfunded liability
Projected Employer Contribution Rate PA FY 2025-26	32.39% of payroll 7.60% of payroll for benefits earned this year 24.79% of payroll primarily for the unfunded liability
Employer Contribution Sources % provided by the Governor's Budget Office (FY 2018-19)	approx. 40% general funds approx. 52% special and federal funds approx. 8% independent employer funds
Funding Sources as of year-end Dec 31, 2023	$427 million member contributions $2.2 billion employer contributions $4.1 billion investment earnings
Investment Returns as of Dec 31, 2023 annualized, net-of-fees	12.2% 1-year 6.6% 25-year 6.7% 10-year 9.3% inception to date return
Total Fund Assets as of Dec 31, 2023	$36.4 billion
Cash Flow 2024 projected	$2.7 billion annual contributions (member/employer) $4.0 billion annual payments (benefits/administrative expenses) difference in sum necessary to cover payments must come from investment income
Funded Status 2023 Actuarial Report	69.6% with an unfunded liability of $17.0 billion
Key Assumptions 2023 Actuarial Report	6.875% long-term investment return 4.55% average total salary/career growth 2.5% inflation rate