## Defined Benefit Plan Snapshot

### Members

<table>
<thead>
<tr>
<th>Total</th>
<th>As of Dec 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>242,749</td>
<td></td>
</tr>
<tr>
<td>132,731</td>
<td>retirees and beneficiaries receiving benefits</td>
</tr>
<tr>
<td>103,266</td>
<td>active members paying into the system</td>
</tr>
<tr>
<td>6,752</td>
<td>vested members not receiving benefits</td>
</tr>
</tbody>
</table>

### Average 2018 Annuity

- $21,282 per year
- $29,440 per year for those who work to full retirement age

### Total Pension Benefits Paid

- $3.5 billion

### Member Contribution Rate

- PA FY 2019/20: 6.25% of salary, by payroll deduction (for most members)
- Varies between 5% and 9.3%

### Number of Employers

- As of Dec 31, 2019: 102

### Employer Contribution Rate

- PA FY 2019/20: 33.59% of payroll, composite rate
  - 1.25% of payroll for benefits earned this year
  - 32.34% of payroll for the unfunded liability

### Projected Employer Contribution Rate

- PA FY 2020/21: 33.63% of payroll
  - 1.41% of payroll for benefits earned this year
  - 32.22% of payroll for the unfunded liability

### Employer Contribution Sources

- Approx. 40% general funds
- Approx. 48% special and federal funds
- Approx. 12% independent employer funds

### Funding Sources

- As of year-end Dec 31, 2019, unaudited:
  - $409 million member contributions
  - $2.1 billion employer contributions
  - $4.97 billion investment earnings

### Investment Returns

<table>
<thead>
<tr>
<th>Returns</th>
<th>As of Dec 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>18.8%</td>
<td>1-year</td>
</tr>
<tr>
<td>8.1%</td>
<td>10-year</td>
</tr>
<tr>
<td>6.0%</td>
<td>20-year</td>
</tr>
<tr>
<td>8.4%</td>
<td>30-year</td>
</tr>
</tbody>
</table>

### Total Fund Assets

- As of Dec 31, 2019, unaudited: $30.9 billion

### Cash Flow

- 2020 projected:
  - $2.46 billion annual contributions (member/employer)
  - $3.61 billion annual payments (benefits/administrative expenses)
  - Difference in sum necessary to cover payments must come from investment income

### Funded Status

- 2018 actuarial report adjusted with preliminary 2018 year-end performance data
- 56.5% with an unfunded liability of $22.3 billion

### Key Assumptions

- 2018 Actuarial Report
  - 7.25% long-term investment return
  - 7.125% long-term investment return effective with 2019 valuation
  - 5.55% average total salary/career growth
  - 2.60% inflation rate