

Appendix D14 - Actuarial Method and Assumptions

Public Service Defined Benefit Pension Plans Reciprocal Transfer Agreement

Name of Public Authority:	Teachers' Pension Board of Trustees
Registered Pension Plan Name:	Teachers' Pension Plan
a). Actuarial cost method:	projected unit credit
b). Assumptions effective date:	January 1, 2026
c). Annual interest rate:	6.00%
d). Annual real rate of return:	3.75%
e). Annual inflation rate:	2.25%
f). Post-retirement indexing rate:	2.25%
g). Annual YMPE growth rate:	3.00%
h). Annual salary increase:	3.00% plus salary seniority scale
i). Increase in <i>Income Tax Act</i> maximum:	3.00%
j). Mortality	
i) pre-retirement:	none
ii) post-retirement:	105%M/85%F of CPM2014 public mortality table with CPM-B improvement scale; unisex: 30%M + 70%F (on values)
k). Withdrawal rate:	none
l). Disability rate:	none
m). Retirement age:	
i.	Max age 65 retirement: 61; immediate if over age 61
n). Seniority salary scale:	see table

Teachers' Pension Plan salary scales (Basis: December 31, 2023 valuation assumptions)

Current Age	Salary Scale
15	0.432
16	0.437
17	0.443
18	0.450
19	0.459
20	0.469
21	0.480
22	0.491
23	0.505
24	0.521
25	0.541
26	0.564
27	0.588
28	0.614
29	0.640
30	0.666
31	0.692
32	0.717
33	0.742
34	0.767
35	0.790
36	0.811
37	0.830
38	0.847
39	0.862

Current Age	Salary Scale
40	0.875
41	0.885
42	0.895
43	0.905
44	0.915
45	0.924
46	0.932
47	0.941
48	0.950
49	0.958
50	0.964
51	0.970
52	0.975
53	0.980
54	0.985
55	0.989
56	0.992
57	0.994
58	0.997
59	0.999
60	1.000
61	1.000
62	1.000
63	1.000
64	1.000
65+	1.000