

Appendix D17 – Actuarial Method and Assumptions

Public Service Defined Benefit Pension Plans Reciprocal Transfer Agreement

Name of Public Authority: Alberta Pensions Services Corporation

Registered Pension Plan Name: Management Employees Pension Plan (Alberta)

1 Actuarial Method (describe): Projected accrued benefit actuarial cost method

2. Assumptions: Effective date: April 1, 2025

a) Economic Assumptions

1. Interest Rate: 4.90 %

2. Cost-of-Living Adjustment (COLA): 1.20 %

3. Inflation Rate: 2.00 %

4. YMPE Growth Rate: N/A

5. Salary Growth Rate: 2.75% plus merit and promotion of 2.0% up to and including age 40 declining uniformly to 0.8% per year at age 45, then 0.8% up to and including age 51 and 0.5% thereafter.

6. Increase in DB Maximum Pension Limit: 2.75 %

b) Demographic Assumptions

1. Mortality

a) Pre-Retirement: Nil
b) Post-Retirement: 95% CPM2014Publ with MI-2017 Improvement Scale

2. Proportion Married: 80%

3. Spousal Age Difference: Male 2 years older than female

4. Withdrawal Rate: Nil

5. Disability Rate: Nil

6. Retirement Age:

- If member has 80 points at the calculation date, the later of age 55 or age at the calculation date;
- Otherwise, if member will reach 80 points (with grow-in) prior to age 60, the later of age at which 80 points will be achieved, age 57 or age at the calculation date;
- Otherwise, if member will not reach 80 points (with grow-in) prior to age 60, the later of age 60 or age at the calculation date;
- With respect to transfers into MEPP, the determination of points shall include the service to be transferred in.