

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:	<u>4.90</u>	%
2. Cost-of-Living Adjustment (COLA):	<u>1.20</u>	%
3. Inflation Rate:	<u>2.00</u>	%
4. YMPE Growth Rate:	<u>N/A</u>	
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:	<u>2.75</u>	%

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.