

_____ moves that the Legislative Commission on Pensions and Retirement approve the following actuarial assumptions for the MERF Division portion of the July 1, 2010, actuarial valuation of the General Employees Retirement Plan of the Public Employees Retirement Association under Minnesota Statutes, Section 356.215, Subdivision 18, and Laws 2010, Chapter 359, Article 2, Section 23:

Mortality Rates:

Post-Retirement Mortality for Healthy Lives: RP-2000 healthy sex distinct tables projected to 2018 with a white collar adjustment

Post-Retirement Mortality for Disabled Lives: RP-2000 healthy sex distinct tables with a white collar adjustment, reduced by 20%

Pre-Retirement Mortality for Healthy Lives: RP-2000 healthy sex distinct tables projected to 2018 with a white collar adjustment

Withdrawal and Disability Rates:

Separations expressed as the number of occurrences per 10,000:

Age	Withdrawal		Disability		Age	Withdrawal		Disability	
	Male	Female	Male	Female		Male	Female	Male	Female
20	2,100	2,100	21	21	45	100	100	61	61
21	1,900	1,900	21	21	46	100	100	67	67
22	1,700	1,700	21	21	47	100	100	73	73
23	1,500	1,500	21	21	48	100	100	79	79
24	1,300	1,300	21	21	49	100	100	86	86
25	1,100	1,100	21	21	50	100	100	93	93
26	900	900	21	21	51	100	100	103	103
27	800	800	21	21	52	100	100	114	114
28	700	700	21	21	53	100	100	128	128
29	600	600	22	22	54	100	100	143	143
30	500	500	23	23	55	100	100	160	160
31	400	400	24	24	56	100	100	179	179
32	300	300	25	25	57	100	100	200	200
33	250	250	27	27	58	100	100	224	224
34	200	200	28	28	59	100	100	252	252
35	150	150	30	30	60	100	100	0	0
36	100	100	32	32	61	0	0	0	0
37	100	100	33	33	62	0	0	0	0
38	100	100	35	35	63	0	0	0	0
39	100	100	38	38	64	0	0	0	0
40	100	100	41	41	65	0	0	0	0
41	100	100	44	44	66	0	0	0	0
42	100	100	48	48	67	0	0	0	0
43	100	100	52	52	68	0	0	0	0
44	100	100	56	56	69	0	0	0	0
					70	0	0	0	0

Retirement Rates: 100% at age 61.

Interest: 8.5% per annum

Cost of Living: Explicit for the benefit amount

Salary Increases: Total reported pay for prior calendar year increased 1.98% (half year of 4.00%, compounded) to prior fiscal year and 4.00% annually for each future year.

Administrative Expenses: Prior year administrative expenses (excluding investment expenses) increased by 4.00% expressed as a percentage of projected annual payroll.

Investment Expenses:	Investment expenses for the fiscal year ending June 30, 1992 are being amortized as follows:						
	<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;"><u>Beginning Balance</u></td> <td style="text-align: center;"><u>Annual Payment</u></td> <td style="text-align: center;"><u>Years Remaining</u></td> </tr> <tr> <td style="text-align: center;">\$2,849,000</td> <td style="text-align: center;">\$207,000</td> <td style="text-align: center;">10</td> </tr> </table>	<u>Beginning Balance</u>	<u>Annual Payment</u>	<u>Years Remaining</u>	\$2,849,000	\$207,000	10
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\$2,849,000	\$207,000	10					
Allowance for Combined Service Annuity:	Liability for active members are increased by 0.2% and liabilities for former members (not in payment status) are increased by 30.0% to account for the effect of some participants having eligibility for a Combined Service Annuity.						
Return of Contributions:	All members withdrawing after becoming eligible for a deferred benefit were assumed to take the larger of their contributions accumulated with interest or the value of their deferred benefit.						
Unknown Data For Participants:	Same as those exhibited by participants with similar known characteristics.						
Percent Married:	67% of active members are assumed to be married.						
Age of Spouse:	Females are assumed to be three years younger than males.						
Asset Valuation Method:	Market Value						
Actuarial Cost Method:	Entry Age Normal Actuarial Cost Method. Entry Age is the age at the time the participant commenced employment. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are expressed as a level percentage of payroll, with Normal Cost determined as if the current benefit accrual rate had always been in effect.						
Payment on the Unfunded Actuarial Accrued Liability:	A level dollar amount each year to the statutory amortization date, adjusted for timing of expected receipt.						